

WCL/SEC/2017

November 6, 2017

To,

<b>BSE Ltd.</b> <b>(Scrip Code-532144)</b> Department of Listing, P. J. Towers, Dalal Street, Mumbai - 400 001.	<b>National Stock Exchange of India Ltd.</b> <b>(Symbol: WELCORP, Series EQ)</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
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Dear Sirs/ Madam,

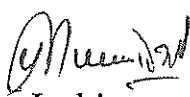
**Sub.: (1) Un-audited Financial Results for the quarter and half year ended September 30, 2017 and**  
**(2) Business Update and Investor Presentation.**

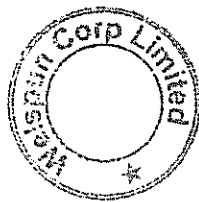
Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith standalone as well as consolidated Un-audited Financial Results for the quarter and half year ended September 30, 2017 ("UFR") alongwith the limited review report as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held today. The Board meeting concluded at 1:00 p.m.

Also attached is the Business Update and Investor Presentation which is being released to the media.

Kindly take note of the above.

For Welspun Corp Limited

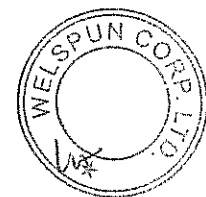
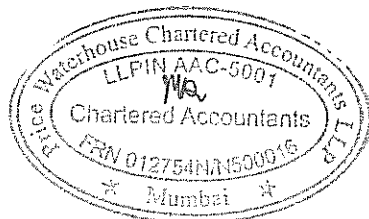
  
**Pradeep Joshi**  
Company Secretary  
FCS - 4959



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated					
		Quarter Ended (Unaudited)			Half Year ended (Unaudited)		Year Ended (Audited)
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
1	<b>Income</b>						
a	Revenue from operations	192,203	154,426	115,306	346,629	266,411	576,341
b	Other operating income	8,400	7,394	5,373	15,794	9,904	27,206
c	Other income	3,718	6,357	4,480	10,075	9,358	22,460
	<b>Total income</b>	<b>204,321</b>	<b>168,177</b>	<b>125,159</b>	<b>372,498</b>	<b>285,673</b>	<b>626,007</b>
2	<b>Expenses</b>						
a	Cost of materials consumed	155,572	109,439	59,259	265,011	139,468	362,772
b	Purchase of stock-in-trade	1,943	766	23,558	2,709	58,505	58,505
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(20,883)	(9,207)	(3,501)	(30,090)	(13,592)	(17,256)
d	Excise duty	-	4,476	3,736	4,476	6,293	13,676
e	Employee benefit expense	11,243	10,326	9,855	21,569	21,612	43,055
f	Depreciation and amortisation expense	9,797	9,574	9,759	19,371	19,122	38,608
g	Other expenses	34,186	25,395	20,858	59,581	47,394	91,554
h	Finance costs	5,350	5,328	5,849	10,678	11,563	23,571
	<b>Total expenses</b>	<b>197,208</b>	<b>156,097</b>	<b>129,373</b>	<b>353,305</b>	<b>290,365</b>	<b>614,485</b>
3	<b>Profit for the period before tax and share of profit/ (loss) of joint ventures (1-2)</b>	<b>7,113</b>	<b>12,080</b>	<b>(4,214)</b>	<b>19,193</b>	<b>(4,692)</b>	<b>11,522</b>
4	Share of profit/ (loss) of joint venture	(1,572)	(2,496)	(926)	(4,068)	(2,263)	(7,930)
5	<b>Profit/ (loss) before tax (3+4)</b>	<b>5,541</b>	<b>9,584</b>	<b>(5,140)</b>	<b>15,125</b>	<b>(6,955)</b>	<b>3,592</b>
6	<b>Tax expense</b>						
a	Current tax	259	7,582	268	7,841	322	4,722
b	Deferred tax	1,245	(3,116)	(1,923)	(1,871)	(2,735)	(2,142)
	<b>Total tax expense</b>	<b>1,504</b>	<b>4,466</b>	<b>(1,655)</b>	<b>5,970</b>	<b>(2,413)</b>	<b>2,580</b>
7	<b>Net profit/ (loss) for the period (5-6)</b>	<b>4,037</b>	<b>5,118</b>	<b>(3,485)</b>	<b>9,155</b>	<b>(4,542)</b>	<b>1,012</b>
8	<b>Other Comprehensive Income, net of income tax</b>						
a	Items that will be reclassified to profit or loss	598	(1,717)	(1,104)	(1,119)	1,432	(1,787)
b	Items that will not be reclassified to profit or loss	(108)	(96)	(85)	(204)	(88)	(224)
		490	(1,813)	(1,189)	(1,323)	1,344	(2,011)
9	<b>Total Comprehensive Income for the period (including non-controlling interest) (7+8)</b>	<b>4,527</b>	<b>3,305</b>	<b>(4,674)</b>	<b>7,832</b>	<b>(3,198)</b>	<b>(999)</b>
10	<b>Net profit/ (loss) attributable to:</b>						
	-Owners	4,176	5,467	(3,364)	9,643	(4,303)	2,643
	-Non-controlling interest	(139)	(349)	(121)	(488)	(239)	(1,631)
11	<b>Other comprehensive income attributable to:</b>						
	-Owners	517	(1,788)	(1,146)	(1,271)	1,325	(1,827)
	-Non-controlling interest	(27)	(25)	(43)	(52)	19	(184)
12	<b>Total comprehensive income attributable to:</b>						
	-Owners	4,693	3,679	(4,510)	8,372	(2,978)	816
	-Non-controlling interest	(166)	(374)	(164)	(540)	(220)	(1,815)
13	<b>Paid up equity share capital (Face value of Rs. 5/- each)</b>	<b>13,261</b>	<b>13,261</b>	<b>13,261</b>	<b>13,261</b>	<b>13,261</b>	<b>13,261</b>
14	<b>Other Equity</b>				<b>265,458</b>	<b>253,973</b>	<b>267,683</b>
15	<b>Earnings per share (of Rs. 5/- each) (not annualised)</b>						
	-Basic (In Rs.)	1.58	2.06	(1.25)	3.64	(1.52)	1.00
	-Diluted (In Rs.)	1.58	2.06	(1.25)	3.64	(1.52)	1.00



