

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 Anjar Water Solution Private Limited (Formerly Welspun Road Projects Private Limited)**

**Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statement of **Anjar Water Solution Private Limited (Formerly Welspun Road Projects Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2015, 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**

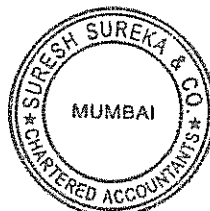
3. Our responsibility is to express an opinion on these financial statements based on our audit.

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**

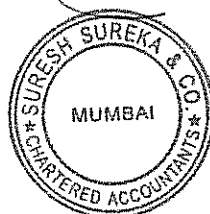
4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted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

**Report on Other Legal and Regulatory Requirements**

5. In our opinion, the Company is exempted from application of the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 since it fulfills all the conditions stipulated under clause (2)(v) of paragraph 1 of the said order and hence the matters specified in paragraph 3 and 4 of the said Order are not 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, 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



**ANJAR WATER SOLUTION PRIVATE LIMITED**  
(Formerly Welspun Road Projects Private Limited)

**Balance Sheet as at March 31, 2015**

( Amount in Rupees)

	Notes	March 31, 2015	March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	1	1,00,000	1,00,000
<b>Current Liabilities</b>			
(a) Other Current Liabilities	2	7,42,582	7,25,696
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,42,582</b>	<b>8,25,696</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Fixed Assets			
(i) Capital Work-in-Progress	3	7,78,561	7,61,491
<b>Current Assets</b>			
(a) Cash and Cash Equivalents	4	64,021	64,205
<b>TOTAL ASSETS</b>		<b>8,42,582</b>	<b>8,25,696</b>

Significant Accounting Policies

A

The accompanying notes are an integral part of the financial statements

As per our report of even date

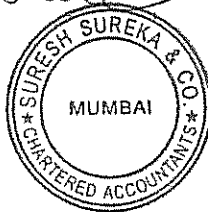
**FOR SURESH SUREKA & CO.**  
Chartered Accountants  
FRN : 140173W

**For and on behalf of the Board of Directors**



**Suresh Sureka**  
Partner  
Membership No.: 34132

Date : May 29, 2015  
Place: Mumbai




**Devendra Patil**  
Director  
DIN : 00062784

Date : May 29, 2015  
Place: Mumbai



**Deepak Chauhan**  
Director  
DIN : 01694550

**ANJAR WATER SOLUTION PRIVATE LIMITED**  
(Formerly Welspun Road Projects Private Limited)

**Cash Flow Statement**

Annexed to the balance sheet for the year ended March 31, 2015

All amounts in Indian Rupees

	March 31, 2015 Rs	March 31, 2014 Rs
<b>Cash flow from operating activity</b>		
Cash flow from operating activities	-	-
<b>Net cash flow from/ (used in) operating activities (A)</b>	-	-
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(184)	(1,185)
<b>Net cash flow from/ (used in) investing activities (B)</b>	(184)	(1,185)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	-	-
<b>Net cash flow from/ (used in) in financing activities (C)</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B +C)</b>	(184)	(1,185)
Cash and cash equivalents at the beginning of the year	64,205	65,390
<b>Cash and cash equivalents at the end of the year</b>	<b>64,021</b>	<b>64,205</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	-
With banks- on current account	64,021	64,205
<b>Total cash and cash equivalents</b>	<b>64,021</b>	<b>64,205</b>

Note:

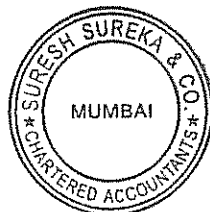
The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report of even date

For **SURESH SUREKA & CO**  
Chartered Accountants  
Firm Registration No.: 140173W



Suresh Sureka  
Partner  
Membership No.: 34132



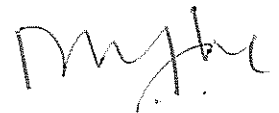
Date : May 29, 2015  
Place: Mumbai

For and on behalf of the Board of Directors



Devendra Patil  
Director  
DIN : 00062784

Date : May 29, 2015  
Place: Mumbai



Deepak Chauhan  
Director  
DIN : 01694550

**ANJAR WATER SOLUTION PRIVATE LIMITED**  
(Formerly Welspun Road Projects Private Limited)  
Annexed to and forming part of financial statements for the year ended March 31, 2015

*All amounts in Indian Rupees*

**A SIGNIFICANT ACCOUNTING POLICIES**

**i Basis of Accounting**

- a 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, 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 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.

