



**STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH, 2014**

		(Audited)	(Unaudited)	(Audited)	(Audited)	(Rs Lakhs)
		Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31 March 2014	31 December 2013	31 March 2013	31 March 2014	31 March 2013
		See Note 1	See Note 1	Restated	See Note 1	Restated
		(I)	(II)	(III)	(IV)	(V)
<b>1</b>	<b>Income from operations</b>					
a.	Net sales/income from operations and other operating income	119,251	106,869	160,546	486,761	663,217
	<b>Total Income from operations (net)</b>	<b>119,251</b>	<b>106,869</b>	<b>160,546</b>	<b>486,761</b>	<b>663,217</b>
<b>2</b>	<b>Expenses</b>					
a.	Cost of materials consumed	63,972	55,904	147,620	259,196	415,599
b.	Purchase of stock-in-trade	27,917	14,168	16,300	49,532	92,077
c.	Changes in inventories of finished goods and work-in-progress	(669)	10,690	(40,021)	49,914	(14,759)
d.	Employee benefits expense (net)	2,808	3,862	5,553	14,675	21,915
e.	Depreciation and amortisation expense	5,065	5,957	5,867	22,557	22,899
f.	Coating and other job charges	265	8,186	1,902	17,492	30,387
g.	Other expenses	7,112	9,046	14,160	71,237	80,739
	<b>Total expenses</b>	<b>106,469</b>	<b>107,914</b>	<b>151,380</b>	<b>484,602</b>	<b>640,957</b>
<b>3</b>	<b>Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>12,782</b>	<b>(1,045)</b>	<b>9,166</b>	<b>2,159</b>	<b>14,359</b>
<b>4</b>	<b>Other income</b>	<b>8,085</b>	<b>3,457</b>	<b>7,045</b>	<b>17,481</b>	<b>22,447</b>
<b>5</b>	<b>Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>20,867</b>	<b>2,412</b>	<b>16,210</b>	<b>19,640</b>	<b>36,806</b>
<b>6</b>	<b>Finance costs</b>	<b>5,637</b>	<b>5,387</b>	<b>6,288</b>	<b>22,398</b>	<b>29,890</b>
<b>7</b>	<b>Profit/(loss) from ordinary activities after finance costs but before tax and exceptional items (5-6)</b>	<b>15,230</b>	<b>(2,975)</b>	<b>9,923</b>	<b>(2,758)</b>	<b>6,916</b>
<b>8</b>	<b>Exceptional items</b>	-	-	-	-	-
<b>9</b>	<b>Profit/(loss) from ordinary activities after finance costs but before tax (7-8)</b>	<b>15,230</b>	<b>(2,975)</b>	<b>9,923</b>	<b>(2,758)</b>	<b>6,916</b>
<b>10</b>	<b>Tax expense (Current tax, deferred tax, MAT etc)</b>	<b>5,405</b>	<b>(1,175)</b>	<b>3,141</b>	<b>(1,004)</b>	<b>1,867</b>
<b>11</b>	<b>Net profit from ordinary activities after tax from Continuing operations(9-10)</b>	<b>9,825</b>	<b>(1,800)</b>	<b>6,782</b>	<b>(1,754)</b>	<b>5,049</b>
<b>12</b>	<b>Profit before tax from discontinued operations</b>	-	-	(3,917)	-	1,880
<b>13</b>	<b>Tax expense on discontinued operations</b>	-	-	377	-	1,620
<b>14</b>	<b>Net profit after tax from discontinued operations (12-13)</b>	-	-	(4,294)	-	260
<b>15</b>	<b>Profit after tax for the period (11+14)</b>	<b>9,825</b>	<b>(1,800)</b>	<b>2,488</b>	<b>(1,754)</b>	<b>5,309</b>
<b>16</b>	<b>Paid up equity capital (Face value of Rs. 5/- each)</b>	<b>13,147</b>	<b>13,147</b>	<b>13,147</b>	<b>13,147</b>	<b>13,147</b>
<b>17</b>	<b>Reserves excluding revaluation reserve</b>	-	-	-	<b>182,217</b>	<b>427,150</b>
<b>18</b>	<b>Basic and diluted EPS</b>					
-Basic		3.74*	(0.68)*	1.02*	(0.67)	2.29
-Diluted		3.71*	(0.68)*	1.02*	(0.67)	2.29
<b>19 a.</b>	<b>Debt Service Coverage Ratio (DSCR) (No of times)</b>				<b>0.21</b>	<b>0.48</b>
<b>b.</b>	<b>Interest Service Coverage Ratio (ISCR) (No of times)</b>				<b>0.86</b>	<b>1.39</b>
<b>A</b>	<b>Particulars of Shareholding</b>					
<b>1</b>	<b>Public Shareholding</b>					
	Number of shares	162,472,294	165,228,761	171,271,367	162,472,294	171,271,367
	Percentage of shareholding	61.79%	62.84%	65.13%	61.79%	65.13%
<b>2</b>	<b>Promoters and Promoters Group Shareholding</b>					
<b>a.</b>	<b>Pledged/Encumbered</b>					
	No of Shares	-	-	35,000,000	-	35,000,000
	Percentage of Shares (as a % of the total Shareholding of Promoters and Promoters Group)	-	-	38.18%	-	38.18%
	Percentage of Shares (as a % of the total Share capital of the Company)	-	-	13.31%	-	13.31%
<b>b.</b>	<b>Non-Encumbered</b>					
	No of Shares	100,476,005	97,719,538	56,676,932	100,476,005	56,676,932
	Percentage of Shares (as a % of the total Shareholding of Promoters & Promoter Group)	100.00%	100.00%	61.82%	100.00%	61.82%
	Percentage of Shares (as a % of the total Share capital of the Company)	38.21%	37.16%	21.55%	38.21%	21.55%
<b>B</b>	<b>Investor Complaints</b>					
	Pending at the beginning of the quarter	Nil				
	Received during the year	9				
	Disposed of during the quarter	9				
	Remaining unresolved at the end of the quarter	Nil				

