

To,
BSE Ltd.
(Scrip Code-500365)
Listing Department,
P. J. Towers, Dalal Street,
Mumbai - 400 001

August 1, 2022

Dear Sirs/ Madam,

Reg: Unaudited Financial Results and matters related thereto pursuant to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Un-audited Financial Results for the quarter ended June 30, 2022 ("UFR") prepared in accordance with IND-AS, as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held today.

Also attached herewith is the Limited Review Report of the Statutory Auditors of the Company on the UFR and a brief business update.

The Board meeting commenced at 4.00 pm and concluded at 7.15 pm.

Kindly take note of the above.

Yours Faithfully
For **Welspun Specialty Solutions Ltd**

Rashmi Mamtura
Company Secretary
F - 8658

Welspun Specialty Solutions Limited

Regd. Office : Plot No. 1, GIDC Industrial Estate, Jhagadia, Dist. Bharuch, Gujarat-393110

Website : www.welspunspecialty.com, Email ID : companysecretary_wssl@welspun.com

CIN : L27100GJ1980PLC020358

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rs. In Lacs)

Sr. No	Particulars	Quarter Ended (Unaudited)			Year Ended (Audited)
		30-Jun-22	31-Mar-22	30-Jun-21	31-Mar-22
1	Income				
a)	Revenue from operations	8,176	8,444	1,843	16,329
b)	Other income	363	1,721	2	1,912
	Total Income (a+b)	8,539	10,165	1,845	18,241
2	Expenses				
a)	Cost of materials consumed	7,583	5,507	575	13,048
b)	Changes in inventories of finished goods and work in progress	(2,327)	242	576	(3,363)
c)	Employee benefit expense	768	701	486	2,262
d)	Finance costs	509	674	325	1,703
e)	Depreciation and amortisation expense	365	360	360	1,449
f)	Power & fuel (net) (refer note 9 below)	1,103	1,049	280	2,536
g)	Consumption of stores & spares	719	761	254	1,973
h)	Other expenses	615	633	300	1,711
	Total Expense	9,335	9,927	3,156	21,319
3	Profit/(loss) before tax (1-2)	(796)	238	(1,311)	(3,078)
4	Tax expenses				
a)	Current tax	-	-	-	-
b)	Deferred tax	-	-	-	-
	Total tax expenses	-	-	-	-
5	Net profit/(loss) for the period / year (3-4)	(796)	238	(1,311)	(3,078)
6	Other Comprehensive Income				
a)	Items that will be reclassified to profit or loss				
	Fair value change on derivatives designated as cash flow hedge (Net)	60	(60)	(4)	(65)
b)	Items that will not be reclassified to profit or loss				
	Remeasurements of defined benefit obligation	(5)	39	(9)	13
	Total Other Comprehensive Income for the period / year (net of tax)	55	(21)	(13)	(52)
7	Total Comprehensive Income for the period / year (5+6)	(741)	217	(1,324)	(3,130)
8	Paid-up equity share capital (Face value of Rs. 6/- each)	31,805	31,805	31,805	31,805
9	Other Equity				(31,053)
10	Earnings/(loss) per share (Face value of Rs. 6/- each) (Not annualised for the quarter ended)				
	- Basic	(0.15)	0.04	(0.25)	(0.58)
	- Diluted	(0.15)	0.04	(0.25)	(0.58)

