

**WCL/SEC/2018****November 1, 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.

Dear Sirs/ Madam,

**Sub.: (1) Un-audited Financial Results for the quarter and half year ended September 30, 2018 and Limited Review Report.**  
**(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, 2018 ("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 1:45 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.

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E-mail : companysecretary\_wcl@welspun.com Website : www.welspuncorp.com

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

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

# Price Waterhouse Chartered Accountants LLP

November 01, 2018

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 and the half year ended September 30, 2018 which are included in the accompanying statement of ‘Unaudited Consolidated Financial Results for the Quarter and Half Year ended September 30, 2018’ and the Unaudited Consolidated Balance Sheet as on that date (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’s 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 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 01, 2018

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*Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)*  
*Mumbai - 400 028*  
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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)

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018**

(Rs. in Lakhs)

| Sr. No.   | Particulars   | Consolidated              |                |                |                             |                |                      |
|-----------|---|---------------------------|----------------|----------------|-----------------------------|----------------|----------------------|
|           |   | Quarter Ended (Unaudited) |                |                | Half Year ended (Unaudited) |                | Year Ended (Audited) |
|           |   | 30-Sep-18                 | 30-Jun-18      | 30-Sep-17      | 30-Sep-18                   | 30-Sep-17      | 31-Mar-18            |
| <b>1</b>  | <b>Income</b>   |                           |                |                |                             |                |                      |
| a         | Revenue from operations   | 228,993                   | 194,905        | 192,203        | 423,898                     | 346,629        | 728,477              |
| b         | Other operating revenue   | 6,478                     | 7,432          | 8,400          | 13,910                      | 15,794         | 30,256               |
| c         | Other income  | 8,532                     | 6,214          | 3,718          | 14,746                      | 10,075         | 13,121               |
|           | <b>Total Income</b>   | <b>244,003</b>            | <b>208,551</b> | <b>204,321</b> | <b>452,554</b>              | <b>372,498</b> | <b>771,854</b>       |
| <b>2</b>  | <b>Expenses</b>   |                           |                |                |                             |                |                      |
| a         | Cost of materials consumed  | 182,647                   | 161,240        | 155,572        | 343,887                     | 265,011        | 523,701              |
| b         | Purchase of stock-in-trade  | -                         | 557            | 1,943          | 557                         | 2,709          | 2,709                |
| c         | Changes in inventories of finished goods, work-in-progress and stock-in-trade               | (22,673)                  | (23,438)       | (20,883)       | (46,111)                    | (30,090)       | 2,368                |
| d         | Excise duty   | -                         | -              | -              | -                           | 4,476          | 4,476                |
| e         | Employee benefit expense  | 14,657                    | 11,908         | 11,243         | 26,565                      | 21,569         | 42,965               |
| f         | Depreciation and amortisation expense   | 9,542                     | 9,577          | 9,797          | 19,119                      | 19,371         | 37,930               |
| g         | Other expenses  | 45,523                    | 36,316         | 34,186         | 81,839                      | 59,581         | 114,162              |
| h         | Finance costs   | 5,069                     | 4,238          | 5,350          | 9,307                       | 10,678         | 18,533               |
|           | <b>Total expenses</b>   | <b>234,765</b>            | <b>200,398</b> | <b>197,208</b> | <b>435,163</b>              | <b>353,305</b> | <b>746,844</b>       |
| <b>3</b>  | <b>Profit for the period before tax and share of profit/ (loss) of joint ventures (1-2)</b> | <b>9,238</b>              | <b>8,153</b>   | <b>7,113</b>   | <b>17,391</b>               | <b>19,193</b>  | <b>25,010</b>        |
| <b>4</b>  | <b>Share of profit/ (loss) of joint venture</b>   | <b>(3,225)</b>            | <b>(2,729)</b> | <b>(1,572)</b> | <b>(5,954)</b>              | <b>(4,068)</b> | <b>(8,591)</b>       |
| <b>5</b>  | <b>Profit before tax (3+4)</b>  | <b>6,013</b>              | <b>5,424</b>   | <b>5,541</b>   | <b>11,437</b>               | <b>15,125</b>  | <b>16,419</b>        |
| <b>6</b>  | <b>Tax expense</b>  |                           |                |                |                             |                |                      |
| a         | Current tax   | 2,237                     | 1,973          | 259            | 4,210                       | 7,841          | 10,501               |
| b         | Deferred tax  | (1,808)                   | (914)          | 1,245          | (2,722)                     | (1,871)        | (9,383)              |
|           | <b>Total tax expense</b>  | <b>429</b>                | <b>1,059</b>   | <b>1,504</b>   | <b>1,488</b>                | <b>5,970</b>   | <b>1,118</b>         |
| <b>7</b>  | <b>Net profit for the period (5-6)</b>  | <b>5,584</b>              | <b>4,365</b>   | <b>4,037</b>   | <b>9,949</b>                | <b>9,155</b>   | <b>15,301</b>        |
| <b>8</b>  | <b>Other Comprehensive Income, net of income tax</b>  |                           |                |                |                             |                |                      |
| a         | Items that will be reclassified to profit or loss   | (693)                     | 1,572          | 598            | 879                         | (1,119)        | (1,345)              |
| b         | Items that will not be reclassified to profit or loss                                       | 115                       | (27)           | (108)          | 88                          | (204)          | (110)                |
|           |   | (578)                     | 1,545          | 490            | 967                         | (1,323)        | (1,455)              |
| <b>9</b>  | <b>Total Comprehensive Income for the period (including non-controlling interest) (7+8)</b> | <b>5,006</b>              | <b>5,910</b>   | <b>4,527</b>   | <b>10,916</b>               | <b>7,832</b>   | <b>13,846</b>        |
| <b>10</b> | <b>Net profit/ (loss) attributable to:</b>  |                           |                |                |                             |                |                      |
|           | -Owners   | 5,869                     | 4,669          | 4,176          | 10,538                      | 9,643          | 15,830               |
|           | -Non-controlling interest   | (285)                     | (304)          | (139)          | (589)                       | (488)          | (529)                |
| <b>11</b> | <b>Other comprehensive income attributable to:</b>  |                           |                |                |                             |                |                      |
|           | -Owners   | (561)                     | 1,543          | 517            | 982                         | (1,271)        | (1,422)              |
|           | -Non-controlling interest   | (17)                      | 2              | (27)           | (15)                        | (52)           | (33)                 |
| <b>12</b> | <b>Total comprehensive income attributable to:</b>  |                           |                |                |                             |                |                      |
|           | -Owners   | 5,308                     | 6,212          | 4,693          | 11,520                      | 8,372          | 14,408               |
|           | -Non-controlling interest   | (302)                     | (302)          | (166)          | (604)                       | (540)          | (562)                |
| <b>13</b> | <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>        |
| <b>14</b> | <b>Other Equity</b>   |                           |                |                | <b>271,609</b>              | <b>265,458</b> | <b>272,143</b>       |
| <b>15</b> | <b>Earnings per share (of Rs. 5/- each) (not annualised)</b>                                |                           |                |                |                             |                |                      |
|           | -Basic (In Rs.)   | 2.21                      | 1.76           | 1.58           | 3.97                        | 3.64           | 5.97                 |
|           | -Diluted (In Rs.)   | 2.21                      | 1.76           | 1.58           | 3.97                        | 3.64           | 5.97                 |





