

WCL/SEC/2018

February 8, 2018

To,

BSE Ltd. (Scrip Code-532144) Department of Listing, P. J. Towers, Dalal Street, Mumbai – 400 001.	National Stock Exchange of India Ltd. (Symbol: WELCORP, Series EQ) 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 nine month ended December 31, 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 nine month ended December 31, 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 1:10 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

Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

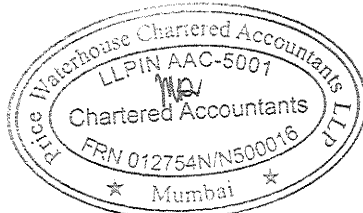
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Corporate Identity Number: L27100GJ1995PLC025609

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated					
		Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)		Year Ended (Audited)
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
1	Income						
a	Revenue from operations	222,991	192,203	114,054	569,620	380,465	576,341
b	Other operating income	7,425	8,400	6,230	23,219	16,134	27,206
c	Other income	1,959	3,718	2,801	9,657	12,159	22,460
	Total income	232,375	204,321	123,085	602,496	408,758	626,007
2	Expenses						
a	Cost of materials consumed	133,949	155,572	82,593	398,960	222,061	362,772
b	Purchase of stock-in-trade	-	1,943	-	2,709	58,505	58,505
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	39,637	(20,883)	(8,775)	9,547	(22,367)	(17,256)
d	Excise duty	-	-	5,362	4,476	11,655	13,676
e	Employee benefit expense	11,173	11,243	10,054	32,742	31,666	43,055
f	Depreciation and amortisation expense	9,491	9,797	10,296	28,862	29,418	38,608
g	Other expenses	31,175	34,186	16,806	88,379	64,200	91,554
h	Finance costs	3,745	5,350	5,667	14,423	17,230	23,571
	Total expenses	229,170	197,208	122,003	580,098	412,368	614,485
3	Profit for the period before tax and share of profit/ (loss) of joint ventures (1-2)	3,205	7,113	1,082	22,398	(3,610)	11,522
4	Share of profit/ (loss) of joint venture	(1,949)	(1,572)	(2,717)	(6,017)	(4,980)	(7,930)
5	Profit/ (loss) before tax (3+4)	1,256	5,541	(1,635)	16,381	(8,590)	3,592
6	Tax expense						
a	Current tax	4,520	259	128	12,361	451	4,722
b	Deferred tax	(10,173)	1,245	(458)	(12,044)	(3,194)	(2,142)
	Total tax expense	(5,653)	1,504	(330)	317	(2,743)	2,580
7	Net profit/ (loss) for the period (5-6)	6,909	4,037	(1,305)	16,064	(5,847)	1,012
8	Other Comprehensive Income, net of income tax						
a	Items that will be reclassified to profit or loss	(1,762)	598	458	(2,881)	1,890	(1,787)
b	Items that will not be reclassified to profit or loss	(47)	(108)	7	(251)	(81)	(224)
		(1,809)	490	465	(3,132)	1,809	(2,011)
9	Total Comprehensive Income for the period (including non-controlling interest) (7+8)	5,100	4,527	(840)	12,932	(4,038)	(999)
10	Net profit/ (loss) attributable to:						
	-Owners	6,639	4,176	(392)	16,282	(4,695)	2,643
	-Non-controlling interest	270	(139)	(913)	(218)	(1,152)	(1,631)
11	Other comprehensive income attributable to:						
	-Owners	(1,749)	517	302	(3,020)	1,580	(1,827)
	-Non-controlling interest	(60)	(27)	163	(112)	229	(184)
12	Total comprehensive income attributable to:						
	-Owners	4,890	4,693	(90)	13,262	(3,115)	816
	-Non-controlling interest	210	(166)	(750)	(330)	(923)	(1,815)
13	Paid up equity share capital (Face value of Rs. 5/- each)	13,261	13,261	13,261	13,261	13,261	13,261
14	Other Equity						267,683
15	Earnings per share (of Rs. 5/- each) (not annualised)						
	-Basic (In Rs.)	2.50	1.58	(0.15)	6.14	(1.77)	1.00
	-Diluted (In Rs.)	2.50	1.58	(0.15)	6.14	(1.77)	1.00



Notes:

- 1 The above financial results for the quarter / nine months ended December 31, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on February 08, 2018. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / nine months ended December 31, 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 its meeting held on February 08, 2018 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 :

(Rs. in lakhs except earnings per share)

