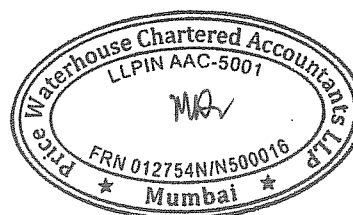


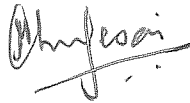
The Board of Directors  
Welspun India Limited  
Welspun House, 6<sup>th</sup> Floor  
Kamala Mills Compound  
Senapati Bapat Marg  
Lower Parel  
Mumbai 400 013

1. We have reviewed the results of Welspun India Limited (the "Company") for the quarter ended December 31, 2014 which are included in the accompanying 'Unaudited Standalone financial results for the quarter and nine months ended 31<sup>st</sup> December 2014' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This 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 financial statements are 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. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. We draw your attention to a matter relating to utilisation of deferred tax assets recognised in earlier period aggregating Rs. 3,107 lacs on the incremental unabsorbed Income-tax depreciation arising out of the Company's treatment of certain excise and value added tax incentives as 'capital receipts' for income tax purposes. The income tax authorities have passed orders treating these incentives as revenue in nature which are liable to income-tax. The Company has preferred appeals with the Commissioner of Income Tax (Appeals) against these orders. If the final decision in the matter is eventually decided against the Company, the tax expense for the quarter ended December 31, 2014 would be higher by Rs. 3,107 lacs. Our conclusion is not qualified in respect of this matter.



6. 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 notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of 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 Clause 41 of the Listing Agreement 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: January 29, 2015

Part I

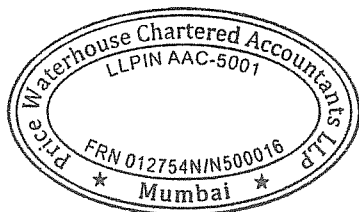
UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