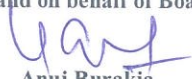


***Notes :**

- 1 The aforesaid financial results of Welspun Specialty Solutions Limited (the "Company") were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on August 1, 2022. The Statutory Auditors have carried out a Limited Review and expressed an unmodified conclusion on the aforesaid results.
- 2 The aforesaid financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The Company is engaged in the business of steel & steel products which in the opinion of the management is a single business segment in the context of Ind AS 108 on "Operating Segments". The business operations of the Company are predominantly confined within India.
- 4 The Company has unabsorbed tax losses and depreciation that are available for offsetting against future taxable profits of the Company. The Company will consider recording all the deferred tax assets (including on tax losses) when it is more probable that sufficient taxable profit will be available in future against which such deferred tax assets will be realised.
- 5 Certain contractual disputes arose in past between the Company and its customer, a public sector undertaking ("PSU") in respect of supply of pipes by the Company to the PSU. The Hon'ble Supreme Court vide its order dated November 13, 2021 ("Hon'ble SC Order") upheld the entire arbitral award in favour of the Company. Accordingly, the Company has received payment amounting to Rs. 1,597 lacs (including interest) on March 25, 2022 which has been credited to Statement of Profit and Loss as Other Income for the quarter and year ended on March 31, 2022.
- 6 During the quarter ended June 30, 2021, two employees exercised the stock options granted under RMG Alloy Steel Limited Employee Stock Option (Senior Management Personnel) Scheme, 2018 and were issued 6,67,850 Equity Shares at Rs. 25.5 each (including at a premium of Rs.19.5 each), amounting to Rs. 170 Lacs and were subscribed and fully paid up.
- 7 The Board of Directors of Welspun Steel Ltd (the "Demerged Company"), being the promoter of the Company, at its meeting held on June 28, 2021 have, inter alia, considered and decided to propose to National Company Law Tribunal ("NCLT") for its approval of a scheme in the nature of demerger to transfer its steel business undertaking which inter alia includes their stake (50.03%) in the Company to Welspun Corp Limited (the "Resulting Company"). The Said scheme was approved by NCLT on March 16, 2022, with Appointed date of April 1, 2021. Since the stakeholders who are holding not less than 50% of the equity shares in the Demerged Company (holding company of Welspun Specialty Solutions Limited (WSSL) are the same stakeholders holding not less than 50% equity shares in the Resulting Company and control being exercised by the same person(s) over both the companies, the indirect acquisition of control of WSSL pursuant to the proposed Scheme is exempt from making an open offer under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Accordingly, Welspun Corp Limited became the holding company of the Company.
- 8 Company is eligible for refund of SGST paid through cash ledger under the "Scheme for Relief and Concessions to the viable sick industrial enterprises". Pursuant to which Company has recognised an income of Rs. 209.09 lacs in the quarter ended June 30, 2022, Rs. 69.07 lacs in the quarter ended March 31, 2022, Rs. NIL in the quarter ended June 30, 2021 and Rs.183.63 lacs in the year ended March 31, 2022. The same has been recognised under the head 'Other Income'.
- 9 Company is eligible for the reimbursement of certain portion of electricity charges and electricity duty paid under the "Scheme for Relief and Concessions to the viable sick industrial enterprises". Pursuant to which Company has recognised an income of Rs. 109.78 lacs in the quarter ended June 30, 2022, Rs. 61.73 lacs in the quarter ended March 31, 2022, Rs. 56.66 lacs in the quarter ended June 30, 2021 and Rs. 220.30 lacs in the year ended March 31, 2022. The same has been netted off against the power and fuel expenses.
- 10 The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year ended March 31, 2022 and published year to date figures upto third quarter ended December 31, 2021 of the relevant financial year.
- 11 Previous periods' figures have been regrouped/rearranged wherever necessary to conform to current periods' classification.

Date: August 1, 2022
Place: Mumbai



For and on behalf of Board

Anuj Burakia
CEO & Whole Time Director
DIN:02840211



Price Waterhouse Chartered Accountants LLP

To
The Board of Directors
Welspun Specialty Solutions Limited
Plot No. 1, GIDC Industrial Estate,
Jhagadia, Dist. Bharuch,
Gujarat-393110

1. We have reviewed the unaudited financial results of Welspun Specialty Solutions Limited (the "Company") for the quarter ended June 30, 2022, which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter ended June 30, 2022' and notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
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, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. (a) The financial results of the Company for the quarters ended June 30, 2021 and March 31, 2022 were reviewed by another firm of Chartered Accountants, who issued their unmodified conclusion vide their reports dated July 30, 2021 and May 23, 2022.

(b) The financial statements of the Company for the year ended March 31, 2022 was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated May 23, 2022.

Our conclusion is not modified in respect of these matters.

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



Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391ANZDFS7085

Place: Mumbai
Date: August 01, 2022

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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/N500016 (ICAI registration number before conversion was 012754N)

Steady Progress

Mumbai, August 1, 2022: Welspun Specialty Solutions Limited (“WSSL” or “Company”), today announced its Q1 FY23 results.

