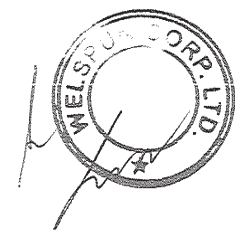


**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2017**

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone				
		Quarter Ended (Unaudited)			Year Ended (Audited)	
		31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
<b>1</b>	<b>Income</b>					
a	Revenue from operations	1,62,080	92,526	81,869	4,26,281	3,76,799
b	Other operating income	8,719	5,852	3,372	21,974	14,903
c	Other income	11,054	2,580	3,169	21,307	10,758
	<b>Total income</b>	<b>1,81,853</b>	<b>1,00,958</b>	<b>88,410</b>	<b>4,69,562</b>	<b>4,02,460</b>
<b>2</b>	<b>Expenses</b>					
a	Cost of materials consumed	1,13,473	75,547	43,560	2,84,534	2,14,488
b	Purchase of stock-in-trade	-	-	18,131	34,687	67,132
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	11,889	(10,743)	(1,408)	(3,849)	(408)
d	Excise duty	2,021	5,362	3,197	13,676	14,457
e	Employee benefit expense	4,853	4,724	4,541	18,452	19,343
f	Depreciation and amortisation expense	6,192	6,409	6,143	24,425	24,753
g	Other expenses	14,383	8,346	14,129	50,529	60,409
h	Finance costs	5,581	5,141	4,866	20,730	20,146
	<b>Total expenses</b>	<b>1,58,392</b>	<b>94,786</b>	<b>93,159</b>	<b>4,43,184</b>	<b>4,20,320</b>
<b>3</b>	<b>Profit/ (loss) before tax</b>	<b>23,461</b>	<b>6,172</b>	<b>(4,749)</b>	<b>26,378</b>	<b>(17,860)</b>
<b>4</b>	<b>Income tax expenses</b>					
	Current tax	3,770	411	-	4,181	-
	Deferred tax	4,407	1,532	(1,929)	4,738	(5,544)
	<b>Total tax expense</b>	<b>8,177</b>	<b>1,943</b>	<b>(1,929)</b>	<b>8,919</b>	<b>(5,544)</b>
<b>5</b>	<b>Net profit/ (loss) for the period (3-4)</b>	<b>15,284</b>	<b>4,229</b>	<b>(2,820)</b>	<b>17,459</b>	<b>(12,316)</b>
<b>6</b>	<b>Other comprehensive income, net of income tax</b>					
a	Items that will be reclassified to profit or loss	290	(125)	135	471	3,358
b	Items that will not be reclassified to profit or loss	(140)	5	(3)	(218)	(11)
	<b>Total other comprehensive Income, net of income tax</b>	<b>150</b>	<b>(120)</b>	<b>132</b>	<b>253</b>	<b>3,347</b>
<b>7</b>	<b>Total comprehensive income / (loss) for the period (5+6)</b>	<b>15,434</b>	<b>4,109</b>	<b>(2,688)</b>	<b>17,712</b>	<b>(8,969)</b>
<b>8</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>9</b>	<b>Earnings per share (of Rs. 5/- each) (not annualised)</b>					
	-Basic (In Rs.)	5.76	1.59	(1.06)	6.58	(4.67)
	-Diluted (In Rs.)	5.76	1.59	(1.06)	6.58	(4.67)
<b>10</b>	<b>Debenture Redemption Reserve</b>				16,431	11,424
<b>11</b>	<b>Net Worth</b>				1,80,961	1,63,009
<b>12</b>	<b>Debt – Equity Ratio (Refer note 6)</b>				0.82	1.15
	<b>Debt Service Coverage Ratio (DSCR) (No of times) (Refer note 6)</b>				1.44	0.05
	<b>Interest Service Coverage Ratio (ISCR) (No of times) (Refer note 6)</b>				2.36	0.06



**Notes:**

- The aforesaid standalone financial results were reviewed by the Audit Committee of the Board and subsequently approved by the Board of Directors of the Company at its meeting held on May 08, 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 financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with transition date of April 1, 2015.