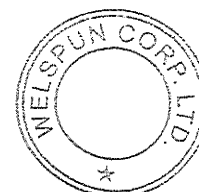
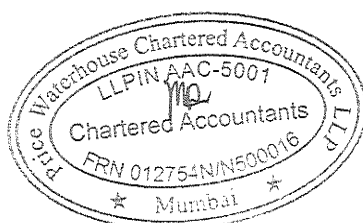
	Key financials	Quarter Ended (Unaudited)			Nine Months ended (Unaudited)		Year Ended (Audited)
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
a	Total Income	144,169	133,914	100,958	416,123	287,709	469,562
b	Profit / (loss) before tax	1,757	(3,024)	6,172	15,852	2,917	26,378
c	Profit / (loss) after tax	1,037	(1,851)	4,229	10,402	2,175	17,459
d	Earnings per share (in Rs.) (not annualised)						
	i) Basic (in Rs.)	0.39	(0.70)	1.59	3.92	0.82	6.58
	ii) Diluted (in Rs.)	0.39	(0.70)	1.59	3.92	0.82	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. 64 lakhs) as on December 31, 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 3.57 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 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 quarter, nine months ended December 31, 2017 are not comparable with 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

Vipul Mathur
Managing Director & CEO
DIN - 0007990476

Place: Mumbai
Date: February 08, 2018



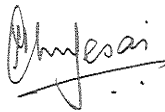
Price Waterhouse Chartered Accountants LLP

Date: February 8, 2018

The Board of Directors
Welspun Corp Limited
5th 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”), its subsidiaries (hereinafter referred to as the “Group”) and its joint ventures for the quarter ended December 31, 2017 which are included in the accompanying ‘Statement of Unaudited Consolidated Financial Results for the Quarter/ Nine months ended December 31, 2017’ (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 personnel and analytical procedures applied to group’s 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 India 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: 012754/N500016



Mehul Desai
Partner
Membership Number 103211

Place: Mumbai
Date: February 8, 2018

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 / NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Lakhs)

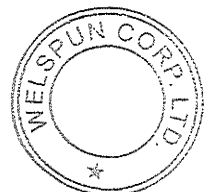
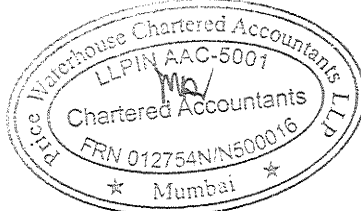
Sr. No.	Particulars	Standalone					
		Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)		Year Ended (Audited)
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
1	Income						
	a Revenue from operations	135,902	122,521	92,526	386,612	264,201	426,281
	b Other operating income	6,576	7,586	5,852	20,260	13,255	21,974
	c Other income	1,691	3,807	2,580	9,251	10,253	21,307
	Total Income	144,169	133,914	100,958	416,123	287,709	469,562
2	Expenses						
	a Cost of materials consumed	90,393	118,690	75,547	301,145	171,061	284,534
	b Purchase of stock-in-trade	-	-	-	766	34,687	34,687
	c Changes in inventories of finished goods, work-in-progress and stock-in-trade	21,973	(13,638)	(10,743)	7,479	(15,738)	(3,849)
	d Excise duty	-	-	5,362	4,476	11,655	13,676
	e Employee benefit expense	4,980	4,612	4,724	14,033	13,599	18,452
	f Depreciation and amortisation expense	5,912	6,225	6,409	18,167	18,233	24,425
	g Other expenses	16,430	16,626	8,346	42,645	36,146	50,529
	h Finance costs	2,724	4,423	5,141	11,560	15,149	20,730
	Total expenses	142,412	136,938	94,786	400,271	284,792	443,184
3	Profit before tax (1-2)	1,757	(3,024)	6,172	15,852	2,917	26,378
4	Tax expenses						
	a Current tax	2,013	130	-	9,518	-	4,181
	b Deferred tax	(1,293)	(1,303)	1,943	(4,068)	742	4,738
	Total tax expense	720	(1,173)	1,943	5,450	742	8,919
5	Net profit for the period (3-4)	1,037	(1,851)	4,229	10,402	2,175	17,459
6	Other Comprehensive Income, net of income tax						
	a Items that will be reclassified to profit or loss	(145)	290	(125)	(1,070)	181	471
	b Items that will not be reclassified to profit or loss	(46)	(108)	5	(250)	(78)	(218)
	Total other comprehensive Income, net of income tax	(191)	182	(120)	(1,320)	103	253
7	Total Comprehensive Income for the period (5+6)	846	(1,669)	4,109	9,082	2,278	17,712
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						167,700
10	Earnings per share (of Rs. 5/- each) (not annualised)						
	-Basic (In Rs.)	0.39	(0.70)	1.59	3.92	0.82	6.58
	-Diluted (In Rs.)	0.39	(0.70)	1.59	3.92	0.82	6.58

