

WIL/SEC/2019

October 22, 2019

Bombay Stock Exchange Limited Department of Corporate Services, SP. J. Towers, Dalal Street, Mumbai – 400 001 (Scrip Code-514162)	National Stock Exchange of India Limited Listing Compliance Department Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (Symbol: WELSPUNIND)
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Dear Sirs/ Madam,

Subject: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find attached investor presentation, inter alia, on unaudited financial results of the Company for the quarter and half year ended September 30, 2019.

Please take the same on record.

Thank you,

For Welspun India Limited
Shashikant Thorat
Company Secretary
ICSI Membership No. : FCS-6505
**Enclosed: Results Presentation as mentioned above****Welspun India Limited**

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E-mail : companysecretary_wil@welspun.com Website : www.welspunindia.com

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T : +91 2836 661 111 F : +91 2836 279 010

Works: Survey No. 76, Village Morai, Vapi, District Valsad, Gujarat 396 191, India.

T : +91 260 2437437 F : +91 260 22437088

Corporate Identity Number: L17110GJ1985PLC033271

INVESTOR PRESENTATION

October 2019



Owned Brands



Innovations



Licenses



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This presentation contains statements of future expectations and other forward-looking statements which involve risks and uncertainties. These statements include descriptions regarding the intent, belief or current expectations of the Company or its officers with respect to the consolidated results of operations and financial condition, and future events and plans of the Company. These statements can be recognized by the use of words such as "expects," "plans," "will," "estimates," or words of similar meaning. Such forward-looking statements are not guarantees of future performance and actual results, performances or events may differ from those in the forward-looking statements as a result of various factors and assumptions. You are cautioned not to place undue reliance on these forward looking statements, which are based on the current view of the management of the Company on future events. No assurance can be given that future events will occur, or that assumptions are correct. The Company does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.

Any reference herein to "the Company" shall mean Welspun India Limited, together with its consolidated subsidiaries.

INTRODUCTION TO WELSPUN GROUP



**Global Leader in
Home Textiles**



**Global Leader in
Large Diameter Pipes**



**Infrastructure
Investments in Oil & Gas**



**Group Revenue
US\$ 2.7 Billion**

**Fixed Asset Base
US\$ 0.9 Billion**

**Employees
25,000+**

AGENDA

- 1. Welspun India: An Introduction**
- 2. Industry Overview**
- 3. Welspun India: Key Differentiators**
- 4. Key Strategic Initiatives**
- 5. Welspun 2.0 & Way Forward**

WELSPUN INDIA: AN INTRODUCTION

WELSPUN INDIA: OVERVIEW

Largest

Home Textiles Company Globally⁽¹⁾

With presence in

Bed, Bath & Flooring

Presence in

50+ Countries

Trusted and Preferred Suppliers to

17 of Top 30

Global Retail Giants

30 Unique innovations

38% Sales: Innovative Products⁽³⁾

17% Sales: Branded Products⁽³⁾

Ranked #1

among Home Textile Suppliers
to USA

by Home & Textiles Today magazine

5 Times in Last 6 Years

Every 5th Towel

Every 9th Sheet

sold in the US is made by Welspun⁽²⁾

3E's of Corporate

Social Value

Education, Environment & Health,
Empowerment

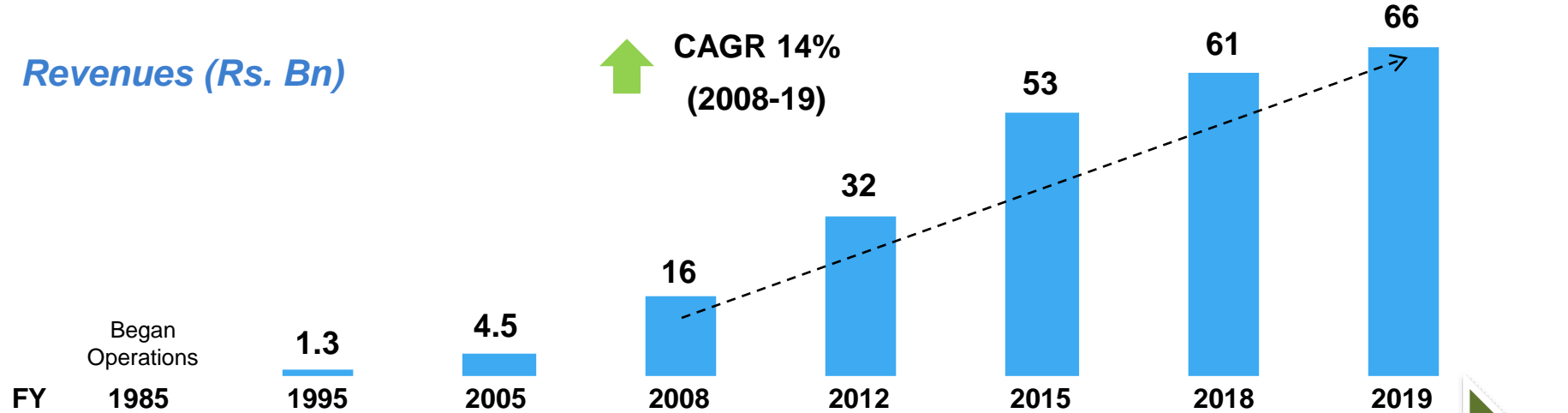


KEY MILESTONES

Revenues (Rs. Bn)



CAGR 14%
(2008-19)



FY 1985 1993 1995 2005 2006 2008 2010 2012 2014 2015 2016 2017 2018 2019

Began the journey in Textiles

Set up Vapi, Gujarat facility for Towels

Set up Anjar, Gujarat facility
Entry into bedsheets

Acquired Christy – most prestigious brand of towels in the UK

Entry into Rugs

Ranked No.1 Home Textile exporter to the US

Launched:
- Brand 'SPUN' globally
- 'Hygro' branding campaign in the US

Commissioned India's largest Spinning facility under one roof

Embarked upon Capacity Expansion & Vertical Integration

Foray into:
- Flooring Solutions
- Smart Textiles
Increasing footprint in Middle East, Japan, Australia, EU

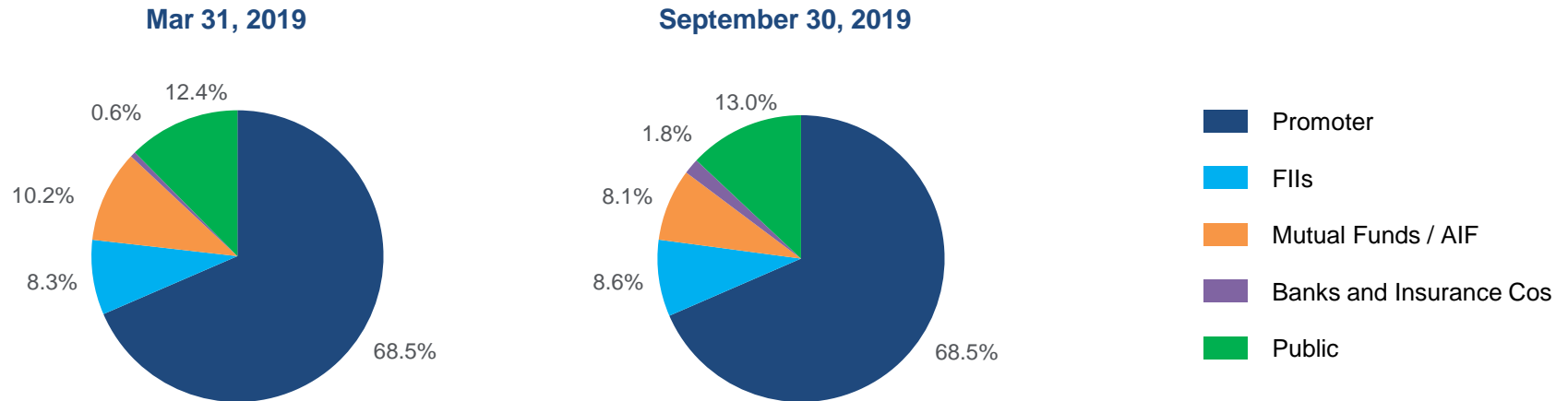
Established industry defining, patented traceability solution: Wel-Trak®

Launched value brand "Welspun"