\* Not Annualised.

**Notes:**

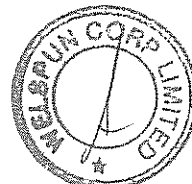
- 1 a The Hon'ble Gujarat High Court vide its order dated 10 January 2014 approved the Scheme of Arrangement between Welspun Corp Limited, (the "Demerged Company") and Welspun Enterprises Limited ("WEL", a wholly owned subsidiary of the Company and the Resulting Company) and their respective shareholders and creditors (the "Scheme"), providing for inter alia transfer of the Other Business Undertakings (viz. the infrastructure business (including energy, water, road), the direct reduced iron (DRI) business, oil and gas and EPC contracting business) of the Company to the Resulting Company with effect from the Appointed Date 1 April 2012. The order is filed with Registrar of Companies on 24 January 2014 (the Effective Date of the Scheme) and given effect in the period starting from 1 April 2013.
- b The financial results of the company exclude the financial results of WEL of the above periods commencing on or after 1 April 2013. The figures of the period/year ending on or before 31 March 2013 have been restated as per the requirement of Accounting Standard 24 to exclude the financial results of WEL to arrive at the financial results from continuing operations.
- c The net result pertaining to WEL has been disclosed separately under discontinued operations for the period/year ending on or before 31 March 2013 as required by Accounting Standard (AS 24) and Revised Schedule VI of the Companies Act 1956. The key financials of WEL for the periods are as follows

Particulars	Quarter Ended 31 March 2013	Year Ended 31 March 2013
a Total Revenue (Rs. Lakhs)	1,793	7,591
b Total Expenditure (Rs. Lakhs)	5,719	5,711
c Profit Before Tax (Rs. Lakhs)	(3,917)	1,880

- 2 The figures for the quarter ended 31 March 2014 and 31 March 2013 are the balancing figures between the audited figures in respect of the full financial year and published year to date figure upto the third quarter of relevant financial year.
- 3 Other expenses for the year ended 31 March 2014 includes Rs.35,967 lakhs on account of fluctuation in foreign exchange rates.
- 4 Segment Reporting as required under Accounting Standard 17 is not applicable as the Company operates only in one segment.
- 5 The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on 29 April 2014 in terms of Clause 41 of the Listing Agreement.
- 6 Previous year's/Period's figures have been regrouped and reclassified wherever considered necessary.
- 7 The Board of Directors have recommended dividend of 10 % on Equity shares (Rs.0.50 per share of Face Value of Rs.5 each fully paid-up).