Notes:

- The above financial results for the quarter / nine months ended December 31, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on February 08, 2018. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / nine months ended December 31, 2017.
- 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.
- 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.
- 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. 64 lakhs) as on December 31, 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 3.57 times for total debts and the Credit rating by CARE for Secured Redeemable Non Convertible Debentures issue by the Company continues to be "AA-".
- 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 quarter, nine months ended December 31, 2017 are not comparable with 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: February 08, 2018

Vipul Mathur
Managing Director & CEO
DIN - 0007990476


Price Waterhouse Chartered Accountants LLP

Date: February 8, 2018

The Board of Directors
Welspun Corp Limited
5th 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 December 31, 2017 which are included in the accompanying ‘Statement of Unaudited Standalone Financial Results for the Quarter/ Nine months ended December 31, 2017’ (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 India 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: 012754/N500016



Mehul Desai
Partner
Membership Number 103211

Place: Mumbai
Date: February 8, 2018

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Mumbai - 400 028
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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BUSINESS UPDATE

February 08, 2018

Buoyancy across major markets; historical high Orderbook

Welspun Corp Ltd. (WCL), flagship company of the Welspun Group, announced its consolidated financial results for the nine months and third quarter ended December 31, 2017.

For the quarter ended 31st December, 2017 WCL consolidated reported:

- Total income from operation* of Rs. 23,042 mn, up 92% YoY
- EBITDA at Rs. 1,644 mn, down 4% YoY
- Profit before tax and share of JVs of Rs. 320 mn, up 196% YoY
- PAT after Minorities & JVs of Rs. 664 mn vs. Net Loss of Rs. 39 mn in Q3FY17
- Basic EPS at Rs. 2.50 vs. Rs. (0.15) in Q3FY17
- Production and sales of pipes (ex-Saudi Arabia operations) were up 23% / 88% YoY respectively
- Production and sales of pipes (total operations) were up 30% / 96% YoY respectively
- Net debt as on 31 December 2017 was Rs. 6,421 mn, down Rs 3,624 mn QoQ/ Rs 5,704 mn YoY

For the nine months ended 31st December, 2017 WCL consolidated reported:

- Total income from operation of Rs. 59,284 mn, up 49% YoY
- EBITDA at Rs. 6,568 mn, up 53% YoY
- Profit before tax and share of JVs of Rs. 2,240 mn vs. Loss of Rs. 361 mn in 9MFY17
- PAT after Minorities & JVs of Rs. 1,628 mn vs. Net Loss of Rs. 470 mn in 9MFY17
- Basic EPS at Rs. 6.14 vs. Rs. (1.77) in 9MFY17
- Production and sales of pipes (ex-Saudi Arabia operations) were up 36% / 58% YoY respectively
- Production and sales of pipes (total operations) were up 24% / 39% YoY respectively

Order book position (including all operations): Current pipe order book stands at 1,279K MTs (Rs. 82 billion).

Commenting on the results, **Mr B. K. Goenka**, Chairman, Welspun Group said, “We are witnessing strong demand from all major geographies we cater to. This is visible in our historical high orderbook of 1,279K MT. We believe demand would sustain as high energy prices are driving revival in global oil & gas segment.”

Note: *Q2FY18 and Q3FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 5 of Consolidated Financial Results for details.

BUSINESS UPDATE

Consolidated performance highlights:

Figures in Rs. million unless specified

Particulars	Q3-FY18	Q2-FY18	Q3-FY17	9M-FY18	9M-FY17
Ex-Saudi Arabia/ CWC operations					
- Pipe Production (KMT)	248	276	202	752	551
- Pipe Sales (KMT)	305	273	163	788	500
Total operations					
- Pipe Production (KMT)	263	280	203	771	624
- Pipe Sales (KMT)	318	293	163	830	596
- Plates/ coils Production (KMT)	138	100	44	297	192
Total Income from Operations	23,042	20,060	12,028	59,284	39,660
EBITDA	1,644	2,226	1,705	6,568	4,304
Finance Cost	374	535	567	1,442	1,723
Depreciation and Amortisation	949	980	1,030	2,886	2,942
Profit before tax and share of JVs	320	711	108	2,240	(361)
PAT after Minorities & JVs	664	418	(39)	1,628	(470)
Cash PAT	818	1,665	1,125	3,890	2,536

Notes: a) Q2FY18 and Q3FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 5 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	31-Dec-2017	30-Sep-2017	31-Mar-2017
Gross Debt	12,883	14,489	18,430
Cash & Cash Equivalents	6,463	4,445	7,365
Net Debt	6,421	10,045	11,065

BUSINESS UPDATE

Business outlook:

Q3 witnessed more than 900K MTs of order booking led by recovery in Americas and MENA. With firming up of global energy prices, demand from oil & gas segment would remain strong. Demand growth in Americas is led by a buoyant small diameter segment and signs of revival in large diameter segment. We expect MENA region oil & gas segment demand to pick-up over next few quarters. Domestic market continues to witness strong demand both in water as well as oil & gas segment. Continued strength in volumes outlook is expected to have a positive impact on the margins for next fiscal.