| Sr. No.                              | Particulars   | Quarter Ended             |                           |                           | Nine Months Ended         |                           | Rs . In Lacs                          |
|--------------------------------------|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
|                                      |   | 31.12.2014<br>(Unaudited) | 30.09.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | Year Ended<br>31.03.2014<br>(Audited) |
| 1                                    | a. Net Sales/ Income from Operations<br>(Net of excise duty)                              | 1,05,526.05               | 1,12,797.26               | 89,555.74                 | 3,06,693.92               | 2,42,298.57               | 3,29,546.06                           |
|                                      | b. Other Operating Income   | 7,765.46                  | 8,245.73                  | 6,408.53                  | 22,853.16                 | 17,419.40                 | 23,574.18                             |
|                                      | Total Income from Operations (Net)  | 1,13,291.51               | 1,21,042.99               | 95,964.27                 | 3,29,547.08               | 2,59,717.97               | 3,53,120.24                           |
| 2                                    | Expenses  |                           |                           |                           |                           |                           |                                       |
|                                      | a. Cost of Materials Consumed   | 54,823.69                 | 58,187.55                 | 55,637.51                 | 1,67,099.94               | 1,48,979.86               | 1,97,178.82                           |
|                                      | b. Purchases of Stock-in-trade  | 136.72                    | 0.44                      | 296.99                    | 401.38                    | 553.19                    | 697.41                                |
|                                      | c. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade          | (1,006.96)                | 4,527.15                  | (4,219.08)                | (5,863.70)                | (10,068.03)               | (10,339.97)                           |
|                                      | d. Employee Benefits Expense  | 8,305.74                  | 8,419.80                  | 6,066.51                  | 24,028.72                 | 16,385.93                 | 23,426.89                             |
|                                      | e. Depreciation and Amortisation Expense (Refer Notes 2 and 3 below)                      | 7,765.26                  | 5,732.41                  | 4,205.84                  | 18,678.72                 | 57,945.63                 | 62,279.15                             |
|                                      | f. Power, Fuel and Water Charges  | 8,446.72                  | 8,691.82                  | 7,052.87                  | 24,879.03                 | 20,451.87                 | 27,005.03                             |
|                                      | g. Other Expenses   | 14,282.01                 | 14,731.51                 | 12,428.62                 | 41,535.83                 | 32,823.66                 | 44,380.66                             |
|                                      | Total Expenses  | 92,753.18                 | 1,00,290.68               | 81,469.26                 | 2,70,759.92               | 2,67,072.11               | 3,44,627.99                           |
| 3                                    | Profit/ (Loss) from Operations before Other Income and Finance Costs (1-2)                | 20,538.33                 | 20,752.31                 | 14,495.01                 | 58,787.16                 | (7,354.14)                | 8,492.25                              |
| 4                                    | Other Income  | 1,411.78                  | 1,946.27                  | 4,128.90                  | 6,552.95                  | 7,300.70                  | 10,362.43                             |
| 5                                    | Profit/ (Loss) from Ordinary Activities before Finance Costs (3+4)                        | 21,950.11                 | 22,698.58                 | 18,623.91                 | 65,340.11                 | (53.44)                   | 18,854.68                             |
| 6                                    | Finance Costs   | 5,797.26                  | 4,746.58                  | 3,409.45                  | 15,193.61                 | 10,451.33                 | 14,391.43                             |
| 7                                    | Profit/ (Loss) from Ordinary Activities before Tax (5-6)                                  | 16,152.85                 | 17,952.00                 | 15,214.46                 | 50,146.50                 | (10,504.77)               | 4,463.25                              |
| 8                                    | Tax Expense   |                           |                           |                           |                           |                           |                                       |
|                                      | Provision for Taxation - Current Tax (Net)  | 3,647.92                  | 2,095.54                  | 4,779.07                  | 11,567.20                 | 12,204.66                 | 15,752.47                             |
|                                      | Provision for Taxation - Deferred Tax (Net)   | (699.06)                  | 2,252.07                  | 328.72                    | 1,030.30                  | (15,826.46)               | (14,272.74)                           |
|                                      | Total   | 2,948.86                  | 4,347.61                  | 5,107.79                  | 12,597.50                 | (3,621.80)                | 1,479.73                              |
| 9                                    | Net Profit/ (Loss) from Ordinary Activities after tax (7-8)                               | 13,203.99                 | 13,604.39                 | 10,106.67                 | 37,549.00                 | (6,882.97)                | 2,983.52                              |
| 10                                   | Extraordinary Items   |                           |                           |                           |                           |                           |                                       |
| 11                                   | Net Profit/ (Loss) for the Period (9-10)  | 13,203.99                 | 13,604.39                 | 10,106.67                 | 37,549.00                 | (6,882.97)                | 2,983.52                              |
| 12                                   | Paid-up Equity Share Capital (Shares of Rs. 10 each) (Refer Note 4 below)                 | 10,044.16                 | 10,042.69                 | 10,028.45                 | 10,044.16                 | 10,028.45                 | 10,034.65                             |
| 13                                   | Reserves Excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year  |                           |                           |                           |                           |                           | 94,893.34                             |
| 14                                   | Earnings/ (Loss) Per Share in Rs.   |                           |                           |                           |                           |                           |                                       |
|                                      | a) Basic before Extraordinary Items   | 13.15*                    | 13.55*                    | 10.08*                    | 37.40*                    | (6.87)*                   | 2.98                                  |
|                                      | b) Diluted before Extraordinary Items   | 13.15*                    | 13.54*                    | 10.07*                    | 37.39*                    | (6.87)*                   | 2.98                                  |
|                                      | c) Basic after Extraordinary Items  | 13.15*                    | 13.55*                    | 10.08*                    | 37.40*                    | (6.87)*                   | 2.98                                  |
|                                      | d) Diluted after Extraordinary Items  | 13.15*                    | 13.54*                    | 10.07*                    | 37.39*                    | (6.87)*                   | 2.98                                  |
| <b>Part II</b>                       |   |                           |                           |                           |                           |                           |                                       |
| <b>A Particulars of Shareholding</b> |   |                           |                           |                           |                           |                           |                                       |
| 1                                    | Public Shareholding   |                           |                           |                           |                           |                           |                                       |
|                                      | a) Number of Shares   | 2,68,03,896               | 2,67,89,196               | 3,13,32,098               | 2,68,03,896               | 3,13,32,098               | 2,69,91,481                           |
|                                      | b) Percentage of Shareholding   | 27%                       | 27%                       | 31%                       | 27%                       | 31%                       | 27%                                   |
| 2                                    | Promoters and Promoter Group Shareholding   |                           |                           |                           |                           |                           |                                       |
|                                      | a. Pledged/Encumbered   |                           |                           |                           |                           |                           |                                       |
|                                      | - Number of Shares  | NIL                       | NIL                       | NIL                       | NIL                       | NIL                       | NIL                                   |
|                                      | - Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group) | NIL                       | NIL                       | NIL                       | NIL                       | NIL                       | NIL                                   |
|                                      | - Percentage of Shares (as a % of the total Share capital of the Company)                 | NIL                       | NIL                       | NIL                       | NIL                       | NIL                       | NIL                                   |
|                                      | b. Non-Encumbered   |                           |                           |                           |                           |                           |                                       |
|                                      | - Number of Shares  | 7,36,37,719               | 7,36,37,719               | 6,89,52,417               | 7,36,37,719               | 6,89,52,417               | 7,33,55,034                           |
|                                      | - Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group) | 100%                      | 100%                      | 100%                      | 100%                      | 100%                      | 100%                                  |
|                                      | - Percentage of Shares (as a % of the total Share capital of the Company)                 | 73%                       | 73%                       | 69%                       | 73%                       | 69%                       | 73%                                   |