**Notes:**

- 1 The aforesaid consolidated financial results of Welspun Corp Limited (the "Company") and its subsidiaries (hereinafter referred to as the "Group") and its joint ventures were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on November 01, 2018. The Statutory Auditors have carried out a Limited Review of the results for the quarter and half year ended September 30, 2018 and expressed an unmodified opinion on the aforesaid results.
- 2 The Group and joint ventures are 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 November 01, 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) |           |           | Half Year ended (Unaudited) |           | Year ended (Audited) |
|-----|--|---------------------------|-----------|-----------|-----------------------------|-----------|----------------------|
|     |  | 30-Sep-18                 | 30-Jun-18 | 30-Sep-17 | 30-Sep-18                   | 30-Sep-17 | 31-Mar-18            |
| a   | Total Income                                 | 136,937                   | 143,354   | 133,914   | 280,291                     | 274,445   | 539,012              |
| b   | Profit before tax                            | (2,083)                   | 2,942     | (3,024)   | 859                         | 14,095    | 19,585               |
| c   | Profit after tax                             | (1,055)                   | 2,133     | (1,851)   | 1,078                       | 9,365     | 12,582               |
| d   | Earnings per share (in Rs.) (not annualised) |                           |           |           |                             |           |                      |
| i)  | Basic (in Rs.)                               | (0.39)                    | 0.80      | (0.70)    | 0.41                        | 3.53      | 4.74                 |
| ii) | Diluted (in Rs.)                             | (0.39)                    | 0.80      | (0.70)    | 0.41                        | 3.53      | 4.74                 |

- 4 These financial results of the Group and joint ventures have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- 5 Details of Secured, Redeemable, Non Convertible Debentures is as follows:

(Rs. in Lakhs)

| Particulars   | Previous Due Date # |            | Next Due Date         |                  |               |                 |
|---|---------------------|------------|-----------------------|------------------|---------------|-----------------|
|   | Principal           | Interest   | Next Installment Date | Principal Amount | Interest Date | Interest Amount |
| 9.55% Secured Redeemable Non Convertible Debenture  | NA                  | 03.08.2018 | August 2021           | 4,000            | 03.11.2018    | 481             |
| 11.00% Secured Redeemable Non Convertible Debenture | NA                  | 09.08.2018 | November 2020         | 2,700            | 09.11.2018    | 250             |
| 8.90% Secured Redeemable Non Convertible Debenture  | NA                  | NA         | January 2023          | 6,250            | 01.02.2019    | 2,225           |

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

- 6 The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 54,000 lakhs (excludes transaction costs as per effective interest rate Rs. 316 lakhs) as on September 30, 2018 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. 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 2.94 times for total debts and the Credit rating by CRISIL for Secured Redeemable Non Convertible Debentures issue by the Company is "AA-".
- 7 Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, revenue from operations are required to be disclosed net of GST in accordance with the requirements of IndAS. Accordingly, the revenue from operations for the half year ended September 30, 2018 are not comparable with corresponding half year ended September 30, 2017 presented in the financial results which are reported inclusive of excise duty.
- 8 Effective April 01, 2018, the Group and joint ventures adopted/ applied (as applicable) Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 01, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The adoption/application (as applicable) of Ind AS 115 did not have any material impact on these financial results.
- 9 Final Dividend of Rs. 0.50 per share proposed for the year ended March 31, 2018, was approved by the Shareholders in AGM held on August 14, 2018, and paid subsequently during the current quarter.
- 10 The Nomination and Remuneration Committee of the Board of Directors of the Company at its meeting held on August 16, 2018 approved to grant 2,350,000 stock options to eligible employees of the Company and its subsidiary in accordance with the terms and conditions of the Employee Stock Option Plan named "WELSOP" as approved by the shareholders of the Company on September 30, 2005. Accordingly, in the current quarter the Company has recognized expense amounting to Rs. 83 lacs included under 'Employee benefit expense' towards the stock options granted.
- 11 As at September 30, 2018, in relation to the investment in certain securities whose credit rating have been downgraded, fair valuation loss aggregating to Rs. 1,855 lacs has been accounted by the Company.
- 12 The Board of Directors of the Company at their meeting held on September 05, 2018 have approved the Scheme of Arrangement (the "Scheme") between Welspun Pipes Limited ("WPL") and the Company and their respective shareholders and creditors with appointed date as August 17, 2018, subject to regulatory and other approvals.

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

Vipul Mathur  
Managing Director and Chief Executive Officer  
DIN - 0007990476

Place: Mumbai  
Date: November 01, 2018

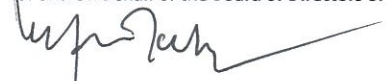


**UNAUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2018**

| Particulars   | (Rs. in Lakhs)                             |                                      |
|---|--|--------------------------------------|
|   | As at<br>September 30, 2018<br>(Unaudited) | As at<br>March 31, 2018<br>(Audited) |
| <b>ASSETS</b>   |  |                                      |
| <b>Non-current assets</b>   |  |                                      |
| Property, plant and equipment   | 296,235                                    | 303,261                              |
| Capital work-in-progress  | 1,974                                      | 1,444                                |
| Investment property   | 81   | 82                                   |
| Goodwill on consolidation   | 47   | 47                                   |
| Other intangible assets   | 1,147                                      | 1,190                                |
| Intangible assets under development   | 87   | 213                                  |
| Investments accounted for using the equity method                                     | 7,037                                      | 11,441                               |
| <b>Financial assets</b>   |  |                                      |
| Investments   | 4,955                                      | 3,653                                |
| Loans   | 24,692                                     | 22,381                               |
| Other financial assets  | 1,500                                      | 1,495                                |
| Deferred tax assets (net)   | 46   | 40                                   |
| Other non-current assets  | 11,850                                     | 11,846                               |
| <b>Total non-current assets</b>   | <b>349,651</b>                             | <b>357,093</b>                       |
| <b>Current assets</b>   |  |                                      |
| Inventories   | 263,788                                    | 151,186                              |
| <b>Financial assets</b>   |  |                                      |
| Investments   | 83,433                                     | 33,667                               |
| Trade receivables   | 122,883                                    | 131,986                              |
| Cash and cash equivalents   | 15,117                                     | 55,263                               |
| Bank balances other than cash and cash equivalents                                    | 10,611                                     | 7,556                                |
| Loans   | 54   | 59                                   |
| Other financial assets  | 16,547                                     | 5,902                                |
| Current tax assets (net)  | -  | 2,049                                |
| Other current assets  | 22,574                                     | 24,510                               |
| Assets classified as held for sale  | 22   | 60                                   |
| <b>Total current assets</b>   | <b>535,029</b>                             | <b>412,238</b>                       |
| <b>Total assets</b>   | <b>884,680</b>                             | <b>769,331</b>                       |
| <b>EQUITY AND LIABILITIES</b>   |  |                                      |
| <b>Equity</b>   |  |                                      |
| Equity share capital  | 13,261                                     | 13,261                               |
| <b>Other equity</b>   |  |                                      |
| Reserves and surplus  | 269,521                                    | 270,949                              |
| Other reserves  | 2,088                                      | 1,194                                |
| <b>Equity attributable to owners of Welspun Corp Limited</b>                          | <b>284,870</b>                             | <b>285,404</b>                       |
| Non-controlling interests   | (271)                                      | 5,661                                |
| <b>Total equity</b>   | <b>284,599</b>                             | <b>291,065</b>                       |
| <b>LIABILITIES</b>  |  |                                      |
| <b>Non-current liabilities</b>  |  |                                      |
| <b>Financial liabilities</b>  |  |                                      |
| Borrowings  | 131,916                                    | 127,173                              |
| Other financial liabilities   | 16   | 15                                   |
| Provisions  | 3,577                                      | 3,929                                |
| Deferred tax liabilities (net)  | 35,458                                     | 34,375                               |
| Government grants   | 34,179                                     | 36,496                               |
| <b>Total non-current liabilities</b>  | <b>205,146</b>                             | <b>201,988</b>                       |
| <b>Current liabilities</b>  |  |                                      |
| <b>Financial liabilities</b>  |  |                                      |
| Borrowings  | 1,488                                      | 1,257                                |
| Trade payables  |  |                                      |
| Total outstanding due to micro enterprises and small enterprises                      | 84   | 110                                  |
| Total outstanding due to creditors other than micro enterprises and small enterprises | 314,573                                    | 213,289                              |
| Other financial liabilities   | 33,801                                     | 24,367                               |
| Provisions  | 2,002                                      | 1,951                                |
| Government grants   | 4,634                                      | 4,634                                |
| Current tax liabilities (net)   | 18,886                                     | 17,987                               |
| Other current liabilities   | 19,467                                     | 12,683                               |
| <b>Total current liabilities</b>  | <b>394,935</b>                             | <b>276,278</b>                       |
| <b>Total Liabilities</b>  | <b>600,081</b>                             | <b>478,266</b>                       |
| <b>Total equity and liabilities</b>   | <b>884,680</b>                             | <b>769,331</b>                       |


