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WELSPUN INDIA LTD. 29TH ANNUAL REPORT 2013-2014


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WELSPUN INDIA LTD.



WELSPUN INDIA LIMITED

Corporate Identify No. L17110GJ1985PLC033271

Regd. Office : Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370 110

Tel: 00 91 2836 661111 Fax: 00 91 2836 279010

Corporate Office : Welspun House, 6th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel,

Mumbai - 400 013 Tel: 00 91 22 6613 6000 Fax: 00 91 22 2490 8020

Website: www.welspunindia.com Email: companysecretary_wil@welspun.com

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of Welspun India Limited will be held on Thursday, September 25, 2014 at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370 110 at 10.45 a.m. to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the audited Balance Sheet as at March 31, 2014 and the audited Profit and Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
- 2) To consider declaration of dividend, of 30% on equity shares, which was recommended by the Board of Directors at its meeting held on May 20, 2014.
- 3) To appoint a director in place of Mr. Balkrishan Goenka (holding DIN 00270175), who retires by rotation, and being eligible, offers himself for re-appointment.
- 4) To consider and approve re-appointment of M/s. Price Waterhouse, Chartered Accountants, having Firm Registration Number 012754N as Statutory Auditors, who retire at the meeting and being eligible, offer themselves for re-appointment, by way of passing an ordinary resolution as given below :

“RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Price Waterhouse, Chartered Accountants having Firm Registration Number 012754N, be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of 32nd Annual General Meeting as may be held in respect of financial year 2016 - 17, subject to ratification by the members of the Company at every Annual General Meeting which may be held before 32nd Annual General Meeting, on such remuneration as may be agreed in discussion with M/s. Price Waterhouse.”

SPECIAL BUSINESS

- 5) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

“RESOLVED THAT pursuant to Sections 152 and 160 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, rules as may be applicable (including statutory modification(s) or re-enactment(s) thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Arvind Kumar Singhal (holding DIN 00709084), whose term of office as an additional director, pursuant to erstwhile Section 260 of the Companies Act, 1956, expires at this Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

- 6) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) read with Schedule IV to Act and other applicable provisions of Act and Rules and other rules made pursuant to Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Dadi Engineer (holding DIN 00047028), director of the Company, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director and who has submitted a declaration that he meets the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and

who is eligible for appointment, be and is hereby appointed as an independent director of the Company with effect from April 1, 2014 to hold office for five consecutive years for a term up to March 31, 2019.”

7) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) read with Schedule IV to Act and other applicable provisions of Act and Rules and other rules made pursuant to Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Apurba Kumar Dasgupta (holding DIN 00043075), director of the Company, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director and who has submitted a declaration that he meets the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an independent director of the Company with effect from April 1, 2014 to hold office for five consecutive years for a term up to March 31, 2019.”

8) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) read with Schedule IV to Act and other applicable provisions of Act and Rules and other rules made pursuant to Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Ram Gopal Sharma (holding DIN 00026514), director of the Company, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director and who has submitted a declaration that he meets the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an independent director of the Company with effect from April 1, 2014 to hold office for five consecutive years for a term up to March 31, 2019.”

9) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) read with Schedule IV to Act and other applicable provisions of Act and Rules and other rules made pursuant to Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Arun Todarwal (holding DIN 00020916), director of the Company, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director and who has submitted a declaration that he meets the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an independent director of the Company with effect from April 1, 2014 to hold office for five consecutive years for a term up to March 31, 2019.”

10) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 88 of the Companies Act, 2013 (“Act”) read with Rule 5 of the Companies (Management and Administration) Rules, 2014, the Register and index of Members separately for each class of equity and preference shares, register of debenture holders; and register of any other security holders as prescribed under Section 88(1)(a) to 88(1)(c) of Act may be kept at any other place in India in which more than one-tenth of the total members entered in such registers reside notwithstanding the registered office of the Company is situated at such place or not.”

11) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

12) To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof for the time



being in force, remuneration of Rs. 3 Lac and such travelling and out-of-pocket expenses as may be authorized by the Board payable to M/s. Kiran J. Mehta & Co., Cost Accountants, who were appointed by the Board of Directors of the Company to conduct the cost audit for the financial year ending March 31, 2015 be and is hereby ratified."

13) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 179 and 186 of the Companies Act, 2013 ("Act") and the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of Act and rules made thereunder and pursuant to provisions of Foreign Exchange Management Act, 1999, Regulation 3 of Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000 and any other applicable provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder and subject to approval of the Reserve Bank of India under Regulation 3 of Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, Foreign Exchange Management Act, 1999 and rules and regulations thereunder, approval of the shareholders be and is hereby granted to purchase of 2,750,000 equity shares of Rs. 10 each of Welspun Zucchi Textiles Limited by the Company from Vincenzo Zucchi SpA, Italy at a total price of Rs. 54,500,000 entailing investment of Rs. 5.45 Crore by the Company."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby, severally, authorized to do all such acts, deeds and things as may be required including authorising directors, employees or representatives for signing and submitting of papers, deeds, documents which may be required to give effect to the above resolution."

14) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to continue the contract entered into with Welspun Global Brands Limited (a subsidiary of the Company) ("WGBL"), for sale of the products of the Company to WGBL, on the following terms and conditions:

- (a) **Sale price** : The price for sale of the products of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk & return considering prevalent market conditions.
- (b) **Payment Schedule** : Within 45 days from the date of invoice of the Company.
- (c) **Nature, material terms and particulars of the arrangement** : The contract is for sale of the products of the Company.
- (d) **Duration of the contract** : The contract may be terminated by either party with prior notice to the other party."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution."

15) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to continue the contract entered into with Welspun Captive Power Generation Limited (a subsidiary of the Company) ("WCPGL"), for purchase of electricity, steam and coal from WCPGL, on the following terms and conditions:

- (a) **Sale price**: As may be mutually agreed, on periodic basis, considering prevalent market conditions.
- (b) **Payment Schedule**: Within 30 days from the date of invoice of WCPGL.
- (c) **Nature, material terms and particulars of the arrangement** : The contract (as amended from time to time) is for sale of power, steam and coal by WCPGL to the Company.
- (d) **Duration of the contract** : The contract may be terminated by either party with prior notice to the other party."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution."

16) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013, approval of the Company be and is hereby accorded to the revision in remuneration payable to Ms. Dipali Goenka (holding DIN 00007199), Executive Director as given below :

		Present composition	Revised composition
1.	Salary	Rs. 1,50,00,000/- p.a.	Rs. 1,50,00,000/- p.a.
2.	Leave Travel Allowance, Superannuation, Telephone Expense, Reimbursement, Car Facility, Leave encashment, Gratuity etc	As per the rules of the Company	As per the rules of the Company
3.	Club Membership	Fees (except life membership) for two clubs	Fees (except life membership) for two clubs
4.	Contribution to Provident Fund	To the extent exempt under Income Tax Act, 1961	To the extent exempt under Income Tax Act, 1961
5.	Other perquisites	As per the rules of the Company or as may be agreed to by the Board of Directors	As per the rules of the Company or as may be agreed to by the Board of Directors
6.	Annual Increment	For every financial year, upto 25% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains	For every financial year, upto 25% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains
7.	Commission	NIL	1% of the profit computed in the manner laid down in section 198 of the Companies Act, 2013

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which may exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to vary, alter the scope of the remuneration as they may deem fit in the interest of the Company.”

“RESOLVED FURTHER THAT Mr. Rajesh Mandawewala, Managing Director of the Company be and is hereby authorised to enter into an agreement /issue a letter for appointment and increase in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

17) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 or any amendment or substitution thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made there under, the consent of the Company be and is hereby accorded to revision in remuneration payable to Mr. Abhishek Mandawewala, President – Advanced Textiles of the Company, who is a son of Mr. Rajesh Mandawewala, Managing Director of the Company, from Rs. 30,00,000 p.a. to Rs. 35,62,500 p.a. with effect from April 1, 2014 on following terms and conditions :

- Remuneration** : Rs. 35,62,500 p.a. with provision to increase upto 25% every year.
- Nature, material terms and particulars of the engagement** : The employment contract, as may be amended from time to time, where under Mr. Abhishek Mandawewala has agreed to render his services to the Company.
- Duration of the contract** : Contract, unless ceases to exist before, shall be valid till Mr. Abhishek Mandawewala attains the age of superannuation under prevalent laws or as per policy of the Company.”



“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase the remuneration annually w.e.f. April 1, 2015 and thereafter at the end of every 12 months upto 25% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains.”

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which may exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to vary, alter the scope of the remuneration as it may deem fit in the interest of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

18) To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 or any amendment or substitution thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made there under, the consent of the Company be and is hereby accorded to revision in remuneration payable to Ms. Kushboo Mandawewala, Deputy General Manager – CSR of the Company, who is a daughter-in-law of Mr. Rajesh Mandawewala, Managing Director of the Company from Rs. 10,00,000 p. a. to Rs. 11,87,500 p. a. with effect from April 1, 2014 on following terms & conditions :

- (a) **Remuneration** : Rs. 11,87,500 p. a. with provision to increase upto 25% every year.
- (b) **Nature, material terms and particulars of the engagement** : The employment contract, as may be amended from time to time, where under Ms. Kushboo Mandawewala has agreed to render her services to the Company.
- (c) **Duration of the contract** : Contract, unless ceases to exist before, shall be valid till Ms. Kushboo Mandawewala attains the age of superannuation under prevalent laws or as per policy of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase the remuneration annually w.e.f. April 1, 2015 and thereafter at the end of every 12 months upto 25% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains.”

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which may exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to vary, alter the scope of the remuneration as it may deem fit in the interest of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient for the purpose of giving effect to this resolution.”

By Order of the Board

Place : Mumbai
Date : July 30, 2014

Shashikant Thorat
Company Secretary

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

ITEM NO. 3 - Appointment of Mr. Balkrishan Goenka who is retiring by rotation

Mr. Balkrishan Goenka being one of the promoters of the Company is also a promoter of Welspun Group from its inception. At present, he is the Chairman of the Company. Mr. Goenka has received the much applauded nomination for Entrepreneur of the Year Award for 2 consecutive years in 2007 and 2008; while the then Prime Minister of India honored Mr. Goenka, in respect of a company promoted by him, with the Emerging Company of the Year Award, in 2009, instituted by Economic Times. Recognized for his feisty leadership, he has also been roped in as a member for the Young Presidents Organization which further embodies his passion for business, while the World Economic Forum has successively invited Mr. Goenka for his contributions to public initiative. With a guiding principle to give back to the society, Mr. Goenka has also been proactively instrumental in hosting social initiatives to empower women, ensure health and safety, provide education for kids amongst other charitable work.

Details of directorship /membership of the Committees of the Board of other companies are as under :

Directorship: He is also a director of Welspun Syntex Limited, Welspun Corp Limited, Welspun Steel Limited, Welspun Energy Private Limited, Welspun Logistics Limited, Welspun Urja India Limited, Giant Realty Private Limited, MGN Agro Properties Private Limited, Adani Welspun Exploration Limited, Welspun Energy Anuppur Private Limited, Welspun Maxsteel Limited, Welspun Projects Limited, Welspun Infratech Limited, Welspun Energy Madhya Pradesh Limited, Welspun Global Brands Limited, Welspun Enterprises Limited, Welspun Renewables Energy Private Limited, Welspun Global Trade LLC (USA), Welspun Home Textiles UK Limited (UK), Welspun Middle East Pipe Coating Company LLC (Saudi Arabia), Welspun Middle East Pipes Company LLC (Saudi Arabia), Welspun Pipes Inc. (USA) and Welspun Tubular LLC (USA).

Membership / Chairmanship of Committees: He is a member / chairman in the following Committees in the Company and other companies:

Name of Committee	Name of a company	Member / Chairman
Audit Committee	Welspun Infratech Limited	Chairman
	Welspun Maxsteel Limited	Member
	Welspun Steel Limited	Member
	Welspun Energy Private Limited	Member
Share Transfer and Investor Grievance Committee	Welspun Corp Limited	Member
	Welspun Infratech Limited	Member
	Welspun Projects Limited	Member
	Welspun Syntex Limited	Member
	Welspun Enterprises Limited	Member
Remuneration Committee	Welspun Infratech Limited	Chairman
	Welspun Maxsteel Limited	Member
	Welspun Projects Limited	Member
	Welspun Syntex Limited	Member
	Welspun Enterprises Limited	Member
Budget Committee	Welspun Corp Limited	Chairman
	Welspun Maxsteel Limited	Member
International Trade Practices and Governance Committee	Welspun Corp Limited	Chairman
Finance Committee	Welspun Corp Limited	Member
	Welspun India Limited	Chairman
	Welspun Maxsteel Limited	Chairman
	Welspun Steel Limited	Member
QIP Issue Committee	Welspun Corp Limited	Chairman
NCD Issue Committee	Welspun Corp Limited	Member
Executive Committee	Welspun Energy Private Limited	Member
CSR Committee	Welspun Corp Limited	Member

He is holding 71,078 equity shares (including jointly held shares) in the Company.

None of the key managerial personnel or directors of the Company or their relatives except Mr. Balkrishan Goenka and Ms. Dipali Goenka may be deemed to be concerned or interested in this resolution.

Shareholders' approval is sought by way of an ordinary resolution proposed under item no. 3 of the accompanying notice.

ITEM NO. 5 - Appointment of Mr. Arvind Kumar Singhal as a director

Mr. Arvind Kumar Singhal is a Bachelor of Engineering (Electronics & Communication) from Roorkee University and MBA (Finance and Marketing) from University of California, Los Angeles, USA. Mr. Singhal is a founder of Technopak. Technopak is one of India's leading management and operations consulting firms, highly focused on a few sectors that include Textiles & Clothing, Retail & Consumer Products, Healthcare, Education and Food Services & Agriculture. He has an extensive experience in working with Indian and international clients in textile and apparel sectors in overall strategic planning, development of business plans, developing alliances, advice and providing overall project implementation related advice. Mr. Singhal has been invited to speak at leading academic institutions and professional forums which include Harvard (USA), Wharton (USA), ESADE (Spain), IIMs and IITs in India and the Vatican to list a few.

Mr. Singhal does not hold any share in the Company.

The Company has received notice in writing from a member proposing the candidature of Mr. Arvind Kumar Singhal for the office of director of the Company under provision of section 160 of the Act. Members' approval is sought by way of ordinary resolution proposed under item no.5. The Board recommends the resolution set forth in item no. 5 for the approval of the members.

None of the directors, key managerial personnel and relatives of the directors, except Mr. Arvind Kumar Singhal, and key managerial personnel of the Company and their relatives is in any way concerned or interested in the said resolution.

ITEM 6 - Appointment of Mr. Dadi Engineer as an independent director

Mr. Dadi Engineer is a non-executive independent director of the Company. He joined the Board of Directors of the Company in May, 1991.

Mr. Engineer is a senior advocate. He is a B.A. (Hons.), LLB. He is a solicitor and advocate, Bombay High Court, Senior Partner of Crawford Bayley & Co., Solicitors and Advocate, standing in the legal profession for about 46 years. During the course of legal practice, he has dealt with many facets of corporate, civil, revenue and criminal laws. He has considerable background and experience of legal and financial matters pertaining to corporates.

Mr. Engineer is also a director of Zuari Global Limited, Bombay Incorporated Law Society, Protos Engineering Company Private Limited, Forvol International Services Limited, Foods and Inns Limited, PCS Technology Limited, Zoroastrian Investment Corporation Private Limited, The Indo-Italian Chamber of Commerce and Industry and Nilkamal Limited.

Membership / Chairmanship of Committees : Mr. Engineer is a member / chairman in the following Committees in the Company and other companies :

Name of Committee	Name of the Company	Member / Chairman
Audit Committee	Welspun India Limited	Member
	Zuari Global Limited	Chairman
	Foods and Inns Limited	Chairman
	Nilkamal Limited	Member
Share Transfer and Investor Grievance Committee	Zuari Global Limited	Chairman
Nomination and Remuneration Committee	Welspun India Limited	Member

Mr. Engineer holds 989 equity shares (including jointly held shares) in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Engineer being eligible and offering himself for appointment is proposed to be appointed as an independent director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Engineer as a candidate for the office of director of the Company.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company and that he is independent of the management. Copy of the draft letter of appointment of Mr. Engineer as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Engineer as an independent director. The Board recommends the resolution in relation to appointment of Mr. Engineer as an independent director, for the approval by the shareholders of the Company.

Except Mr. Engineer, being an appointee, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 7 - Appointment of Mr. Apurba Kumar Dasgupta as an independent director

Mr. Apurba Kumar Dasgupta has been a director of the company since June, 2004. He received a bachelor's degree from Calcutta University in 1957 and post graduate degree from University of Leeds in 1962. Mr. Dasgupta was President and Chief Executive Officer of Gherzi Eastern Limited, one of the leading textile consulting companies in India from April, 1981 to May 31, 2004 and was a director on the board of Gherzi Eastern Limited since 2004 to 2009. At present, he is working as consultant and group adviser to a renowned group of companies in the Hotel industry.

Mr. Dasgupta is also a director of Chartered Hotels Private Limited, Welspun Projects Limited, Welspun Energy Private Limited, Welspun Enterprises Limited and Welspun Steel Limited.

Membership / Chairmanship of Committees : Mr. Dasgupta is a member / chairman in the following Committees in the Company and other companies :

Name of Committee	Name of the Company	Member / Chairman
Audit Committee	Welspun India Limited	Member
	Welspun Projects Limited	Member
	Welspun Enterprises Limited	Member
Share Transfer and Investor Grievance Committee	Welspun India Limited	Chairman
Nomination and Remuneration Committee	Welspun India Limited	Chairman
Loan & Investment Committee	Welspun Projects Limited	Member

Mr. Dasgupta holds 3,500 equity shares (including jointly held shares) in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Dasgupta being eligible and offering himself for appointment is proposed to be appointed as an independent director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Dasgupta as a candidate for the office of director of the Company.

In the opinion of the Board, Mr. Dasgupta fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company and that he is independent of the management. Copy of the draft letter for appointment of Mr. Dasgupta as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Dasgupta as an independent director. The Board recommends the resolution in relation to appointment of Mr. Dasgupta as an independent director, for the approval by the shareholders of the Company.

Except Mr. Dasgupta, being an appointee, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 8 - Appointment of Mr. Ram Gopal Sharma as an independent director

Mr. Ram Gopal Sharma is a non-executive independent director of the Company. He joined the Board of Directors of the Company in October, 2008.

Mr. Sharma is an eminent Economist. He is also a Fellow of the Insurance Institute of India (FIII). After rendering services for 35 years, Mr. Sharma retired as Chief Executive from LIC Mutual Fund. He has over 40 years of experience in the life insurance, mutual funds and finance sector and has in the past been a member of the Mutual Fund Leadership Team delegation at the USAID, 1997.

Mr. Sharma is also a director in Welspun Steel Limited, Welspun Corp Limited, Welspun Maxsteel Limited, Welspun Tradings Limited and Welspun Enterprises Limited.

Membership / Chairmanship of Committees : Mr. Sharma is a member / chairman in the following Committees in the Company and other companies :

Name of Committee	Name of the Company	Member / Chairman
Audit Committee	Welspun India Limited	Chairman
	Welspun Enterprises Limited	Chairman
	Welspun Corp Limited	Member
	Welspun Tradings Limited	Member
	Welspun Maxsteel Limited	Chairman
Nomination and Remuneration Committee	Welspun India Limited	Member
	Welspun Enterprises Limited	Chairman
	Welspun Corp Limited	Member
	Welspun Tradings Limited	Member
	Welspun Maxsteel Limited	Chairman
Budget Committee	Welspun Maxsteel Limited	Chairman
Finance Committee	Welspun India Limited	Member
	Welspun Maxsteel Limited	Member
Special Committee	Welspun Corp Limited	Member
Restructuring Committee	Welspun Corp Limited	Member
CSR Committee	Welspun Corp Limited	Chairman
	Welspun Tradings Limited	Chairman
	Welspun India Limited	Chairman

Mr. Sharma does not hold any share in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Sharma being eligible and offering himself for appointment is proposed to be appointed as an independent director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Sharma as a candidate for the office of director of the Company.

In the opinion of the Board, Mr. Sharma fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company and that he is independent of the management. Copy of the draft letter of appointment of Mr. Sharma as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Sharma as an independent director. The Board recommends the resolution in relation to appointment of Mr. Sharma as an independent director, for the approval by the shareholders of the Company.

Except Mr. Sharma, being an appointee, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 9 - Appointment of Mr. Arun Tadarwal as an independent director

Mr. Arun Tadarwal is a non-executive independent director of the Company. Mr. Tadarwal has been a director of the company since December, 2012.

Mr. Todarwal is a fellow member of the Institute of Chartered Accountants of India and has been practicing since 1981. During his years of practice, he has handled various professional assignments including Audits, Taxation, International Taxation, Joint Ventures, Due Diligence, Management Consultancy etc. He is well-versed on management issues. Mr. Todarwal is also a member of the Institute of Internal Auditors, National Centre for Quality Management, International Fiscal Association, Bombay Management Association, Bombay Chartered Accountants Society and their study group on International Taxation and Finance.

Mr. Todarwal has been a past President of the Rotary Club of Bombay Queen's Necklace. In a short span, Mr. Todarwal has gained a lot of experience and is highly accomplished in the profession of Chartered Accountancy.

Mr. Todarwal is also a director of Sterlite Technologies Limited, Lakecity Ventures Private Limited, Graviss Hospitality Limited, Graviss Hotels & Resorts Limited, Anuh Pharma Limited, SREI Mutual Fund Trust Private Limited, Welspun Global Brands Limited, East-North Interconnection Company Limited, Sterlite Display Technologies Private Limited and Sterlite Grid Limited

Membership / Chairmanship of Committees : Mr. Todarwal is a member / chairman in the following Committees in the Company and other companies :

Name of Committee	Name of the Company	Member / Chairman
Audit Committee	Welspun India Limited	Member
	Welspun Global Brands Limited	Member
	Anuh Pharma Limited	Member
	Graviss Hospitality Limited	Member
	Sterlite Technologies Limited	Chairman
Nomination and Remuneration Committee	Welspun India Limited	Member
	Sterlite Technologies Limited	Chairman
Investor's Grievance and Share Transfer Committee	Sterlite Technologies Limited	Member
Allotment Committee	Sterlite Technologies Limited	Member

Mr. Todarwal does not hold any share in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Todarwal being eligible and offering himself for appointment is proposed to be appointed as an independent director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Todarwal as a candidate for the office of director of the Company.

In the opinion of the Board, Mr. Todarwal fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company and that he is independent of the management. Copy of the draft letter for appointment of Mr. Todarwal as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Todarwal as an independent director. The Board recommends the resolution in relation to appointment of Mr. Todarwal as an independent director, for the approval by the shareholders of the Company.

Except Mr. Todarwal, being an appointee, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 10 - Approval of place of keeping of register of members and register of other security holders

The Board of Directors considered it appropriate to appoint Link Intime India Private Limited, Mumbai as its Registrar and Transfer Agent for undertaking activities related to securities transfer and allied activities instead of doing it in-house. Such appointment would result in keeping the Register of Members, Index of Members and registers of other security holders at the premises of the Registrar and Transfer Agent. The approval of the members is required to be obtained by way of a special resolution for the said arrangement. An advance copy of the proposed special resolution set out in the accompanying notice will be delivered to Registrar of Companies, Gujarat, Dadra & Nagar Haveli.

The Board recommends the special resolution given at item no. 10 for the approval of the members of the Company.

None of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

ITEM 11 - Alteration of Articles of Association

The existing Articles of Association ("AoA") of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

Most of the provisions of the Companies Act, 2013 ("Act") are now in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247)). However, substantive sections of Act which deal with the general working of companies stand notified.

With the coming into force of Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of Act which sets out the model articles of association for a company limited by shares.

Shareholder's attention is invited to certain salient provisions in the proposed draft AoA of the Company viz:

- (a) The nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- (b) New provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (c) New provisions relating to appointment of Chief Executive Officer and Chief Financial Officer, in addition to Manager and Company Secretary;
- (d) Existing articles have been streamlined and aligned with Act;
- (e) The statutory provisions of Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and

The proposed draft AoA is being uploaded on the Company's website for perusal by the shareholders. The Board recommends the special resolution given at item no. 11 for the approval of the members of the Company.

None of the directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item no. 11 of the notice. The Board recommends the Special Resolution set out at item no. 11 of the notice for approval by the shareholders.

ITEM 12 - Ratification of remuneration payable to Cost Auditors

In pursuance of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint a cost auditor on the recommendation of the Audit Committee. Remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on May 20, 2014, the Board of Directors has considered and approved appointment of M/s. Kiran J. Mehta & Co., Cost Accountants, for the conduct of the Cost Audit of the Company's various manufacturing units at a remuneration as mentioned in the resolution no. 12 of the notice. The resolution at item no. 12 of the notice is set out as an ordinary resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013. The Board recommends the ordinary resolution given at item no. 12 for the approval of the members of the Company.

None of the directors, Key Managerial Personnel of the Company or their relatives is in anyway, concerned or interested, financially or otherwise, in the said resolution.

ITEM 13 - Approval to acquisition of shares of Welspun Zucchi Textiles Limited

The Company, jointly with Vincenzo Zucchi SpA, Italy ("VZ – Italy"), had promoted Welspun Zucchi Textiles Limited as a 50:50 joint venture for carrying on the business of manufacturing of bathrobes. Welspun Zucchi Textiles Limited has ceased to carry on business since April, 2013. Welspun Zucchi Textiles Limited owns, among other assets, leasehold rights to premises at a piece of land and a factory building thereon at Vapi, Gujarat, India. These remaining assets of Welspun Zucchi Textiles Limited are considered to be useful for the Company's business as the Company also has its manufacturing facilities at Vapi, Gujarat, India. As per independent Chartered Accountant's certificate, Welspun Zucchi Textiles Limited's net asset value is Rs. 11.99 Crore. It is proposed that the Company acquires 50% of outstanding equity shares at present held by VZ – Italy. VZ – Italy have in-principle agreed to sell these shares at Rs. 5.45 Crore. On acquisition of these shares Welspun Zucchi Textiles Limited would become 100% subsidiary of the Company. The Board recommends the special resolution given at item no. 13 for the approval of the members of the Company.

None of the directors, except Mr. Rajesh Mandawewala and Ms. Dipali Goenka who are directors of Welspun Zucchi Textiles Limited, key managerial personnel or their relatives is in any way concerned or interested in the said resolution.

ITEM 14 - Approval to contract with Welspun Global Brands Limited, a related party

The Company has entered into a contract with Welspun Global Brands Limited (a subsidiary of the Company) for sale of the products of the Company, which the Company wishes to continue. Welspun Global Brands Limited, is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchanges.

Welspun Global Brands Limited is the marketing arm of the Company. Nearly 100% of the goods produced by the Company are sold to Welspun Global Brands Limited. Sale of goods by Welspun India Limited to Welspun Global Brands Limited during previous financial years was as follows :

		(Rs. million)		
		FY 2013-14	FY 2012-13	FY 2011-12
1.	Goods sold to Welspun Global Brands Limited	33,359.23	28,732.03	24,079.05
2.	Total sales of Welspun India Limited to all parties	35,364.63	30,463.46	26,092.74

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under :

(a)	Name of the related party	: Welspun Global Brands Limited ("WGBL").
(b)	Name of the director or Key Managerial personnel who is related	: Mr. Balkrishan Goenka, Mr. Rajesh Mandawewala, Ms. Dipali Goenka and Mr. Arun Tadarwal are common directors between the Company and Welspun Global Brands Limited. Except for this, no director or key managerial personnel is related.
(c)	Nature of relationship	: Welspun Global Brands Limited is a subsidiary of the Company in which the Company holds 98.03% of its equity share capital.
(d)	Sale price	: The price for sale of the products of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk & return considering prevalent market conditions.
(e)	Payment Schedule	: WGBL shall pay Sale price within 45 days of date of invoice of the Company.
(f)	Nature, material terms and particulars of the arrangement	: The contract is for sale of the products of the Company.
(g)	Duration of the contract	: The contract may be terminated by either party with prior notice to the other party.
(h)	Any other information relevant or important for the members to make a decision on the proposed transaction	: Since Welspun Global Brands Limited is a 98.03% subsidiary of the Company, there is no conflict of interest.

The Board recommends the special resolution given at item no. 14 for the approval of the members of the Company.

None of the directors, except Mr. Balkrishan Goenka, Mr. Rajesh Mandawewala, Ms. Dipali Goenka and Mr. Arun Tadarwal who are directors in both the companies or key managerial personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM 15 - Approval to contract with Welspun Captive Power Generation Limited, a related party

The Company has entered into a contract with Welspun Captive Power Generation Limited (a subsidiary) ("WCPGL") for purchase of electricity, steam and coal from WCPGL, which the Company wishes to continue. WCPGL is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013 and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchanges.

WCPGL was formed by Welspun group companies for supply of power by WCPGL to group companies. Purchase of power from WCPGL ensures guaranteed and uninterrupted supply of power. At present the Company holds 68% of share capital of WCPGL and remaining shares are held by Welspun Corp Limited and Welspun Steel Limited. During 2013-14, the Company purchased power, steam and coal from WCPGL of aggregate amount of Rs. 1,574.38 million.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under :

(a)	Name of the related party	: Welspun Captive Power Generation Limited.
(b)	Name of the director or Key Managerial personnel who is related	: None
(c)	Nature of relationship	: Welspun Captive Power Generation Limited is a subsidiary of the Company in which the Company holds 68% of its equity share capital.
(d)	Sale price	: As may be mutually agreed periodically considering prevalent market conditions.
(e)	Payment Schedule	: Within 30 days from the date of invoice of Welspun Captive Power Generation Limited.
(f)	Nature, material terms and particulars of the arrangement	: The contract (as amended from time to time) is for sale of power and steam by WCPGL to the Company.
(g)	Duration of the contract	: The contract may be terminated by either party with prior notice to the other party.
(h)	Any other information relevant or important for the members to make a decision on the proposed transaction	: Welspun Captive Power Generation Limited is a 68% subsidiary of the Company. It has been set up to produce and supply power to its shareholders. There is no conflict of interest involved in the contract.

The Board recommends the special resolution given at item no. 15 for the approval of the members of the Company.

None of the directors or key managerial personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM 16 - Approval to revision in remuneration payable to Ms. Dipali Goenka, Executive Director

Ms. Dipali Goenka is 45 years old. As the driving force behind Welspun's textile business, she has successfully led the development of two of the most recognised brands in India known as SPACES Home & Beyond and WelHome. A Graduate in Psychology, she has also completed Owners/President Management programme from Harvard. She has setup an award winning design studio at Welspun with a clear global perspective. Ms. Dipali Goenka has been in charge of operations of the Company for over 5 years. She plays a key role in day to day affairs of the Company and she is in charge marketing of Welspun's home textile products in domestic as well as export markets. She was appointed as Executive Director of the Company with effect from April 1, 2013.

During financial year 2013-14, the Company recorded its highest annual sales, annual EBITDA and EBITDA margin in the Company's history. Ms. Goenka had a significant role to play in these achievements. She is overseeing the vertical integration project of the Company's production facilities. She has been the driving force in innovation in the Company's product lines. She has been the backbone of Welspun's CSR activities. Under her leadership, the Company won following awards:

- ❖ Green Believers Award from Frost and Sullivan's at Green Manufacturing Excellence Awards and Summit 2014.
- ❖ Best Corporate Social Responsibility Practices Award at Global CSR Excellence Leadership award 2014 by World CSR Congress

At present, she is Executive Director of the Company and her remuneration is Rs. 1.5 Crore per annum and perquisites. The shareholders of the Company had passed a special resolution by way of postal ballot, the results of which were announced on April 30, 2013, approving Rs. 1.5 Crore per annum and perquisites as her remuneration with an authority to the Board to increase her remuneration upto 25% annually.

Directorships held in companies

She is also a director of Alspun Infrastructure Limited, Friends Connection Private Limited, Giant Realty Private Ltd., Goldenarch Estates Private Ltd, Goodvalue Polyplast Limited, Mertz Securities Limited, Novelty Home Textiles S.A. de C.V. (Mexico), Sequence Apartment Private Limited, Vipuna Trading Limited, Welspun Decorative Hospitality LLC (USA), Welspun Fintrade Private Limited, Welspun Logistics Ltd., Welspun Mercantile Ltd., Welspun Global Brands Limited, Welspun Wintex Limited and Welspun Zucchi Textiles Limited.

Memberships/ Chairmanships of committees of companies: She is the Chairman of Finance Committee of Welspun Global Brands Limited.

She holds 75,040 equity shares (including jointly held shares) in the Company.

The Board recommends the special resolution given at item no. 16 for the approval of the members of the Company.

None of the key managerial personnel or directors of the Company or their relatives except Mr. Balkrishan Goenka and Ms. Dipali Goenka may be deemed to be concerned or interested in the said resolution.

ITEM 17 - Approval to revision in remuneration payable to Mr. Abhishek Mandawewala, a related party

The members of the Company had passed a special resolution, pursuant to erstwhile Section 314 of the Companies Act, 1956, by way of postal ballot, the results of which were announced on April 30, 2013, approving appointment of Mr. Abhishek Mandawewala as President – Advanced Textiles of the Company with effect from April 1, 2013. He was appointed on annual remuneration of Rs. 30 lac. Mr. Abhishek Mandawewala has done B.A., Masters of Engineering (Hons.) in Manufacturing Engineering from University of Cambridge, UK. He is a son of Mr. Rajesh Mandawewala, Managing Director of the Company.

Mr. Abhishek Mandawewala is spearheading the Advanced Textiles function of the Company. He played a key role in increase of the Company's capacity of production of Advanced Textiles products. During financial year 2013-14, sales of Advanced Textiles products was Rs. 511.34 million as compared to Rs. 93.57 million in 2012-13. He was a part of the initiative where the Company increased its Advanced Textiles products' portfolio from regular to value-added products. He is driving research & development in the Advanced Textiles function of the Company. He improved process of inventory management which contributed to efficiency and reduction in working capital requirement pertaining to the Advanced Textiles function of the Company. He has been instrumental in developing new customers and new markets for the Advanced Textiles products of the Company.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under :

(a)	Name of the related party	: Mr. Abhishek Mandawewala
(b)	Name of the director or Key Managerial personnel who is related	: Mr. Rajesh Mandawewala, Managing Director
(c)	Nature of relationship	: Mr. Abhishek Mandawewala is a son of Mr. Rajesh Mandawewala.
(d)	Remuneration	: As provided in the resolution
(e)	Payment Schedule	: Not applicable

(f)	Nature, material terms and particulars of the arrangement	: Mr. Abhishek Mandawewala had been appointed as 'President – Advanced Textiles' of the Company on remuneration of Rs. 30 Lac p. a. His remuneration is proposed to be revised as per terms set out in the resolution given at item number 17.
(g)	Duration of the contract	: Mr. Abhishek Mandawewala has been appointed under a contract of employment pursuant to which he may function according to directions as may be given by the Company from time to time. Contract will continue as long as he remains an employee as per the contract of employment.
(h)	Any other information relevant or important for the members to make a decision on the proposed transaction	: -

The Audit Committee, the Nomination and Remuneration Committee and the Board of Directors of the Company at respective meetings held on July 30, 2014 have approved, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, the revision in remuneration payable to Mr. Abhishek Mandawewala w.e.f. April 1, 2014.

In terms of the provisions of Section 188 of the Companies Act, 2013, the proposed Special Resolution seeks approval of the members of the Company for revision in remuneration payable to Mr. Abhishek Mandawewala w.e.f. April 1, 2014, as he is a related party being a son of Mr. Rajesh Mandawewala, Managing Director of the Company.

The Board recommends the special resolution given at item no. 17 for the approval of the members of the Company.

Except Mr. Rajesh Mandawewala, being relative of Mr. Abhishek Mandawewala, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

ITEM 18 - Approval to revision in remuneration payable to Ms. Kushboo Mandawewala, a related party

The members of the Company at 27th Annual General Meeting of the Company has approved, pursuant to erstwhile Section 314 of the Companies Act, 1956, appointment of Ms. Kushboo Mandawewala as Deputy General Manager – CSR of the Company with effect from October 1, 2012. She is a daughter-in-law of Mr. Rajesh Mandawewala, Managing Director of the Company.

Ms. Kushboo Mandawewala has done her Bachelor of Engineering in Information Technology from University of Mumbai in the year 2009. She was appointed on annual remuneration of Rs. 10 lac. The Company immensely values its contributions to the society as a part of its CSR initiatives. Ms. Mandawewala has managed to expand the coverage of CSR beneficiaries and has played a key role in reaching out to the certain sections of Indian society who needed help and support. She had been involved in activities like setting up reverse osmosis (RO) water purification units in some of the remote villages in western region of India. She played a key role in setting up a few vocational centers for those regions as well. She led the Company's quality education project pursuant to which 3 schools in Kutch, Gujarat were covered and the project's objectives were to improve the transformation rate of students from upper primary to secondary at least by 10 to 15%, to enhance teacher's capacity to ensure quality education and to increase active participation of all stakeholders including parents and villagers to assure a cohesive support system for children's' education. She also played a lead role in setting up medical facilities, health checkup camps at Anjar and Vapi in Gujarat.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

(a)	Name of the related party	: Ms. Kushboo Mandawewala
(b)	Name of the director or Key Managerial personnel who is related	: Mr. Rajesh Mandawewala, Managing Director
(c)	Nature of relationship	: Ms. Kushboo Mandawewala is a daughter-in-law of Mr. Rajesh Mandawewala.
(d)	Remuneration	: As provided in the resolution
(e)	Payment Schedule	: Not applicable

(f)	Nature, material terms and particulars of the arrangement	: Ms. Kushboo Mandawewala had been appointed as 'Deputy General Manager – CSR' of the Company on remuneration of Rs. 10 Lac p. a. Her remuneration is proposed to be revised as per terms set out in the resolution given at item number 18.
(g)	Duration of the contract	: Ms. Kushboo Mandawewala has been appointed under a contract of employment pursuant to which she may function according to directions as may be given by the Company from time to time. Contract will continue as long as she remains an employee as per the contract of employment.
(h)	Any other information relevant or important for the members to make a decision on the proposed transaction	: -

The Audit Committee, the Nomination and Remuneration Committee and the Board of Directors of the Company at respective meetings held on July 30, 2014 have approved, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, the revision in remuneration payable to Ms. Kushboo Mandawewala w.e.f. April 1, 2014.

In terms of the provisions of Section 188 of the Companies Act, 2013, the proposed Special Resolution seeks approval of the members of the Company, for revision in remuneration payable to Ms. Kushboo Mandawewala w.e.f. April 1, 2014, as she is a related party being a daughter-in-law of Mr. Rajesh Mandawewala, Managing Director of the Company.

The Board recommends the special resolution given at item no. 18 for the approval of the members of the Company.

Except Mr. Rajesh Mandawewala, being relative of Ms. Kushboo Mandawewala, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution set out at item no. 18.

By Order of the Board

Place : Mumbai
Date : July 30, 2014

Shashikant Thorat
Company Secretary

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
- Proxy shall not have the right to speak.
- A proxy can act on behalf of such number of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- The Register of Members and Share Transfer Books of the Company remained closed from Monday, June 23, 2014 to Wednesday, June 25, 2014 (both days inclusive) for the purpose of determination of shareholders entitled to dividend for the year ended March 31, 2014.
- Members are requested to immediately inform about their change of address, change of e-mail address or consolidation of folios, if any, to the Company's Registrar and Share Transfer Agent.
- As part of the Green Initiative circulars issued by the Ministry of Corporate Affairs, the notice and Annual Report of the Company are being sent to the shareholders on their respective e-mail addresses registered with the Company. However, shareholders requiring a physical copy of the Annual Report may write to the Company at the Corporate Office at 6th Floor,



Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. The Annual Report along with the Notice of the Annual General Meeting is available on the website of the Company, www.welspunindia.com.

7. Members, who are holding the Company's shares under more than one folio number, are requested to fill up the enclosed form for consolidation of folios and send it to the Company or the Registrar and Share Transfer Agent along with share certificates under different folios. Such consolidation will make it convenient for the shareholders to interact with the Company.
8. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death may do so by submitting the attached nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.
9. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's Registrar and Share Transfer Agents : Link Intime India Private Ltd., Unit: Welspun India Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078. Tel. No. 022-2596 3838, 022-2594 6970, Fax No. 022-2594 6969, Email- rnt.helpdesk@linkintime.co.in.
10. Those shareholders who have not registered their email address or wish to update a fresh email address may do so by submitting the attached E-mail Registration Form to the Company or the Registrar and Share Transfer Agent of the Company.
11. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the 29th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under :

- A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - (i) Open the email and open PDF file viz; "WIL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - (iii) Click on Shareholder – Login.
 - (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - (v) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (vi) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vii) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (viii) Select "EVEN" of Welspun India Limited.
 - (ix) Now you are ready for e-voting as Cast Vote page opens.
 - (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to udaysohoni@gmail.com with a copy marked to evoting@nsdl.co.in

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided at the bottom of the attendance slip :
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from serial no. (ii) to serial no. (xiii) above, to cast vote.
- II. In case of any query, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- III. The e-voting period commences on Saturday, September 20, 2014 (9:00 am) and ends on Monday, September 22, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 1, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 1, 2014.
- V. Mr. Uday Sohoni, Practising Company Secretary (Certificate of Practice number 10916) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The results shall be declared on September 25, 2014. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.welspunindia.com and the website of NSDL within 2 days of passing of the resolutions and communicated to the stock exchanges, where the shares of the Company are listed.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

By Order of the Board

Place : Mumbai
Date : July 30, 2014

Shashikant Thorat
Company Secretary



Form No. MGT-11

PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

CIN : L17110GJ1985PLC033271

Name of the Company : WELSPUN INDIA LIMITED

Registered Office : Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110, India.

Board No. : +91 2836 661111, Fax No. : + 91 2836 279010,

Email : CompanySecretary_WIL@welspun.com Website: www.welspunindia.com

Corporate Office : Welspun House, 6th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.

Board No. : +91 -22-6613 6000, Fax No. : +91-22-2490 8020

Name of the member (s)	
Registered Address	
E-mail Id	
Folio No / Client ID	
DP ID	

I/ We _____ being the member(s) of Equity Shares of the above named company, hereby appoint :

1. Name : Address :

E-mail Id: Signature :

2. Name : Address :

E-mail Id: Signature :

3. Name : Address :

E-mail Id: Signature :

as my / our proxy attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General Meeting of the Company to be held on 25th day, September, 2014 at 10.45 a.m. at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Subject of the Resolution	Vote (y/n)
1	Consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors thereon.	
2	Declaration of Dividend on Equity Shares	
3	Re-appointment of Mr. Balkrishan Goenka as a director of the Company, liable to retire by rotation	
4	Appointment of M/s. Price Waterhouse, Chartered Accountant as Statutory Auditors and fixing their remuneration	
5	Appointment of Mr. Arvind Kumar Singhal as a director of the Company	
6	Appointment of Mr. Dadi Engineer as an independent director of the Company	
7	Appointment of Mr. Apurba Dasgupta as an independent director of the Company	
8	Appointment of Mr. Ram Gopal Sharma as an independent director of the Company	
9	Appointment of Mr. Arun Tadarwal as an independent director of the Company	
10	Consider and approve place of keeping of registers maintained u/s 88 of the Companies Act, 2013 at a place other than the Registered Office of the Company	

Item No.	Subject of the Resolution	Vote (y/n)
11	Alteration of Articles of Association of the Company to align the same with the requirements under the Companies Act, 2013.	
12	Approval of the Remuneration of the Cost Auditors	
13	Purchase of Equity shares of Welspun Zucchi Textiles Limited	
14	Approval of the arrangement with Welspun Global Brands Limited, a subsidiary and a related party of the Company, for sale of products of the Company.	
15	Approval of the arrangement with Welspun Captive Power Generation Limited, a subsidiary and a related party of the Company, for sale of products of the Company.	
16	Approval to revision in remuneration of Executive Director Ms. Dipali Goenka	
17	Approval to revise remuneration of Mr. Abhishek Mandawewala	
18	Approval to revise remuneration of Ms. Kushboo Mandawewala	

Signed this _____ day of _____ 2014.