\* Not annualised

**B Information on investors complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2014**

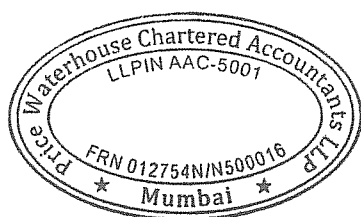
| Particulars          | Opening Balance | Additions | Disposals | Closing Balance |
|----------------------|-----------------|-----------|-----------|-----------------|
| Number of Complaints | -               | 29        | 29        | -               |



UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

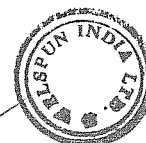
Notes :

- 1 The above financial results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at its meeting held on January 29, 2015.
- 2 In the previous year, on July 1, 2013, the Management re-assessed the method of providing depreciation on its plant and machinery (other than electrical installations) and after considering type, nature and use of asset, changed it from straight-line method to reducing balance method as it was considered to result in more appropriate preparation and presentation of the Financial Statements of the Company. Accordingly, the incremental depreciation of Rs. 46,309.58 lacs for the period from the date on which the assets came into use upto June 30, 2013 arising from the change was provided in the quarter ended September 30, 2013. In addition to the aforementioned incremental depreciation, depreciation for the period July 1, 2013 to March 31, 2014 was higher by Rs. 1,071.31 lacs due to the change in the method out of which, Rs. 414.92 lacs was provided in the quarter ended September 30, 2013 and Rs. 282.85 lacs was provided in the quarter ended December 31, 2013.  
  
Accordingly, depreciation and amortization expenses for the quarter ended December 31, 2013 was higher by Rs. 282.85 lacs and profit before tax for the quarter ended December 31, 2013 was lower by Rs. 282.85 lacs with a consequential impact on the profit after tax for that period. Similarly depreciation and amortization expenses for the nine months ended December 31, 2013 was higher by Rs. 47,007.35 lacs and loss before tax for the nine months ended December 31, 2013 was higher by Rs. 47,007.35 lacs with a consequential impact on the loss after tax for that period. Had the method of depreciation not been changed, profit before tax for the quarter ended December 31, 2013 would have been Rs. 15,497.31 lacs as against the profit before tax of Rs. 15,214.46 lacs and profit before tax for the nine months ended December 31, 2013 would have been Rs. 36,502.58 lacs as against the loss before tax of Rs. 10,504.77 lacs.  
  
Also the depreciation and amortization expenses for the previous year ended March 31, 2014 was higher by Rs. 47,380.89 lacs and profit before tax for the previous year ended March 31, 2014 was lower by Rs. 47,380.89 lacs with a consequential impact on profit after tax for that year.
- 3 Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company has, wherever required, realigned the remaining useful lives of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Consequently, in case of assets which have completed their useful lives (prescribed under Schedule II to the Act), the carrying value (net of residual value) as at April 1, 2014 amounting to Rs. 718.77 lacs (net of deferred tax) has been adjusted to Retained Earnings and in case of other assets the carrying value (net of residual value) is being depreciated over the revised remaining useful lives. Accordingly, the depreciation and amortization expenses charge for the quarter ended December 31, 2014 is higher by Rs. 977.53 lacs and for the nine months ended December 31, 2014 is higher by Rs. 3,008.58 lacs.
- 4 Pursuant to the WELSOP 2005, 2,265,000 options were granted to certain eligible employees upto December 31, 2014, of which 960,500 options were cancelled and 1,287,400 options have been exercised. During the quarter ended December 31, 2014, on exercise of the stock options, the Company has allotted 14,700 equity shares of Rs. 10 each to employees resulting in increase in paid-up share capital by Rs. 1.47 lacs and Securities Premium Account by Rs. 3.76 lacs. As on December 31, 2014, 17,100 options were outstanding.
- 5 The Company operates in only one primary business segment i.e. Home Textiles Segment. Hence, information relating to primary segments is not required to be separately furnished.
- 6 Prior period comparatives have been reclassified to conform with the current period's presentation, wherever applicable.