 Place: Mumbai  
 Date: November 01, 2018

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

  
 Vipul Mathur  
 Managing Director and Chief Executive Officer  
 DIN - 0007990476


# Price Waterhouse Chartered Accountants LLP

November 01, 2018

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 and half year ended September 30, 2018 which are included in the accompanying statement of ‘Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2018’ and the statement of Unaudited Standalone Balance Sheet as on that date together with the notes thereon (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 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 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 and Regulation 52 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 01, 2018

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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)



**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018**

(Rs. in Lakhs)

| Sr. No. | Particulars  | Standalone                |                |                |                             |                |                      |
|---------|--|---------------------------|----------------|----------------|-----------------------------|----------------|----------------------|
|         |  | Quarter Ended (Unaudited) |                |                | Half Year ended (Unaudited) |                | Year Ended (Audited) |
|         |  | 30-Sep-18                 | 30-Jun-18      | 30-Sep-17      | 30-Sep-18                   | 30-Sep-17      | 31-Mar-18            |
| 1       | <b>Income</b>  |                           |                |                |                             |                |                      |
| a       | Revenue from operations  | 125,125                   | 132,042        | 122,521        | 257,167                     | 250,710        | 500,201              |
| b       | Other operating revenue  | 3,960                     | 4,622          | 7,586          | 8,582                       | 13,684         | 25,788               |
| c       | Other income   | 7,852                     | 6,690          | 3,807          | 14,542                      | 10,051         | 13,023               |
|         | <b>Total Income</b>  | <b>136,937</b>            | <b>143,354</b> | <b>133,914</b> | <b>280,291</b>              | <b>274,445</b> | <b>539,012</b>       |
| 2       | <b>Expenses</b>  |                           |                |                |                             |                |                      |
| a       | Cost of materials consumed   | 105,755                   | 106,668        | 118,690        | 212,423                     | 210,752        | 407,286              |
| b       | Purchase of stock-in-trade   | -                         | 557            | -              | 557                         | 766            | 766                  |
| c       | Changes in inventories of finished goods, work-in-progress and stock-in-trade  | (7,899)                   | (2,941)        | (13,638)       | (10,840)                    | (14,494)       | (12,277)             |
| d       | Excise duty  | -                         | -              | -              | -                           | 4,476          | 4,476                |
| e       | Employee benefit expense   | 5,121                     | 4,150          | 4,612          | 9,271                       | 9,053          | 17,994               |
| f       | Depreciation and amortisation expense  | 5,791                     | 5,941          | 6,225          | 11,732                      | 12,255         | 23,753               |
| g       | Other expenses   | 26,616                    | 23,000         | 16,626         | 49,616                      | 28,706         | 62,853               |
| h       | Finance costs  | 3,636                     | 3,037          | 4,423          | 6,673                       | 8,836          | 14,576               |
|         | <b>Total expenses</b>  | <b>139,020</b>            | <b>140,412</b> | <b>136,938</b> | <b>279,432</b>              | <b>260,350</b> | <b>519,427</b>       |
| 3       | <b>Profit/ (loss) before tax (1-2)</b>   | <b>(2,083)</b>            | <b>2,942</b>   | <b>(3,024)</b> | <b>859</b>                  | <b>14,095</b>  | <b>19,585</b>        |
| 4       | <b>Tax expenses</b>  |                           |                |                |                             |                |                      |
| a       | Current tax  | 196                       | 1,107          | 130            | 1,303                       | 7,505          | 10,630               |
| b       | Deferred tax   | (1,224)                   | (298)          | (1,303)        | (1,522)                     | (2,775)        | (3,627)              |
|         | <b>Total tax expense</b>   | <b>(1,028)</b>            | <b>809</b>     | <b>(1,173)</b> | <b>(219)</b>                | <b>4,730</b>   | <b>7,003</b>         |
| 5       | <b>Net profit/ (loss) for the period (3-4)</b>                                 | <b>(1,055)</b>            | <b>2,133</b>   | <b>(1,851)</b> | <b>1,078</b>                | <b>9,365</b>   | <b>12,582</b>        |
| 6       | <b>Other Comprehensive Income, net of income tax</b>                           |                           |                |                |                             |                |                      |
| a       | Items that will be reclassified to profit or loss                              | (16)                      | 287            | 290            | 271                         | (925)          | (870)                |
| b       | Items that will not be reclassified to profit or loss                          | 126                       | (27)           | (108)          | 99                          | (204)          | (110)                |
|         | <b>Total other comprehensive Income/ (loss), net of income tax</b>             | <b>110</b>                | <b>260</b>     | <b>182</b>     | <b>370</b>                  | <b>(1,129)</b> | <b>(980)</b>         |
| 7       | <b>Total Comprehensive Income for the period (5+6)</b>                         | <b>(945)</b>              | <b>2,393</b>   | <b>(1,669)</b> | <b>1,448</b>                | <b>8,236</b>   | <b>11,602</b>        |
| 8       | <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>        |
| 9       | <b>Other Equity</b>  |                           |                |                | <b>177,908</b>              | <b>174,669</b> | <b>178,310</b>       |
| 10      | <b>Earnings per share (of Rs. 5/- each) (not annualised)</b>                   |                           |                |                |                             |                |                      |
|         | -Basic (In Rs.)  | (0.39)                    | 0.80           | (0.70)         | 0.41                        | 3.53           | 4.74                 |
|         | Diluted (In Rs.)   | (0.39)                    | 0.80           | (0.70)         | 0.41                        | 3.53           | 4.74                 |
| 11      | <b>Debt - Equity Ratio (Refer note no. 6)</b>                                  |                           |                |                | 0.37                        | 0.41           | 0.36                 |
| 12      | <b>Debt Service Coverage Ratio (DSCR) (No of times) (Refer note no. 6)</b>     |                           |                |                | 1.23                        | 2.73           | 1.38                 |
| 13      | <b>Interest Service Coverage Ratio (ISCR) (No of times) (Refer note no. 6)</b> |                           |                |                | 1.23                        | 2.73           | 3.15                 |