Flooring business commenced operations

SHAREHOLDING AND TRADING SNAPSHOT

Shareholding Pattern

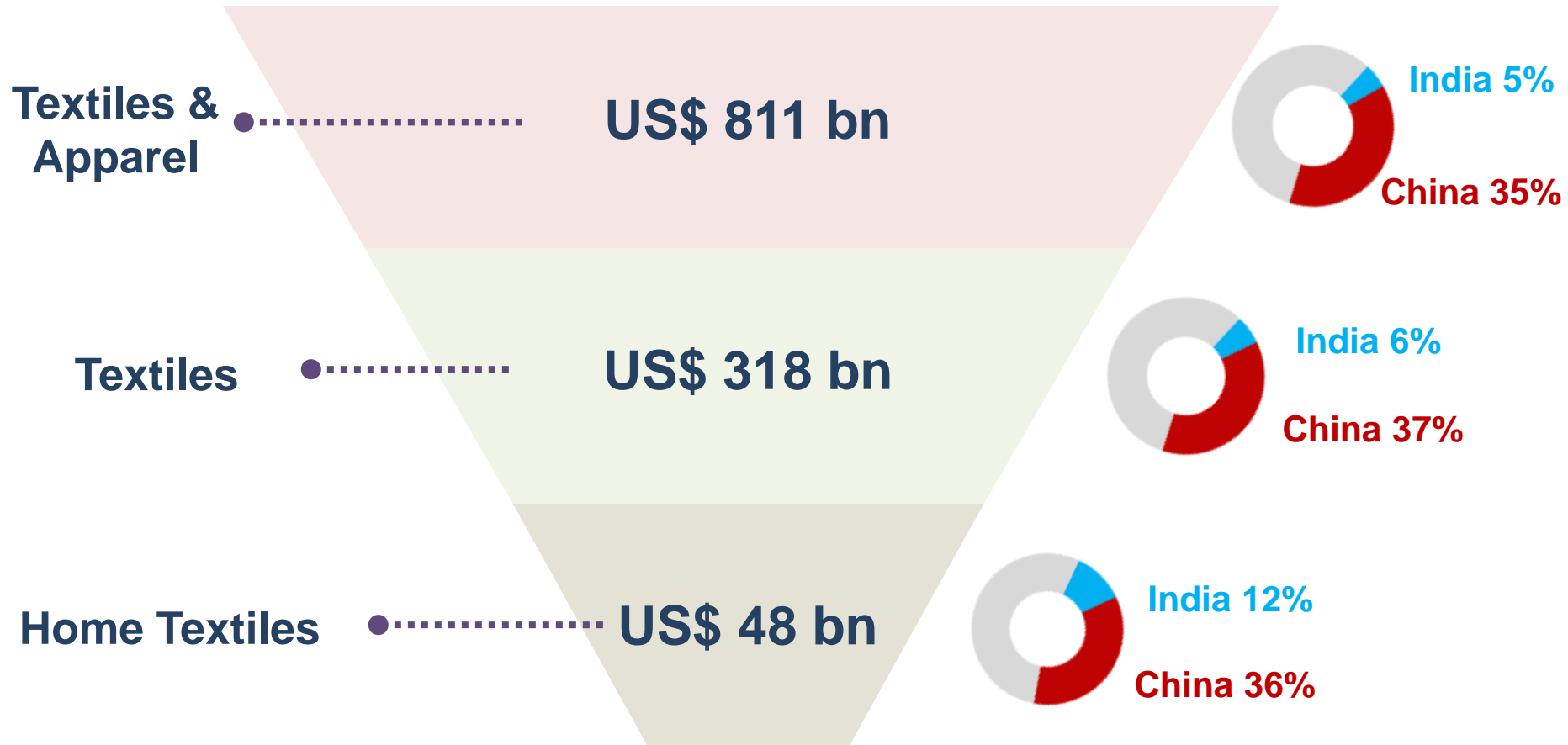


Market Statistics

As on September 30, 2019	INR	USD
Price per share	52.65	0.74
No of Shares outstanding (Mn)	1,005	1,005
Market Capitalization (Mn)	52,899	748
Daily Average Trading Volumes (Q2 FY20) No of shares in Mn	0.60	0.60
Daily Average Trading Value (Q2 FY20) (Mn)	31.53	0.45

INDUSTRY OVERVIEW

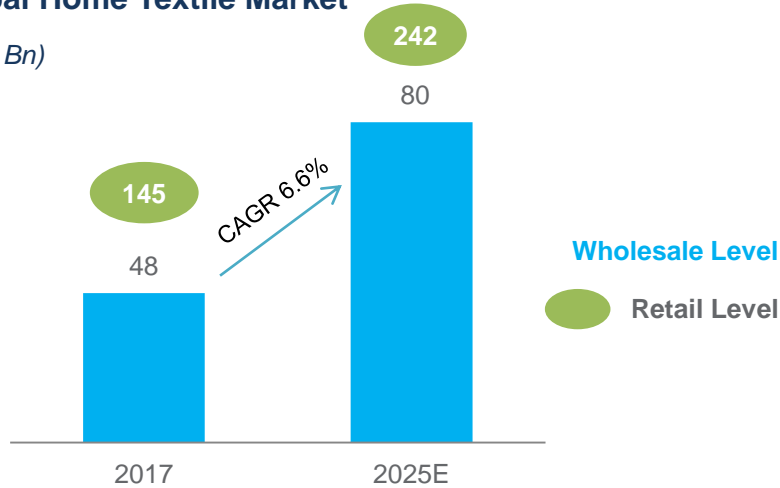
ASIAN DOMINANCE IN HOME TEXTILES



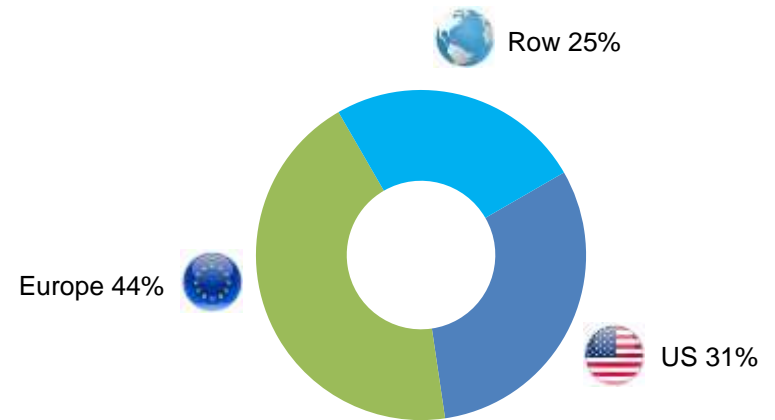
GLOBAL MARKET OPPORTUNITY

Global Home Textile Market

(USD Bn)

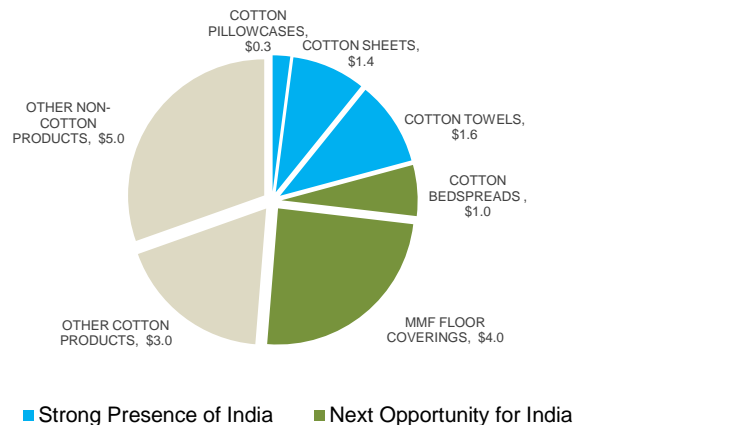


Market Composition



US Home Textile Market (2018)

(USD Bn)