For Welspun Corp Limited

Braja Mishra  
Managing Director



Place: Mumbai  
Date: 29 April 2014



**WELSPUN CORP LIMITED**

Regd: Welspun City, Village Versamedi Taluka Anjar, Dist.Kutch Gujarat 370110

Corp Office: Welspun House, Kamala Mills Compound, Senapati Bapat Marg,

Lower Parel, Mumbai - 400013.

CIN : L27100GJ1995PLC025609

**Annexure IX of Clause 41**

**Rs. Lakhs**

Statement of Assets and Liabilities		Standalone	
	Particulars	Audited 31-Mar-14	Audited ** 31-Mar-13
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
a	Share capital	13,147	13,147
b	Reserves and surplus	182,217	427,150
	<b>Subtotal- Shareholders's funds</b>	<b>195,364</b>	<b>440,297</b>
<b>2</b>	<b>Non-current liabilities</b>		
a	Long-term borrowings	194,232	260,537
b	Deferred tax liabilities (net)	36,315	38,939
c	Other long-term liabilities	9,976	17,643
d	Long-term provisions	361	1,305
	<b>Subtotal - Non-current liabilities</b>	<b>240,883</b>	<b>318,423</b>
<b>3</b>	<b>Current liabilities</b>		
a	Current maturities of long term borrowings	45,177	27,444
b	Short-term borrowings	16,151	11,779
c	Trade payables	51,003	190,833
d	Other current liabilities	44,244	40,073
e	Short-term provisions	7,039	11,225
	<b>Subtotal - Non-current liabilities</b>	<b>163,614</b>	<b>281,354</b>
	<b>Total - Equity and liabilities</b>	<b>599,862</b>	<b>1,040,075</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
a	Fixed assets	307,758	316,229
b	Non-current investments	36,704	195,938
c	Long-term loans and advances	13,862	30,513
d	Other non-current assets	595	550
	<b>Subtotal - Non-current assets</b>	<b>358,919</b>	<b>543,230</b>
<b>2</b>	<b>Current assets</b>		
a	Current investments	111,425	169,083
b	Inventories	52,915	147,419
c	Trade receivables	39,220	97,708
d	Cash and bank balances	4,976	42,736
e	Short-term loans and advances	14,638	21,793
f	Other current assets	17,769	18,107
	<b>Subtotal - Current assets</b>	<b>240,943</b>	<b>496,845</b>
	<b>Total - Assets</b>	<b>599,862</b>	<b>1,040,075</b>

\*\* before giving demerger effects thus not strictly comparable with 31 March 2014

For Welspun Corp Limited

Place: Mumbai

Date: 29 April 2014

Braja Mishra  
Managing Director

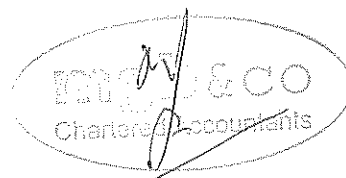


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### Independent Auditors' Report

To  
The Board of Directors of  
**Welspun Corp Limited**

1. We have audited the accompanying Statement of Financial Results (the "Statement") of **Welspun Corp Limited** ("the Company") for the year ended 31 March 2014, being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges. This Statement has been prepared on the basis of the related annual financial statements, which is the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual financial statements, which have been prepared in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to Note 2 of the Statement regarding figures for the quarter ended 31 March, being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.



4. Without qualifying our report, we draw our attention to:

Remuneration paid to the Managing Director of the Company for the financial year ended 31 March 2013, which turned out to be in excess by Rs. 830 lacs considering the limits approved by the Central Government. The Managing Director holds the said amount in trust and is refundable to the Company.

5. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (a) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and
- (b) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net loss and other financial information of the Company for the year ended 31 March 2014.

