

SURESH SUREKA & Co.
CHARTERED ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Welspun Natural Resources Private Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statement of **Welspun Natural Resources Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards required that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

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

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



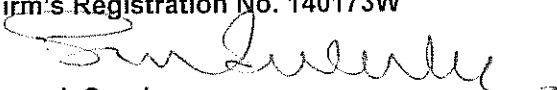
Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

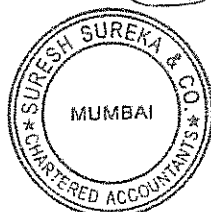
Report on Other Legal and Regulatory Requirements

5. As required by "the Companies (Auditor's Report) Order, 2015 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 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 explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
6. As required by section 143(3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
 - b. 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,
 - c. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with books of accounts
 - d. In our opinion, the aforesaid standalone financial statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
 - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and accordingly to the explanations give to us :
 - i. the Company does not have any pending litigations which would impact its financial position
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
SURESH SUREKA & CO.
Chartered Accountants
Firm's Registration No. 140173W


Suresh Sureka
Partner
Membership No. 34132

Place : Mumbai
Date : 29th May, 2015



SURESH SUREKA & Co.
CHARTERED ACCOUNTANTS

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

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph (5) of our report of even date to the members of Welspun Natural Resources Private Limited on the accounts for the year ended 31st March, 2015

1. (a) The Company has no Fixed Assets. Hence, Sub-Clause (b) and (c) is not applicable.
2. (a) The Company has not have any inventories. Hence, the question of physical verification and records does not arise.
3. The Company has not granted any loans, secured or unsecured, to any company, firm or other parties covered in the register maintained under section 189 of the Companies Act. As such, repayment of principal and interest and overdue amounts are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with size of the company and the nature of its business with regards to purchase of fixed assets. During the course of our audit, no major weaknesses were noticed in the internal control system in respect of above areas.
5. The Company has not accepted any deposit within the meaning of Section 73 to 76 of the Act and the rules framed thereunder.
6. The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Companies Act, for the company.
7. (a) According to information and explanation given to us and records of the company examined by us, the Company has been regular in depositing undisputed statutory dues, including, Income Tax, and other material statutory dues, as applicable with the appropriate authorities.

(b) Based on our audit procedures and according to the information and explanations given to us, there are no undisputed arrears of statutory dues which has remained outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

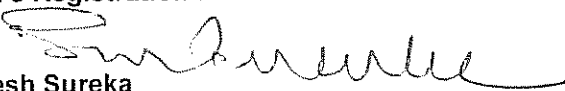
(c) Based on our audit procedures and according to the information and explanations given to us, there are no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
8. In our opinion, the accumulated losses of the company are more than fifty per cent of its net worth. The company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanation given to us, the Company does not have any borrowing from Bank / financial institution and there is no default in repayment of dues to Debenture holders.
10. The Company has not given any guarantee for loans take by others from bank or financial institutions. Hence, question of the terms and condition being prejudicial to the interest of the company does not arise.
11. The Company has not taken any term loans during the year.



SURESH SUREKA & Co.
CHARTERED ACCOUNTANTS

12. Based upon the audit procedures performed and according to the information and explanations given and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of
SURESH SUREKA & CO.
Chartered Accountants
Firm's Registration No. 140173W


Suresh Sureka
Partner
Membership No. 34132

Place : Mumbai
Date : 29th May, 2015




WELSPUN NATURAL RESOURCES PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

(Amount in Rupees)