- **Healthy Order Book position driven by addition of several new customers**
- **Order Book for Stainless Steel Bars: 956 MT | Tubes and Pipes: 1,750 MT**
- **Pipe Sales Volumes for Q1 FY23 up 93% YoY**
- **Total Income from Operations for Q1 FY23 up 363% YoY, driven by restart of SMS plant in the second half of FY22**

Management Comments

Commenting on the results, Mr. Vipul Mathur, Managing Director and Chief Executive Officer, Welspun Corp Limited said, *“I am pleased by the steady progress made in the business this quarter. We have a healthy order book on the back of several prestigious order wins. We are continuously striving for new approvals and strengthening existing customer relationships which will further improve our performance. Another key focus area for us is cost optimization to drive efficiency in operations.”*

Financial Highlights

- **Order Book:** The total order book of the company for Stainless Steel Bars stands at 956 MT amounting to Rs.33 crores and for Tubes and Pipes stands at 1,750 MT amounting to Rs.117 crores.
- **Sales Volumes:** Stainless Steel Bars volumes higher by 997% (SMS started during Q3 FY22) and Pipe volumes higher by 93% for Q1 FY23, both compared to the corresponding period in the previous year.

Particulars	Q1 FY23	Q4 FY22	Q1 FY22	FY22
Stainless Steel Bars (MT)	1557	1248	142	1531
Pipes (MT)	692	1160	358	2915

1) Steel melting facility restarted in Q3FY22 2) Bars Volume in FY21 includes Alloy Steel Bars

- **Financials:** Total Income 363% higher for Q1 FY23, compared to the corresponding period in the previous year.

Income Statement Snapshot (Rs. Crs)				
Particulars	Q1 FY23	Q4 FY22	Q1 FY22	FY22
Total Income	85.4	101.6	18.5	182.4
EBITDA	0.8	12.7	(6.3)	0.7
Profit Before Tax (PBT)	(8.0)	2.4	(13.1)	(30.8)
<i>Exceptional Gain/(Loss)</i>	-	-	-	-
Reported PBT	(8.0)	2.4	(13.1)	(30.8)
Profit After Tax (PAT)	(8.0)	2.4	(13.1)	(30.8)
Cash PAT	(4.3)	6.0	(9.5)	(16.3)

The Company has received a payment amounting to Rs. 15.97 crores in Q4 FY22 for certain contractual disputes that arose in the past

Notes:

- Cash PAT = PBDT (adjusted for cash exceptional items) – Current tax
- Prior period figures have been restated wherever necessary

Key Business Updates

- Volumes have been steadily ramping up for Stainless Steel Bars with sales this quarter of 1,557 MT. The captive production of Stainless Steel Bars has also helped mitigate challenges faced in Raw Material procurement and hurdles in logistics.
- BIS standard for Seamless tubes & pipes (BIS 17875) has been introduced which is favourable for the company. Company has already initiated the process to obtain the accreditation.
- The company received first order from an Oil & Gas sector PSU for Monel 400 Grade tubes.
- The company delivered its first order of High Pressure Heater tubes in Grade 304N “U” Tubes.
- The company expects its improved performance to sustain on the back of several new customer approvals and accreditations.

About Welspun Specialty Solutions Ltd.

Welspun Specialty Solutions Limited (WSSL) is a part of global conglomerate 'Welspun Group', one of India's fastest-growing multinationals with a leadership position in line pipes, home textiles, infrastructure, warehousing, retail, advanced textiles, and flooring solutions.

WSSL is an ISO 9001:2008 & TS:16949 accredited company and a world-class manufacturer of value-added Alloy & Stainless Steel products that are globally benchmarked. It is the only Indian integrated producer of quality Stainless Steel Seamless Pipes & Tubes right from steel-making to the final finished products. WSSL has a steel-making capacity of ~150,000 tons per annum and a seamless pipe & tube capacity of ~18,000 tons per annum.

WSSL has a state-of-the-art fully integrated steel melting shop, hot rolling mill, and hot extrusion-based seamless pipe plant, all under one roof.

The company has invested heavily in the latest infrastructure and ultra-modern technologies, keeping in view its unwavering focus on quality, processes, and commitment to customers.

Given the setup and the expertise, WSSL is successfully catering to niche applications in sectors like Energy, Defence, Nuclear Power, Aerospace, Oil & Gas, Petrochemicals, Food, Fertilizers, Pharma, Desalination etc.

**For further information please visit www.welspunspecialty.com or contact:
gaurav_aijan@welspun.com**

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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 Specialty Solutions Ltd. or any of its affiliates. Neither Welspun Specialty Solutions Ltd, nor their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.