Signature of shareholder _____

Affix Re. 1
Revenue
stamp

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

Note : The Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



WELSPUN INDIA LIMITED

CIN : L17110GJ1985PLC033271

Name of the Company : WELSPUN INDIA LIMITED

Registered Office : Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110, India.

Board No. : +91 2836 661111, **Fax No.** : + 91 2836 279010,

Email : CompanySecretary_WIL@welspun.com **Website**: www.welspunindia.com

Corporate Office : Welspun House, 6th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013. **Board No.** : +91 -22-6613 6000, **Fax No.** : +91-22-2490 8020

E-mail Registration-Cum-Consent Form

To,

The Company Secretary,

Welspun India Limited,

Welspun City, Village Versamedi,

Taluka Anjar, Dist. Kutch, Gujarat - 370110

I/ We the members of the Company do hereby request you to kindly register/ update my / our e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all communications in electronic mode at the e-mail address mentioned below. Please register the above e-mail address/ mobile number for sending communication through e-mail/ mobile.

Folio No.		DP – ID		Client ID	
Name of the Registered Holder (1st)					
Name of the joint holder(s)					
Registered Address					
		Pin Code :			
E-mail Id (to be registered)					
Mobile Nos. (to be registered)					

Signature of the Shareholder(s)*

* Signature of all the shareholders is required in case of a joint holding.



Form No. SH-13
Nomination Form

To,
The Company Secretary,
Welspun India Limited
Welspun City, Village Versamedi,
Taluka Anjar, Dist. Kutch,
Gujarat – 370110.

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S

(a)	Name :
(b)	Date of Birth :
(c)	Father's/Mother's/Spouse's Name :
(d)	Occupation :
(e)	Nationality :
(f)	Address :
(g)	E-mail Id :
(h)	Relationship with the security holder :

3. IN CASE NOMINEE IS A MINOR

(a)	Date of Birth :
(b)	Date of Attaining Majority :
(c)	Name of Guardian :
(d)	Address of Guardian :

Name : _____

Address : _____

Name of the Security Holder(s) : _____

Signatures : _____

Witness with name and address : _____

Instructions :

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars and Share Transfer Agents of the Company who will return one copy thereof to the Shareholders.
14. For shares held in dematerialised mode nomination is required to be filed with the Depository Participant in their prescribed form.



❖ Consolidate multiple folios into one.

❖ Less procedure, less time. Make it convenient for you.
Fill up this form and send it alongwith share certificate.

❖ Save paper, save cost.

FORM FOR CONSOLIDATION OF FOLIOS

To,

Link Intime India Private Limited
Unit : Welspun India Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup West,
Mumbai – 400 078.

Date : _____

A. Shareholder(s)' details:Name of Shareholder / First Joint Holder Mobile Number Email ID Income Tax PAN

I would like the above email ID to be registered with the Company for the purpose of correspondence of all types, sending of notices, annual reports or any other matter :

Mention YES or NO to confirm whether above email to be registered : _____

B. Consolidation request

Details of folios held by me :

Folio Number	Number of Shares Held

I/We wish to consolidate the abovementioned folios in the Target folio mentioned below. Original Share certificates for abovementioned folios are attached herewith.:

Target Folio : (If no such target folio is mentioned, any of the folios mentioned will be used for consolidation.)

I/We wish to consolidate all share certificates pertaining to above folios into one share certificate. _____

(If you wish to get one share certificate in lieu of all your multiple share certificates of the company, mentioned YES.)

C. Declaration

I/ We have read and understood the guidelines printed below and accordingly request Welspun India Limited to consolidate all my/ our investments in above mentioned folio numbers to the mentioned Target folio number.

I/ We confirm that name of the holder(s), order of holders and status of holders (resident, non-resident) is identical in case of folio numbers mentioned above.

I/we agree that the mode of holding, address and nomination details in the Target Folio will be applicable and will prevail after consolidation even if they were different details in source folios.

Signature:

Sole Shareholder / First Holder

Second Holder

Third Holder

WELSPUN INDIA LIMITED

CIN : L17110GJ1985PLC033271

Registered Office : Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat, Pin - 370110, India.

Board No.: +91 2836 661111, Fax No. + 91 2836 279010, Email : CompanySecretary_WIL@welspun.com Website: www.welspunindia.com

Corporate Office : Welspun House, 6th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.

Board : +91 -22-66136000 Fax: +91-22-2490 8020

ATTENDANCE SLIP

Name of the sole / first named member

Address of sole / first named member:

Registered folio no.

DP ID no. / Client ID no.*

Number of shares held

I hereby record my presence at the 29th Annual General Meeting of the Company held on Thursday, September 25, 2014 at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 at 10:45 am

Signature of Shareholder/ Proxy Present

--

Note: Members are requested to fill up the attendance slip and hand it over at the venue of the meeting.

----- Tear here -----

The electronic voting particulars are set out below:

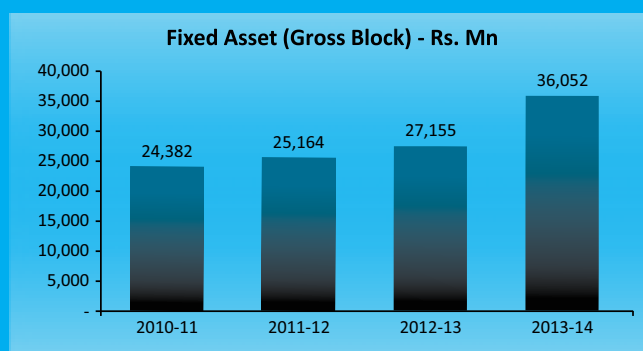
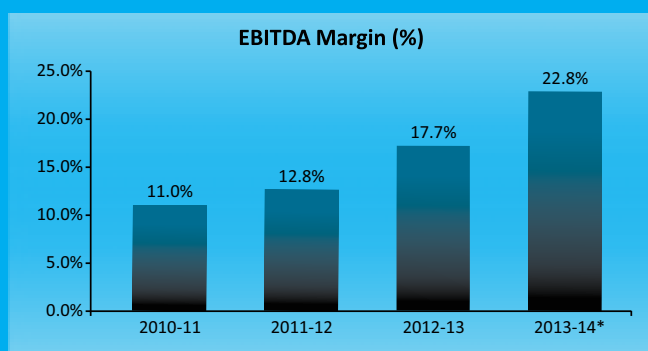
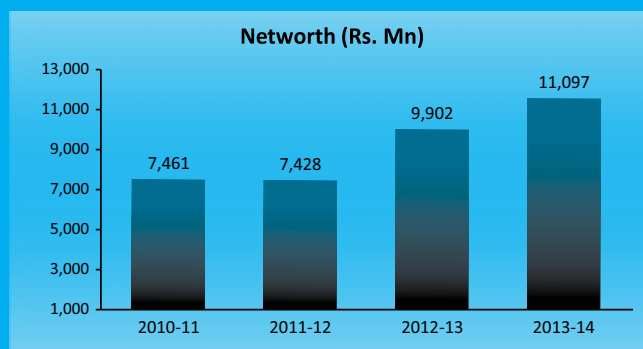
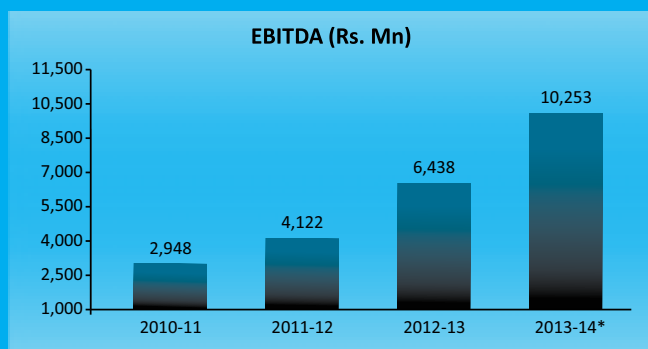
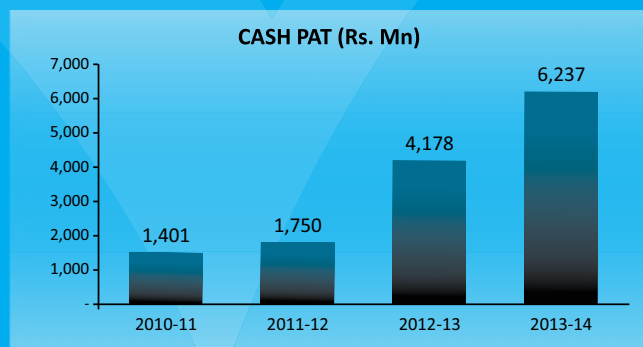
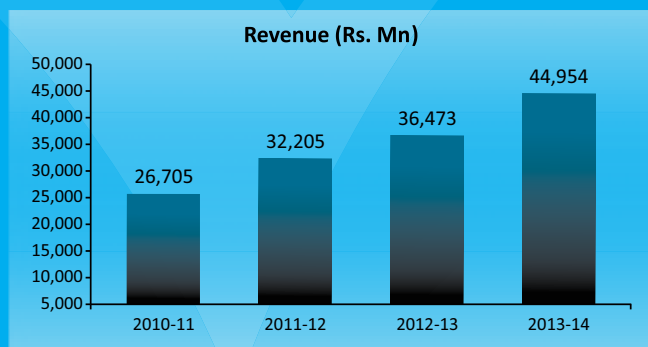
EVEN (E-voting event number)	User ID	Password / PIN

The e-voting period commences on Saturday, September 20, 2014 at 9:00 am and ends on Monday, September 22, 2014 at 6:00 pm. The e-Voting module shall be disabled by NSDL for voting thereafter.

Please read the instructions before exercising the vote.

These details and instructions form integral part of the Notice dated July 30, 2014 of 29th Annual General Meeting.

FINANCIAL HIGHLIGHTS (CONSOLIDATED)



Note : *Adjusted for the one-off depreciation.

Note 1 : Note 1: FY11 figures are best estimates of the Company considering the merger of Welspun Global Brands Ltd with Welspun India Ltd.



WELSPUN INDIA LTD.

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Forward looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

Board of Directors	
Mr. B. K. Goenka (Chairman)	Mr. Arvind Kumar Singhal (Additional Director)
Mr. Dadi B. Engineer (Director)	Mr. Arun Tadarwal (Director)
Mr. A. K. Dasgupta (Director)	Mr. R. R. Mandawewala (Managing Director)
Mr. Ram Gopal Sharma (Director)	Ms. Dipali Goenka (Executive Director)
Mr. Ajay Sharma (Nominee - IDBI Bank)	

Company Secretary	Audit Committee
Mr. Shashikant Thorat	Mr. Ram Gopal Sharma
	Mr. Dadi B. Engineer
Auditors	Mr. A. K. Dasgupta
Price Waterhouse	Mr. Arun Tadarwal

Remuneration Committee	Share Transfer and Investor Grievance Committee
Mr. A. K. Dasgupta	Mr. A. K. Dasgupta
Mr. Dadi B. Engineer	Mr. B. K. Goenka
Mr. Ram Gopal Sharma	Mr. R. R. Mandawewala

Registered Office and Works	Bankers:
Welspun City, Tal. Anjar, Dist. Kutch, Village Varsamedi Gujarat – 370 110, INDIA Tel: (02836) 661111, Fax: (02836) 279010	State Bank of Bikaner & Jaipur State Bank of India Punjab National Bank Andhra Bank Canara Bank
Works: Survey No. 76, Village Morai, Vapi, Dist. Valsad, Gujarat – 396 191, INDIA Tel: (0260) 2437437, Fax: (0260) 2437088, Email: wttvapi@welspun.com	Exim Bank Ltd. Bank of India State Bank of Patiala Bank of Baroda Oriental Bank of Commerce IDBI Bank Ltd.

Corporate Office	Stock Exchanges where the Company's securities are listed
Welspun House, 6 th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, INDIA Tel: 022-66136000/ 2490 8000 Fax: 022-24908020 Website: http://www.welspunindia.com	Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Key Management Team



Mr. B.K. Goenka
Chairman



Mr. R.R. Mandawewala
Managing Director



Ms. Dipali Goenka
Executive Director



Mr. Akhil Jindal
*Director,
Group Finance
& Strategy



Mr. Barry Leonard
President/Chief Executive
Officer, Welspun USA



Mr. Dinesh Jain
President Finance



Mr. Robert Walker
Chief Executive
Officer, Welspun UK



Mr. Milind Hardikar
*Executive Director,
Strategic Affairs -
Textiles



Mr. Sasanka Aich
*Director, Operations
Anjar



Mr. A. K. Joshi
*Director, Operations
Vapi

*Not a member of the Board of Directors

message from the chairman

My dear fellow stakeholders,

At the onset, I am happy to share with you that Welspun is yet again ranked as the No.1 home textile supplier to the US market by Home Textiles Today magazine. Today, we cater to almost every prominent store in the US and UK - a remarkable achievement for us, especially because these are amongst the biggest and most competitive markets. We are proud to be servicing 14 out of 30 global retailers while offering a door-to-door delivery model in over 50 countries.

Market Dynamics

The global textiles and clothing trade is around US \$700 billion with China taking a significant lead for the last several years by securing a good 35% share, while India's share is a mere 4%. However, in the home textile space which is estimated to be around US\$ 45 billion, the picture is quite different as India secures more than 11% market share, while in the 'cotton' home textiles sector, India is racing ahead of China in most products. It is to be noted that even in a highly quality-conscious market like USA, India has achieved a significant position in the home textile sector.

Some exciting structural changes are taking place within the global textile markets which further enhance the position of Indian specialty cotton textile manufacturers. The advantages to us include a cotton surplus position, competitive factor costs and better political stability alongside stricter adherence to compliance norms. With these developments in our favour, your company is well positioned to be a significant beneficiary.

Business Scenario

In the last 8 years, Welspun India has witnessed transitional growth from a mere Rs. 700 crore to a Rs. 4,500 crore company with a CAGR of 27 % per annum. This is not a mean achievement for a company in any sector, let alone the home textile sector. Our company is a clear leader in the high-end home textile market with global scale and well-entrenched customer relationships across geographies.

Over the last few years, we have transitioned from being a single-product manufacturing company to a multi-product one-stop solution provider for clients. This has helped us gain greater market share and more importantly mind share of customers, which clearly reflects in our operating results. We believe that our niche USP and high quality delivery has been undeniably demonstrated to our global clientele, translating to improved market shares in our traditional segments (Bath) and in the new segments (Bed and Flooring). We are deeply focused and committed to enhance our position further over the next few years.

You will observe that on most parameters we have de-risked our business during the last few years and if you exclude our ongoing capex, our free cash flow is significantly higher, while our financial leverage is one of the lowest in recent times. Financial leverage will reduce at an accelerated pace, once the new facilities start yielding positive results. Our company has multiple growth vectors: new geographies, new clients, new segments, client penetration and cross-selling. With the current expansions, we will strengthen our global leadership position which will enhance our production and sales potential by over 35%, thus ensuring a sustained level of growth. We expect this growth to result in significant and sustained cash flows which will be prioritized towards de-leveraging and dividends.

A part from the company specific factors, an improvement on the Indian macroeconomic front is also expected to benefit us. With a new government at the centre under the leadership of our Hon'ble Prime Minister Narendra Modi, we expect that the pace of reforms will pick up in the country, which will translate to higher economic growth. I heartily appreciate the new government's focus on improving governance, removing impediments to manufacturing and developing skill set of the youth. I believe, India has great potential which could be tapped much better, with improved governance.

Corporate Social Responsibility

Welspun as a group is committed to building a sustainable and progressive community. Our social mission is enshrined within the 3E's i.e. Education, Empowerment and Environment & Health. We have been investing in



B. K. Goenka
Chairman, Welspun Group

providing quality education by tying up with government schools in Kutch, where we reach out to students and teachers in order to help achieve a higher standard of education whilst also working towards their individual training and development. Several vocational centers have been set up to train women in villages with the craft of cutting & stitching, owing to which hundreds of women have benefited and empowered their lives by gaining financial stability. We have also built a drinking water purification RO plant in Vapi, Gujarat which provides purified drinking water to villages in its surrounding areas. Welspun believes in creating a thriving environment and nothing can sustain if we ignore our natural surroundings. Thus, on the basis of this belief, we host many Green World initiatives to plant thousands of trees in and around our Anjar facility. All these efforts have been undertaken to give back to our society, and more so to thank the community for their undeterred support throughout our growth journey. I appreciate our Prime Minister's vision for social upliftment, and with the initiatives we are undertaking, I believe, we would be able to make a significant contribution to nation-building, in line with his vision.

Accolades

During 2013-14, we have won several awards for performance delivery, green initiatives and corporate social practices. Recently, Sears Holding bestowed the prestigious CEO award to your company. Besides that, we also won the Frost and Sullivan's Green Believers award at Green Manufacturing Excellence Awards Summit 2014. Last, but not the least, we have once again been honored with the "Best Corporate Social Responsibility Practices" award by World CSR Congress.

Finally, I put on record my sincere appreciation for our board of directors, the management, our dedicated employees, our esteemed customers as well as suppliers for their consistent support and commitment to Welspun.

Many thanks



B. K. Goenka

directors' report

To,
The Members,
WELSPUN INDIA LIMITED

Your directors have pleasure in presenting their 29th Annual Report on the standalone Audited Financial Statements of the Company for the financial year ended March 31, 2014.

I. FINANCIAL HIGHLIGHTS (Standalone)

(Rs. in Millions)

Particulars	FY 2013-14	% age to Total Revenue	FY 2012-13	% age to Total Revenue
Revenue from Operations (Net)	35,312.03	97.15	30,429.46	98.41
Other Income	1,036.24	2.85	491.72	1.59
Total Revenue (A)	36,348.27	100.00	30,921.18	100.00
Cost of Materials Consumed	19,717.89	54.25	16,944.25	54.80
Purchases of Stock-in-Trade	69.74	0.19	81.14	0.26
Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade	(1,034.00)	(2.84)	44.73	0.14
Employee Benefits Expenses	2,342.69	6.45	1,817.71	5.88
Finance Costs	1,439.14	3.96	1,384.31	4.48
Depreciation and Amortization Expenses	*6,227.92	*17.13	1,328.09	4.30
Other Expenses	7,138.56	19.64	7,049.31	22.80
Total Expenses (B)	35,901.94	98.77	28,649.54	92.65
Profit Before Extraordinary Items and Tax (PBT) (A – B)	446.33	1.23	2,271.64	7.35
Extraordinary Items - Provision for Doubtful Loans and Advances	-	-	83.85	0.27
Profit Before Tax	446.33	1.23	2,187.79	7.08
Tax Expense	147.97	-	473.74	-
Profit / (Loss) After Taxation	298.36	0.82	1,714.05	5.54

*Refer to para below titled change in method of Depreciation

The financial year 2013-14 saw consistent growth in turnover. Revenue from operations increased by 16.05%. Cost of materials consumed rose proportionately with increase in turnover. It was increased by 16.37%. Employee benefit expenses showed a sharp increase of 28.88% during the financial year 2013-14. Depreciation and amortization expenses for the year have increased as a result of change in method of depreciation which has been elaborated below. To sum it up, the it was a good year for the Company and its stakeholders.

Change in method of Depreciation:

During the quarter ended September 30, 2013, Welspun India Limited changed the method of providing depreciation on its plant and machinery from straight-line method to reducing balance method as it was considered that it would result in more appropriate preparation and presentation of the Financial Statements of the company. Accordingly, depreciation on plant and machinery was recalculated from original date on which the assets came into use and incremental depreciation of Rs. 4,630.96 million from such revision was charged to Profit & Loss Account. As a result, depreciation and amortization expenses for the year ended March 31, 2014 is higher by Rs. 4,738.09 million and profit before tax for the year ended March 31, 2014 is lower by Rs. 4,738.09 million with a consequential impact on profit after tax for the year.

II. DIVIDEND

Considering your Company's performance during FY 2013-14, the Board of Directors recommends for approval of the members a dividend of Rs. 3 per share for the financial year 2013-14. The dividend, if approved by the shareholders and considering equity shares allotted till the date of this report, would result in total cash outflow of Rs. 352.32 million including dividend distribution tax. Dividend will be paid to those shareholders, who hold shares on the last day of book-closure i.e. June 25, 2014.

III. QUALITY AND RESEARCH & DEVELOPMENT

Your Company continues to emphasize on qualitative growth, and believes that quality of its products is its strength in the complex market environment. Your Company is committed to bring about positive change in each and every process and has a team of fully focused personnel on Research & Development. Particulars of activities relating thereto have been given in Annexure hereto.

IV. DIRECTORS

Since the date of the last Directors' Report, Mr. Arvind Kumar Singhal has been appointed as an additional director of the Company with effect from January 27, 2014 to hold office upto date of the next Annual General Meeting.

Pursuant to the provisions of Section 150(2) read with Section 149(10) of the Companies Act, 2013, shareholders' approval is sought for the appointment of Mr. Dadi Engineer, Mr. Apurba Kumar Dasgupta, Mr. Ram Gopal Sharma and Mr. Arun Tadarwal as Independent Directors of the Company for a term of five consecutive years, at the forthcoming annual general meeting.

In the ensuing Annual General Meeting, Mr. Balkrishan Goenka, Chairman, will be retiring by rotation, and being eligible, has offered himself to be re-appointed. Further, details about him are given in the Notice of the ensuing Annual General Meeting, being sent to the members along with this report. The Board recommends his re-appointment.

V. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure forming part of this report.

VI. SUBSIDIARY COMPANIES

The Ministry of Corporate Affairs vide its General Circular No. 2 / 2011 dated February 8, 2011 granted general exemption to companies from attaching a copy of the Balance Sheet, the Profit and Loss Account and other documents of their subsidiary companies as required to be attached under Section 212 of the Companies Act, 1956 to the Balance Sheet of companies subject to fulfillment of conditions stipulated in the circular. Therefore, the said Reports of the subsidiary companies have not been attached herewith. However, a statement giving certain information as required by the Ministry is placed along with the Consolidated Accounts.

The Company shall provide a copy of Annual Report and other documents of its subsidiary companies as required under Section 212 of the Companies Act to the shareholders upon their request, free of cost.

VII. FIXED DEPOSIT

During the year under review, your Company has not accepted any fixed deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder. No amount on account of principal or interest on public deposit was outstanding on the date of the Balance Sheet.

VII. EMPLOYEE STOCK OPTION SCHEME

On June 30, 2009, the Company issued Employee Stock Options (ESOP) under the Employee Stock Options Scheme (the "Scheme") to employees of the Company with a right to subscribe to equity shares at a price of Rs. 35.60 per equity share (closing market price as on June 30, 2009). The stock options can be exercised during a period of 3 years from the date of vesting. All outstanding stock options stand vested with effect from June 30, 2013.

The details of options granted to the employees are as under :

Total number of employees	:	82
Maximum number of options granted	:	22,65,000
Average number of options granted	:	27,622

The particulars required to be disclosed pursuant to Clause 12 of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as on March 31, 2014, are as under:

- | | | | |
|----|---|---|---|
| a. | Options granted | : | 22,65,000 |
| b. | The pricing formula | : | The exercise price is Rs. 35.60 per equity share i.e. the latest available closing market price of share at the time of grant i.e. June 30, 2009. |
| c. | Options vested but not exercised and not lapsed | : | 118,500 |
| d. | Options exercised | : | 1,193,000 |
| e. | The total number of shares arising as a result of exercise of Options | : | 1,193,000 |
| f. | Options lapsed /surrendered | : | 953,500 |
| g. | Variation of terms of Option | : | Not applicable |
| h. | Money realized by exercise of Options | : | Rs. 42,470,800 |
| i. | Total number of Options in force | : | 118,500 |
| j. | Employee wise details of options granted to: | | |
| | i. Senior Managerial Personnel (other than the ex-employees whose options have lapsed on resignation) | : | Nil |
| | ii. Any other employee who received a grant in any one year of option amounting to 5% or more of options granted during that year | : | Nil |
| | iii. Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant | : | Nil |
| k. | Earnings Per Share (EPS) of Option calculated in accordance with Accounting Standard AS-20 | | |
| | Diluted before Extraordinary items | : | Rs. 2.98 |
| | Basic after Extraordinary items | : | Rs. 2.98 |
| | Diluted after Extraordinary items | : | Rs. 2.98 |
| l. | The Company has adopted intrinsic value method for the valuation and accounting of the aforesaid stock options as per SEBI guidelines. Since the grants were made at an exercise price equal to the closing market price at the time of grant, no amount was required to be accounted as employee compensation cost. The fair value of the options as per the "Black Scholes" model comes to Rs. 17.49 per option. Had the company valued and accounted the aforesaid options as per the "Black Scholes" model, the employee compensation cost would have been higher by Rs. 1.57 million, the Profit After Tax for the year would have been lower by Rs. 1.57 million, the basic earnings per share would have been lower by Re. 0.02. | | |
| m. | Weighted average fair value of options : Rs. 17.49 | | |
| n. | The "Black Scholes" model captures all the variables with their respective appropriateness which influences the fair value of stock options. The significant assumptions to estimate the fair value of options as per "Black Scholes" model are: | | |

	Vest 1 June 30, 2010	Vest 2 June 30, 2011	Vest 3 June 30, 2012	Vest 4 June 30, 2013
Variables	20.00%	20.00%	30.00%	30.00%
Stock Price	34.85	34.85	34.85	34.85
Volatility	63.52%	59.33%	54.45%	53.18%
Risk-free Rate	6.15%	6.31%	6.46%	6.61%
Exercise Price	35.60	35.60	35.60	35.60
Time to Maturity	2.50	3.50	4.50	5.50
Dividend Yield	0.00%	0.00%	0.00%	0.00%

IX. PARTICULARS OF EMPLOYEES

As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts is being sent to all the shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

X. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the accounts for the financial year ended March 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial year ended March 31, 2014 on a 'going concern' basis.

XI. AUDITORS

Your Company's Auditors M/s. Price Waterhouse, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, have given their consent to act as the Auditors of the Company for the forthcoming tenure. Members are requested to consider their re-appointment as the Auditors of the Company and to fix their remuneration by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

XII. AUDITORS' REPORT

The Auditors' observation read with Notes to Accounts are self-explanatory and therefore do not call for any comment.

XIII. COST AUDIT REPORT

The Company has appointed M/s Kiran J Mehta and Co., (FRN- 000025) Cost Accountants for conducting Cost Audit for the Company for the financial year 2013-14. The Cost Audit for the year is in progress and the report will be e-filed with the Ministry of Corporate Affairs, Government of India, in due course. The Cost Audit Report for the financial year 2012-13 was e-filed on August 26, 2013.

XIV. CORPORATE GOVERNANCE

Your Company believes that Corporate Governance is a voluntary code of self-discipline. Your Company continuously endeavors to follow healthy Corporate Governance practices to nurture interest of all stakeholders in the Company.

A separate report on Corporate Governance is annexed hereto as a part of this report. A certificate from a practicing company secretary regarding compliance of conditions of Corporate Governance as prescribed under Clause 49 of the Listing Agreement is attached to this report. Management Discussion and Analysis Report is separately given in the Annual Report.

XV. CONSOLIDATED FINANCIAL STATEMENTS

As stipulated under Clause 32 of the Listing Agreement with the Stock Exchanges and Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs under Section 212(8) of the Companies Act, 1956, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards issued by the ICAI. The Audited Consolidated Financial Statements together with Auditors' Report thereon forms a part of the Report.

XVI. ACKNOWLEDGEMENT

Your directors express deep sense of appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, creditors and shareholders and for the devoted services rendered by the executives, staff and workers of the Company.

For and on behalf of the Board

Mumbai
May 20, 2014

B. K. Goenka
Chairman

Annexure

Form – A
(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		2013-14	2012-13
A. POWER AND FUEL CONSUMPTION			
1	ELECTRICITY		
	(A) PURCHASED		
	KWH Units (in '000s)	284,767.84	61,318.05
	Total Amount (Rs in Lacs)	16,738.87	4,890.71
	Rate/Unit (Rs)	5.88	7.98
	(B) OWN GENERATION UNIT		
	(I) Through Diesel Generator (Furnace Oil)		
	KWH Units (in '000s)		
	Unit per Liter of Furnace Oil	1,892	29,747
	Furnace Oil Consumption (Rs. in Lacs)	3.93	4.46
	Cost / KWH Unit (Rs.)	190.29	2,957
		10.06	9.94
	(II) Through Diesel Generator (Diesel Oil)		
	KWH Units (in '000s)		
	Unit per Liter of Diesel Oil	27.98	10.92
	Diesel Consumption (Rs. in Lacs)	3.90	3.90
	Cost / KWH Unit (Rs.)	2.97	0.99
		10.62	9.05
	(III) Through Gas Turbine / Generator		
	KWH Units (in '000s)		
	Giga Calorie Consumption	8,817	168,480
	KWH per Giga Calorie of Natural Gas	16,526	360,161
	Gas Cost (Rs. in Lacs)	533.50	467.79
	Cost / KWH Unit (Rs.)	800.09	13,679.65
		9.07	8.12
2	COAL		
3	FURNACE OIL & HSD		
	(i) Furnace Oil		
	Quantity (Kilo Liters)	481	6,679.25
	Total Amount (Rs. in Lacs)	220.90	2,961.11
	Cost/ Unit of Furnace Oil (Rs.)	45.89	44.33
	(ii) Diesel Oil		
	Quantity (Kilo Liters)	7.18	2.80
	Total Amount (Rs. in Lacs)	2.97	0.99
	Cost / Unit of Diesel Oil (Rs.)	41.43	35.30
4	NATURAL GAS		
	Quantity (Giga Calorie)	16,526.07	360,160.60
	Total Amount (Rs. in Lacs)	800.09	13,679.65
	Cost / Giga Calorie of Natural Gas (Rs.)	4,841.40	3,798.21
5	OTHERS/INTERNAL GENERATION	-	-
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	PRODUCTS	STANDARD	CURRENT YEAR
	Cotton Yarn & Terry Towels and Bed Sheet	Mt	119,672
	Electricity	Kwh	2.47
	Furnace Oil	Ltr	0.004
	Coal	-	-
	Others	-	-
			PREVIOUS YEAR
			109,442
			2.37
			0.06
			-
			-



FORM B
(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

Research and Development (R&D)		(Vapi Plant)
01	Specific areas in which R&D is carried out by the Company	TOWELS 1. Denim Towels and Robes 2. Body Fit Towels and Robes 3. Cocoon Classic Towel 4. Cocoon Velvet Towel 5. Amaze Textures 6. Cushlon Pd and Yd Towels and Robes 7. Sports Towels 8. Natural Towel RUGS 1. Cocoon Multiply Rug 2. Cocoon Premium Cotton Rug. 3. Amaze Bath Rug 4. Resilon Kushlon Rug 5. Printed Bath Rug 6. Denim Bath Rug 7. Printed Accent Rug 8. Printed Carpet Rug 9. Fn Carpet 10. Celessence Carpet
02	Benefits derived as a result of the above R&D	Developed a premium range of products to attract new business and customers and maintain leadership in innovation in market. It has resulted in the improvement of quality of the products and reduced operation cost. The improvement has been possible because of constant efforts in R & D done by the company since inception.
03	Future plan of action	Future R&D efforts will continue similarly as at present, but with more focus, thrust and endeavours. The company is planning to get recognition of its in-house R&D centre at VAPI from Government of India.
04	Expenditure on R&D a) Capital b) Recurring c) Total d) Total R&D expenditure as a percentage of total turnover	– Nil – –
Technology Absorption, Adaptation and Innovation		
01	Efforts, in brief, made towards technology absorption, adaptation and innovation.	TOWELS a. Added 400 kg Brazoli dyeing machine in fabric dyeing b. Added SSM winding machine for precision winding. c. Added one weaving Tsudakoma machine 9200 with high rpm up to 700. d. Added one automatic length hemming machine. e. One chenille yarn manufacturing machine of pafa is loaded. f. Added 6 TFO of Volkmann in spinning for doubling of yarn. g. Added 2 assembly winder of Orilikon. RUGS a. Added chromo jet printing machine b. Added automatic cutting and stitching machine. c. Piece loading in paddle dyeing machine by conveyor belt.
02	Benefits derived as a result of the above efforts, etc. Product improvement, cost reduction, product development, import substitution, etc.	TOWELS a. New product development and innovation. b. Automation and precision results in reduced manpower and high productivity with quality. c. Increased production capacities. d. Addition of new product line. RUGS a. New product category added in rug business. b. Reduction in manual work which reduced requirement of manpower. c. Reduction in requirement of manpower in loading.

03	<p>In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:</p> <p>(a) Technology imported</p> <p>(b) Year of import</p> <p>(c) Has technology been fully absorbed?</p> <p>(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.</p>	All the above additions are fully absorbed.
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Research and Development (R&D)**(Anjar Plant)**

01	Specific areas in which R&D is carried out by the Company	<p>In continuation with innovation of new products-development increasing wide range of new functional products for varieties of end uses have been developed. These functional products of towel have attributed meeting the specific end use requirements.</p> <p>List of new developments in towel for the year 2013-2014:</p> <p>TOWELS</p> <ol style="list-style-type: none"> 1. Soft Twist Yarn 2. Cocoon Silk Towel 3. Soft and Always Towels <p>SHEETS</p> <ol style="list-style-type: none"> 4. Hygro Fresh: The "Hygro Fresh" sheets benefits:- <ol style="list-style-type: none"> a) helps quick evaporation to keep you dry. b) It regulates body temperature while asleep and adds comfort to sleep in all seasons. Keeps away odour. 5. Cocoon Sheets <ol style="list-style-type: none"> a) Fine Cotton Sheet with elegant, subtle dupioni silk texture. It feels like silk. b) Luxurious Sheet 6. Melange <ol style="list-style-type: none"> a) Cotton Rich b) Natural easy care c) Adds fashion to a normal solid sheet 7. Natural Sheets: (Patent Applied) <ol style="list-style-type: none"> a) Touch & freshness of Natural cotton b) 100% natural without any chemical treatment c) Eco friendly and sustainable 8. Satin Dreams <ol style="list-style-type: none"> a) Soft and Silky b) Luxurious sheets c) Natural wrinkle resist d) Durable <p>UTILITY BEDDING</p> <p>The following products are developed</p> <ul style="list-style-type: none"> • Goodnight Sleep Mattress Pad <ul style="list-style-type: none"> - Quiet comfort for noiseless protection - Allows air circulation • Ergonomic zoned mattress Pad <ul style="list-style-type: none"> - Ensures comfort sleep and to reduce body stress and body pain • Three Degrees <ul style="list-style-type: none"> - Bedding for all seasons. DIY comforter.
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02	Benefits derived as a result of the above R&D.	It has resulted in the improvement of quality of the products and reduced operation cost. The improvement has been possible because of constant efforts in R & D done by the company since inception.
03	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: a) Technology imported b) Year of import c) Has technology been fully absorbed? If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	–
04	Future plan of action	To create wider range of Sheets and TOB collections in future with innovations Create unique product range with cost effective options to capture market. Future R&D efforts will continue similarly as at present, but with more focus, thrust and endeavours. The company is planning to get recognition of its in-house R&D centre at ANJAR from Government of India.
05	Expenditure on R&D a) Capital b) Recurring c) Total d) Total R&D expenditure as a percentage of total turnover	- Nil - -

Technology absorption, adaptation and innovation

01	Efforts, in brief, made towards technology absorption, adaptation and innovation.	–
02	Benefits derived as a result of the above efforts, etc. product improvement, cost reduction, product development, import substitution, etc.	Wide Range of Product development. More penetration in competitive market. PLM ensure correct communication and correct record keeping of development.
03	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: a) Technology imported b) Year of import c) Has technology been fully absorbed? d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	–

Foreign exchange earnings and outgo

Activities relating to exports; Initiatives taken to increase exports; Development of new export markets for products and services and export plans; Total foreign exchange used and earned.	– – – Used : Rs. 49.80 million Earned : Rs. 44.09 million
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corporate governance report

I. PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the shareholders and other stakeholders of the Company. Board supports the broad principles of Corporate Governance. In order to attain the highest level of good Corporate Governance practice, Board lays strong emphasis on transparency, accountability and integrity. Corporate Governance is a mechanism by which the Company can achieve sustainable growth. It combines positive attributes of system centric approach as well as individual excellence for the benefit of common good.

II. BOARD OF DIRECTORS

The composition and category of directors; attendance of each director at the board meetings and at the last AGM; number of other companies on the Board or Committees of which a director is a Director/Member; and the number of board meetings and the date on which held, are as under:

Name of Director	Category	Board Meetings Attended during the Year 2013-14	Attendance at the Last AGM (attended)	No. of other Director-ships (As declared to the Company)				®Member (M)/Chairperson (C) in No. of Board Committees including other Companies (as declared to the Company)
				PLC	PTC	Over-seas	Other	
Mr. Balkrishan Goenka - Chairman & Director	P, NE, C, S	4	-	13	4	6	-	1C, 8M
Mr. Dadi Engineer – Director	NE, I, S	3	-	5	3	-	2	2C, 3M
Mr. Apurba Kumar Dasgupta – Director	NE, I, S	4	-	2	2	-	-	3M
Mr. Ram Gopal Sharma – Director	NE, I, S	5	YES	5	-	-	-	3C, 2M
Mr. Ajay Sharma – Nominee – IDBI Bank	NE, I	5	-	1	-	-	-	-
Mr. Arun Tadarwal – Director	NE, I	3	-	6	2	-	-	1C, 7M
Mr. Arvind Kumar Singhal – Additional Director (w.e.f. January 27, 2014)	NE	1	-	3	9	-	-	-
Mr. Rajesh Mandawewala – Managing Director	P, E, S	5	-	12	4	12	1	5M
Mrs. Dipali Goenka – Executive Director	P, E, S	2	-	9	5	2	-	-

PLC = Public Limited Company incorporated in India

PTC = Private Limited Company incorporated in India

Overseas = Bodies Corporate incorporated outside India

Other = Others including companies incorporated under Section 25 of the Companies Act, 1956

@ For the purpose of reckoning the limit of the committees on which a director can serve, Chairmanship/membership of the Audit Committee and the Shareholders' Grievance Committee alone have been considered.

Abbreviations: P=Promoter, E=Executive, NE=Non-Executive, I=Independent, L=Lender, S=Shareholder, M=Member, C=Chairperson.

Profile of Directors:

1. Mr. Balkrishan Goenka

Mr. Balkrishan Goenka (also known as BKG) is amongst India's most dynamic businessmen and the Chairman of Welspun Group – the \$3 billion multinational conglomerate. Under his astute leadership and exceptional flair for entrepreneurship, BKG has built one of the most resilient conglomerates under the banner of Welspun. Every company of the Group is growing at a dynamic pace and has emerged as a market leader, with most clients being amongst the Fortune 100 Companies. Today, Welspun Group as a whole captures a presence in more than 50 countries, employs over 24,000 people and has as many as 100,000+ shareholders.

2. Mr. Dadi Engineer

Mr. Engineer is a senior advocate and solicitor. He is a senior partner in Crawford Bayley & Co. Mr. Engineer has been a director of the Company for more than two decades.

3. Mr. Apurba Kumar Dasgupta

Mr. Dasgupta is a Civil Engineer. He has over 45 years of experience in the field of Engineering.

4. Mr. Ram Gopal Sharma

Mr. Ram Gopal Sharma is a Commerce Graduate with a Master's Degree in Economics. He is also a Fellow of the Insurance Institute of India. He was associated with Life Insurance Corporation of India for 35 years and rose to the rank of its Executive Director.

5. Mr. Ajay Sharma

Mr. Ajay Sharma is a director nominated by IDBI Bank. He is Chief General Manager of IDBI Bank. He has 27 years of experience in Project and Non-project financing.

6. Mr. Arun Tadarwal

Mr. Tadarwal is a Chartered Accountant by profession. He is also a member of the Institute of Internal Auditors, National Centre for Quality Management, International Fiscal Association, Bombay Management Association, Bombay Chartered Accountants Society and their study group on International Taxation and Finance.

7. Mr. Arvind Kumar Singhal

Mr. Arvind Singhal is Bachelor of Engineering (Electronics & Communication) from Roorkee University and MBA (Finance and Marketing) from University of California, Los Angeles. Mr. Singhal is a founder of Technopak.

8. Mr. Rajesh Mandawewala

Mr. Rajesh Mandawewala is the Managing Director of Welspun India Limited. A qualified Chartered Accountant (ICAI); he is in-charge of operations of the textile business and has enabled Welspun to develop a global reach in over 50 Countries. He has over 25 years of experience in industries varying from Textiles to SAW pipes. Today, WIL is the largest producer of Terry Towels in Asia and the second largest home textile company in the world. Mr. Mandawewala is a prolific speaker and is associated with leading business councils such as (CII), FICCI, IMC, BCC, Texprocil and FIEO.

9. Mrs. Dipali Goenka

Mrs. Dipali Goenka is the Managing Director of Welspun Global Brands Limited and Executive Director of Welspun India Ltd. As the driving force behind its textile business, she has successfully led the development of two of the most recognised brands in India known as SPACES Home & Beyond and WelHome. A Graduate in Psychology, she has also completed Owners/President Management programme from Harvard. She has retail initiative in India and setup an award winning design studio at Welspun with a clear global perspective.

III. AUDIT COMMITTEE

a. Terms of Reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee were as contained under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Gist of the responsibilities of the Committee were as given below:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (ii) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (iv) Reviewing the annual financial statements before submission to the board for approval, with particular reference to accounting policies and practices, accounting entries, related party transactions
- (v) Reviewing performance of internal auditors.
- (vi) Discussion with internal auditors any significant findings and follow up there on.

b. Composition:

The Audit Committee was constituted by the Board of Directors on September 27, 1996. The Chairman of the Committee is an independent director. Eight meetings of the Committee were held during the year under review. Dates of those eight meetings were May 15, 2013, May 31, 2013, July 16, 2013, August 7, 2013, October 21, 2013, October 25, 2013, January 24, 2013 and January 27, 2014.

The composition of the Committee and attendance of the members are given hereunder:

Name of Member	Member/ Chairman	Category	Number of Meetings Attended
Mr. Ram Gopal Sharma	Chairman	Non - Executive Independent	8
Mr. Dadi Engineer	Member	Non - Executive Independent	5
Mr. Apurba Kumar Dasgupta	Member	Non - Executive Independent	5
Mr. Arun Todarwal (appointed as a member w.e.f. May 15, 2013)	Member	Non - Executive Independent	6

The Company Secretary of the Company, Mr. Shashikant Thorat is the Secretary of the Committee. President (Finance), Internal Auditors and Statutory Auditors attended each of the meetings as per the provisions of Section 292A of the Companies Act, 1956.