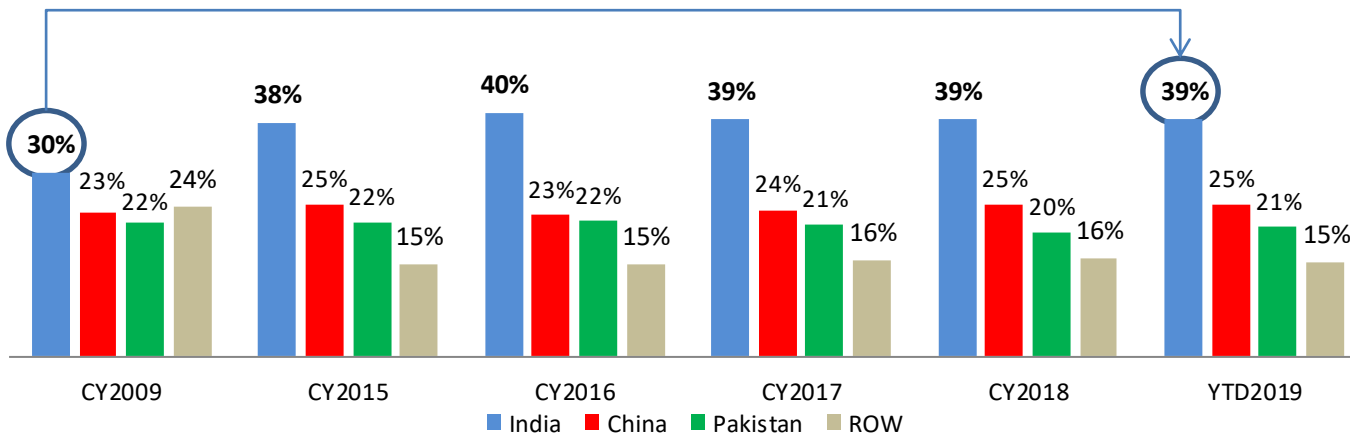
US Home Textile Market valued at c.\$15 bn

- ✓ **US and Europe** are the major end markets comprising a **75%** of the home textile market
- ✓ Indian Players have concentrated in US because:
 - US is a large and homogenous market making it a more attractive market to target first
 - While US is a level playing field, Europe provides preferential tariff rates to some competing countries

INDIA- LARGEST PLAYER IN US MARKET

Market Share in US Towel Market

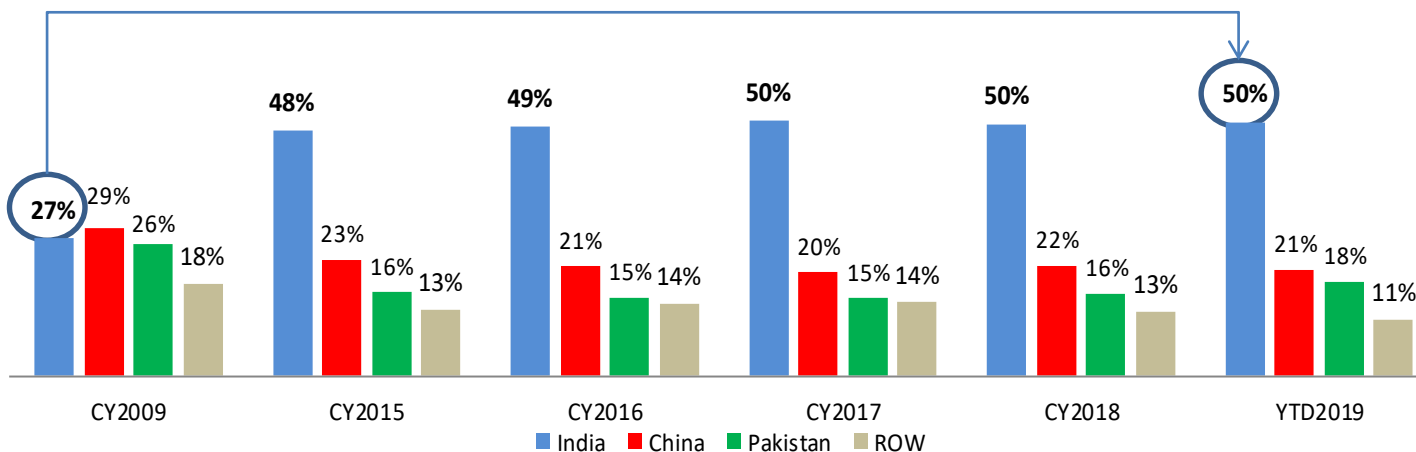
↑ 9 percentage pts



India continues to dominate the US Towel Market

Market Share in US Sheet Market

↑ 23 percentage pts



Half of the US Sheet Market is served by India

FACTORS CONTRIBUTING INDIA'S COMPETITIVE ADVANTAGE

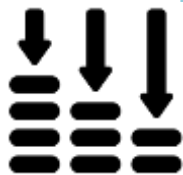
1 Largest Producer of Cotton



2 Favourable Socio-Economic Factors



3 Competitive Costs



4 Strong Political Leadership with Supportive Policies



5 Strong Domestic Market Potential

6 Global Manufacturing Scale



WELSPUN INDIA: KEY DIFFERENTIATORS

WELSPUN INDIA: GLOBAL LEADER IN HOME TEXTILES

8

Consistent focus on free cash flow

1

Leading Market Player with a Wide Product Range

7

Experienced Board and Management with Proven Track Record

2

Vertically Integrated Presence with Significant Capabilities

6

Sustainability at the Core of the Business

3

Global Distribution Network with Marquee Clients

5

Track Record of Innovation

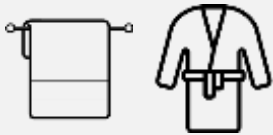
4

Diversified Brand Portfolio



1 LEADING MARKET PLAYER WITH A WIDE PRODUCT RANGE

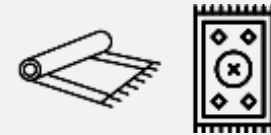
Widest product range in the Home Textiles segment



Towels, Bath
Robe



Sheets, TOB, Basic
& Fashion Bedding



Carpets, Rugs,
Flooring Solutions



A differentiated End-to-end Solutions Provider in Home Textiles



Uniquely positioned for cross-selling due to Customer reach, Competitive manufacturing, Global delivery model



Higher wallet share due to multi-product portfolio

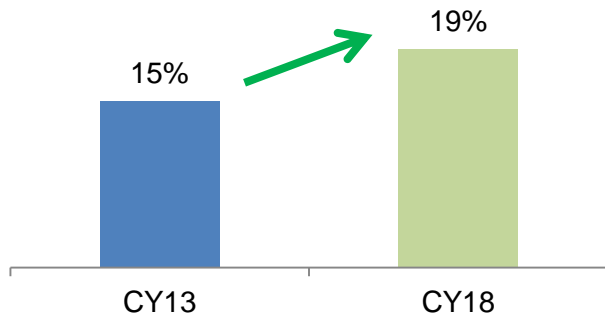


Strong track record of customer satisfaction and repeat business from them;
80% revenue from replenishment

1 LEADING MARKET PLAYER

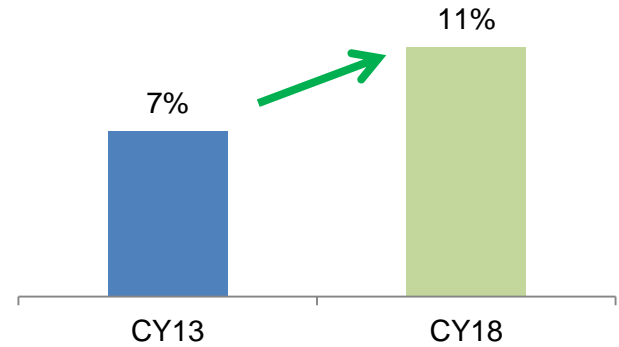
Ranked No.1 supplier to the US 5 times in last 6 years by Home & Textiles Today magazine