**Notes:**

- 1 The above financial results for the quarter / half year ended September 30, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on November 06, 2017. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / half year ended September 30, 2017.
- 2 The Company is principally engaged in a single segment viz., Steel products based on nature of products, risks, returns and the internal business reporting system.
- 3 The Standalone financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at the meeting held on November 06, 2017 and will be made available to BSE and NSE and will be posted on the Company's website www.welspuncorp.com. The key information related to standalone financial results are given below :

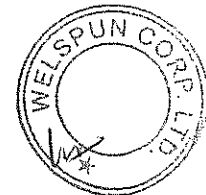
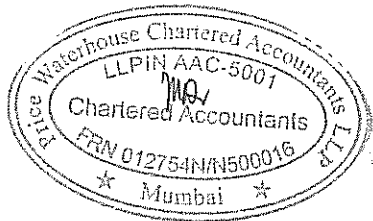
Key financials		(Rs. in lakhs except earnings per share)					
		Quarter Ended (Unaudited)			Half Year ended (Unaudited)		Year Ended (Audited)
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
a	Total Income	133,914	140,531	64,666	274,445	186,751	469,562
b	Profit / (loss) before tax	(3,024)	17,119	(6,054)	14,095	(3,255)	26,378
c	Profit / (loss) after tax	(1,851)	11,216	(3,944)	9,365	(2,054)	17,459
d	Earnings per share (in Rs.) (not annualised)						
	i) Basic (in Rs.)	(0.70)	4.23	(1.49)	3.53	(0.77)	6.58
	ii) Diluted (in Rs.)	(0.70)	4.23	(1.49)	3.53	(0.77)	6.58

- 4 This Statement has been prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 5 The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 29,000 lakhs (excludes transaction costs as per effective interest rate Rs. 66 lakhs) as on September 30, 2017 are secured by first charge ranking pari passu by way of mortgage / hypothecation of entire immovable and movable tangible assets of the Company both present and future and second / floating charge on current assets subject to prior charge in favour of banks for working capital facilities. The Company has maintained hundred percent asset cover sufficient to discharge the principal amount of the said debentures in terms of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The fixed assets cover is 4.02 times for total debts and the Credit rating by CARE for Secured Redeemable Non Convertible Debentures issue by the Company continues to be "AA".
- 6 Final Dividend of Rs. 0.50 per share proposed for the year ended March 31, 2017, was approved by the Shareholders in AGM held on September 20, 2017, and paid subsequently during the current quarter.
- 7 Post the applicability of Goods and Service Tax (GST) in India with effect from July 1, 2017, revenue from operations are required to disclosed net of GST in accordance with the requirements of IndAS. Accordingly the revenue from operations for the quarter ended and six months ended September 30, 2017 are not comparable with the immediately preceding quarter ended June 30, 2017 and corresponding previous period presented in the financial results which are reported inclusive of excise duty.

For and On Behalf of the Board of Directors of Welspun Corp Limited

*Lalitkumar Naik*  
Lalitkumar Naik  
Managing Director & CEO  
DIN - 02943588

Place: Mumbai  
Date: November 06, 2017



STATEMENT OF UNAUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

(Rs. in Lakhs)

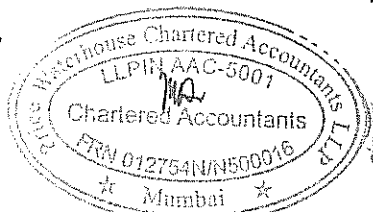
Particulars	As at September 30, 2017 (Unaudited)	As at March 31, 2017 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	316,676	334,813
Capital work-in-progress	2,942	2,497
Investment property	12	12
Goodwill on consolidation	47	47
Other intangible assets	1,319	718
Intangible assets under development	120	726
Investments accounted for using the equity method	15,460	18,364
<b>Financial assets</b>		
Investments	3,494	3,477
Loans	22,235	20,952
Other financial assets	3,185	3,205
Deferred tax assets (net)	99	-
Other non-current assets	9,242	10,283
<b>Total non-current assets</b>	<b>374,831</b>	<b>395,094</b>
<b>Current assets</b>		
Inventories	186,074	176,466
<b>Financial assets</b>		
Investments	29,470	50,686
Trade receivables	156,628	146,519
Cash and cash equivalents	8,406	14,795
Bank balances other than cash and cash equivalents	6,569	8,166
Loans	58	66
Other financial assets	2,060	5,738
Current tax assets (net)	-	14
Other current assets	47,777	27,087
Assets classified as held for sale	60	60
<b>Total current assets</b>	<b>437,102</b>	<b>429,597</b>
<b>Total assets</b>	<b>811,933</b>	<b>824,691</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	13,261	13,261
<b>Other equity</b>		
Reserves and surplus	264,255	265,177
Other reserves	1,203	2,506
<b>Equity attributable to owners of Welspun Corp Limited</b>	<b>278,719</b>	<b>280,944</b>
Non-controlling interests	5,682	11,354
<b>Total equity</b>	<b>284,401</b>	<b>292,298</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	112,037	152,145
Provisions	3,854	3,509
Deferred tax liabilities (net)	40,518	38,051
Government grants	36,431	36,536
<b>Total non-current liabilities</b>	<b>192,840</b>	<b>230,241</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	20,033	22,033
Trade payables	252,196	219,309
Other financial liabilities	24,614	24,857
Provisions	1,937	1,729
Government grants	6,405	4,147
Current tax liabilities (net)	15,122	8,039
Other current liabilities	14,385	22,038
<b>Total current liabilities</b>	<b>334,692</b>	<b>302,152</b>
<b>Total Liabilities</b>	<b>527,532</b>	<b>532,393</b>
<b>Total equity and liabilities</b>	<b>811,933</b>	<b>824,691</b>