Sr. No.	Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
	(a) Share Capital	2	31,87,50,000	1,87,50,000
	(b) Reserves and Surplus	3	<u>(14,68,82,847)</u>	<u>16,72,10,082</u>
			17,18,67,153	18,59,60,082
2 Non-current liabilities				
	(a) Long-term borrowings	4	2,55,04,42,839	1,92,31,98,636
3 Current liabilities				
	(a) Other current liabilities	5	<u>46,66,712</u>	<u>3,03,374</u>
			46,66,712	3,03,374
	TOTAL		<u><u>2,72,69,76,704</u></u>	<u><u>2,10,94,62,092</u></u>
II. ASSETS				
1 Non-current assets				
	(a) Fixed assets			
	(i) Capital Work in Progress		57,26,02,487	54,26,35,444
	(b) Non-current investments	6	13,11,15,380	17,98,65,380
	(c) Long-term loans and advances	7	<u>2,02,29,14,200</u>	<u>1,38,23,89,760</u>
			2,72,66,32,067	2,10,48,90,584
2 Current assets				
	(a) Cash and cash equivalents	8	2,95,636	43,49,862
	(b) Short-term loans and advances	9	49,000	49,000
	(c) Other Current Assets	10	<u>-</u>	<u>1,72,646</u>
			3,44,637	45,71,508
	TOTAL		<u><u>2,72,69,76,704</u></u>	<u><u>2,10,94,62,092</u></u>

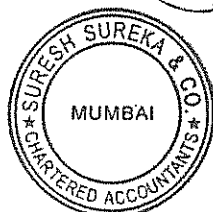
See accompanying notes from 1 to 15 forming part of the financial statements

As per our Report of even date
FOR SURESH SUREKA & CO.
FRN : 140173W
Chartered Accountants

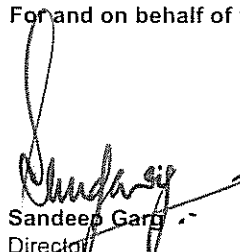


Suresh Sureka
Partner
Membership No: 34132

Place: Mumbai
Date: May 29, 2015



For and on behalf of the Board of Directors


Sandeep Garg
Director
DIN : 00036419

Place : Mumbai
Date : May 29, 2015


Shrinivas Kargutkar
Director
DIN : 06926585

WELSPUN NATURAL RESOURCES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Amount in Rupees)

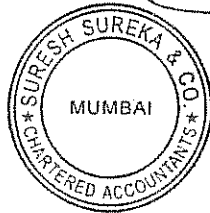
Sr. No.	Particulars	Note No.	Year ended March 31, 2015	Previous Year ended March 31, 2014
I.	Income			
	Revenue from Operations		-	-
	Other Income	11	1,772	15,86,04,622
	Total Revenue		1,772	15,86,04,622
II.	Expenses			
	Finance Costs	12	4,278	29,679
	Other expenses	13	59,63,833	15,90,74,176
	Total Expenses		59,68,111	15,91,03,855
III.	Profit before exceptional items and tax		(59,66,339)	(4,99,233)
IV.	Add/(Less) : Exceptional items	14	(30,56,26,590)	-
V.	Profit after exceptional items and before tax		(31,15,92,929)	(4,99,233)
VI.	Tax expense:			
	Current tax		-	-
VII.	Profit (Loss) for the period from continuing operations		(31,15,92,929)	(4,99,233)
VIII.	Profit/(loss) from discontinuing operations		-	-
IX.	Tax expense of discontinuing operations		-	-
X.	Profit/(loss) from Discontinuing operations (after tax)		-	-
XI.	Profit (Loss) for the period		(31,15,92,929)	(4,99,233)
XII.	Earnings per equity share (Face Value Rs 10 per share):			
	1. Basic (In Rupees)		(159.20)	(0.27)
	2. Diluted (In Rupees)		(159.20)	(0.27)
	Weighted average number of shares used in computing		19,57,192	18,75,000

See accompanying notes from 1 to 15 forming part of the financial statements

As per our Report of even date
FOR SURESH SUREKA & CO.
 FRN : 140173W
 Chartered Accountants