Every 5th towel sold in US is made by Welspun

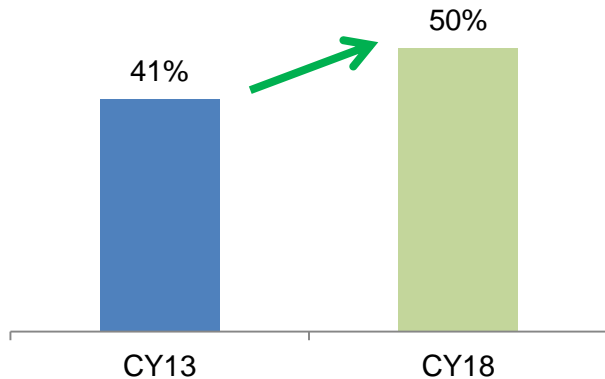


Welspun's Market Share in US Towels Market

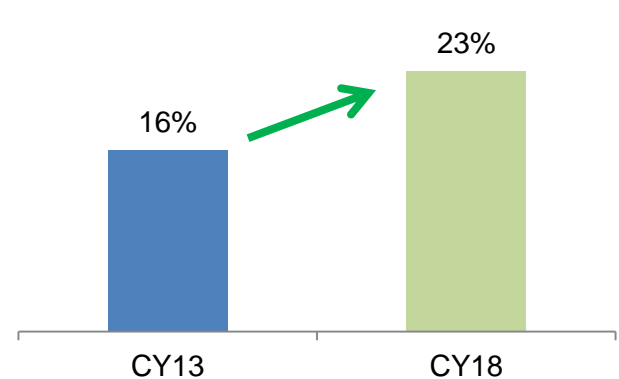
Every 9th sheet sold in US is made by Welspun



Welspun's Market Share in US Sheets Market

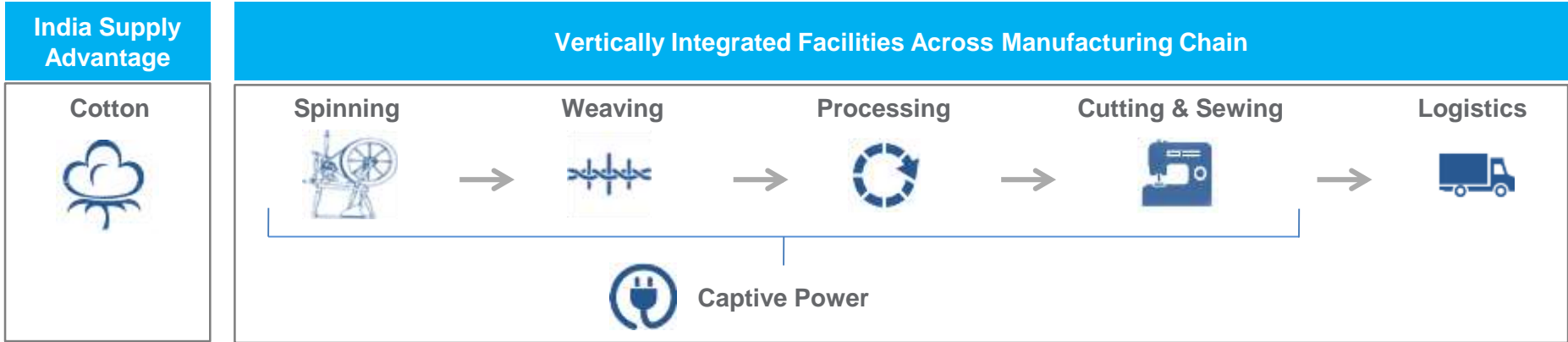


Welspun's Share in India's exports to US - Towels



Welspun's Share in India's exports to US - Sheets

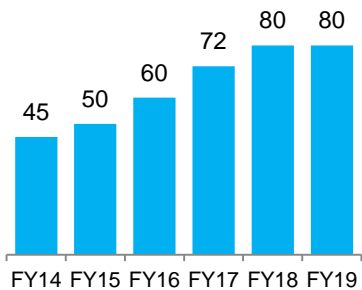
2 VERTICALLY INTEGRATED PRESENCE WITH SIGNIFICANT CAPABILITIES



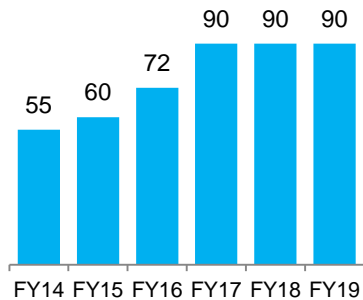
- ✓ Current integration of about 70% in Spinning and Weaving
- ✓ Captive power generation
- ✓ Welspun India's backward integration has helped improve margin, better quality control and timely delivery

Growing Capabilities

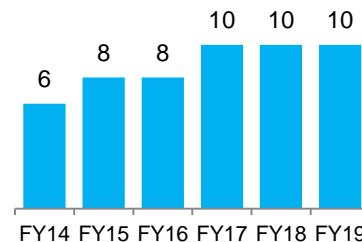
Towels ('000 MT)



Bed Linens ('Mn mtrs)



Rugs & Carpets ('Mn sq. mtrs)



- ✓ FY19 Effective Utilisation:
 Towels : 88%
 Sheets : 82%
 Rugs : 70%
- ✓ Capex of around Rs. 4.6 bn in H1 FY20
- ✓ FY20 capex expected at Rs. 6 bn

3 GLOBAL DISTRIBUTION NETWORK WITH MARQUEE CLIENTS



Delivery and Reach in Over 50 Countries

4 DIVERSIFIED BRAND PORTFOLIO

Spectrum of Welspun Brands: Continue to Evolve

Premium & Luxury

Value

Innovation

Sustainability & Empowerment



Coveted Licenses



Branded Products Contribution to Sales at 17% in FY19

5 TRACK RECORD OF INNOVATION

- **38%** of Sales from Innovative Products
- **30** unique inventions filed globally



- Contributes more than \$180 Mn of Sales annually
- Gaining traction in hospitality & domestic market

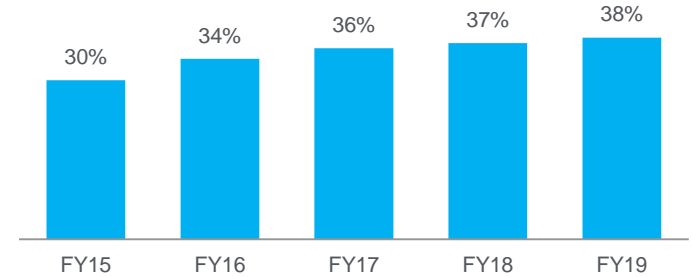


- Received Asthma and Allergy Free Certification for bedding products in US post stringent testing



- Constitutes 3% of total revenue

Increasing Share of Innovative Products



The Innovative & Branded products account for more than 45% of revenue

HYGROCOTTON®

before washing after 3 washings



Regulates temperature for individual comfort



Global Collaboration on Innovation



Top Universities



Technology Partners



Industry Associations

6 SUSTAINABILITY



6 INCLUSIVE GROWTH: CORPORATE SOCIAL VALUE

ENVIRONMENT.

Sustainable business practices, clean water, improved sanitation and development of green spaces within the communities.



EMPOWERMENT.

Welspun 2.0, Spun centers, Smart Villages are empowering the women in Gujarat to lead the way to economic independence and growth.

EDUCATION.

Our initiative to improve the quality of education at schools serves over 55 schools, 500 teachers and 10,000 students in Gujarat.



Supporting Sportswomen



69 Medals won through Welspun Super Sports Program since April 2019.
Partnership with sports agency – Meraki Sports

Board of Directors

B.K.Goenka, Chairman

- Amongst India's most dynamic businessmen
- Ranked amongst India's Most Powerful CEO by Economic Times
- Emerging Company of the Year Award in 2008

Arun Todarwal, Independent Director, Audit Committee Chairman

- 20+ years of experience in Finance, Audit, Taxation and Quality Management. Member of ICAI, practicing since 1981

Ms. Anisha Motwani, Independent Director

- 28+ years experience in advertising, auto-manufacturing, financial and health services. Currently advisor to World Bank. Voted among '50 Most Powerful Women in Indian Business' by Business Today for 3 consecutive years

Pradeep Poddar, Independent Director

- Technocrat & Corporate Leader with 30+ years of experience in consumer products industry and vast experience in brand building

Arvind Singhal, Independent Director

- MBA from University of California, founded Technopak, India's leading management & operations consulting firm with focus on Textiles, Retail, Healthcare etc

Shalil Mukund Awale, Nominee Director

- Chief GM at IDBI Bank with nearly 22 years covering areas like Priority sector, Retail Banking, Investment & Treasury, Venture Capital Finance, Audit

Management Team

Rajesh Mandawewala, Managing Director; Member of Board

- In-charge of textile business; instrumental in growing reach over 50 countries
- 25+ years of experience in industries varying from Textiles to SAW pipes.
- He is a Qualified chartered accountant