**Notes:**

- The aforesaid standalone financial results of Welspun Corp Limited (the "Company") were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on November 01, 2018. The Statutory Auditors have carried out a Limited Review of the results for the quarter and half year ended September 30, 2018 and expressed an unmodified opinion on the aforesaid results.
- 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.
- These financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- Details of Secured, Redeemable, Non Convertible Debentures is as follows: (Rs. in Lakhs)

| Particulars   | Previous Due Date # |            | Next Due Date         |                  |               |                 |
|---|---------------------|------------|-----------------------|------------------|---------------|-----------------|
|   | Principal           | Interest   | Next Installment Date | Principal Amount | Interest Date | Interest Amount |
| 9.55% Secured Redeemable Non Convertible Debenture  | NA                  | 03.08.2018 | August 2021           | 4,000            | 03.11.2018    | 481             |
| 11.00% Secured Redeemable Non Convertible Debenture | NA                  | 09.08.2018 | November 2020         | 2,700            | 09.11.2018    | 250             |
| 8.90% Secured Redeemable Non Convertible Debenture  | NA                  | NA         | January 2023          | 6,250            | 01.02.2019    | 2,225           |

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

- The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 54,000 lakhs (excludes transaction costs as per effective interest rate Rs. 316 lakhs) as on September 30, 2018 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. 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 2.94 times for total debts and the Credit rating by CRISIL for Secured Redeemable Non Convertible Debentures issue by the Company is "AA-".

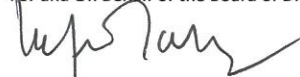


6 Formula for computation of ratios are as follows:

|   |  |  |
|---|--|--|
| a | Debt – Equity Ratio                                  | Debts / ( paid up equity Capital + Reserve & Surplus )   |
| b | Debt Service Coverage Ratio (DSCR) (No of times)     | Earning before Interest and Tax / ( Interest Expenses + Principal payment due on long term borrowing during the period ) |
| c | Interest Service Coverage Ratio (ISCR) (No of times) | Earning before Interest and Tax / Interest Expenses  |

- 7 Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, revenue from operations are required to be disclosed net of GST in accordance with the requirements of IndAS. Accordingly, the revenue from operations for the half year ended September 30, 2018 are not comparable with corresponding half year ended September 30, 2017 presented in the financial results which are reported inclusive of excise duty.
- 8 Effective April 01, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 01, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 115 did not have any material impact on these financial results.
- 9 Final Dividend of Rs. 0.50 per share proposed for the year ended March 31, 2018, was approved by the Shareholders in AGM held on August 14, 2018, and paid subsequently during the current quarter.
- 10 The Nomination and Remuneration Committee of the Board of Directors of the Company at its meeting held on August 16, 2018 approved to grant 2,350,000 stock options to eligible employees of the Company and its subsidiary in accordance with the terms and conditions of the Employee Stock Option Plan named "WELSOP" as approved by the shareholders of the Company on September 30, 2005. Accordingly, in the current quarter the Company has recognized expense amounting to Rs. 83 lacs included under 'Employee benefit expense' towards the stock options granted.
- 11 As at September 30, 2018, in relation to the investment in certain securities whose credit rating have been downgraded, fair valuation loss aggregating to Rs. 1,855 lacs has been accounted by the Company.
- 12 The Board of Directors of the Company at their meeting held on September 05, 2018 have approved the Scheme of Arrangement (the "Scheme") between Welspun Pipes Limited ("WPL") and the Company and their respective shareholders and creditors with appointed date as August 17, 2018, subject to regulatory and other approvals.

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



Vipul Mathur  
Managing Director and Chief Executive Officer  
DIN - 0007990476

Place: Mumbai

Date: November 01, 2018





**UNAUDITED STANDALONE BALANCE SHEET AS AT SEPTEMBER 30, 2018**

(Rs. in Lakhs)

| Particulars   | As at<br>September 30, 2018<br>(Unaudited) | As at<br>March 31, 2018<br>(Audited) |
|---|--|--------------------------------------|
| <b>ASSETS</b>   |  |                                      |
| <b>Non-current assets</b>   |  |                                      |
| Property, plant and equipment   | 209,004                                    | 218,513                              |
| Capital work-in-progress  | 1,013                                      | 1,215                                |
| Investment property   | 81   | 82                                   |
| Other intangible assets   | 1,147                                      | 1,190                                |
| Intangible assets under development   | 87   | 213                                  |
| Equity investments in subsidiaries and joint ventures                                 | 4,967                                      | 4,967                                |
| <b>Financial assets</b>   |  |                                      |
| Investments   | 21,955                                     | 18,939                               |
| Loans   | 3,541                                      | 3,541                                |
| Other financial assets  | 1,071                                      | 1,109                                |
| Other non-current assets  | 11,850                                     | 11,816                               |
| <b>Total non-current assets</b>   | <b>254,716</b>                             | <b>261,585</b>                       |
| <b>Current assets</b>   |  |                                      |
| Inventories   | 136,091                                    | 102,016                              |
| <b>Financial assets</b>   |  |                                      |
| Investments   | 80,382                                     | 32,837                               |
| Trade receivables   | 84,879                                     | 110,868                              |
| Cash and cash equivalents   | 7,507                                      | 12,953                               |
| Bank balances other than cash and cash equivalents                                    | 9,587                                      | 6,624                                |
| Loans   | 52   | 56                                   |
| Other financial assets  | 16,978                                     | 5,821                                |
| Other current assets  | 19,943                                     | 17,736                               |
| Assets classified as held for sale  | 22   | 60                                   |
| <b>Total current assets</b>   | <b>355,441</b>                             | <b>288,971</b>                       |
| <b>Total assets</b>   | <b>610,157</b>                             | <b>550,556</b>                       |
| <b>EQUITY AND LIABILITIES</b>   |  |                                      |
| <b>Equity</b>   |  |                                      |
| Equity share capital  | 13,261                                     | 13,261                               |
| <b>Other equity</b>   |  |                                      |
| Reserves and surplus  | 177,525                                    | 178,198                              |
| Other reserves  | 383  | 112                                  |
| <b>Total equity</b>   | <b>191,169</b>                             | <b>191,571</b>                       |
| <b>LIABILITIES</b>  |  |                                      |
| <b>Non-current liabilities</b>  |  |                                      |
| <b>Financial liabilities</b>  |  |                                      |
| Borrowings  | 57,491                                     | 60,485                               |
| Other financial liabilities   | 16   | 15                                   |
| Provisions  | 3,556                                      | 3,925                                |
| Deferred tax liabilities (net)  | 21,043                                     | 22,367                               |
| Government grants   | 34,179                                     | 36,496                               |
| <b>Total non-current liabilities</b>  | <b>116,285</b>                             | <b>123,288</b>                       |
| <b>Current liabilities</b>  |  |                                      |
| <b>Financial liabilities</b>  |  |                                      |
| Borrowings  | -  | 78                                   |
| Trade payables  |  |                                      |
| Total outstanding due to micro enterprises and small enterprises                      | 84   | 110                                  |
| Total outstanding due to creditors other than micro enterprises and small enterprises | 242,626                                    | 182,731                              |
| Other financial liabilities   | 28,044                                     | 20,711                               |
| Provisions  | 1,967                                      | 1,922                                |
| Government grants   | 4,634                                      | 4,634                                |
| Current tax liabilities (net)   | 17,816                                     | 16,613                               |
| Other current liabilities   | 7,532                                      | 8,898                                |
| <b>Total current liabilities</b>  | <b>302,703</b>                             | <b>235,697</b>                       |
| <b>Total Liabilities</b>  | <b>418,988</b>                             | <b>358,985</b>                       |
| <b>Total equity and liabilities</b>   | <b>610,157</b>                             | <b>550,556</b>                       |