- b Anjar Water Solution Private Limited (the Company) follows the mercantile system of accounting.

**ii Basis of Preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Act.

**iii Use of Estimates**

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

**iv Fixed Assets**

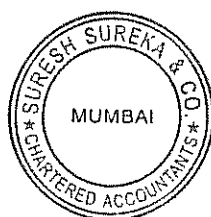
- a Fixed assets are stated at original cost of acquisition net of accumulated depreciation.
- b All direct expenses attributable to fixed assets are capitalized.
- c Capital Work In Progress includes preoperative expenditure and is stated at the amount incurred upto the Balance Sheet date.

**v Depreciation**

Depreciation on fixed assets is provided on Straight Line Method at the rates prescribed in Schedule II to the Companies Act 2013.

**vi Lease**

The Lease Payments under operating lease are recognized as an expense on accrual basis in accordance with the respective lease agreements.



**ANJAR WATER SOLUTION PRIVATE LIMITED**

(Formerly Welspun Road Projects Private Limited)

Annexed to and forming part of financial statements for the year ended March 31, 2015

*All amounts in Indian Rupees*

**B NOTES TO ACCOUNTS**

**1 Share Capital**

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	<u>Amount</u>	<u>Amount</u>
<b>Authorised:</b>		
50,000 (Previous Year: 50,000) Equity Shares of Rs. 10/- each	500,000	500,000
<b>Issued, subscribed and fully paid up:</b>		
10,000 (Previous Year: 10,000) Equity Shares of Rs. 10/- each	100,000	100,000
<b>Total Issued, subscribed and fully paid up Share Capital</b>	<b>100,000</b>	<b>100,000</b>

**a Terms/rights attached to equity shares**

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

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

**b Reconciliation of shares outstanding at the beginning and at the end of the period**

	<u>March 31, 2015</u>		<u>March 31, 2014</u>	
	<u>No of Shares</u>	<u>Amount</u>	<u>No of Shares</u>	<u>Amount</u>
At the beginning of the period	10,000	100,000	10,000	100,000
Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

**c Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	<u>No of Shares</u>	<u>No of Shares</u>
Welspun Enterprises Limited (Refer Note C(1)) *	10,000	-
Welspun Infratech Limited (Refer Note C(1))	-	10,000

**d Details of shareholders holding more than 5% shares in the Company**

	<u>March 31, 2015</u>		<u>March 31, 2014</u>	
	<u>No of Shares</u>	<u>% Holding</u>	<u>No of Shares</u>	<u>% Holding</u>
Welspun Enterprises Limited (Refer Note C(1)) *	10,000	100%	-	-
Welspun Infratech Limited (Refer Note C(1))	-	-	10,000	100%

\* Formerly known as Welspun Projects Limited

**2 Other Current Liabilities**

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	<u>Amount</u>	<u>Amount</u>
Creditor for Expenses	732,582	715,696
Audit fees payable	10,000	10,000
<b>Total Other Current Liabilities</b>	<b>742,582</b>	<b>725,696</b>



ANJAR WATER SOLUTION PRIVATE LIMITED

(Formerly Welspun Road Projects Private Limited)

Annexed to and forming part of financial statements for the year ended March 31, 2015

*All amounts in Indian Rupees*

3 Capital Work-in-Progress (Pre operative expenses)

	March 31, 2015	March 31, 2014
	Amount	Amount
Opening balance	7,61,491	7,50,306
Filing Fees, Stamp duty and registration	4,738	918
Bank Charges	184	267
Audit Fees	11,236	10,000
Legal and Professional Fees	912	-
<b>Total Capital Work-in-Progress</b>	<b>7,78,561</b>	<b>7,61,491</b>