Suresh Sureka
 Partner
 Membership No: 34132

Place: Mumbai
 Date: May 29, 2015



For and on behalf of the Board of Directors

Sandeep Gajgare
 Director
 DIN : 00036419

Shrinivas Kargutkar
 Director
 DIN : 06926585

Place : Mumbai
 Date : May 29, 2015

WELSPUN NATURAL RESOURCES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

ANNEXED TO THE BALANCE SHEET

Particulars	31.03.2015 (Rs.)	31.03.2014 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	(5,966,339)	(499,233)
Adjustments for:		
Interest income	-	(158,481,739)
Unrealised exchange difference income	-	(122,883)
Sundry Balance written off	-	142,633,565
Operating Profit before working capital changes	(5,966,339)	(16,470,290)
Trade and other receivables	(1,238,257,096)	(52,639,878)
Trade and other payables	1,863,338	(125,592,398)
	(1,236,393,759)	(178,232,276)
Cash generated from operations	(1,242,360,098)	(194,702,566)
Taxes paid (net)	-	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	(1,242,360,098)	(194,702,566)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Including Capital Work in Progress)	(29,967,043)	(299,509,223)
Interest Income	-	158,481,739
NET CASH USED IN INVESTING ACTIVITY	(29,967,043)	(141,027,484)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings (Net)	968,272,915	339,626,422
NET CASH FROM FINANCING ACTIVITY	1,268,272,915	339,626,422
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	(4,054,226)	3,896,371
Cash and cash equivalent Opening balance	4,349,862	453,491
Cash and cash equivalent Closing balance	295,636	4,349,862

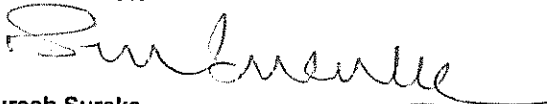
Notes:

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

FOR SURESH SUREKA & CO.

Chartered Accountants

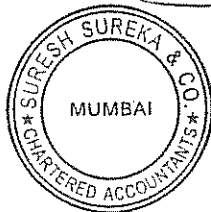
FRN : 140173W



Suresh Sureka

Partner

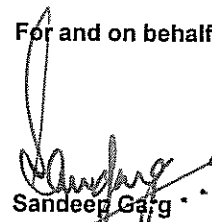
Membership No: 34132



Place: Mumbai

Date: May 29, 2015

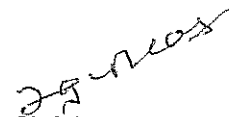
For and on behalf of the Board of Directors



Sandeep Gaig

Director

DIN : 00036419



Shrinivas Kargutkar

Director

DIN : 06926585

Place : Mumbai

Date : May 29, 2015

WELSPUN NATURAL RESOURCES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note 1 Significant Accounting Policies

1 Basis of Preparation of Financial Statements :

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

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

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 Schedule III to the Companies Act, 2013. Based on the nature of services 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.

The accounting policies adopted in the preparation of financial statement are consistent with those of previous year.

2 Use of estimates:

The preparation of financial statements in accordance with the generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of the assets and liabilities, disclosures of contingent liabilities as of the date of financial statements. Actual result could differ from these estimates. Any revision of such accounting estimate is recognized prospectively in current and future periods.

Note 2 Share Capital

(a) Share Capital

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised #		
320,00,000 (Previous Year 20,00,000) Equity Shares of Rs. 10 each	320,000,000	20,000,000
Issued,Subscribed and Paid up		
318,75,000 (Previous Year 18,75,000) Equity Shares of Rs.10 each fully paid up	318,750,000	18,750,000
	318,750,000	18,750,000
Total	318,750,000	18,750,000

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

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Equity Shares :-				
Balance as at the beginning of the year	1,875,000	18,750,000	1,875,000	18,750,000
Add:Shares Issued during the year	30,000,000	300,000,000	-	-
Balance as at the end of the year	31,875,000	318,750,000	1,875,000	18,750,000

(c) Details in respect of each class in the company held by the holding company and its associates

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of shares held	% of holding
Holding Company :-				
Welspun Enterprises Limited (Refer Note 15 (1))	31,875,000	100	1,875,000	100
Total	31,875,000	100	1,875,000	100

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

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Welspun Enterprises Limited (Refer Note 15(1))	31,875,000	100	1,875,000	100
Total	31,875,000	100	1,875,000	100

(e) The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuring Annual General Meeting.