IV. REMUNERATION COMMITTEE:

The Remuneration Committee was constituted by the Board of Directors in its meeting held on June 22, 2002. Two meetings of the Committee were held during the year. Dates of those two meetings were October 25, 2013 and November 29, 2013.

The terms of reference, compositions are as under:

- Terms of reference:** To recommend appointment of Managerial Personnel and consider the remuneration payable to them and review thereof from time to time.
- Composition:**

The composition of the Committee and attendance of the members are given hereunder:

Name of Member	Member/ Chairman	Number of Meetings Attended
Mr. Apurba Kumar Dasgupta	Chairman	2
Mr. Dadi Engineer	Member	2
Mr. Ram Gopal Sharma	Member	2

c. Remuneration to Executive Directors:

The details of remuneration paid/ payable to Mr. Rajesh Mandawewala – Managing Director for the Financial Year 2013-14 are as under:

	(Rs. in Million)
Salary & Allowances	17.00
Perquisites	0.47
Commission	0.00
Total	17.47
Tenure	Up to March 31, 2014

The details of remuneration paid/ payable to Mrs. Dipali Goenka – Executive Director for the Financial Year 2013-14 are as under:

	(Rs. in Million)
Salary & Allowances	15.00
Perquisites	0.00
Commission	0.00
Total	15.00
Tenure	Up to March 31, 2016

d. Remuneration to Non Executive Directors:

None of the Non-executive Directors received remuneration other than sitting fees except Mr. Balkrishan Goenka who is entitled to receive commission at the rate of 1% per annum of the net profits of the Company as per the provisions of Section 309(4) of the Companies Act, 1956 pursuant to shareholders' approval obtained in the 26th Annual General Meeting.

Mr. Balkrishan Goenka has forgone his commission entitlement for the Financial Year 2013-14 and no commission was paid to him for the Financial Year 2013-14.

Non Executive Directors (except Promoter Directors) were paid sitting fees as per the below fee structure:

Sr. No.	Meeting	Sitting Fee per meeting (in Rs.)
1.	Board Meeting	20,000
2.	Audit Committee Meeting	20,000
3.	Remuneration Committee Meeting	12,000
4.	Share Transfer and Investor Grievance Committee Meeting	5,000
5.	Finance and Administration Committee Meeting	5,000
6.	General Meeting	15,000

Details of sitting fees payable to each director based on meetings attended are as given below:

Sr. No.	Name of Director	Fees paid for attending Board and Committee Meetings (in Rs.)
1.	Mr. Dadi Engineer	184,000
2.	Mr. Apurba Kumar Dasgupta	324,000
3.	Mr. Arun Tadarwal	379,000
4.	Mr. Ram Gopal Sharma	180,000
5.	IDBI Bank (for meetings attended by nominee director, Mr. Ajay Sharma)	100,000
6.	Mr. Arvind Kumar Singhal	20,000

The above sitting fees paid to the non-executive directors was within the limits prescribed under the Companies Act, 1956 for payment of sitting fees without approval of the Central Government and hence prior approval of the members as stipulated under Clause 49 (I) (B) was not required.

V. SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE

The Share Transfer Committee was constituted by the Board of Directors at its meeting held on February 5, 1992 and was later on renamed and re-constituted as Share Transfer and Investor Grievance Committee. The Chairman of the Committee Mr. A. K. Dasgupta is a non executive independent director. The Committee meets once in a fortnight.

Compliance Officer: Mr. Shashikant Thorat - Company Secretary

a. Constitution of the Share Transfer and Investor Grievance Committee and attendance in its meetings:

Name of Member	Member/ Chairman	Meetings attended
Mr. Apurab Kumar Dasgupta	Chairman	24
Mr. BalKrishan Goenka	Member	25
Mr. Rajesh Mandawewala	Member	24

b. Number of Shareholders complaints received during the year:

During the year under review, total 52 investor complaints were received. Break-up of number of complaints received under different category is given hereunder:

Sr. No.	Nature of Grievance	Nos.
1.	Non receipt of Share certificates after transfer	6
2.	Non receipt of Dividend/Interest/Redemption warrant	31
3.	Non receipt of Annual Report	9
4.	Non receipt of Fractional Entitlement	3
5.	Others	3
	Total	52

The complaints received during the year under review were solved within the time limit to the satisfaction of the investors/shareholders and no complaint was pending as at March 31, 2014.

VI. MANAGEMENT

a. Management Discussion and Analysis

Management Discussion and Analysis of various businesses of the Company is separately given in the Annual Report.

b. Disclosures by Management to the Board

All details relating to financial and commercial transactions where directors may have a pecuniary interest are provided to

the Board, and the interested directors neither participated in the discussion, nor did they vote on such matters.

VII. GENERAL BODY MEETINGS

The details of Annual General Meetings held in the last three years are given hereunder:

Meeting	Day & Date of Meeting	Time	Place	Special Resolutions passed at the meeting
26 th Annual General Meeting	Thursday, September 08, 2011	11.00 a.m.	Registered Office : Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370 110	<ul style="list-style-type: none"> • Resolution confirming appointment of M/s. Price Waterhouse & Co. as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting • Resolution authorising Board for making investments including corporate guarantees / securities provided / loans / advances etc. not exceeding Rs. 520,000 in Wel-Treat Enviro Management Organisation • Resolution confirming appointment of Mr. Rajesh R. Mandawewala as the Managing Director of the Company for a period of three years w.e.f. April 1, 2011 • Resolution confirming re-appointment of Mr. M. L. Mittal as Executive Director (Finance) of the Company for a period of 3 years w.e.f. July 1, 2011 • Resolution confirming payment of commission of 1% per annum of the net profits of the Company to Mr. B.K. Goenka, a non executive director, for a period up to 5 years commencing from April 1, 2011
27 th Annual General Meeting	Monday, December 31, 2012	11.00 a.m.	Registered Office : Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370 110	<ul style="list-style-type: none"> • Resolution approving appointment of Ms. Kushboo Mandawewala as a Deputy General Manager w.e.f. October 01, 2012. • Resolution approving alteration of articles of association of the company for removing the references of the agreement entered into between the Promoters of the Company and Dunearn Investments (Mauritius) Limited, which agreement now stands terminated. • Resolution authorising Board for making investments not exceeding in aggregate up to Rs. 65 Crore in Welspun Captive Power Generation Limited or any of its subsidiary. • Resolution authorising Board of Directors of the Company to invest its surplus funds, as a part of its treasury operations, to acquire by way of subscription, purchase or otherwise the securities, including share, scrips, stocks, bonds, debentures, units of mutual funds of any body corporate mainly public sector undertakings, banks, financial institutions, etc., up to a limit not exceeding Rs. 3000 million.
28 th Annual General Meeting	Tuesday, September 24, 2013	10.00 a.m.	Registered Office : Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370 110	<ul style="list-style-type: none"> • Resolution under section 372A of the Companies Act, 1956 approving investment of Rs. 1 Crore in share capital of Welspun Global Brands Limited.

The following Special Resolutions, as set out in the Postal Ballot Notice dated March 25, 2013 and voted through Postal Ballot were assented to by the requisite majority as per the result declared by the Chairman on April 30, 2013 and therefore



taken as approved by the shareholders:

- 1) Special Resolution under Section 372A of the Companies Act, 1956 authorising investment of an amount up to Rs. 85 crores in Welspun Captive Power Generation Limited, in excess of limits specified under the section.
- 2) Ordinary Resolution for appointment of Mrs. Dipali Goenka as Director of the Company under Section 257 of the Companies Act, 1956.
- 3) Special Resolution confirming resolution of the Board of Directors dated March 25, 2013 for appointment of Mrs. Dipali Goenka as Executive Director of the Company and fixation of her remuneration.
- 4) Special Resolution confirming resolution of the Board of Directors dated March 25, 2013 for revision in the remuneration of Mr. Rajesh Mandawewala, Managing director of the Company
- 5) Special Resolution confirming resolution of the Board of Directors dated March 25, 2013 for appointment of Mr. Abhishek Mandawewala as President-Advance Textiles
- 6) Special Resolution authorising alteration of articles of the Company

The following Special Resolutions, as set out in the Postal Ballot Notice dated January 27, 2014 and voted through Postal Ballot were assented to by the requisite majority as per the result declared by the Chairman on March 13, 2014 and therefore taken as approved by the shareholders:

- 1) Special Resolution approving appointment of and remuneration payable to, Mr. Rajesh R. Mandawewala, Managing Director;
- 2) Special Resolution approving remuneration payable to Ms. Dipali Goenka as Executive Director of the Company;
- 3) Special Resolution approving insertion of Clause 67 in the Other Objects given in the Memorandum of Association;
- 4) Special Resolution approving commencement of business under Clause 67 in the Other Objects given in the Memorandum of Association;
- 5) Special Resolution approving alteration of Article 170 of the Articles of Association of the Company;
- 6) Special Resolution confirming resolution of the Board of Directors dated May 15, 2013 authorising guarantee in favour of consortium of banks led by State Bank of Bikaner and Jaipur to secure repayment of working capital facilities up to Rs. 447 Crore sanctioned to Welspun Global Brands Limited by the consortium;
- 7) Special Resolution confirming resolution of the Board of Directors dated August 7, 2013 authorising guarantee in favour of Bank of India, Manchester, UK to secure repayment of loan of GBP 3 million availed by Welspun Home Textiles UK Limited, UK;
- 8) Special Resolution confirming resolution of the Board of Directors dated November 29, 2013 authorising guarantee in favour of lenders to Anjar Integrated Textile Park Developers Private Limited for securing lenders' loans upto Rs. 125 crore;
- 9) Special Resolution approving appointment of Mr. Yash Mandawewala as Management Trainee;

VIII. DISCLOSURE

a. Details of related party transactions

Refer Note No. 48(ii) to the Standalone Accounts in the Annual Statement for list of related party transactions.

b. Brief resume of Director being appointed / re-appointed

A brief resume, nature of expertise in specific functional areas, name of companies in which the person already holds directorship and membership of committees of the Board and his shareholdings in the Company forms part of the Notice of General Meeting, annexed to this Annual Report.

c. Details of non-compliance

During financial year 2011-12, the Company had made investments aggregating to Rs. 1197.29 million without obtaining prior approval of shareholders as required under section 372A of the Companies Act. The company had filed an application for compounding of the offence with the Company Law Board in this regard. Company Law Board vide its order dated January 20, 2014, compounded the default.

Except the above, there was no non-compliance by the Company, nor there was any penalty or stricture imposed on the Company by the Stock Exchange or SEBI or any authority on any matter related to capital market during the last 3 years.

d. Whistle Blower Policy

The Company has a Whistle Blower Policy and no personnel have been denied access to the Audit Committee.

e. Detail of compliance with mandatory requirement and adoption of the non-mandatory requirements of the Clause 49 of the Listing Agreement.

The Company is in compliance with the mandatory requirements mentioned under Clause 49(I) to 49(VII) of the Listing Agreement to the extent applicable and in addition the Company adopted non-mandatory requirement mentioned at (2) – Remuneration Committee, (4) – Audit Qualifications, and (7) – Whistle Blower Policy of Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges.

f. Code of Conduct

The Company has Code of Conduct for Board members and senior management personnel. A copy of the Code has been put on the Company's website for information of all the members of the Board and management personnel.

All Board members and senior management personnel have affirmed compliance of the same.

A declaration signed by the Managing Director of the Company is given below:

"I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company."

Sd/-

Rajesh R. Mandawewala

Managing Director

g. Certification by the Managing Director

A certificate obtained from Mr. Rajesh R. Mandawewala, the Managing Director on the Financial Statements of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board, who took note of it and took the same on record.

h. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out the Reconciliation of Share Capital Audit on quarterly basis to reconcile the share capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. The audit confirms that the total issued / paid-up capital is in agreement with total number of shares in physical forms and total number of demat shares held with NSDL and CDSL.

i. Accounting Standards

The Accounting Standards laid down by The Institute of Chartered Accountants of India and applicable to the Company were followed by the Company in preparation of accounts of the Company.

j. Details (in aggregate) of shares in the suspense account including freeze on their voting rights under Clause 5A of the Listing Agreement:

There are 140,002 unclaimed equity shares lying in the Suspense Account, the details of which are as under. The voting rights on these shares will remain frozen till the rightful owner of such shares claims the shares.

Particulars	No. of Shares	No. of Shareholders
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (as on April 1, 2013)	140,246	3,949
*Number of shareholders who approached issuer for transfer of shares from suspense account during the year	772	18
*Number of shareholders to whom shares were transferred from suspense account during the year	772	18
*Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year (as on March 31, 2014)	140,002	3,968

* This includes the number of shares and shareholders of Welspun Global Brands Limited (WGBL) as a result of merger of WGBL with your company.

IX. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after

they are approved by the Board. The Company published its un-audited quarterly results / audited annual financial results in one or more of the following newspapers:

- (i) Western Times (English and Gujarati Editions)
- (ii) Economic Times (English Edition)
- (iii) Press Press Journal (English Edition)

These results are simultaneously posted on the website of the Company www.welspunindia.com. The official press release is also available on the website of the Company. Stakeholders may access following information on www.welspunindia.com

- Annual Reports
- Quarterly financial statements in Clause 41 format
- Shareholding Patterns
- Details of unclaimed dividend
- Notices
- Investor Presentations

Management Discussion and Analysis forms part of this Annual Report.

X. GENERAL SHAREHOLDER INFORMATION

AGM will be held on Thursday, September 11, 2014 at 10.45 a.m. at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370 110.

Financial Year of the Company is from April 1 to March 31.

Date of Book Closure: Monday, June 23, 2014 to Wednesday, June 25, 2014 (Both days inclusive)

Dividend payment date: September 16, 2014.

Listing on Stock Exchanges: Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

The equity shares of the Company have been voluntarily delisted from Ahmedabad and Delhi Stock Exchanges and all the formalities for delisting of equity shares from Calcutta Stock Exchange have been completed and formal intimation is awaited.

Annual listing fees for the year 2014-15 has been paid to BSE and NSE

Stock Code/Symbol:

Bombay Stock Exchange (BSE)	:	514162
National Stock Exchange (NSE)	:	WELSPUNIND (SERIES EQ)

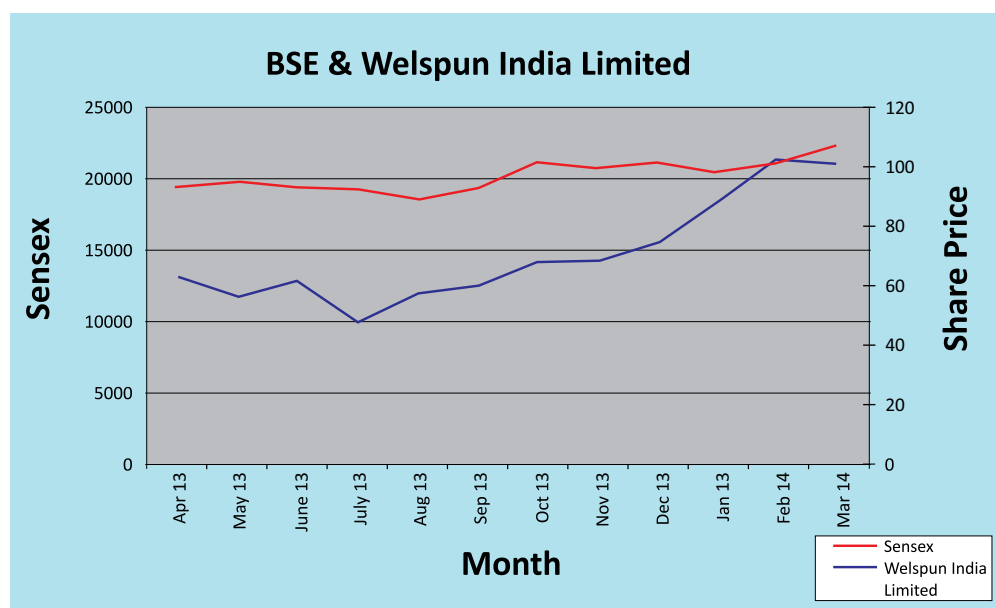
Market Price Data:

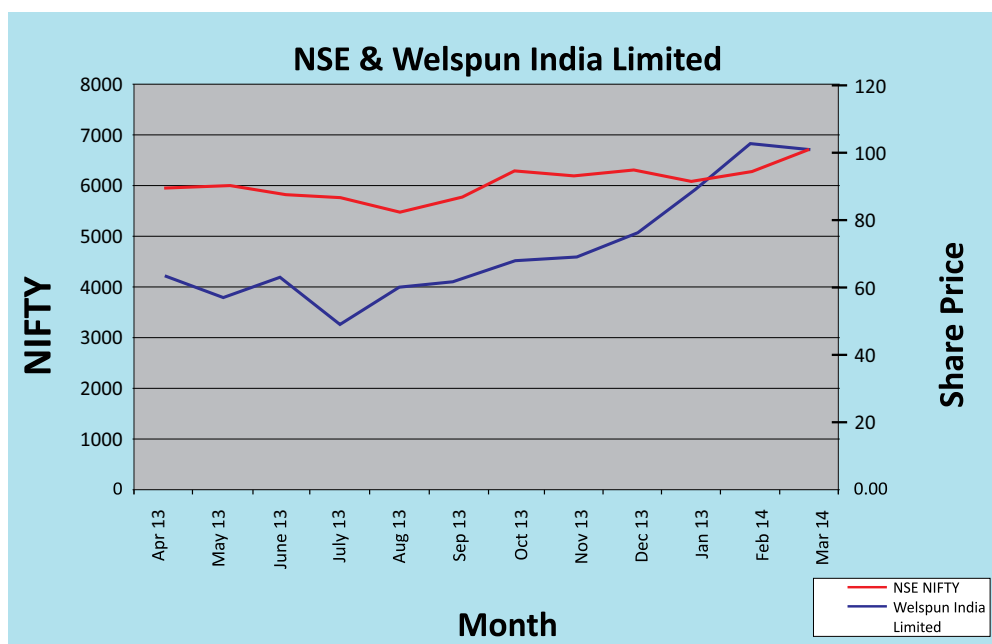
- High & Low price of equity shares of the Company on Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) is as under:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-2013	69.50	61.20	72.00	61.35
May-2013	70.60	56.10	70.95	56.05
Jun-2013	65.40	55.10	66.50	54.70
Jul-2013	64.35	47.00	62.55	47.65
Aug-2013	64.15	46.50	60.80	47.95
Sep-2013	65.05	54.00	65.65	56.00
Oct-2013	70.00	52.75	69.80	57.50
Nov-2013	74.55	62.00	74.40	63.50
Dec-2013	75.90	65.60	76.50	65.60
Jan-2014	93.55	74.90	93.90	75.10
Feb-2014	104.00	87.25	103.90	86.85
Mar-2014	106.15	91.15	106.30	90.45

- Performance in comparison to broad-based indices i.e. BSE Sensex and NSE S&P CNX is as under:

Month	BSE Index	Closing Price (Rs.)	NSE Nifty	Closing Price (Rs.)
Apr -2013	19504.18	63.20	5930.20	62.95
May -2013	19760.30	56.55	5985.95	56.60
Jun -2013	19395.81	62.10	5842.20	62.50
Jul -2013	19345.70	48.00	5742.00	48.45
Aug -2013	18619.72	57.65	5471.80	59.50
Sep -2013	19379.77	60.25	5735.30	61.40
Oct -2013	21164.52	68.55	6299.15	67.85
Nov -2013	20791.93	68.45	6176.10	68.60
Dec -2013	21170.68	74.35	6304.00	75.00
Jan -2014	20513.85	88.15	6089.50	87.85
Feb -2014	21120.12	102.65	6276.95	102.85
Mar -2014	22386.27	100.90	6704.20	100.70





Registrar and Transfer Agent: The Company has appointed Registrar and Transfer agent to handle the share transfer work and to solve the complaints of Shareholders. Name, Address and telephone number of Registrar and Transfer Agent is given hereunder:

Link Intime India Private Limited
Unit: Welspun India Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai - 400078
Tel. No: 022 25946970
Email: rnt.helpdesk@linkintime.co.in

Share Transfer System:

Shares sent for transfer in physical form are registered by the Company's Registrars and Share Transfer Agents within 15 days from the receipt of the documents, if the same are found in order. Shares under objection are returned within two weeks.

Distribution of Shareholding as on March 31, 2014:

No. of Equity Shares held	No. of shareholders	Percentage of Shareholders	Total No. of shares held	Percentage of Shares held
Upto - 500	39,374	94.90	2,672,751	2.66
501 - 1,000	980	2.36	721,539	0.72
1,001 - 2,000	550	1.33	764,178	0.76
2,001 - 3,000	164	0.40	411,706	0.41
3,001 - 4,000	70	0.17	250,253	0.25
4,001 - 5,000	54	0.13	254,224	0.25
5,001 - 10,000	127	0.31	875,188	0.87
10,001 - above	170	0.41	94,396,676	94.07
Total	41,489	100.00	100,346,515	100.00

Dematerialisation of shares and liquidity: As on March 31, 2014, 99.32% have been dematerialized and have reasonable liquidity on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Outstanding Employee Stock Options and likely impact on equity share capital is as under:

Outstanding as on 31.03.2014	Impact on equity share capital
118,500 Options vested but not exercised representing equal number of equity shares to be exercisable up to 30.06.2016.	Increase in equity capital by 118,500 equity shares of Rs. 10/- each at a premium of Rs. 25.60 per share

Outstanding GDR's/ADR's/Convertible (As at March 31, 2014) – Not applicable**Plant Locations:**

- | | |
|--|---|
| 1. Survey No.76, Village Morai,
Vapi, District Valsad, Gujarat - 396191 (India) | 2. Welspun City, Village Versamedi
Taluka Anjar, District Kutch, Gujarat -370110 (India) |
|--|---|

Address For Correspondence:

Company Secretary
Welspun India Limited
Welspun House, 6th Floor, Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai 400013
Tel: +91-22-24908000, +91-22-66136000
Fax: +91-22-24908020
E-mail : companysecretary_wil@welspun.com

Practicing Company Secretary's Certificate

TO THE MEMBERS OF WELSPUN INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Welspun India Limited for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievance received during the year ended March 31, 2014, the Registrars of the Company have certified that as at March 31, 2014, there was no investor grievance remaining unattended / pending for more than 15/30 days, as the case may be.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Uday Sohoni
Practising Company Secretary
Certificate of Practice No. 10916

Mumbai
May 20, 2014

management discussion and analysis

The Management Discussion and Analysis (MD&A) should be read in conjunction with the Audited Consolidated Financial Statements of Welspun India Ltd ("Welspun" or "WIL" or the "Company"), and the notes thereto for the year ended March 31, 2014. This MD&A covers Welspun's financial position and operations for the year ended March 31, 2014. Amounts are stated in Indian Rupees unless otherwise indicated. The numbers for the year ending March 31, 2014 as well as for the previous year are on a consolidated basis and regrouped and reclassified wherever necessary.

Forward-Looking Statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



India's competitiveness against rival countries has significantly improved in the last few years in textiles, particularly in specialty cotton textiles. While domestic factors such as surplus cotton availability, competitive factor costs, and a holistic enabling environment have helped India's position, competing countries are facing issues such as high wage inflation, geo-political tensions and compliance issues. This is clearly reflected in India's rising market share in the global arena, especially in home textiles. Welspun, being a global leader in this segment, is well-placed to take advantage of these developments.

- Rajesh R. Mandawewala
Managing Director, Welspun India Limited.

WELSPUN INDIA LTD - BUSINESS OVERVIEW

Welspun India Limited (WIL) is one of the leading home textile players in the World, with a network across 50 countries. The Company offers a wide range of home textile products providing a “One stop solution for Home Textiles” across the globe through its modern state-of-the-art manufacturing facilities at Anjar and Vapi in Gujarat, India. The Company is a supplier to 14 of the Top 30 global retailers. Its product range covers the entire gamut of bed and bath textiles like bed sheets, pillow cases, comforters, quilts, and mattress pads, to bath rugs, towels, bath robes and area & accent rugs. Majority of these products are presented and sold in the key markets like USA, Canada, UK, Europe and Japan. About 95% of WIL’s production is exported to various countries across the World.

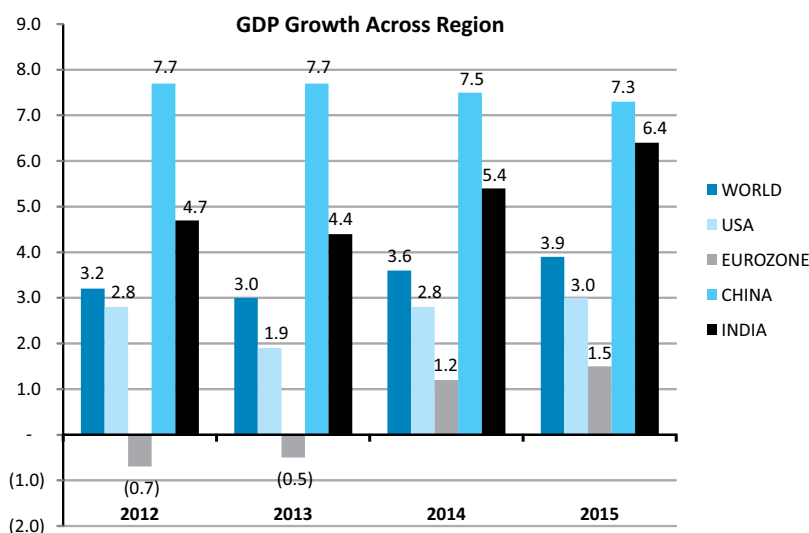
GLOBAL ECONOMIC OVERVIEW

The global economic environment continued to be challenging during the last year. During the course of 2013-14, the global financial markets had to face an extraordinary spell of financial turbulence arising from the US Fed contemplating tapering its large scale asset purchase programme. The tapering heralded the turning of the global interest rate cycle with volatile movements for cross-border capital flows and asset prices.

For the Indian economy, the slowdown in growth that began in FY12, worsened in FY13 and continued into FY14. India’s real GDP growth rate hit decade low levels. The slowdown was broad-based affecting all major sectors of economic activity. The economic growth rate continued to stay around the 5% mark during 2013-14. The turbulence in the global economy only added to the woes of the Indian economy. Like most other emerging markets, India faced capital outflows and intense exchange rate pressures on fears of the US Fed tapering. This prompted the RBI and the government to take several measures to control the current account deficit, exchange rate and inflation.

However, the outlook for the global economy appears cautiously optimistic. Global growth, after decelerating for the last three years is poised to improve in CY2014 and CY2015 (see Fig 1), but risks related to uncertainties in timing of unwinding of unconventional monetary policies and possibility of a renewed deflation in the euro area remain. Economic expansion in the US is gaining firmer footing and will aid recovery in global activity and trade. As far as India is concerned, there is expectation that the pace of reforms will pick up under newly elected National Democratic Alliance (NDA) government which mainly had “Development” as its plank. Thanks to policy measures, India’s current account deficit has come down drastically in recent months reducing the risk of any external shocks to the economy. With inflation showing a downward trend in recent weeks, expectations are that the RBI will pause on the rate hike cycle and probably, initiate a cycle of rate cuts in FY14-15.

Figure 1



Source : IMF Report , April 2014

FOREIGN EXCHANGE

The Indian Rupee has been very volatile against the US dollar and other major currencies over the last year. Against the US dollar, the rupee opened the financial year at 54.655 in April 2013. It gradually appreciated to 53.5 levels in May 2013. Post that, it depreciated continuously to reach around 61.104 levels in early July 2013. Though it appreciated to around 59 levels by end of July, the strength in the rupee was short-lived. The sharp depreciation in August saw the rupee reach 68- levels. Post that, the rupee regained some of the losses

and traded in the 61-63 range from October 2013 to February 2014. March saw some appreciation in the rupee which closed the year at 59.863 to the dollar. The sharp and sudden volatility through the year created uncertainty for companies, affecting both Importers and Exporters in equal measure. Figure 2 shows the price fluctuations during the year.

Figure 2



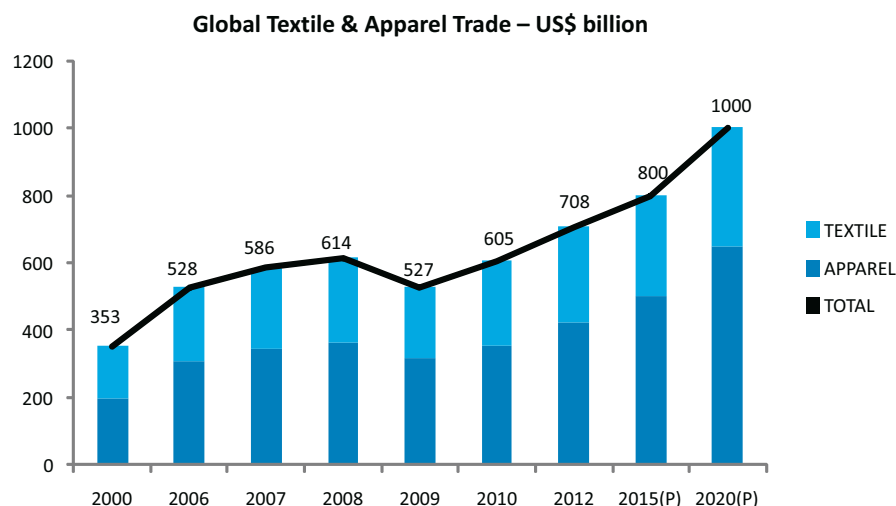
Source : <http://www.oanda.com/currency/historical-rates/>

GLOBAL TEXTILE INDUSTRY AND TRADE

According to WTO data, global Textile and Clothing trade reached US\$ 708 bn in CY2012. This indicates a CAGR of more than 10% from the 2009 level at the peak of the economic crisis. A major part of the trade came from clothing or apparel trade (US\$ 423 bn in 2012) while the remaining was on account of textile trade (US\$286 bn). Textile and clothing trade is expected to grow at a rate of ~ 5% per annum over the next decade and breach the US\$ 1 trillion mark by the end of this decade as shown in Figure 3. [Source: Technopak and WTO 2013 Statistics]

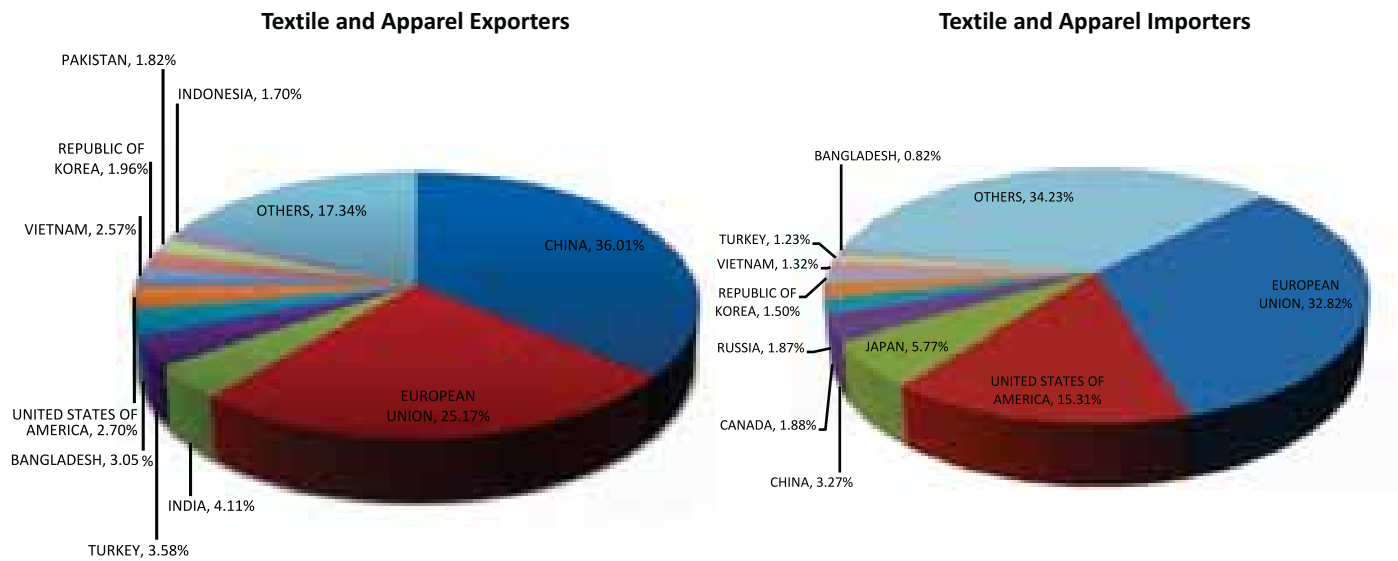
The high level of trade in textiles is on account of the clear distinction between producing countries and consuming countries. Developed economies such as USA and Europe have emerged as major consuming hubs while developing economies such as China and India are the biggest manufacturers. (see figure 4)

Figure 3



Source: WTO 2013 Statistics, Technopak 2012

Figure 4



Source: WTO 2012 Statistics

INDIAN TEXTILE INDUSTRY

India is one of the leading players in the textile and clothing industry, with the country ranked as the third largest exporter, behind China and European Union (EU). At a country level, India has become the second largest exporter overtaking Germany and Italy but trailing China by a significant margin. India's share in world textile and clothing exports stands at 4.11%.

While in apparel, India is the fifth largest exporter (behind China, EU, Bangladesh and Vietnam), its position is stronger in textiles (non-clothing) trade. In textiles, India is the third largest exporter with a share of 5.3%. This share was 4.2% in 2008 and has been consistently increasing over the last few years (Figure 5).

Figure 5



Source: WTO Trade Statistics

India accounts for 22% of the world's installed capacity of spindles and is one of the largest exporters of yarn in international market. It has the second highest spindleage in the world after China. Even in the number of shuttle-less looms, India is number 2 behind China.

GROWING PROMINENCE IN TEXTILE TRADE

In India, the textiles and apparel sector plays a very vital role in the economy. It is the second largest provider of employment after agriculture and is an important contributor to Industrial output, employment generation and the export earnings of the country. This sector contributes about 14 per cent to industrial production, 4 per cent to the gross domestic product (GDP), and 17 per cent to the country's export earnings. It provides direct employment to over 35 million people.

The Indian textile and apparel industry is at an inflection point. The country's competitive position has been improving in the last few years, driven by a number of structural changes in the global textile scenario. This advantage is particularly evident in the cotton textile industry. Some of these structural changes are:

Cotton Availability: India is a country where abundant good quality surplus cotton is available. It is the second largest producer of cotton and the only major textile exporter which is a net exporter of the crop. Other major textile exporters like China, Pakistan, Bangladesh and Turkey are net importers of cotton. Apart from this, India is also a net exporter of cotton yarn unlike competing countries like China and Bangladesh. This puts India at an advantage against other major exporters in terms of raw material availability and costs. As shown in Figure 6, India exports about 30% of its annual production.

Figure 6

World Cotton Balance Sheet – 2013-14

(In Mn Bales – 480 Lb)

COUNTRY	OPENING STOCK	OUTPUT	IMPORT	CONSUMPTION	EXPORTS	ENDING STOCK
WORLD	90	117.1	38.5	109.5	38.5	97.9
U.S.	3.9	12.9	0.0	3.6	10.4	2.8
INDIA	12.0	29.5	0.8	23.0	8.8	10.4
CHINA	50.4	32.0	12.8	35.5	0.10	59.6
PAKISTAN	2.9	9.5	2.5	11.5	0.4	2.9
BANGLADESH	0.9	0.1	3.7	3.8	0.0	0.9

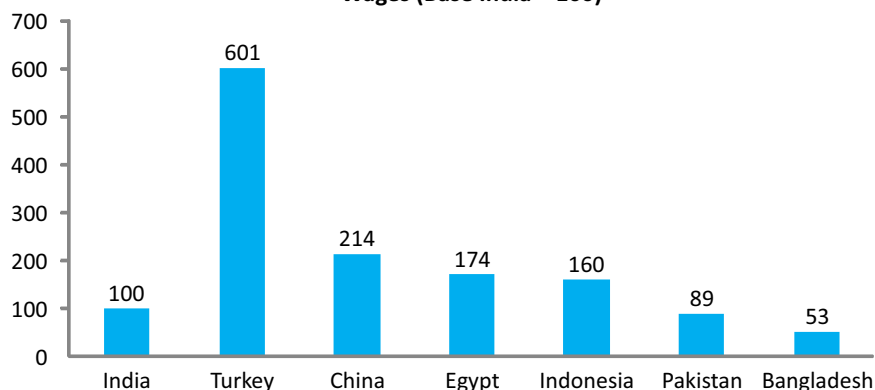
Source: USDA

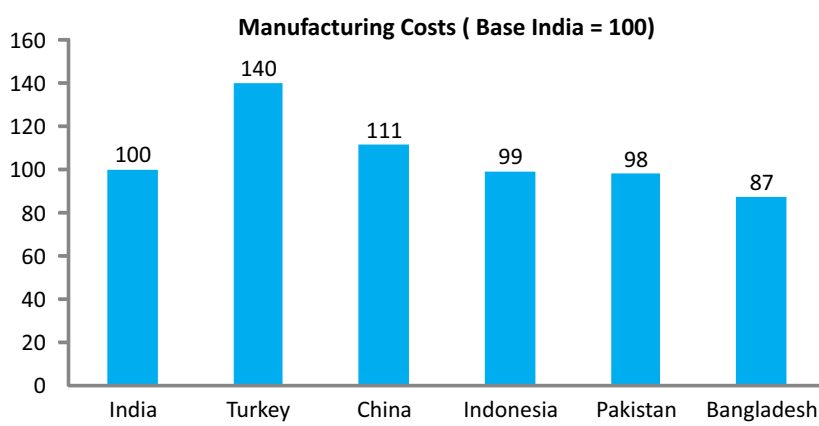
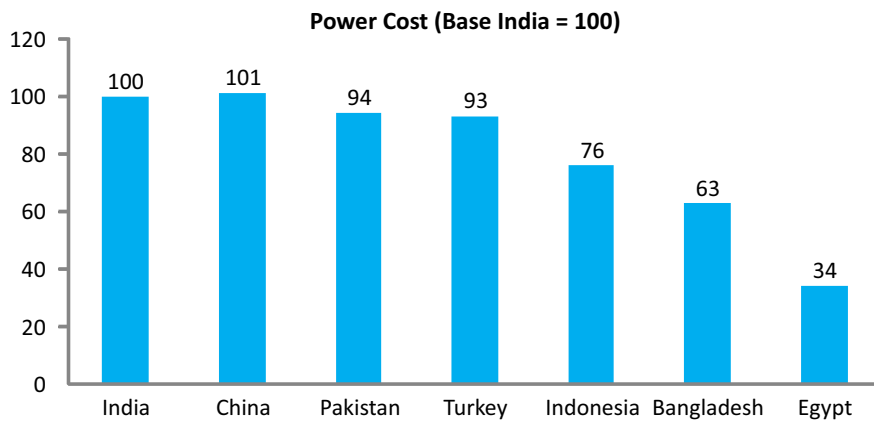
Competitive Costs: Factor costs, particularly power and wages, are very competitive compared with other key textile exporters in the World. Chinese labour costs have risen substantially in the recent years affecting the competitiveness of the exporters there.

Input Cost Comparison of Key Countries

Figure 7

Wages (Base India = 100)





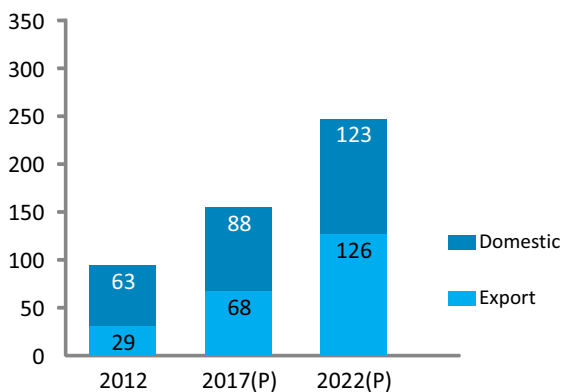
Socio Economic / Compliance Issues: While Pakistan and Bangladesh enjoy slightly lower costs compared to India, they suffer from socio-economic and compliance issues. The security situation in Pakistan is a cause of concern for many importers as any supply disruption would affect their business adversely. Bangladesh, on the other hand, is facing scrutiny over workers' safety and environmental compliance issues. India, with its strong democracy and stricter compliance norms, is placed much better than these countries on these parameters.

OUTLOOK

The Indian textile and apparel market size (domestic + exports) is currently at around US\$92 billion and is projected to reach US\$ 249 billion by 2022, implying a CAGR of ~10%. India's exports of textiles & clothing is expected to grow even higher, at a CAGR of 15.1% over the ten year period as compared to the world textile and clothing trade growth of around 5%. This would take India's share in world exports to ~11% from the current level of 4.1%.

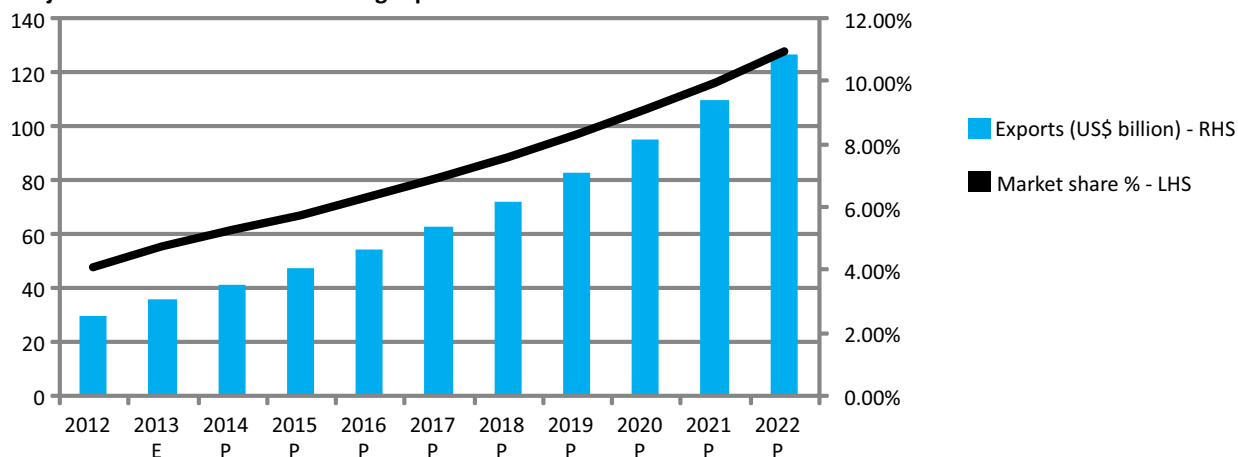
Figure 8

Projected Indian Textile and Clothing Industry – Domestic + Exports (US\$ billion)



Source: Textile Ministry, FICCI calculations

Figure 9

Projected Indian Textile and Clothing Exports and Market share in Global Trade**HOME TEXTILES MARKET**

The global home textiles trade is estimated at around US\$45 billion, at the wholesale level. US and Europe are the biggest consuming regions, each constituting about one-third of world demand. India, China and Pakistan are the biggest exporters in this segment, constituting more than 50% of the world trade. India, China and Pakistan constitute more than 85% of home textile exports into the US market. In Europe, some other players such as Turkey and Bangladesh, which enjoy duty-free status into the region, are also important players apart from these three countries.

The 'India advantage' is most prominent in the home textile segment as the Indian players have the scale and technology to compete with the large manufacturers in China as well as other countries. India's share in home textile trade is around 11%, more than double its share in textiles. In "cotton" home textiles, the share is even higher and better than China in many products. India has been constantly growing its market share over the last few years in this space. Figure 10 and 11 show the share of key competing countries in US imports in cotton towels and sheets.