Ms. Dipali Goenka, CEO & Joint Managing Director; Member of Board

- Driving force behind textile business, successfully led development of two brands – SPACES and Welhome
- Graduate in Psychology & completed Management Programm from Harvard

Altaf Jiwani, CFO (Welspun India)

- 25+ years experience in corporate finance roles across diverse industries.
- Worked with RPG Group for 19years. Last role as CFO, Phillips Carbon Black

Ms. Manjari Upadhye, CEO (Domestic Retail Business)

- 17+ years of experience across the consumer products industry; Significant contribution in brand building for FMCG companies

Mukesh Savlani, CEO (Welspun Flooring)

- Home-grown CEO with 17+ years experience in various roles at Welspun; Engineering graduate; Leadership Program from Harvard

Ravi Panicker, Head (Christy)


- 26+ yrs experience in Retail Sales, Ecommerce & Category
- Previously worked with Raymond, Bombay Dyeing among others

Michael Mullen, Sales Head – US

- 26+ yrs experience in Business Development, Sales & Merchandising & E-Commerce
- Previously worked with Keeco, Home Express, Mervyn's and E & E Co

7 AWARDS & ACCOLADES – TESTIMONY TO EXCELLENCE

Dipali Goenka
 Featured at #16 in
 Asia's Top 50 Power
 Businesswomen (2016)



**Asia's 50
 Power
 Businesswoman**

**Platinum Award
 Water Stewardship
 (2018)**



**STP Water
 Recycle & Reuse**

**Digital / Social Media
 Campaign of the Year
 Christy
 (2018)**



Social Media

**Marketing Services Award
 "Spaces"
 (2018)**



Marketing

**Winner of
 1 Platinum, 2 Gold & 1
 Silver Trophies
 (2018)**



Highest Exports

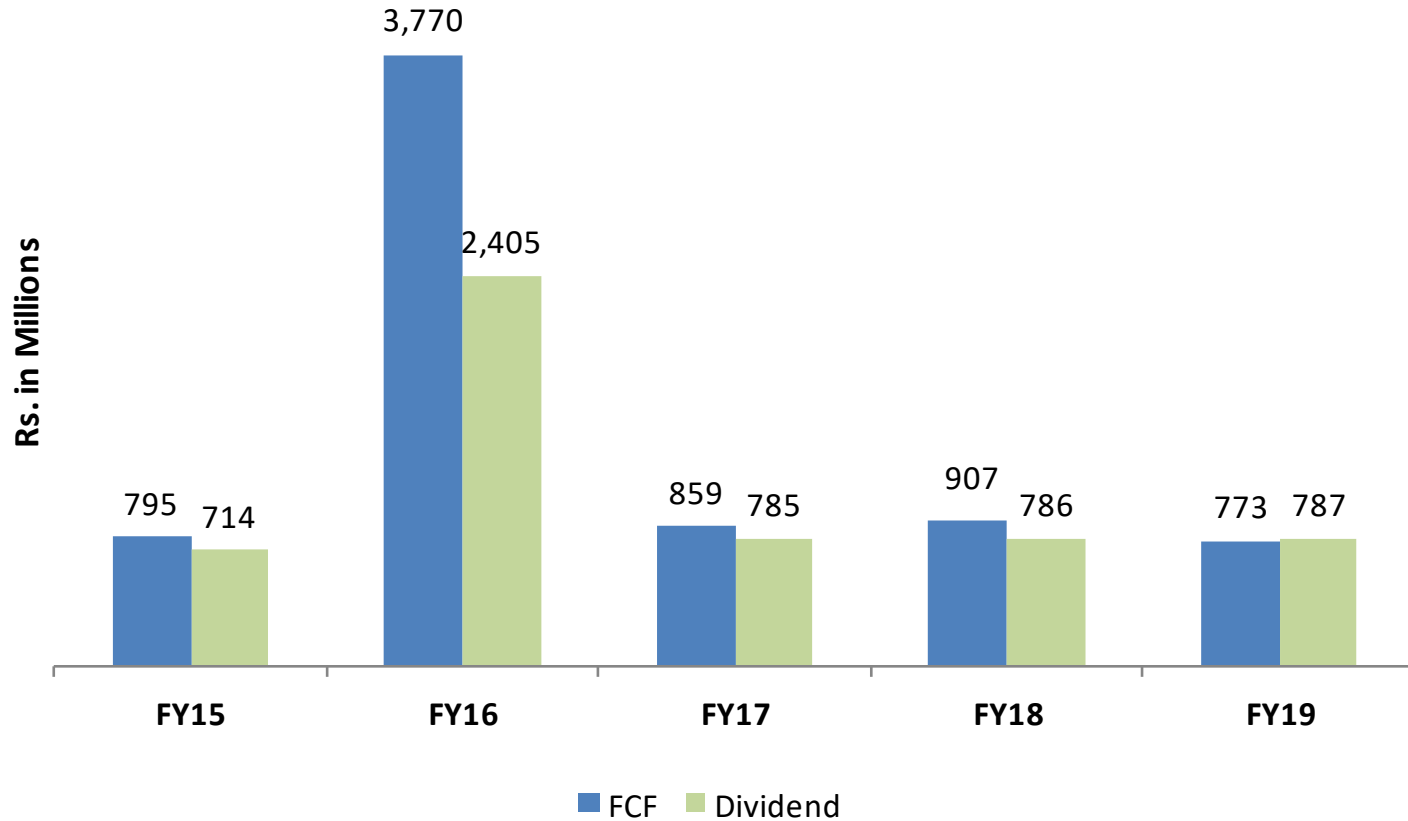
**GIGA GURU status from
 Walmart for Sustainability -
 2019**