For and On Behalf of the Board of Directors of Welspun Corp Limited

*Lalitkumar Naik*

Lalitkumar Naik  
Managing Director & CEO  
DIN - 02943588

Place : Mumbai  
Date: November 06, 2017



# Price Waterhouse Chartered Accountants LLP

November 06, 2017

The Board of Directors  
Welspun Corp Limited  
5<sup>th</sup> Floor, Welspun House,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West),  
Mumbai – 400 013

1. We have reviewed the unaudited consolidated financial results of Welspun Corp Limited (the "Company") and its subsidiaries (hereinafter referred to as the "Group") and its joint ventures for the quarter ended September 30, 2017 which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the Quarter/Half year ended September 30, 2017' and the statement of unaudited consolidated assets and liabilities as on that date together with the notes thereon (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its 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 Statement is free of material misstatement.
3. A review is limited primarily to inquiries of Group and its joint ventures personnel and analytical procedures applied to Group and its joint ventures financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, 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 Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Mehul Desai  
Partner  
Membership Number 103211

Place: Mumbai  
Date: November 06, 2017

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone					
		Quarter Ended (Unaudited)			Half Year ended (Unaudited)		Year Ended (Audited)
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
1	Income						
a	Revenue from operations	122,521	128,189	56,950	250,710	171,675	426,281
b	Other operating income	7,586	6,098	3,988	13,684	7,403	21,974
c	Other income	3,807	6,244	3,728	10,051	7,673	21,307
	<b>Total Income</b>	<b>133,914</b>	<b>140,531</b>	<b>64,666</b>	<b>274,445</b>	<b>186,751</b>	<b>469,562</b>
2	Expenses						
a	Cost of materials consumed	118,690	92,062	37,099	210,752	95,514	284,534
b	Purchase of stock-in-trade	-	766	7,392	766	34,687	34,687
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13,638)	(856)	(3,030)	(14,494)	(4,995)	(3,849)
d	Excise duty	-	4,476	3,736	4,476	6,293	13,676
e	Employee benefit expense	4,612	4,441	4,707	9,053	8,875	18,452
f	Depreciation and amortisation expense	6,225	6,030	6,140	12,255	11,824	24,425
g	Other expenses	16,626	12,080	9,477	28,706	27,800	50,529
h	Finance costs	4,423	4,413	5,199	8,836	10,008	20,730
	<b>Total expenses</b>	<b>136,938</b>	<b>123,412</b>	<b>70,720</b>	<b>260,550</b>	<b>190,006</b>	<b>443,184</b>
3	<b>Profit before tax (1-2)</b>	<b>(3,024)</b>	<b>17,119</b>	<b>(6,054)</b>	<b>14,095</b>	<b>(3,255)</b>	<b>26,378</b>
4	Tax expenses						
a	Current tax	130	7,375	-	7,505	-	4,181
b	Deferred tax	(1,303)	(1,472)	(2,110)	(2,775)	(1,201)	4,738
	<b>Total tax expense</b>	<b>(1,173)</b>	<b>5,903</b>	<b>(2,110)</b>	<b>4,730</b>	<b>(1,201)</b>	<b>8,919</b>
5	<b>Net profit for the period (3-4)</b>	<b>(1,851)</b>	<b>11,216</b>	<b>(3,944)</b>	<b>9,365</b>	<b>(2,054)</b>	<b>17,459</b>
6	Other Comprehensive Income, net of income tax						
a	Items that will be reclassified to profit or loss	290	(1,215)	(124)	(925)	306	471
b	Items that will not be reclassified to profit or loss	(108)	(96)	(78)	(204)	(83)	(218)
	<b>Total other comprehensive income, net of income tax</b>	<b>182</b>	<b>(1,311)</b>	<b>(202)</b>	<b>(1,129)</b>	<b>223</b>	<b>253</b>
7	<b>Total Comprehensive Income for the period (5+6)</b>	<b>(1,669)</b>	<b>9,905</b>	<b>(4,146)</b>	<b>8,236</b>	<b>(1,831)</b>	<b>17,712</b>
8	Paid up equity share capital (Face value of Rs. 5/- each)	13,261	13,261	13,261	13,261	13,261	13,261
9	Other Equity				174,669	147,383	167,700
10	Earnings per share (of Rs. 5/- each) (not annualised)						
	-Basic (In Rs.)	(0.70)	4.23	(1.49)	3.53	(0.77)	6.58
	-Diluted (In Rs.)	(0.70)	4.23	(1.49)	3.53	(0.77)	6.58
11	Debenture Redemption Reserve				3,738	11,424	16,431
12	Net Worth				187,930	160,644	180,961
13 a.	Debt - Equity Ratio (Refer note no. 6)				0.41	1.09	0.82
b.	Debt Service Coverage Ratio (DSCR) (No of times) (Refer note no. 6)				2.73	0.64	1.44
c.	Interest Service Coverage Ratio (ISCR) (No of times) (Refer note no. 6)				2.73	0.64	2.36

Notes:

1 The above financial results for the quarter / half year ended September 30, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on November 06, 2017. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / half year ended September 30, 2017.