6. Further, we also report that we have traced the number of shares from the details furnished by the Management, the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, pledged/encumbered shares and non-encumbered shares of promoter and promoter group shareholders, in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints.

For **MGB & Co**

Chartered Accountants

Firm Registration Number 101169W

**Mohan Bhandari**

Partner

Membership Number 12912

Mumbai, 29 April 2014



## WELSPUN CORP LIMITED

Regd. Office: Welspun City, Village Versamedi Taluka Anjar, Dist.Kutch Gujarat 370110  
Corp. Office: Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013.  
CIN : L27100GJ1995PLC025609

## CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH, 2014

		(Rs Lakhs)				
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31 March 2014	31 December 2013	31 March 2013	31 March 2014	31 March 2013
		See Note 1	See Note 1	Restated	See Note 1	Restated
		(I)	(II)	(III)	(IV)	(V)
1	<b>Income from operations</b>					
a.	Net sales/income from operations and other operating income	153,449	174,200	282,679	770,472	908,321
	<b>Total income from operations (net)</b>	<b>153,449</b>	<b>174,200</b>	<b>282,679</b>	<b>770,472</b>	<b>908,321</b>
2	<b>Expenses</b>					
a.	Cost of materials consumed	113,125	99,220	214,233	465,494	594,305
b.	Changes in inventories of finished goods and work-in-progress	(14,730)	15,690	(17,972)	31,482	7,424
c.	Employee benefits expense	14,362	12,676	12,984	53,131	46,246
d.	Depreciation and amortisation expense	9,377	10,503	8,998	40,630	35,312
e.	Other expenses	26,725	32,445	45,433	153,409	187,227
	<b>Total expenses</b>	<b>148,859</b>	<b>170,534</b>	<b>293,676</b>	<b>744,147</b>	<b>870,514</b>
3	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>4,590</b>	<b>3,666</b>	<b>19,003</b>	<b>26,326</b>	<b>37,808</b>
4	Other income	5,580	3,204	5,752	17,436	18,786
5	<b>Profit from ordinary activities before finance costs (3+4)</b>	<b>10,170</b>	<b>6,870</b>	<b>24,755</b>	<b>43,762</b>	<b>56,594</b>
6	Finance costs	6,620	7,088	8,131	29,640	35,832
7	<b>Profit/(loss) from ordinary activities after finance costs but before tax and exceptional items (5-6)</b>	<b>3,550</b>	<b>(218)</b>	<b>16,625</b>	<b>14,121</b>	<b>20,762</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit/(loss) from ordinary activities after finance costs but before tax and after exceptional items (7-8)</b>	<b>3,550</b>	<b>(218)</b>	<b>16,625</b>	<b>14,121</b>	<b>20,762</b>
10	Tax expense (Current, Deferred Tax, MAT etc)	3,722	904	1,870	4,316	4,929
11	<b>Net profit/(loss) from ordinary activities after tax from Continuing operations (9-10)</b>	<b>(172)</b>	<b>(1,121)</b>	<b>14,755</b>	<b>9,805</b>	<b>15,833</b>
12	Share of profit/(loss) in associates	-	537	2	-	-
13	Minority interest in profit/(loss)	(1,434)	(1,336)	2,392	2,466	1,790
14	<b>Net profit/(loss) after minority interest and share of profit / (loss) of associates from Continuing operations (11+12-13)</b>	<b>1,262</b>	<b>751</b>	<b>12,365</b>	<b>7,339</b>	<b>14,043</b>
15	<b>Profit before tax from discontinued operations</b>	-	-	<b>(15,257)</b>	-	<b>(25,700)</b>
16	Tax expense on discontinued operations	-	-	(2,291)	-	(1,026)
17	Share of profit/(loss) in associates from discontinued operations	-	-	(1,414)	-	(380)
18	Minority interest in profit/(loss) discontinued operations	-	-	(1,858)	-	(3,979)
19	<b>Net profit after tax from discontinued operations (15-16+17-18)</b>	-	-	<b>(12,522)</b>	-	<b>(21,075)</b>
20	<b>Profit after tax for the period (14+19)</b>	<b>1,262</b>	<b>751</b>	<b>(157)</b>	<b>7,339</b>	<b>(7,032)</b>
21	Paid up equity capital (Face value of Rs.5/- each)	13,147	13,147	13,147	13,147	13,147
22	Reserves excluding revaluation reserve	-	-	-	271,776	486,988
23	<b>Basic and diluted EPS</b>					
	-Basic	0.48 *	0.29*	(0.06)	2.79	(3.03)
	-Diluted	0.48 *	0.29*	(0.06)	2.79	(3.03)
24 a.	Debt Service Coverage Ratio (DSCR) (No of times)	-	-	-	0.41	0.39
b.	Interest Service Coverage Ratio (ISCR) (No of times)	-	-	-	1.61	1.16
A	<b>Particulars of Shareholding</b>					
1	<b>Public Shareholding</b>					
	Number of shares	162,472,294	165,228,781	171,271,367	162,472,294	171,271,367
	Percentage of shareholding	61.79%	62.84%	65.13%	61.79%	65.13%
2	<b>Promoters and Promoters Group Shareholding</b>					
a.	<b>Pledged/Encumbered</b>					
	Number of Shares	-	-	35,000,000	-	35,000,000
	Percentage of Shares (as a % of the total Shareholding of Promoters and Promoters Group)	-	-	38.18%	-	38.18%
	Percentage of Shares (as a % of the total Share capital of the Company)	-	-	13.31%	-	13.31%
b.	<b>Non-Encumbered</b>					
	Number of Shares	100,476,005	97,719,538	56,676,932	100,476,005	56,676,932
	Percentage of Shares (as a % of the total Shareholding of Promoters & Promoter Group)	100.00%	100.00%	61.82%	100.00%	61.82%
	Percentage of Shares (as a % of the total Share capital of the Company)	38.21%	37.16%	21.55%	38.21%	21.55%
B	<b>Investor Complaints</b>					
	Pending at the beginning of the quarter	Nil	9	9	9	9
	Received during the year	9	9	9	9	9
	Disposed of during the quarter	9	9	9	9	9
	Remaining unresolved at the end of the quarter	Nil	9	9	9	9