Sustainability

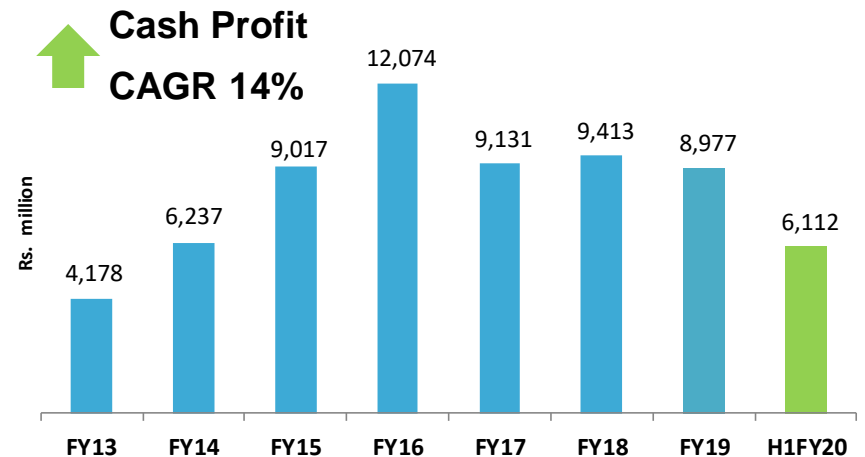
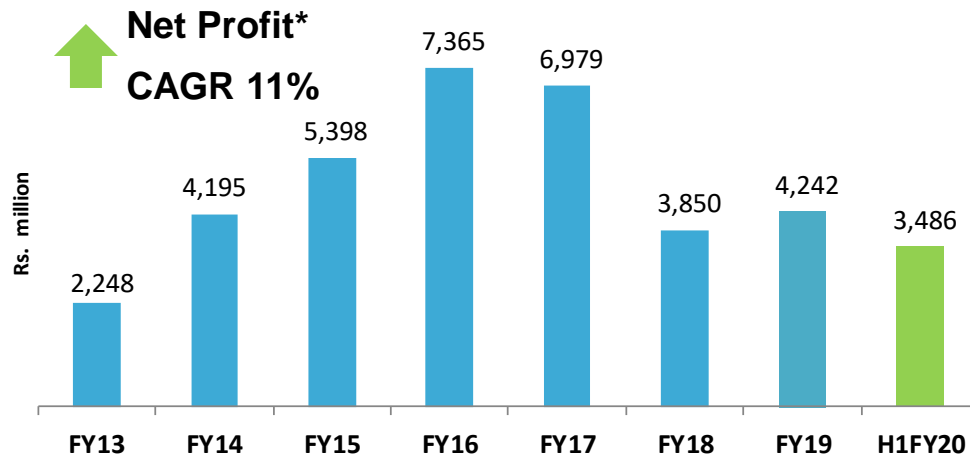
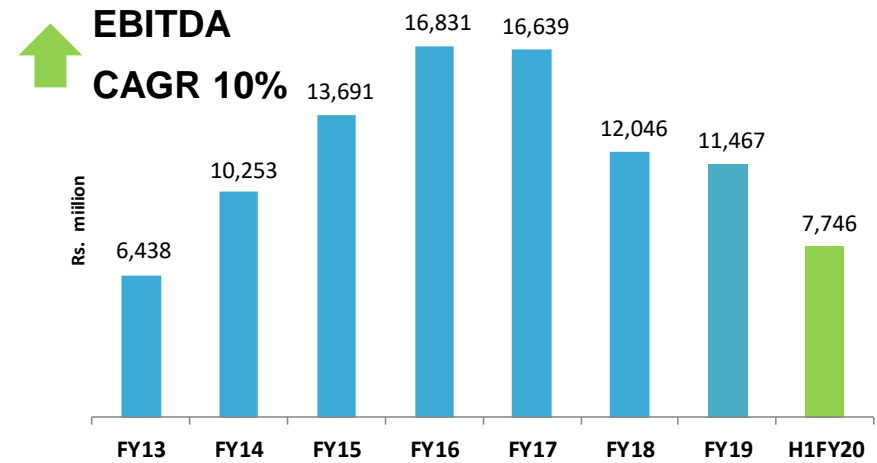
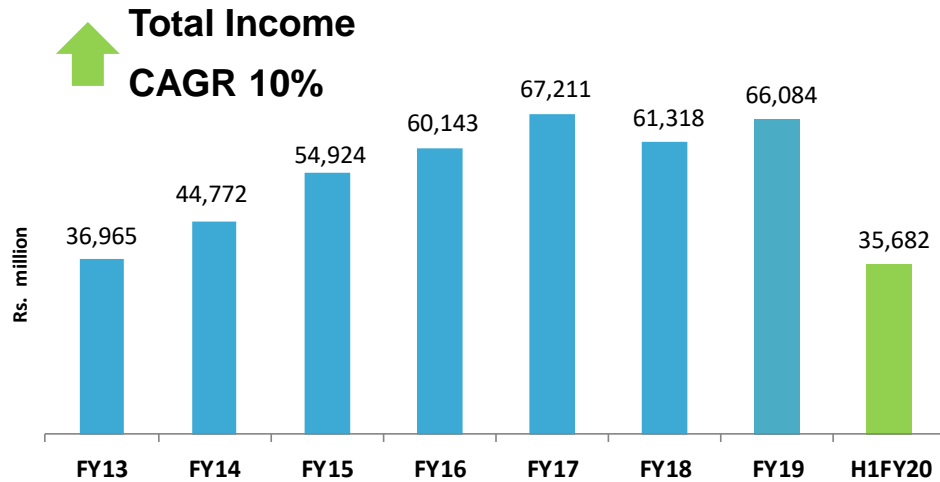
and many more....

8 **CONTINUED FOCUS ON FREE CASH FLOW**



FCF positive for five consecutive years

8 TREND OF FINANCIAL PERFORMANCE



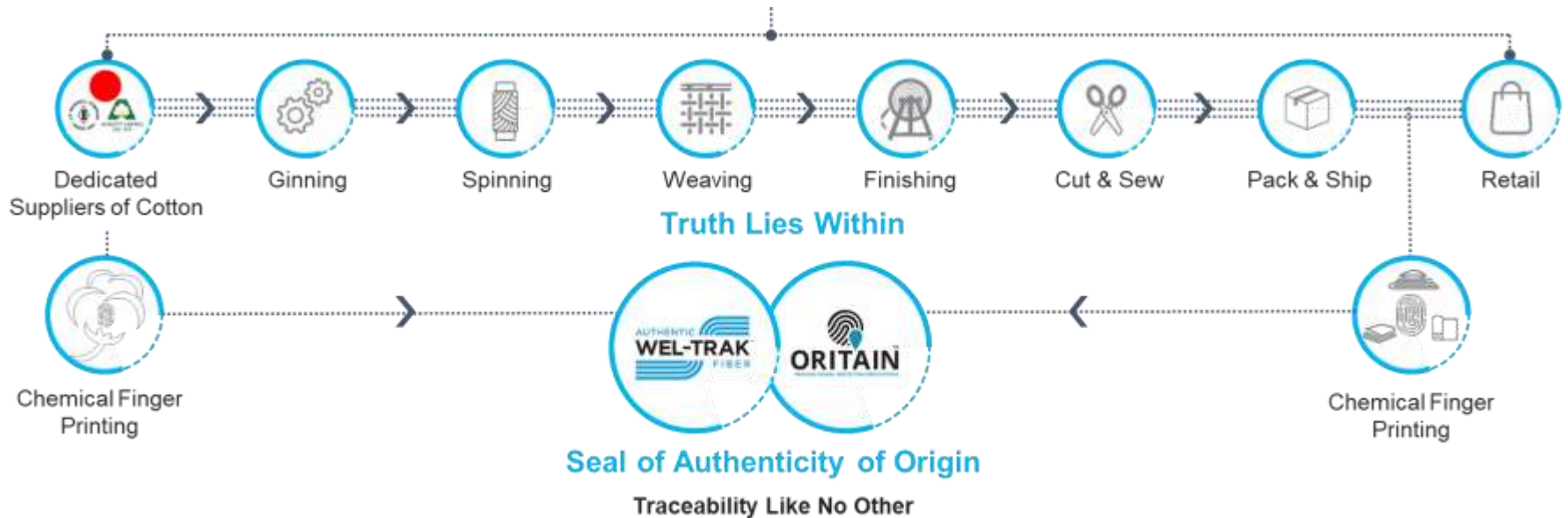
*Net Profit for FY17 & FY19 is adjusted for exceptional items; CAGR is based on FY13-FY19

KEY STRATEGIC INITIATIVES

WELSPUN'S PATENTED GLOBAL COTTON INTEGRITY PROCESS



Welspun's patented Wel-Trak® process, supplemented by scientific traceability from Oritain™, is now the industry defining end-to-end fiber tracking process.



- Verifies fiber from the origin and at every stage of production
- Ensures rigorous process control of fiber's physical parameters
- Authenticates cotton from dedicated sources
- Assures independent third party testing
- Allows consumers to track fiber in product back to the farm where it was produced

Visit Wel-Trak.com



SMARTSOURCING: ASSET LIGHT FUTURE GROWTH

SYNERGISTIC BENEFITS



Assured
Supply



Lower
transportation
costs



Lower inventory
Lower Interest
cost



Recycling of
packaging

**Collaboration with
Suppliers for Lead Time
Reduction via Exclusive
Set-up of Welspun
Ancillary Units**

- **Already Established Ancillaries**
 - **Spinning**
 - **Trims**
 - **Packaging materials**



**Omni-Channel Support
to Top Global Retailers
via Product
Development,
Warehousing, Pick and
Pack, Drop-Ship and
Analytics**

**SCM Analytics for Our
Customers**



Integrate



Analyze

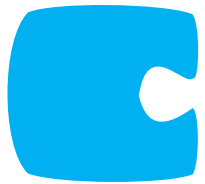


Visualize

WELSPUN 2.0 & WAY FORWARD

WELSPUN INDIA: VISION 2022

WELSPUN2.0



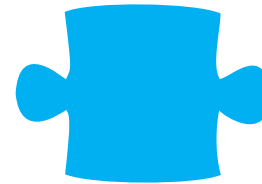
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1

Innovation

2

Brands

3

Sustainability

4

New Channels /
Markets

5

New Products

Revenue

\$1.5bn

Net Debt

NIL

Innovative / Branded
Revenue Share

50%

Women
Employees

20%

Share of Domestic
Revenue

20%

1 INNOVATION & PATENTS

Focus on expanding innovative & patented products portfolio offering

SUPER CELLULOSE

Sustainable blend of Cellulosic fibre: Naia™ sourced from wood & recycled polyester. Ensures long-lasting color and retains vibrancy. Easy to care & exquisitely soft and comfortable



ORGANIC

The trusted provider of organic sheets and towels for top retailers.