FOR AND ON BEHALF OF BOARD

Rajesh Mandawewala  
(Managing Director)



UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

Part I


Rs. in lacs

| Sr. No. | Particulars   | Consolidated              |                           |                           |                           |                           | Year Ended<br>31.03.2014<br>(Audited) |
|---------|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
|         |   | 31.12.2014<br>(Unaudited) | 30.09.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) |                                       |
| 1       | a. Net Sales/ Income from Operations ( Net of excise duty)                                | 119,712.95                | 125,754.53                | 97,389.78                 | 349,793.95                | 286,124.39                | 387,106.08                            |
|         | b. Other Operating Income   | 14,879.82                 | 15,597.68                 | 12,897.05                 | 43,876.28                 | 35,745.82                 | 50,271.59                             |
|         | <b>Total Income from Operation ( Net)</b>   | <b>134,592.77</b>         | <b>141,352.21</b>         | <b>110,286.83</b>         | <b>393,670.23</b>         | <b>321,870.21</b>         | <b>437,377.67</b>                     |
| 2       | <b>Expenses</b>   |                           |                           |                           |                           |                           |                                       |
|         | a. Cost of Materials Consumed ( Refer Note 3 below)                                       | 63,243.55                 | 72,234.47                 | 56,120.02                 | 191,115.92                | 163,740.33                | 226,733.83                            |
|         | b. Employees Benefit Expenses   | 11,322.74                 | 11,430.20                 | 8,729.00                  | 32,782.96                 | 24,254.01                 | 33,999.81                             |
|         | c. Depreciation and Amortisation Expenses ( Refer Notes 4,5 and 6 below)                  | 9,177.80                  | 7,168.75                  | 5,007.63                  | 23,207.07                 | 60,246.43                 | 68,633.08                             |
|         | d. Power, Fuel and Water Charges  | 2,708.76                  | 2,006.93                  | 2,379.15                  | 8,659.69                  | 9,651.64                  | 11,740.98                             |
|         | e. Other Expenses   | 23,314.57                 | 23,991.47                 | 19,040.73                 | 68,139.34                 | 54,151.65                 | 72,791.67                             |
|         | <b>Total Expenses</b>   | <b>109,767.42</b>         | <b>116,831.82</b>         | <b>91,276.53</b>          | <b>323,914.98</b>         | <b>312,044.06</b>         | <b>413,899.37</b>                     |
| 3       | <b>Profit (Loss) from Operations before Other Income, Finance Costs (1-2)</b>             | <b>24,825.35</b>          | <b>24,520.39</b>          | <b>19,010.30</b>          | <b>69,755.25</b>          | <b>9,826.15</b>           | <b>23,478.30</b>                      |
| 4       | Other Income  | 1,466.62                  | 1,913.09                  | 3,439.40                  | 6,599.39                  | 7,523.66                  | 10,414.97                             |
| 5       | <b>Profit (Loss) from Ordinary Activities before Finance Costs (3+4)</b>                  | <b>26,291.97</b>          | <b>26,433.48</b>          | <b>22,449.70</b>          | <b>76,354.64</b>          | <b>17,349.81</b>          | <b>33,893.27</b>                      |
| 6       | Finance Costs   | 8,162.35                  | 7,307.80                  | 5,682.83                  | 22,598.97                 | 17,190.63                 | 23,521.09                             |
| 7       | <b>Profit ( Loss) from Ordinary Activities before Tax (5-6)</b>                           | <b>18,129.62</b>          | <b>19,125.68</b>          | <b>16,766.87</b>          | <b>53,755.67</b>          | <b>159.18</b>             | <b>10,372.18</b>                      |
| 8       | Tax Expense   |                           |                           |                           |                           |                           |                                       |
|         | Provision for Taxation - Current Tax (Net)  | 4,524.98                  | 3,231.30                  | 5,074.40                  | 14,604.74                 | 14,074.83                 | 17,848.85                             |
|         | Less : Minimum Alternative Tax Credit Availed   | -                         | -                         | 117.80                    | -                         | (1,131.40)                | (1,211.70)                            |
|         | Provision for Taxation - Deferred Tax   | (835.96)                  | 2,679.15                  | 611.84                    | 1,218.82                  | (13,047.71)               | (14,647.77)                           |
|         | <b>Total</b>  | <b>3,689.02</b>           | <b>5,910.45</b>           | <b>5,804.04</b>           | <b>15,823.56</b>          | <b>(104.28)</b>           | <b>1,989.38</b>                       |
| 9       | <b>Net Profit/(Loss) from Ordinary Activities after tax (7-8)</b>                         | <b>14,440.60</b>          | <b>13,215.23</b>          | <b>10,962.83</b>          | <b>37,932.11</b>          | <b>263.46</b>             | <b>8,382.80</b>                       |
| 10      | Extraordinary Items   |                           |                           |                           |                           |                           |                                       |
| 11      | <b>Net Profit/ (Loss) for the period (9-10)</b>   | <b>14,440.60</b>          | <b>13,215.23</b>          | <b>10,962.83</b>          | <b>37,932.11</b>          | <b>263.46</b>             | <b>8,382.80</b>                       |
| 12      | Share of Associate's Net Profit/(loss)  | -                         | -                         | -                         | -                         | -                         | -                                     |
| 13      | Minority's Share of Profit/ (Loss) in Certain Subsidiary Companies                        | 83.92                     | 227.31                    | 14.15                     | 90.84                     | (768.26)                  | (824.46)                              |
| 14      | <b>Net Profit/ (Loss) (11+12-13)</b>  | <b>14,356.68</b>          | <b>12,987.92</b>          | <b>10,948.68</b>          | <b>37,841.27</b>          | <b>1,031.72</b>           | <b>9,207.26</b>                       |
| 15      | Paid-up Equity Share Capital (Shares of Rs. 10 each) (Refer Note 8 below)                 | 10,044.16                 | 10,042.69                 | 10,028.45                 | 10,044.16                 | 10,028.45                 | 10,034.65                             |
| 16      | Reserves excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year  |                           |                           |                           |                           |                           | 100,929.00                            |
| 17      | <b>Earnings/(Loss) Per Share (EPS) in Rs.</b>   |                           |                           |                           |                           |                           |                                       |
|         | a) Basic before Extraordinary Items   | 14.30*                    | 12.94*                    | 10.94*                    | 37.69*                    | 1.03*                     | 9.19                                  |
|         | b) Diluted before Extraordinary Items   | 14.30*                    | 12.93*                    | 10.94*                    | 37.68*                    | 1.03*                     | 9.18                                  |
|         | c) Basic after Extraordinary Items  | 14.30*                    | 12.94*                    | 10.94*                    | 37.69*                    | 1.03*                     | 9.19                                  |
|         | d) Diluted after Extraordinary Items  | 14.30*                    | 12.93*                    | 10.94*                    | 37.68*                    | 1.03*                     | 9.18                                  |
| Part II |   |                           |                           |                           |                           |                           |                                       |
| A       | <b>Particulars of Shareholding</b>  |                           |                           |                           |                           |                           |                                       |
| 1       | <b>Public Shareholding</b>  |                           |                           |                           |                           |                           |                                       |
|         | a) Number of Shares   | 26,803,896                | 26,789,196                | 31,332,098                | 26,803,896                | 31,332,098                | 26,991,481                            |
|         | b) Percentage of Shareholding   | 27%                       | 27%                       | 31%                       | 27%                       | 31%                       | 27%                                   |
| 2       | <b>Promoters and Promoter Group Shareholding</b>  |                           |                           |                           |                           |                           |                                       |
|         | a. Pledged/Encumbered   |                           |                           |                           |                           |                           |                                       |
|         | - Number of Shares  | NIL                       | NIL                       | NIL                       | NIL                       | NIL                       | NIL                                   |
|         | - Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group) | NIL                       | NIL                       | NIL                       | NIL                       | NIL                       | NIL                                   |
|         | - Percentage of Shares (as a % of the total Share capital of the Company)                 | NIL                       | NIL                       | NIL                       | NIL                       | NIL                       | NIL                                   |
|         | b. Non-Encumbered   |                           |                           |                           |                           |                           |                                       |
|         | - Number of Shares  | 73,637,719                | 73,637,719                | 68,952,417                | 73,637,719                | 68,952,417                | 73,355,034                            |
|         | - Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group) | 100%                      | 100%                      | 100%                      | 100%                      | 100%                      | 100%                                  |
|         | - Percentage of Shares (as a % of the total Share capital of the Company)                 | 73%                       | 73%                       | 69%                       | 73%                       | 69%                       | 73%                                   |