Figure 10

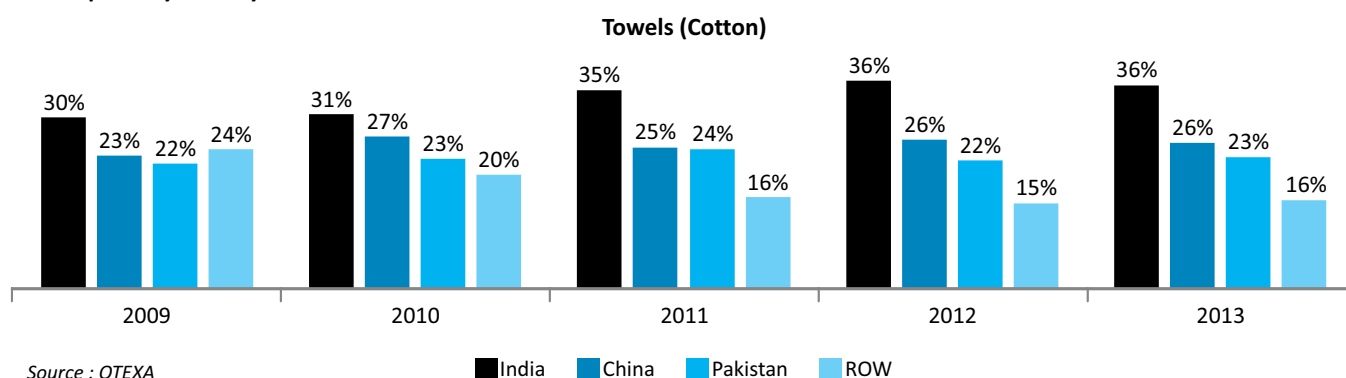
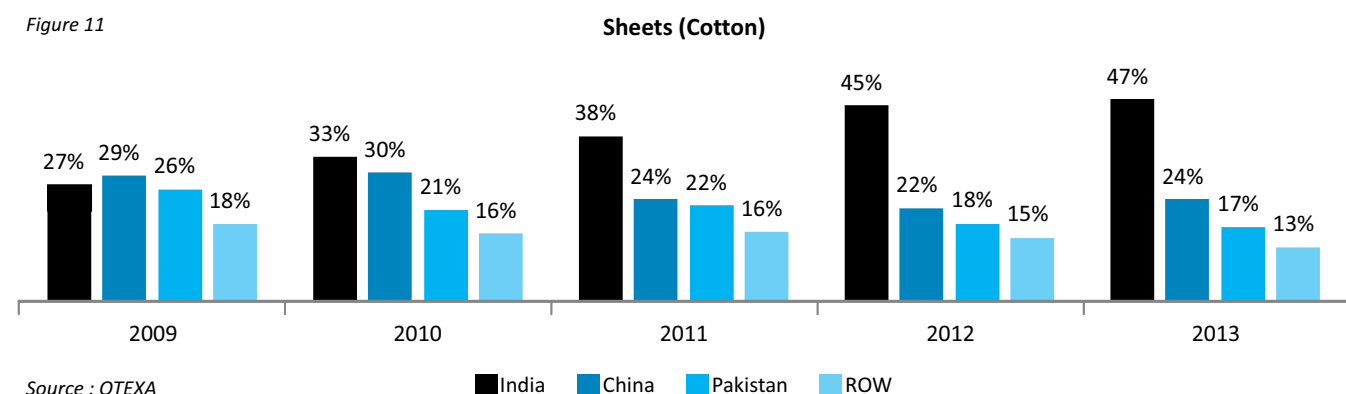
US imports by country in Cotton Towels and Cotton Sheets

Figure 11



FY13-14 has been a remarkable year for the company with some of the strongest operational and financial results yet. The vertical integration project is in full swing and scheduled to be completed shortly, thereby ensuring availability of quality intermediates and contributing to our profitability going forward. We continue to be focused on INNOVATION as it is the key driver to our success. With dedicated research and development programmes at Vapi and Anjar, we continue to identify latent demand and address them through innovative technologies. The prestigious awards, accolades and recognitions, including the top ranking among the home textile suppliers to the US is a testimony to our commitment to excellence.

- **Dipali Goenka**
Executive Director, Welspun India Limited



WELSPUN OVERVIEW

WIL PRODUCTS

BATH:

Terry Towels

Terry towels are made out of 100% cotton or blended yarns, which have significant hydrophilic property, with a capability of quick water absorption. The range offered by WIL includes beach towels, kitchen towels, baby hood towels, hand towels, face towels and bath sheets.

Bath Rugs

Bath rugs are made of cotton, nylon or micro fiber and can be latex-backed, depending on consumer preferences. These come in various sizes, shapes and designs.

Robes

WIL manufactures bath robes in different styles such as "kimono", "hood", "zipper", "shawl" and "wraps". Since the fabric for bath robes is similar to that of towels, the Company is able to leverage the product development and innovation undertaken in the production of terry towels, in this segment.

BED:

Bed Linen Products

It includes bed sheets in different sizes, according to bed sizes and mattress depth. These are made from cotton or from various blends, such as polyester cotton, cotton bamboo, cotton silk and cotton eucalyptus.

Basic Bedding and Decorative Bedding

Basic bedding includes mattress pads, blown and garneted pillows and basic comforters while decorative bedding products include comforters, duvets, coverlets, bed skirts, shams, decorative pillows and bolsters.

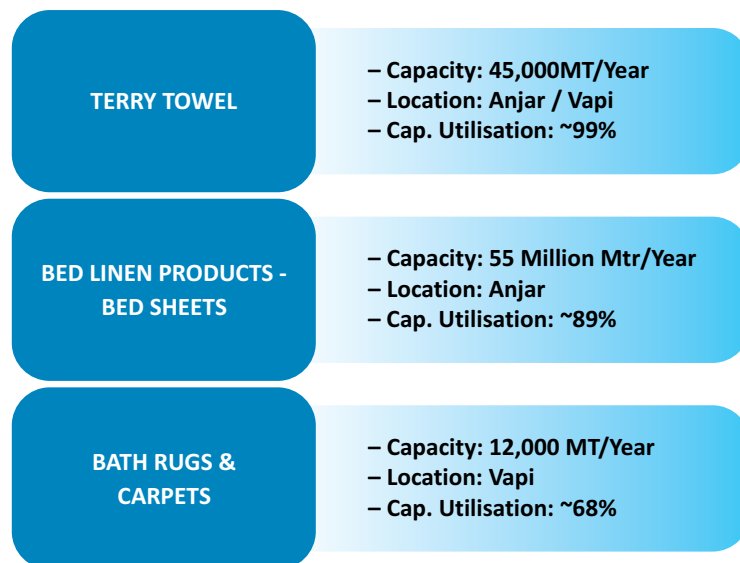
FLOORING:

Carpets:

The Company is a recent entrant in the Carpet segment. The carpet facility was completed in FY14 and is expected to start generating revenues in FY15. The Company will be initially focusing on decorative carpets and area rugs.

Current Capacities of Welspun India

Figure 11

**KEY DEVELOPMENTS IN FY 2013-14**

FY 2013-14 was a landmark year for the Company. In the year, the Company recorded its highest annual sales, annual EBITDA and EBITDA margin in its history. The Company also maintained its position as the No:1 Home textile supplier to the US for the second consecutive year, based on the rankings published by Home Textiles Today (HTT) in February 2014. In terms of market development, the Company acquired 19 new clients across 13 countries. The Company continued its focus on innovation and new product development with ~25% of the Company's sales coming from innovative products in FY13-14.

During the year, the company embarked on its vertical integration project for increasing its spinning and weaving capacity. The company commissioned 140 looms for sheeting during the year while the 1,70,000 spindles are expected to be commissioned by Q2 FY15. Once the entire capex is complete, the integration levels will go up to ~75% in yarn and fabric (sheeting) from FY13 level of ~35%. Apart from ensuring quality and availability of key intermediate products, the project will also contribute to improvement in profitability of WIL going forward.

In April 2013, Welspun Group commissioned an 80 MW thermal power plant in Anjar based on imported coal. Welspun India holds 68% stake in the captive power company. This has helped ensure continuous availability of power and reduce power costs for WIL.

During the year, the company won numerous awards for its quality, innovation and CSR initiatives. Some of the key awards were:

- **Green Believers Award** from Frost and Sullivan's at Green Manufacturing Excellence Awards and Summit 2014.
- **Best Corporate Social Responsibility Practices Award** at Global CSR Excellence Leadership award 2014 by World CSR Congress
- **CEO Award** from Sears Holding.

Welspun Global Brands, the marketing subsidiary of Welspun India, was recognized as a “**Certified Woman Business Enterprise**” by WEConnect International during the year. WEConnect International is a non-profit organisation, which helps build sustainable communities and promotes economic growth by empowering women business owners.

OUTLOOK

The outlook for Indian textiles, especially cotton textiles, appears to be bright in the coming years. The key major markets are showing signs of a revival in demand. The US economy is on the growth path and consumer demand is expected to improve in the coming year. The European market is also showing signs of revival and Indian textile exports to Europe are growing, despite a disadvantage in terms of import duty compared to other exporters like Pakistan, Bangladesh and Turkey. The proposed India – EU Free Trade Agreement (FTA), if it goes through, will provide a strong push for textile exports from India to EU. Other key markets,

such as Japan, Korea, Australia, South Africa, also present huge potential for growth. India has signed an FTA (free trade agreement) with Japan, Korea and the SAARC countries, which could be leveraged to increase Indian exports to these countries. The domestic market is also growing at a fast pace, presenting strong potential for growth.

Key competing countries in the home textile space – China, Pakistan and Bangladesh – are facing structural challenges, which are hampering their export competitiveness. India is well placed to take advantage of this opportunity and its market share is expected to improve in the medium term in the global arena.

Welspun India is well positioned to address the opportunities in the home textile space. The Company, with its global scale and wide range of products, is a strategic vendor to most of its clients. This, coupled with the Company's position as a complete solution provider in the home textile space, should help it grow better than the industry average.

Apart from the current business, further growth impetus for WIL will be provided by:

- 1) **New/Underpenetrated Products:** The Company has a track record of introducing new products every 3-4 years. In FY13-14, it has entered the carpets segment, which should start contributing to revenues in FY14-15. Other recently introduced or underpenetrated products such as bath robes, filled products etc will also contribute to growth.
- 2) **New/Underpenetrated Markets:** The Company is constantly working on reducing its concentration risk by diversifying into new geographies. While the Company has been consistently growing its sales in Europe, there is considerable scope for taking further market share in that region. Other newer geographies such as Japan, Korea, Australia as well as the domestic market also provide huge potential for growth. It is also reducing dependence on existing customers by acquiring new clients across geographies.
- 3) **New/Underpenetrated Channels:** Most of the company's revenues come from sales to large retail chains. The Company will increase focus on other channels such as e-commerce, hospitality and branded sales to boost its growth.

The backward integration capex, which is close to commissioning, will improve quality and availability of key intermediate products such as yarn and fabric, in the coming year apart from contributing to improvement in profitability of the Company.

KEY RISK FACTORS

The various factors that could impact WIL's business include:

1. **Rising Input Costs:** Cotton, cotton yarn and Power are the main input costs which impact the total cost of production. Cotton, being a globally traded commodity, is prone to volatility in prices. Apart from this, China's cotton policy is also expected to change this year, affecting cotton prices globally. To guard itself from price and availability risk, WIL secures a significant part of its cotton requirement during the cotton season itself, when the prices are the lowest during the year. In the case of cotton yarn and fabric, WIL's ongoing backward integration will increase the proportion of captive yarn and fabric to ~75% from the current levels of ~35%. This would mitigate price or availability risks in these intermediates, to a large extent. WIL has a captive power plant at Anjar which helps it reduce power costs and ensure continuous availability.
2. **Labour Availability:** Textile industry is a labour intensive industry, which currently employs ~35 million people across the country and will require about 47 million by 2015. More than 90% of the new workforce created every year is unskilled. WIL is continuously providing its workforce vocational training to improve their skill level. The Company is focussing on improving labour retention through measures such as development of labour colonies. The Company is also actively employing more women to diversify its workforce.
3. **Poor Economic Environment And Consumer Sentiment:** The global economy - especially the economies of US and Europe - is still recovering from the after-effects of the economic recession. As a global organization, the Company's ability to do business is affected by the changes in economic conditions of consumer countries. Weak consumer sentiment affects the sourcing plans of retailers which in turn can have adverse impact on WIL's operations. The Company is trying to address this through diversification into newer market regions such as Korea, Australia and Japan.
4. **Currency Movements:** WIL's dependence on exports is very high as it exports ~95% of its production to various countries. As most of its revenues are in foreign currencies like US Dollar, currency fluctuations can have an adverse impact on its financials. To reduce this, WIL has an internal hedging policy which protects it from volatility in exchange rates to a considerable extent.
5. **Competition:** While competition in any business is inevitable, the Company's strategy of providing end-to-end solutions and innovative products, and maintaining strong relationship with clients helps in reducing competitive risks. WIL believes that its quality products which keep up with market demands and consumer preferences, will keep it well above the competition in the

global market.

6. Trade Barriers : Any tariff or non- tariff trade barriers imposed by key importing countries could have an adverse impact on the Company.

HUMAN RESOURCE POLICY

In past one year, the HR team at Welspun focused on various new communication channels and employee development initiatives. This year HR also focused on bringing automation through launch of SAP.

KEY HIGHLIGHTS

The key initiatives taken in HR are as listed below:-

HR Automation: To bring uniformity and accuracy in the HR processes, automation of all HR activities has been initiated with the launch of SAP- HR. SAP – HR module includes PA, OM, Time Management, Recruitment, Performance Management, and LSO module. Apart from LSO modules, all other modules have been successfully implemented across locations. Launch of Employee Self Service / Manager Self Service portal was also a major highlight. Various sessions were organized for training employees to ensure smooth functioning and maximum usage of the software.

For workers, SAMAY application based on SAP data has been designed. Workers have been provided access to their attendance and leave. This has helped in creating a transparent system which is virtually error proof, and has drastically reduced grievances related to wages.

Employee Communication: Individual & Group communication forums were launched. At the individual level, process of stay interviews was started to conduct 'health check' of the Organization. At the department level, communication forums like Monthly Departmental Meeting (MDM) and Mini Town halls were started to share business updates with employees and to address any of their concerns. Launch of Gup – Shup with Mrs. Dipali Goenka (Executive Director), an informal chat session was another major highlight.

Talent Management: To bring objectivity in the process of identification of Talent Pool, creating Individual Development Plans and Career Planning, HR department used 360 degree feedback survey, 180 degree feedback and 15 FQ self-assessment. The reports generated are utilized to identify the gaps with respect to the Competency Framework for the company. Subsequently, output will be used for Customized Training programs and Development plans for the identified talent pool.

Training And Development – Customized Training programs were launched across locations. At the plant level, programs for supervisory staff were launched and executed. At the Head Office, a series of learning interventions were initiated through 'Corporate Studio'. Varied range of programs like impactful communication, personal Brand Management, Negotiation Skills, Presentation skills, Time Management, Interpersonal Skills, Business Etiquettes etc. were covered. Behavioural training workshops were also initiated at the worker level.

Performance Management System: Major highlight in this function was executing PMS Process covering Annual evaluation 2013-14 & Goal Setting 2014-15 through PMS module of SAP HR, thus discarding paper- based approach. Sessions on PMS process were organized at all locations to make employees understand the nitty-gritties of the system & also align the individual goals with the business objectives.

Employee Engagement: Launch of Shining Star Scheme & Star of the Stars scheme (on-the-spot appreciation scheme) across all locations was the major highlight. Other events such as Diwali Celebration, Women's week celebration, Holi Celebrations, Monthly birthday celebration, participation in Mumbai Marathon and monthly newsletters were the key activities for the year.

Another major highlight of the year was launch of 'Young Brigade' initiative to engage minds of young managers constructively. This initiative is running successfully at Anjar.

The Company has also tied up with Welingkar Institute to provide opportunity to all employees to pursue Post Graduation Diploma

with desired specialization, with the first set of 30 employees enrolling for April 2014 batch.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

At WIL, the internal control system encompasses the policies, processes, tasks, behaviours and other aspects of Welspun that taken together, facilitate effective and efficient operation, quality of internal and external reporting, compliance with applicable laws and regulations. WIL's objectives, its internal organization and the environment in which it operates are continuously evolving and as a result, the risks it faces are continuously changing. In order to make its internal control effective and sound, WIL thoroughly and regularly evaluates the nature and extent of the risks to which the Company is exposed. The operation and monitoring of the system of internal control has been taken by individuals who collectively possess the necessary skills, technical knowledge, objectivity, understanding of the Company, industries and markets in which it operates. The qualified, experienced and independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal controls systems and suggests improvements for strengthening them. Welspun has a strong Management Information System which is an integral part of the control mechanism.

DISCUSSION OF FINANCIAL PERFORMANCE – FY14

FY13-14 was a landmark year for the Company. In the year, the Company recorded its highest annual sales, annual EBITDA and EBITDA margin in its history. Revenues grew 23% in the year, to Rs. 44,954 million from Rs. 36,473 million primarily driven by strong volume growth in towels and rugs and higher realization across products. During the year, the Company changed its depreciation policy which resulted in an additional depreciation of Rs. 4,960 million during the year. Adjusted for this, the Profit after tax was also the highest in the Company's history.

(Rs. Million)

Particulars	FY 14	%	FY 13	%
Revenue from Operations (Net)	44,954	100.00	36,473	100.00
Other Income	1,042	2.32	492	1.35
Cost of Material	22,673	50.44	17,684	48.49
Manufacturing Expenses	4,766	10.60	6,344	17.39
Employee Cost	3,400	7.56	2,766	7.58
Selling Administration and Other Expenses	4,904	10.91	3,733	10.24
Reported EBITDA	10,253	22.81	6,438	17.65
Finance Costs	2,352	5.23	1,977	5.42
Depreciation and Amortization Expense	6,863	15.27	1,449	3.97
Taxes	199	0.44	733	2.01
Profit before extraordinary items	838	1.86	2,279	6.25
Exceptional Items	-		(31)	
Share of Associate's Net (Loss)/ Profit	-		-	
Minority's Share of Profit/ (Loss) in Certain Subsidiary Companies	(83)		-	
Net Profit (Loss)	921	2.05	2,248	6.16
EPS (Basic and Diluted before Extraordinary Item)	9.19		22.55	
EPS (Basic and Diluted after Extraordinary Item)	9.18		22.46	

TABLE: SALES & PRODUCTION VOLUME (Major Products)

Particulars	Unit	FY 14	FY 13
Production Volume			
Terry Towels	MT	44,328	39,585
Bed Linen Products	000 Mts	49,104	49,706
Rugs	MT	8,123	6,030
Sales Volume			
Terry Towels	MT	43,763	39,827
Bed Linen Products	000 Mts	47,748	50,020
Rugs	MT	8,134	6,155

The Utilization levels in FY 14 across products was 99% in terry Towels, 89% in Bed Linen Products and 68% in Rugs.

1. REVENUE

a. Revenue From Operations (Net)

Net Sales stood at Rs. 44,954 million in FY14, a growth of 23% over FY13 (Rs. 36,473 million). This revenue is backed by strong growth in volumes in Terry Towel and Rugs, and better realization across all the products on a consolidated basis.

b. Other Income

Income from other sources was Rs. 1,042 million in FY14, as against Rs. 492 million in FY13. This consisted of interest Income of Rs. 236 million, Income on Status Holder Incentive of Rs. 587 million and dividend and other miscellaneous income of Rs. 219 million.

2. EXPENDITURE

a. Cost of Materials

Consumption of raw materials stood at Rs. 22,673 million during the year. This accounts for 50% of sales for FY14. As a % of sales, this material cost has been more or less stable as compared to FY13 figure of 49% of sales.

b. Manufacturing Expenses

Manufacturing expense was at Rs. 4,766 million in FY14 as compared to Rs. 6,344 million in FY13. The manufacturing expense includes Power, Fuel and Water charges of Rs. 1,174 million, Dyes & Chemicals of Rs. 1,663 million and labour and job work charges of Rs. 1,050 million. As a percent of sales, manufacturing expenses was at 10.6%, much lower than 17.4% in the previous year. This was on account of the commissioning of the group's captive 80 MW power plant in Anjar. Apart from reducing the power cost, this has helped assure continuous power supply to all the units.

c. Employee Cost

Employee cost stood at Rs. 3,400 million in FY14 as compared to Rs. 2,766 million in FY13. As a % of sales it has remained at similar levels of around 7.6%.

d. Selling, Administration and Other Expenses

Selling administration and other expenses was reported at Rs. 4,904 million in FY14 as compared to Rs. 3,733 million in FY13. The increase is primarily on account of losses related to foreign currency hedging. As a % of sales, the expense head marginally increased to 10.9% of sales in FY14 as against 10.2% in FY13.

e. Finance Costs

Financial Expenses in FY14 was Rs. 2,352 million. The corresponding figure in FY13 was Rs. 1,977 million. The increase in the reported figure was on account of consolidation of the WCPGL debt and higher working capital debt.

f. Depreciation and Amortisation Expense

Depreciation was reported at Rs. 6,863 million in FY14 end as compared to Rs. 1,449 million in FY13. This was primarily on account of the change in depreciation policy from straight line method to reducing balance method on its plant and machinery (other than electrical installations) which resulted in an additional one-time depreciation of Rs. 4,631 million on a stand-alone basis. In order to maintain consistent accounting policies, Welspun Captive Power Generation Limited (WCPGL), a 68% subsidiary of the Company also provided depreciation on its plant and machinery on reducing balance method which resulted in an additional depreciation of Rs. 329 million (total impact of Rs.4,960 million in FY14). Adjusted for these effects, depreciation at the end of FY14 would have been Rs. 1,903 million.

3. MARGINS

a. EBITDA

Operational EBITDA in FY14 has grown 55% to Rs. 9,211 million resulting in an EBITDA margin of 20.5% from Rs. 5,946 million (margin 16.3%), thanks to better realizations and tighter cost control. The reported EBITDA in FY14 was Rs. 10,253 million, a significant improvement compared to the FY13 figure of Rs. 6,438 million. Annual EBITDA and EBITDA margin are at the highest level in the history of the company.

b. PROFIT AFTER TAX

Profit after Tax, and after depreciation impact stood at Rs. 921 million in FY14. Profit after Tax (adjusted for the additional depreciation) was Rs. 4,195 million in FY14 vs. Rs. 2,248 million in FY13 showing a growth of 87%, on account of the strong growth in revenues and improvement in operating margins.

4. EARNINGS PER SHARE (Basic)

Earnings per Share for the year ending March 31, 2014 (Basic) (before extra-ordinary item) post the impact of the depreciation policy was Rs. 9.19 against 22.55 per share in the previous year.

5. TABLE: BALANCE SHEET

(Rs. Million)

Particulars	As at 31-Mar-14	As at 31-Mar-13	Change
I. Equity and Liabilities			
Shareholder's Funds			
Share Capital	1,004	1,000	4
Reserves and Surplus	10,093	8,901	1,191
Sub-Total	11,097	9,902	1,195
Minority Interest	316	250	66
Non - Current Liabilities			
Long-Term Borrowings	16,795	10,039	6,756
Deferred Tax Liabilities (net)	434	1,917	(1,482)
Other Long Term Liabilities	600	6	593
Long-Term Provisions	954	68	886
Current Liabilities			
Short - Term Borrowings	11,349	9,166	2,183
Trade Payables	6,144	4,929	1,216
Other Current Liabilities	3,559	2,030	1,529
Short - Term Provisions	436	273	163
Total	51,684	38,579	13,105
II. Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	18,395	16,267	2,128
Intangible Assets	1,890	1,806	83
Capital work-in-progress	5,324	542	4,782
Sub-Total	25,609	18,615	6,994
Non-current investments	473	537	(64)
Long-Term Loans and Advances	1,232	1,559	(327)
Other Non-Current Assets	1,022	1,397	(375)
Current assets			
Current Investments	641	394	247
Inventories	10,094	8,205	1,889
Trade Receivables	4,117	2,750	1,367
Cash and Cash Equivalents	2,332	1,724	608
Short-Term Loans and Advances	4,144	2,727	1,417
Other Current Assets	2,019	670	1,348
Sub-Total	23,348	16,471	6,877
Total	51,684	38,579	13,105

6. NETWORTH

Networth of the Company stands at Rs. 11,097 million at March 31, 2014 as against Rs. 9,902 million at March 31, 2013.

Net sales to Net worth ratio is 4.05 times for the period ending March 31, 2014 as compared to 3.68 times in FY13 end.

Book Value of equity shares stands at Rs 110.53 per equity share as at 31st March 2014, which was 98.99 per equity share in FY13.

The details of movement in various heads of Net worth are as under:

a. Share Capital

The Issued, Subscribed and Paid-up Share Capital as at March 31, 2014 stands at Rs. 1,004 million.

b. Reserves and Surplus

- i) Securities Premium account: The Securities Premium account stands at Rs. 3,235 million, against Rs. 3,227 million in the previous year.
- ii) Capital Redemption Reserve: The balance as of 31st March, 2014 amounted to Rs. 478 million which is in line with the previous year figure.
- iii) Capital Reserve: The balance as of 31st March, 2014 amounted to Rs. 1,475 million, same as at the end of the previous year.
- iv) Foreign exchange translation reserve stands at Rs. (528) million against Rs. (331) million in the previous year.
- v) Profit and Loss account: The balance in the Profit and Loss Account as on March 31, 2014 was Rs. 4,093 from Rs. 3,559 million as on March 31, 2013.

7. LOAN FUNDS

Gross Debt as on March 31, 2014 stands at Rs. 30,293 million at the end of FY14 as against Rs. 20,279 million at end-FY13, showing an increase of Rs. 10,014 million. The increase was mainly on account of drawdown of loans for the backward integration capex, higher working capital debt and consolidation of debt of WCPGL.

Cash and cash equivalents of the company in FY14 stands at Rs. 3,658 million as against Rs. 2,798 million in the previous year.

Net Debt as on March 31, 2014 stands at Rs. 26,635 million after reducing the cash and bank balance and liquid investment. At the end of FY13, the net debt was Rs. 17,480 million.

Net Debt to Equity stands at 2.40 times in FY14 (as compared to 1.77 times in FY 13) while Net Debt / Operational EBITDA stands at 2.89 times in FY14 (2.93 times in FY13).

8. FIXED ASSETS

Gross Block of fixed assets stands at Rs. 36,052 million at end-FY14 as compared to Rs. 27,155 million at end-FY13. This increase was mainly on account of capex for the backward integration project and consolidation of WCPGL and other new subsidiaries. Net block of fixed assets (tangible and intangible) including Capital Work in Progress stands at Rs. 25,609 million in FY14 as compared to Rs. 18,615 million in FY13.

9. INVENTORY

Inventory as on March 31, 2014 stood at Rs. 10,094 million as compared to Rs. 8,205 million in FY13 end. The inventory days was 82 days in FY14 which is same as in FY13 showing a stable inventory turns. The Inventory turnover ratio stands at 4.45 times in FY14 which is same as at FY13 end.

10. DEBTORS

Sundry Debtors on March 31, 2014 was at Rs. 4,117 million as compared to Rs. 2,750 million in FY13 end. The debtors turnover days is 33 days in FY14 as compared to 28 days in FY13 end.

11. CASH AND BANK BALANCES AND LIQUID INVESTMENT

Cash and Bank balances and liquid Investment was reported at Rs. 3,658 million as on 31st March 2014. At the end of FY13, the corresponding figure was Rs. 2,798 million at the consolidated level.

12. LOANS AND ADVANCES

Loans and advances (short term and Long term) as on 31st March 2014 stood at Rs. 5,376 million as compared to Rs. 4,286 million in FY13 end. Loans and advances include mainly Capital advances, security deposits and balances with the Government Authorities like customs, excise etc.

13. CURRENT LIABILITIES

- Trade payables stood at Rs. 6,144 million as of end FY14 as compared to Rs. 4,923 million in FY13 end. Trade Payables are at 50 days of net sales in FY14 and 49 days of net sales in FY13.
- Other current liabilities (excl current maturities of long term borrowings) stood at Rs. 1,410 million in FY14 as compared to Rs. 956 million at the end of FY13.
- Short Term Provisions stood at Rs. 436 million at the end FY14 as compared to Rs. 273 million at end FY13.

14. CASH CONVERSION CYCLE

Cash conversion cycle for FY14 has increased to 65 days as against 60 days in the previous year mainly due to increase in the receivables days in FY14.

KEY FINANCIAL INDICATORS*(Rs. in Million Except Ratios)*

Particulars		As at 31-Mar-14	As at 31-Mar-13
Revenue from Operations (Net)	Rs. Mn	44,954	36,473
EBITDA (Reported)	Rs. Mn	10,253	6,438
EBIT	Rs. Mn	3,389	4,990
Net Profit/Loss after Tax	Rs. Mn	921	2,248
Networth	Rs. Mn	11,097	9,902
Net Debt	Rs. Mn	26,635	17,480
Net Debt/Equity	Times	2.40	1.77
Total Debt/ EBITDA	Times	2.95	3.15
Net Sales/ Networth	Times	4.05	3.68
Current Ratio	Times	2.84	2.61
Return on Capital Employed*	%	8.1%	16.4%
Return on Net Worth*	%	8.3%	22.7%
Inventory Days	Days	82	82
Receivables Turnover Ratio	Times	13	14
Receivables Sales Outstanding	Days	33	28
Payables Sales Outstanding	Days	50	49
Net Operating Cycle (Inventory Days + Debtors Days - Creditor Days)	Days	65	60

Note : The days outstanding are calculated on the basis of the Closing numbers.

* Based on reported numbers. Adjusted for the one-off depreciation, ROCE is 20.0% and ROE is 37.8%.

Cautionary Statement

Some of the statements in this Management Discussions and Analysis, describing the projections, estimates and expectations may be forward looking statements within the meaning of the applicable laws and regulations. Actual results may differ substantially from those expressed or implied. Important developments that could affect Welspun's operations include a shift in the industry structure, significant changes in political and economic environment in India and globally, tax laws, import duties, litigations and labour relations.

corporate social responsibility

A Welspun Commitment

“Creating a strong business and building a better world are not conflicting goals – they are both essential ingredients for long-term success.”

- William Clay Ford
Jr. Executive Chairman, Ford Motor Company

At Welspun, we believe that a business can never be successful if the society around them fails. Therefore, it becomes our moral mission to identify and address the needs of our society.

Welspun as a group is committed to building a sustainable and progressive community. Our social mission is enshrined within the 3E's i.e. Education, Empowerment and Environment & Health. A number of projects encompassing the 3E's have been taken up under the banner of the Welspun Foundation for Health and Knowledge (WFHK) that either runs independently powered by Welspun or through nurtured partnership with the local government or non-governmental organizations (NGOs).



EDUCATION – Your Door To The Future

Quality Education Programme in Kutch

The recently enacted 'Right to Education (RTE)' Act, 2009 gives the right to get access to quality education to every child in underprivileged communities. According to the National Education University for Planning and Administration, Anjar has 156 schools in total and almost 80% of these schools are providing primary education. It also states that even though primary school is able to give education to all students and retain them till 8th standard, the dropout rate was 10% at primary level in year 2005 which alarmingly throw challenges in enrolment in secondary level education.

Welspun's CSR approach has initiated a Quality Education Project in Anjar with the Government of Gujarat in 2012 where we worked with 3 government schools i.e. Varsamedi, New Dudhai and Bhadreswar to make a subtle difference to 28 teachers and 584 students from Std V – VIII. The achievements were measured using pre and post tests.

In 2013 -14, our objective was to reach out to 18 Government Schools from 14 villages (Ajapar, Bhadreswar, Kumbharia, Shinai, Sinugra, Veera, VidiBaug, Varsamedi, Nagalpar, Vidi, Valadiya, Indraprasth, Kharapasvariya, Khamra), reaching out to 83 Teachers and 3,844 Students.

A Baseline Study was conducted and its observations were as follows:

- In Standard 1 to Standard 8, more than 60% of students did not meet their learning levels in Reading, Writing and Math
- 3% dropout rate noted across Standard 1 to Standard 8 while 8% noted in the migrating community
- 80% of teachers' irregularity observed - teachers report late and leave early
- It was observed that SMCs' (School Monitoring Committee) were not aware of their role in certain schools or not even formed for certain schools
- Non-functional toilets forces students to alternate options such as use open space in the outside areas while girl students prefer going home for the same.

Based on the Baseline Study, deliverables were set and are summarized as below:

	Deliverables Set As Per Baseline Study	List activities planned to achieve the set deliverables	Status as of March '14
1	50% of children to attain 40% learning levels – Reading, Writing, Math	<ul style="list-style-type: none"> • Workbooks were designed from Standard 1 to 5 based on the curriculum for easy and enhanced learning • Personality Development of students by children's camps. Target-800 students • Pretest post tests in all schools 	<ul style="list-style-type: none"> • Workbooks for std.1-5 children prepared and disseminated. 20 film screening done in 14 schools • 5 one day camps conducted in 5 school in Nov, Feb and March reaching out to 750 students • Art, origami ,quiz etc. conducted in all the schools twice • Pre and post tests conducted in all schools and 27.31% increase in learning levels seen across the 18 schools
2	450 children to be enrolled. 30 from each village at the starting at standard 1.	<ul style="list-style-type: none"> • No of children enrolled • Number of irregular students to be identified • 1 on 1 counseling to be conducted to ensure attendance across the 18 schools 	<ul style="list-style-type: none"> • 576 children enrolled • 86 irregular students identified in 10 villagers. • All are attending school regularly • 16 drop out children identified in 5 villages • 5 out of 16 children readmitted to school in villages.
3	Teacher Enhancement	<ul style="list-style-type: none"> • Teacher Training • School timings: 11am-5pm • Teacher Attendance 	<ul style="list-style-type: none"> • Could not be conducted due to DPEO transfer • Monitored by Edu-leaders and all 18 schools functional • Except for few specific incidences in Bhadreshwar and Ajapar, teachers are quite regular. They teach for stipulated hours in the class
4	Formation of SMC's in all 18 schools	<ul style="list-style-type: none"> • No of SMC formed • No. of Training Provided to SMCs' on their Roles & Responsibilities 	<ul style="list-style-type: none"> • 18 SMC formed • 180 SMC members trained out of 216 • Water connection have been installed in 5 schools • RO plant installed in 3 schools out of 12 schools • New toilet blocks have been constructed in 2 schools. • Mid day meal has been regularized in 1 school as per the new menu • In Veera, 4 new rooms has been constructed
5	Edu Leaders empowered with their roles and responsibilities	<ul style="list-style-type: none"> • No of Edu Leaders Selected • No of training conducted 	<ul style="list-style-type: none"> • 18 Edu-leaders selected • All 18 trained in 24 sessions
6	Bal Panchayat to be formed in all 18 schools	<ul style="list-style-type: none"> • No of Bal Panchayat formed 	<ul style="list-style-type: none"> • 18 Bal Panchayats formed • 4 Bal Panchayats trained

Sustainability Approach

A formal presentation was given to the District Primary Education Officer, backed by research and implementation plan. After receiving a written approval, Welspun began to execute its plan in over 18 schools.

At the onset, an orientation programme was conducted wherein we invited all the concerned government officials and local community members and briefed them on the program outline and target objectives for the year.

A local member has been appointed from all the 14 villages as an EDU leader who works in co-ordination with the local Panchayat Bodies to monitor activities. He/ She is a volunteer who is passionate about education and wants to see a change in the schools. More so, a monthly review is conducted to understand gaps and shortfalls in the current plans while we also review the momentum of growth regularly.

This project is planned for a period of 3 years for each village. Each school will be guided for 3 years to bring it to a level of quality study resourcefulness, post which the respective community groups will ensure the functioning.

Welspun Vidya Mandir

At Welspun Vidya Mandir, 2 CBSE schools with classes up till 12th standard have been set up at Anjar, Gujarat and Salav, Maharashtra where they provide quality education to over 2060 students and also focus on an all round development

As a part of the community welfare programme, the school organizes regular community service activities where children get the opportunity to visit old age homes, orphanages and even take part in art & craft exhibitions, where the funds collected from sold items is donated to charity.

Balwadis – The pre-primary education center and adult literacy programme

Welspun runs 4 Balwadis in the worker colonies at Anjar and Vapi, Gujarat and Palghar, Maharashtra where a total of 170 children are benefitting from the basic education given at there. We also run Adult Literacy program for interested women in Anjar.

Career Counseling

This initiative is carried out for children belonging to Welspun employees at the Head office (Mumbai) and for students of Std X to XII at Welspun Vidya Mandir (CBSE Board School) at Anjar and Salav. Psychometric tests are administered and one on one counseling is conducted based on the test results.

Educational and Motivational Sessions for Cancer Patients and Families

As a part of our Employee Volunteering Initiative, 17 Welspun Employees spend quality time (on working Saturdays) at St. Jude's childcare center, Mumbai in quest of making a qualitative difference to the lives of 38 underprivileged children suffering from cancer and their parents. The group teaches skills like Spoken English, Computer literacy, Art and Craft and also hold motivational sessions/videos; share inspirational stories that help the children and their families cope with distress.



EMPOWERMENT – Enabling Wings To Fly

As we empower our future generations with education, we also see the need to empower families so they can sustain themselves in times to come and move towards growth and prosperity. With this drive to provide a sustainable support to the society, we have focused our attention to the development of women - who is a key influencer in the life cycle and thus becomes our 2nd E to empower women!

A 360 Degree Approach To Women Empowerment

Need Analysis: We conduct surveys in communities surrounding our plants; identify women in need of financial aid who wish to be empowered with an aptitude to learn.

Set Up Stitching Center: We set up a vocational training center for cutting and stitching in their community, which is run like a professional enterprise by our CSR Team. Efficiency is monitored and daily guidance is provided to the women.

Ensure Sustainable Growth: After training them completely for a month, we provide them consistent work orders which ensure these women have enough jobs to get sustainable earnings. We also offer employment to these women at our Textile plant.

Our Mission & Way Forward: We aim to annually increase the number of beneficiaries as well as the individual earnings of the existing beneficiaries. We are in the process of starting one more Vocational Training Center in Sinugra Village, Anjar.

Results Achieved: The chart below quantifies our initiative.



8



Vocational Centers to Train
Women in Cutting & Stitching

207



Women were employed at WIL
after completion of training
at the Vocational Centers

226



Women engaged across our
Vocational Centers

610



Women Trained in Stitching at
the Vocational Centers

5,045



Average Earning per woman per
month across all Vocational Centers

1,37,061



Total Bed sheets Produced till date

4,44,387



Total number of products developed
across all Vocational Centers

38,28,544



Total Earnings of Women beneficiaries
at the Vocational Centers

This project has encouraged women who have never stepped out of their homes to venture out to learn a new skill and be an equal partner in the family's financial transactions.

Papad Making Workshops

We have also started a women empowerment initiative of Papad making at Palghar, Gujarat based on the local area needs and skill set.



ENVIRONMENT & HEALTH – For A Better Tomorrow

We realize the importance of conservation of natural resources and environment for a sustainable growth of mankind. As the saying goes, Health is Wealth! and with this in mind, we have started the following Initiatives:

Drinking Water Purification

In a survey done in villages near Vapi, Gujarat, it was observed that safe and clean drinking water was a dire need. Most of the water sources were highly polluted with very high PH value, which as per World Health Organization (WHO) standards was beyond permissible.

Therefore, our long-term vision is to provide purified drinking water to the community around our facilities. We have made a beginning by installing a 500LPH RO Plant in Kunta, Vapi which has made potable drinking water available to 6,200 people in the neighboring regions. We intend to further install RO plants post conducting the feasibility studies. At present the study is under progress for 15 locations.

Mobile Health Vans Mumbai

In Mumbai, for the underprivileged section of the society, Welspun aims to provide free access to Primary Health Care Services. To cater to this growing need, we have launched our Mobile Health Van in Association with Wockhardt Foundation. The mobile van is equipped with medicines, a doctor and a paramedic. This project has developed in phases.

- **Phase 1:** This initiative has covered 15532 people in the year 2011-2012 from six communities
- **Phase 2:** In 2012-2013, this initiative listed 25797 beneficiaries from six communities, where we gave more emphasis on Preventive Health Care and various health aspects like mother and child health care, immunization, cardiovascular diseases and other seasonal diseases
- **Phase 3:** In 2013- 2014, our Approach is to outreach to 12 new communities to increase the number of beneficiaries to approximately 50,000

We also plan to start the Mobile Health Van services in Anjar, providing free Primary Health Care services to rural & slum areas in the 10 km radius of Welspun City, Anjar Gujarat. The target for 3 years is to cover all the communities in the 10 km radius.

Anti- Tobacco Program

To create awareness on the ill effects of Tobacco and to make children instrumental in bringing about this change in their neighborhood and families, Welspun has initiated an Anti tobacco Life Skill Project with 33 secondary schools from Alibaug partnering with Salaam Bombay Foundation (NGO). This project covered approximately 10000 students, 100 teachers and 50 Anganwadi Workers.

We have held teachers training workshop, student's capacity building program and culmination event and other workshops were carried out in the year 2011-2012. All these schools continue to implement the life skill anti tobacco activities even today.

Waste Water Recovery Plant

As an example of our effort to grow through a sustainability focus, we have set up a state-of-art, Waste Water Recovery Plant with a capacity of 10 MLD (Million Liters Daily) at Anjar Campus, which takes care of both our Textile and Pipe plant.

It is one of the largest Waste Water Recovery plant in textile industry at a single location having series of treatment stages leading to its designed capacity of 90% recovery. This set-up recycles 100% of our water and we re-use 85% of water during our processing thereby conserving water in our already water-starved location of Anjar.

Nisargruna Biogas Plant

To enhance renewable source of energy at both business and environmental level is vital and with this thought playing an instrumental for our societies wellbeing, Welspun has installed a centralized 'Nisargruna Biogas plant' at WIL, Anjar to handle and process the biodegradable waste materials generated from kitchen, canteen, garden and other biological sludge of Welspun City and Gram, Anjar.

Presently, 2-2.5 MT of biodegradable waste is feed into the Nisargruna Plant, which generates fuel gas equivalent to 40kg of LPG, which in turn is used for cooking in plant canteen.

Tree Plantation

Our current tree plantation campaign deliverables are as follows:

Three years' targets, along with Activities

- 2012 - 2013 landscaping development— 10,000 Sq. Meters
- 2013 - 2014 landscaping development— 12000 Sq. Meters
- 2014 - 2015 landscaping development— 10,000 Sq. Meters

Total number of Saplings planted so far 2,19,994 and actual survived is 1,94,832.

Tree Plantation Target for next 3 years:

- 2012-13: 8000 Trees
- 2013-14: 8000 Trees
- 2014-15: 8000 Trees

Plantation of Jatropha: Under our initiative to convert the desert area of Anjar into a lush and more serene environment, we have undertaken an afforestation drive at Welspun City by planting thousands of saplings of the Jatropha tree. The Jatropha seed oil can be combusted as fuel for simple diesel engines.

Sanitation

As we envision community development in all 3E's (Education, Environment & health, Empowerment), we have a long-term target of having 100% sanitation in all the communities we work in.

We have initiated the process this year by conducting a baseline need assessment in the 15 communities in Gujarat, where we are working on the Quality Education Program.