2 The Company is principally engaged in a single segment viz., Steel products based on nature of products, risks, returns and the internal business reporting system.

3 This Statement has been prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

4 Details of Secured Redeemable Non Convertible Debentures is as follows:

Particulars	(Rs. in Lakhs)					
	Previous Due Date #			Next Due Date		
	Principal	Interest	Final Installment Date	Principal Amount	Interest Date	Interest Amount
9.55% Secured Redeemable Non Convertible Debenture	NA	03.08.2017	August 2025	20,000	03.11.2017	481
11.00% Secured Redeemable Non Convertible Debenture	NA	09.08.2017	November 2022	9,000	09.11.2017	252

# Interest and Principal have been paid on the due dates.

5 The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 29,000 lakhs (excludes transaction costs as per effective interest rate Rs. 66 lakhs) as on September 30, 2017 are secured by first charge ranking pari passu by way of mortgage / hypothecation of entire immovable and movable tangible assets of the Company both present and future and second / floating charge on current assets subject to prior charge in favour of banks for working capital facilities. The Company has maintained hundred percent asset cover sufficient to discharge the principal amount of the said debentures in terms of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The fixed assets cover is 4.02 times for total debts and the Credit rating by CARE for Secured Redeemable Non Convertible Debentures issue by the Company continues to be "AA-".

6 Formulae for computation of ratios are as follows:

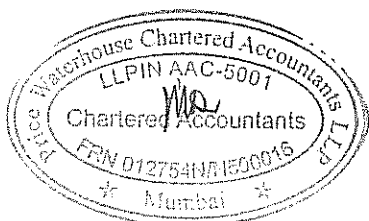
a	Debt - Equity Ratio	Debt / (Paid up Equity Capital + Reserve and Surplus)
b	Debt Service Coverage Ratio (DSCR) (No of times)	Earning before Interest and Tax / (Interest Expenses + Long Term Debt scheduled principal repayments (excluding prepayments) during the period)
c	Interest Service Coverage Ratio (ISCR) (No of times)	Earning before Interest and Tax / Interest Expenses

7 Final Dividend of Rs. 0.50 per share proposed for the year ended March 31, 2017, was approved by the Shareholders in AGM held on September 20, 2017, and paid subsequently during the current quarter.

8 Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations are required to disclosed net of GST in accordance with the requirements of IndAS. Accordingly the revenue from operations for the quarter ended and six months ended September 30, 2017 are not comparable with the immediately preceding quarter ended June 30, 2017 and corresponding previous period presented in the financial results which are reported inclusive of excise duty.

For and On Behalf of the Board of Directors of Welspun Corp Limited

Place: Mumbai  
Date: November 06, 2017



*Lalitkumar Naik*  
Lalitkumar Naik  
Managing Director & CEO  
DIN - 02943588



STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

(Rs. in Lakhs)

Particulars	As at September 30, 2017 (Unaudited)	As at March 31, 2017 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	224,850	236,271
Capital work-in-progress	2,826	2,425
Investment property	12	12
Other intangible assets	1,319	717
Intangible assets under development	120	726
Equity investments in subsidiaries, joint venture and associates	4,967	4,967
<b>Financial assets</b>		
Investments	18,805	18,687
Loans	3,541	2,561
Other financial assets	2,799	2,821
Other non-current assets	8,453	9,443
<b>Total non-current assets</b>	<b>267,692</b>	<b>278,630</b>
<b>Current assets</b>		
Inventories	106,116	132,703
<b>Financial assets</b>		
Investments	27,945	50,186
Trade receivables	127,711	132,297
Cash and cash equivalents	1,036	5,190
Bank balances other than cash and cash equivalents	6,533	6,298
Loans	56	60
Other financial assets	2,185	5,054
Other current assets	31,663	18,782
Assets classified as held for sale	60	60
<b>Total current assets</b>	<b>303,305</b>	<b>350,630</b>
<b>Total assets</b>	<b>570,997</b>	<b>629,260</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	13,261	13,261
<b>Other equity</b>		
Reserves and surplus	174,612	166,718
Other reserves	57	982
<b>Total equity</b>	<b>187,930</b>	<b>180,961</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	44,851	117,250
Provisions	3,844	3,503
Deferred tax liabilities (net)	21,801	20,192
Government grants	36,431	36,536
<b>Total non-current liabilities</b>	<b>106,927</b>	<b>177,481</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	20,008	21,361
Trade payables	202,546	193,429
Other financial liabilities	20,486	22,081
Provisions	1,907	1,685
Government grants	6,405	4,147
Current tax liabilities (net)	15,008	8,036
Other current liabilities	9,780	20,079
<b>Total current liabilities</b>	<b>276,140</b>	<b>270,818</b>
<b>Total Liabilities</b>	<b>383,067</b>	<b>448,299</b>
<b>Total equity and liabilities</b>	<b>570,997</b>	<b>629,260</b>

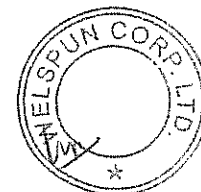
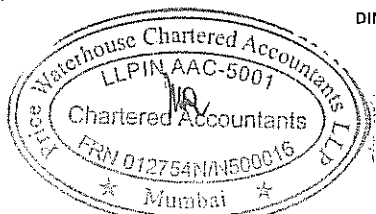
For and On Behalf of the Board of Directors of Welspun Corp Limited

*Lalitkumar Naik*

Lalitkumar Naik  
Managing Director & CEO  
DIN - 02943588

Place : Mumbai

Date: November 06, 2017



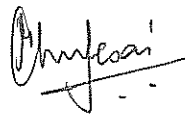
# Price Waterhouse Chartered Accountants LLP

November 06, 2017

The Board of Directors  
Welspun Corp Limited  
5<sup>th</sup> Floor, Welspun House,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West),  
Mumbai – 400 013

1. We have reviewed the unaudited standalone financial results of Welspun Corp Limited (the “Company”) for the quarter ended September 30, 2017 which are included in the accompanying statement of ‘Unaudited Standalone Financial Results for the Quarter/Half year ended September 30, 2017’ and the statement of unaudited standalone assets and liabilities as on that date together with the notes thereon (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The 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 Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, 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 Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Mehul Desai  
Partner  
Membership Number 103211

Place: Mumbai  
Date: November 06, 2017

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is: 012754N/N500016 (ICAI registration number before conversion was 012754N)



## BUSINESS UPDATE

November 06, 2017

### Improving business visibility

Welspun Corp Ltd. (WCL), flagship company of the Welspun Group, announced its consolidated financial results for the half year and second quarter ended September 30, 2017.

