

WEL/SEC/2019

August 1, 2019

To,

BSE Limited 1 st Floor, Rotunda Bldg, Dalal Street, Fort, Mumbai - 400 001. Scrip Code: 532553	National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. NSE Symbol: WELENT
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Dear Sir/Madam,

Sub.: (1) Un-audited Financial Results for the quarter ended June 30, 2019 and Limited Review Report.

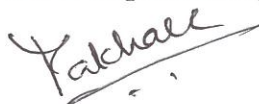
Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith standalone as well as consolidated Un-audited Financial Results for the quarter ended June 30, 2019 ("UFR") alongwith the limited review report as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings.

The Board meeting concluded at 1.10 p.m.

Kindly take note of the above.

Thanking you.

For Welspun Enterprises Limited



Priya Pakhare
Company Secretary
FCS - 7805

**Welspun Enterprises Limited**

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

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

E-mail : companysecretary_wel@welspun.com Website : www.welspunenterprises.com

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

T : +91 2836 662222 F : +91 2836 279010

Corporate Identity Number: L45201GJ1994PLC023920

Unaudited Consolidated Financial Results for the quarter ended 30 June 2019

Rupees in lakhs

	Quarter ended 30 June 2019	Quarter ended 31 March 2019	Quarter ended 30 June 2018	Year ended 31 March 2019
	(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
1 Income				
(a) Revenue from operations	52,277	72,507	35,510	178,660
(b) Other income	1,740	549	2,494	7,387
Total income	54,017	73,056	38,004	186,047
2 Expenses				
(a) Cost of materials consumed	733	185	129	1,732
(b) Subcontracting, civil and repair work	41,157	58,925	29,158	142,923
(c) Employee benefits expense	2,147	2,360	1,748	8,084
(d) Finance costs	1,816	1,436	1,260	5,366
(e) Depreciation and amortisation expense	591	469	261	1,149
(f) Other expenses	2,818	2,056	1,431	6,630
Total expenses	49,262	65,431	33,987	165,884
3 Profit from ordinary activities before exceptional items, share of profits/ (loss) in associate and tax (1 - 2)	4,755	7,625	4,017	20,163
4 Share of profit / (loss) in associate and joint ventures	(839)	(1,500)	(76)	(1,450)
5 Profit from ordinary activities before exceptional items and tax (3+4)	3,916	6,125	3,941	18,713
6 Exceptional items (net) (Refer note 3)	-	6	19	1,985
7 Profit / (loss) before tax for the period (5 + 6)	3,916	6,131	3,960	20,698
8 Tax expense				
a) Current tax	2,082	3,249	1,549	7,766
b) Deferred tax charge/(benefit)	(146)	(81)	133	256
Total tax expense	1,936	3,168	1,682	8,022
9 Net profit from ordinary activities after tax for the Period (7 - 8)	1,980	2,963	2,278	12,676
10 Other comprehensive income Items that will not be reclassified to Profit and Loss (net of tax)	(8)	(115)	(22)	(33)
11 Total Comprehensive Income for the period (9 + 10)	1,972	2,848	2,256	12,643
12 Profit for the year attributable to :				
Shareholders of the company	1,979	2,956	2,278	12,669
Non- controlling interest	1	7	-	7
13 Total comprehensive income attributable to :				
Shareholders of the company	1,971	2,841	2,256	12,636
Non- controlling interest	1	7	-	7
14 Paid-up equity share capital (Face Value Rs. 10/- each)	14,808	14,808	14,753	14,808
15 Other equity				130,554
16 Earnings per share (EPS) * Not annualised				
(a) Basic EPS	1.34*	2.00*	1.54*	8.58
(b) Diluted EPS	1.33*	1.99*	1.53*	8.53



Notes :-

- 1 The above unaudited consolidated financial results were reviewed by the Audit Committee on 31 July 2019 and approved by the Board of Directors of the Company in their meeting held on 1 August 2019 .
- 2 (a) The above results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act) as applicable and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 (b) Effective 1 April 2019, the Group adopted Ind AS 116 "Leases" and applied the same to lease contracts existing on 1 April 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated. This resulted in recognition of lease liability of Rs.657 lakhs with an equivalent amount recognized as right to use of asset as of 1 April 2019. The effect of this adoption is not material on the profit for the current quarter.

3 Exceptional items - Gain/(loss) for the period includes

Rupees in lakhs

		Quarter ended 30 June 2019	Quarter ended 31 March 2019	Quarter ended 30 June 2018	Year ended 31 March 2019
		(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
(i)	Gain on sale of stake in Welspun Energy Private Limited - additional consideration	-	6	19	141
(ii)	Gain on sale of stake in Dewas Bhopal Corridor Private Limited	-	-	-	1,844
		-	6	19	1,985

- 4 The Hon'able National Company Law Tribunal, Ahmedabad Bench vide its order pronounced on 21 June 2019 (the "Order") sanctioned the Scheme of Amalgamation of Anjar Road Private Limited ("ARPL") with Welspun Enterprises Limited ("WEL"). The Amalgamation of ARPL with WEL is merely a combination of entities and not a "business combination" and hence the Amalgamation will be accounted for, effective from the date of filing of the Order with MCA i.e. 20 July 2019
- 5 Figures for the Quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the published unaudited year to date figures upto the 31 December 2018.
- 6 Refer Annexure I for Segment Information
- 7 Previous period figures have been regrouped, rearranged and reclassified wherever considered necessary.