Demand outlook for our Plate and Coil Mills division remains satisfactory, although margin challenges remain.

Post Q3FY18 conference call:

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

Date : Thursday, 8 February 2018

Time : 4:00pm 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.

For further information please visit www.welspuncorp.com or contact:

Deepak Khetan, ir_wcl@welspun.com, +91 22 66136584

Harish Venkateswaran, harish_venkateswaran@welspun.com

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 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.

Welspun Corp Ltd (WCL)

World's Leading Line Pipe Manufacturer

Investor Presentation

Q3FY18



SAFE HARBOUR

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PERFORMANCE HIGHLIGHTS Q3FY18

Rs. 23,042 mn

92% YoY



Income from Operations

305* KMT

88% YoY



Pipe sales volume

Rs. 1,644 mn

4% YoY



EBIDTA

Rs. 664 mn

vs. Rs (39) mn YoY



PAT

Rs. 818 mn

27% YoY



Cash PAT

Rs. 6,421 mn

vs. Rs 10,045 mn
in Q2FY18



Net Debt

*Note: * Excludes Saudi Arabia operations*

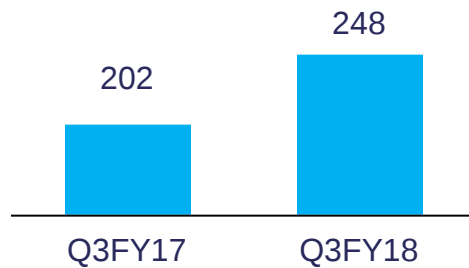
All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC

**Q3FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 5 of Consolidated Financial Results for details*

Q3FY18 OPERATING PERFORMANCE

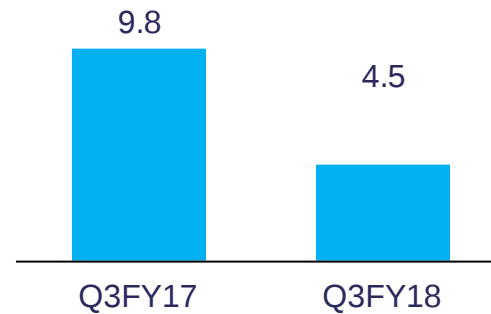
Pipe production

(KMT)



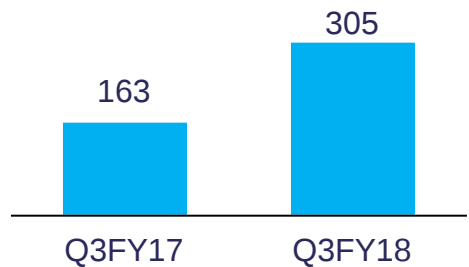
EBITDA/Ton for Pipes

(Rs. '000)



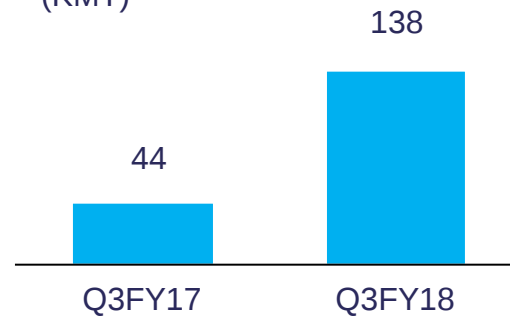
Pipe sales

(KMT)



Plate/ Coils production

(KMT)

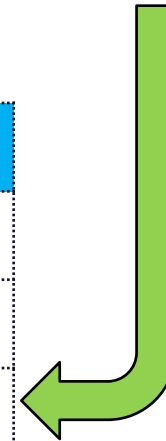


Note: All numbers on this page excludes JV operations – Saudi Arabia, unless specified ; Total pipe production excludes 15KMT/ 1 KMT for Saudi Arabia plant in Q3 FY18/ Q3 FY17 respectively; Total pipe sales excludes 13 KMT for Saudi Arabia plant in Q3 FY18