Miscellaneous

In addition to all these efforts, we also carry out various activities at HO in Mumbai like NGO Exhibition Stalls, Blood Donation Camps, Celebrations of World Environment Day, World No Tobacco Day, Donation Drives, Relief operations for victims of natural calamities.

These little steps in our journey towards sustainable growth are aimed at providing a socio-economic growth to the society which has given us so much in terms of business.

"We make a living by what we get, but we make a life by what we give."

- Sir Winston Churchill

Financials Section

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INDEPENDENT AUDITORS' REPORT

To the Members of Welspun India Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Welspun India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

7. We draw your attention to:
 - a) Note 38, regarding utilization of deferred tax assets recognised in earlier period aggregating Rs. 310.70 million by the Company on the incremental unabsorbed Income-tax depreciation arising out of its treatment of certain excise and value added tax incentives as 'capital receipts' for income tax purposes. The income tax authorities have passed orders treating these incentives as revenue in nature which are liable to income-tax. The Company has preferred appeals with the Commissioner of Income Tax (Appeals) against these orders. If the final decision in the matter is eventually decided against the Company, then the current tax expense for the year ended March 31, 2014 would be higher by Rs. 310.70 million with a consequential impact on profit after tax for the year.

INDEPENDENT AUDITORS' REPORT

- b) Note 37, regarding re-assessment of the method of depreciation, based on which the Company has changed the method of depreciation on plant and machinery (other than electrical installations) from straight-line method to reducing balance method. Accordingly, on account of this change, depreciation and amortisation expense for the year is higher by Rs. 4,738.09 million and profit before tax for the year is lower by an equivalent amount, with a consequential impact on profit after tax for the year.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

8. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
9. As required by section 227(3) of the Act, we report that:
- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act;
 - On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse

Firm Registration Number: 012754N

Chartered Accountants

Place : Mumbai

Date : May 20, 2014

Mehul Desai

Partner

Membership Number: 103211



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 8 of the Independent Auditors' Report of even date to the members of Welspun India Limited on the financial statements as of and for the year ended March 31, 2014

- 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) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The inventory excluding stocks with third parties and material in transit, has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the said Order are not applicable to the Company.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(f) and 4(iii)(g) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. The Company's operations for the year do not involve sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (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 generally regular in depositing undisputed statutory dues in respect of provident fund, sales tax, income tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including investor education and protection fund, employees' state insurance, wealth tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, service-tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax and excise duty as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Name of the statute	Nature of dues	Amount (Rs. in million)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax demand including interest	157.00	AY 2005-06 to AY 2011-12	Commissioner of Income Tax (Appeal)
Gujarat Sales Tax Act, 1969	Sales Tax including penalty and interest	5.84	2000-01, 2003-04 and 2004-05	Joint Commissioner of Sales Tax (Appeals - 2), Vadodara
Central Excise Act, 1944	Excise Duty	17.07	September 2005 to July 2006	Joint Secretary, Ministry of Finance, Department of Revenue
Central Sales Tax Act, 1956	Central Sales Tax including penalty and interest	2.37	2006-07 to 2007-08	Joint Commissioner of Commercial Taxes, Rajkot
Gujarat Value Added Tax, 2003	Value added Tax including penalty and interest	21.05	2006-07 to 2007-08	Joint Commissioner of Commercial Taxes, Rajkot
Central Excise Act, 1944	CENVAT including penalty and interest	0.17	March 2010 to August 2010	CESTAT, Ahmedabad
Central Excise Act, 1944	CENVAT including penalty	185.41**	2007-08	Appellant Tribunal, Ahmedabad
Central Excise Act, 1944	CENVAT including penalty	7.48	March 2005	Joint Commissioner of Commercial Taxes, Rajkot
Central Excise Act, 1944	CENVAT	7.04	October 2007 to March 2008	Appellant Tribunal, Ahmedabad
Central Excise Act, 1944	CENVAT including penalty and interest	1.37	2008-2010 and 2010-2011	CESTAT, Ahmedabad
Central Excise Act, 1944	CENVAT including penalty and interest	10.56	2004	CESTAT, Ahmedabad
Central Excise Act, 1944	CENVAT including penalty and interest	1.08	2012	Commissioner Appeal, Daman.

* Net of amounts paid under protest

** Stay Order has been obtained

- x. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date. The Company has not issued any debenture.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse

Firm Registration Number: 012754N

Chartered Accountants

Place : Mumbai

Date : May 20, 2014

Mehul Desai

Partner

Membership Number: 103211

BALANCE SHEET AS AT MARCH 31, 2014

		(Rs. million)	
	Note	As At March 31, 2014	As At March 31, 2013
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	1,003.47	1,000.27
Reserves and Surplus	4	9,489.31	9,603.40
Share application money pending allotment	5	0.52	-
Non-current Liabilities			
Long-term Borrowings	6	13,353.62	9,290.99
Deferred Tax Liabilities (Net)	7	925.53	2,352.81
Other Long-term Liabilities	8	3.70	6.30
Long-term Provisions	9	980.35	45.66
Current liabilities			
Short-term Borrowings	10	8,123.69	6,700.28
Trade Payables	11	4,298.94	2,622.85
Other Current Liabilities	12	2,793.69	1,722.32
Short-term Provisions	13	432.97	245.81
Total		41,405.79	33,590.69
Assets			
Non-current Assets			
Fixed Assets			
Tangible Assets	14	12,505.67	16,082.31
Intangible Assets	15	35.32	31.74
Capital Work-in-Progress		5,239.35	541.44
Non-current Investments	16	7,069.14	3,769.40
Long-term Loans and Advances	17	1,212.87	1,437.43
Other Non-current Assets	18	896.51	1,263.56
Current Assets			
Current Investments	19	435.23	393.95
Inventories	20	6,872.30	5,100.12
Trade Receivables	21	2,183.03	1,136.84
Cash and Bank Balances	22	1,916.22	1,479.05
Short-term Loans and Advances	23	2,393.07	2,047.42
Other Current Assets	24	647.08	307.43
Total		41,405.79	33,590.69

The Notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of the even date.

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

Place : Mumbai
Date : May 20, 2014

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

R. R. Mandawewala
Managing Director



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	Note	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue from Operations (Gross)	25	35,364.63	30,463.24
Less : Excise Duty		52.60	33.78
Revenue from Operations (Net)		35,312.03	30,429.46
Other Income	26	1,036.24	491.72
Total Revenue		36,348.27	30,921.18
Expenses			
Cost of materials consumed	27	19,717.89	16,944.25
Purchases of stock-in-trade	28	69.74	81.14
Changes in inventory of finished goods, work-in-progress and stock-in-trade	29	(1,034.00)	44.73
Employee benefits expense	30	2,342.69	1,817.71
Finance costs	31	1,439.14	1,384.31
Depreciation and amortization expense	32	6,227.92	1,328.09
Other expenses	33	7,138.56	7,049.31
Total expenses		35,901.94	28,649.54
Profit before extraordinary items and tax		446.33	2,271.64
Extraordinary Items			
- Provision for doubtful loans and advances		-	83.85
Profit before tax		446.33	2,187.79
Tax Expense			
- Current Tax		1,575.25	282.92
- Deferred Tax		(1,427.28)	190.82
Profit for the year		298.36	1,714.05
Earnings Per Share (Rs.) [Nominal value per share : Rs. 10 (2013 : Rs. 10)]	46		
- Basic before Extraordinary Items		2.98	18.03
- Diluted before Extraordinary Items		2.98	17.96
- Basic after Extraordinary Items		2.98	17.19
- Diluted after Extraordinary Items		2.98	17.12

The Notes referred are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of the even date.

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

R. R. Mandawewala
Managing Director

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

Place : Mumbai
Date : May 20, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	For the Year Ended March 31, 2014	For the Year Ended March 31, 2014	(Rs. million) For the Year Ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Exceptional and Extraordinary Item and Tax		446.33	2,271.64
Adjustments for :			
Depreciation and Amortisation Expenses	6,227.92		1,328.09
Unrealised Foreign Exchange Differences	(87.88)		15.67
(Profit)/ Loss on Sale of Fixed Assets	(1.44)		16.56
(Profit)/ Loss on Redemption/ Sale of Units in Mutual Funds	0.08		(1.89)
Loss on sale of Investment	-		0.07
Profit on Sale of Bonds/ Certificate of Deposits	(27.84)		(46.49)
Dividend Income	(8.74)		(42.47)
Provision for Doubtful Loans and Advances	52.80		9.26
Interest Income	(207.56)		(189.73)
Interest and Other Expenses	1,439.14		1,384.31
		7,386.48	2,473.38
Operating Profit Before Working Capital Changes		7,832.81	4,745.02
Adjustments for changes in working capital :			
Trade Receivables	(1,046.19)		922.95
Current Liabilities and Provisions	1,960.58		98.10
Inventories	(1,772.18)		(552.78)
Loans and Advances	(1,521.17)		935.19
		(2,378.96)	1,403.46
Cash Flow Generated from Operations		5,453.85	6,148.48
Income Tax paid		(140.23)	(216.86)
Net Cash Flow from Operating Activities		5,313.62	5,931.62
B. CASH FLOW USED IN INVESTING ACTIVITIES			
Purchase of Fixed Assets and Capital Work-in-Progress		(7,178.06)	(1,994.34)
Sale of Fixed Assets		23.56	81.66
(Investment in)/ realisation of Fixed Deposits and Margin Money		(201.77)	105.03
(Purchase)/ Sales of Investment (Net)		(2,408.70)	(1,538.68)
Share Application Money Pending Allotment (net of refund)		-	(95.35)
Dividend Received		8.74	42.47
Interest Received		129.92	250.24
Net Cash Flow used in Investing Activities		(9,626.31)	(3,148.97)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Shares/ Share Application Money pending Allotment		11.90	19.20
Repayment of Borrowings		6,210.86	(273.26)
Dividend Paid		(200.40)	(177.54)
Tax on Dividend Paid		(34.06)	(28.99)
Interest and Other Finance Expenses		(1,437.55)	(1,387.92)
Net Cash Flow from/ (used in) Financing Activities		4,550.75	(1,848.51)
(A + B + C)		238.06	934.14
Cash and Cash Equivalents at the beginning of the year		1,279.77	345.63
Cash and Cash Equivalents at the end of the year		1,517.83	1,279.77
Net Increase in Cash and Cash Equivalents		238.06	934.14

Note :

- The Cash Flow Statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 on Cash Flow Statements as notified under Section 211 (3C), Companies (Accounting Standards) Rules, 2006 as amended.
- Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

This is the Cash Flow referred to in our report of the even date.

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

R. R. Mandawewala
Managing Director

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

Place : Mumbai
Date : May 20, 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

1. General Information

Welspun India Limited (WIL) is a leading manufacturer of wide range of home textile products, mainly terry towels, bed linen products and rugs. The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to circular 15/2013 dated 13.9.2013 read with circular 08/2014 dated 04.04.2014, till the Standard of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956, and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Tangible Assets

Tangible Assets except land are stated at cost (net of cenvat credit, wherever applicable) less accumulated depreciation and impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on Tangible assets, other than plant and machinery (except electrical installations), leasehold improvements, office equipments and vehicles, is provided on straight-line method at the rates and in the manner prescribed under Schedule XIV to the Act. Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

With effect from July 1, 2013, depreciation on plant and machinery (except electrical installations) is provided on written-down value method at the rates and in the manner prescribed under Schedule XIV to the Act as against the earlier method of providing depreciation on straight-line method (Refer Note 37).

Assets individually costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Office equipments are depreciated on straight-line method over a period of ten years.

Vehicles are depreciated on straight-line method over a period of five years.

Leasehold improvements are amortised on straight-line basis over the primary period of lease.

2.3 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets comprise of computer software which is amortised on the straight-line method over a period of five years. Cost of software includes license fees and implementation/ integration expenses.

2.4 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.5 Investments

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

2.6 Inventories

- (a) Inventories are stated at lower of cost and net realisable value.
- (b) Cost of raw materials (includes packing material) and stores and spares is determined on weighted average basis. Cost of traded goods is determined on first-in-first-out basis. Cost of work-in-progress and finished goods comprises of raw material, direct labor, other direct costs and related production overheads. Net realisable value is the estimate of the selling price in the ordinary course of the business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Current Tax and Deferred Tax

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

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

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

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.8 Employee Benefits**Provident Fund**

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

Superannuation Fund

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

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the statement of Profit and Loss in the year in which they arise.

Gratuity Fund is recognised by the income tax authorities and is administered through trustees. The Employee's Gratuity Trust takes group gratuity policies with insurance companies.

Compensated Absences

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

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

2.9 Foreign Currency Translation

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Translation of foreign operations

Foreign operations are classified as either 'integral' or 'non-integral' operation. Exchange differences arising on a monetary item that, in substance, forms part of an enterprise's net investment in a non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment, at which time they are recognised as income or as expenses.

Forward Exchange Contracts and Swaps

In respect of forward exchange contracts, other than forward exchange contracts in respect of firm commitments and highly probable forecast transactions, the premium or discount arising at the inception of forward exchange contract, is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

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

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

Swaps are fair valued at each reporting date and the changes in the fair value are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**2.10 Revenue Recognition**

- (a) Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties. Domestic sales are recognised on dispatch to customers. Export sales are recognised on the date of cargo receipts, bill of lading or other relevant documents, in accordance with the terms and conditions for sales.
- (b) In case of sale made by the Company as Support Manufacturer, export benefits arising from Duty Entitlement Pass Book (DEPB), Duty Drawback scheme and Focus Market Scheme are recognised on export of such goods in accordance with the agreed terms and conditions with customers. In case of direct exports made by the Company, export benefits arising from DEPB, Duty Drawback scheme and Focus Market Scheme are recognised on shipment of direct exports.

2.11 Other Income

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

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

2.12 Government Grants

Government grants are accounted for when it is reasonably certain that ultimate collection will be made. Capital grants relating to specific assets granted under the Technology Upgradation Fund Scheme (TUFS) are reduced from the gross value of the Fixed Assets. Revenue grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFS) are adjusted against 'Interest on Long term borrowings'. Revenue grants, in the nature of interest subsidy under the Interest Subvention Scheme are adjusted against 'Interest on Short term borrowings'. Revenue grants, in the nature of Sales Tax benefits are recognized in the Statement of Profit and Loss on a systematic/ appropriate basis.

Impairment

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

2.13 Provisions and Contingent Liabilities

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

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

2.14 Employees Stock Option Schemes

Equity settled stock options granted under "Employee Stock Option Schemes" are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999, issued by Securities and Exchange Board of India and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**2.15 Leases****As a lessee:**

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

As a lessor:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.16 Cash and Cash Equivalents

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

2.17 Earnings Per Share

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

2.18 Amalgamation in the nature of purchase

The company accounts for all amalgamations in nature of purchase using the 'purchase method' as prescribed in AS 14: Accounting for Amalgamations. Assets and liabilities acquired of the transferor company have been recognised at their book values at the date of amalgamation. The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the book value of net assets of the transferor company is recorded as capital reserve/goodwill as the case may be.

	(Rs. million)	
	As At March 31, 2014	As At March 31, 2013
Note 3 : Share Capital		
Authorised		
155,500,000 (March 31, 2013 : 155,500,000) Equity Shares of Rs. 10 each	1,555.00	1,555.00
	1,555.00	1,555.00
Issued, Subscribed and Paid Up		
100,346,515 (March 31, 2013 : 100,027,015) Equity Shares of Rs. 10 each fully paid up	1,003.47	1,000.27
Total	1,003.47	1,000.27

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**(a) Reconciliation of number of shares****Equity Shares :**

	As At March 31, 2014		As At March 31, 2013	
	Number of Shares	Amount (Rs. million)	Number of Shares	Amount (Rs. million)
Balance as at the beginning of the year	100,027,015	1,000.27	89,012,269	890.12
Add : Shares issued pursuant to Scheme of Amalgamation	-	-	10,475,496	104.75
Add : Shares issued to Employees under Employee Stock Option Scheme	319,500	3.20	539,250	5.40
Balance as at the end of the year	100,346,515	1,003.47	100,027,015	1,000.27

**(b) Shares held by holding company and subsidiary of holding company
(Holding company as defined in AS-18 : "Related Party Disclosure")**

	As At March 31, 2014		As At March 31, 2013*	
	Number of Shares	Amount (Rs. million)	Number of Shares	Amount (Rs. million)
Equity Shares :				
Krishiraj Trading Limited	50,037,192	500.37	27,717,421	277.17
Welspun Infra Developers Private Limited (a 78.66% subsidiary of Goldenarch Estate Private limited which in turn is a 94.37% subsidiary of Krishiraj Trading Limited)	2,749,773	27.50	-	-
	52,786,965	527.87	27,717,421	277.17

* As on March 31, 2013, Krishiraj Trading Limited was not a holding company.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As At March 31, 2014		As At March 31, 2013	
	Number of Shares	%	Number of Shares	%
Equity Shares :				
Welspun Fintrade Limited	-	-	20,059,540	20.05
Welspun Mercantile Limited	11,246,576	11.21	11,203,976	11.20
Welspun Wintex Limited	8,425,291	8.40	8,425,291	8.42
Krishiraj Trading Limited	50,037,192	49.86	27,717,421	27.71

(d) Rights, preferences and restrictions attached to shares**Equity Shares:**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend, in case proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceeding March 31, 2014):

10,475,496 equity shares of Rs. 10 each fully paid were issued in January 2013 to the erstwhile shareholders of Welspun Global Brands Limited (Formerly known as Welspun Retail Limited) pursuant to the composite scheme of arrangement between Welspun Global Brands Limited, the Company and Welspun Retail Limited without payment being received in cash.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 4 : Reserves and Surplus		
Capital Redemption Reserve		
Balance as at the beginning of the year	478.38	478.38
Add : Additions during the year	-	-
Balance as at the End of the Year	478.38	478.38
Capital Reserve		
Balance as at the beginning of the year	1,474.72	1,474.72
Add : Additions during the year	-	-
Balance as at the End of the Year	1,474.72	1,474.72
Securities Premium Account		
Balance as at the beginning of the year	3,226.72	3,212.92
Add : Additions during the year	8.18	13.80
Balance as at the End of the Year	3,234.90	3,226.72
Hedging Reserve		
Balance as at the beginning of the year	-	-
Add : Additions during the year (Net)	(68.02)	-
Balance as at the End of the Year	(68.02)	-
General Reserve		
Balance as at the beginning of the year	171.41	-
Add : Additions during the year	29.84	171.41
Balance as at the End of the Year	201.25	171.41
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	4,252.17	3,151.24
Add : Profit for the year	298.36	1,714.05
	4,550.53	4,865.29
Less : Appropriations		
Interim dividend on Equity Shares for the year	-	178.67
Dividend distribution tax on Interim dividend on Equity Shares	-	28.99
Proposed final dividend on Equity Shares for the year [Refer Note (a) below]	301.04	200.05
Dividend distribution tax on proposed final dividend on Equity Shares	51.16	34.00
Final Dividend on Equity Shares for 2012-13 on incremental shares	0.35	-
Dividend distribution tax on final dividend on incremental shares	0.06	-
Transfer to General Reserve [Refer Note (b) below]	29.84	171.41
Balance as at the End of the Year	4,168.08	4,252.17
Total	9,489.31	9,603.40
Notes:		
(a) The Board of Directors at their meeting held on May 20, 2014 recommended final dividend of Rs. 3 per equity share having nominal value of Rs.10 per share.		
(b) As per Companies (Transfer of Profits to Reserves) Rules,1975, the Company has transferred 10% of the Current Profits to General Reserve.		
Note 5 : Share application money pending allotment		
Share application money pending allotment [Refer Notes below]	0.52	-
	0.52	-
Notes :		
(a) Share application money pending allotment represents amounts received from employees in respect of the options exercised by them under The Employee Stock Option Scheme.		
(b) The equity shares have been allotted against the share application money in April 2014.		
Note 6 : Long-term Borrowings		
Secured :		
Term Loans :		
Rupee Term Loans from Banks [Refer Note (a) below]	12,513.69	9,276.33
Foreign Currency Loans from Banks [Refer Note (a) below]	103.87	-
Unsecured :		
Loan from Others [Refer Note (b) below]	10.74	14.66
Loans from Banks [Refer Note (b) below]	725.32	-
Total	13,353.62	9,290.99

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**Notes :****(a) Nature of security and terms of repayment for secured borrowings**

	Nature of Security	Terms of Repayment
1	Rupee term loan amounting to Rs. 5,545.17 million (March 31, 2013 : Rs. 6,333.68 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from April 2009. Last installment due in January 2016. Rate of interest 6.75% - 8.55% *
2	Rupee term loan amounting to Rs. 350.00 million (March 31, 2013 : Rs. 387.50 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from April 2009. Last installment due in January 2016. Rate of interest 7.50% *
3	Rupee term loan amounting to Rs. 1,536.87 million (March 31, 2013 : Rs. 1,680.77 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 30 quarterly installments commencing from January 2012. Last installment due in April 2019. Rate of interest 7.10% - 8.50% *
4	Rupee term loan amounting to Rs. 648.50 million (March 31, 2013 : Rs. 668.56 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from June 2013. Last installment due in March 2020. Rate of interest - 6.75% p.a.*
5	Rupee term loan amounting to Rs. 238.77 million (March 31, 2013 : Rs.238.77 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 32 quarterly installments commencing from April 2014. Last installment due in December 2021. Rate of interest 6.75% *
6	Rupee term loan amounting to Rs. 3,428.68 million (March 31, 2013 : Rs. 183 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from December 2014 . Last installment due in September 2021. Rate of Interest 7.5% - 8.50% p.a.*
7	Rupee term loan amounting to Rs. 1,032.15 million (March 31, 2013 : Rs. 474.82 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from January 2015 . Last installment due in October 2021. Rate of Interest 7% p.a. *
8	Rupee term loan amounting to Rs. 146.00 million (March 31, 2013 : Rs. 250 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from March 2015 . Last installment due in December 2021. Rate of Interest 12.25% p.a.
9	Rupee term loan amounting to Rs. 1,219.26 million (March 31, 2013 : Rs.Nil) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 30 quarterly installments commencing from March 2016 . Last installment due in September 2023. Rate of Interest 5.75%-6.75% p.a. *
10	FCNR (B) Dollar loan amounting to Rs. 103.87 million (March 31, 2013 : Rs.Nil) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from March 2015. Last installment due in December 2021. Rate of Interest 6 months LIBOR rate plus 3.75% - 4% p.a.
* Rate of Interest is considered net of 4% - 6% interest reimbursement under TUF scheme, where applicable.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**(b) Terms of repayment for unsecured borrowings**

	Borrowings	Terms of Repayment
1	Loan from Hewlett Packard India Financial Services Private Limited amounting to Rs. 14.66 million (March 31, 2013 : Rs.18.68 million)	Repayable in 59 monthly instalments beginning from October 2012.
2	Unsecured loan amounting to Rs. 725.32 million (March 31, 2013 : Rs. Nil)	This loan will be replaced through a drawdown of a secured term loan. The term of repayment will be determined upon it's drawing.

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 7 : Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities arising on account of Timing differences in :		
- Depreciation	1,002.86	2,400.22
Deferred Tax Asset arising on account of Timing differences in:		
- Provision for Doubtful Debts/ Advances	33.35	15.40
- Provision for Unpaid Statutory Dues under Section 43B of the Income Tax Act, 1961	15.86	13.33
- Provision for Employee Benefits	20.09	15.15
- Expenses inadmissible under Section 40(a) of the Income Tax Act, 1961	5.28	2.53
- Others	2.75	1.00
Total	925.53	2,352.81
Note 8 : Other Long-term Liabilities		
Security Deposits	3.70	6.30
Total	3.70	6.30
Note 9 : Long-term Provisions		
Provision for Compensated Absences	55.85	45.66
Other Provisions:		
- Taxation	924.50	-
(Net of Advance Tax and Tax Deducted at Sources March 31, 2014 : Rs. 1,477.08 million; March 31, 2013 : Rs. Nil)		
Total	980.35	45.66
Note 10 : Short-term Borrowings		
Secured :		
- Working Capital Loans from Banks [Refer Note below]	7,900.48	5,859.16
Unsecured :		
- Working Capital Loans from Banks	223.21	841.12
Total	8,123.69	6,700.28
Note :		
The working capital loans, which includes cash credit and packing credit from banks, are secured by hypothecation of raw materials, stock-in-process, finished goods, semi finished goods, stores, spares and book debts and other current assets of the Company and second charge on entire fixed assets of the Company.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 11 : Trade Payables		
Acceptances [Refer Note below]	1,995.86	627.66
Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note 54]	42.55	22.77
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	2,260.53	1,972.42
Total	4,298.94	2,622.85
Note :		
Acceptance includes unsecured vendor financing of Rs. 1,262.69 million (Previous year Rs. 111.09 million) from various banks.		
Note 12 : Other Current Liabilities		
Current Maturities of Long Term Debt		
- Rupee Term Loans from Banks [Refer Note 6(a)]	1,631.71	940.77
- From Others [Refer Note 6(b)]	3.92	4.02
Interest Accrued but not due on Borrowings	85.33	83.74
Security Deposits	37.57	27.08
Advances from Customers	34.60	117.67
Temporary Overdraft with Scheduled Banks	323.16	131.26
Unpaid dividends (Refer Note below)	2.74	1.60
Statutory dues (including Provident Fund and Tax deducted at Source)	73.92	48.67
Employee Benefits Payable	217.06	157.52
Creditors for Capital Purchases	355.29	185.38
Other Payables	28.39	24.61
Total	2,793.69	1,722.32
Note:		
There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
Note 13 : Short-term Provisions		
Provision for employee benefits		
- Provision for Compensated Absences	4.94	2.98
Others		
- Taxation		
- Fringe Benefit Tax (Net of Advance Tax March 31, 2014 : Rs. 36.11 million ; March 31, 2013 : Rs. 36.11 million)	1.90	1.90
- Provision for mark-to-market losses on derivatives	73.93	6.88
- Provision for proposed final dividend on equity shares	301.04	200.05
- Provision for dividend distribution tax on proposed final dividend on equity shares	51.16	34.00
Total	432.97	245.81

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

14. Tangible Assets

(Rs. million)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at March 31, 2013	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2014	Accumulated upto March 31, 2013	For the Year (Refer Note 37)	On Deletions during the year	Accumulated upto March 31, 2014	As at March 31, 2014
Own Assets:									
Freehold Land	138.05	-	-	138.05	-	-	-	-	138.05
Buildings (Refer Note 3 below)	3,776.46	408.41	-	4,184.87	704.81	108.29	-	813.10	3,371.77
Leasehold Improvements	49.22	-	-	49.22	23.62	5.23	-	28.85	20.37
Plant and Machinery (Refer Note 1, 2 and 3 below)	20,173.06	2,165.19	151.81	22,186.44	7,570.51	6,058.32	134.48	13,494.35	8,692.09
Vehicles	61.19	3.15	10.10	54.24	30.89	6.47	8.52	28.84	25.40
Furniture and Fixtures	169.82	53.45	3.46	219.81	65.38	13.66	1.84	77.20	142.61
Office Equipment	87.62	26.61	3.35	110.88	39.29	8.94	2.17	46.06	64.82
Computers	190.01	5.22	7.45	187.78	128.62	15.64	7.04	137.22	50.56
Total	24,645.43	2,662.03	176.17	27,131.29	8,563.12	6,216.55	154.05	14,625.62	12,505.67
March 31, 2013	22,858.26	1,949.33	162.16	24,645.43	7,307.18	1,319.88	63.94	8,563.12	16,082.31

Notes :

1. Borrowing Costs aggregating Rs. 88.73 million (Previous Year: Rs. 48.34 million) attributable to the acquisition or construction of qualifying assets are capitalised during the year as part of the cost of such assets.
2. Deletions/ Adjustments for Plant and Machinery includes adjustments for the capital subsidy of Nil (Previous Year : Rs. 69.52 million) granted under the Technology Upgradation Fund (TUF) Scheme.
3. The Company has given certain assets on operating lease, details of which are given below:

PARTICULARS	31,Mar,14		31,Mar,13	
	Buildings	Plant and Machinery	Buildings	Plant and Machinery
Gross Block	1.21	29.04	13.99	35.18
Accumulated Depreciation	0.22	27.59	3.45	29.53
Net Block	0.99	1.45	10.54	5.65
Depreciation for the year	0.02	-	0.23	0.6

15. Intangible Assets

(Rs. million)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at March 31, 2013	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2014	Accumulated upto March 31, 2013	For the Year	On Deletions during the year	Accumulated upto March 31, 2014	As at March 31, 2014
Own Assets									
Computer Software	87.45	14.95	-	102.40	55.71	11.37	-	67.08	35.32
Goodwill	1.56	-	-	1.56	1.56	-	-	1.56	-
Total	89.01	14.95	-	103.96	57.27	11.37	-	68.64	35.32
March 31, 2013	63.80	25.21	-	89.01	49.06	8.21	-	57.27	31.74

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 16 : Non-current Investments		
Trade Investments (valued at cost unless stated otherwise)		
Unquoted Equity instruments		
In Subsidiaries		
10,000 (March 31, 2013: 10,000) Equity Shares of Rs.10 each fully paid up of BESA Developers and Infrastructure Private Limited	0.10	0.10
10,000 (March 31, 2013: Nil) Equity Shares of Rs.10 each fully paid up of Anjar Integrated Textile Park Developers Private Limited	0.10	-
50,700 (March 31, 2013: Nil) Equity Shares of Rs.10 each fully paid up of Welspun Anjar SEZ Limited	2,200.00	-
23,065,503 (March 31, 2013 : 20,000,000) Equity Shares of Rs.10 each fully paid up of Welspun Global Brands Limited (Formerly known as Welspun Retail Limited)	1,281.34	499.63
15,854,375 (March 31, 2013 : 15,854,375) 0% Redeemable Preference Shares of Rs.10 each fully paid up of Welspun Global Brands Limited (Formerly known as Welspun Retail Limited)	2,524.23	2,524.23
1,000,000 (March 31, 2013: Nil) 1% Redeemable Cumulative Preference Shares of Rs.10 each fully paid up of Welspun Global Brands Limited (Formerly known as Welspun Retail Limited)	10.00	-
19,242,513 (March 31, 2013 : 6,108,253) Equity Shares of Rs.10 each fully paid up of Welspun Captive Power Generation Limited	192.43	61.08
64,147,487 (March 31, 2013 : 46,606,747) 6% Non-cumulative Redeemable Preference Shares of Rs.10 each of Welspun Captive Power Generation Limited	641.47	466.07
668,706 (March 31, 2013 : 668,706) Equity Shares of US \$ 0.10 each, fully paid up of Welspun USA Inc.	146.88	146.88
1,500 (March 31, 2013 : 1,500) Equity Shares of GBP 1 each, fully paid up of Welspun Holdings Private Limited, Cyprus	111.52	111.52
Less : Provision for other than temporary Diminution in value of investment	81.79	81.79
	29.73	29.73
In Joint Venture Companies		
2,750,000 (March 31, 2013 : 2,750,000) Equity Shares of Rs.10 each fully paid up of Welspun Zucchi Textiles Limited	34.56	34.56
Other Investments (valued at cost unless stated otherwise)		
a) Quoted Equity Instruments		
283,500 (March 31, 2013 : 283,500) Equity Shares of Rs. 10 each fully paid up of Welspun Syntex Limited	18.94	18.94
Less : Provision for other than temporary diminution in value of investment	13.34	13.34
	5.60	5.60
80 (March 31, 2013 : 80) Equity Shares of Rs. 1 each fully paid up of Khaitan Chemicals & Fertilizers Limited	*	*
b) Others		
100 (March 31, 2013 : 100) Equity Shares of Rs. 10 each fully paid up of Welspun Steel Limited (Formerly known as Welspun Power and Steel Limited)	*	*
Investment - Indiafirst SM	1.80	1.22
Investment - SBI Life Insurance	0.30	-
Investment - Canara HSBC	0.60	0.30
Total	7,069.14	3,769.40



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Aggregate amount of Unquoted Investments	7,063.54	3,763.80
Aggregate amount of Quoted Investments	5.60	5.60
Market Value of Quoted Investments	2.17	2.61
Aggregate provision for diminution in value of Investments	95.13	95.13
* Less than Rs.10,000		
Note 17 : Long-term Loans and Advances		
Unsecured, considered good (unless otherwise stated) :		
Capital Advances to Related Parties		
- Wel-treat Enviro Management Organisation Limited	75.00	75.00
- Welspun Projects Limited	42.29	26.64
Capital Advances to Others	736.93	795.74
Security Deposits to Related Parties		
- Welspun Realty Private Limited	142.25	124.25
- Mertz Securities Limited	8.00	7.00
Security Deposits to Others	84.24	52.05
Loans to Related Parties		
-Intercompany Deposit to Besa Developers and Infrastructure Private Limited	15.56	-
Less : Provision for Doubtful Loans/ Advances	15.56	-
	-	-
Share Application pending allotment - Welspun Captive Power Generation Limited	-	122.85
Advances Recoverable in Cash or in Kind or for Value to be Received		
- Considered Good	12.48	10.64
- Considered Doubtful	30.00	-
	42.48	10.64
Less : Provision for Doubtful Advances	30.00	-
	12.48	10.64
Other Loans and Advances		
- Advance Tax and Tax Deducted at Source	-	114.78
(Net of Provision for tax March 31, 2014: Rs. Nil ; March 31, 2013 : 1,222.07 million)		
- Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	111.68	108.48
- Considered Doubtful	46.11	42.37
	157.79	150.85
Less : Provision for Doubtful Balances	46.11	42.37
	111.68	108.48
Total	1,212.87	1,437.43
Note 18 : Other Non-current Assets		
Minimum Alternative Tax Credit Entitlement	-	395.74
Statusholder Incentive Scrips in Hand	94.26	127.03
Fixed deposits with Banks with maturity period more than 12 months	681.49	678.91
Margin Money Deposit Accounts	2.30	1.08

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Interest Accrued on Deposits	118.46	60.80
Interest Accrued - Others	3.50	-
Less : Provision for Accrued Interest	3.50	-
	-	-
Total	896.51	1,263.56
Note 19 : Current Investments		
Investment in Bonds		
1,500,000 (March 31, 2013 : Nil) 8.30% GOI 2042 Bonds of Face Value of Rs. 100 each	164.09	-
2,830,000 (March 31, 2013 : Nil) 7.40% GOI 2035 Bonds of Face Value of Rs. 100 each	271.14	-
- (March 31, 2013 : 2,850,000) 8.97% GOI 05-12-2030 Bonds of Face Value of Rs. 100 each	-	311.63
- (March 31, 2013 : 3,580) 0% IFCI DDB 2033 Bonds of Face Value of Rs. 25,000 each	-	23.27
- (March 31, 2013 : 600) Certificate of Deposit - Bank of India	-	59.05
Total	435.23	393.95
Aggregate amount of quoted investments	435.23	393.95
Market Value of quoted investments	446.85	397.23
Note 20 : Inventories		
Raw Materials (Includes in transit Rs. 69.30 million; March 31, 2013 : Rs. 47.59 million)	3,255.08	2,654.27
Packing Materials	158.48	94.05
Work-in-Progress	2,581.71	1,871.84
Finished Goods	679.53	356.92
Traded Goods	17.06	15.54
Stores, Spares, Dyes and Chemicals	180.44	107.50
Total	6,872.30	5,100.12
Details of Inventory:		
(a) Details of Goods Manufactured		
Terry Towels	279.74	133.84
Cotton Yarn	7.93	40.75
Bed Linen Products	356.83	150.26
Rugs	31.08	22.00
Others	3.95	10.07
Total	679.53	356.92
(b) Details of Work-in-Progress		
Terry Towels	689.87	554.87
Cotton Yarn	163.55	75.96
Bed Linen Products	1,627.69	1,158.40
Rugs	87.62	69.27
Others	12.98	13.34
Total	2,581.71	1,871.84
(c) Details of Traded Goods		
Bath Robe and Mats	0.09	1.23
Bed Sheet, Quilt and Others	15.63	8.03
Curtain, Cushions and Carpet	1.34	6.28
Total	17.06	15.54



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 21 : Trade Receivables		
Unsecured		
Debts Outstanding for a period exceeding six months from the date they are due for payment :		
- Considered Good	1.60	0.84
- Considered Doubtful	2.95	2.95
	4.55	3.79
Less : Provision for Doubtful Debts	2.95	2.95
	1.60	0.84
Other Debts :		
- Considered Good	2,181.43	1,136.00
Total	2,183.03	1,136.84
Note 22 : Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on Hand	1.01	1.10
Bank balances		
- In current accounts	714.85	1,278.67
- Fixed deposits (less than 3 months maturity)	801.97	-
	1,517.83	1,279.77
Other Bank balances		
- Fixed deposits	395.65	197.68
- Unpaid dividend account	2.74	1.60
Total	1,916.22	1,479.05
Note 23 : Short-term Loans and Advances		
Unsecured considered good, unless otherwise stated :		
Loans to Related Parties		
- Intercompany Deposit to Besa Developers and Infrastructure Private Limited	-	781.70
Advances to Related Parties		
- Welspun Global Brands Limited (Formerly known as Welspun Retail Limited)	4.93	1.75
- Welspun Captive Power Generation Limited	7.12	2.70
- Welspun Corp Limited	4.16	1.97
- Welspun Projects Limited	1.01	0.88
- Welspun Maxsteel Limited	-	0.33
- Welspun Enegry Limited	-	0.18
- Welspun Syntex Limited	0.17	-
- Anjar Integrated Textile Park Developers Private Limited	0.50	-
- CHT Holdings Limited	20.08	5.78
- Welspun USA Inc.	6.93	16.36
- Welspun Home Textiles UK Limited	8.98	4.63
- Welspun UK Limited	0.24	-
Advances Recoverable in Cash or in Kind or for Value to be Received	485.52	404.51
Others		
Balances with Customs, Excise, Sales Tax and other Government Authorities	1,838.43	806.46
Security Deposits to Related Parties		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
- Welspun Realty Private Limited	-	18.00
- Mertz Securities Limited	-	1.00
Security Deposits to Others	15.00	1.17
Total	2,393.07	2,047.42
Note 24 : Other Current Assets		
Technology Upgradation Fund Credit Receivable	492.14	263.24
Interest Accrued on Loan given to Besa Developers and Infrastructure Private Limited	-	14.00
Interest Accrued on Bonds / Certificate of Deposits	4.33	8.17
Interest Accrued - Others	-	1.40
Interest Receivable under Subvention Scheme	25.54	-
Interest Accrued on Deposits	30.23	16.55
Insurance Claim Receivable	93.15	-
Gratuity Fund (Net)	1.69	4.07
Total	647.08	307.43
* Less than Rs. 10,000		

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 25 : Revenue from Operations		
Sale of Products		
Finished Goods	32,940.49	28,556.19
Traded Goods	66.72	101.54
	33,007.21	28,657.73
Other Operating Revenue		
Sales Tax Benefit	906.18	793.47
Sale of Scrap	450.48	470.30
Job Work and Processing Charges	30.63	34.06
Export Benefits		
- Focus Market Scheme Benefits	970.13	507.68
	2,357.42	1,805.51
Revenue from Operations (Gross)	35,364.63	30,463.24
Less : Excise Duty	52.60	33.78
Revenue from Operations (Net)	35,312.03	30,429.46
(a) Details of Sales (Finished Goods)		
Terry Towels	18,511.74	14,852.22
Cotton Yarn	22.07	59.05
Bed Linen Products	11,215.84	11,378.31
Grey Fabric - Bed Linen	26.19	375.36
Rugs	2,510.18	1,797.68
Spunless Non Woven - Advanced Textile	511.34	93.57
Bathrobes	143.13	-
	32,940.49	28,556.19
(b) Details of Sales (Traded Goods)		
Cotton	40.15	7.25
Cotton Yarn	5.68	4.34
Others	20.89	89.95
	66.72	101.54



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 26 : Other Income			
Interest Income			
On Fixed Deposits		101.40	76.12
On Loans given to related parties and others		-	23.10
On Bonds		79.31	74.15
On Others		26.85	16.36
Cash Discount received		73.13	50.84
Rent		9.18	9.14
Dividend Income		8.74	42.47
Insurance Claim		0.01	0.01
Claims Received		-	21.51
Profit on Redemption / Sale of Units in Mutual Funds		-	1.89
Profit on Sale of Bonds / Certificate of Deposits		27.84	46.49
Profit on Sale of Fixed Assets		1.44	-
Profit on Cancellation of Forward / Swap Contracts		-	1.80
Exchange Gain (Net)		26.74	31.00
Service Charges		6.40	8.60
Income on Statusholder Incentive Scrips		586.93	16.52
Commission on Corporate Guarantees Issued		51.04	26.76
Miscellaneous		37.23	44.96
		1,036.24	491.72
Note 27 : Cost of materials consumed			
Raw material consumed			
Opening inventory	2,654.27		2,043.17
Add: Purchases (net)	18,788.62		16,129.62
Less : Inventory at the end of the year	<u>3,255.08</u>		<u>2,654.27</u>
		18,187.81	15,518.52
Packing material consumed			
Opening inventory	94.05		110.03
Add : Purchases (net)	1,594.51		1,409.75
Less : Inventory at the end of the year	<u>158.48</u>		<u>94.05</u>
		1,530.08	1,425.73
		19,717.89	16,944.25
Note 28 : Purchases of Stock-in-Trade			
Purchases of Stock-in-Trade		69.74	81.14
Note 29 : Changes in inventory of finished goods, work-in-progress and stock-in-trade			
(Increase) / decrease in Stocks			
Stock at the end of the year :			
Finished Goods	679.53		356.92
Work-in-Progress	2,581.71		1,871.84
Stock-in-trade	<u>17.06</u>		<u>15.54</u>
Total A	<u>3,278.30</u>		<u>2,244.30</u>
Less : Stock Transferred from Trial Run Production			
Work-in-Process	-		1.50
Less : Stock at the beginning of the year :			
Finished Goods	356.92		377.89
Work-in-Progress	1,871.84		1,868.41
Stock-in-trade	<u>15.54</u>		<u>41.23</u>
Total B	<u>2,244.30</u>		<u>2,287.53</u>
(Increase) / decrease in Stocks (A-B)		(1,034.00)	44.73

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 30 : Employee Benefits Expense		
Salaries, Wages, Allowances and Other Benefits	2,047.59	1,615.65
Contribution to Provident and Other Funds	154.98	119.11
Managerial Remuneration	32.47	36.28
Staff and Labour Welfare	107.65	46.67
Total	2,342.69	1,817.71

The Company has classified the various benefits provided to employees as under :-

I Defined Contribution Plans

(Rs. million)

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:	2013-2014	2012-2013
- Employers' Contribution to Provident Fund*	58.32	45.24
- Employers' Contribution to Employees' State Insurance *	18.48	14.06
- Employers' Contribution to Employees' Pension Scheme*	76.40	58.59
- Employers' Contribution to Superannuation Scheme*	1.78	1.22
	154.98	119.11

* Included in Contribution to Provident and Other Funds

II Defined Benefit Plan

Contribution to Gratuity Fund (Funded Defined Benefit Plan)

The Company operates a gratuity plan through the "Welspun India Limited Employees Gratuity Trust". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

a. Major Assumptions	2013-2014 % p.a.	2012-2013 % p.a.
Discount Rate	9.32	8.25
Expected Rate of Return on Plan Assets	8.70	8.60
Salary Escalation Rate @	8% for 5 years and 6% thereafter	8% for 5 years and 6% thereafter
@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		

(Rs. million)

b. Change in the Present Value of Obligation	2013-2014	2012-2013
Opening Present Value of Obligation	114.35	93.71
Current Service Cost	33.80	44.15
Interest Cost	9.43	8.20
Benefit/ Exgratia paid	(22.44)	(16.25)
Actuarial Loss/ (gain) on Obligations	7.92	(15.46)
Closing Present Value of Obligation	143.06	114.35

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

c. Change in Fair Value of Plan Assets	2013-2014	2012-2013
Opening Fair Value of Plan Assets	118.42	99.99
Expected Return on Plan Assets	10.17	8.60
Actuarial gain / (Loss) on Obligations	0.17	1.03
Contributions	36.00	21.71
Benefits paid	(20.01)	(12.91)
Closing Fair Value of Plan Assets	144.75	118.42

(Rs. million)

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	As At March 31, 2014	As At March 31, 2013
Present Value of Funded Obligation	143.06	114.35
Fair Value of Plan Assets	144.75	118.42
Funded Status	144.75	118.42

(Rs. million)

e. Amount recognised in the Balance Sheet	As At March 31, 2014	As At March 31, 2013
Present Value of Obligation	143.06	114.35
Fair Value of Plan Assets	144.75	118.42
Assets recognised in the Balance Sheet and included under Other Current Assets (Refer Note 24)	1.69	4.07

(Rs. million)

f. Expenses Recognised in the Statement of Profit and Loss	2013-2014	2012-2013
Current Service Cost	33.80	44.15
Interest Cost	9.43	8.20
Expected Return on Plan Assets	(10.17)	(8.60)
Net Actuarial Loss/ (gain) recognised in the year	7.75	(16.49)
Total expenses recognised in the Statement of Profit and Loss	40.81 *	27.26 *

*Included in Employee Benefits Expense above

g. Major Category of Plan Asset as a % of total Plan Assets	As At March 31, 2014	As At March 31, 2013
Insurer managed funds	100.00	100.00

(Rs. million)

h. Amounts recognised in current year and previous four years	As At March 31, 2014	As At March 31, 2013	As At March 31, 2012	As At March 31, 2011	As At March 31, 2010
Defined Benefit obligation at the end of the year	143.06	114.35	93.71	89.56	55.60
Fair Value of Plan Assets	144.75	118.42	99.99	94.01	65.13
(Surplus)/ Deficit	(1.69)	(4.07)	(6.28)	(4.45)	(9.53)
Experience (gain)/ loss adjustments on plan liabilities	28.06	19.86	18.33	5.86	3.57
Experience gain/ (loss) adjustments on plan assets	0.17	(1.03)	(3.98)	0.51	14.73
Actuarial gain/(loss) due to change in assumptions	20.14	(2.33)	1.88	(23.63)	(2.99)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

i. Expected Contribution to the funds in the next year	As At March 31, 2014	As At March 31, 2013
Gratuity	47.16	29.72

III Other Employee Benefit

The liability for leave entitlement and compensated absences as at year end is Rs. 60.79 million (March 31, 2013: Rs. 48.64 million).