In the event of Liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



WELSPUN NATURAL RESOURCES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note 3 Reserves And Surplus

(Amount in Rupees)		
Particulars	As at March 31, 2015	As at March 31, 2014
Reserves :-		
Securities Premium Account		
Balance as per last Balance Sheet	167,850,000	167,850,000
Add: Share issued expenses written off	(2,500,000)	-
	165,350,000	167,850,000
Profit and Loss Account		
Balance as per last Balance Sheet	(639,918)	(140,685)
Add: Net Profit/(Net Loss) for the current period	(311,592,929)	(499,233)
	(312,232,847)	(639,918)
Total	(146,882,847)	167,210,082

Note 4 Long-term borrowings

(Amount in Rupees)		
Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured Debentures		
96,96,923 (PY Nil) 0% Compulsorily Convertible Debentures of Rs 100 each fully paid up.	969,692,300	-
Loans and advances from related parties :-		
Interest free Unsecured Loan from Welspun Enterprise Ltd (Holding Company) *	1,580,750,539	1,921,779,176
Unsecured Loan from Welspun Corp Ltd	-	1,419,460
Total	2,550,442,839	1,923,198,636

* Formerly known as Welspun Projects Limited

Note 5 Other Current Liabilities

(Amount in Rupees)		
Particulars	As at March 31, 2015	As at March 31, 2014
Provision for Expenses	2,654,584	67,349
Creditors for Expenses	1,968,624	1,339
TDS Payable	43,504	234,686
Total	4,666,712	303,374

Note 6 Non Current Investments

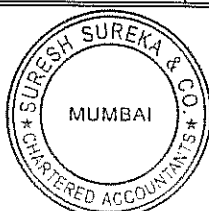
(Amount in Rupees)		
Particulars	As at March 31, 2015	As at March 31, 2014
Trade (unquoted) (Valued at Cost)		
I) Investments In Equity Instruments of Subsidiary		
Welspun Plastics Private Limited (C.Y.Nil) (P.Y.11,28,750 shares of Rs.10/- each)	-	48,750,000
II) Investments In Equity Shares of Associate		
Adani Welspun Exploration Limited (C.Y.34,99,997 shares of Rs.10/- each) (P.Y.34,99,997 shares of Rs.10/- each)	131,115,380	131,115,380
Total	131,115,380	179,865,380

Note 7 Long Term Loans and Advances

(Amount in Rupees)		
Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Loans and Advances to Related Parties	1,824,133,645	1,183,609,205
Balance with Government Authorities - Direct Tax	31,494,913	31,494,913
Interest Receivable	167,285,642	167,285,642
Total	2,022,914,200	1,382,389,760

Note 8 Cash and Cash Equivalents

(Amount in Rupees)		
Particulars	As at March 31, 2015	As at March 31, 2014
Balance with Banks		
Balance with Banks - In Current Accounts	295,636	4,349,862
Total	295,636	4,349,862



WELSPUN NATURAL RESOURCES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note 9 Short Term Loans and Advances

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good Security deposits	49,000	49,000
Total	49,000	49,000

Note 10 Other Current Assets

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Prepaid Expenses	-	172,167
VAT/ Service tax Receivable	-	479
Total	-	172,646

Note 11 Other Income

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Previous Year ended March 31, 2014
Other Interest	-	158,481,739
Gain on Exchange Difference	-	122,883
Other Income	1,772	-
Total	1,772	158,604,622

Note 12 Finance Costs

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Previous Year ended March 31, 2014
Bank Charges	4,278	29,679
Total	4,278	29,679

Note 13 Other Expenses

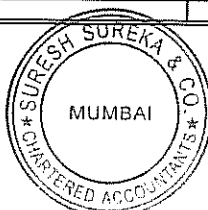
(Amount in Rupees)