#### For the quarter ended 30<sup>th</sup> September, 2017 WCL consolidated reported:

- Total income from operation\* of Rs. 20,060 mn, up 66% YoY
- EBITDA at Rs. 2,226 mn, up 95% YoY
- Profit before tax and share of JVs of Rs. 711 mn vs. Loss of Rs. 421 mn in Q2FY17
- PAT after Minorities & JVs of Rs. 418 mn vs. Net Loss of Rs. 336 mn in Q2FY17
- Basic EPS at Rs. 1.58 vs. Rs. (1.25) in Q2FY17
- Production and sales of pipes (ex-Saudi Arabia operations) were up 77% / 100% YoY respectively
- Production and sales of pipes (total operations) were up 45% / 60% YoY respectively

#### For the half year ended 30<sup>th</sup> September, 2017 WCL consolidated reported:

- Total income from operation of Rs. 36,242 mn, up 31% YoY
- EBITDA at Rs. 4,924 mn, up 89% YoY
- Profit before tax and share of JVs of Rs. 1,919 mn vs. Loss of Rs. 469 mn in H1FY17
- PAT after Minorities & JVs of Rs. 964 mn vs. Net Loss of Rs. 430 mn in H1FY17
- Basic EPS at Rs. 3.64 vs. Rs. (1.52) in H1FY17
- Production and sales of pipes (ex-Saudi Arabia operations) were up 44% / 43% YoY respectively
- Production and sales of pipes (total operations) were up 21% / 18% YoY respectively

**Order book position (including all operations):** Current pipe order book stands at 661K MTs (Rs. 44 billion).

Commenting on the results, **Mr B. K. Goenka**, Chairman, Welspun Group said, “Q2 witnessed a repeat of Q1 in terms of above average margins led by execution of some niche orders. Domestic market remains buoyant with strong demand coupled with favourable policy measures taken by the Government of India. MENA region is witnessing earlier than expected signs of demand revival, presently driven by water segment. We maintain positive outlook on volumes for next fiscal.”

Note: \*Q2FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 6 of Consolidated Financial Results for details.

## BUSINESS UPDATE

### Consolidated performance highlights:

*Figures in Rs. million unless specified*

Particulars	Q2-FY18	Q1-FY18	Q2-FY17	H1-FY18	H1-FY17
<b>Ex-Saudi Arabia/ CWC operations</b>					
- Pipe Production (KMT)	276	227	156	503	349
- Pipe Sales (KMT)	273	210	137	483	337
<b>Total operations</b>					
- Pipe Production (KMT)	280	228	193	508	422
- Pipe Sales (KMT)	293	218	183	512	434
- Plates/ coils Production (KMT)	100	59	66	159	148
<b>Total Income from Operations</b>	<b>20,060</b>	<b>16,182</b>	<b>12,068</b>	<b>36,242</b>	<b>27,632</b>
<b>EBITDA</b>	<b>2,226</b>	<b>2,698</b>	<b>1,139</b>	<b>4,924</b>	<b>2,599</b>
Finance Cost	535	533	585	1,068	1,156
Depreciation and Amortisation	980	957	976	1,937	1,912
Profit before tax and share of JVs	711	1,208	(421)	1,919	(469)
<b>PAT after Minorities, Associates &amp; JVs</b>	<b>418</b>	<b>547</b>	<b>(336)</b>	<b>964</b>	<b>(430)</b>
<b>Cash PAT</b>	<b>1,665</b>	<b>1,407</b>	<b>528</b>	<b>3,072</b>	<b>1,411</b>

Notes: a) Q2FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 6 of Consolidated Financial Results for details

b) Prior period figures have been restated, wherever necessary

c) Cash PAT = PBT – Current tax + Depreciation

*Figures in Rs. million unless specified*

Consolidated debt	30-Sep-2017	30-Jun-2017	31-Mar-2017
Gross Debt	14,489	20,309	18,430
Cash & Cash Equivalents	4,445	11,673	7,365
<b>Net Debt</b>	<b>10,045</b>	<b>8,636</b>	<b>11,065</b>

## **BUSINESS UPDATE**

### **Business outlook:**

H1FY18 margins were driven by execution of some niche orders and may not be sustained on an annual basis.

Domestic market continues to witness strong demand driven by multiple water projects across the country and expansion of National Gas Grid coupled with favorable policy measures taken by Government of India. While demand outlook for our Plate and Coil Mills division remains satisfactory, supply side challenges need to be addressed.

In MENA region, while demand from oil & gas segment is yet to noticeably improve, water segment demand is picking up providing strong business visibility. In Americas region, demand for small diameter pipe is showing good traction. With energy prices firming up, we expect still sluggish demand for large diameter pipe to pickup.

We continue to enhance our value proposition, customer reach and technical know-how which make us one of the front-runners for increasingly diversified and technically demanding projects worldwide..