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 31 : Finance Costs		
Interest on Long term borrowings (net of interest subsidy of Rs. 460.00 million, Previous Year : Rs. 477.54 million)	724.93	747.19
Interest on Short Term borrowings	594.12	539.58
Interest to Others	15.41	19.98
Discounting and Bank Charges	104.68	77.56
Total	1,439.14	1,384.31
Note 32 : Depreciation and Amortization Expense		
Depreciation on Tangible assets (Refer note 37)	6,216.55	1,319.88
Amortisation on Intangible assets	11.37	8.21
Total	6,227.92	1,328.09
Note 33 : Other Expenses		
Stores and Spares Consumed	534.51	467.00
Dyes and Chemicals Consumed	1,662.95	1,785.43
Contract Labour Charges	605.81	571.01
Job Work Expenses	404.31	591.84
Power, Fuel and Water Charges	2,700.50	2,602.99
Repairs and Maintenance:		
Plant and Machinery	110.55	84.83
Factory Building	42.44	31.29
Others	111.49	65.17
Claims, Discounts and Rebates	177.04	169.96
Brokerage and Commission	3.11	28.85
Freight, Forwarding and Coolie Charges	88.51	102.85
Electricity Expenses	5.61	11.96
Directors' Sitting Fees	1.19	1.27
Rent	86.25	99.78
Rates and Taxes	11.61	12.80
Printing and Stationery	10.24	8.51
Travelling and Conveyance	149.38	91.35
Legal and Professional Charges	123.54	71.52
Security Expenses	26.72	26.65

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Insurance	52.95	52.30
Communication	11.92	9.36
Postage and Courier	8.07	6.47
Loss on Sale/ Discarding of Fixed Assets (Net)	-	16.56
Loss on Redemption/ Sale of Units in Mutual Funds	0.08	-
Loss on Sale of Investments	-	0.07
Provision for Doubtful Loans and Advances	52.80	9.26
Loss on Cancellation of Forward/ Swap Contracts	21.16	-
Design and Development Expenses	11.78	8.21
Advertising and Sales Promotion	25.96	12.44
Donations	37.82	63.67
Auditors' Remuneration		
- As Auditors	4.20	5.35
- In other capacity - As Tax Auditors	0.40	0.40
- Certification and Other Matters	0.40	1.18
- Out of Pocket Expenses	0.22	0.02
Miscellaneous	55.04	38.96
Total	7,138.56	7,049.31
Note :		
Expenses capitalised as a part of Capital Work-in-progress		
Interest Cost (Net of interest subsidy of Rs. 76.27 million; March 31, 2013 Rs. 14.28 million)	191.58	35.81
Employee Costs	32.56	32.08
Other Expenses	12.88	126.30
Total	237.02	194.19

34 Contingent Liabilities

(Rs. million)

Description	As At March 31, 2014	As At March 31, 2013
Excise, Customs and Service Tax Matters	344.28	632.08
Income Tax Matters	135.77	135.77
Stamp Duty Matter	4.46	4.46
Sales Tax	30.96	30.96
Claims against Company not acknowledged as debts	2.24	3.66

- (a) It is not practical for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (b) The Company does not expect any reimbursements in respect of the above contingent liabilities.

35 Capital and Other Commitments

(a) Capital Commitments

(Rs. million)

Description	As At March 31, 2014	As At March 31, 2013
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	2,817.40	3,810.76

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**(b) Other Commitments**

(Rs. million)		
Description	As At March 31, 2013	As At March 31, 2012
In accordance with the EPCG Scheme, imports of capital goods are allowed to be made duty free and under Advance License Scheme, imports of raw material are allowed to be made duty free, subject to the condition that the Company will fulfill, in future, a specified amount of export obligation within a specified time. Amount of duty saved on imports of above goods against which export obligation is yet to be fulfilled by the Company is Rs. 22.65 million as at March 31, 2014 (Rs. 9.27 million as at March 31, 2013). Amount of Export Commitments on above.	182.40	75.02
Corporate Guarantees (Refer Note 36)	9,065.94	7,672.85

- 36** The Company has issued corporate guarantees aggregating Rs. 9,913.94 million as at the year end (March 31, 2013: Rs. 8,852.01 million) on behalf of Welspun Global Brands Limited (WGBL) (formerly known as Welspun Retail Limited), Welspun USA Inc. (WUSA), Welspun Home Textiles UK limited (WHTL), Welspun Captive Power Generation Limited (WCPGL) and CHT Holdings Limited (CHTHL). Liability outstanding for which corporate guarantees have been issued aggregates Rs. 9,065.94 million as on March 31, 2014 (March 31, 2013: Rs. 7,672.85 million)
- 37** During the quarter ended September 30, 2013, the management re-assessed the method of providing depreciation on its plant and machinery (other than electrical installations) after taking into consideration the type of assets, nature of their use etc. Based on the re-assessment, the Company changed the method of providing depreciation from straight-line method to reducing balance method as it was considered that it would result in more appropriate preparation and presentation of the Financial Statements of the company. Accordingly, depreciation was recalculated under the reducing balance method for the period from the date on which the assets came into use upto June 30, 2013 in accordance with Accounting Standard 6 "Depreciation Accounting" notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended]. The incremental depreciation of Rs. 4,630.96 million for the period upto June 30, 2013 arising from the change has been provided during the year. In addition to the aforementioned incremental depreciation, depreciation for the period July 1, 2013 to March 31, 2014 is higher by Rs.107.13 million due to the change in the method. Accordingly, depreciation and amortization expenses for the year ended March 31, 2014 is higher by Rs. 4,738.09 million and profit before tax for the year ended March 31, 2014 is lower by Rs. 4,738.09 million with a consequential impact on profit after tax for the year.
- Had the method of depreciation not been changed, profit before tax for the year ended March 31, 2014 would have been Rs. 5,184.42 million as against the profit before tax of Rs. 446.33 million.
- 38** The Company has utilised deferred tax assets recognized in earlier period aggregating Rs. 310.70 million on the incremental unabsorbed Income-tax depreciation arising out of its treatment of certain Excise and Value Added Tax incentives as 'capital receipts' for income tax purposes. Income Tax authorities have passed orders treating these incentives as revenue in nature. The Company has filed an appeal against the aforesaid orders. If the final decision in the matter is eventually decided against Welspun India Limited, then the current tax expense could be higher by Rs. 310.70 million.
- 39** During an earlier year, the Company had inadvertently made certain investments aggregating Rs. 1,197.29 million in the bonds issued by certain public sector undertakings without obtaining prior approval of the shareholders by way of a special resolution as required under Section 372A of the Companies Act, 1956. Subsequently, these investments were sold. Further, the Company had filed a suo motu application to the Company Law Board in the financial year 2012-13 for compounding of this offence. The offence committed under Section 372A was compounded against the Company, managing director, company secretary and a former director on payment of Rs. 2,000 by each of the aforesaid defaulters.

40 Details of Employees Stock Options

On June 30, 2009, the Company issued Employee Stock Options (ESOP) under the Employee Stock Options Scheme (the "Scheme") to employees of the Company with a right to subscribe to equity shares ("New Options") at a price of Rs. 35.60 per equity share (closing market price as on June 30, 2009). The salient features of the Scheme are as under:

- (i) Vesting: Options to vest over a period of four years from the date of their grants as under:
- 20% of the Options granted to vest at each of the 1st and 2nd anniversaries of the date of grant.
 - 30% of the Options granted to vest at each of the 3rd and 4th anniversaries of the date of grant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(ii) Exercise: Options vested with an employee will be exercisable within 3 years from the date of their vesting by subscribing to the number of equity shares in the ratio of one equity share for every option at the Exercise Price. In the event of cessation of employment due to death, resignation or otherwise, the Options may lapse or be exercisable in the manner specifically provided for in the Scheme.

Date of Grant	June 30, 2009
Number of Options Granted	2,265,000
Vesting Conditions	The options would vest only if the option grantee continues to be in employment of the Company at the time the options are due to vest.
Exercise Period	3 years
Exercise Price	Rs. 35.60

Summary of Stock Options	March 31, 2014		March 31, 2013	
	No. of Stock Options	Weighted Average Exercise Price (Rs.)	No. of Stock Options	Weighted Average Exercise Price (Rs.)
Options outstanding at the beginning of the year	552,000	35.60	1,179,250	35.60
Options granted during the year	-	-	-	-
Options exercised during the year	334,000	35.60	539,250	35.60
Options forfeited/ lapsed during the year	99,500	35.60	88,000	35.60
Options outstanding at the end of the year	118,500	35.60	552,000	35.60
Options vested but not exercised at the year end	118,500	35.60	163,500	35.60

Information in respect of options outstanding as at March 31, 2014

No. of Stock Options	Weighted Average remaining life in years	Weighted Average Exercise Price (Rs.)
18,000	0.25	35.60
35,000	1.25	35.60
65,500	2.25	35.60

The compensation costs of stock options granted to employees are accounted by the Company using the intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payments issued by the Institute of Chartered Accountants of India in respect of stock options granted. The value of underlying share has been determined by an independent valuer. Since, on the date of grant of option, quoted market price of the underlying equity shares of the Company was equal to the exercise price of an option, no expense or liability arising from the Scheme has been recognised.

The Company's earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes' model

(Rs. million)

	March 31, 2014	March 31, 2013
Profit for the year	298.36	1,714.05
Less: Additional Employee Compensation Cost based on Fair Value (net of tax)	1.57	0.65
Profit after taxation as per Fair Value Method	296.79	1,713.40
Earnings Per Share (EPS)		
Basic		
Number of Shares (Weighted average)	100,173,531	99,700,852
Basic Earnings/(Loss) Per Share as reported	2.98	17.19
Proforma Basic Earnings/(Loss) Per Share	2.96	17.19
Diluted		
Number of Shares (Weighted average)	100,265,723	100,096,195
Diluted EPS as reported	2.98	17.12
Proforma Diluted EPS	2.96	17.12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	Grant Date : June 30, 2009			
	Vest 1	Vest 2	Vest 3	Vest 4
	June30, 2010	June30, 2011	June30, 2012	June30, 2013
Variables	20%	20%	30%	30%
Stock Price	34.85	34.85	34.85	34.85
Volatility	63.52%	59.33%	54.45%	53.18%
Riskfree Rate	6.15%	6.31%	6.46%	6.61%
Exercise Price	35.60	35.60	35.60	35.60
Time to Maturity	2.50	3.50	4.50	5.50
Dividend Yield	0%	0%	0%	0%
Option Fair Value	14.83	16.69	17.85	19.42
Weighted Average Option Fair Value	17.49			

Effect of share- based payment plan on the Balance Sheet and Statement of Profit and Loss:

(Rs. million)

	March 31, 2014	March 31, 2013
Expense arising from employee share-based payment plan	-	-
Deferred Stock Compensation	-	-

Note 41 : CIF Value of Imports

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Raw Materials	1,312.45	1,182.21
Stores & Spares and Dyes & Chemicals	243.38	176.06
Capital Goods	3,301.99	246.45
Packing Material	13.52	24.04
Total	4,871.34	1,628.76

Note 42 : Expenditure in Foreign Currency

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Travelling	8.32	6.84
Repairs and Maintenance	21.26	4.65
Legal and Professional Charges	8.53	6.99
Membership and Subscription	0.52	0.58
Advertisement and Sales Promotion	9.31	0.30
Others	1.86	1.49
Total	49.80	20.85

Note 43 : Details of Consumption and Purchases**(a) Details of Raw Materials and Packing Materials consumed**

(Rs. million)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Cotton Yarn	8,850.73	6,308.24
Cotton	4,221.45	3,743.28
Fabric Consumed	524.27	757.30
Others	309.61	233.77
Bed Linen Fabrics	3,730.97	4,319.50
Polywadding	22.24	60.85
Fiber	530.17	95.57
Packing Materials	1,528.45	1,425.74
Total	19,717.89	16,944.25

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(b) Value of Imported and Indigenous Raw Materials, Packing Materials and Stores, Spare Parts Consumed and Percentage

1) Raw Materials and Packing Materials

Particulars	Year Ended March 31, 2014		Year Ended March 31, 2013	
	%	Rs. Million	%	Rs. million
Imported	3.32%	654.75	4.52%	765.22
Indigenous	96.68%	19,063.14	95.48%	16,179.03
Total	100.00%	19,717.89	100.00%	16,944.25

2) Stores, Spares, Dyes and Chemicals

Particulars	Year Ended March 31, 2014		Year Ended March 31, 2013	
	%	Rs. Million	%	Rs. million
Imported	8.62%	189.40	7.32%	164.90
Indigenous	91.38%	2,008.06	92.68%	2,087.53
Total	100.00%	2,197.46	100.00%	2,252.43

Note 44 : Dividend remitted in foreign exchange

(Rs. million)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Number of non-resident shareholders	597	347
Number of shares on which dividend is remitted	20,086	22,571
Year to which dividend relates	2012-2013	2012-2013
Amount remitted (Rs. million)	0.04	0.05

Note 45 : Earnings in foreign currency

(Rs. million)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Interest Income	44.09	-
Total	44.09	-

46 Earnings/ (Loss) per Share

(Rs. million)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Profit after Tax and before extraordinary items (A) (Rs. in million)	298.36	1,797.90
Less: Extraordinary items	-	(83.85)
Profit after tax and extraordinary items (B) (Rs. in million)	298.36	1,714.05
Weighted average number of equity shares outstanding during the year (C)	100,173,531	99,700,852
Add: Weighted average outstanding employee stock options	92,192	395,343
Number of Shares for Diluted Earnings Per Share (D)	100,265,723	100,096,195
Basic earnings per share before extraordinary items (A)/(C)	2.98	18.03
Basic earnings per share after extraordinary items (B)/(C)	2.98	17.19
Diluted earnings per share before extraordinary items (A)/(D)	2.98	17.96
Diluted earnings per share after extraordinary items (B)/(D)	2.98	17.12
Nominal value of an equity share (Rs.)	10	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**47 Segment Information for the year ended March 31, 2014.****(i) Information about Primary Business Segment**

The Company is exclusively engaged in the business of Home Textiles which, in the context of Accounting Standard 17 on Segment Reporting, issued by the Institute of Chartered Accountant of India, is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the period are all as reflected in the financial statements for the year ended March 31, 2014 and as on that date.

(ii) Information about Secondary Geographical Segments:

The Company is exclusively engaged in sales to customers located in India. Consequently the Company does not have separate reportable geographical segments for March 2014.

48 Related Party Disclosures**(i) Relationships**

	Control	
	Holding Company	Krishiraj Trading Limited (KTL) (through own shareholding and through shares held by its subsidiary company) (Refer Note 3(b))
a)	Subsidiary Companies	Besa Developers and Infrastructure Private Limited (BESA)
		Welspun Global Brands Limited (WGBL) (Formerly known as Welspun Retail Limited (WRL))
		Welspun UK Limited (WUKL) (Held through CHTL)
		CHT Holdings Limited (CHTHL) (Held through WHTUKL)
		Welspun USA Inc., USA (WUSA)
		Welspun Decorative Hospitality LLC (WDHL)
		Welspun Holdings Private Limited, Cyprus (WHPL)
		Welspun Home Textiles UK Limited (WHTUKL) (Held through WHPL)
		Welspun Captive Power Generation Limited (WCPGL)
		Anjar Integrated Textile Park Developers Private Limited (AITPDPL)
		Welspun Anjar SEZ Limited (WASEZ)
		Kojo Canada Inc. (Held through WDHL)
		Welspun Mauritius Enterprises Limited (WMEL)
		Novelty Home Textiles SA de CV (NHTSC) (Held through WMEL)
		Christy Home Textiles Limited (CHTL) (Held through CHTHL)
		Christy 2004 Limited (CHT 2004) (Held through WUKL)
		Christy Welspun GmbH (CWG) (Held through WUKL)
		Christy UK Limited (CUKL) (Held through CHTL)
		ER Kingsley (Textiles) Limited (ERK) (Held through CHTL)
		Christy Lifestyle LLC, USA (CLL)
		Welspun AG (WAG) (Up to March 27, 2013)
		Welspun Mexico S.A. de C.V (WMEX)(Up to March 28, 2013)
(b)	Joint Venture Company	Welspun Zucchi Textiles Limited (WZTL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	Control	
(c)	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year	Welspun Investments and Commercials Limited (WICL)
		Welspun Corp Limited (WCL)
		Welspun Steel Limited (WPSL)
		Welspun Tradings Limited (WTL)
		Welspun Wintex Limited (WWL)
		Welspun Mercantile Limited (WML)
		Welspun Energy Limited (WEL)
		Welspun Logistics Limited (WLL)
		Welspun Syntex Limited (WSL)
		Welspun Realty Private Limited (WRPL)
		Mertz Securities Limited (MSL)
		Welspun Polybuttons Limited (WPBL)
		Wel-treat Enviro Management Organisation Limited (WEMO)
		Welspun Maxsteel Limited (WMSL)
		Welspun Projects Limited (WPL)
		Methodical Investment and Trading Company Private Limited (MITCPL)
		Welspun FinTrade Limited (WFTL)
		Welspun Finance Limited (WFL)
		Welspun Foundation for Health and Knowledge (WFHK)
		Welspun Infratech Limited (W INFRA)
(d)	Key Management Personnel	B.K.Goenka (BKG)
		R. R. Mandawewala (RRM)
		Dipali Goenka (DBG)
(e)	Relatives of Key Management Personnel	Radhika Goenka (RBG)
		Abhishek Mandawewala (ARM)
		Khushboo Mandawewala (KAM)
		Yash Mandawewala (YRM)

Notes to the financial statements for the year ended March 31, 2014
48 (ii) Following are the transactions with related parties mentioned in (i) above and the year-end balances

PARTICULARS	KTIL	BESA	WGBL	WUKL	CHTHL	WUSA	WHPL	WHTLUK	WCPGL	AITPDPL	WASEZ	WAG	WMEX	WZTL	WICL	WCL	WPSL	WTL	WWL	WML	WEL	Balance Carried Forward
Transactions during the year																						
Loans, Advances and Deposits given	-	2,201.56	-	-	-	-	-	-	-	0.50	-	-	-	-	-	-	-	-	-	-	-	2,202.06
Repayment of Loans, Advances and Deposits given	-	(981.70)	(200.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,181.70)
Repayment of Loans, Advances and Deposits received	-	(206.50)	(200.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(406.50)
Loans, Advances and Deposits Written off	-	-	(333.79)	-	-	-	-	-	-	-	-	-	-	-	(79.50)	-	-	-	-	-	-	(413.29)
Purchase of Goods/SHS License	-	-	0.28	-	-	-	-	-	1,574.38	-	(1,304.43)	-	-	19.09	-	199.25	18.55	36.40	-	-	-	(1,304.43)
Purchase of Services/ Expenses incurred	-	-	6.96	-	-	-	-	-	-	-	-	-	-	0.74	-	4.26	0.02	-	-	-	-	1,807.95
Sale of Goods/ DEPR Licenses +	-	-	(87.03)	-	-	-	-	-	-	-	-	-	-	-	-	(4.23)	(26.45)	-	-	-	-	(1,171.65)
Job Charges Received	-	-	(23,752.03)	-	-	-	-	-	0.32	-	-	-	-	0.13	-	33.62	19.47	-	-	-	-	11.98
Sale of Services/ Expenses incurred	-	-	(9.00)	0.23	-	-	-	-	-	-	-	-	-	-	-	(50.99)	(15.15)	-	-	-	-	(117.71)
Purchase of Fixed Assets / Capital Goods	-	-	(16.93)	-	-	-	-	-	(2.70)	-	-	-	-	6.66	-	19.38	12.21	-	-	-	-	33,312.77
Interest Income	-	-	(0.07)	-	-	-	-	-	0.42	-	-	-	-	(0.25)	-	(15.03)	(8.16)	-	-	-	-	(28,826.25)
Interest Expenses	-	(23.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.33
Claims, Discount and Rebate	-	-	214.02	-	-	-	-	-	-	-	-	-	-	-	(7.38)	-	-	-	-	-	-	24.33
Remuneration and Commission	-	-	(105.71)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9.00)
Equity Dividend Paid ++	56.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34.01
Donation	(51.07)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(52.20)
Share Application Money Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38.67
Investment Made during the year	-	2,981.80	10.00	-	-	-	-	-	(95.88)	-	-	-	-	-	-	-	-	-	-	-	-	(23.51)
Investment Written off during the year	-	-	(2,389.57)	-	-	-	-	-	269.95	-	-	-	-	-	-	-	-	-	-	-	-	(95.88)
Sale of Investment during the year	-	-	-	-	-	-	-	-	(527.53)	-	-	-	-	-	-	-	-	-	-	-	-	3,261.75
Provision for diminution in value of Loans/ Advances	-	15.56	-	-	-	-	-	-	(0.53)	-	-	(739.12)	(0.12)	-	-	-	-	-	-	-	-	(2,917.10)
Commission on Corporate Guarantee Given	-	-	-	-	13.16	27.53	-	3.40	6.95	-	-	-	-	-	-	-	-	-	-	-	-	(739.12)
Grossing Balance	-	-	-	-	(5.78)	(16.36)	-	(4.63)	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.65)
Loans, Advances and Deposits given (including Interest Accrued on Loan)	-	15.56	4.94	0.24	20.08	6.93	-	8.98	7.12	0.50	-	-	-	10.00	-	4.20	-	-	-	-	-	15.56
Provision for diminution in value of Loans/ Advances	-	(795.70)	(1.75)	-	(5.78)	(16.36)	-	(4.63)	(2.70)	-	-	-	-	(10.00)	-	(4.80)	-	-	-	-	-	(110.36)
Debtors (Net of Bills Discounted with Banks)	-	-	2,152.32	-	-	-	-	-	0.32	-	-	-	-	0.06	-	0.24	6.46	-	-	-	-	68.51
Creditors	-	-	(1,092.09)	-	-	-	-	-	-	-	-	-	-	19.35	-	11.32	-	-	-	-	-	(829.07)
Investments	-	0.10	(4.55)	-	-	(8.24)	-	-	162.40	-	-	-	-	(1.60)	-	-	(0.51)	-	-	-	-	15.56
Provision for diminution in value in investment	-	(0.10)	(3,023.66)	-	-	(146.88)	-	(527.15)	-	0.10	2,200.00	-	-	(34.56)	-	-	(#)	-	-	-	-	(14.90)
Corporate Guarantee Given	-	-	4,470.00	-	932.80	2,613.49	-	997.65	900.00	-	-	-	-	-	-	-	-	-	-	-	-	7,142.62
Share Application Money Pending Allotment	-	-	(3,993.00)	-	(768.82)	(2,367.91)	-	(822.28)	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,844.07)
	-	-	-	-	-	-	-	-	(122.85)	-	-	-	-	-	-	-	-	-	-	-	-	81.79
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,913.94
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,852.01)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(122.85)

Previous year figures are given in brackets

+ Amount is inclusive of taxes

++ Dividend paid of Financial Year 2012-13

Less than or equal to Rs. 10,000

(Rs.
million)

Notes to the financial statements for the year ended March 31, 2014
48 (ii) Following are the transactions with related parties mentioned in (i) above and the year-end balances

PARTICULARS	Balance Brought Forward	WIL	WSL	WRPL	MSL	WPBL	WEMO	WMSL	WPL	MTCPL	WFTL	WFL	WFRH	WINFRA	BKG	RRM	DBG	RBG	ARM	KAM	YRM	TOTAL
Transactions during the year																						
Loans, Advances and Deposits given	2,202.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,202.06
Repayment of Loans, Advances and Deposits given	(1,181.70)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,181.70)
Repayment of Loans, Advances and Deposits received	(406.50)	-	-	(18.00)	(1.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(425.51)
Loans, Advances and Deposits Written off	(413.29)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(413.29)
Purchase of Goods/SHS License	(1,304.43)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,304.43)
Purchase of Services/ Expenses incurred	1,807.95	498.21	-	-	-	3.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,309.72
	(1,171.65)	(332.43)	-	-	-	(2.47)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,506.55)
Purchase of Goods/ DEPR Licenses +	11.98	39.57	37.05	0.62	0.27	-	-	0.06	-	1.06	-	-	-	-	-	-	-	-	-	-	-	90.61
	(117.71)	(16.84)	(51.77)	(48.98)	(3.79)	-	-	-	-	(0.15)	-	-	-	-	-	-	-	-	-	-	-	(192.64)
Sale of Goods/ DEPR Licenses +	33,312.77	1.41	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,314.31
	(28,826.25)	(4.38)	-	-	-	(0.15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28,830.78)
Job Charges Received	24.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.33
Sale of Services/ Expenses incurred	(9.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9.00)
Purchase of Fixed Assets / Capital Goods	34.01	0.65	-	-	-	-	-	0.04	0.13	-	-	-	-	-	-	-	-	-	-	-	-	34.83
	(52.20)	-	-	-	-	-	-	(0.33)	(0.88)	-	-	-	-	-	-	-	-	-	-	-	-	(53.41)
Interest Income	38.67	-	-	-	-	-	-	0.03	524.57	-	-	-	-	-	-	-	-	-	-	-	-	563.27
	(23.51)	-	-	-	-	-	-	-	(243.87)	-	-	-	-	-	(0.17)	-	-	-	-	-	-	(267.55)
Interest Expenses	(23.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(23.10)
Claims, Discount and Rebate	(7.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7.38)
Remuneration and Commission	214.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	214.02
	(105.71)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(105.71)
Equity Dividend Paid ++	95.81	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95.81
	(84.55)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(84.55)
Donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Application Money Paid	(95.88)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(95.88)
Investment Made during the year	3,261.75	36.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,298.55
	(2,917.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,917.10)
Investment Written off during the year	(739.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(739.12)
Sale of Investment during the year	(0.65)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.65)
Provision for diminution in value of Loans/ Advances	15.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.56
Commission on Corporate Guarantee Given	51.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.04
	(26.77)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(26.77)
Grossing Balance	15.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.40
Loans, Advances and Deposits received	(110.36)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(110.36)
Loans, Advances and Deposits given (including Interest Accrued on Loan)	68.51	0.17	142.25	8.00	-	-	75.00	-	43.30	-	-	-	-	-	-	-	-	-	-	-	-	337.23
	(829.07)	-	(142.25)	(8.00)	-	-	(75.00)	(0.33)	(27.52)	-	-	-	-	-	-	-	-	-	-	-	-	(1,082.17)
Provision for diminution in value of Loans/ Advances	15.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.56
Debtors (Net of Bills Discounted with Banks)	2,159.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,159.40
	(1,101.99)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,102.00)
Creditors	193.25	0.02	4.02	-	-	0.21	-	-	19.29	0.45	-	-	-	-	-	-	-	-	-	-	-	217.41
	(14.90)	-	-	-	-	(0.01)	-	-	(11.19)	-	-	-	-	-	-	-	-	-	-	-	-	(50.70)
Investments	7,142.62	18.94	-	-	-	(0.44)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,161.56
	(3,844.07)	(18.94)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,863.01)
Provision for diminution in value in investment	81.79	13.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95.13
Corporate Guarantee Given	(81.79)	(13.34)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(95.13)
Share Application Money Pending Allotment	(8,852.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,852.01)
	(122.85)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(122.85)

Previous year figures are given in brackets

+/- Indicates increase/decrease

++ Dividend in kind of Financial Year 2012-13

Less than or equal to Rs. 10,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**49 Interest in Joint Venture**

- a. The Company has the following investment in a jointly controlled entity:

Name of Joint Venture	Country of Incorporation	Proportion of ownership interest	
		As At March 31, 2014	As At March 31, 2013
Welspun Zucchi Textiles Limited (WZTL)	India	50	50

- b. The Company's share of contingent liability of WZTL is Rs. 32.07 million (March 31, 2013: Rs. 32.07 million).
- c. The Company's share of the aggregate amounts of assets and liabilities as on March 31, 2014 and income and expenditure of WZTL for the year ended March 31, 2014 are as under:

	(Rs. million)	
	As At March 31, 2014	As At March 31, 2013
(a) Assets:		
Tangible assets		
Non-current investments	0.01	0.01
Long-term loans and advances	9.54	13.63
Other non-current assets	-	-
Inventories	2.98	16.44
Trade receivables	12.40	14.15
Cash and cash equivalents	7.67	0.80
Short-term loans and advances	5.27	0.20
Other Current assets	12.55	17.66
Total	50.42	62.89
(b) Liabilities:		
Short-term borrowings	-	4.88
Trade payables	0.22	5.74
Other current liabilities	0.22	1.13
Short-term provisions	-	1.51
Total	0.44	13.26
(c) Income:		
Revenue from operations	13.21	126.13
Other income	3.18	0.35
Total	16.39	126.48
(d) Expense:		
Cost of materials consumed	-	76.92
Changes in inventories of finished goods, work-in-progress	13.53	9.17
Employee benefits expense	0.00*	17.24
Finance costs	0.22	2.57
Depreciation and amortization expense	-	1.78
Other expenses	2.30	29.50
Provision for income tax	(0.02)	2.51
Total	16.03	139.69

* Less than Rs.10,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**50 Leases**

Where the Company is a lessee:

Operating Lease

The Company has taken various residential, office premises, godowns, equipment and vehicles under operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of lease is generally for eleven months to sixty months.

The aggregate rental expenses of all the operating leases for the year are Rs. 86.25 million (Previous Year: Rs. 99.78 million).

51 Disclosure as required by Clause 32 of the listing agreement:**(Rs. million)**

	Balance as at March 31, 2014	Maximum amount outstanding during the year ended March 31, 2014	Balance as at March 31, 2013	Maximum amount outstanding during the year ended March 31, 2013
i. Loans and advances in the nature of loans to subsidiary (excluding interest accrued)				
- Besa Developers and Infrastructure Private Limited	15.56*	2,200.10	781.70	781.70
- Welspun AG	-	-	-	1,304.43**
ii. Loans and advances in the nature of loans to associates	-	-	-	-
iii. Loans and advances in the nature of loans where there is no repayment schedule, or interest below rate specified as per Section 372A of the Act.	-	-	-	-
iv. Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
v. Investments by the Loanee in the shares of the Company as at March 31, 2014	-	-	-	-

* Provision for doubtful loans and advance of Rs.15.56 million (March 31, 2013 : Nil) has been made.

** On March 27, 2013, Welspun AG, an erstwhile wholly owned subsidiary of the Company was liquidated. Hence, loan given to Welspun AG, Switzerland has been written off.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**Note 52 : Investments**

The following table includes the classification of investments in accordance with AS 13-Accounting for Investments

	(Rs. million)	
	As At March 31, 2014	As At March 31, 2013
Long Term Investments		
Investment - Indiafirst SM	1.80	1.22
Investment - SBI Life Insurance	0.30	-
Investment - Canara HSBC	0.60	0.30
10,000 (March 31, 2013: 10,000) Equity Shares of Rs.10 each fully paid up of BESA Developers and Infrastructure Private Limited	0.10	0.10
10,000 (March 31, 2013: Nil) Equity Shares of Rs.10 each fully paid up of Anjar Integrated Textile Park Developers Private Limited	0.10	-
50,700 (March 31, 2013: Nil) Equity Shares of Rs.10 each fully paid up of Welspun Anjar SEZ Limited	2,200.00	-
23,065,503 (March 31, 2013 : 20,000,000) Equity Shares of Rs.10 each fully paid up of Welspun Global Brands Limited (formerly known as Welspun Retail limited)	1,281.34	499.63
15,854,375 (March 31, 2013 : 15,854,375) 0% Redeemable Preference Shares of Rs.10 each fully paid up of Welspun Global Brands Limited (formerly known as Welspun Retail limited)	2,524.23	2,524.23
1,000,000 (March 31, 2013: Nil) 1% Redeemable Cumulative Preference Shares of Rs.10 each fully paid up of Welspun Global Brands Limited (formerly known as Welspun Retail limited)	10.00	-
19,242,513 (March 31, 2013 : 6,108,253) Equity Shares of Rs.10 each fully paid up of Welspun Captive Power Generation Limited	192.43	61.08
64,147,487 (March 31, 2013 : 46,606,747) 6% Non-cumulative Redeemable Preference Shares of Rs.10 each of Welspun Captive Power Generation Limited	641.47	466.07
2,750,000 (March 31, 2013 : 2,750,000) of Rs.10 each fully paid up of Welspun Zucchi Textiles Limited	34.56	34.56
100 (March 31, 2013 : 100) Equity Shares of Rs.10 each fully paid up of Welspun Steel Limited (Formerly known as Welspun Power and Steel Limited)	*	*
668,706 (March 31, 2013 : 668,706) Equity Shares of US \$ 0.10 each, fully paid up of Welspun USA Inc.	146.88	146.88
80 (March 31, 2013 : 80) Equity Shares of Rs.10 each fully paid up of Khaitan Chemicals & Fertilizers Limited	*	*
1,500 (March 31, 2013 : 1,500) Equity Shares of GBP 1 each, fully paid up of Welspun Holdings Private Limited, Cyprus	111.52	111.52
Less : Provision for other than temporary Diminution in value of investment	81.79	81.79
	29.73	29.73
283,500 (March 31, 2013 : 283,500) Equity Shares of Rs. 10 each fully paid up of Welspun Syntex Limited	18.94	18.94
Less : Provision for other than temporary Diminution in value of investment	13.34	13.34
	5.60	5.60
Total Long Term Investments	7,069.14	3,769.40
Current Investments		
1,500,000 (March 31, 2013 : Nil) 8.30% GOI 2042 Bonds of Face Value of Rs. 100 each	164.09	-
2,830,000 (March 31, 2013 : Nil) 7.40% GOI 2035 Bonds of Face Value of Rs. 100 each	271.14	-
Nil (March 31, 2013 : 2,850,000) 8.97% GOI 05-12-2030 Bonds of Face Value of Rs. 100 each	-	311.63
Nil (March 31, 2013 : 3,580) 0% IFCI DDB 2033 Bonds of Face Value of Rs. 25,000 each	-	23.27
Nil (March 31, 2013 : 600) Certificate of Deposit - Bank of India	-	59.05
Total Current Investments	435.23	393.95
Total Investments (Current and Long Term)	7,504.37	4,163.35
* Less than Rs.10,000		
Disclosed Under:		
Non Current Investments (Refer Note 16)	7,069.14	3,769.40
Current Investments (Refer Note 19)	435.23	393.95
Total	7,504.37	4,163.35

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

53 Derivative Instruments outstanding as at March 31, 2014 :

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities, payables denominated in foreign currency. In line with the company's risk management policies and procedures, the Company enters into foreign currency forward contracts and swap contracts to manage its exposure. These contracts are for a period of maximum twelve months and forecasted transactions are expected to occur during the same period.

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

(i)	Designated Cash Flow Hedges	Currency Pair	March 31, 2014			March 31, 2013		
			Notional Amount		Fair Value Gain/ (Loss) Rs. million	Notional Amount		Fair Value Gain/ (Loss) Rs. million
			Foreign Currency (in million)	Rs. million		Foreign Currency (in Rs. million)	Rs. million	
	Forward Contracts (Buy)	EURO-INR	5.00	429.63	(13.62)	-	-	-
	Forward Contracts (Buy)	USD-INR	18.82	1,198.34	(54.40)	-	-	-

(ii)	Non-Designated Hedges	Currency Pair	March 31, 2014			March 31, 2013		
			Notional Amount		Fair Value Gain/ (Loss) Rs. million	Notional Amount		Fair Value Gain/ (Loss) Rs. million
			Foreign Currency (in million)	Rs. million		Foreign Currency (in Rs. million)	Rs. million	
	Coupon Only Swap	INR-USD	-	-	-	21.43	1,000.00	(2.97)
	Forward Contracts (Buy)	EURO-USD	4.15	336.51	-	1.00	69.50	(3.91)

- (b) In addition to the above, the Company has following outstanding foreign currency forward contracts to hedge foreign currency exposure against payable as at March 31, 2013 :

	Currency Pair	March 31, 2014			March 31, 2013		
		Notional Amount		On Re-statement Gain/ (Loss) Rs. million	Notional Amount		On Re-statement Gain/ (Loss) Rs. million
		Foreign Currency (in million)	Rs. million		Foreign Currency (in Rs. million)	Rs. million	
Forward Contracts (Buy)	EURO-INR	1.90	166.15	(5.91)	-	-	-

- (c) Net Loss on derivative instruments of Rs. 68.02 million recognised in Hedging Reserve as on March 31, 2014, is expected to be recycled to the Statement of Profit and Loss by March 2015.
- (d) As at the Balance Sheet date, the foreign currency exposure not hedged by a derivative instrument or otherwise aggregates Rs. 494.15 million (March 31, 2013 Rs.124.25 million) for receivables (net of provisions) and Rs. 1,009.31 million (March 31, 2013 Rs. 1,418.08 million) for payables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**54 Disclosure for Micro and Small Enterprises :**

(Rs. million)		
Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	36.41	19.99
ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	6.14	2.78
iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	303.83	160.73
iv) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.10	0.27
v) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
vi) Interest due & payable towards suppliers registered MSMED Act, for payments already made	3.34	2.40
vii) Further interest remaining due and payable earlier years	2.69	0.34

The above information and that given in Note 11 – “Trade Payable” regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

55 Prior year comparatives have been reclassified to conform with the current year’s presentation, wherever applicable.

Signatures to Notes to financial statements

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

Place : Mumbai
Date : May 20, 2014

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

R. R. Mandawewala
Managing Director

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

Financials Section

Consolidated Accounts

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Welspun India Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Welspun India Limited ("the Company") and its subsidiaries and its jointly controlled entity; hereinafter referred to as the "Group" (refer Note 1 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at March 31, 2014 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, and Accounting Standard (AS) 27 – Financial Reporting of Interests in Joint Ventures notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act.
7. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group (as referred to in Note 1 to the attached consolidated financial statements), and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

INDEPENDENT AUDITORS' REPORT

Emphasis of Matter

8. We draw your attention to:

- (a) Note 33, regarding utilization of deferred tax assets recognised in earlier period aggregating Rs. 310.70 million by the Company on the incremental unabsorbed Income-tax depreciation arising out of its treatment of certain excise and value added tax incentives as 'capital receipts' for income tax purposes. The income tax authorities have passed orders treating these incentives as revenue in nature which are liable to income-tax. The Company has preferred appeals with the Commissioner of Income Tax (Appeals) against these orders. If the final decision in the matter is eventually decided against the Company, then the current tax expense for the year ended March 31, 2014 would be higher by Rs. 310.70 million with a consequential impact on profit after tax for the year.
- (b) Note 35, regarding re-assessment of the method of depreciation, based on which the Company has changed the method of depreciation on plant and machinery (other than electrical installations) from straight-line method to reducing balance method. Accordingly, on account of this change, depreciation and amortisation expense for the year is higher by Rs. 4,738.09 million and profit before tax for the year is lower by an equivalent amount, with a consequential impact on profit after tax for the year.

Our opinion is not qualified in respect of these matters.