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

  
**Vipul Mathur**  
Managing Director and Chief Executive Officer  
DIN - 0007990476

Place: Mumbai  
Date: November 01, 2018


## **Citius, Altius, Fortius**

**November 1, 2018, Mumbai:** Welspun Corp Ltd. (WCL), flagship Company of the Welspun Group, announced its consolidated financial results for the period ended September 30, 2018.

Over the last two years, WCL has transformed itself into a much swifter, higher and stronger organisation:

**Citius (Swifter):** With a rich legacy of delivering pipe for many prestigious and challenging projects, Welspun Corp now offers value-added products with utmost agility and flexibility to meet the diverse requirements of its esteemed customers.

**Altius (Higher):** With an all-time high order book, the Company has a clear visibility of achieving higher capacity utilisation and better margins in the next few quarters. This will fuel WCL to raise the bar and set new benchmarks.

**Fortius (Stronger):** WCL's strategy of conserving cash, calibrating capex and tight working capital management has resulted in a strong robust balance sheet position. We are committed to continue our agenda to achieve a debt-free status (on a net-debt basis).

Our continuous efforts has started translating to stronger financial and operational performance.

### **Financial Highlights (Consolidated): For the quarter ended 30<sup>th</sup> September, 2018:**

- Total income from operation of Rs. 23,547 mn, up 17% YoY on account of better average realisation per ton, driven largely by the ramp up of US operations.
- EBITDA at Rs. 2,385 mn, up 7% YoY on account of better share of US operations.
- Above EBITDA is after provision related to IL&FS bonds of Rs. 186 mn and other bonds MTM impact of Rs. 96 mn
- Other Expenses include forex loss of Rs. 674 mn largely on account of the import payables. Other Income of Rs. 853 mn includes forex gain on forward cover (to hedge these import payables) of Rs. 575 mn and Treasury income of Rs.250 mn
- Operating EBITDA (after adjusting EBITDA for Treasury income and one-off impact of IL&FS bonds provisioning & other bonds MTM) at Rs. 2,417 mn
- Profit before tax and share of JVs of Rs. 924 mn, up 30% YoY
- PAT after Minorities & share of JVs of Rs. 587 mn, up 41% YoY

## BUSINESS UPDATE

- Basic EPS at Rs. 2.21 vs. Rs. 1.58 YoY
- Sales of pipes (total operations) were at 304 KMT (including 44 KMT of Saudi Arabia plant sales) , up 4% YoY
- Plates & coils sales stood at 63K MT, down 31% YoY due to lower demand

### Order book position (including all operations):

Highest Ever pipe order book stands at **1,721K MTs (Rs. 148 billion)**.

Commenting on the results, **Mr B. K. Goenka**, Chairman, Welspun Group said, “I strongly believe that we are at the threshold of a significant improvement in financial and operational performance. Our all-time high order book provides us visibility of strong volumes and better margins for the coming quarters. We stand to gain from the increasing localisation across markets, thanks to our multi-location presence spanning key markets.”

### Performance Snapshot

*Figures in Rs. million unless specified*

| Particulars                                       | Q2-FY19       | Q1-FY19       | Q2-FY18       | H1FY19        | H1FY18        |
|---|---------------|---------------|---------------|---------------|---------------|
| <b>Ex-Saudi Arabia/ CWC operations</b>            |               |               |               |               |               |
| - Pipe Production (KMT)                           | 271           | 254           | 276           | 524           | 503           |
| - Pipe Sales (KMT)                                | 260           | 229           | 273           | 489           | 483           |
| <b>Total operations</b>                           |               |               |               |               |               |
| - Pipe Production (KMT)                           | 314           | 288           | 280           | 603           | 508           |
| - Pipe Sales (KMT)                                | 304           | 267           | 293           | 571           | 512           |
| - Plates/ coils Sales (KMT)                       | 63            | 128           | 92            | 191           | 149           |
| <b>Total Income from Operations</b>               | <b>23,547</b> | <b>20,234</b> | <b>20,060</b> | <b>43,781</b> | <b>36,242</b> |
| <b>EBITDA</b>                                     | <b>2,385</b>  | <b>2,197</b>  | <b>2,226</b>  | <b>4,582</b>  | <b>4,924</b>  |
| Finance Cost                                      | 507           | 424           | 535           | 931           | 1,068         |
| Depreciation and Amortisation                     | 954           | 958           | 980           | 1,912         | 1,937         |
| Profit before tax and share of JVs                | 924           | 815           | 711           | 1,739         | 1,919         |
| <b>PAT after Minorities, Associates &amp; JVs</b> | <b>587</b>    | <b>467</b>    | <b>418</b>    | <b>1,054</b>  | <b>964</b>    |
| <b>Cash PAT</b>                                   | <b>1,654</b>  | <b>1,576</b>  | <b>1,665</b>  | <b>3,230</b>  | <b>3,072</b>  |

Notes: a) Prior period figures have been restated, wherever necessary

b) Cash PAT = PBT – Current tax + Depreciation

*Figures in Rs. million unless specified*

| Consolidated debt       | 30-Sep-18    | 30-Jun-18    | 31-Mar-18    | 30-Sep-17     |
|-------------------------|--------------|--------------|--------------|---------------|
| Gross Debt              | 14,863       | 14,333       | 13,864       | 14,489        |
| Cash & Cash Equivalents | 10,916       | 9,577        | 9,649        | 4,445         |
| <b>Net Debt</b>         | <b>3,947</b> | <b>4,756</b> | <b>4,216</b> | <b>10,045</b> |



*Figures in Rs. million*

| <b>Balance Sheet - Key figures</b> | <b>30-Sep-18</b> | <b>31-Mar-18</b> | <b>30-Sep-17</b> |
|------------------------------------|------------------|------------------|------------------|
| Net Fixed Assets                   | 29,952           | 30,619           | 32,107           |
| Net Current Assets                 | 14,009           | 13,596           | 10,241           |
| Net debt                           | 3,947            | 4,216            | 10,045           |
| Net Worth                          | 28,487           | 28,540           | 27,872           |

**Business outlook:**

Increased oil drilling, higher oil prices, evacuation of shale gas and restrictions on steel imports continue to drive the business environment in the Americas. For the Indian market, water segment, city gas distribution, gas grid development by GAIL and oil pipeline network by IOCL will be the key drivers for demand. The JV in Saudi Arabia is booked for the next two years, mainly for water projects execution. Also, we are seeing a strong demand in the oil & gas sector, driven by Saudi Aramco.