\* Not Annualised.

## Notes:

- 1 a The Hon'ble Gujarat High Court vide its order dated 10 January 2014 approved the Scheme of Arrangement between Welspun Corp Limited, (the "Demerged Company") and Welspun Enterprises Limited ("WEL", a wholly owned subsidiary of the Company and the Resulting Company) and their respective shareholders and creditors (the "Scheme"), providing for inter alia transfer of the Other Business Undertakings (viz. the infrastructure business (including energy, water, road), the direct reduced iron (DRI) business, oil and gas and EPC contracting business) of the Company to the Resulting Company with effect from the Appointed Date 1 April 2012. The order is filed with Registrar of Companies on 24 January 2014 (the Effective Date of the Scheme) and given effect in the period starting from 1 April 2013.
- b The financial results of the company exclude the financial results of WEL of the above periods commencing on or after 1 April 2013. The figures of the period/year ending on or before 31 March 2013 have been restated as per the requirement of Accounting Standard 24 to exclude the financial results of WEL to arrive at the financial results from continuing operations.
- c The net result pertaining to WEL has been disclosed separately under discontinued operations for the period/year ending on or before 31 March 2013 as required by Accounting Standard (AS 24) and Revised Scheduled VI of the Companies Act 1956. The key financials of WEL for the periods are as follows

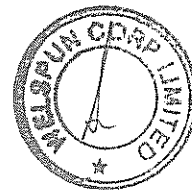
Particulars	Quarter Ended 31 March 2013	Year Ended 31 March 2013
a Total Revenue (Rs. Lakhs)	53,117	191,014
b Total Expenditure (Rs. Lakhs)	68,374	216,714
c Profit Before Tax (Rs. Lakhs)	(15,257)	(25,700)

- 2 The figures for the quarter ended 31 March 2014 and 31 March 2013 are the balancing figures between the audited figures in respect of the full financial year and published year to date figure upto the third quarter of relevant financial year.
- 3 The results for the year ended 31 March 2014 is adversely impacted by Rs. 36,099 lakhs on account of fluctuation in foreign exchange rates included in other expenses.
- 4 Segment Reporting as required under Accounting Standard 17 is not applicable as the Company with continuing operations operates only in one segment.
- 5 The Consolidated financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on 29 April 2014 in terms of Clause 41 of the Listing Agreement.
- 6 Previous year's/Period's figures have been regrouped and reclassified wherever considered necessary.
- 7 The Board of Directors have recommended dividend of 10 % on Equity shares (Rs.0.50 per share of Face Value of Rs.5 each fully paid-up).