### **Post Q2FY18 conference call:**

WCL management would be happy to answer investor queries on a conference call. Please find details below:

Date : Monday, 6 November 2017

Time : 5:00pm IST

#### **Dial in details:**

- India: +91 22 3960 0738
- International Toll Free numbers
  - Hong Kong: 800 964 448
  - Singapore: 800 101 2045
  - UK: 080 8101 1573
  - USA: 1866 746 2133
- International Toll numbers
  - Hong Kong: 85230186877
  - Singapore: 6531575746
  - UK: 442034785524
  - USA: 13233868721

## **BUSINESS UPDATE**

### **About Welspun Corp Ltd. (WCL)**

Welspun Corp is a one-stop service provider offering complete pipe solution with a capability to manufacture line pipes ranging from ½ inch to 140 inches, along with specialized coating, double jointing and bending. With current capacity of 2.425 million MTPA in Dahej, Anjar and Mandya in India, Little Rock in the USA and Dammam in Saudi Arabia, Welspun takes pride in being a preferred supplier to most of the Fortune 100 Oil & Gas companies. With 360 degree abilities, Welspun Corp has undertaken some of the most challenging projects in different parts of the world. With business excellence being a clear focus, the company is on the path of innovation and technology edge supported by its state-of-the-art facilities and global scale operations. The Line pipe industry caters to the sectors like energy and water resource management where in the line pipes supplied are used to construct cross-country pipelines for transportation of oil, gas, petro-products and water in the safest and most environment friendly way.

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**For further information please visit [www.welspuncorp.com](http://www.welspuncorp.com) or contact:**

**Deepak Khetan, [ir\\_wcl@welspun.com](mailto:ir_wcl@welspun.com), +91 22 66136584**

**Harish Venkateswaran, [harish\\_venkateswaran@welspun.com](mailto:harish_venkateswaran@welspun.com)**

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# Welspun Corp Ltd (WCL)

## World's Leading Line Pipe Manufacturer

Investor Presentation

Q2FY18



# SAFE HARBOUR

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This presentation and the accompanying slides (the “Presentation”), which have been prepared by Welspun Corp Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

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## PERFORMANCE HIGHLIGHTS Q2FY18

**Rs. 20,060 mn**

66% YoY



**Income from Operations**

**273\* KMT**

100% YoY



**Pipe sales volume**

**Rs. 2,226 mn**

95% YoY



**EBIDTA**

**Rs. 418 mn**

vs. Rs (336) mn YoY



**PAT**

**Rs. 1,665 mn**

216% YoY



**Cash PAT**

**Rs. 10,045 mn**

vs. Rs 8,636 mn  
in Q1FY18



**Net Debt**

*Note: \* Excludes Saudi Arabia operations*

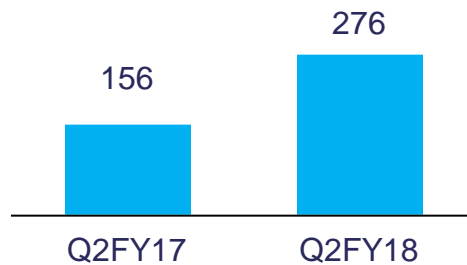
*All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC*

*\*Q2FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 6 of Consolidated Financial Results for details*

# Q2FY18 OPERATING PERFORMANCE

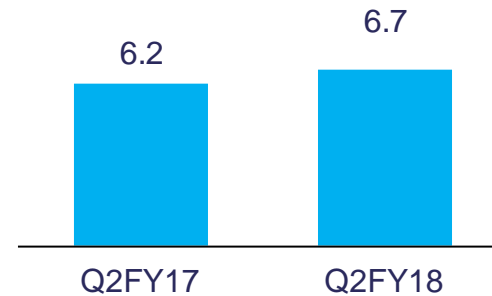
## Pipe production

(KMT)



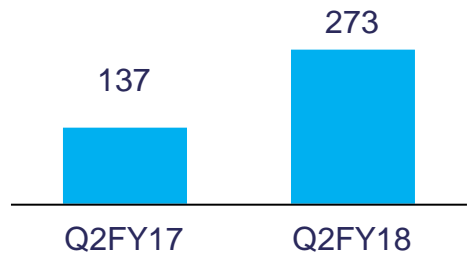
## EBITDA/Ton for Pipes

(Rs. '000)



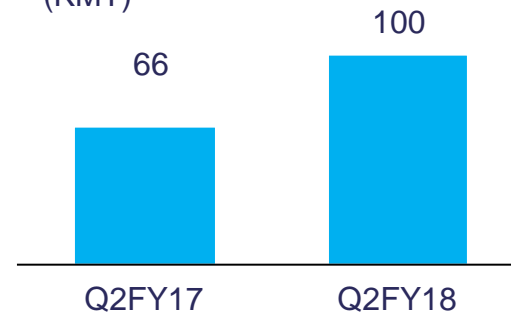
## Pipe sales

(KMT)



## Plate/ Coils production

(KMT)



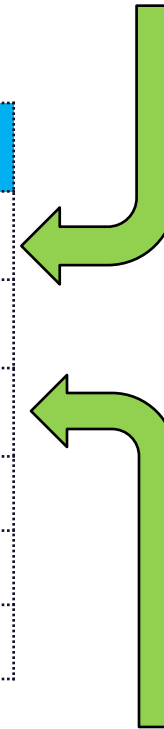
*Note:* All numbers on this page excludes JV operations – Saudi Arabia, unless specified ; Total pipe production excludes 4KMT/ 37 KMT for Saudi Arabia plant in Q2 FY18/ Q2 FY17 respectively; Total pipe sales excludes 20 KMT/ 46 KMT for Saudi Arabia plant in Q2FY18/ Q2 FY17 respectively