With the increasing emphasis on local sourcing across geographies, Welspun Corp - with its sizeable capacities in India, US and Saudi Arabia - is ideally poised to benefit from higher capacity utilization and margin improvement.

Also, active measures are being continuously taken to improve capacity utilisation of our Plate and Coil Mills division.

**Post Q2FY19 investor / analyst conference call:**

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

Date: Thursday, 1<sup>st</sup> November 2018

Time: 4:00 PM IST

**Dial in details:**

- Primary Access: +91 22 6608 5333
- Local Access: 7193 0033
- International Toll Free numbers
  - Hong Kong: 800 905 107
  - Singapore: 800 101 2406
  - UK: 0 800 031 5725
  - USA: 1866 712 7129

## **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 1½ 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.

### **About Welspun Group**

A US\$ 2.3 billion enterprise, Welspun Group is one of India's fastest growing conglomerates with businesses in Line Pipes, Home Textiles, Infrastructure, Oil & Gas, Advanced Textiles and Floorings. The Group has a strong foothold in over 50 countries with 26,000 employees and over 100,000 shareholders. Headquartered in Mumbai, Welspun Group's manufacturing facilities are strategically located in India, USA and Saudi Arabia. Known for technological and operational excellence, the Group has established a leadership position in the Line Pipe & Home Textiles sectors globally. Its clients include most of the Fortune 100 companies.

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

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# Welspun Corp Ltd (WCL)

## World's Leading Line Pipe Manufacturer

Investor Presentation

Q2 FY19





# 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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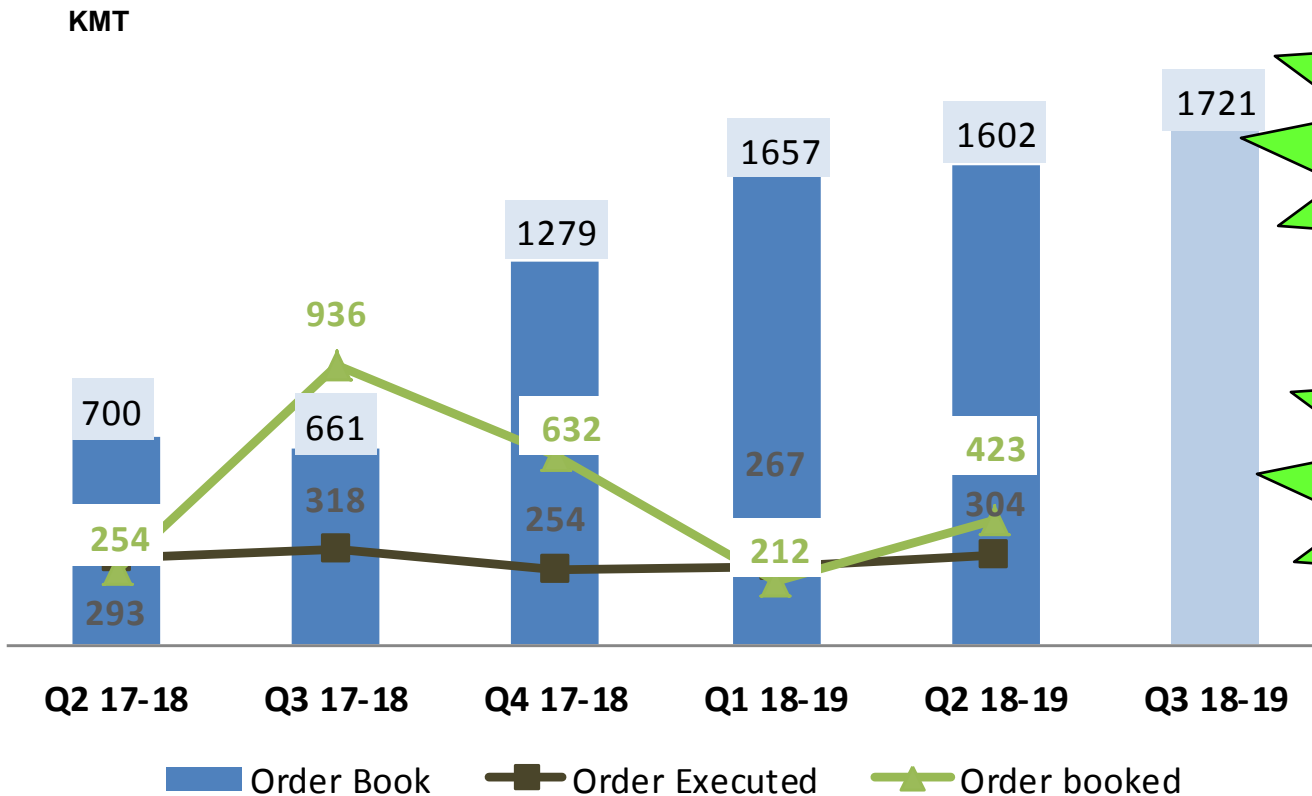
This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks 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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# ORDERBOOK TREND (including Saudi Arabia operations)