4 Details of Secured Redeemable Non Convertible Debentures is as follows; (Rs. in Lakhs)

Particulars	Previous Due Date #		Final Installment Date	Next Due Date		
	Principal	Interest		Principal Amount	Interest Date	Interest Amount
9.55% Secured Redeemable Non Convertible Debenture	NA	28.03.2017	September 2025	50,000	28.06.2017	1,204
9.55% Secured Redeemable Non Convertible Debenture	NA	03.02.2017	August 2025	20,000	03.05.2017	481
11.00% Secured Redeemable Non Convertible Debenture	NA	09.02.2017	November 2022	9,000	09.05.2017	241
11.15% Secured Redeemable Non Convertible Debenture	NA	18.09.2016	September 2019	5,280	18.09.2017	589
11.15% Secured Redeemable Non Convertible Debenture	NA	17.08.2016	August 2019	14,600	17.08.2017	1,628
11.15% Secured Redeemable Non Convertible Debenture	NA	28.08.2016	August 2019	500	28.08.2017	56

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

5 Prior period figures have been reclassified to confirm with current period's presentation, wherever applicable.

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

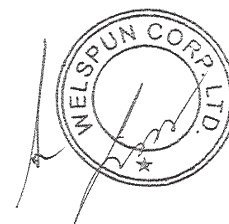
7 The listed Non-Convertible Debentures of the Company aggregating to Rs.99,380 lakhs (excludes transaction costs as per effective interest rate Rs. 451 lakhs) as on March 31, 2017 are secured by first charge ranking pari passu by way of mortgage / hypothecation of entire immovable and movable tangible assets of the Company both present and future and second / floating charge on current assets subject to prior charge in favor 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 Credit rating by CARE for Secured Redeemable Non Convertible Debentures issue by the Company continues to be "AA-". The Secured Redeemable Non Convertible Debentures of the Company aggregating Rs.99,380 lakhs as on March 31, 2017 are secured by way of mortgage/charge on Company's Fixed Assets with fixed assets cover of 1.62 times.

8 In terms of SEBI Circular CIR/CFD/CMD56/2016 dated May 27, 2016, the Company hereby declares that the Auditors have issued Audit Reports with unmodified opinion on annual audited financial results for the financial year ended March 31, 2017.

9 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(Rs. in Lakhs)	
	Quarter ended March 31, 2016 (Unaudited)	Year ended March 31, 2016 (Audited)
Net Loss as per Previous GAAP (Indian GAAP)	(3,587)	(9,336)
<b>Add / (Less):</b>		
Effects of measuring investments at Fair value through Profit and Loss	842	(2,307)
Effect of accounting of transaction costs on borrowings as per Effective Interest Rate (EIR)	(88)	(438)
Effect of change in method of recognizing grants	211	(1,205)
Others	(127)	(476)
Deferred tax impact on IND AS adjustments.	(71)	1,446
<b>Net Loss as per IND AS</b>	<b>(2,820)</b>	<b>(12,316)</b>
Other Comprehensive Income, net of income tax (Hedging Reserve, etc.)	132	3,347
<b>Total Comprehensive Income/ (Loss) for the period</b>	<b>(2,688)</b>	<b>(8,969)</b>