Particulars	Year ended March 31, 2015	Previous Year ended March 31, 2014
Interest receivable (net of TDS) written off	-	142,633,565
Filing Fees & Registration Charges	12,923	1,785
Audit Fees	25,000	25,000
Lease Rent	172,167	152,250
Leave & License Fees	654,616	764,732
Legal & Professional Charges	188,538	1,107,006
Insurance Premium	-	16,826
Interest on Delayed Payment of TDS	78,563	39,281
Interest on Service Tax	12,102	-
Printing & Stationary	1,470	1,339
Repairs and Maintenance	1,996,530	1,112,919
Equipment Hire Charges	269,817	-
Security Charges	371,043	87,749
Demobilization Charges	119,294	-
Drilling Charges	1,427,374	-
Mobilization Charges	445,816	-
Transportation Charges	-	18,923
Water Charges	-	23,808
Preliminary expenses w/o	-	24,176
Bid Expenses	-	193,200
Cementing Charges	-	1,759,458
C & F Charges	-	49,998
Civil Consultancy Charges	136,080	169,379
Engineering Works	-	10,063,761
Labour Charges	52,500	199,776
Loading Unloading Charges	-	15,516
Mud Engineering Cost	-	612,274
Miscellaneous (Others)	-	1,455
Total	5,963,833	159,074,176

Note 14 Exceptional Items

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Previous Year ended March 31, 2014
Write off of Investment in WPPL (Refer Note 15 (1))	(48,750,000)	-
Write off of Loan to AWEL (Refer Note 15 (4) (b))	(256,876,590)	-
Total	(305,626,590)	-

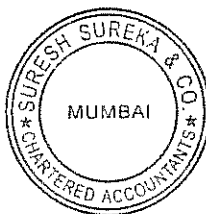


Note 15 Other Significant Notes

1 SCHEME OF AMALGAMATION AND ARRANGEMENT

During the year, the Board of Directors of Welspun Projects Limited (WPL) and Welspun Enterprises Limited (WEL) at their respective meeting held on November 4, 2014 approved the Scheme of Amalgamation and Arrangement under Section 391 and 394 of the Companies Act, 1956 ("the Scheme") of WEL and its subsidiaries Welspun Infotech Limited (WITL), Welspun Infra Projects Private Limited (WIPPL), Welspun Plastics Private Limited (WPPL) with WPL. Pursuant to the Scheme sanctioned by the Honorable High Court of Mumbai vide its order dated April 10, 2015 and the Honorable High Court of Baroda vide its order dated April 23, 2015, WEL and its subsidiaries WITL, WIPPL, WPPL ("Transferor Companies") was merged with WPL ("Transferee Company") retrospectively with effect from April 1, 2014 (the 'Appointed Date'). The Scheme came into effect on May 11, 2015 ('Effective Date') the day on which both the orders were delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of Transferor Companies have been transferred to and vested in the Company with effect from April 1, 2014. Stock exchange have been informed that record date would be June 5, 2015 for the purpose determining the list of the shareholders (including the GDR holders) of Welspun Enterprises Limited to whom the new equity shares ("new equity share") of Welspun Projects Limited will be allotted in the following ratio; Every equity shareholder of Welspun Enterprises Limited holding 1(one) equity shares in Welspun Enterprises Limited of Rs. 10 each fully paid up as of the Record Date shall be entitled to be 12 (Twelve) shares of face value Rs. 10 each, issued at par, credited as fully paid up, of Welspun Projects Limited. Hence investment in WPPL shares is written off during the year and disclosed as an exceptional items.

- 2 In the opinion of the Board the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and Provision for all the known liabilities have been made in the accounts.
- 3 In the opinion of the Management, Investments have been categorised as long term Investments. In view of this no provision is made for diminution, if any, in value of Investments.
- 4 (a) The Directorate General of Hydrocarbons have served termination notice on the ground that the designated operator in respect of the Block M/s Naftogaz India Pvt Ltd -"NIPL" had allegedly committed misrepresentation by falsely representing itself as the subsidiary of Naftogaz, Ukraine which has 10 % stake in the Block. Adani Group Companies-"Adani"-(55%) and Welspun Natural Resources Private Limited-"Welspun" (35%) together holding 90 % stake in the Block, have contested this notice. The Company has already made representations to the Government expressing its willingness to carry out the activities and to consider the Block as valid and live. Pending a decision from the Government on the representation made by the Company, it has been decided to carry the amount spent on the said block in the balance sheet, till the final outcome.
- 4 (b) Adani Welspun Exploration Limited-"AWEL" (Joint venture between Welspun Natural Resources Private Limited (WNRPL) and Adani Enterprises Limited (AEL)) relinquished the Block South Gulf of Suez, Egypt (Block) which was awarded to the Consortium of the Company and Gujarat State Petroleum Corporation Ltd (GSPCL) in Apr, 2010. The Block was operated by GSPCL (60%) and the balance was held by AWEL. As per the survey results and further understanding of the geographical area of the Block, it was observed that the carrying out any further programme in the Block will be geophysically impracticable and techno economically not feasible. Accordingly the Block was surrendered in November 2014. The total expenditure pertaining to the Block has been charged to the Statement of Profit & Loss and the advances given by the Promoter Companies (WNRPL and AEL) has been written back in the books of AWEL. The Company accordingly written off the loan given to AWEL amounting to Rs 256,876,590/-.