Buoyancy across major markets has led to all time high Order book

## Order Book trend QoQ



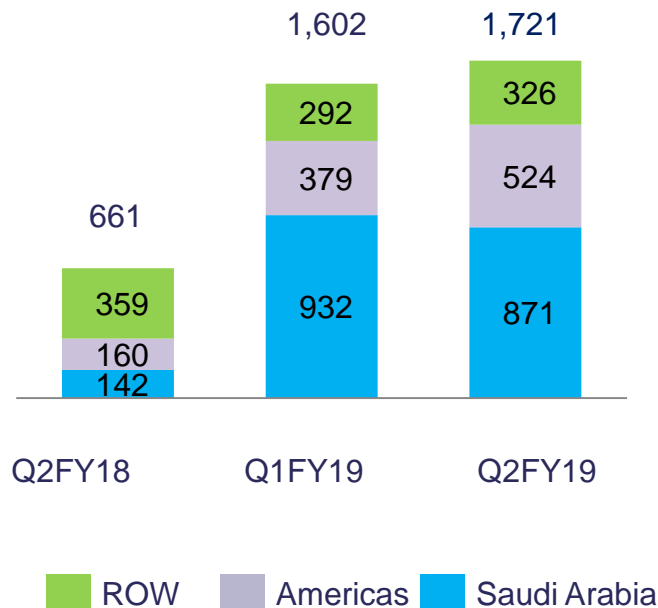
**Highest Ever  
Order Book**

**Valued @  
USD 2.05 bn**

# ORDERBOOK ANALYSIS (including Saudi Arabia operations)

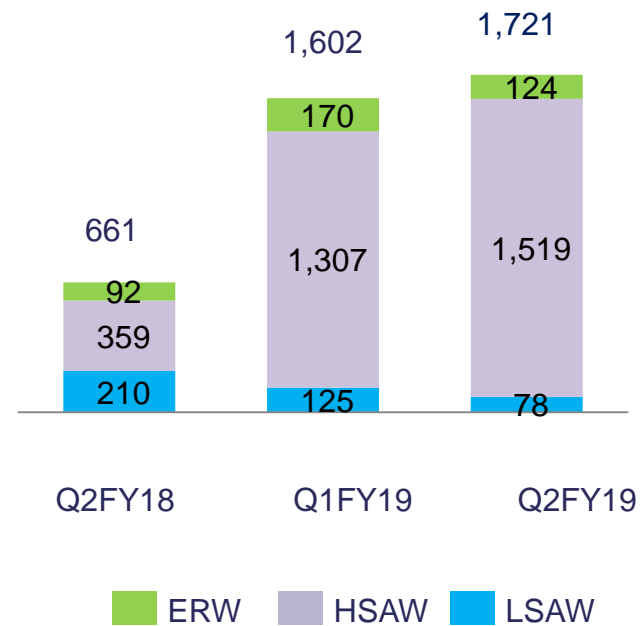
## Order book by Region

(KMT)



## Order book by Type

(KMT)



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



## FINANCIAL HIGHLIGHTS Q2FY19

**Rs. 23,547 mn**

17% YoY



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**Income from Operations**

**Rs. 2,385 mn**

7% YoY



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**EBITDA**

**Rs. 587 mn**

41% YoY



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**PAT**

**Rs. 3,947 mn**

vs. Rs 4,756 mn  
in Q1FY19



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**Net Debt**

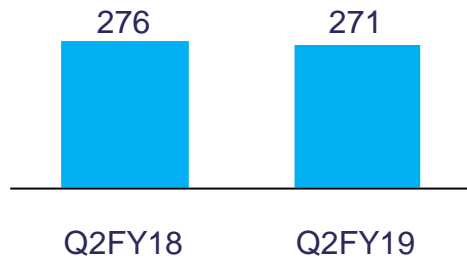
*Note: \* Excludes Saudi Arabia operations*

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

# Q2FY19 OPERATING PERFORMANCE

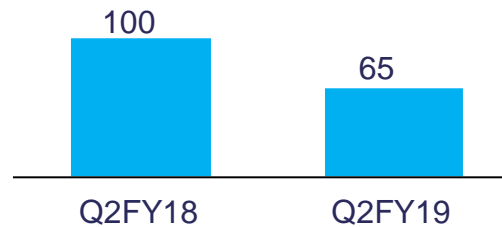
## Pipe production

(KMT)



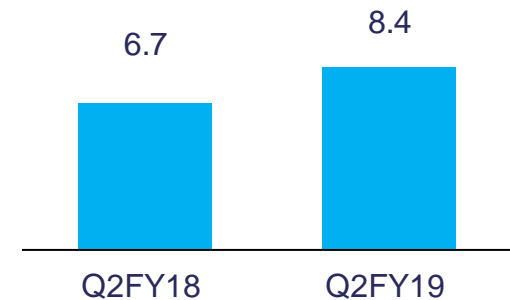
## Plate/ Coils production

(KMT)



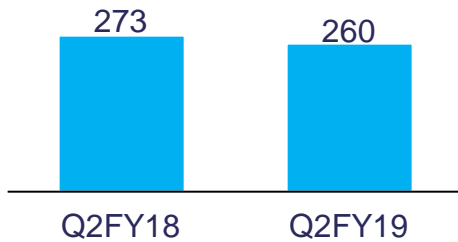
## EBITDA/Ton for Pipes

(Rs. '000)



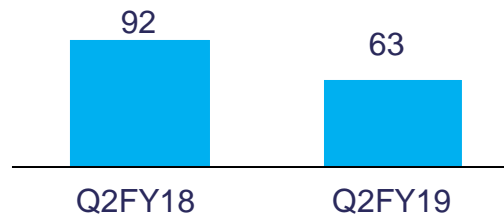
## Pipe sales

(KMT)



## Plate/ Coils sales

(KMT)



*Note:* All numbers on this page excludes JV operations – Saudi Arabia, unless specified ; Total pipe production excludes 4 KMT/ 44 KMT for Saudi Arabia plant in Q2 FY18/ Q2 FY19 respectively; Total pipe sales excludes 20 KMT/ 44 KMT for Saudi Arabia plant in Q2 FY18/ Q2 FY19 respectively  
 Plate/Coils sales include inter division sales

# HEALTHY BALANCE SHEET TO SUPPORT GROWTH

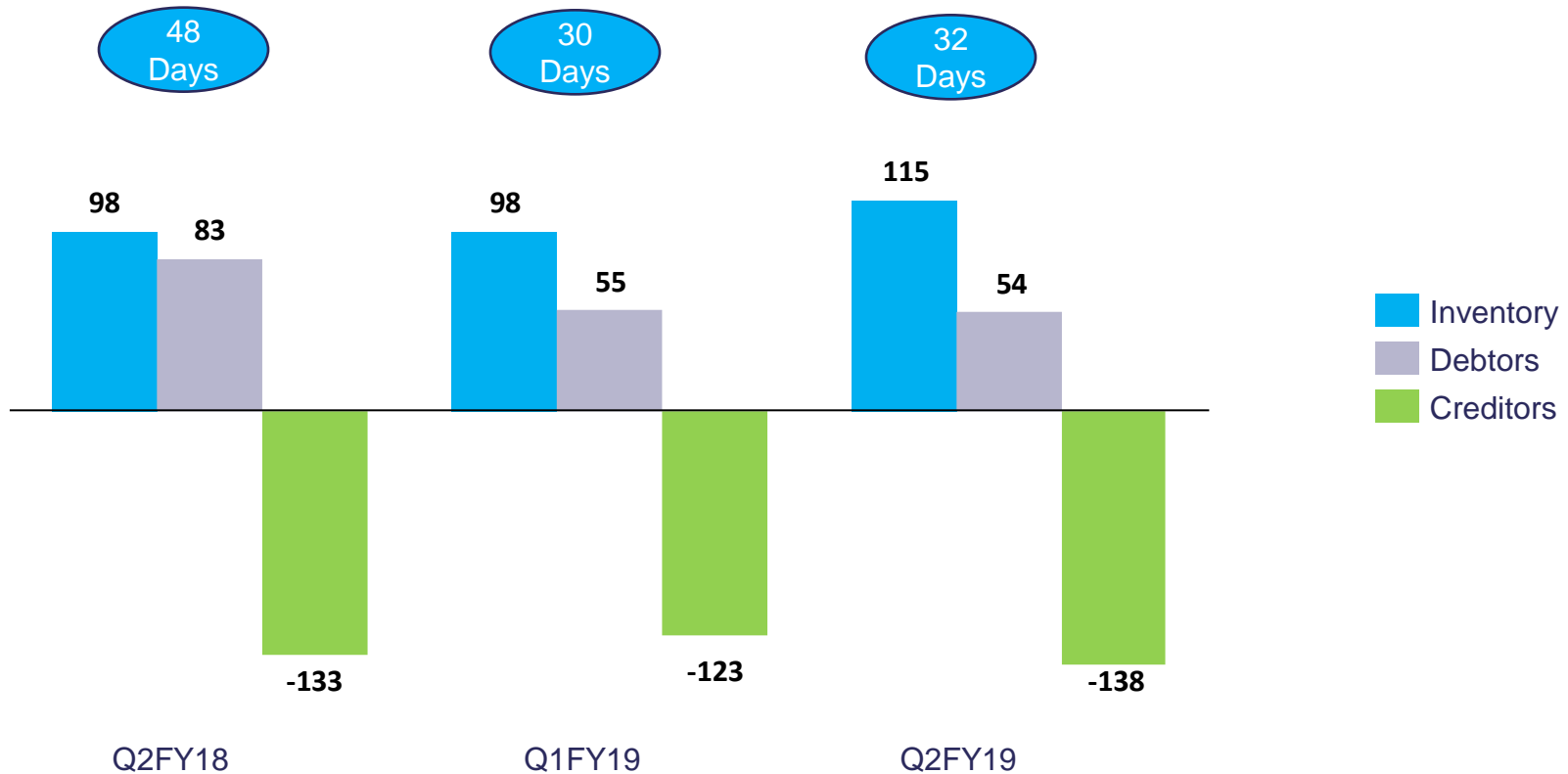
- **Net debt** was reduced by INR 6,098 mn YoY
- **Gross debt** as on 30 Sep 2018 increased marginally by INR 373 mn YoY
- YoY Improvement on **Net Debt/EBIDTA** and **Net debt/ Equity** ratios

