

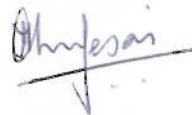
The Board of Directors
Welspun Global Brands Limited
Welspun House, 7th Floor
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel
Mumbai 400 013

1. We have reviewed the accompanying 'Unaudited Standalone financial results for the quarter ended 30th June 2012' in which are included the results for the quarter ended June 30, 2012 (the "Statement") of Welspun Global Brands Limited, except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. As on June 30, 2012 the Company has (a) investments in a subsidiary, Welspun Retail Limited ("WRL"), aggregating Rs. 6,342.80 lacs, in relation to which diminution in the value of investments, which in our view is other than temporary, has not been estimated and adjusted against the aforesaid reported investments balance; resulting in non-compliance with Accounting Standard 13 – Accounting for Investments; and (b) advances to WRL, aggregating Rs. 7,010.42 lacs in relation to which valuation allowance has not been estimated and adjusted against the aforesaid advances; which does not meet the requirement to consider prudence in selection of accounting policies, as set out in Accounting Standard 1- Disclosure of Accounting Policies; as WRL has been incurring significant losses (Rs. 360.25 lacs for the quarter ended June 30, 2012 and Rs. 18,881.19 lacs as at June 30, 2012 basis its unaudited financial statements as of and for the quarter ended June 30, 2012) and has also been consistently unable to achieve its projected financial results.
6. Without qualifying our conclusion, we draw your attention to the following matters:
 - (a) The Company is dependent on Welspun India Limited ("WIL") for procurement of its products and WIL is the Company's principal supplier. The Company does not have any long term definitive agreements with WIL for supply of the WIL's products to the Company. In the event that WIL ceases to supply products to the Company, the business of the Company could be adversely impacted.



- (b) Consequent to the demerger of the marketing division of WIL into the Company, the Company issued corporate guarantees, aggregating Rs. 58,874 lacs as at June 30, 2012 on behalf of WIL, in favor of consortium of bankers in relation to debt facilities provided by them to WIL, and other corporate guarantees aggregating Rs. 17,883 lacs as at June 30, 2012 on behalf of, Welspun India Limited (WIL) and Welspun Retail Limited ('WRL'). If WIL and WRL are unable to meet their obligations as they fall due, the financial condition and cash flows of the Company could be adversely impacted.
7. Based on our review conducted as above, *except for the indeterminate effects of the matters referred to in paragraph 5 above on 'Other Expenses' (line 2 e in the Statement), profit (lines 3, 5, 7, 9, 11 and 13 in the Statement) and 'Earnings Per Share' (lines 16 a to d in the Statement) for the quarter ended June 30, 2012*, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Price Waterhouse**
Firm Registration Number: 012754N
Chartered Accountants



Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: August 8, 2012

WELSPUN GLOBAL BRANDS LIMITED
REGD.OFFICE : WELSPUN CITY, VILLAGE VERSAMEDI, TALUKA ANJAR, DIST KUTCH, GUJARAT -370110
CORP OFFICE : WELSPUN HOUSE, 6th FLOOR, KAMALA MILLS COMPOUND, SENAPATI BAPAT MARG,
LOWER PAREL, MUMBAI-400013