WELSPUN NATURAL RESOURCES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

5 **Related Party Disclosure:-**
 As per Accounting Standard 18, the disclosure with related parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year is given below.

Welspun Enterprises Ltd - Holding Company (Refer Note 15(1))
 Welspun Plastics Ltd. - Wholly Owned Subsidiary Company

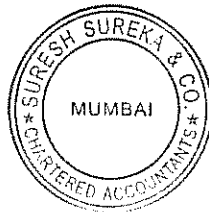
Key Management Personnel	
Mr Sandeep Garg	Director
Mr Apurba Kumar Dasgupta	Director
Mr Shrinivas Kargutkar	Director

Transaction with Related Parties :		(Amount in Rupees)	
Particulars	Year ended March 31, 2015	Previous Year ended March 31, 2014	
Application money received for CCD Welspun Enterprises Limited *	1,269,692,300	-	
Conversion of Application money into CCD Welspun Enterprises Limited *	1,269,692,300	-	
Conversion of CCD into Equity Capital Welspun Enterprises Limited *	300,000,000	-	
Loan Given during the year Welspun Plastics Pvt. Ltd. *	34,896,393	-	
Adani Welspun Exploration Limited	1,288,025,509	-	
Loan Repaid/ Written off during the year Welspun Plastics Pvt. Ltd. *	341,628,712	-	
Adani Welspun Exploration Limited	340,568,750	-	
Loan Taken during the year Welspun Infratech Ltd *	39,450	-	
Loan taken repaid during the year Welspun Infratech Ltd *	39,450	-	
Welspun Corp Limited	1,419,460	-	
Closing Balance			
Receivables			
Welspun Plastics Pvt. Ltd. *	-	306,932,319	
Adani Welspun Exploration Limited	1,824,133,645	876,676,886	
Interest Receivable during the period Adani Welspun Exploration Ltd.	167,285,642	167,285,642	
Investment In Adani Welspun Exploration Ltd.	131,115,380	131,115,380	
Welspun Plastics Pvt. Ltd. *	-	48,750,000	
Investment in CCD Welspun Enterprises Limited *	969,692,300	-	
Unsecured Loan Taken Welspun Enterprise Limited *	1,580,750,539	1,921,779,176	
Welspun Corp Limited	-	1,419,460	

* Refer Note 15 (1)

6 **Audit Fees :**

Particulars		(Amount in Rupees)	
Particulars	Year ended March 31, 2015	Previous Year ended March 31, 2014	
Audit Fee	25,000	25,000	



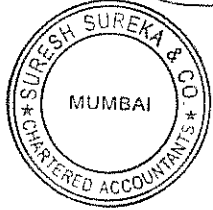
7 Figures of the Previous periods are reclassified/ rearranged/ regrouped wherever necessary.

As per our Report of even date
FOR SURESH SUREKA & CO.
FRN : 140173W
Chartered Accountants



Suresh Sureka
Partner
Membership No: 34132

Place: Mumbai
Date: May 29, 2015

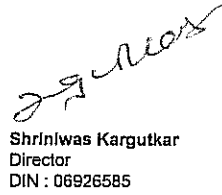


For and on behalf of the Board of Directors



Sandeep Garg
Director
DIN: 00036419

Place : Mumbai
Date : May 29, 2015



Shrinivas Kargutkar
Director
DIN : 06926585