Place: Mumbai  
Date: 29 April 2014

For Welspun Corp limited

Braja Mishra  
Managing Director



**WELSPUN CORP LIMITED**

Regd: Welspun City, Village Versamedi Taluka Anjar, Dist.Kutch Gujarat 370110

Corp Office: Welspun House, Kamala Mills Compound, Senapati Bapat Marg,

Lower Parel, Mumbai-400013.

CIN : L27100GJ1995PLC025609

**Annexure IX of Clause 41**

**Rs. Lakhs**

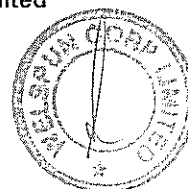
Statement of Assets and Liabilities		Consolidated	
	Particulars	Audited 31-Mar-14	Audited ** 31-Mar-13
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
a	Share capital	13,147	13,147
b	Share capital (Other than equity)	10,764	-
c	Reserves and surplus	271,776	552,630
	<b>Subtotal - Shareholders's funds</b>	<b>295,687</b>	<b>565,777</b>
<b>2</b>	<b>Minority Interest</b>	<b>10,118</b>	<b>35,460</b>
<b>3</b>	<b>Non-current liabilities</b>		
a	Long-term borrowings	280,345	495,308
b	Deferred tax liabilities (net)	56,089	55,999
c	Other long-term liabilities	11,874	22,710
d	Long-term provisions	922	2,507
	<b>Subtotal - Non-current liabilities</b>	<b>349,230</b>	<b>576,524</b>
<b>4</b>	<b>Current liabilities</b>		
a	Current maturities of long term borrowings	52,091	41,982
b	Short-term borrowings	41,676	20,434
c	Trade payables	60,877	303,796
d	Other current liabilities	64,159	131,723
e	Short-term provisions	9,130	13,439
	<b>Subtotal - Non-current liabilities</b>	<b>227,933</b>	<b>511,375</b>
	<b>Total - Equity and liabilities</b>	<b>882,968</b>	<b>1,689,136</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
a	Fixed assets	503,722	750,222
b	Goodwill on consolidation	47	106,558
c	Non-current investments	2,556	11,776
d	Deferred tax assets (net)	-	883
e	Long-term loans and advances	8,854	44,521
f	Other non-current assets	595	3,829
	<b>Subtotal - Non-current assets</b>	<b>515,773</b>	<b>917,790</b>
<b>2</b>	<b>Current assets</b>		
a	Current investments	111,425	174,936
b	Inventories	128,153	256,688
c	Trade receivables	64,073	176,140
d	Cash and bank balances	14,472	69,887
e	Short-term loans and advances	29,376	55,002
f	Other current assets	19,696	38,692
	<b>Subtotal - Current assets</b>	<b>367,195</b>	<b>771,346</b>
	<b>Total - Assets</b>	<b>882,968</b>	<b>1,689,136</b>

\*\* before giving demerger effects thus not strictly comparable with 31 March 2014

For Welspun Corp Limited

Braja Mishra  
Managing Director

Place: Mumbai  
Date: 29 April 2014



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### Independent Auditors' Report

To  
The Board of Directors of  
**Welspun Corp Limited**

1. We have audited the accompanying Statement of Consolidated Financial Results (the "Statement") of **Welspun Corp Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") for the year ended 31 March 2014, being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges. This Statement has been prepared on the basis of the related annual consolidated financial statements, which are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual consolidated financial statements, which have been prepared in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to Note 2 of the Statement regarding figures for the quarter ended 31 March, being balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

  
**mgb & CO**  
Chartered Accountants

4. The Statement reflects the Group's share of Revenues of Rs. 521,447 Lacs and total Assets of Rs. 347,646 Lacs of subsidiaries, whose financial statements have been considered in the consolidated financial statements. These financial statements have been audited by other auditors. Our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of such other auditors, which have been furnished to us.