For Welspun Enterprises Limited

Sandeep Garg
Managing Director
DIN 00036419

Place : Mumbai
Date : 1 August 2019

Annexure - I
Segment Information :-

Rupees in lakhs

	Quarter ended 30 June 2019	Quarter ended 31 March 2019	Quarter ended 30 June 2018	Year ended 31 March 2019
	(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
Segment Revenue				
Infrastructure	52,277	72,507	35,510	178,660
Oil and gas	-	-	-	-
Total sales/ Income from Operations	52,277	72,507	35,510	178,660
Segment Result				
Infrastructure	7,558	10,376	4,533	25,302
Oil and gas	-	-	-	-
Unallocated	(2,703)	(1,770)	(1,425)	(6,704)
Total	4,855	8,607	3,108	18,598
Add : Other income (including interest income)	1,715	454	2,169	6,931
Profit before finance costs, tax and exceptional items	6,570	9,062	5,277	25,529
Add / (Less) : Finance costs	(1,816)	(1,436)	(1,260)	(5,366)
Add / (Less) : Share of loss from associate/ joint ventures	(839)	(1,500)	(76)	(1,450)
Add / (Less): Exceptional items (net)	-	6	19	1,985
Profit / (loss) from ordinary activities before tax	3,915	6,131	3,960	20,698
Capital Employed				
Segment Assets				
Infrastructure	180,032	163,788	104,757	163,788
Oil and gas	5,726	5,726	5,726	5,726
Unallocated	114,341	119,781	113,975	119,781
Total (A)	300,099	289,295	224,458	289,295
Segment Liabilities				
Infrastructure	74,377	77,237	39,657	77,237
Unallocated	78,113	66,688	48,202	66,688
Total (B)	152,490	143,926	87,859	143,926
Total (A - B)	147,609	145,369	136,599	145,369

- a) The segment information of the Company has been prepared in accordance with Ind AS 108 "Operating Segments"
b) The business segments of the Company comprises of :-
- Infrastructure
- Oil & Gas
c) Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.



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Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of Welspun Enterprises Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

To
The Board of Directors of
Welspun Enterprises Limited

Re: Limited Review Report for the quarter ended 30 June 2019

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **Welspun Enterprises Limited** ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate and jointly controlled entities for the quarter ended 30 June 2019 ("the Statement") being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No CIR/CFD/CMD1/44/2019 dated 29 March 2019 ("the Circular").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company's 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. The Statement includes the results of the following entities:

Holding Company

- (i) Welspun Enterprises Limited

Subsidiaries

- (i) Welspun Delhi Meerut Expressway Private Limited
- (ii) Welspun Road Infra Private Limited
- (iii) Welspun Amravati Highways Private Limited
- (iv) Welspun Buildtech Private Limited
- (v) Welspun Sattanathapuram Nagapattinam Road Private Limited
- (vi) MSK Projects (Himmatnagar Bypass) Private Limited
- (vii) MSK Projects (Kim Mandvi Corridor) Private Limited
- (viii) Dewas Waterprojects Works Private Limited
- (ix) Welspun Natural Resources Private Limited
- (x) ARSS Bus Terminal Private Limited
- (xi) DME Infra Private Limited
- (xii) Grenoble Infrastructure Private Limited



Jointly Controlled Entities

- (i) Welspun Aunta-Simaria Project Private Limited
- (ii) RGY Roads Private Limited
- (iii) MBL (GSY) Road Limited
- (iv) MBL (CGRG) Road Limited
- (v) Corbello Trading Private Limited
- (vi) Chikhali - Tarsod Highways Private Limited
- (vii) Welsteel Enterprises Private Limited

Associate

- (i) Adani Welspun Exploration Limited

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with rules issued thereunder and other recognised accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the regulation, read with the circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial statements of two subsidiaries included in the consolidated unaudited financial results, whose interim financial statements reflect total revenues of Rs. 10,767 Lakhs, total net profit after tax of Rs. 4 Lakhs and total comprehensive income of Rs. 4 Lakhs, for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

7. The consolidated unaudited financial results includes the interim financial statements of eight subsidiaries which have not been reviewed by their auditors, whose interim financial statements reflect total revenue of Rs. 213 Lakhs, total net loss after tax of Rs. 653 Lakhs and total comprehensive loss of Rs. 653 Lakhs, for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 839 Lakhs and total comprehensive loss of Rs. 839 Lakhs for the quarter ended 30 June 2019 in respect of one associate and seven jointly controlled entities based on their interim financial statements which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial statements are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169WW-100035