10 Statement of Standalone audited assets and liabilities as at March 31, 2017

Particulars	As at March 31, 2017 (Audited)	As at March 31, 2016 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,36,271	2,58,432
Capital work-in-progress	2,425	2,489
Investment property	12	12
Other intangible assets	717	1,150
Intangible assets under development	726	49
Equity investments in subsidiaries, joint venture and associates	4,967	4,972
<b>Financial assets</b>		
Investments	18,687	18,855
Loans	2,561	1,570
Other financial assets	2,821	3,555
Other non-current tax assets	9,443	2,873
<b>Total non-current assets</b>	<b>2,78,630</b>	<b>2,93,957</b>
<b>Current assets</b>		
Inventories	1,32,703	79,220
<b>Financial assets</b>		
Investments	50,186	71,476
Trade receivables	1,32,297	98,249
Cash and cash equivalents	5,190	3,018
Bank balances other than cash and cash equivalents	6,298	11,622
Loans	60	9,342
Other financial assets	5,054	9,922
Other current assets	18,782	14,619
Assets classified as held for sale	60	199
<b>Total current assets</b>	<b>3,50,630</b>	<b>2,97,667</b>
<b>Total assets</b>	<b>6,29,260</b>	<b>5,91,624</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	13,261	13,261
<b>Other equity</b>		
Reserves and surplus	1,66,718	1,49,237
Other reserves	982	511
<b>Total equity</b>	<b>1,80,961</b>	<b>1,63,009</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	1,17,250	1,59,149
Other financial liabilities	-	5,788
Provisions	3,503	2,716
Deferred tax liabilities (net)	20,192	15,321
Government grants	36,536	36,004
Other non-current liabilities	-	8,760
<b>Total non-current liabilities</b>	<b>1,77,481</b>	<b>2,27,738</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	21,361	18,652
Trade payables	1,93,429	1,33,387
Other current financial liabilities	22,081	16,120
Provisions	1,685	1,599
Government grants	4,147	3,698
Current tax liabilities (net)	20,079	26,868
Other current liabilities	8,036	553
<b>Total current liabilities</b>	<b>2,70,818</b>	<b>2,00,877</b>
<b>Total equity and liabilities</b>	<b>6,29,260</b>	<b>5,91,624</b>

11 The reconciliation of equity as per previously reported (referred to as "Previous GAAP") and as per Ind AS is as per table given below

Description	As at March 31, 2016 (Rs in Lacs)
Shareholder's equity under previous GAAP	1,83,546
<b>Adjustments:</b>	
- Effect of change in method of recognising grants	(39,702)
- Effect of measuring investments at fair value through profit and loss	3,174
- Effect on account of reversal of proposed dividend	1,596
- Effect on account effective interest method	1,106
- Others	586
- Deferred Tax impact on Ind AS adjustments	12,703
<b>Total Adjustments</b>	<b>(20,537)</b>
<b>Total equity as per Ind AS</b>	<b>1,63,009</b>

12 The Board of Directors at their meeting held on May 08, 2017 have recommend to pay dividend of Rs. 0.50 per equity share having nominal value of Rs. 5/- for the financial year ended March 31, 2017. The payment is subject to approval of the shareholders in the coming Annual General Meeting

For Welspun Corp Limited

Lalitkumar Naik  
Managing Director & CEO  
DIN - 02943588



Place : Mumbai  
Date : May 08, 2017

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Welspun Corp Limited

### Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

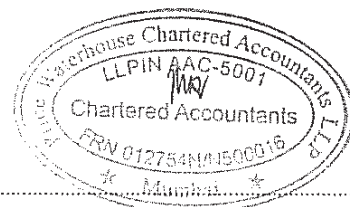
1. We have audited the accompanying standalone financial statements of Welspun Corp Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



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

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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/1500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Welspun Corp Limited  
Report on the Financial Statements  
Page 2 of 4

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

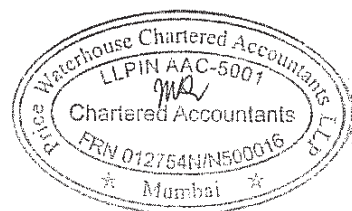
## Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements as at and for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 23, 2016 and April 28, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

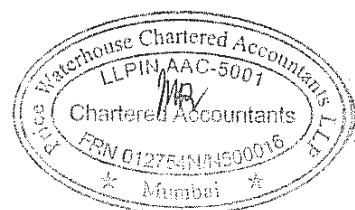
10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.



# Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Welspun Corp Limited  
Report on the Financial Statements  
Page 3 of 4

11. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements - Refer Note 44.
    - ii. The Company has long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.



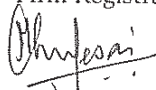


# Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Welspun Corp Limited  
Report on the Financial Statements  
Page 4 of 4

- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 45.