WEL-TRAK™

Welspun's proprietary supply chain transparency program. We've partnered with Oritain™ to have complete supply chain transparency from farm to shelf.



DRYLON

This poly material is ultra soft to the touch and dries super fast to create an ideal bath rug.



HYGRO COTTON
BY WELSPUN

HYGRO

Our patented technology leverages hollow core yarn for the ultimate in temperature regulating sheets and absorbent towels that get fluffier after each wash.



BEFORE WASHING AFTER 3 WASHINGS



CHARCOAL

From sports towels to bed sheets that aren't washed as often as they should be, charcoal woven into our fabrics provides natural odor control benefits.

2 BRANDS : CHRISTY

Christy Brand Reinvigorated & Launched Globally



- ✓ Introduced the brand in US, China and Middle East; witnessed healthy growth
- ✓ Coveted Associations like Wimbledon, Rugby World Cup and Royal Ascot

- ❑ Brexit uncertainty has impacted sales in recent quarters
- ❑ However, UK retail appears to have bottomed out
- ❑ Welspun working on improving efficiency across business, optimising retail operations & increasing focus on B2B business

A 150-Year Old Legacy.. ‘Living Redefined’



2 BRANDS : SPACES

Focus on tapping Domestic Market potential

- ✓ India – one of the fastest growing economies in the world with huge potential for increasing organized market
- ✓ ‘Spaces’ was recently recognized as a best brand in home category by Myntra. Also, received Amazon Marketing Services Award for Spaces
- ✓ Presence in **200+ shop-in-shops**
- ✓ Licenses for Domestic Market:



The Next Growth Engine

Redesigned Brand Strategy

- ✓ Use of 360 degree marketing approach by increasing customer touch points including social media, POS, in-store, PR news, TV, outdoor, radio, customer service.
- ✓ Revisited Spaces brand campaign



2

BRANDS : WELSPUN

Value brand 'Welspun': Focus on tapping a larger segment of the domestic market

Campaign starring Amitabh Bachchan



IPL: Official Partner of Kings XI Punjab



Outdoor Advertising



Election TVC on News Channels



Campaign at Kumbh Mela



Reaching Larger Audience

3

SUSTAINABILITY IN EVERYTHING THAT WE DO



STP Installed with a Capacity to Process 30 million Liters Per Day; 85% treated water used at plant



Saved 6,920 million Liters of recycled water in CY2018 (Equal to New York City Water consumption for 5 years)



68 million KWH energy saved in CY2018 (Equal to 80,000+ household energy consumption per month)



Reduced 6 million tons of CO₂ emissions by logistics efficiency



1,200+ Women Engaged Across 10 Vocational Centers; 10,000+ Youth Trained via Welspun's Skill Development Program



SA 8000 Certified Operations for Socially Responsible Practices

4 NEW MARKETS

Composition of Sales (FY19)

- Indian Urban Home Textile market is expected to grow from INR 257bn in 2016 to INR 438bn by 2021 (i.e. CAGR of 11.25%)
- Government's Policy on 'Housing for all by 2022' to boost domestic consumption
- Implementation of GST to accelerate move towards organised sector

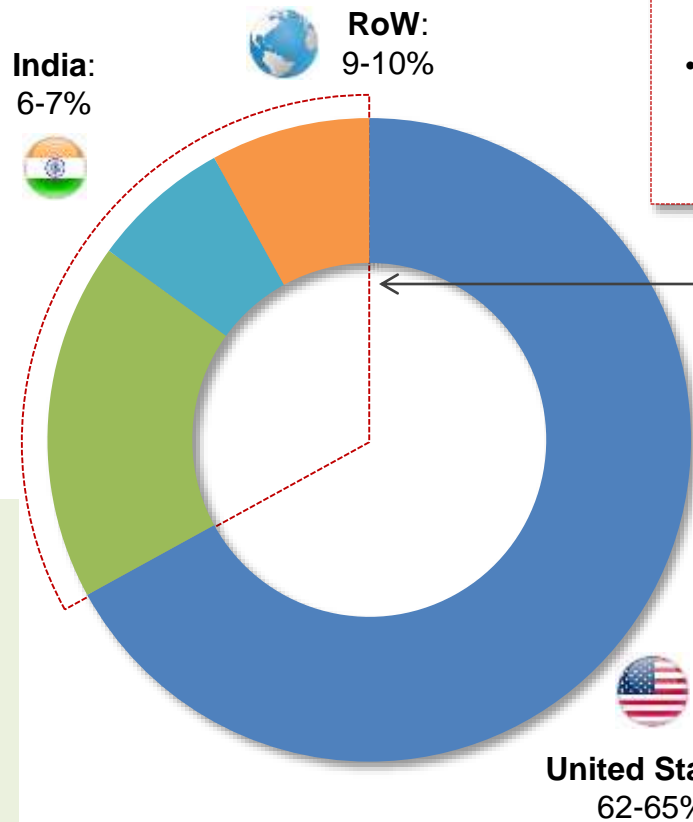
Europe:
18-20%



Presence in Europe is limited because:

- Pakistan, Turkey, Egypt and Bangladesh have preferential tariff rates from EU, exempting them from import duties
- Welspun's focus on EU has been more recent, mainly through its innovative products

Presence in Japan, the Middle East, Australia, Russia and South Africa



Future Strategy

- Welspun India to focus on increasing presence in subscale / new markets
- Non-US business is likely to account for larger share of incremental revenue going forward

Continue to gain market share in the US Home Textile market and grow its US business in the medium – long term

4 NEW CHANNELS : E-COMMERCE

In key developed markets, E-commerce constitutes 10-15% in Home Textiles. Expected to reach ~25% by FY23

Welspun approach to tap the Ecommerce opportunity

Key Ecommerce Platforms

- Key Ecommerce players increasing share of private labels to capture more value, cater to increased volumes and to have better control
- Focus on being a preferred sourcing partner for these key ecommerce platforms' private labels

Big-Box Retailers' Websites

- Strong relations with existing big-box retailers
- Selling through online channels of these retailers
- Omni Channel support to retailers on Product Development, Warehousing, Pick and Pack, Drop-Ship and Analytics
- Warehouses in US, UK, Germany and India

Own Website

- More than 10% sales of Christy in UK is own website/exclusive online
- Establishing own brands' presence across key markets
- Focus on capturing value on the Company's own portal



Exclusive Online D2C Players

- Home Textile startups penetrating D2C channels
- Looking at significant minority stake in select ventures as a strategic investor
- Partnering to create brands and tap D2C channels

Welspun sees Omni-channel as an opportunity

4 NEW CHANNELS : HOSPITALITY

Opportunity

Welspun only constitutes ~3% of total US hospitality market



- The US hospitality market is c. \$1.5bn (i.e. for towels and sheets)
- Welspun's revenue from this segment is c. \$50mn indicating huge growth potential

High potential global wellness economy of about \$3.7 trillion



- Welspun has partnered with Stay Well to tap global wellness potential
- Stay Well infuses wellness into hotel rooms with features and programs to maximise the guest experience and minimise the impact that travel has on the human body

Strategy

Focus on domestic as well as international markets

Tied up with leading hotel chains and wellness centers

5 NEW PRODUCTS : FLOORING SOLUTIONS

Wide range of Flooring products



Carpet Tiles



**Broadloom Carpets
& Area Rugs**



**Luxury Performance
Tiles (LPT)**



Artificial Grass

Welspun Flooring: Fully integrated flooring vertical

- Aim to become a one-stop flooring solutions provider for domestic and international markets
- Facility located in Telangana
- Expected investment is ~Rs. 11 billion
- Capacity of 27 million sq. metres p.a
- Commenced operations with effect from September 13, 2019
- 42 distributors and ~450 dealers have been appointed so far pan-India.