HEALTHY BALANCE SHEET TO SUPPORT GROWTH

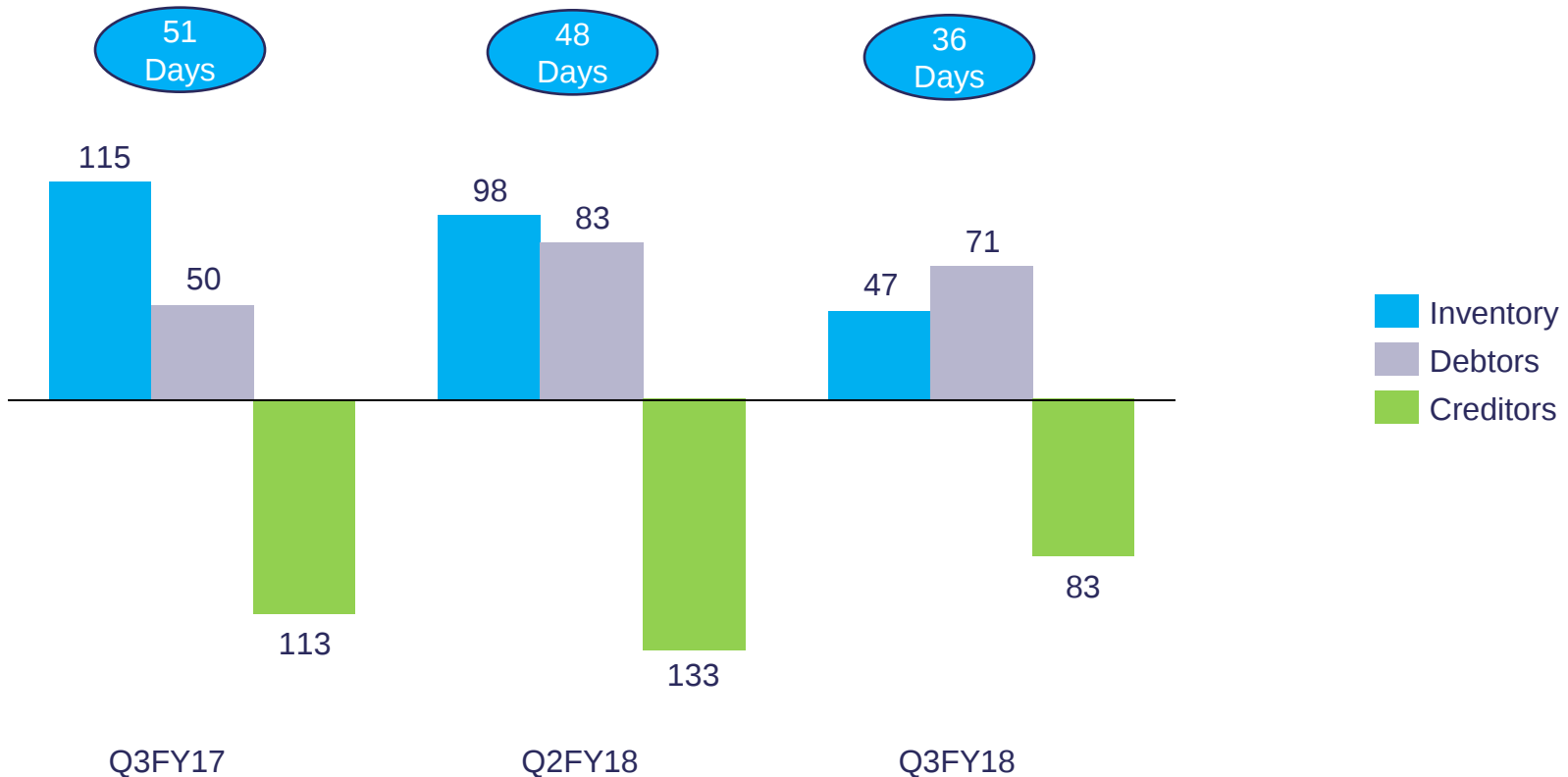
- **Gross debt** as on 31 December 2017 was down Rs 1,606 mn Q-o-Q; **Net debt** was down Rs 3,624 mn Q-o-Q

Rs mn	Q3 FY17	Q2 FY18	Q3 FY18
Gross Debt	22,619	14,489	12,883
Cash & Equivalent	10,494	4,445	6,463
Net Debt	12,125	10,045	6,421
Current Ratio	1.46x	1.31x	1.40x
Net Debt/ EBITDA	1.89x	1.04x	0.67x
Net Debt/ Equity	0.44x	0.36x	0.23x