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



Mehul Desai  
Partner  
Membership Number : 103211

Mumbai  
May 8, 2017

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements for the year ended March 31, 2017

Page 1 of 2

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

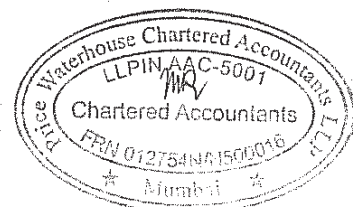
1. We have audited the internal financial controls over financial reporting of Welspun Corp Limited (the "Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements for the year ended March 31, 2017

Page 2 of 2

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

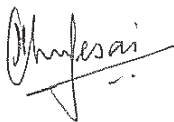
### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Mehul Desai  
Partner  
Membership Number: 103211

Mumbai  
May 8, 2017

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



# Price Waterhouse Chartered Accountants LLP

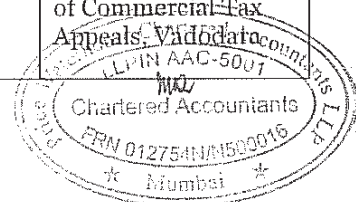
## Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements for the year ended March 31, 2017

Page 2 of 4

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a case, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Duty of Excise	0.09	FY 2003-04	High Court, Ahmedabad
		11.16	FY 2012-13	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		235.35	FY 2007-08 to 2011-12	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		64.43	FY 2013-14	Review committee, Commissioner LTU, Mumbai
		0.08	FY 2007-08	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		0.10	FY 2013-14	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		3.38	FY 2008-09	Commissioner (Appeals), Mumbai
		4.84	FY 2005-06 to 2007-08	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		3.37	FY 2009-10	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
Gujarat Sales Tax Act, 1969 and Gujarat Value Added Tax Act, 2003	CST	234.74	FY 2013-14 to 2015-16	Dy. Commissioner Appeal, Rajkot
		4.17	FY 2008-09	Joint Commissioner of Commercial Tax Appeals, Vadodara
		1.65	FY 2009-10 to 2012-13	Joint Commissioner of Commercial Tax Appeals, Vadodara



## Price Waterhouse Chartered Accountants LLP

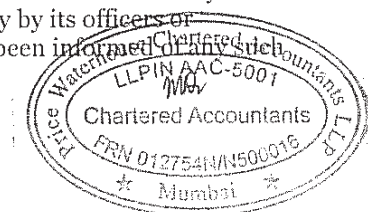
### Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements for the year ended March 31, 2017

Page 3 of 4

Name of the statute	Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Forum where the dispute is pending
Gujarat Sales Tax Act, 1969 and Gujarat Value Added Tax Act, 2003	Sales Tax/VAT	769.99	FY 2013-14 to 2015-16	Dy. Commissioner Appeal, Rajkot
		122.29	FY 2006-07 to 2007-08	Dy. Commissioner Appeal, Rajkot
		2.29	FY 1999-00 to 2006-07	Dy. Commissioner Appeal, Rajkot
		15.22	FY 2007-08 to 2009-10	Joint Commissioner of Commercial Tax Appeals, Vadodara
Finance Act, 1994	Service Tax	1.12	FY 2009-10 and 2013-14	Commissioner (Appeals) LTU Mumbai
		3.92	FY 2008-09	Commissioner Central Excise And Customs, Vadodara
		0.60	FY 2013-14	Commissioner (Appeal), Surat
		1.18	FY 2009-10	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		5.25	FY 2009-10 to 2010-11	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		1.11	FY 2006-07 to 2012-13	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		10.57	FY 2013-14	Supreme Court, Delhi
		10.27	FY 2004-05 to 2006-07	Supreme Court, Delhi
Custom Act, 1962	Duty of Customs	8,609.82	FY 2007-08 to 2009-10	Bombay High Court
Income Tax Act 1961	Income Tax	98.82	FY 2012-13	Commissioner of Income Tax, (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



## Price Waterhouse Chartered Accountants LLP

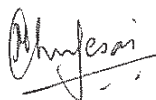
### Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements for the year ended March 31, 2017

Page 4 of 4

- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Mehul Desai  
Partner  
Membership Number: 103211