5. Without qualifying our report, we draw our attention to:

Remuneration paid to the Managing Director of the Company for the financial year ended 31 March 2013, which turned out to be in excess by Rs. 830 Lacs considering the limits approved by the Central Government. The Managing Director holds the said amount in trust and is refundable to the Company.

6. In our opinion and to the best of our information and according to the explanations given to us, on the basis stated in paragraph 4 and 5, the Statement:

(a) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and


(b) gives a true and fair view of the net profit and other financial information of the Group for the year ended 31 March 2014.

7. Further, we also report that we have traced from the details furnished by the Management, the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, pledged/encumbered shares and non-encumbered shares of promoter and promoter group shareholders, in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints.

For **MGB & Co**

Chartered Accountants

Firm Registration Number 101169W

  
**Mohan Bhandari**  
Partner

Membership Number 12912

Mumbai, 29 April 2014



BUSINESS UPDATE

## Annual volumes at an all-time high; Order Booking of more than a million ton

- Breaks 'Million ton' barrier for the second consecutive year
- Year-end closing order book at an all-time high
- Dividend of Rs. 0.50 per share declared for the year

Mumbai, 29<sup>th</sup> April 2014: Welspun Corp Ltd. (WCL), the flagship Company of the \$3.5 billion Welspun Group, announced its financial results for fourth quarter and full-year of FY14.

The Company broke the 'Million ton' barrier for the second consecutive year with sales, production and order booking exceeding the 'million ton' mark. The Company also ended the year with an order book of 901 K MT. This is the highest year-end closing order book in the history of the Company.

The table below shows the results on a comparable basis for the year, taking into account the impact of the demerger of the company for all the periods shown. Prior period figures are reclassified and restated accordingly.

### Consolidated Financial Highlights – Annual (Figures in Rs. Million)

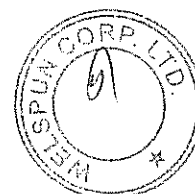
Particulars	FY14	FY13
Sales	77,047	90,831
Reported EBITDA	8,439	9,191
Operational EBITDA	7,742	7,079
Finance Cost	2,964	3,583
Depreciation/ Amortization	4,063	3,531
PBT	1,412	2,076
PAT after minorities & associates	734	1,404
Cash PAT	5,768	5,635

Notes:

- Operational EBITDA = Reported EBITDA – Non-operational income + Unrealised Forex loss/(gain)
- Cash PAT = PBT – Current tax + Depreciation + Post-tax Unrealised Forex loss provision/(gain)
- Total unrealised forex impact for FY14 was a provision of Rs. 1,046 million vs. a gain of Rs. 232 million in FY13.

### Analysis of FY14 Results (Figures in parenthesis pertain to FY13)

- Sales was reported at Rs. 77,047 million vs. Rs. 90,831 million in FY13. The decline was mainly on account of a significant drop in plate sales. On account of the fall in plate demand, the margins in this business were severely affected, leading to a temporary shutdown of the plate mill during the year.
- Pipes sales volume was at 1,019 K MT as against 1,018 K MT in FY13 while total pipe production was at 1,022 K MT (1,010 K MT). Sales and production volumes were at the highest levels in the history of the company.
- Reported EBITDA stood at Rs. 8,439 million vs. Rs. 9,191 million in FY13. The reported EBITDA was affected by unrealised foreign exchange loss of Rs. 1,046 million (vs. gain of Rs. 232 million in FY13) on account of the sharp depreciation in the rupee during the year.
- Adjusted for unrealised foreign exchange provision and non-operational income, Operational EBITDA improved to Rs. 7,742 million vs. Rs. 7,079 million in FY13.





## BUSINESS UPDATE

- Finance Costs was lower at Rs. 2,964 million (Rs. 3,583 million) on account of lower average gross debt during the year.
- Depreciation increased to Rs. 4,063 million (Rs. 3,531 million), primarily due to the commissioning of the HFIW mill in US and forex translational impact.
- Net debt stood at Rs. 24,821 million (Rs. 23,170 million) at the end of the year.
- Net worth at the end of the year was Rs.29,569 million, implying a net debt to equity of 0.84x.