| Rs mn                   | 30-Sep-17     | 31-Mar-18     | 30-Jun-18     | 30-Sep-18     |
|-------------------------|---------------|---------------|---------------|---------------|
| <b>Gross Debt</b>       | <b>14,489</b> | <b>13,864</b> | <b>14,333</b> | <b>14,863</b> |
| Cash & Cash Equivalent  | 4,445         | 9,649         | 9,577         | 10,916        |
| <b>Net Debt</b>         | <b>10,045</b> | <b>4,216</b>  | <b>4,756</b>  | <b>3,947</b>  |
| Current Ratio           | 1.31 x        | 1.49 x        | 1.40 x        | 1.35 x        |
| Net Debt/ EBITDA        | 1.04 x        | 0.52 x        | 0.62 x        | 0.51 x        |
| <b>Net Debt/ Equity</b> | <b>0.36 x</b> | <b>0.15 x</b> | <b>0.17 x</b> | <b>0.14 x</b> |



# NET WORKING CAPITAL UNDER CONTROL

## IND AS Basis

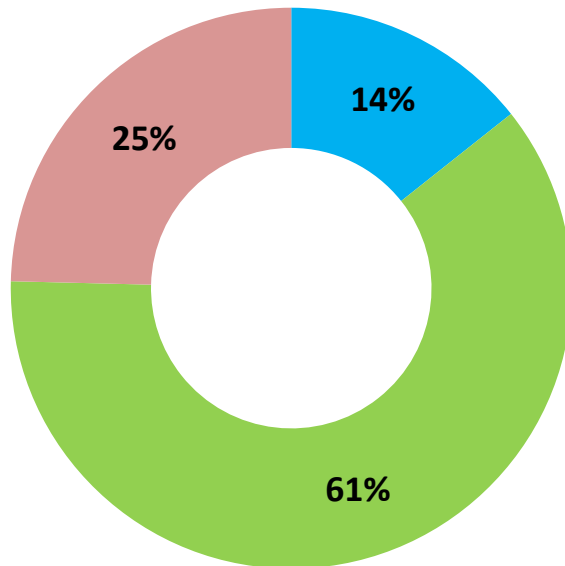


*\*Includes Debtors + Inventory – Creditors*

# SALES VOLUME BREAK-UP

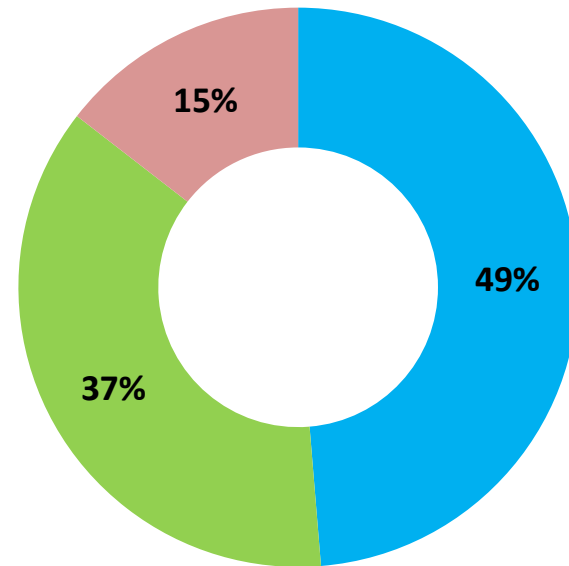
## Q2FY19 Pipe Sales Volume : 304 KMT

(including Saudi Arabia operations – 44KMT)



■ LSAW ■ HSAW ■ ERW

**Sales by Type**



■ India ■ US ■ Saudi Arabia

**Sales by Plant**

## Consolidated Profit & Loss – Q2 YoY

| Rs mn                                     | Q2 FY18       | Q2 FY19       |
|---|---------------|---------------|
| <b>Income from operations</b>             | <b>20,060</b> | <b>23,547</b> |
| <b>EBIDTA</b>                             | <b>2,226</b>  | <b>2,385</b>  |
| Depreciation/Amortization                 | 980           | 954           |
| Finance Cost                              | 535           | 507           |
| <b>Profit before tax and share of JVs</b> | <b>711</b>    | <b>924</b>    |
| Tax                                       | 150           | 43            |
| Non-Controlling interest                  | (14)          | (28)          |
| Share of Profit/ (Loss) from JVs          | (157)         | (323)         |
| <b>Net Profit/ (Loss) for the period</b>  | <b>418</b>    | <b>587</b>    |

Q2FY19 EBITDA is after Provision for IL&FS bonds of Rs.186 mn & other bond MTM impact of Rs.96 mn .

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

## Consolidated Profit & Loss – H1 YoY

| Rs mn                                     | H1 FY18       | H1FY19        |
|---|---------------|---------------|
| <b>Income from operations</b>             | <b>36,242</b> | <b>43,781</b> |
| <b>EBIDTA</b>                             | <b>4,924</b>  | <b>4,582</b>  |
| Depreciation/Amortization                 | 1,937         | 1,912         |
| Finance Cost                              | 1,068         | 931           |
| <b>Profit before tax and share of JVs</b> | <b>1,919</b>  | <b>1,739</b>  |
| Tax                                       | 597           | 149           |
| Non-Controlling interest                  | (49)          | (59)          |
| Share of Profit/ (Loss) from JVs          | (407)         | (595)         |
| <b>Net Profit/ (Loss) for the period</b>  | <b>964</b>    | <b>1,054</b>  |

H1FY19 EBITDA is after Provision for IL&FS bonds of Rs.186 mn & other bond MTM impact of Rs.96 mn . H1FY18 EBITDA includes Rs.289 mn of Interest on Income Tax refund.

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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