Mumbai  
May 8, 2017

## STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated				
		Quarter Ended (Unaudited)			Year Ended (Audited)	
		31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
1	<b>Income</b>					
a	Revenue from operations	195,876	114,054	191,560	576,341	718,282
b	Other operating income	11,072	6,230	4,807	27,206	19,726
c	Other income	10,301	2,801	1,238	22,460	11,315
	<b>Total income</b>	<b>217,249</b>	<b>123,085</b>	<b>197,605</b>	<b>626,007</b>	<b>749,323</b>
2	<b>Expenses</b>					
a	Cost of materials consumed	140,711	82,593	109,198	362,772	437,372
b	Purchase of stock-in-trade	-	-	3,663	58,505	3,663
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,111	(8,775)	11,621	(17,256)	2,114
d	Excise duty	3,658	1,002	3,296	13,676	14,457
e	Employee benefit expense	11,389	10,054	13,345	43,055	55,764
f	Depreciation and amortisation expense	9,190	10,296	9,744	38,608	38,648
g	Other expenses	25,717	21,166	35,496	91,554	146,870
h	Finance costs	6,341	5,667	5,772	23,571	24,114
	<b>Total expenses</b>	<b>202,117</b>	<b>122,003</b>	<b>192,135</b>	<b>614,485</b>	<b>723,002</b>
3	<b>Profit for the period before tax and share of profit / (loss) of joint ventures (1-2)</b>	<b>15,132</b>	<b>1,082</b>	<b>5,470</b>	<b>11,522</b>	<b>26,321</b>
4	Share of profit / (loss) joint venture	(2,950)	(2,717)	(2,707)	(7,930)	(473)
5	<b>Profit/ (loss) before tax</b>	<b>12,182</b>	<b>(1,635)</b>	<b>2,763</b>	<b>3,592</b>	<b>25,848</b>
6	<b>Income tax expense</b>					
	Current tax	4,682	(282)	2,079	4,722	12,050
	Deferred tax	641	(48)	(622)	(2,142)	(4,129)
	<b>Total tax expense</b>	<b>5,323</b>	<b>(330)</b>	<b>1,457</b>	<b>2,580</b>	<b>7,921</b>
7	<b>Net profit/ (loss) for the period (5-6)</b>	<b>6,859</b>	<b>(1,305)</b>	<b>1,306</b>	<b>1,012</b>	<b>17,927</b>
8	<b>Other comprehensive income, net of income tax</b>					
a	Items that will not be reclassified to profit or loss	(143)	7	(4)	(224)	(16)
b	Items that will be reclassified to profit or loss	(3,677)	458	(559)	(1,787)	4,055
		(3,820)	465	(563)	(2,011)	4,039
9	<b>Total comprehensive income for the period (including non-controlling interest) (7+8)</b>	<b>3,039</b>	<b>(840)</b>	<b>743</b>	<b>(999)</b>	<b>21,966</b>
10	<b>Net profit attributable to:</b>					
	-Owners	7,338	(392)	1,117	2,643	15,180
	-Non-controlling interest	(479)	(913)	189	(1,631)	2,747
11	<b>Other comprehensive income attributable to:</b>					
	-Owners	(3,407)	302	(542)	(1,827)	3,884
	-Non-controlling interest	(413)	163	(21)	(184)	155
12	<b>Total comprehensive income attributable to:</b>					
	-Owners	3,932	(90)	576	816	19,065
	-Non-controlling interest	(893)	(750)	167	(1,815)	2,901
13	Paid up equity share capital (Face value of Rs. 5/- each)	13,261	13,261	13,261	13,261	13,261
14	<b>Earnings per share (of Rs. 5/- each) (not annualised)</b>					
	-Basic (In Rs.)	2.77	(0.15)	0.42	1.00	5.76
	-Diluted (In Rs.)	2.77	(0.15)	0.42	1.00	5.76