### **Volume data in K MT**

Pipe Volumes	FY14	FY13
Production	1,022	1,010
Sales	1,019	1,018

For quarterly highlights, please refer Annexure – A of this release.

### **Order Book position**

- The current pipe order book stands around 901 K MT (Rs. 58 billion).
- During the year, the company has won orders in excess of 1,260 K MT. The key orders won during the year include large orders from Middle East in the Oil and Gas segment and from India in the water segment.

### **Business Outlook**

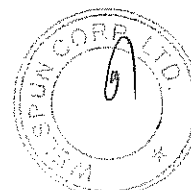
- The outlook for the pipe business continues to be challenging.
- Outlook for the North American market appears challenging in the near term, but is expected to bounce back in FY16.
- With Europe trying to diversify its gas sources from Russia to other geographies like CIS and Africa, many new gas transmission projects are expected to come up resulting in increased pipeline demand in the years ahead.
- Middle East is expected to continue being strong with demand from Saudi Arabia, UAE and Iraq.
- In India, the visibility is improving with large water projects expected to be set up in the near future.

### **Management comments**

Commenting on the results, Mr. B. K. Goenka, Chairman, Welspun Corp said, "FY14 was an eventful year for the company. We have ended the year on a high with all-time high annual production and sales volumes as well as order book. While the business environment continues to be challenging, our pipe order book gives us comfort for the coming year."

### **About Welspun Corp Ltd. (WCL) [www.welspuncorp.com](http://www.welspuncorp.com)**

Welspun Corp Ltd. is a one-stop service provider offering complete pipe solutions with a capability to manufacture line pipes ranging from ½ inch to 140 inches, along with specialized coating, double jointing and bending. With current global capacity of 2.425 mn 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.



## BUSINESS UPDATE

### Annexure - A

#### Consolidated Financial Highlights – Quarterly (Figures in Rs. Million)

Particulars	Q4 FY14	Q3 FY14	Q4 FY13
Sales	15,345	17,420	28,268
Reported EBITDA	1,955	1,738	3,375
Operational EBITDA	544	995	2,658
Finance Cost	662	709	813
Depreciation/ Amortization	938	1,050	900
PBT	355	(22)	1,662
PAT after minorities & associates	126	75	1,237
Cash PAT	907	565	2,704

#### Notes:

- a) Operational EBITDA = Reported EBITDA – Non-operational income + Unrealised Forex loss/(gain)
- b) Cash PAT = PBT – Current tax + Depreciation + Post-tax Unrealised Forex loss/(gain)
- c) Total unrealised forex impact for Q4 FY14 was a gain of Rs. 853 million.

#### Analysis of Q4 FY14 Results - (Figures in parenthesis pertain to Q3 FY14)

- Sales was reported at Rs. 15,345 million (Rs. 17,420 million), as sales volumes were lower q-o-q.
- Total Pipes sales volume of 202 K MT (233 K MT) and total pipe production of 234 K MT (198 K MT).
- Reported EBITDA stood at Rs. 1,955 million (Rs. 1,738 million).
- Adjusted for unrealised foreign exchange gain and non-operational income, Operational EBITDA stood at Rs. 544 million (Rs. 995 million). On a q-o-q basis, sales volumes from the US and Middle East plants were lower, adversely impacting the profitability.
- Finance Costs was lower QoQ at Rs. 662 million (Rs. 709 million) on account of translational impact of foreign currency interest payments.
- Depreciation was also lower QoQ at Rs. 938 million (Rs. 1,050 million).

#### Volume data in K MT

Pipe Volumes	Q4 FY14	Q3 FY14	Q4 FY13
Production	234	198	355
Sales	202	233	363

#### DISCLAIMER:

The information in this release has been included in good faith and is for general purposes only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this release shall constitute an invitation to invest in Welspun Corp Ltd. or any of its affiliates. Neither Welspun Corp Ltd., nor their or their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.