NET WORKING CAPITAL UNDER CONTROL

IND AS Basis

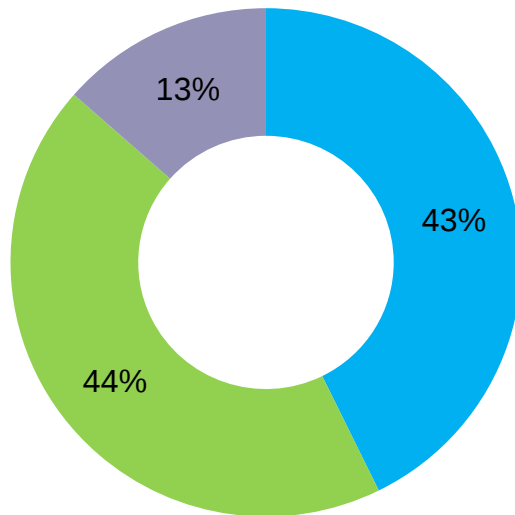


FY18 cash conversion cycle is expected in the region of 50-55 days

**Includes Debtors + Inventory – Creditors*

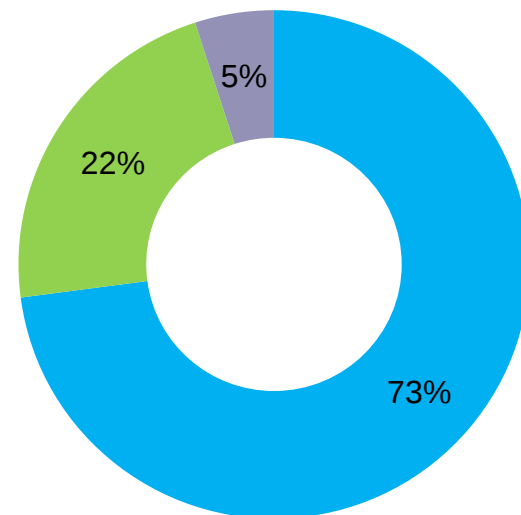
SALES VOLUME BREAK-UP

9M FY18 Pipe Sales Volume : 830 KMT
(including Saudi Arabia operations)



■ LSAW ■ HSAW ■ ERW

Sales by Type



■ India ■ US ■ KSA

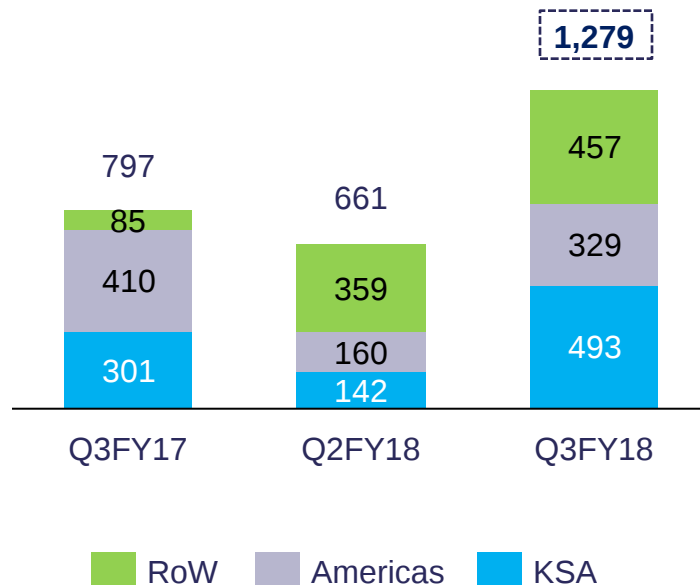
Sales by Plant

ORDERBOOK ANALYSIS (including Saudi Arabia operations)

Buoyancy across major markets has led to historical high Orderbook

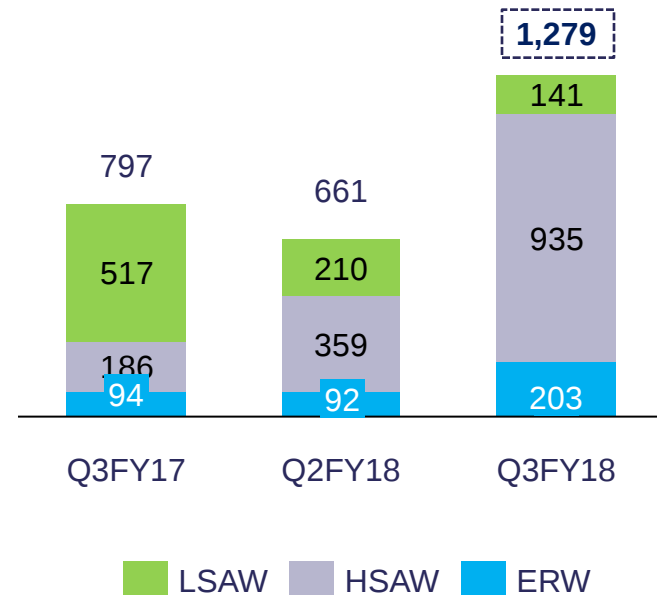
Order book by Region

(KMT)