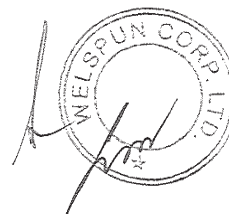
**Notes:**

- 1 The aforesaid consolidated financial results were reviewed by the Audit Committee of the Board and subsequently approved by the Board of Directors of the Company at the meeting held on May 08, 2017.
- 2 The Company is principally engaged in a single segment viz., Steel products based on nature of products, risks, returns and the internal business reporting system.
- 3 The standalone financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at the meeting held on May 08, 2017 and will be made available to BSE and NSE and will be posted on the Company's website www.welspuncorp.com. The key information related to standalone financial results are given below :

	Key financials	Quarter Ended (Unaudited)			Year Ended (Audited)	
		31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
a	Total income (Rs. In Lakhs)	181,853	100,958	88,410	469,562	402,460
b	Profit / (loss) before tax (Rs. in Lakhs)	23,461	6,172	(4,749)	26,378	(17,860)
c	Profit / (loss) after tax (Rs. in Lakhs)	15,284	4,229	(2,820)	17,459	(12,316)
d	Earnings per share (in Rs.) (not annualised)					
	i) Basic (in Rs.)	5.76	1.59	(1.06)	6.58	(4.67)
	ii) Diluted (in Rs.)	5.76	1.59	(1.06)	6.58	(4.67)

- 4 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with transition date of April 1, 2015.
- 5 The listed non-convertible debentures of the Company aggregating to Rs.99,380 Lakhs (excludes transaction costs as per effective interest rate Rs. 451 Lakhs) as on March 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.
- 6 Prior period figures have been reclassified to confirm with current period's presentation, wherever applicable.
- 7 In terms of SEBI Circular CIR/CFD/CMD56/2016 dated May 27, 2016, the Company hereby declares that the Auditors have issued Audit Reports with unmodified opinion on annual audited financial results for the financial year ended March 31, 2017.
- 8 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(Rs. in Lakhs)	
	Quarter ended March 31, 2016 (Unaudited)	Year ended March 31, 2016 (Audited)
<b>Net profit as per Previous GAAP (Indian GAAP)</b>	190	23,615
<b>Add / (Less):</b>		
Effects of measuring investments at fair value through profit and loss	843	(2,305)
Effect of accounting of transaction costs on borrowings as per Effective Interest Rate (EIR) method.	(125)	(576)
Effect of change in method of recognising grants	211	(1,205)
Impact of change in classification of entities from subsidiary under previous GAAP to joint venture under Ind AS	1,497	(1,485)
Others	(114)	(469)
Deferred tax impact on Ind AS adjustments.	(1,196)	352
<b>Net Profit as per Ind AS</b>	<b>1,306</b>	<b>17,927</b>
Non-controlling interest		
Other comprehensive Income, net of income tax (Hedging reserve, Foreign currency translation reserve, etc.)	(563)	4,039
<b>Total comprehensive income for the period</b>	<b>743</b>	<b>21,966</b>



(Rs. in Lakhs)

Particulars	As at	As at
	March 31, 2017 (Audited)	March 31, 2016 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	334,813	371,848
Capital work-in-progress	2,497	3,394
Investment property	12	12
Goodwill	47	47
Other intangible assets	718	1,151
Intangible assets under development	726	49
Equity investments in subsidiaries, joint venture and associates	18,364	25,147
Financial Assets	-	-
Investments	3,477	3,297
Loans	20,952	17,864
Other financial assets	3,205	4,200
Deferred tax assets (net)	-	116
Other non-current tax assets	10,283	4,750
<b>Total non-current assets</b>	<b>395,094</b>	<b>431,875</b>
<b>Current assets</b>		
Inventories	176,466	129,319
Financial assets	-	-
Investments	50,686	73,279
Trade receivables	146,519	140,067
Cash and cash equivalents	14,795	10,603
Bank balances other than cash and cash equivalents	8,166	44,953
Loans	66	69
Other financial assets	5,738	12,191
Current tax assets (net)	14	1,927
Other current assets	27,087	19,365
Assets classified as held for sale	60	199
<b>Total current assets</b>	<b>429,597</b>	<b>431,972</b>
<b>Total assets</b>	<b>824,691</b>	<b>863,847</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	13,261	13,261
Reserves and surplus	265,177	262,519
Other reserves	2,506	4,110
<b>Equity attributable to equity holders</b>	<b>280,944</b>	<b>279,890</b>
Non-controlling interests	11,354	13,169
<b>Total equity</b>	<b>292,298</b>	<b>293,059</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	152,145	184,612
Other financial liabilities	-	5,789
Provisions	3,509	2,716
Deferred tax liabilities (net)	38,051	40,378
Government grants	36,536	36,004
Other non-current liabilities	-	8,760
<b>Total non-current liabilities</b>	<b>230,241</b>	<b>278,259</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	22,033	56,805
Trade payables	219,309	159,714
Other current financial liabilities	24,857	30,390
Provisions	1,729	1,676
Government grants	4,147	3,698
Current tax liabilities (net)	8,039	651
Other current liabilities	22,038	39,595
<b>Total current liabilities</b>	<b>302,152</b>	<b>292,529</b>
<b>Total equity and liabilities</b>	<b>824,691</b>	<b>863,847</b>