\* Not Annualised

B Information on investors complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2014

| Particulars          | Opening Balance | Additions | Disposals | Closing Balance |
|----------------------|-----------------|-----------|-----------|-----------------|
| Number of Complaints | -               | 29        | 29        | 0               |

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014**

**Notes :**

- The above financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on January 29, 2015.
- The Standalone Financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on January 29, 2015 and will be made available to BSE and NSE and will be posted on the company's website www.welspun.com. The key information related to standalone financial results are given below:

| Particulars   | Quarter Ended             |                           |                           | Nine Months Ended         |                           | Rs. in lacs                           |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
|   | 31.12.2014<br>(Unaudited) | 30.09.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | Year Ended<br>31.03.2014<br>(Audited) |
| Total Income From Operations (net)                    | 113,291.51                | 121,042.99                | 95,964.27                 | 329,547.08                | 259,717.97                | 353,120.24                            |
| Profit/ (Loss) from Ordinary Activities before Tax    | 16,152.85                 | 17,952.00                 | 15,214.46                 | 50,146.50                 | (10,504.77)               | 4,463.25                              |
| Net Profit/ (Loss) from Ordinary Activities after tax | 13,203.99                 | 13,604.39                 | 10,106.67                 | 37,549.00                 | (6,882.97)                | 2,983.52                              |
| Earnings / (Loss) Per Share in Rs.                    |                           |                           |                           |                           |                           |                                       |
| a) Basic after Extraordinary Items                    | 13.15*                    | 13.55*                    | 10.08*                    | 37.40*                    | (6.87)*                   | 2.98                                  |
| b) Diluted after Extraordinary Items                  | 13.15*                    | 13.54*                    | 10.07*                    | 37.39*                    | (6.87)*                   | 2.98                                  |
| * Not Annualised                                      |                           |                           |                           |                           |                           |                                       |