Order book by Type

(KMT)



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

OUTLOOK

FY18 YTD

- More than 1.5 million MTs of new orders booked leading to historical high orderbook
- Order booking has been wide-spread across all major markets – Americas, MENA and India
- Based on the expected sales-mix for the year we had indicated earlier that H2 profitability will be relatively weak. The same is visible in Q3 margins

Demand drivers

- Firming up of energy prices
 - Demand growth in Americas is led by a buoyant small diameter segment (pick-up in exploration) and early signs of revival in large diameter segment
 - Expansion of National Gas Grid in India
 - Large number of water projects across India and Saudi Arabia
-

PROFIT & LOSS – QUARTERLY

Rs mn	Q3 FY17	Q3 FY18
Income from operations	12,028	23,042
EBIDTA	1,705	1,644
Depreciation/Amortization	1,030	949
Finance Cost	567	374
Profit before tax and share of JVs	108	320
Tax	(33)	(565)
Non-Controlling interest	(91)	27
Share of Profit/ (Loss) from JVs	(272)	(195)
Net Profit/ (Loss) for the period	(39)	664

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 – Nine months

Rs mn	9M FY17	9M FY18
Income from operations	39,660	59,284
EBIDTA	4,304	6,568
Depreciation/Amortization	2,942	2,886
Finance Cost	1,723	1,442
Profit before tax and share of JVs	(361)	2,240
Tax	(274)	32
Non-Controlling interest	(115)	(22)
Share of Profit/ (Loss) from JVs	(498)	(602)
Net Profit/ (Loss) for the period	(470)	1,628

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

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED DECEMBER 31, 2017
(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated					
		Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)		Year Ended (Audited)
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
1	Income						
a	Revenue from operations	222,991	192,203	114,054	569,620	380,465	576,341
b	Other operating income	7,425	8,400	6,230	23,219	16,134	27,206
c	Other income	1,959	3,718	2,801	9,657	12,159	22,460
	Total Income	232,375	204,321	123,085	602,496	408,758	626,007
2	Expenses						
a	Cost of materials consumed	133,949	155,572	82,593	398,960	222,061	362,772
b	Purchase of stock-in-trade	-	1,943	-	2,709	58,505	58,505
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	39,637	(20,883)	(8,775)	9,547	(22,367)	(17,256)
d	Excise duty	-	-	5,362	4,476	11,655	13,676
e	Employee benefit expense	11,173	11,243	10,054	32,742	31,666	43,055
f	Depreciation and amortisation expense	9,491	9,797	10,296	28,862	29,418	38,608
g	Other expenses	31,175	34,186	16,806	88,379	64,200	91,554
h	Finance costs	3,745	5,350	5,667	14,423	17,230	23,571
	Total expenses	229,170	197,208	122,003	580,098	412,368	614,485
3	Profit for the period before tax and share of profit/ (loss) of joint ventures (1-2)	3,205	7,113	1,082	22,398	(3,610)	11,522
4	Share of profit/ (loss) of joint venture	(1,949)	(1,572)	(2,717)	(6,017)	(4,980)	(7,930)
5	Profit/ (loss) before tax (3+4)	1,256	5,541	(1,635)	16,381	(8,590)	3,592
6	Tax expense						
a	Current tax	4,520	259	128	12,361	451	4,722
b	Deferred tax	(10,173)	1,245	(458)	(12,044)	(3,194)	(2,142)
	Total tax expense	(5,653)	1,504	(330)	317	(2,743)	2,580
7	Net profit/ (loss) for the period (5-6)	6,909	4,037	(1,305)	16,064	(5,847)	1,012
8	Other Comprehensive Income, net of income tax						
a	Items that will be reclassified to profit or loss	(1,762)	598	458	(2,881)	1,890	(1,787)
b	Items that will not be reclassified to profit or loss	(47)	(108)	7	(251)	(81)	(224)
		(1,809)	490	465	(3,132)	1,809	(2,011)
9	Total Comprehensive Income for the period (including non-controlling interest) (7+8)	5,100	4,527	(840)	12,932	(4,038)	(999)
10	Net profit/ (loss) attributable to:						
	-Owners	6,639	4,176	(392)	16,282	(4,695)	2,643
	-Non-controlling interest	270	(139)	(913)	(218)	(1,152)	(1,631)
11	Other comprehensive income attributable to:						
	-Owners	(1,749)	517	302	(3,020)	1,580	(1,827)
	-Non-controlling interest	(60)	(27)	163	(112)	229	(184)
12	Total comprehensive income attributable to:						
	-Owners	4,890	4,693	(90)	13,262	(3,115)	816
	-Non-controlling interest	210	(166)	(750)	(330)	(923)	(1,815)
13	Paid up equity share capital (Face value of Rs. 5/- each)	13,261	13,261	13,261	13,261	13,261	13,261
14	Other Equity						267,683
15	Earnings per share (of Rs. 5/- each) (not annualised)						
	-Basic (In Rs.)	2.50	1.58	(0.15)	6.14	(1.77)	1.00
	-Diluted (In Rs.)	2.50	1.58	(0.15)	6.14	(1.77)	1.00