Other Matter

9. We did not audit the financial statements of 13 subsidiaries and one jointly controlled entity included in the consolidated financial statements, which constitute total assets of Rs. 4,454.50 million and net assets of Rs. 2,845.53 million as at March 31, 2014, total revenue of Rs. 2,588.91 million, net gain of Rs. 328.60 million and net cash inflows amounting to Rs. 30.52 million for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

For Price Waterhouse

Firm Registration Number: 012754N

Chartered Accountants

Mehul Desai

Partner

Membership Number: 103211

Place : Mumbai

Date : May 20, 2014

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

		(Rs. million)	
	Note	As At March 31, 2014	As At March 31, 2013
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	1,003.47	1,000.27
Reserves and Surplus	4	10,092.90	8,901.45
		11,096.37	9,901.72
Share application money pending allotment	5	0.52	-
Minority Interest		316.06	250.00
Non- current Liabilities			
Long-term Borrowings	6	16,794.77	10,038.78
Deferred Tax Liabilities (Net)	7	434.28	1,916.71
Other Long-term Liabilities	8	599.57	6.30
Long-term Provisions	9	953.76	67.98
Current liabilities			
Short-term Borrowings	10	11,348.77	9,165.85
Trade Payables	11	6,144.43	4,928.67
Other Current Liabilities	12	3,559.23	2,030.16
Short-term Provisions	13	436.25	272.84
Total		51,684.01	38,579.01
Assets			
Non-current Assets			
Fixed Assets			
Tangible Assets	14 A	18,395.11	16,266.81
Intangible Assets	14 B	51.15	52.34
Capital Work-in-Progress		5,324.06	542.02
		23,770.32	16,861.17
Goodwill on Consolidation	14 C	1,838.61	1,753.94
Non-current Investments	15	473.26	537.14
Long-term Loans and Advances	16	1,232.23	1,559.20
Other Non-current Assets	17	1,021.66	1,396.63
Current Assets			
Current Investments	18	641.37	393.95
Inventories	19	10,094.39	8,205.26
Trade Receivables	20	4,117.05	2,749.75
Cash and Bank Balances	21	2,332.15	1,724.38
Short-term Loans and Advances	22	4,144.12	2,727.16
Other Current Assets	23	2,018.85	670.43
Total		51,684.01	38,579.01

The Notes are an integral part of these Consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

Place : Mumbai
Date : May 20, 2014

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

R. R. Mandawewala
Managing Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

		(Rs. million)	
	Note	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue from Operations (Gross)	24	45,006.85	36,506.90
Less : Excise Duty		52.60	33.78
Revenue from Operations (Net)		44,954.25	36,473.12
Other Income	25	1,041.50	492.21
Total Revenue		45,995.75	36,965.33
Expenses			
Material Consumed	26	22,673.38	17,684.10
Employee Benefits Expense	27	3,399.98	2,766.15
Finance Costs	28	2,352.11	1,976.93
Depreciation and Amortisation Expense	29	6,863.31	1,448.62
Other Expenses	30	9,669.75	10,076.95
Total Expenses		44,958.53	33,952.75
Profit Before Exceptional Items and Tax		1,037.22	3,012.58
Exceptional Items			
- Loss on Disposal of Subsidiary (Net)		-	(31.08)
Profit before Tax		1,037.22	2,981.50
Tax Expense			
- Current Tax		1,784.88	416.59
Less : Minimum Alternative Tax Credit Availed		(121.17)	(133.00)
		1,663.71	283.59
- Deferred Tax		(1,464.78)	449.68
Profit After Taxation and Before Share of Profit/(Loss) of Minority Shareholders		838.29	2,248.23
Minority's Share of Profit /(Loss) in Subsidiary Companies		(82.45)	-
Profit for the Year		920.74	2,248.23
Earnings Per Share (Rs.) [Nominal value per share : Rs.10 (2013 : Rs. 10)]	44		
- Basic		9.19	22.55
- Diluted		9.18	22.46

The Notes referred are an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

Place : Mumbai
Date : May 20, 2014

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

R. R. Mandawewala
Managing Director

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

		(Rs. million)	
	For the Year Ended March 31, 2014	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
A. NET CASH FROM OPERATING ACTIVITIES			
Profit Before exceptional and extraordinary items and tax		1,037.22	3,012.58
Adjustments for :			
Depreciation and amortisation expense	6,863.31		1,448.62
Unrealised Foreign Exchange Differences	(208.01)		(82.77)
Loss/ (Profit) on Sale of Fixed Assets	(1.41)		20.26
Loss (Profit) on Redemption/ Sale of Units of Mutual Funds	0.11		(1.89)
Profit on Sale of Bonds	(28.32)		(46.49)
Dividend	(15.95)		(42.47)
Liabilities/ Provision Written Back as no Longer Required	(17.66)		(86.33)
Provision for Doubtful Debts/ Advances (Net)	36.08		16.94
Debts/ Advances Written off	6.80		10.27
Interest Income	(231.91)		(169.05)
Finance costs	2,352.11		1,976.93
		8,755.15	3,044.02
Operating Profit Before Working Capital Changes		9,792.37	6,056.60
Adjustments for changes in working capital :			
Trade and Other Receivables	(1,383.23)		(277.18)
Current Liabilities and Provisions	844.34		(107.52)
Inventories	(1,889.13)		(912.02)
Loans and Advances	(1,774.85)		(630.89)
		(4,202.87)	(1,927.61)
Cash Flow Generated from Operations		5,589.50	4,128.99
Taxes Paid (net of refunds)		(308.67)	(420.39)
Net Cash Flow from Operating Activities		5,280.83	3,708.60
B. CASH FLOW USED IN INVESTING ACTIVITIES			
Purchase of Fixed Assets including Capital Work-in-progress	(7,186.07)		(2,847.06)
Sale of Fixed Assets	23.30		91.48
Capital Subsidy	-		69.52
(Investment in)/Realisation of Fixed Deposit and Margin Money	(216.99)		103.74
Share Application Pending Allotment (net of refund)	-		(95.35)
(Purchase) / Sale of Investments (Net)	(2,458.72)		849.32
Consideration on disposal of subsidiary	-		0.05
Dividend Received	15.95		42.47
Interest Received	151.57		243.56
Net Cash Flow used in Investing Activities		(9,670.96)	(1,542.27)
C. CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES			
Proceeds from Issue of Equity Shares	11.38		19.20
Share Application Money pending Allotment	0.52		-
Redemption of Preference Shares	(250.00)		-
Proceeds from Long Term Borrowings (Net of Repayments)	5,091.36		(1,195.56)
Proceeds from Other Borrowings (Net of Repayments)	2,160.66		1,859.70
Dividend Paid	(202.86)		(177.54)
Dividend Distribution Tax	(34.67)		(28.99)
Finance Expenses Paid	(2,347.04)		(1,979.23)
Net Cash Flow from/ (used in) Financing Activities		4,429.35	(1,502.42)
(A + B + C)		39.22	663.91
Cash and Cash Equivalents at the beginning of the year		1,515.73	851.82
Add : Cash and Cash Equivalents on acquisition of Subsidiaries		356.16	-
Cash and Cash Equivalents at the end of the year		1,911.11	1,515.73
Net Increase in Cash and Cash Equivalents		39.22	663.91

Note :

- The Consolidated Cash Flow Statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 on Cash Flow Statements .
- Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable. .

This is the Consolidated Cash Flow Statement referred to in our report of the even date.

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

R. R. Mandawewala
Managing Director

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

Place : Mumbai
Date : May 20, 2014

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**1. General Information**

Welspun India Limited ("WIL" or the "Company") is a leading manufacturer of wide range of home textile products, mainly terry towels, bed linen products and rugs. The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Subsidiary Companies, Joint Venture Company and Associate Company considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	Relationship as at March 31, 2014	% Voting Power held as at March 31, 2014	Relationship as at March 31, 2013	% Voting Power held as at March 31, 2013
Welspun Anjar Integrated Textile Park Private Limited(WAIP)*	India	Subsidiary	100.00	-	-
Welspun Anjar SEZ Private Limited (WASEZ) **	India	Subsidiary	100.00	-	-
Besa Developers and Infrastructure Private Limited (BESA)	India	Subsidiary	100.00	Subsidiary	100.00
Welspun Global Brands Limited (WGBL) (formerly known as Welspun Retail Limited)	India	Subsidiary	98.03	Subsidiary	98.03
Welspun USA Inc. (WUSA)	U.S.A.	Subsidiary	98.64	Subsidiary	98.64
Welspun Captive Power Generation Limited***	India	Subsidiary	68.00	Associate	49.90
Welspun Decorative Hospitality LLC(WDHL) (Held through WUSA)	U.S.A.	Subsidiary	98.64	Subsidiary	98.64
Kojo Canada Inc (Held through WDHL)	Canada	Subsidiary	98.64	Subsidiary	98.64
Welspun Holdings Private Limited, Cyprus (WHPL)****	Cyprus	Subsidiary	98.17	Subsidiary	98.22
Welspun Home Textiles UK Limited (WHTUKL)(Held through WHPL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
CHT Holdings Limited (CHTL) (Held through WHTUKL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
Christy Home Textiles Limited (CHTL) (Held through CHTL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
Christy Europe GmbH (Held through CHTL)	Germany	Subsidiary	98.17	Subsidiary	98.22
Welspun UK Limited (WUKL) (Held through CHTL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
Christy 2004 Limited (Held through WUKL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
Christy Lifestyle LLC (Held through WUKL) #	U.S.A.	Subsidiary	98.17	-	-
Christy UK Limited (CUKL) (Held through CHTL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
ER Kingsley (Textiles) Limited (Held through CHTL)	U.K.	Subsidiary	98.17	Subsidiary	98.22
Welspun Mauritius Enterprises Limited (WMEL)	Mauritius	Subsidiary	98.03	Subsidiary	98.03
Novelty Home Textiles S A DE C V (Held through WMEL)	Mexico	Subsidiary	98.03	Subsidiary	98.03
Welspun Zucchi Textiles Limited (WZTL)	India	Joint Venture	50.00	Joint Venture	50.00

* On November 26, 2013, Welspun Anjar Integrated Textile Park Private Limited (WAIP) became a subsidiary.

** On December 11, 2013, Welspun Anjar SEZ Private Limited became a subsidiary.

*** On April 1, 2013, WCPGL became the subsidiary. On February 6, 2014, Company purchased further 3.00% shareholding in WCPGL from Welspun Syntex Limited. WCPGL is engaged in business of generation and sales of power mainly to its group companies.

**** On November 29, 2013, WGBL, subsidiary of company subscribed to 6,126 additional shares in WHPL.

On June 6, 2013, Christy Lifestyle LLC was incorporated in U.S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**2. Summary of significant accounting policies****2.1 Basis of Preparation**

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to circular 15/02013 dated 13.9.2013 read with circular 08/2014 dated 04.04.2014, till the Standard of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956, and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Principles of Consolidation

The consolidated financial statements relate to Welspun India Limited (the "Company"), its subsidiary companies, joint venture company and associate company (together the "Group"). The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses on intra-group transactions.

The difference between the cost of investment in the subsidiaries over the Company's portion of equity of the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve.

Minority Interest in the net assets of consolidated subsidiaries consist of :

- The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
- The minorities' share of movements in equity since the date the parent subsidiary relationship comes into existence

In the consolidated financial statements, the Company has reported its interest in the joint venture companies under AS-27 using proportionate consolidation method whereby the Company's share of each of the assets, liabilities, income and expenses of the jointly controlled entities is reported as separate line items, after eliminating proportionate unrealised profits or losses attributable to the interest of the Company.

Investments in associates have been accounted for under AS-23 using equity method whereby the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.

The consolidated Statement of Profit and Loss reflects the investor's share of the results of operations of the investee.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, in the same manner as the Company's separate financial statements.

2.3 Tangible Assets

Tangible Assets except land are stated at cost (net of cenvat credit, wherever applicable) less accumulated depreciation and impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on tangible assets, other than plant and machinery (except electrical installations), leasehold improvements, office equipments, computers and vehicles, is provided on straight-line method at the rates and in the manner prescribed under Schedule XIV to the Act. Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

date of such additions/ deletions.

With effect from July 1, 2013, in case of WIL, depreciation on plant and machinery (except electrical installations) is provided on written-down value method at the rates and in the manner prescribed under Schedule XIV to the Act as against the earlier method of providing depreciation on straight-line method (Refer Note 35).

In case of other group companies, depreciation on plant and machinery (except electrical installations) is provided on written-down value method at the rates and in the manner prescribed under Schedule XIV to the Act.

Assets individually costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Office equipments are depreciated on straight-line method over a period of ten years.

Computers are depreciated on straight-line method over a period of four to six years.

Vehicles are depreciated on straight-line method over a period of five years.

Amortisation of leasehold improvements is computed on the straightline method over the term of the related lease including extensions which are reasonably expected to occur, which is not in excess of the estimated useful lives of such improvements.

2.4 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets include computer software which is amortised on the straight-line method over a period of five years. Cost of software includes license fees and implementation/ integration expenses.

Goodwill arising on consolidation of a certain subsidiary sub-group is amortised on a straight line basis over its estimated useful economic life of 20 years. Further, goodwill on consolidation is tested for impairment on an annual basis.

2.5 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.6 Investments

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

Investment in Associate is accounted for using the equity method.

2.7 Inventories

Inventories are stated at lower of cost and net realisable value.

Cost of raw materials (includes packing material) and stores and spares is determined on weighted average basis. Cost of traded goods is determined on weighted average basis. Cost of work-in-progress and finished goods comprises of raw material, direct labor, other direct costs and related production overheads. Net realisable value is the estimate of the selling price in the ordinary course of the business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Current Tax and Deferred Tax

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

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

Deferred tax assets arising in situations where there are brought forward losses and unabsorbed depreciation as per the Income Tax Act, 1961, of India, are recognized only when there is a virtual certainty supported by convincing evidence that such assets will be realized.

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

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.9 Employee Benefits**Provident Fund and other Social Security funds**

Contribution towards provident fund, employee's state insurance fund, employee's pension scheme and various other social security funds are generally administered by the respective Government authorities in respect of which the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation Fund

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

Gratuity

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

Gratuity Fund is recognised by the income tax authorities and is administered through trustees. The Employee's Gratuity Trust takes group gratuity policies with insurance companies.

Compensated Absences

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

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

2.10 Foreign Currency Translation**Initial Recognition**

In respect of the Company, it's subsidiaries incorporated in India, it's jointly controlled entities and associate, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Translation of foreign operations

Foreign operations are classified as either 'integral' or 'non-integral' operation. Exchange differences arising on a monetary item that, in substance, forms part of an enterprise's net investment in a non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment, at which time they are recognised as income or as expenses.

Forward Exchange Contracts and Swaps

In respect of forward exchange contracts, other than forward exchange contracts in respect of firm commitments and highly probable forecast transactions, the premium or discount arising at the inception of forward exchange contract, is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

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

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

Swaps are fair valued at each reporting date and the changes in the fair value are recognised in the Statement of Profit and Loss.

2.11 Revenue Recognition

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties. Domestic sales are recognised on dispatch to customers. Export sales are recognised on the date of cargo receipts, bill of lading or other relevant documents, in accordance with the terms and conditions for sales.

Revenue from supply of power is recognised on an accrual basis based on the billing to customers in accordance with the terms of agreements entered with them. Revenue from supply of steam is recognised on an accrual basis.

In case of sale made by the Company as Support Manufacturer, export benefits arising from Duty Entitlement Pass Book (DEPB), Duty Drawback scheme and Focus Market Scheme are recognised on export of such goods in accordance with the agreed terms and conditions with customers. In case of direct exports made by the entities in the group export benefits arising from DEPB, Duty Drawback scheme and Focus Market Scheme are recognised on shipment of direct exports.

2.12 Other Income

Interest : Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

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

2.13 Government Grants

Government grants are accounted for when it is reasonably certain that ultimate collection will be made. Capital grants relating to specific assets granted under the Technology Upgradation Fund Scheme (TUFS) are reduced from the gross value of the Fixed Assets. Revenue grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFS) are adjusted against 'Interest on Long term borrowings'. Revenue grants, in the nature of interest subsidy under the Interest

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Subvention Scheme are adjusted against 'Interest on Short term borrowings'. Revenue grants, in the nature of Sales Tax benefits are recognized in the Statement of Profit and Loss on a systematic/ appropriate basis.

2.14 Impairment

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

2.15 Provisions and Contingent Liabilities

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

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

2.16 Employees Stock Option Schemes

Equity settled stock options granted under "Employee Stock Option Schemes" are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999, issued by Securities and Exchange Board of India and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

2.17 Leases**As a lessee:**

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

As a lessor:

The Group has leased certain tangible assets and such leases where the Group has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.18 Cash and Cash Equivalents

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

2.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax there to for the period, if any. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Amalgamation in the nature of purchase

The company accounts for all amalgamations in nature of purchase using the 'purchase method' as prescribed in AS 14: Accounting for Amalgamations. Assets and liabilities acquired of the transferor company are recognised at their fair values at the date of amalgamation. The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the value of net assets of the transferor company is recorded as capital reserve/goodwill as the case may be.

	(Rs. million)	
	As At March 31, 2014	As At March 31, 2013
Note 3 : Share Capital		
Authorised		
155,500,000 (March 31, 2013 : 155,500,000) Equity Shares of Rs. 10 each	1,555.00	1,555.00
	1,555.00	1,555.00
Issued, Subscribed and Paid Up		
100,346,515 (March 31, 2013 : 100,027,015) Equity Shares of Rs. 10 each fully paid up	1,003.47	1,000.27
50 Less : Adjustment for 50 (March 31, 2013 : 50) Equity Shares representing 50% of 100 equity shares of Welspun India Limited held by Welspun Zucchi Textiles Limited, a jointly controlled entity.	*	*
Total	1,003.47	1,000.27
*Less than Rs. 1000/-		

(a) Reconciliation of number of shares**Equity Shares :**

	As At March 31, 2014		As At March 31, 2013	
	Number of Shares	Amount (Rs. million)	Number of Shares	Amount (Rs. million)
Balance as at the beginning of the year	100,026,965	1,000.27	89,012,219	890.12
Add : Shares issued pursuant to Scheme of Amalgamation	-	-	10,475,496	104.75
Add : Shares issued to Employees under Employee Stock Option Scheme (Refer Note 39)	319,500	3.20	539,250	5.40
Balance as at the end of the year	100,346,465	1,003.47	100,026,965	1,000.27

(b) Shares held by holding company and subsidiary of holding company
(Holding company as defined in AS-18 : "Related Party Disclosure")

	As At March 31, 2014		As At March 31, 2013	
	Number of Shares	Amount (Rs. million)	Number of Shares	Amount (Rs. million)
Equity Shares :				
Krishiraj Trading Limited	50,037,192	500.37	27,717,421	277.17
Welspun Infra Developers Private Limited (a 78.66% subsidiary of Goldenarch Estate Private limited which in turn is a 94.37% subsidiary of Krishiraj Trading Limited)	2,749,773	27.50	-	-
	52,786,965	527.87	27,717,421	277.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As At March 31, 2014		As At March 31, 2013	
	Number of Shares	%	Number of Shares	%
Equity Shares :				
Welspun Fintrade Limited	-	-	20,059,540	20.05
Welspun Mercantile Limited	11,246,576	11.21	11,203,976	11.20
Welspun Wintex Limited	8,425,291	8.40	8,425,291	8.42
Krishiraj Trading Limited	50,037,192	49.86	27,717,421	27.71

(d) Rights, preferences and restrictions attached to shares

Equity Shares:

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend, in case proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding March 31, 2014):

10,475,496 equity shares of Rs. 10 each fully paid were issued in January 2013 to the erstwhile shareholders of Welspun Global Brands Limited pursuant to the composite scheme of arrangement between Welspun Global Brands Limited, the Company and Welspun Retail Limited without payment being received in cash.

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 4 : Reserves and Surplus		
Capital Redemption Reserve		
Balance as at the beginning of the year	478.38	478.38
Add : Additions during the year	-	-
Balance as at the End of the Year	478.38	478.38
Capital Reserve		
Balance as at the beginning of the year	1,474.73	1,474.73
Add : Additions during the year	-	-
Balance as at the End of the Year	1,474.73	1,474.73
Securities Premium Account		
Balance as at the beginning of the year	3,226.72	3,212.92
Add : Additions during the year	8.18	13.80
Balance as at the End of the Year	3,234.90	3,226.72
Hedging Reserve Account		
Balance as at the Beginning of the Year	322.17	(389.61)
Add : Amount recognised in Hedging Reserve during the Year (Net)	(148.95)	49.92
Less : Loss transferred to Statement of Profit and Loss	(964.62)	(661.86)
Balance as at the End of the Year	1,137.84	322.17
Foreign Exchange Translation Reserve		
Balance as at the beginning of the year	(331.19)	(267.39)
Add : Additions on Translation of Financial Statements of Foreign subsidiaries (Net)	(196.32)	(63.80)
Balance as at the End of the Year	(527.51)	(331.19)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
General Reserve		
Balance as at the beginning of the year	171.41	-
Add : Additions during the year	29.84	171.41
Balance as at the End of the Year	201.25	171.41
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	3,559.23	1,924.12
Add : Profit for the year	920.74	2,248.23
	4,479.97	4,172.35
Less : Appropriations		
Interim dividend on Equity Shares for the year	-	178.67
Dividend distribution tax on Interim dividend on Equity Shares	-	28.99
Proposed final dividend on Equity Shares for the year [Refer Note (a) below]	301.04	200.05
Dividend distribution tax on proposed Final dividend on Equity Shares	51.16	34.00
Final Dividend on Equity Shares for 2012-13 on incremental shares	0.35	-
Proposed final dividend on Preference Shares for the year	3.60	-
Dividend distribution tax on final dividend on incremental shares	0.06	-
Dividend distribution tax on Proposed dividend on Preference Shares	0.61	-
Transfer to General Reserve [Refer Note (b) below]	29.84	171.41
Balance as at the End of the Year	4,093.31	3,559.23
Total	10,092.90	8,901.45
Notes:		
(a) The Board of Directors at their meeting held on May 20, 2014 recommended Final Dividend of Rs. 3 per equity share having nominal value of Rs. 10 per share.		
(b) As per Companies (Transfer of Profits to Reserves) Rules, 1975, the Company has transferred 10% of the Current Profits to General Reserve.		
Note 5 : Share application money pending allotment		
Share application money pending allotment [Refer Notes below]	0.52	-
	0.52	-
Notes:		
(a) Share application money pending allotment represents amounts received from employees in respect of the options exercised by them under the Employee Stock Option Scheme.		
(b) The equity shares have been allotted against the share application money in April 2014.		
Note 6 : Long-term Borrowings		
Secured :		
Term Loans :		
Rupee Term Loans from Banks [Refer Note (a) below]	15,048.00	9,276.33
Foreign Currency Loans from Banks [Refer Note (b) below]	1,002.60	610.93
Unsecured :		
Loan from Others [Refer Note(c) below]	18.85	27.66
Loans from Banks [Refer Note(c) below]	725.32	123.86
Total	16,794.77	10,038.78

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(a)	Nature of Security	Terms of Repayment
1	Rupee term loan amounting to Rs. 5,545.17 million (March 31, 2013 : Rs. 6,333.68 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from April 2009. Last installment due in January 2016. Rate of interest 6.75% - 8.55% *
2	Rupee term loan amounting to Rs. 350.00 million (March 31, 2013 : Rs. 387.50 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from April 2009. Last installment due in January 2016. Rate of interest 7.50% *
3	Rupee term loan amounting to Rs. 1,536.87 million (March 31, 2013 : Rs. 1,680.77 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 30 quarterly installments commencing from January 2012. Last installment due in April 2019. Rate of interest 7.10% - 8.50% *
4	Rupee term loan amounting to Rs. 648.50 million (March 31, 2013 : Rs. 668.56 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from June 2013. Last installment due in March 2020. Rate of interest - 6.75% p.a.* for Rs. 437.73 million and 11.75% p.a. for Rs. 210.77 million
5	Rupee term loan amounting to Rs. 238.77 million (March 31, 2013 : Rs.238.77 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 32 quarterly installments commencing from April 2014. Last installment due in December 2021. Rate of interest 6.75% *
6	Rupee term loan amounting to Rs. 3,428.68 million (March 31, 2013 : Rs. 183 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from December 2014 . Last installment due in September 2021. Rate of Interest 7.5% - 8.50% p.a.*
7	Rupee term loan amounting to Rs. 1,032.15 million (March 31, 2013 : Rs. 474.82 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from January 2015 . Last installment due in October 2021. Rate of Interest 7% p.a. *
8	Rupee term loan amounting to Rs. 146.00 million (March 31, 2013 : Rs. 250 million) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from March 2015 . Last installment due in December 2021. Rate of Interest 12.25% p.a.
9	Rupee term loan amounting to Rs. 1,219.26 million (March 31, 2013 : Rs.Nil) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 30 quarterly installments commencing from March 2016 . Last installment due in September 2023. Rate of Interest 5.75%-6.75% p.a. *
10	Rupee term loan amounting to Rs. 2,896.35 million (March 31, 2013 : Rs. Nil) in a subsidiary is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 32 Quarterly equal installments commencing from April, 2014. Last installment due in January 2022. Rate of Interest 12.25% - 12.50%
* Rate of Interest is considered net of 4% - 6% interest reimbursement under TUF scheme, where applicable.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(b)	Nature of Security	Terms of Repayment
1	Long term working capital loan amounting to USD 15.00 million (March 31, 2013 : 11.25 million) in a subsidiary is secured by first pari passu charge over the present and future fixed assets (all movable and immovable properties) of the subsidiary .	Repayable in 20 quarterly installments commencing from April 2015 Last installment due in January 2020. Rate of interest LIBOR (3 months) +550 bps p.a.
2	FCNR (B) Dollar loan amounting to Rs. 103.87 million (March 31, 2013 : Rs.Nil) is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Repayable in 28 quarterly installments commencing from March 2015. Last installment due in December 2021. Weighted average Dollar Rate of Interest 4.21% p.a.

(c) Terms of repayment for unsecured borrowings

	Borrowings	Terms of Repayment
1	Loan from Hewlett Packard India Financial Services Private Limited amounting to Rs. 22.77 million. (March 31, 2013 : Rs. 34.47)	Repayable in 59 monthly installments beginning from October 2012.
2	Unsecured Loan amounting Rs. 725.32 million (March 31, 2013 : Rs. Nil)	This loan will be replaced through a drawdown of a secured term loan. The term of repayment will be determined upon its drawing.
3	Unsecured Loan amounting Rs. Nil (March 31, 2013 : Rs. 123.86 million)	Repayable in 7 installments; first installment was paid on September 30, 2008. Thereafter, 6 installments will be paid commencing on September 30, 2010 (Rate of Interest 6M Libor +1.75% p.a.) last installment to be paid on September 30, 2014.

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 7 : Deferred tax liabilities (Net)		
Deferred Tax Liabilities arising on account of Timing differences in :		
- Depreciation	1,128.00	2,370.00
Deferred Tax Asset arising on account of Timing differences in:		
- Provision for Doubtful Debts/ Advances	38.41	30.73
- Provision for Unpaid Statutory Dues under Section 43B of the Income Tax Act, 1961	15.86	13.33
- Provision for Employee Benefits	24.33	17.66
- Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	13.66	9.52
- Provision for Inventory	15.76	53.58
- Unabsorbed Depreciation and Business Losses of Subsidiaries	485.76	234.27
- Others	99.94	94.20
Total	434.28	1,916.71
Note 8 : Other Long- term Liabilities		
Security Deposits	3.70	6.30
Payable to related party - Welspun Pipe Limited	595.87	-
Total	599.57	6.30
Note 9 : Long- term Provisions		
Provision for Contingency (Refer Note 45)	18.63	12.39
Provision for Compensated Absences	67.35	55.59
Other Provisions:		
- Taxation (Refer Note 33)	867.78	-
Total	953.76	67.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 10 : Short-term Borrowings		
Secured:		
- Working Capital Loans from Banks [Refer Note below]	11,125.56	8,319.85
Unsecured :		
- Working Capital Loans from Banks	223.21	841.12
	11,348.77	9,160.97
Share in Joint Venture	-	4.88
Total	11,348.77	9,165.85
Note :		
The working capital loans, which includes cash credit and packing credit from banks, are generally secured by hypothecation of raw materials, stock-in-process, finished, semi finished goods, stores, spares and book debts and other current assets of borrowing companies and second charge on entire fixed assets of borrowing companies and by corporate guarantees issued by certain companies within the Group.		
Note 11 : Trade Payables		
Acceptances [Refer Note below]	1,995.86	667.06
Trade Payables	4,148.38	4,260.70
	6,144.24	4,927.76
Share in Joint Venture	0.19	0.91
Total	6,144.43	4,928.67
Note :		
Acceptance includes unsecured vendor financing of Rs. 1,262.69 million (Previous year Rs. 111.09 million) from various banks.		
Note 12 : Other Current Liabilities		
Current maturities of long term debt		
- Rupee Term Loans from Banks [Refer Note 6(a)]	1,996.16	943.56
- Foreign Currency Loans from Banks [Refer Note 6(c)]	149.57	123.86
- From Others [Refer Note 6(c)]	3.92	6.81
Interest Accrued but not due on Borrowings	90.63	85.58
Security Deposits	39.75	27.24
Unearned Revenue	0.50	4.14
Advances from Customers	76.54	173.80
Temporary Overdraft with Scheduled Banks	328.92	131.26
Unpaid Dividends (Refer Note below)	2.74	1.60
Statutory dues (including Provident Fund and Tax deducted at Source)	148.22	130.97
Employee Benefits Payable	252.19	189.83
Creditors for Capital Purchases	356.50	185.38
Other Payables	113.37	25.00
	3,559.01	2,029.03
Share in Joint Venture	0.22	1.13
Total	3,559.23	2,030.16
Note :		
There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
Note 13 : Short-term provisions		
Provision for employee benefits		
- Provision for Compensated Absences	5.83	3.50
Others		
- Fringe Benefit Tax (Net of Advance Tax)	1.90	1.90
- Provisions for Contingency (Refer Note 45)	11.80	25.00
- Provision for Mark-to-Market Losses on Derivatives	73.93	6.88
- Provision for proposed final dividend on equity shares	301.04	200.05
- Provision for dividend distribution tax on proposed final dividend on equity shares	51.16	34.00
	445.66	271.33
Share in Joint Venture	(9.41)	1.51
Total	436.25	272.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

14 A. Tangible Assets

(Rs. million)

PARTICULARS	GROSS BLOCK		DEPRECIATION		PROVISION FOR IMPAIRMENT		NET BLOCK	
	As At March 31, 2013	As At March 31, 2014	Accumulated upto March 31, 2013	Accumulated upto March 31, 2014	As At March 31, 2013	As At March 31, 2014	As At March 31, 2014	As At March 31, 2013
Own Assets								
Freehold Land	138.53	2,471.34	-	-	-	-	2,471.34	138.53
Buildings	3,776.46	4,811.27	704.81	832.74	-	-	3,978.53	3,071.65
Leasehold Improvements	102.85	97.07	66.36	71.68	-	-	25.39	36.49
Plant and Machinery (Refer Notes a and b below)	20,283.47	25,590.65	7,635.17	14,088.85	-	-	11,501.80	12,648.30
Vehicles	61.64	54.83	31.32	29.38	-	-	25.45	30.32
Furniture and Fixtures	417.63	506.20	266.91	318.37	-	-	187.83	150.72
Office Equipment	137.13	167.36	66.42	74.82	-	-	92.54	70.71
Computers	321.05	350.76	200.96	238.53	-	-	112.23	120.09
Total	25,238.76	34,049.48	8,971.95	15,654.37	-	-	18,395.11	16,266.81
March 31, 2013	23,424.49	25,238.76	7,634.05	8,971.95	41.78	-	16,266.81	15,748.66

Notes :

- Borrowing Costs aggregating Rs. 88.73 million (Previous Year: Rs. 48.34 million) attributable to the acquisition or construction of qualifying assets are capitalised during the year as part of the cost of such assets.
- Gross block of Plant and Machinery is net off of adjustment for capital subsidy of Rs. Nil (Previous Year : 69.52) granted under the Technology Upgradation Fund (TUF) Scheme.

c. The Company has given certain assets on operating lease, details of which are given below:

Particulars	31, Mar, 14		31, Mar, 13	
	Buildings	Plant and Machinery	Leasehold Improvements	Plant and Machinery
Gross Block	1.21	29.04	1.80	35.65
Accumulated Depreciation	0.22	27.59	1.33	29.58
Net Block	0.99	1.45	0.47	6.07
				2.11
				0.32
				1.79
				0.08

14 B. Intangible Assets

(Rs. million)

PARTICULARS	GROSS BLOCK		DEPRECIATION		PROVISION FOR IMPAIRMENT		NET BLOCK	
	As At March 31, 2013	As At March 31, 2014	Accumulated upto March 31, 2013	Accumulated upto March 31, 2014	As At March 31, 2013	As At March 31, 2014	As At March 31, 2014	As At March 31, 2013
Own Assets								
Computer Software	162.49	163.90	110.15	112.75	-	-	51.15	52.34
Total	162.49	163.90	110.15	112.75	-	-	51.15	52.34
March 31, 2013	122.45	162.49	76.63	110.15	12.36	-	52.34	33.46

14 C. Goodwill on Consolidation of Subsidiaries and Jointly controlled Entity

PARTICULARS			(Rs. million)	
			31-Mar-14	31-Mar-13
Balance as at the beginning of the year (Net of Impairment of Rs 381.42 million)			1,753.94	979.41
Add : Arising on acquisition during the year			6.12	781.70
Less : Amortised during the year			34.80	28.82
Add : Adjustments during the year on account of restatement			113.35	21.65
Balance at the end of the year (Net of Impairment of Rs 385.74 million)			1,838.61	1,753.94

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 15 : Non - current investments		
Trade Investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
In Associate Companies		
Nil (March 31, 2013 : 6,108,253) Equity Shares of Rs. 10 each fully paid up of Welspun Captive Power Generation Limited (Refer Note below)	-	61.08
Nil (March 31, 2013 : 46,606,747) 6% Non-cumulative Redeemable Preference Shares of Rs. 10 each of Welspun Captive Power Generation Limited	-	466.07
In Others		
459,670 (March 31, 2013: Nil) 8% Redeemable Preference Shares of Rs. 10 each fully paid up of Worli Realty Private Limited	459.67	-
100 (March 31, 2013 : 100) Equity Shares of Rs. 10 each fully paid up of Weltreat Enviro Management Organisation	*	*
Others Investments (valued at cost unless stated otherwise)		
a) Quoted Equity Instruments		
283,500 (March 31, 2013 : 283,500) Equity Shares of Rs. 10 each fully paid up of Welspun Syntex Limited	18.94	18.94
Less : Provision for other than Temporary Diminution in value of Investment	13.34	13.34
	5.60	5.60
80 (March 31, 2013 : 80) Equity Shares of Rs. 1 each fully paid up of Khaitan Chemicals & Fertilizers Limited	*	*
b) Others		
100 (March 31, 2013 : 100) Equity Shares of Rs. 10 each fully paid up of Welspun Steel Limited	*	*
Investment - Indiafirst SM (Life Insurance Premium for employees)	5.48	3.78
Investment - SBI Life Insurance (Life Insurance Premium for employees)	1.30	-
Investment - Canara Bank HSBC (Life Insurance Premium for employees)	1.20	0.60
	473.25	537.13
Share in Joint Venture	0.01	0.01
Total	473.26	531.54
Aggregate amount of Unquoted Investments	467.66	531.54
Aggregate amount of Quoted Investments	5.60	5.60
Market Value of Quoted Investments	2.17	2.61
Aggregate provision for diminution in value of Investments	13.34	13.34
* Less than Rs.10,000		
Note :		
Welspun Capative Power Generation Limited has become the Subsidiary of Welspun India Limited w.e.f. April 1, 2013		
Note 16 : Long-term Loans and Advances		
Unsecured, considered good (unless otherwise stated) :		
Capital Advances to Related Parties		
- Wel-treat Enviro Management Organisation Limited	75.00	75.00
- Welspun Projects Limited	42.29	26.64
Capital Advance to Others	740.91	795.97
Security Deposits to Related Parties		
- Welspun Realty Private Limited	151.47	132.27
- Mertz Securities Limited	8.00	7.00
Security Deposit to Others	85.33	53.61
Share Application pending allotment - Welspun Captive Power Generation Limited	-	122.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Advances Recoverable in Cash or in Kind or for Value to be Received		
- Considered Good	14.54	12.73
- Considered Doubtful	30.00	-
	44.54	12.73
Less : Provision for Doubtful Advances	30.00	-
	14.54	12.73
Advance Tax and Tax Deducted at Source (Net of Provision for tax)	-	212.71
Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	114.57	111.79
- Considered Doubtful	46.11	42.37
	160.68	154.16
Less : Provision for Doubtful Balances	46.11	42.37
	114.57	111.79
	1,232.11	1,550.57
Share in Joint Venture	0.12	8.63
Total	1,232.23	1,559.20
Note 17 : Other Non-current assets		
Minimum Alternative Tax Credit Entitlement	124.28	528.74
Status Holder Incentive Scrip in Hand	94.26	127.03
Fixed deposits with maturity period more than 12 months*	682.36	678.98
Margin Money Deposit Accounts	2.30	1.08
Interest Accrued on Deposits	118.46	60.80
Interest Accrued - Others	3.50	-
Less : Provision for Accrued Interest	3.50	-
Total	1,021.66	1,396.63
* Includes pledge as Security for Sales Tax Matters		
Note 18 : Current Investments		
Non Trade - (Quoted) (At Cost or market value whichever is less)		
1,500,000 (March 31, 2013 : Nil) 8.30% GOI 2042 Bonds of Face Value of Rs. 100 each	164.09	-
2,830,000 (March 31, 2013 : Nil) 7.40% GOI 2035 Bonds of Face Value of Rs. 100 each	271.14	-
- (March 31, 2013 - 2,850,000) 8.97% GOI 05-12-2030 Bonds of Face Value of Rs. 100 each	-	311.63
- (March 31, 2013 - 3580) 0% IFCI DDB 2033 Bonds of Face Value of Rs. 25,000 each	-	23.27
- (March 31, 2013 - 600) Certificate of Deposit - Bank of India	-	59.05
972 (March 31, 2013 - Nil) 9.90% IFCI Limited Bonds of Face value of Rs. 25,000 each	24.47	-
167 (March 31, 2013 - Nil) 8.80% FCI Bonds of Face value of Rs.1,000,000 each	180.73	-
9 (March 31, 2013 - Nil) 7.50% WSPF Bonds of Face value of Rs.100,000 each	0.94	-
Total	641.37	393.95
Aggregate amount of quoted investments	641.37	393.95
Market Value of quoted investments	657.09	397.23
Note 19 : Inventories		
Raw Materials	3,354.99	2,654.27
Packing Materials	158.48	94.05
Work-in-Progress	2,581.71	1,871.84
Finished Goods and Traded Goods (Refer Note 43)	3,793.11	3,461.16
Stores, Spares, Dyes and Chemicals	203.12	107.50
	10,091.41	8,188.82
Share in Joint Venture	2.98	16.44
Total	10,094.39	8,205.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 20 : Trade Receivables		
Unsecured		
Debts Outstanding for a period exceeding six months from the date they are due for payment :		
- Considered Good	96.97	44.92
- Considered Doubtful	17.83	18.93
	114.80	63.85
Less : Provision for Doubtful Debts	17.83	18.93
	96.97	44.92
Other Debts :		
- Considered Good	4,019.81	2,692.68
- Considered Doubtful	-	19.06
	4,019.81	2,711.74
Less : Provision for Doubtful Debts	-	19.06
	4,019.81	2,692.68
	4,116.78	2,737.60
Share in Joint Venture	0.27	12.15
Total	4,117.05	2,749.75
Note 21 : Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on Hand	4.09	2.42
Cheques on Hand	-	0.06
Bank Balances		
- In Current Accounts	1,095.86	1,504.91
- Fixed Deposits (less than 3 months maturity)	803.49	7.54
Other bank balances		
- Fixed Deposits*	411.62	203.01
- In Margin Money Deposit Accounts	6.68	4.04
- Unpaid Dividend Account	2.74	1.60
	2,324.48	1,723.58
Share in Joint Venture	7.67	0.80
Total	2,332.15	1,724.38
*(Includes Rs. 0.04 million (March 31, 2013: Rs. 0.03 million) under lien with sales tax authorities)		
Note 22 : Short-term Loans and Advances		
Unsecured considered good, unless otherwise stated :		
Loans to Related Parties		
- Welspun Captive Power Generation Limited	-	2.70
- Welspun Corp Limited	4.16	1.97
- Welspun Projects Limited	1.01	0.88
- Welspun Maxsteel Limited	-	0.33
- Welspun Enegry Limited	-	0.18
- Welspun Syntex Limited	0.17	-
Advances Recoverable in Cash or in Kind or for Value to be Received	643.50	588.80
Others		
Balances with Customs, Excise, Sales Tax and other Government Authorities	3,461.00	2,093.85
Security Deposits to Related Parties	-	
- Welspun Realty Private Limited	-	19.20
- Mertz Securities Limited	-	1.00
Security Deposits to Others	30.68	11.76
	4,140.52	2,720.67
Share in Joint Venture	3.60	6.49
Total	4,144.12	2,727.16

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	As At March 31, 2014	As At March 31, 2013
Note 23 : Other Current Assets		
Minimum Alternative Tax Credit Entitlement	129.89	-
Technology Upgradation Fund Credit Receivable	492.14	263.24
Interest Receivable under Subvention Scheme	25.54	-
Mark-to-Market gain (Net) on Forward / Swap Contracts	1,205.86	337.60
Interest Accrued on Bonds / Certificate of Deposits	4.88	8.17
Interest Accrued on Others	-	1.40
Interest Accrued on Deposits	42.73	16.76
Insurance Claim Receivable	93.15	-
Others	12.76	24.75
Gratuity Fund (Net)	2.67	7.14
	2,009.62	659.06
Share in Joint Venture	9.23	11.37
Total	2,018.85	670.43

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 24 : Revenue from Operations		
Sale of Products		
Finished Goods and Traded Goods	39,549.60	32,603.59
Power & Steam	429.05	-
Share in Joint Venture	1.04	71.07
	39,979.69	32,674.66
Other operating revenue		
Sales Tax Benefit	906.18	793.47
Sale of Coal (Includes Rs. 231.18 million of previous year)	244.57	-
Sale of Scrap	452.56	470.30
Claims Received	-	21.51
Job Work and Processing Charges	6.64	25.06
Export Benefits		
- Service Tax Rebate	56.88	46.52
- Duty Entitlement Pass Book Scheme Benefits	-	1.80
- Focus Market Scheme Benefits	970.13	505.84
- Duty Drawback Benefits	2,390.05	1,961.19
	5,027.01	3,825.69
Share in Joint Venture	0.15	6.55
	5,027.16	3,832.24
Revenue from Operation (Gross)	45,006.85	36,506.90
Less : Excise Duty	52.60	33.78
Revenue from Operation (Net)	44,954.25	36,473.12
Note 25 : Other Income		
Interest Income		
On Fixed Deposits	105.72	78.40
On Bonds and Certificate of Deposits	84.95	74.15
On Others	41.24	16.50
On Income Tax Refund	3.91	0.30
Discount and Rebate received	75.57	53.47
Rent	9.52	8.59
Dividend Income long term / current investment	15.95	42.47
Profit on Redemption / Sale of Units in Mutual Funds	-	1.89
Profit on Sale of Bonds / Certificate of Deposits	28.32	46.49
Profit on Sale of Fixed Assets	1.41	-
Liabilities / Sundry Balances Written Back	17.66	86.33
Provision for Doubtful Debts Written Back	5.22	-
Commission	-	-
Service Charges	6.40	8.00
Income on Statusholder Incentive Scrip	586.93	16.52
Miscellaneous	57.64	58.85
	1,040.44	491.96
Share in Joint Venture	1.06	0.25
Total	1,041.50	492.21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 26 : Materials consumed (Refer Note 43)		
Opening Stock of Raw Material, Packing Material, Work-in-Process, Finished Goods and Stock-in-Trade	8,081.32	7,157.88
Add: Transferred from Capital Work-in-Progress	174.33	-
	8,255.65	7,157.88
Add: Purchases of Raw Material, Packing Material and Stock-in-Trade	24,292.94	18,513.84
	32,548.59	25,671.72
Less: Closing Stock of Raw Material, Packing Material, Work-in-Process, Finished Goods and Stock-in-Trade	9,888.29	8,081.32
	22,660.30	17,590.40
Share in Joint Venture	13.08	93.70
	22,673.38	17,684.10
Note 27 : Employee Benefits Expense		
Salaries, Wages, Allowances and Other Benefits	3,094.64	2,548.29
Contribution to Provident and Other Funds	188.87	145.66
Staff and Labour Welfare	116.47	54.96
	3,399.98	2,748.91
Share in Joint Venture	-	17.24
	3,399.98	2,766.15