Sanjay Kothari

Partner

Membership Number 048215

UDIN: 19048215AAAADK8676

Mumbai, 1 August 2019



Unaudited Standalone Financial Results for the quarter ended 30 June 2019

		Rupees in lakhs			
		Quarter ended 30 June 2019	Quarter ended 31 March 2019	Quarter ended 30 June 2018	Year ended 31 March 2019
		(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	51,591	71,073	34,704	173,942
	(b) Other income	1,162	386	1,781	5,462
	Total income	52,753	71,459	36,485	179,404
2	Expenses				
	(a) Cost of materials consumed	733	185	129	1,732
	(b) Subcontracting, civil and repair work	40,953	57,857	28,668	139,533
	(c) Employee benefits expense	2,051	2,238	1,704	7,726
	(d) Finance costs	748	289	295	1,421
	(e) Depreciation and amortisation expense	559	340	272	1,051
	(f) Other expenses	1,810	2,083	1,350	6,724
	Total expenses	46,854	62,992	32,418	158,187
3	Profit from ordinary activities before exceptional items and tax (1 - 2)	5,899	8,467	4,067	21,217
4	Exceptional items (net) (Refer note 3)	-	6	19	1,985
5	Profit before tax for the period (3 + 4)	5,899	8,473	4,086	23,202
6	Tax expense				
	a) Current tax	2,073	3,176	1,531	7,688
	b) Deferred tax charge/(benefit)	64	666	(143)	145
	Total tax expense	2,137	3,842	1,388	7,833
7	Net profit from ordinary activities after tax for the Period (5 - 6)	3,762	4,631	2,698	15,369
8	Other comprehensive income				
	Items that will not be reclassified to profit and loss (net of tax)	(8)	(113)	(22)	(32)
9	Total comprehensive income for the period (7 + 8)	3,754	4,518	2,676	15,337
10	Paid-up equity share capital (Face Value Rs. 10/- each)	14,808	14,808	14,753	14,808
11	Other equity				145,120
12	Earnings per share (EPS)				
	* Not Annualised				
	(a) Basic EPS	2.54 *	3.13 *	1.83 *	10.40
	(b) Diluted EPS	2.52 *	3.11 *	1.82 *	10.34



Notes :-

- 1 The above unaudited standalone financial results were reviewed by the Audit Committee on 31 July 2019 and approved by the Board of Directors of the Company in their meetings held on 1 August 2019 .
- 2 (a) The above results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act) as applicable and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 (b) Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the same to lease contracts existing on 1 April 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated. This resulted in recognition of lease liability of Rs. 657 lakhs with an equivalent amount recognized as right to use of asset as of 1 April 2019. The effect of this adoption is not material on the profit for the current quarter.

3 Exceptional items - Gain/(loss) for the period includes

Rupees in lakhs

		Quarter ended 30 June 2019	Quarter ended 31 March 2019	Quarter ended 30 June 2018	Year ended 31 March 2019
		(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
(i)	Gain on sale of stake in Welspun Energy Private Limited - additional consideration	-	6	19	141
(ii)	Gain on sale of stake in Dewas Bhopal Corridor Private Limited	-	-	-	1,844
		-	6	19	1,985

- 4 The Hon'able National Company Law Tribunal, Ahmedabad Bench vide its order pronounced on 21 June 2019 (the "Order") sanctioned the Scheme of Amalgamation of Anjar Road Private Limited ("ARPL") with Welspun Enterprises Limited ("WEL"). The amalgamation of ARPL with WEL is merely a combination of entities and not a "business combination" and hence the amalgamation will be accounted for, effective from the date of filing of the Order with MCA i.e. 20 July 2019
- 5 Figures for the Quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the published unaudited year to date figures upto the 31 December 2018.
- 6 Previous period figures have been regrouped, rearranged and reclassified wherever considered necessary.



For Welspun Enterprises Limited

Sandeep Garg
Sandeep Garg
Managing Director
DIN 00036419

Place : Mumbai
Date : 1 August 2019

Independent Auditor's Review Report on Quarterly Unaudited Standalone Financial Results of Welspun Enterprises Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

To
The Board of Directors
Welspun Enterprises Limited

Re: Limited Review Report for the quarter ended 30 June 2019

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **Welspun Enterprises Limited** (the "Company") for the quarter ended 30 June 2019 ("the Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No CIR/CFD/CMD1/44/2019 dated 29 March 2019 ("the Circular").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with rules issued thereunder and other recognised accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the regulation, read with the circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **MGB & Co LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035


Sanjay Kothari
Partner
Membership Number 048215
UDIN: 19048215AAAADJ3275

Mumbai, 1 August 2019