Notes:

- 1 The above financial results for the quarter / nine months ended December 31, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on February 08, 2018. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / nine months ended December 31, 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 its meeting held on February 08, 2018 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 :

(Rs. in lakhs except earnings per share)

	Key financials	Quarter Ended (Unaudited)			Nine Months ended (Unaudited)		Year Ended (Audited)
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
a	Total Income	144,169	133,914	100,958	416,123	287,709	469,562
b	Profit / (loss) before tax	1,757	(3,024)	6,172	15,852	2,917	26,378
c	Profit / (loss) after tax	1,037	(1,851)	4,229	10,402	2,175	17,459
d	Earnings per share (in Rs.) (not annualised)						
i)	Basic (in Rs.)	0.39	(0.70)	1.59	3.92	0.82	6.58
ii)	Diluted (in Rs.)	0.39	(0.70)	1.59	3.92	0.82	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. 64 lakhs) as on December 31, 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 3.57 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 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 quarter, nine months ended December 31, 2017 are not comparable with 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: February 08, 2018

Vipul Mathur
Managing Director & CEO
DIN - 0007990476

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone					
		Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)		Year Ended (Audited)
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
1	Income						
a	Revenue from operations	135,902	122,521	92,526	386,612	264,201	426,281
b	Other operating income	6,576	7,586	5,852	20,260	13,255	21,974
c	Other income	1,691	3,807	2,580	9,251	10,253	21,307
	Total Income	144,169	133,914	100,958	416,123	287,709	469,562
2	Expenses						
a	Cost of materials consumed	90,393	118,690	75,547	301,145	171,061	284,534
b	Purchase of stock-in-trade	-	-	-	766	34,687	34,687
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	21,973	(13,638)	(10,743)	7,479	(15,738)	(3,849)
d	Excise duty	-	-	5,362	4,476	11,655	13,676
e	Employee benefit expense	4,980	4,612	4,724	14,033	13,599	18,452
f	Depreciation and amortisation expense	5,912	6,225	6,409	18,167	18,233	24,425
g	Other expenses	16,430	16,626	8,346	42,645	36,146	50,529
h	Finance costs	2,724	4,423	5,141	11,560	15,149	20,730
	Total expenses	142,412	136,938	94,786	400,271	284,792	443,184
3	Profit before tax (1-2)	1,757	(3,024)	6,172	15,852	2,917	26,378
4	Tax expenses						
a	Current tax	2,013	130	-	9,518	-	4,181
b	Deferred tax	(1,293)	(1,303)	1,943	(4,068)	742	4,738
	Total tax expense	720	(1,173)	1,943	5,450	742	8,919
5	Net profit for the period (3-4)	1,037	(1,851)	4,229	10,402	2,175	17,459
6	Other Comprehensive Income, net of income tax						
a	Items that will be reclassified to profit or loss	(145)	290	(125)	(1,070)	181	471
b	Items that will not be reclassified to profit or loss	(46)	(108)	5	(250)	(78)	(218)
	Total other comprehensive Income, net of income tax	(191)	182	(120)	(1,320)	103	253
7	Total Comprehensive Income for the period (5+6)	846	(1,669)	4,109	9,082	2,278	17,712
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						167,700
10	Earnings per share (of Rs. 5/- each) (not annualised)						
	-Basic (In Rs.)	0.39	(0.70)	1.59	3.92	0.82	6.58
	-Diluted (In Rs.)	0.39	(0.70)	1.59	3.92	0.82	6.58

Notes:

- The above financial results for the quarter / nine months ended December 31, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on February 08, 2018. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / nine months ended December 31, 2017.
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For and On Behalf of the Board of Directors of Welspun Corp Limited

 Place: Mumbai
 Date: February 08, 2018

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 Managing Director & CEO
 DIN - 0007990476