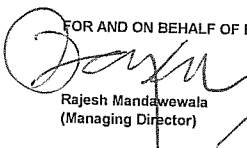
- Cost of material consumed in above results include Purchases of Stock-in-trade and changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade.
- In the previous year, on July 1, 2013, the Management re-assessed the method of providing depreciation on its plant and machinery (other than electrical installations) and after considering type, nature and use of asset, changed it from straight-line method to reducing balance method as it was considered to result in more appropriate preparation and presentation of the Financial Statements of the Company. Accordingly, the incremental depreciation of Rs. 46,309.58 lacs for the period from the date on which the assets came into use upto June 30, 2013 arising from the change was provided in the quarter ended September 30, 2013. In addition to the aforementioned incremental depreciation, depreciation for the period July 1, 2013 to March 31, 2014 was higher by Rs. 1,071.31 lacs due to the change in the method out of which, Rs. 414.92 lacs was provided in the quarter ended September 30, 2013 and Rs. 282.85 lacs was provided in the quarter ended December 31, 2013.  
  
Accordingly, depreciation and amortization expenses for the quarter ended December 31, 2013 was higher by Rs. 282.85 lacs and profit before tax for the quarter ended December 31, 2013 was lower by Rs. 282.85 lacs with a consequential impact on the profit after tax for that period. Similarly depreciation and amortization expenses for the nine months ended December 31, 2013 was higher by Rs. 47,007.35 lacs and loss before tax for the nine months ended December 31, 2013 was higher by Rs. 47,007.35 lacs with a consequential impact on the loss after tax for that period. Had the method of depreciation not been changed, profit before tax for the quarter ended December 31, 2013 would have been Rs. 17,049.72 lacs as against the profit before tax of Rs. 16,766.87 lacs and profit before tax for the nine months ended December 31, 2013 would have been Rs. 47,166.53 lacs as against the profit before tax of Rs. 159.18 lacs.  
  
Also the depreciation and amortization expenses for the previous year ended March 31, 2014 was higher by Rs. 47,380.89 lacs and profit before tax for the previous year ended March 31, 2014 was lower by Rs. 47,380.89 lacs with a consequential impact on profit after tax for that year.
- In order to maintain consistent accounting policies in accordance with Accounting Standard 21, Welspun Captive Power Generation Limited (WCPGL), a 68% subsidiary of the Company had also provided depreciation on its plant and machinery on reducing balance method during the previous year. WCPGL had commenced commercial operations during the previous year and as such there was no change in the method of depreciation. In case WCPGL had provided depreciation on straight-line method on its plant and machinery, depreciation for the previous year ended March 31, 2014 would have been lower by Rs.3,291.83 lacs.
- Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company has, wherever required, realigned the remaining useful lives of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Consequently, in case of assets which have completed their useful lives (prescribed under Schedule II to the Act), the carrying value (net of residual value) as at April 1, 2014 amounting to Rs. 727.40 lacs (net of deferred tax) has been adjusted to Retained Earnings and in case of other assets the carrying value (net of residual value) is being depreciated over the revised remaining useful lives. Accordingly, the depreciation and amortization expenses charge for the quarter ended December 31, 2014 is higher by Rs. 997.43 lacs and for the nine months ended December 31, 2014 is higher by Rs. 3,070.95 lacs.