10 The reconciliation of equity as per previously reported (referred to as "Previous GAAP") and as per Ind AS is as per table given below

(Rs. in Lakhs)

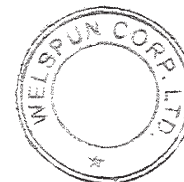
Description	As at March 31, 2016
Shareholder's equity under previous GAAP	306,451
<b>Adjustments:</b>	
- Effect of change in method of recognising grants	(39,702)
- Effect of measuring investments at fair value through profit and loss	(2,478)
- Effect on account of reversal of proposed dividend	1,596
- Effect on account effective interest method	1,441
- On account of recognition of deferred tax on hedging reserves	(168)
- Others	1,038
- Deferred tax impact on Ind AS adjustments	11,712
<b>Total adjustments</b>	<b>(26,561)</b>
<b>Total equity as per Ind AS</b>	<b>279,890</b>

11 The Board of Directors at their meeting held on May 08, 2017 have recommend to pay dividend of Rs. 0.50 Per equity share having nominal value of Rs. 5/- for the financial year ended March 31, 2017. The payment is subject to approval of the shareholders in the coming Annual General Meeting.

For Welspun Corp Limited



Lalitkumar Naik  
Managing Director & CEO  
DIN - 02943588



Place : Mumbai  
Date : May 08, 2017

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Corp Limited

### Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

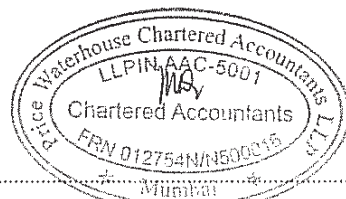
1. We have audited the accompanying consolidated Ind AS financial statements of Welspun Corp Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its joint ventures; (refer Note 44 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as the "Consolidated Ind AS Financial Statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group including its joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.



Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
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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)

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Corp Limited

Report on the Consolidated Ind AS Financial Statements

Page 2 of 5

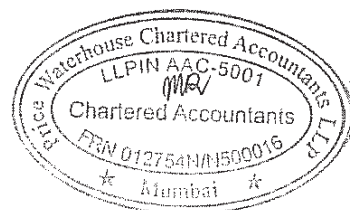
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs 8, 9 and 10 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its joint ventures as at March 31, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

### Other Matter

8. We did not audit the financial information of 3 subsidiaries located outside India whose financial information reflect total assets of Rs. 21,858.18 million and net assets of Rs. 14,338.17 million as at March 31, 2017, total revenue of Rs. 21,555.57 million, net loss of Rs. 441.83 million and net cash outflows amounting to Rs. 304.23 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 750.71 million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 2 joint ventures located outside India whose financial information have not been audited by us. These financial information in respect of the aforesaid subsidiaries and 2 joint ventures have been audited by other auditors and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiaries and joint ventures is based solely on the reports of the other auditors.