# HEALTHY BALANCE SHEET TO SUPPORT GROWTH

- **Gross debt** as on 30 September 2017 was down Rs 5,820 mn Q-o-Q led by pre-payment of high cost NCDs

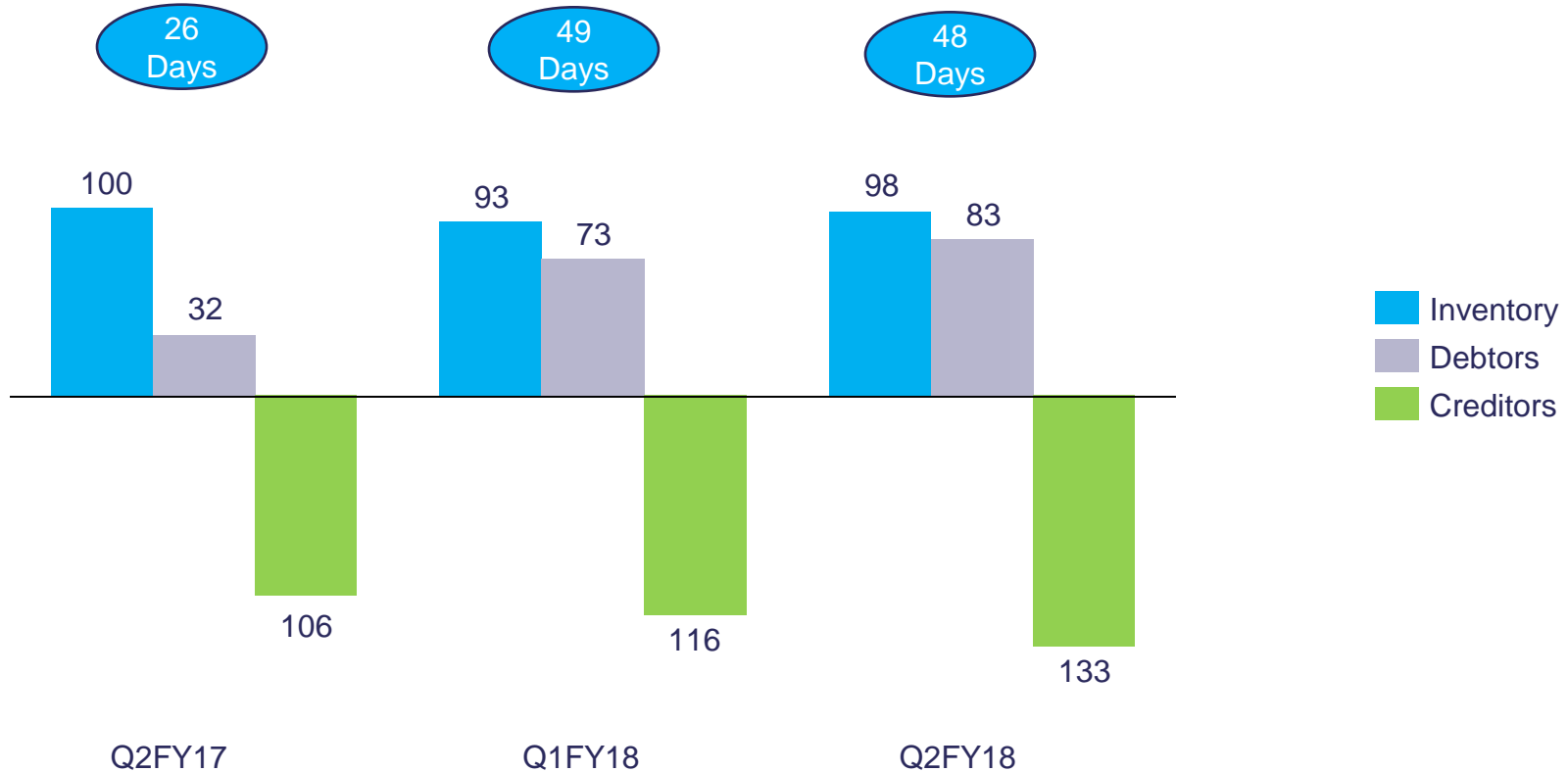
Rs mn	Q2 FY17	Q1 FY18	Q2 FY18
<b>Gross Debt</b>	<b>20,739</b>	<b>20,309</b>	<b>14,489</b>
Cash & Equivalent	12,715	11,673	4,445
<b>Net Debt</b>	<b>8,023</b>	<b>8,636</b>	<b>10,045</b>
Current Ratio	1.54x	1.61x	1.31x
Net Debt/ Reported EBITDA	1.12x	1.00x	1.04x
<b>Net Debt/ Equity</b>	<b>0.30x</b>	<b>0.31x</b>	<b>0.36x</b>



- **Net debt** as on 30 September 2017 was up Rs 1,408 mn Q-o-Q largely due to higher working capital on account on increased business activity