Part I

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2012

Sr. No.	Particulars	Rs. in Lacs			
		Quarter ended 30.06.2012 (Unaudited)	Quarter ended 31.03.2012 (Unaudited)	Quarter ended 30.06.2011 (Unaudited)	Year ended 31.03.2012 (Unaudited)
1	a. Net Sales/ Income from Operations	75,103.30	70,342.31	47,486.15	239,614.84
	b. Other Operating Income	4,980.47	4,801.08	-	8,643.12
	Total	80,083.77	75,143.39	47,486.15	248,257.96
2	Expenses				
	a. Purchase of Stock-in-Trade	67,796.56	67,090.73	46,578.75	229,971.53
	b. Changes in Inventories of Stock-in-Trade	320.16	(420.41)	(1,122.66)	(3,370.83)
	c. Employee Benefits Expense	382.81	341.74	414.33	1,439.90
	d. Depreciation and Amortisation Expense	6.29	11.84	6.42	32.03
	e. Other Expenses	8,175.39	6,617.86	1,928.58	15,567.69
	Total Expenses	76,683.21	73,641.76	47,805.42	243,640.32
3	Profit/ (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	3,400.56	1,501.63	(319.27)	4,617.64
4	Other Income	2.46	126.35	2,242.58	448.81
5	Profit/ (Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	3,403.02	1,627.98	1,923.31	5,066.45
6	Finance Costs	1,243.20	1,166.31	753.29	3,954.31
7	Profit/ (Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	2,159.82	441.67	1,170.02	1,112.14
8	Exceptional Items (Gain) / Loss (Refer Note 4 below)	625.20	8,538.43	-	8,538.43
9	Profit/ (Loss) from Ordinary Activities before Tax (7+8)	1,534.62	(8,096.76)	1,170.02	(7,426.29)
10	Tax Expense				
	Provision for Taxation - Current Tax (Net)	788.14	90.10	360.18	396.49
	Provision for Taxation - Deferred Tax	(86.93)	51.92	22.93	(30.13)
	Total	701.21	142.02	383.11	366.36
11	Net Profit/ (Loss) from Ordinary Activities after Tax (9-10)	833.41	(8,238.78)	786.91	(7,792.65)
12	Extraordinary Items (net of tax expense)	-	-	-	-
13	Net Profit / (Loss) for the Period (11-12)	833.41	(8,238.78)	786.91	(7,792.65)
14	Paid-up Equity Share Capital (Shares of Rs. 10 each)	1,047.55	1,047.55	1,047.55	1,047.55
15	Reserves Excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year	-	-	-	(1,092.90)
16	Earnings / (Loss) Per Share in Rs.				
	a) Basic EPS before Extraordinary Items	7.96*	(78.65)*	7.51*	(74.39)
	b) Diluted EPS before Extraordinary Items	7.96*	(78.65)*	7.51*	(74.39)
	c) Basic EPS after Extraordinary Items	7.96*	(78.65)*	7.51*	(74.39)
	d) Diluted EPS after Extraordinary Items	7.96*	(78.65)*	7.51*	(74.39)
Part II					
	Particulars of Shareholding				
1	Public Shareholding				
	a) Number of Shares	4,073,807	4,073,797	4,073,797	4,073,797
	b) Percentage of Shareholding	39%	39%	39%	39%
2	Promoters and Promoter Group Shareholding				
	a. Pledged/Encumbered				
	- Number of Shares	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group)	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of the total Share capital of the Company)	NIL	NIL	NIL	NIL
	b. Non-Encumbered				
	- Number of Shares	6,401,689	6,401,699	6,401,699	6,401,699
	- Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group)	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total Share capital of the Company)	61%	61%	61%	61%

* Not Annualised

Information on investors complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended June 30, 2012.

Number of Complaints	Opening	Additions	Disposals	Closing
	-	11	11	-

Notes:

- The above financial results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at its meeting held on August 8, 2012.
- The Board of Directors at its meeting held on May 7, 2012 has, subject to approval of the Stock Exchanges, sanction of the Honourable High Court of Gujarat and other approvals as may be necessary, approved a composite scheme of arrangement (the "Scheme") between the Company, Welspun India Limited ("WIL") and Welspun Retail Limited ("WRL"). According to the Scheme, the Company will be merged into WIL as a going concern, the marketing business undertaking of WIL will be hived off to WRL and certain overseas investments of WIL would be transferred to WRL. Consequently, the Company shall be dissolved without winding up and the name of WRL would be changed to Welspun Global Brands Limited. Appointed Date for the Scheme is April 1, 2011 and the stakeholders of all the concerned companies have already approved the Scheme in the Court Convened meeting held on August 4, 2012.
- The limited review report of the auditors includes a qualification regarding non-determination of other-than-temporary diminution in the value of investments aggregating Rs. 6,342.80 lacs in the Company's subsidiary, Welspun Retail Limited (WRL) and provision that should be made against the advances aggregating Rs. 7,010.42 lacs due from WRL, whose accumulated losses, based on its unaudited financial statements as at June 30, 2012 aggregated Rs. 18,881.19 lacs. The management considers WRL a strategic long term investment and is of the view that the hive-off of the marketing business undertaking of WIL into WRL as proposed in the Scheme mentioned in Note 2 above would lead to a turnaround in WRL's operations. Accordingly, in the opinion of the management, the aforesaid investments and the advances amounts outstanding as at June 30, 2012 are considered good and recoverable.
- Exceptional items for the quarter ended June 30, 2012 pertain to provision for loans given to Welspun Mauritius Enterprises Limited (WMEL), a wholly owned subsidiary. Earnings per share (Basic) before such exceptional items for the quarter ended June 30, 2012 is Rs. 13.92 and for the year ended March 31, 2012 was Rs. 7.12.
- The Company operates in only one primary business segment i.e. Home Textiles Segment. Hence, information relating to primary segments is not required to be separately furnished.
- The Company is exclusively engaged in sales to customers located outside India. Consequently, the Company does not have separate reportable geographical segments.

Mumbai
Date : August 8, 2012



FOR AND ON BEHALF OF BOARD

Rajesh Mandawewala
Director