The Group has classified the various benefits provided to employees as under :-

I Defined Contribution Plans

(Rs. million)

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:	2013-14	2012-13
Employers' Contribution to Provident Fund & Pension Scheme*	147.74	112.33
Employers' Contribution to Employee's State Insurance *	19.57	15.38
Employers' Contribution to Superannuation Scheme*	2.63	1.48
Other Social Security Funds *	18.93	16.47
	188.87	145.66
The Group's share of expenses in jointly controlled entity recognised in the Statement of Profit and Loss .	-	1.43

* Included in Contribution to Provident and Other Funds

II Defined Benefit Plan

Contribution to Gratuity Fund

Certain Companies operate gratuity plan through the Employees Trusts. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

a. Major Assumptions	2013-14 % p.a.	2012-13 % p.a.
Discount Rate	9.32 - 9.39	8.25
Expected Rate of Return on Plan Assets	8.70	8.6-8.7
Salary Escalation Rate @	5 to 10	5 to 10
@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

b. Change in the Present Value of Obligation	2013-14	2012-13
Opening Present Value of Obligation	131.69	110.23
Transfer of to Welspun Global Brands Limited pursuant to demerger scheme	-	1.77
Transfer from Welspun Captive Power Generation Limited	0.56	-
Current Service Cost	37.49	46.51
Interest Cost	10.91	9.64
Benefit / Exgratia paid	(25.58)	(19.95)
Actuarial Loss / (gain) on Obligations	12.17	(16.51)
Closing Present Value of Obligation	167.24	131.69

(Rs. million)

c. Change in Fair Value of Plan Assets	2013-14	2012-13
Opening Fair Value of Plan Assets	138.83	117.99
Expected Return on Plan Assets	11.94	10.15
Actuarial (Loss) / gain on Obligations	0.01	1.06
Contributions	41.76	23.68
Benefits paid	(22.63)	(14.05)
Closing Fair Value of Plan Assets	169.91	138.83

(Rs. million)

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	As At March 31, 2014	As At March 31, 2013
Present Value of Funded Obligation	167.24	131.69
Fair Value of Plan Assets	169.91	138.83
Funded Status	169.91	138.83
Assets recognised in the Balance Sheet and included under Loans and Advances and Other Current Assets (Refer Note 23)	2.67	7.14

(Rs. million)

e. Amount recognised in the Balance Sheet	As At March 31, 2014	As At March 31, 2013
Present Value of Obligation	167.24	131.69
Fair Value of Plan Assets	169.91	138.83
Assets recognised in the Balance Sheet and included under Other Current Assets (Refer Note 23)	2.67	7.14

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

f.	Expenses Recognised in the Statement of Profit and Loss	2013-14	2012-13
	Current Service Cost	37.49	46.51
	Interest Cost	10.91	9.64
	Expected Return on Plan Assets	(11.94)	(10.15)
	Net Actuarial Loss / (gain) recognised in the year	12.16	(17.57)
	Total expenses recognised in the Statement of Profit and Loss	48.62	28.43
	The Group's share of expenses recognised in the Statement of Profit and Loss in jointly controlled entity	-	0.30
	The Group's share of (Assets) /Liability recognised in the balance sheet in jointly controlled entity	-	0.14

g.	Major Category of Plan Asset as a % of total Plan Assets	As At March 31, 2014	As At March 31, 2013
	Insurer managed funds	100.00	100.00

(Rs. million)

h.	Amounts recognised in current year and previous four years	As At March 31, 2014	As At March 31, 2013	As At March 31, 2012	As At March 31, 2011	As At March 31, 2010
	Defined Benefit obligation at the end of the year	167.24	131.69	112.00	89.56	55.60
	Fair Value of Plan Assets	169.91	138.83	117.99	94.01	65.13
	(Surplus) / Deficit	(2.67)	(7.14)	(5.99)	(4.45)	(9.53)
	Experience (gain) / loss adjustments on plan liabilities	34.98	17.97	(12.12)	(5.86)	(3.57)
	Experience gain / (loss) adjustments on plan assets	0.33	1.00	(4.11)	0.51	14.73
	Actuarial gain / (loss) due to change in assumptions	22.12	(3.17)	-	(23.63)	(2.99)

(Rs. million)

i	Expected Contribution to the funds in the next year	As At March 31, 2014	As At March 31, 2013
	Gratuity	50.46	29.95

III Other Employee Benefit

The liability for leave entitlement and compensated absences as at year end is Rs. 73.18 million (March 31, 2013: Rs. 59.09 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. million)

	Year Ended March 31, 2014	Year Ended March 31, 2014	Year Ended March 31, 2013
Note 28 : Finance Costs			
Interest on Long -term Borrowings		1,070.32	758.05
Interest on Short- term Borrowings		933.49	974.69
Interest to Others		16.44	20.13
Discounting and Bank Charges		331.64	221.49
		2,351.89	1,974.36
Share in Joint Venture		0.22	2.57
Total		2,352.11	1,976.93
Note 29 : Depreciation and Amortisation Expense			
Depreciation on Tangible assets (Refer Note 35)		6,810.19	1,397.71
Amortisation on Intangible assets		53.12	49.13
		6,863.31	1,446.84
Share in Joint Venture		-	1.78
Total		6,863.31	1,448.62
Note 30 : Other Expenses			
Stores and Spares Consumed		719.56	561.81
Dyes and Chemicals Consumed		1,662.95	1,785.43
Contract Labour Charges		669.59	651.72
Job Work Expenses		379.98	591.84
Power, Fuel and Water Charges		1,174.10	2,632.72
Repairs and Maintenance:			
Plant and Machinery		115.33	84.80
Factory Building		44.34	35.45
Others		193.17	112.46
Claims, Discounts and Rebates		363.87	289.50
Brokerage and Commission		416.75	328.66
Freight, Forwarding and Coolie Charges		874.28	693.52
Directors' Sitting Fees		1.47	1.52
Rent		291.90	286.33
Rates and Taxes		55.42	66.77
Printing and Stationery		18.85	14.53
Travelling and Conveyance		276.36	203.81
Legal and Professional Charges		211.23	176.12
Management Service Fees		0.15	-
Security Expenses		32.76	29.24
Insurance		110.15	91.22
Communication		84.15	39.92
Postage and Courier		39.74	36.64
Loss on Sale / Discarding of Fixed Assets (Net)		-	20.26
Loss on Redemption / Sale of Units in Mutual Funds		0.11	-
Provision for Doubtful Debts/Advances		41.30	16.94
Loss on Cancellation / Settlement of Forward Contracts (Net)		743.74	232.35
Exchange Loss (Net)		546.57	444.86
Bad Debts / Advances Written off	25.80		
Less: Provision for Doubtful Debts	19.00	6.80	10.27
Design and Development Expenses		58.70	47.91
Royalty		64.40	164.20
Advertising and Sales Promotion		276.88	219.52
Donations		39.70	65.91
Miscellaneous		154.80	119.98
		9,669.10	10,056.21
Share in Joint Venture		0.65	20.74
Total		9,669.75	10,076.95
Expenses capitalised as a part of Capital Work-in-progress			
Interest Cost		191.58	35.81
Salary Cost		32.56	32.08
Other Expenses		13.04	126.30
Total		237.18	194.19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**31 Contingent Liabilities:**

(Rs. million)

Description	As At March 31, 2014	As At March 31, 2013
Excise, Customs and Service Tax Matters	344.28	636.44
Stamp Duty Matter [including share of joint venture of Rs. 0.14 million (Previous Year Rs. 0.14 million)]	4.60	6.84
Sales Tax Matters	38.08	38.93
Income Tax Matters [including share of joint venture of Rs. 31.88 million (Previous Year Rs. 31.88 million)]	167.65	167.65
Claims against the group not acknowledged as debts	50.75	55.32
Others:		
The arrears of dividend on 980,392 8% Redeemable Preference shares of Rs. 10 each, fully paid-up (Including Dividend distribution tax)	-	3.65

32 Capital and other commitments:**(a) Capital Commitments**

(Rs. million)

Description	As At March 31, 2014	As At March 31, 2013
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	2,817.40	3,811.03

(b) Other Commitments

(Rs. million)

Description	As At March 31, 2014	As At March 31, 2013
Bill Discounted in respect of Export Debtors	1,510.05	1,477.52
Bank Guarantees	37.80	34.96
In accordance with the EPCG Scheme, imports of capital goods are allowed to be made duty free and under Advance License Scheme, imports of raw material are allowed to be made duty free, subject to the condition that the Company will fulfill, in future, a specified amount of export obligation within a specified time. Amount of duty saved on imports of above goods against which export obligation is yet to be fulfilled by the Company is Rs. 22.65 million as at March 31, 2014 (Rs. 9.27 million as at March 31, 2013). Amount of Export Commitments on above.	182.40	75.02

33. The Company has utilised deferred tax assets recognized in earlier period aggregating Rs. 310.70 million on the incremental unabsorbed Income-tax depreciation arising out of its treatment of certain Excise and Value Added Tax incentives as 'capital receipts' for income tax purposes. Income Tax authorities have passed orders treating these incentives as revenue in nature. The Company has filed an appeal against the aforesaid orders. If the final decision in the matter is eventually decided against Welspun India Limited, then the current tax expense could be higher by Rs. 310.70 million.
34. During an earlier year, the Company had inadvertently made certain investments aggregating Rs. 1,197.29 million in the bonds issued by certain public sector undertakings without obtaining prior approval of the shareholders by way of a special resolution as required under Section 372A of the Companies Act, 1956. Subsequently, these investments were sold. Further, the Company had filed a suomoto application to the Company Law Board in the financial year 2012-13 for compounding of this offence. The offence committed under Section 372A was compounded against the Company, managing director, company secretary and a former director on payment of Rs. 2,000 by each of the aforesaid defaulters.
35. During the quarter ended September 30, 2013, the management re-assessed the method of providing depreciation on its plant and machinery (other than electrical installations) after taking into consideration the type of assets, nature of their use etc. Based on the re-assessment, the Company changed the method of providing depreciation from straight-line method to reducing balance method as it was considered that it would result in more appropriate preparation and presentation of the Financial Statements of the company. Accordingly, depreciation was recalculated under the reducing balance method for the period from the date on which the assets came into use upto June 30, 2013 in accordance with Accounting Standard 6 "Depreciation Accounting" notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended]. The incremental depreciation of Rs. 4,630.96 million

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

for the period upto June 30, 2013 arising from the change has been provided during the year. In addition to the aforementioned incremental depreciation, depreciation for the period July 1, 2013 to March 31, 2014 is higher by Rs. 107.13 million due to the change in the method. Accordingly, depreciation and amortization expenses for the year ended March 31, 2014 is higher by Rs. 4,738.09 million and profit before tax for the year ended March 31, 2014 is lower by Rs. 4,738.09 million with a consequential impact on profit after tax for the year.

Had the method of depreciation not been changed, profit before tax for the year ended March 31, 2014 would have been Rs. 5,775.31 million as against the profit before tax of Rs. 1,037.22 million.

36. The Company has acquired Welspun Anjar Integrated Textile Park Private limited (WAITP) as on November 26, 2013 and Welspun Anjar SEZ Private limited on December 11, 2013. On account of these acquisitions, consolidated profit before tax is lower by Rs. 0.48 million and consolidated net assets as at March 31, 2014 are lower by Rs. 0.48 million.
37. As at March 31, 2014, the one of group companies, Welspun Captive Power Generation Limited (WCPGL) has recognised net deferred tax assets aggregating Rs. 334.04 million. These deferred tax assets have been recognised on the basis of virtual certainty supported by convincing evidence that they will be realised. The Company has binding agreements with its customers which will generate sufficient profits to realise these deferred tax assets.
38. **Derivative Instruments outstanding as at March 31, 2014 :**
The group is exposed to foreign currency fluctuations on foreign currency assets/ liabilities, payables denominated in foreign currency.

In line with the group's risk management policies and procedures, the Company and some of its subsidiaries enter into foreign currency forward contracts and swap contracts to manage their exposure. These contracts are for a period of maximum twelve months and forecasted transactions are expected to occur during the same period.

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

(i)	Cash Flow Hedges	Currency Pair	March 31, 2014			March 31, 2013		
			Notional Amount		Fair Value Gain/ (Loss) Rs. million	Notional Amount		Fair Value Gain/ (Loss) Rs. million
			Foreign Currency (in million)	Rs. million		Foreign Currency (in Rs. million)	Rs. million	
	Forward Contracts (Buy)	EURO-INR	5.00	429.63	(13.62)	-	-	-
	Forward Contracts (Buy)	USD-INR	18.82	1,198.34	(54.40)	-	-	-
	Forward Contracts (Sell)	USD-INR	364.67	23,956.98	1,205.86	311.23	18,298.40	322.17

(ii)	Non-Designated Hedges	Currency Pair	March 31, 2014			March 31, 2013		
			Notional Amount		Fair Value Gain/ (Loss) Rs. million	Notional Amount		Fair Value Gain/ (Loss) Rs. million
			Foreign Currency (in million)	Rs. million		Foreign Currency (in million)	Rs. million	
	Coupon Only Swap	INR-USD	-	-	-	21.43	1,000.00	(2.97)
	Forward Contracts (Buy)	EURO-USD	4.15	336.51	-	1.00	69.50	(3.91)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

- (b) In addition to the above, the Group has following outstanding foreign currency forward contracts to hedge foreign currency exposure against payable / receivable as at March 31, 2014:

	Currency Pair	March 31, 2014			March 31, 2013		
		Notional Amount		On Re-statement Gain/ (Loss) Rs. million	Notional Amount		On Re-statement Gain/ (Loss) Rs. million
		Foreign Currency (in Rs. million)	Rs. million		Foreign Currency (in million)	Rs. million	
Forward Contracts (Buy)	EURO-INR	1.90	166.15	(5.91)	-	-	-
Forward Contracts (Sell)	USD-INR	-	-	-	16.00	868.56	15.44

- (c) Net profit on derivative instruments of Rs.1,137.84 million recognised in Hedging Reserve as on March 31, 2014, is expected to be recycled to the Statement of Profit and Loss by March 31, 2015.

39. Details of Employees Stock Options

On June 30, 2009, the Company issued Employee Stock Options (ESOP) under the Employee Stock Options Scheme (the "Scheme") to employees of the Company with a right to subscribe to equity shares ("New Options") at a price of Rs. 35.60 per equity share (closing market price as on June 30, 2009). The salient features of the Scheme are as under:

- (i) Vesting : Options to vest over a period of four years from the date of their grants as under:
- 20% of the Options granted to vest at each of the 1st and 2nd anniversaries of the date of grant.
 - 30% of the Options granted to vest at each of the 3rd and 4th anniversaries of the date of grant.
- (ii) Exercise : Options vested with an employee will be exercisable within 3 years from the date of their vesting by subscribing to the number of equity shares in the ratio of one equity share for every option at the Exercise Price. In the event of cessation of employment due to death, resignation or otherwise, the Options may lapse or be exercisable in the manner specifically provided for in the Scheme.

Date of Grant	June 30, 2009
Number of Options Granted	2,265,000
Vesting Conditions	The options would vest only if the option grantee continues to be in employment of the Company at the time the options are due to vest.
Exercise Period	3 years
Exercise Price	Rs. 35.60

Summary of Stock Options	March 31, 2014		March 31, 2013	
	No. of Stock Options	Weighted Average Exercise Price (Rs.)	No. of Stock Options	Weighted Average Exercise Price (Rs.)
Options outstanding at the beginning of the year	552,000	35.60	1,179,250	35.60
Options granted during the year	-	-	-	-
Options exercised during the year	334,000	35.60	539,250	35.60
Options forfeited / lapsed during the year	99,500	35.60	88,000	35.60
Options outstanding at the end of the year	118,500	35.60	552,000	35.60
Options vested but not exercised at the year end	118,500	35.60	163,500	35.60

Information in respect of options outstanding as at March 31, 2014

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

No. of Stock Options	Weighted Average remaining life in years	Weighted Average Exercise Price (Rs.)
18,000	0.25	35.60
35,000	1.25	35.60
66,500	2.25	35.60

The compensation costs of stock options granted to employees are accounted by the Company using the intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payments issued by the Institute of Chartered Accountants of India in respect of stock options granted. The value of underlying share has been determined by an independent valuer. Since, on the date of grant of option, quoted market price of the underlying equity shares of the Company was equal to the exercise price of an option, no expense or liability arising from the Scheme has been recognised.

The group's earnings per share would have been as under, had the compensation cost for employees stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes' model.

(Rs. million)

	March 31, 2014	March 31, 2013
Profit available for Equity Share holders	920.22	2,247.31
Less: Additional Employee Compensation Cost based on Fair Value (net of tax)	1.57	0.65
Profit after taxation as per Fair Value Method	918.65	2,246.66
Earnings Per Share (EPS)		
Basic		
Number of Shares (Weighted average)	100,173,531	99,700,852
Basic Earnings Per Share as reported	9.19	22.55
Performa Basic Earnings Per Share	9.17	22.53
Diluted		
Number of Shares (Weighted average)	100,247,443	100,096,195
Diluted EPS as reported	9.18	22.46
Performa Diluted EPS	9.16	22.44

	Grant Date : June 30, 2009			
	Vest 1	Vest 2	Vest 3	Vest 4
	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013
Variables	20%	20%	30%	30%
Stock Price	34.85	34.85	34.85	34.85
Volatility	63.52%	59.33%	54.45%	53.18%
Riskfree Rate	6.15%	6.31%	6.46%	6.61%
Exercise Price	35.60	35.60	35.60	35.60
Time to Maturity	2.50	3.50	4.50	5.50
Dividend Yield	0%	0%	0%	0%
Option Fair Value	14.83	16.69	17.85	19.42
Weighted Average Option Fair Value	17.49			

Effect of share- based payment plan on the Balance Sheet and Statement of Profit and Loss:

(Rs. million)

	March 31, 2014	March 31, 2013
Expense arising from employee share-based payment plan	-	-
Deferred Stock Compensation	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**41 Segment Information for the year ended March 31, 2014.**

(i) Information about Primary Business Segment

The Group is engaged in the business of Home Textiles and generation of Power, in the context of Accounting Standard 17 on Segment Reporting, which are considered to constitute separate primary segments.

(Rs. million)					
Sr. No.	Particulars	Home Textiles	Power	Unallocable	Total
1	Segment Revenue				
	External Revenue	44,330.83	676.02	-	45,006.85
	Inter Segment Revenue	0.32	1,574.06	-	
	Gross Revenue	44,331.15	2,250.08	-	45,006.85*
	Less : Excise duty	52.60	-	-	52.60
	Net Revenue from Operation	44,278.55	2,250.08	-	44,954.25
2	Segment Result before Interest and Tax	3,311.69	(202.44)	-	3,109.25
	Less: Interest Expenses	-	-	2,352.11	2,352.11
	Add: Interest Income / Dividend Income/ Profit on Sale of Bonds / Certificate of Deposits	-	-	280.08	280.08
	Add: Exceptional Item	-	-	-	-
	Profit /(Loss) before Tax	3,311.69	(202.44)	(2,072.03)	1,037.22
	Current Tax	-	-	1,784.88	1,784.88
	Minimum Alternative Tax Credit Availed	-	-	(121.17)	(121.17)
	Deferred Tax	-	-	(1,464.78)	(1,464.78)
	Profit / (Loss) after Tax (before adjustment for Minority Interest)	3,311.69	(202.44)	(2,270.96)	838.29
	Less : Share of Profit / Loss transferred to Minority	-	(82.45)	-	(82.45)
	Profit / (Loss) after Tax (after adjustment for Minority Interest)	3,311.69	(119.99)	(2,270.96)	920.74
3	Segment Assets	44,359.77	3,890.91	3,433.33	51,684.01
	Segment Liabilities	7,805.46	181.95	32,283.65	40,271.06
	Capital Expenditure	7,406.07	171.83	-	7,577.90
	Depreciation and Amortisation	6,338.00	525.31	-	6,863.31
	Non Cash expenditure other than Depreciation and Amortisation	48.21	-	-	48.21

The Company operated in a single segment upto March 31, 2013.

* Gross Revenue is after elimination of inter-segment revenue of Rs 1,574.38 million.

(ii) Information about Secondary Geographical Segments:

(Rs. million)						
	India		Outside India		Total	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Revenue	6,078.69	2,516.57	38,875.56	33,956.55	44,954.25	36,473.12
Carrying Amount of Segment Assets	43,697.18	31,897.51	7,986.83	6,681.50	51,684.01	38,579.01
Capital Expenditure incurred to acquire segment assets	7,552.57	1,299.85	25.33	47.92	7,577.90	1,347.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Notes:

- (a) The Segment revenue in the geographical segments considered for disclosure are as follows:
- Revenue within India includes sales to customers located within India and earnings in India.
 - Revenue outside India includes sales to customers located outside India, earnings outside India and export benefits on sales made to customers located outside India.
- (b) Segment revenue and assets include the respective amounts identified to each of the segments and amounts allocated on a reasonable basis.

42 (i). Related Party Disclosures

(i) Relationships

	Control	
(a)	Joint Venture Company	Welspun Zucchi Textiles Limited (WZTL)
(b)	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year	Welspun Corp Limited (WCL) (Formerly known as Gujarat Stahl Rohren Limited (WGSRL))
		Vipuna Trading Limited (VTL)
		Welspun Syntex Limited (WSYNL)
		Welspun Investments and Commercials Limited (WICL)
		Welspun Realty Private Limited (WRPL)
		Welspun Logistics Limited (WLL)
		Remi Metals Gujarat Limited (RMGL)
		Welspun Steel Limited (WPSL) (Formerly Known as Power and Steel Limited)
		Welspun Wintex Limited (WWL)
		Welspun Mercantile Limited (WML)
		Krishiraj Trading Limited (KTL)
		Mertz Securities Limited (MSL)
		Welspun Polybuttons Limited (WPBL)
		Welspun Energy Limited (WEL)
		Wel-treat Enviro Management Organisation Limited (WEMO)
		Welspun Maxsteel Limited (WMSL)
		Welspun Projects Limited (WPL)
		Welspun FinTrade Limited (WFTL)
		Welspun Finance Limited (WFL)
		Welspun Urja Gujarat Private Limited (WUGPL)
		Welspun Foundation for Health and Knowledge (WFHK)
		Welspun Solar AP Private Limited (WSAPL)
		Welspun Solar MP Private Limited (WSMPL)
		Welspun Energy UP Private Limited (WEUPL)
		Welspun Trading Limited (WTL)
		Welspun Urja India Limited (WUL)
		Welspun Pipe Inc.
		Welspun Infra Limited (W Infra)
		Viraj Renewable Energy Power Limited (VREPL)
		Welspun Steel Resources Private Limited (WSPRL)
		Methodical Investment and Trading Company Private Limited (MITCPL)
		Welspun Urja India Limited (WUIL)
		Welspun Developers & Infrastructure Private Limited (WDIPL)
		Welspun Orrisa Steel Private Limited (WOSPL)
		Worli Realty Private Limited (Worli Realty)
(c)	Key Management Personnel	Dipali Goenka (DBG)
		B.K.Goenka (BKG)
		R. R. Mandawewala (RRM)
(d)	Relatives of Key Management	Radhika Goenka (RBG)
		Abhishek Mandawewala (ARM)
		Khushboo Mandawewala (KAM)
		Yash Mandawewala (YRM)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

41. (iii) Following are the transactions with related parties mentioned in (i) above and the year-end balances

PARTICULARS	WCL	WSNL	WZTL	WICL	WPL	WSAPL	WSMPL	WEUPL	WCPGL	WRPL	WLL	RMGL	WPFL	WTL	WWL	WUUL	WLSpan Pipe	KTL	(Rs. million)
Transactions during the year																			Total C/T
Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
Repayment of Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(19.20)
Purchase of Goods (Including Taxes)	207.68	498.21	12.01	(79.50)	-	-	-	-	-	-	-	-	-	36.40	-	-	-	-	(79.50)
Jobwork Charges	(1,168.62)	(332.43)	(27.46)	-	-	-	-	-	-	-	-	-	-	(0.40)	-	-	-	-	772.86
Purchase of Services/ Expenses Incurred	25.92	(5.18)	0.37	-	-	-	-	-	-	37.05	39.57	-	-	16.40	-	-	-	-	(1,528.91)
Sale of Goods/ DEPR Licenses (Including Taxes)	337.22	4.20	0.06	-	-	0.40	-	-	-	(60.74)	(21.33)	-	-	(26.45)	-	-	(0.00)	-	119.30
Job Charges received	(55.29)	(7.18)	(14.04)	-	-	(0.81)	(0.26)	(0.06)	-	-	-	-	-	(15.31)	-	(0.02)	(0.01)	-	(118.42)
Sale of Services/ Expenses Incurred	19.11	0.78	-	-	0.13	-	-	-	-	-	-	-	0.03	0.04	-	-	-	-	515.55
Sale of Fixed Assets	(26.80)	(0.43)	(2.24)	-	-	-	-	-	(2.70)	-	-	-	(0.02)	(2.77)	-	-	-	-	(93.67)
Purchase of Fixed Assets / Capital Goods	19.40	3.33	(0.13)	-	631.21	-	-	-	-	-	-	0.06	13.86	-	-	-	-	-	25.27
Capital Advance	(15.03)	-	-	-	-	-	-	-	-	-	-	-	(8.16)	-	-	-	-	-	(34.96)
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	667.86
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(23.32)
Claims, Discounts and Rebate given	-	-	-	(7.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission on Corporate Guarantee	5.21	-	-	-	-	-	-	-	-	-	-	-	13.02	-	-	-	-	-	18.22
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Application Money Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Made during the year	-	36.80	-	-	0.10	-	-	-	(95.88)	-	-	-	-	-	-	-	-	-	(95.88)
Sale of Investment during the year	-	-	-	-	-	-	-	-	(527.53)	-	-	-	-	-	-	-	-	-	36.90
Equity Dividend Paid	-	-	-	-	-	-	-	-	(0.53)	-	-	-	-	16.85	22.49	-	-	-	(527.53)
Preference Dividend Paid	-	(#)	-	-	-	-	-	-	-	-	-	-	-	(14.36)	(19.12)	-	-	-	(0.53)
Donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95.81
Redemption of Preference Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(51.07)
Issue of Equity Shares	21.55	4.82	-	-	-	-	-	-	-	-	-	-	11.35	-	-	-	-	-	-
Issue of Preference Shares	-	2.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.72
Closing Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans, Advances and Deposits received (including interest accrued but not due)	4.20	-	5.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.20
Loans, Advances and Deposits given (including interest accrued on loan)	(4.80)	(5.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9.80)
Trade Receivables (Net of Bill Discounted with Banks)	1.97	-	-	-	43.30	-	-	-	(2.70)	151.47	-	-	-	-	-	-	-	-	189.11
Trade Payables and Others	25.05	0.13	0.03	-	-	-	-	-	-	-	-	-	31.28	-	-	-	-	-	(156.14)
Investments	14.18	(4.81)	(2.01)	-	74.40	-	-	-	-	-	0.02	0.06	13.90	-	-	-	-	-	56.49
Provision for diminution in value in Investment	-	(18.94)	(43.56)	-	-	-	-	-	(527.15)	-	-	-	(#)	-	-	-	-	-	118.71
Corporate Guarantee Given	600.00	-	-	-	-	-	-	-	-	-	-	-	1,500.00	-	-	-	-	-	(7.49)
Share Application Money Pending Allotment	-	-	-	-	-	-	-	-	(900.00)	-	-	-	-	-	-	-	-	-	33.90
	-	-	-	-	-	-	-	-	(122.85)	-	-	-	-	-	-	-	-	-	(580.03)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.34
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,100.00
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13.34)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(900.00)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(122.85)

Note :

Previous years figures are given in Brackets

Less than Rs.10,000



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
41. (ii) Following are the transactions with related parties mentioned in (i) above and the year-end balances

41. (ii) Following are the transactions with related parties mentioned in (i) above and the year-end balances																										Rs. million		
PARTICULARS	Total Brought Forward	MSL	WPBL	WEL	WEMO	WMNL	WPL	MITPL	WFTL	WFL	WUGPL	RSPL	WHK	GVPL	W INFRA	VREPL	WSRPL	WDIPL	WOSP	Worl Realty	BKG	RBG	ARM	DBG	RRM	KAM	YRM	TOTAL
Transactions during the year																												
Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Loans, Advances and Deposits given	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01	
Loans, Advances and Deposits received	(19.20)	(1.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20.21)	
Repayment of Loans, Advances and Deposits received	(79.50)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(79.50)	
Purchase of Goods (Including Taxes)	772.86	-	3.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	776.42	
Jobwork Charges	(1,528.91)	-	(2.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,531.47)	
Purchase of Services/ Expenses incurred	119.30	2.74	0.27	-	-	0.06	-	1.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	123.49	
Sale of Goods/ DEPR Licenses (Including Taxes)	(118.42)	(3.79)	-	-	-	-	-	(0.15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(122.36)	
Job Charges Received	515.55	-	0.13	1.92	-	0.08	-	-	-	-	-	-	0.14	-	-	-	-	0.04	-	-	-	-	-	-	-	-	517.86	
Sale of Services/ Expenses incurred	(93.87)	-	(0.15)	-	-	-	-	-	-	-	-	-	(0.54)	-	-	-	-	-	-	-	-	-	-	-	-	-	(94.57)	
Sale of Fixed Assets	25.27	-	-	0.01	-	0.12	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.53	
Purchase of Fixed Assets / Capital Goods	(34.96)	-	-	(0.18)	-	(0.33)	(0.88)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(36.35)	
Capital Advance	667.86	-	-	-	-	0.03	524.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,192.46	
Interest Income	(23.32)	-	-	-	-	-	(243.87)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(267.36)	
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claims, Discounts and Rebate given	(7.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7.38)	
Commission on Corporate Guarantee	18.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.22	
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share Application Money Paid	(95.88)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(95.88)	
Investment Made during the year	36.90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36.90	
Sale of Investment during the year	(527.53)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(527.53)	
Equity Dividend Paid	(0.53)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.53)	
Preference Dividend Paid	95.81	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95.81	
Donation	(84.55)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(84.55)	
Redemption of Preference Share	37.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.72	
Issue of Equity Shares	2.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.89	
Closing Balance																												
Loans, Advances and Deposits received (including interest accrued but not due)	9.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.20	
Loans, Advances and Deposits given (including interest accrued on loan)	(9.80)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9.80)	
Trade Receivables (Net of Bills Discounted with Banks)	199.11	8.00	-	75.00	-	43.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	325.41	
Trade Payables and Others	(156.14)	(8.00)	-	(0.18)	(75.00)	(27.53)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(267.18)	
Investments	56.49	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57.67	
Provision for diminution in value in investment	(118.71)	-	0.21	-	-	-	19.29	0.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(118.59)	
Corporate Guarantee Given	(7.49)	-	(0.44)	-	-	-	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8.61)	
Share Application Money Pending Allotment	53.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53.50	
	(580.65)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(580.65)	
	13.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.34	
	(900.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(900.00)	
	(122.85)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(122.85)	

Note :

Previous years figures are given in Brackets

Less than Rs 10,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**42 Leases****A. As a lessee:****Operating Lease**

The Company, some of its subsidiaries and its jointly controlled entity have taken various residential, office premises, godowns, equipment and vehicles under operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of lease is generally for eleven months to sixty months.

With respect to non-cancellable operating leases, the future minimum lease payments are as follows

(Rs. million)

Particulars	As At March 31, 2014	As At March 31, 2013
Not later than 1 year	179.86	165.47
Later than 1 year and not later than 5 years	327.52	380.78
Later than 5 years	131.78	103.58

The aggregate rental expenses of all the operating leases for the year are Rs. 291.90 million (Previous Year: Rs. 286.36 million) which includes the Company's share of Rs. Nil (Previous Year Rs. 0.03 million) in Jointly controlled entities.

43. Certain Subsidiary Companies' accounting systems do not track purchases/ consumption of raw materials, packing material and purchases of traded goods separately. Hence, for the purposes of presentation in Note 26, opening stock of raw materials, packing material, work in progress, finished goods and traded goods are grouped together, purchase of raw materials, packing material and traded goods are grouped together and closing stock of raw material, packing material, work in progress, finished goods and traded goods are grouped together. Similarly, inventories of finished goods and traded goods are grouped together in Note 19.

44. Earnings / (Loss) per Share**(Rs. million)**

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Profit after Tax	920.74	2,248.23
Less: Dividend on Preference Shares (Including Dividend Distribution Tax)	0.52	0.92
Profit available for Equity Share holders (A)	920.22	2,247.31
Number of Equity Shares for Basic Earnings Per Share		
- Weighted Number of equity shares outstanding during the year (B)	100,173,531	99,700,852
Add: Weighted Average number of outstanding employee stock options	73,912	395,343
Weighted Number of diluted equity shares outstanding during the year (C)	100,247,443	100,096,195
Basic Earnings per share (A/B) (Rs.)	9.19	22.55
Diluted Earnings per share (A/C) (Rs.)	9.18	22.46
Nominal value of an equity share (Rs.)	10	10



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

45. Provision for Contingencies

(Rs. million)

Particulars	Indirect Taxes (Refer Note 13)	Litigation and Disputes (Refer Note 9)	Total
Opening Balance	25.00	12.39	37.39
	(-)	(11.10)	(11.10)
Provided during the year	-	6.24	6.24
	(25.00)	(1.29)	(26.29)
Utilised during the year	13.20	-	13.20
	(-)	(-)	(-)
Closing Balance	11.80	18.63	30.43
	(25.00)	(12.39)	(37.39)

Figures in brackets relate to previous year.

- (a) Provision for Indirect Taxes is made towards likely demands that may arise on completion of assessments.
- (b) Provision for litigation and disputes is made towards legal notices received for non-payment of rent in case of stores taken on lease.

46. The previous year comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

Signatures to Notes to Consolidated financial statements

For Price Waterhouse
Firm Registration No: 012754N
Chartered Accountants

Mehul Desai
Partner
Membership No. 103211

Place : Mumbai
Date : May 20, 2014

For and on behalf of the Board of Directors

B. K. Goenka
Chairman

R. R. Mandawewala
Managing Director

Shashikant Thorat
Company Secretary

Place : Mumbai
Date : May 20, 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary company	(Rs.million)																			
	Welspun Global Brands Limited (Formerly known as Welspun Retail Limited)	Welspun Captive Power Generation Limited***	BESA Developers and Infrastructure Private Limited	Anjar Integrated Textile Park Developers Private Limited*	Welspun Anjar Sez Private Limited**	Welspun Holdings Private Limited	Welspun Home Textiles UK Limited	CHT Holdings Limited#	Christy Home Textiles Limited	Welspun UK Limited	Christy 2004 Limited	Christy UK Limited	Christy Europe Gmbh	ER Kingsley (Textiles) Limited	Christy Lifestyle LLC****	Welspun USA Inc.#	Welspun Decorative Hospitality	Kojo Canada Inc.	Welspun Mauritius Enterprises Limited	Novelty Home Textiles S A DE C V
Financial Year of the subsidiary ended on	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14	31-Mar-14
Share Capital	403.84	1,226.30	0.10	0.10	0.51	1.62	574.10	0.03	0.10	0.10	-	-	1.40	0.20	-	9.69	53.92	-	16.54	53.22
Reserves & Surplus	3,351.71	(238.53)	(14.69)	-	2,199.00	424.51	(418.62)	265.12	61.42	139.00	856.81	2.59	(6.26)	58.53	3.39	483.38	(282.57)	-	38.77	(64.85)
Total Assets	7,908.93	3,907.82	0.13	0.64	2,795.47	430.65	580.04	1,797.17	1,019.24	3,697.65	1,319.16	292.35	53.15	58.73	34.50	3,650.04	0.44	-	58.53	2.60
Total Liabilities	4,158.66	2,920.05	14.72	0.54	595.96	4.52	424.56	1,532.02	957.71	3,558.55	462.36	289.76	58.02	(0.00)	31.11	3,156.97	229.09	-	3.22	14.23
Investments (excluding investments in subsidiaries)	5.28	206.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover	36,638.18	2,250.07	-	-	-	-	-	2,634.50	-	2,597.63	-	-	70.21	-	17.62	9,306.49	-	-	-	-
Profit (Loss) before Taxation	889.76	(572.57)	(0.04)	-	(0.48)	(0.95)	(10.76)	106.85	(11.56)	55.76	-	-	2.52	-	3.27	375.72	(83.46)	-	43.33	(46.03)
Provision for Taxation	318.71	(334.04)	-	-	-	-	-	-	-	-	-	-	-	-	-	66.30	(0.11)	-	-	-
Profit (Loss) after Taxation	571.05	(238.53)	(0.04)	-	(0.48)	(0.95)	(10.76)	106.85	(11.56)	55.76	-	-	2.52	-	3.27	309.42	(83.34)	-	43.33	(46.03)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Consolidated Figure for the Company and all its subsidiaries is given.

* On November 26, 2013, Welspun Anjar Integrated Textile Park Private Limited (WAITP) became a subsidiary.

** On December 11, 2013, Welspun Anjar SEZ Private Limited became a subsidiary.

*** On April 1, 2013, WCPGL became the subsidiary.

**** On June 6, 2013, Christy Lifestyle LLC was incorporated in U.S.A.

YEAR	AWARD / RECOGNITION
2014	<ul style="list-style-type: none"> - Certified Women's Business Enterprise - WeConnect International - The CEO Award - Sears Holding - Green Believers Award - Frost & Sullivan Manufacturing Award - Best Corporate Social Responsibility Practices - World CSR Congress
2013	<ul style="list-style-type: none"> - Supplier of the year - TESCO - Largest Producer and Exporter, Made Ups & Home Textiles <ul style="list-style-type: none"> - TV18 Textile Conclave 2013-Brand India - Special Gold Trophy for highest exports of Cotton Textiles - Texprocil - Vendor of the Year - Sears / K-Mart - Partners in Business Transformation - Sears / K-Mart
2012	<ul style="list-style-type: none"> - Special Gold Trophy for Highest Global Exports - Gold Trophy for Highest Exports of Terry Towels in Made-ups - Gold Trophy for Highest Exports of Made-ups in Merchant Exporter - Silver Trophy for Second Highest Exports of Bed Linen/Bed Sheets/Quilts in Made-ups - Silver Trophy for Second Highest Exports of Other Cotton Made-ups in Made-ups <ul style="list-style-type: none"> - Texprocil awards 2011-12
2012	<ul style="list-style-type: none"> - Golden Peacock Eco-Innovation Award for Eco Dry Towels
2012	<ul style="list-style-type: none"> - Tesco Homeshop Gold Supplier Award
2012	<ul style="list-style-type: none"> - Wilkinson Award - Best Product
2011	<ul style="list-style-type: none"> - 5 Star Award - Macy's
2011	<ul style="list-style-type: none"> - Gold Award for highest exports - Special achievement award for made-ups - Merchant exporters award for made-ups/terry towels - Silver medals for bed linen/bed sheets madeups and other made ups <ul style="list-style-type: none"> - Texprocil awards 2010-11
2011	<ul style="list-style-type: none"> - Sheridan Ultra-Light Towel chosen as Winning Product in 'Favourite Home & Outdoor' category - Australian Women's Weekly, 2011
2011	<ul style="list-style-type: none"> - Sustainability Award for Process Innovation- Indian Carbon Outlook, 2011 - Outstanding CSR in Textile sector- India Shining Star CSR Awards, 2011 - Value Award- Tesco, 2010 - 5 Star Award- Macy's, 2010 - Best Co-planning Award for Supply Chain- WalMart, 2010

COMFORTERS AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS HAIR TOWELS
DECORATIVE PILLOWS HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS
QUILTS BATH WRAPS TOWELS SHEETS COMFORTERS BATH MATS WASHCLOTHS ROBES
MATTRESS PADS COMFORTERS AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS
DECORATIVE PILLOWS HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS
TOWELS COVERLETS BEACH TOWELS RUNNERS SHAMS CONSUMER TESTING
WASHCLOTHS SUSTAINABILITY AREA RUGS COMFORTERS AREA RUGS DUVET COVERS
BED SKIRTS BATH RUGS HAIR TOWELS DECORATIVE PILLOWS HAND TOWELS PILLOWCASES
SHEETS ACCENT RUGS TOWELS SHEETS COMFORTERS BATH MATS WASHCLOTHS
AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS LEADERSHIP DECORATIVE PILLOWS
HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS QUILTS BATH WRAPS
SPORTS TOWELS INNOVATION BEACH TOWELS RUNNERS SHAMS BATH MATS
WASHCLOTHS ROBES MATTRESS PADS AREA RUGS COMFORTERS AREA RUGS DUVET COVERS
BED SKIRTS GLOBAL SCALE DECORATIVE PILLOWS HAND TOWELS PILLOWCASES
ACCENT RUGS BED SHEETS HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS
TOWELS SHEETS BATH MATS WASHCLOTHS ROBES MATTRESS PADS BATH RUGS
COMFORTERS AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS HAIR TOWELS
DECORATIVE PILLOWS HAND TOWELS PILLOWCASES RESEARCH ACCENT RUGS
QUILTS BATH WRAPS SPORTS TOWELS COVERLETS BEACH TOWELS RUNNERS SHAMS
COMFORTERS BATH MATS WASHCLOTHS ROBES MATTRESS PADS AREA RUGS
COMFORTERS AREA RUGS DUVET COVERS CORPORATE SOCIAL RESPONSIBILITY
DECORATIVE PILLOWS HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS
TOWELS SHEETS PRODUCTIVE DEVELOPMENT WASHCLOTHS ROBES MATTRESS PADS
COMFORTERS AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS HAIR TOWELS
DECORATIVE PILLOWS HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS
QUILTS BATH WRAPS TOWELS SHEETS COMFORTERS BATH MATS WASHCLOTHS ROBES
MATTRESS PADS COMFORTERS AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS
WASHCLOTHS DECORATIVE PILLOWS **WELSPUN HOUSE** BED SHEETS ACCENT RUGS
QUILTS BATH WRAPS SPORTS TOWELS COVERLETS BEACH TOWELS RUNNERS SHAMS
COMFORTERS BATH MATS WASHCLOTHS ROBES MATTRESS PADS AREA RUGS
BED SHEETS ACCENT RUGS **6TH FLOOR, KAMALA MILLS COMPOUND** BATH RUGS HAIR
TOWELS DECORATIVE PILLOWS HAND TOWELS PILLOWCASES BED SHEETS ACCENT RUGS
TOWELS COVERLET **SENAPATI BAPAT MARG, LOWER PAREL** COMFORTERS BATH
MATTRESS PADS AREA RUGS **MUMBAI, 400 013 INDIA** WASHCLOTHS ROBES
DUVET COVERS BED SKIRTS BATH RUGS HAIR TOWELS DECORATIVE PILLOWS HAND TOWELS PILLOWCASES
BED SHEETS ACCENT RUGS **TEL : +91 22 66136000 / 24908000** BATH MATS WASHCLOTHS
HAND TOWELS ACCENT **FAX : +91 22 24908020** COMFORTERS AREA RUGS
AREA RUGS DUVET COVERS BED SKIRTS BATH RUGS HAIR TOWELS DECORATIVE PILLOWS
SPORTS TOWELS COVERLETS **WWW.WELSPUNINDIA.COM** SHAMS BATH MATS BED
WASHCLOTHS ROBES MATTRESS PADS AREA RUGS COMFORTERS AREA RUGS DUVET COVERS