**7 Unaudited Consolidated Segment wise Revenue , Results and Capital Employed**

| Sr. No. | Particulars   | Quarter Ended             |                           |                           | Nine Months Ended         |                           | Rs. in lacs                           |
|---------|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
|         |   | 31.12.2014<br>(Unaudited) | 30.09.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2013<br>(Unaudited) | Year Ended<br>31.03.2014<br>(Audited) |
| 1       | Segment Revenue   |                           |                           |                           |                           |                           |                                       |
|         | a) Home Textiles  |                           |                           |                           |                           |                           |                                       |
|         | b) Power  | 133,759.34                | 140,266.73                | 109,372.47                | 391,161.53                | 319,006.37                | 430,623.91                            |
|         | Total   | 6,671.07                  | 7,864.31                  | 5,732.52                  | 18,984.75                 | 14,082.53                 | 22,500.74                             |
|         | Less : Inter Segment Revenue                            | 140,430.41                | 148,131.04                | 115,104.99                | 410,146.28                | 333,088.90                | 453,124.65                            |
|         | Net Income from Operation                               | 5,837.64                  | 6,778.83                  | 4,818.16                  | 16,476.05                 | 11,218.69                 | 15,746.98                             |
| 2       | Segment Results   | 134,592.77                | 141,352.21                | 110,286.83                | 393,670.23                | 321,870.21                | 437,377.67                            |
|         | a) Home Textiles  |                           |                           |                           |                           |                           |                                       |
|         | b) Power  | 24,655.18                 | 24,048.91                 | 20,908.22                 | 71,983.11                 | 14,815.53                 | 33,116.93                             |
|         | Total   | 1,081.72                  | 1,693.62                  | 922.25                    | 2,623.88                  | 373.22                    | (2,024.38)                            |
|         | Less: Finance Cost                                      | 25,736.90                 | 25,742.53                 | 21,830.47                 | 74,606.99                 | 15,188.75                 | 31,092.55                             |
|         | Add : Un-allocable income net of un-allocable Expenses  | 8,162.35                  | 7,307.80                  | 5,682.83                  | 22,598.97                 | 17,190.63                 | 23,521.09                             |
|         | Profit /(Loss) before Tax                               | 555.07                    | 690.95                    | 619.23                    | 1,747.65                  | 2,161.06                  | 2,800.72                              |
| 3       | Capital Employed (Segment Assets - Segment Liabilities) | 18,129.62                 | 19,125.68                 | 16,766.87                 | 53,755.67                 | 159.18                    | 10,372.18                             |
|         | a) Home Textiles  |                           |                           |                           |                           |                           |                                       |
|         | b) Power  | 394,087.76                | 380,511.42                | 324,658.60                | 394,087.76                | 324,658.60                | 365,543.05                            |
|         | c) Unallocated Capital Employed                         | 35,849.60                 | 35,693.36                 | 37,917.33                 | 35,849.60                 | 37,917.33                 | 37,089.58                             |
|         | Total   | (292,944.26)              | (285,226.88)              | (259,077.57)              | (292,944.26)              | (259,077.57)              | (288,503.09)                          |
|         |   | 136,993.10                | 130,977.90                | 103,498.36                | 136,993.10                | 103,498.36                | 114,129.54                            |

- Pursuant to the WELSPON 2005, 2,265,000 options were granted to certain eligible employees upto December 31, 2014, of which 960,500 options were cancelled and 1,287,400 options have been exercised. During the quarter ended December 31, 2014, on exercise of the stock options, the Company has allotted 14,700 equity shares of Rs. 10 each to employees resulting in increase in paid-up share capital by Rs. 1.47 lacs and Securities Premium Account by Rs. 3.76 lacs. As on December 31, 2014, 17,100 options were outstanding.
- Prior period comparatives have been reclassified to conform with the current period's presentation, wherever applicable.

Mumbai  
Date : January 29, 2015

FOR AND ON BEHALF OF BOARD  
  
Rajesh Mandawewala  
(Managing Director)



## BUSINESS UPDATE

# Scaling new heights – EBITDA and PAT at record levels

- ✓ Revenue up 22% YoY
- ✓ EBITDA up 29% and PAT up 31% YoY
- ✓ Cash PAT up 37%

**Mumbai, January 29, 2015:** Welspun India Ltd., (WIL), part of the US\$ 3 billion Welspun Group today announced Q3 FY15 results, showing strong growth in revenue, operating EBITDA and profit after tax in comparison to the corresponding period last year.

### Consolidated Financial Summary - Q3 & 9M FY15 (Rs. Million)

| 9M FY15 | 9M FY14* | Change % | Particulars            | Q3 FY15 | Q2 FY15 | QoQ Change % | Q3 FY14 | YoY Change % |
|---------|----------|----------|------------------------|---------|---------|--------------|---------|--------------|
| 39,367  | 32,187   | 22%      | Revenue                | 13,459  | 14,135  | -5%          | 11,029  | 22%          |
| 9,296   | 7,007    | 33%      | Operational EBITDA     | 3,400   | 3,169   | 7%           | 2,402   | 42%          |
| 9,956   | 7,760    | 28%      | Reported EBITDA        | 3,547   | 3,360   | 6%           | 2,746   | 29%          |
| 2,260   | 1,719    | 31%      | Finance Cost           | 816     | 731     | 12%          | 568     | 44%          |
| 2,321   | 1,394    | 67%      | Depreciation           | 918     | 717     | 28%          | 501     | 83%          |
| 5,376   | 4,647    | 16%      | Profit Before Tax      | 1,813   | 1,913   | -5%          | 1,677   | 8%           |
| 3,784   | 3,160    | 20%      | PAT post min. & asso.  | 1,436   | 1,299   | 11%          | 1,095   | 31%          |
| 6,236   | 4,746    | 31%      | Cash PAT               | 2,278   | 2,306   | -1%          | 1,658   | 37%          |
| 23.6%   | 21.8%    |          | Op. EBITDA Margin      | 25.3%   | 22.4%   |              | 21.8%   |              |
| 25.3%   | 24.1%    |          | Reported EBITDA Margin | 26.4%   | 23.8%   |              | 24.9%   |              |
| 9.6%    | 9.8%     |          | PAT Margin             | 10.7%   | 9.2%    |              | 9.9%    |              |

