

Welspun Corp and Wasco Energy to Enter Joint Venture

To set up Concrete Weight Coating plant in Anjar, Gujarat

Welspun Corp Ltd (“WCL”), the flagship company of the USD 3 billion Welspun Group, is entering into a joint venture with Wasco Energy Ltd (“Wasco”), a wholly owned subsidiary of Wah Seong Corporation Berhad, Malaysia. The joint venture company is to set up a **state-of-the-art Concrete Weight Coating (CWC)** Plant at Anjar, Gujarat. WCL, which is one of the largest Large Diameter Steel Pipe manufacturers in the world, will hold 51% and Wasco will hold 49% in the joint venture company. This venture will augment WCL’s offering to the market duly supported by Wasco’s strong credentials in concrete weight coating business globally.

CWC is a plant-applied coating used to provide negative buoyancy for offshore pipelines or for river /road crossing applications. Concrete coating protects the external corrosion for pipelines installed offshore, at water crossings or in swamps along with mechanical protection at highway and railroad crossings.

The capital expenditure for the project forms a part of FY 15-16 planned capex of around 200 Crores.

The demand for CWC pipes has traditionally been limited to few domestic projects. However, there has been an increase in demand over the past two years. The government has been steadily increasing investments in this area. Offshore projects of approximately 600-700 kms are expected over the next three to four years, which would have a requirement for CWC. Additionally, there are a few large offshore export projects scheduled to be launched in the same time period.

The joint venture will provide WCL with the strategic advantage of becoming a one-stop solution for Steel Pipe Coating requirements to service all offshore requirements for the Oil & Gas industry. The joint venture will help both companies to reduce the time to market, whilst maintaining the technical excellence that Welspun is renowned for. This JV will also support Wasco to expand its foot print across the Indian subcontinent.

About Welspun Corp Ltd.

Welspun Corp Ltd. (WCL) is the flagship company of Welspun Group and is a global giant in the Large Diameter Line Pipe segment. Over the last 15 years, the company has emerged as a leading name in the industry and today offers a one-stop solution with its wide range of products. It has established itself as a recognised brand when it comes to supplying pipes to some of the most challenging projects in the world.

The company has modern manufacturing facilities in India, USA and Saudi Arabia for Longitudinal (LSAW), Spiral (HSAW) and HFERW / HFIW pipes. Offering the complete range of high grade line pipes for transmission of Oil & Gas, Welspun Corp also provides coating, bending and double jointing facilities to its clientele. The company is accredited with ISO 9001, ISO 14001 and OHSAS 18001 certifications.

It has supplied pipes for the world's deepest pipeline project (Independence Trail, Gulf of Mexico), highest pipeline project (Peru LNG), longest pipeline (Canada to US) and the heaviest pipeline project (Persian Gulf).

About Wasco Energy Ltd.

Wasco has over 50 years' experience in Coating for off-shore line pipes. It has facilities spanning across Asia, Europe and the United States. Wasco's past credentials include esteemed clients like Chevron, SHELL, Petronas, BP, Exxon & Statoil to name a few. Wasco's Pipeline Services Division is uniquely placed to deliver pipe coating, pipe manufacturing and offshore corrosion control solutions that meet the rigorous demands of utilities and energy players. Wasco's Pipe Coating Division, a leader in pipe coating solutions for the oil & gas industry, operates one of the world's most advanced, fully-integrated, coating facilities in Kuantan, Malaysia and has established new facilities in Mo i Rana in Norway and in New Iberia, Louisiana in the United States.

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