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Corp Limited

Report on the Consolidated Ind AS Financial Statements

Page 3 of 5

9. We did not audit the financial statements of 1 subsidiary (disposed off during the year) whose financial statements reflect total revenue of Rs. Nil, net loss of Rs. 0.009 million and net cash outflows amounting to Rs. 0.012 million for the period ended on March 17, 2017, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to this subsidiary is based solely on the report of the other auditors.
10. The financial statements of 2 subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 3,009.44 million and net assets of Rs. 2,729.58 million as at March 31, 2017, total revenue of Rs. Nil, net profit of Rs. 145.16 million and net cash inflows amounting to Rs 30.09 million for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion insofar as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

11. The comparative financial information of the Group and its joint ventures for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 23, 2016 and April 28, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Holding Company on transition to the Ind AS have been audited by us except in respect of four subsidiaries for which the adjustments were audited by other auditors.

Our opinion is not qualified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

12. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.





# Price Waterhouse Chartered Accountants LLP

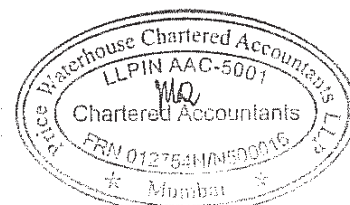
## INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Corp Limited

Report on the Consolidated Ind AS Financial Statements

Page 4 of 5

- (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries incorporated in India and its joint venture incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries incorporated in India and its joint venture incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India and joint venture incorporated in India, none of the directors of the Holding Company and its subsidiary incorporated in India and its joint venture incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary company incorporated in India and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at March 31, 2017 on the consolidated financial position of the Group and its joint ventures – Refer Note 45.
  - ii. The Group and its joint ventures had long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India and its joint venture incorporated in India during the year ended March 31, 2017.





# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

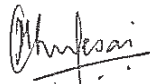
To the Members of Welspun Corp Limited

Report on the Consolidated Ind AS Financial Statements

Page 5 of 5

- iv. The Holding Company, its subsidiaries incorporated in India and its joint venture incorporated in India have provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company, its subsidiaries incorporated in India and its joint venture incorporated in India and as produced to us by the Management - Refer Note 46.

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



Mehul Desai  
Partner

Membership Number : 103211

Mumbai  
May 8, 2017

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 14 (f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the consolidated financial statements for the year ended March 31, 2017

Page 1 of 3

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

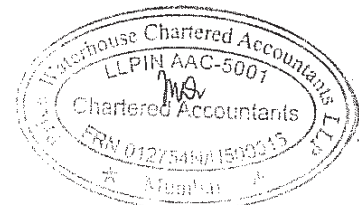
1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Welspun Corp Limited (hereinafter referred to as the "Holding Company") and its subsidiary company and joint venture, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary company and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 14 (f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the consolidated financial statements for the year ended March 31, 2017

Page 2 of 3

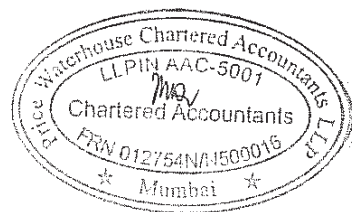
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

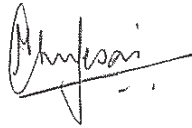
Referred to in paragraph 14 (f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the consolidated financial statements for the year ended March 31, 2017

Page 3 of 3

### Opinion

8. In our opinion, the Holding Company, its subsidiary company and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: (FRN012754N/N500016)



Mehul Desai  
Partner  
Membership Number : 103211

Mumbai  
May 8, 2017

WCL/SEC/2017

May 8, 2017

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

**Subject: Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

We, Lalitkumar Naik-Managing Director and CEO and S.Krishnan, Chief Financial Officer of Welspun Corp Limited (CIN: L27100GJ1995PLC025609) having its Registered Office at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110, India, hereby declare that, in terms of the provision of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, the Statutory Auditors of the Company, Price Waterhouse Chartered Accountants LLP (Firm Registration Number 012754N/N500016) have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone & Consolidated) for the quarter and year ended on March 31, 2017.

Kindly take this declaration on your records.

Thank you,

For Welspun Corp Limited



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



**S.Krishnan**  
Chief Financial Officer