4 Cash and Cash Equivalents

	March 31, 2015	March 31, 2014
	Amount	Amount
Balances with banks:		
- On current accounts	64,021	64,205
<b>Total Cash and Cash Equivalents</b>	<b>64,021</b>	<b>64,205</b>



**ANJAR WATER SOLUTION PRIVATE LIMITED**  
(Formerly Welspun Road Projects Private Limited)  
Annexed to and forming part of financial statements for the year ended March 31, 2015

*All amounts in Indian Rupees*

**C Other Notes**

**1 SCHEME OF AMALGAMATION AND ARRANGEMENT**

During the year, the Board of Directors of Welspun Projects Limited (WPL) and Welspun Enterprises Limited (WEL) 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 Infratech 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'). 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. Accordingly Welspun Enterprises Limited (formerly known as Welspun Projects Limited) became the shareholder of Anjar Water Solution Private Limited (formerly known as Welspun Road Projects Private Limited).

**2 Related Party Disclosures**

As per Accounting Standard 18, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

**a Related parties where control exists**

Holding Company Welspun Enterprises Limited (Refer Note C(1))

**b Related parties with whom transaction have taken place during the year**

Holding Company Welspun Enterprises Limited (Refer Note C(1))

**c Transaction with related parties**

Name of Entity	Nature of transactions	Amount of Transaction March 31, 2015	Amount of Transaction March 31, 2014
Welspun Enterprises Limited (Refer Note C(1))	Reimbursement of Expenses	16,886	-

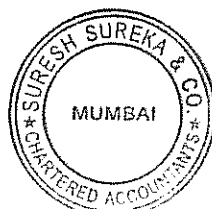
**d Outstanding items pertaining to the related parties at the Balance Sheet date**

Name of Entity	Nature of transactions	Amount of Transaction March 31, 2015	Amount of Transaction March 31, 2014
Welspun Enterprises Limited (Refer Note C(1))	Share Capital	1,00,000	1,00,000
Welspun Enterprises Limited (Refer Note C(1))	Other Current Liabilities	7,32,030	7,15,144

Note : Related Parties are as disclosed by the Management and relied upon by the auditors.

**3 Details of dues to Micro, Small and Medium Enterprises**

There are no dues to Micro, Small and Medium Enterprises as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2015. This information has been determined to the extent such parties have been identified on the basis of the information available with the Company.





**ANJAR WATER SOLUTION PRIVATE LIMITED**

(Formerly Welspun Road Projects Private Limited)

Annexed to and forming part of financial statements for the year ended March 31, 2015

*All amounts in Indian Rupees*

4 Segment Reporting

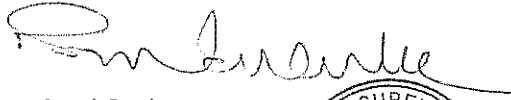
The Company is engaged in one business segment i.e. infrastructure development. The Company is operating in a single geographical segment i.e. India.

5 As the Company has not commenced the operations, the Statement of Profit and Loss has not been prepared for the year.

6 Previous Year figures are regrouped, rearranged or recast wherever considered necessary.

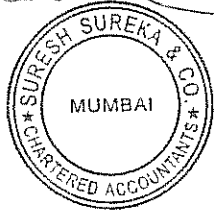
As per our report of even date

**FOR SURESH SUREKA & CO.**  
Chartered Accountants  
FRN : 140173W

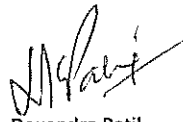


Suresh Sureka  
Partner  
Membership No.: 34132

Date : May 29, 2015  
Place: Mumbai



For and on behalf of the Board of Directors



Devendra Patil  
Director  
DIN : 00062784

Date : May 29, 2015  
Place: Mumbai



Deepak Chauhan  
Director  
DIN : 01694550