# NET WORKING CAPITAL UNDER CONTROL

## IND AS Basis

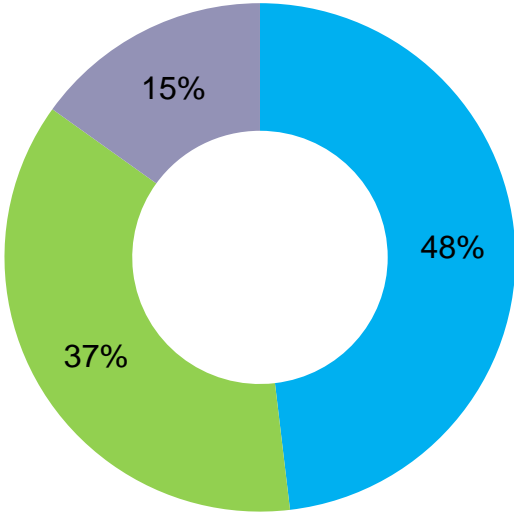


**FY18 cash conversion cycle is expected in the region of 50-55 days**

*\*Includes Debtors + Inventory – Creditors*

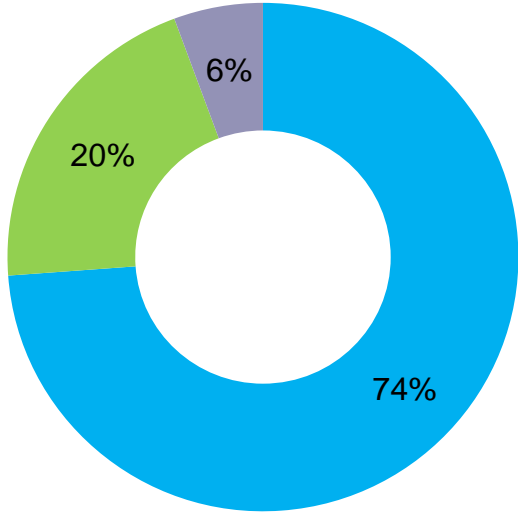
# SALES VOLUME BREAK-UP

## H1FY18 Pipe Sales Volume : 512 KMT (including Saudi Arabia operations)



■ LSAW ■ HSAW ■ ERW

**Sales by Type**



■ India ■ US ■ Saudi Arabia

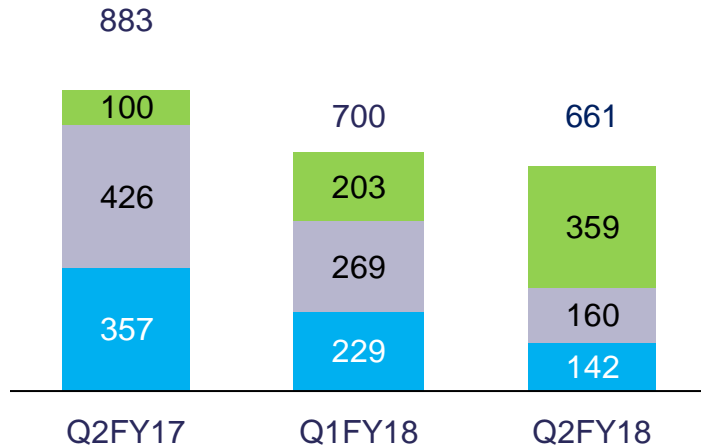
**Sales by Plant**

*Note: All numbers on this page includes all JV operations – Saudi Arabia*

# ORDERBOOK ANALYSIS (including Saudi Arabia operations)

## Order book by Region

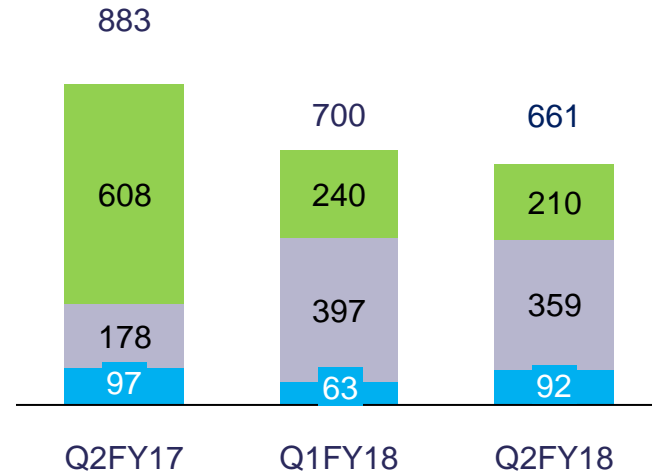
(KMT)



India & A-Pac Americas EU & MENA

## Order book by Type

(KMT)



LSAW HSAW ERW

# OUTLOOK

---

## FY18 YTD

- Current orderbook stands at 661K MT vs. 700K MT as declared with Q1FY18 results
- H1 witnessed above-average margins led by execution of some niche orders. It will be difficult to sustain such margins on an annual basis

## Demand drivers

- Expansion of National Gas Grid in India
  - Large number of water projects across India and Saudi Arabia
  - Heavy oil development
  - Deep sea development across the international markets
-

# PROFIT & LOSS – QUARTERLY

Rs mn	Q2 FY17	Q2 FY18
<b>Income from operations</b>	<b>12,068</b>	<b>20,060</b>
<b>EBIDTA</b>	<b>1,139</b>	<b>2,226</b>
Depreciation/Amortization	976	980
Finance Cost	585	535
<b>Profit before tax and share of JVs</b>	<b>(421)</b>	<b>711</b>
Tax	(166)	150
Minority Interest	(12)	(14)
Share of Profit/ (Loss) from Associates & JVs	(93)	(157)
<b>Net Profit/ (Loss) for the period</b>	<b>(336)</b>	<b>418</b>

*Note: Prior period figures are reinstated wherever necessary; All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC*

# PROFIT & LOSS – HALF YEARLY

Rs mn	H1 FY17	H1 FY18
<b>Income from operations</b>	<b>27,632</b>	<b>36,242</b>
<b>EBIDTA</b>	<b>2,599</b>	<b>4,924</b>
Depreciation/Amortization	1,912	1,937
Finance Cost	1,156	1,068
<b>Profit before tax and share of JVs</b>	<b>(469)</b>	<b>1,919</b>
Tax	(241)	597
Minority Interest	(24)	(49)
Share of Profit/ (Loss) from Associates & JVs	(226)	(407)
<b>Net Profit/ (Loss) for the period</b>	<b>(430)</b>	<b>964</b>

*Note: Prior period figures are reinstated wherever necessary; All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC*

# THANK YOU

Welspun Corp Limited  
CIN: L27100GJ1995PLC025609

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