\* On account of the change in depreciation policy from straight line method to reducing balance method, the company has taken an additional one-time depreciation of Rs. 4,631 million (for the period up to June 30, 2013) in Q2 FY14. The 9M FY14 figures are normalized by removing this one-off effect.

Notes: a) Prior period figures are restated, wherever necessary

b) Cash PAT = PBT + Depreciation – Current tax (including MAT credit, if any)

### Consolidated Financial Highlights – Q3 FY15

- Revenue at Rs. 13,459 million vs. Rs. 11,029 million in Q3 FY14; 22% growth YoY driven by strong volume growth, particularly in sheets and rugs.
- Operational EBITDA up by 42% at Rs. 3,400 million vs. Rs. 2,402 million in Q3FY14. Operational EBITDA margin was higher at 25.3% (vs. 21.8% in Q3 FY14), on account of the commissioning of the 170,000-spindle spinning mill leading to higher vertical integration.
- Reported EBITDA up by 29% at Rs. 3,547 million vs. Rs. 2,746 million in Q3FY14.
- Depreciation was 83% higher YoY at Rs. 918 million (vs. Rs. 501 million in Q3FY14), mainly on account of the capitalisation of the vertical integration projects, depreciated according to the new accounting policy introduced last year.

## BUSINESS UPDATE

- Finance cost stood at Rs. 816 million, 44% higher YoY, on account of higher working capital interest cost (primarily due to discontinuation of interest subvention) and interest on the term loans related to the newly commissioned projects.
- Profit after Tax (after minorities and associates) stood at Rs. 1,436 million compared to the Q3 FY14 level of Rs. 1,095 million, growth of 31% YoY.
- Net worth stands at Rs. 13,357 million at the end of Q3FY15.
- At the end of the quarter, Gross debt stands at Rs. 29,983 million, lower compared to Rs.30,293 million at end-FY14 and gross long term debt stands at Rs. 19,399 million (vs. Rs. 18,944 million at end-FY14).
- As on 31<sup>st</sup> December 2014, net debt stands at Rs. 25,733 million (vs. Rs. 26,635 million at end-FY14) implying a net debt/equity of 1.93x (vs. 2.40x at end-FY14).
- Net debt/ Operational EBITDA (annualised) stands at 2.08x.

### Project Status

The modernisation, expansion and vertical integration project, is on schedule with capex of about Rs. 13 bn completed till the end of the quarter. During the quarter, the new spinning facility of 170,000 spindles - the largest under one roof in India – was inaugurated by the Honourable Chief Minister of Gujarat at Anjar.

### Outlook

The US economy is expected to continue on its growth trajectory in the coming year. New home-sales data is indicating a strengthening housing market while consumer confidence has been hitting multi-year highs. While consumer confidence in Europe is edging higher, it is expected to get a further boost from falling oil prices and the ECB stimulus, which would improve real household spending power. The Indian economy is expected to grow faster in the coming years as economic reforms gather pace.

The outlook for Indian cotton textiles, especially home textiles, continues to be positive. The Indian home textile industry continues to gain market share from competing countries, particularly in the key markets of US and Europe.

### Management comments

**Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun India Ltd., said,** “We continue on our growth journey achieving new milestones and scaling new heights. We have successfully commissioned our spinning plant during the quarter which would help us consolidate our leadership position in the industry. Our focus over the next few quarters will be to increase our branded sales, especially in India, as well as to improve our share of sales from innovative products.”

### About Welspun India ([www.welspunindia.com](http://www.welspunindia.com))

*Welspun India Ltd, part of US\$ 3 billion Welspun Group is among the top three home textile manufacturers in the world and the largest home textile company in Asia. With a distribution network in more than 50 countries and manufacturing facilities in India, it is the largest exporter of home textile products from India. Supplier to 14 of Top 30 global retailers, the company has marquee clients like Wal-Mart, JC Penney, Target and Macy's to name a few.*

### DISCLAIMER:

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