5 FLOORING – EXPORT OPPORTUNITIES OPENING UP

U.S. Flooring Industry: \$27.2 Billion

*Resilient Flooring includes:
LVT (13%), Vinyl Sheet & Floor
Tile (7%) & Others (cork, rubber,
etc) (1%)

Resilient Flooring*
21%

Resilient category has seen the fastest growth with a CAGR of 5.3% from \$1.9 billion in 1996 to \$5.6 billion in 2017

Carpet and
Area Rugs
43%

Ceramic Floor
& Wall Tile
14%

China leads in LVT manufacturing with an 81% market share in the US market

Hardwood
13%

With US imposing 25% tariff on Chinese products, significant export opportunity has opened up for other countries

Laminates
3%

Stone
6%

5 NEW PRODUCTS

1 Untapped Opportunity in Bedding

- Large untapped opportunity in basic bedding, comforters and quilts
- Currently, China dominates the market; India is gradually making inroads
- Contributed ~3% of sales in FY19



2 Technical / Advanced Textiles

- Products for specialized use in healthcare, fire departments, aerospace, defense, automobile, railways and other utilities.
- These products include specialized features such as fire retardants, stain resistant, anti-bacterial, PET resistant, and soil resistance, among others.
- Contributed ~3% of sales in FY19



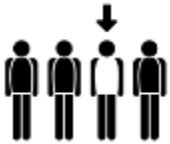
Welspun's "Welicate" Spunlace exhibits exceptionally soft hand feel and is perfect for delicate touch. Our new offering with customized fabric construction also gives superior functional properties.

KEY ADVANTAGES	4X IS INCREASED TENSILE STRENGTH	VISUAL COMPARISON
<ul style="list-style-type: none"> • Extremely soft with smooth Appearance. • Better opacity & improved Cover Factor. • Greater Water Holding Capacity. • Lower Elongation (Improves Machine quality & consistency) • High Cleaning Efficiency & Low Lint. 		
APPLICATIONS		
 BABY CARE WIPES	 PERSONAL CARE WIPES	 HOUSEHOLD WIPES
		 MEDICAL WIPES

Email: customers@welspun.com | Web: www.welspunindia.com |  WELSPUN INDIA

RAISING THE BAR

Differentiation
Strategy :
*Innovation,
Branding &
Sustainability*



Industry Defining
Traceability
Solution



Focus on
Domestic Market



New Product
Lines



New channels



MOVING TOWARDS VISION 2022



Volatile raw
material costs



Rising energy costs



Volatile Rupee

KEY HIGHLIGHTS & FINANCIALS

KEY HIGHLIGHTS – Q2FY20

**Emerging business grew by
30% YoY**

**Roped in Amitabh
Bachchan as brand
ambassador; Launched
'Badal dalo' campaign**

**'Rangana by Spaces'
grew 74% YoY**

**Flooring business –
Commenced operations**

**Awarded 'Vendor of the year'
for sustainability by Macy's**

**Prepaid term loans of
Rs. 2,842 mn**

**EBITDA Margin at 22.0%,
higher 424 bps YoY**

**Profit after Tax close to
Rs. 2 bn**

**ROE → 24.0%
ROCE (pre-tax) → 16.8%**

FINANCIAL PERFORMANCE – Q2 FY20 / H1 FY20

(Rs. Million)

Particulars	Q2FY20	Q2FY19	YoY Change	Q1FY20	QoQ Change	H1FY20	H1FY19	YoY Change
Total income	18,371	17,978	2.2%	17,363	5.8%	35,682	33,756	5.7%
EBITDA	4,034	3,186	26.6%	3,712	8.7%	7,746	6,437	20.3%
EBITDA Margin	22.0%	17.7%	424 bps	21.4%	58 bps	21.7%	19.1%	264 bps
Finance Cost	336	369	-9.1%	374	-10.2%	709	712	-0.3%
Depreciation	1,145	1,083	5.7%	1,094	4.6%	2,239	2,142	4.6%
PBT (before exceptional)	2,554	1,734	47.2%	2,244	13.8%	4,798	3,584	33.9%
PAT (After Minority Interest)	1,985	1,148	72.9%	1,500	32.3%	3,486	2,420	44.0%
Cash Profit*	3,366	2,435	38.2%	2,746	22.6%	6,112	4,876	25.3%
EPS** (Rs.)	1.98	1.14	72.9%	1.49	32.3%	3.5	2.4	44.0%

* Cash Profit = PBDT (before exceptionals) less Current Tax

** EPS not annualised

FINANCIAL PERFORMANCE TREND

(Rs. Million)

Particulars	FY15	FY16	FY17	FY18	FY19	H1FY20
Total income	54,924	60,143	67,211	61,318	66,084	35,682
<i>Growth %</i>	22.7%	9.5%	11.8%	-8.8%	7.8%	5.7%
EBITDA	13,691	16,831	16,639	12,046	11,467	7,746
EBITDA Margin	24.9%	28.0%	24.8%	19.6%	17.4%	21.7%
Depreciation	3,329	3,718	5,054	5,042	4,358	2,239
Finance cost	2,829	2,368	1,583	1,408	1,593	709
PBT (before exceptional)	7,533	10,745	10,003	5,597	5,516	4,798
Exceptional Items	-	-	(4,648)	-	(2,647)	-
PAT (After Minority Interest)	5,398	7,365	3,576	3,850	2,098	3,486
Cash Profit*	9,095	12,074	9,131	9,413	8,977	6,112
EPS** (Rs.)	5.4	7.3	3.6	3.8	2.1	3.5

* Cash Profit = PBDT (before exceptionals) less Current Tax

** Adjusted for stock split, EPS not annualized for H1FY20

BALANCE SHEET TREND

(Rs. Million)

Particulars	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19	30-Sep-19
Net Worth	14,732	19,700	23,971	26,057	27,793	30,377
Short Term Loans	13,936	13,533	11,721	12,580	14,080	13,747
Long Term Loans	20,864	18,945	21,393	20,228	19,024	16,226
<i>of which Welspun Flooring debt</i>	-	-	-	-	2,870	5,288
Gross Debt	34,800	32,478	33,114	32,807	33,104	29,973
Cash & Cash Equiv.	4,321	1,388	2,725	2,538	2,821	1,990
Net Debt	30,479	31,090	30,389	30,269	30,283	27,983
Net Debt excluding Flooring debt	30,479	31,090	30,389	30,269	27,412	22,695
Average Capital Employed #	47,619	53,331	58,189	62,111	64,209	65,639
Net Fixed Assets (incl CWIP)	26,049	33,508	35,713	33,641	36,154	39,369
Net Current Assets*	17,630	16,845	20,114	23,734	22,210	20,979
Total Assets	58,960	65,491	73,283	72,249	77,423	79,386

Capital Employed = Net worth + Gross Debt + Other Long Term Liabilities

* Net Current Assets does not include Cash & Cash Equivalents

FINANCIAL RATIO TREND

		FY15	FY16	FY17	FY18	FY19	Q2 FY20
Solvency ratios	Net debt/Equity	2.07	1.58	1.27	1.16	1.09	0.92
	Net debt/EBITDA	2.23	1.85	1.83	2.51	2.64	1.81
	EBIT/Interest	3.66	5.54	7.32	4.98	4.46	7.76
Operational ratios	Current Ratio	1.12	1.15	1.41	1.42	1.25	1.24
	Fixed Asset turnover	2.04	1.77	1.86	1.80	1.81	1.81
	Total Asset turnover	0.90	0.90	0.91	0.84	0.84	0.90
	Inventory days	76	68	70	79	75	65
	Debtor days	40	52	53	56	60	56
	Payable days	30	41	41	39	39	43
	Cash conversion cycle	86	79	82	96	95	79
Return ratios	ROE	41.8%	42.8%	29.6%	15.4%	15.2%	24.0%
	ROCE (pre-tax)	21.8%	24.6%	19.3%	11.3%	10.9%	16.8%

Continuous Improvement in Net Debt/Equity

1. ROCE = EBIT / Average Capital Employed; ROE = Net Profit / Average Net worth
2. Total asset turnover = Sales/ (Fixed assets + Gross current assets)
3. FY17 & FY19 Return Ratios figures adjusted for Exceptional item
4. ROCE (pre-tax) excluding Welspun Flooring is 11.5% for FY19 and 18.7% for H1FY20
5. P&L figures for H1FY20 have been annualised

DIVIDEND POLICY

- **Board Approved Dividend Distribution policy**
 - 25% of standalone PAT to be the total payout (incl. dividend tax)

- **Consistent track record of dividend distribution**

Period	Standalone EPS	DPS	Dividend tax per share	Payout Percentage
FY15	5.09	1.05	0.21	25%
FY16	5.99	1.30	0.26	26%
FY17	3.05	0.65	0.13	26%
FY18	3.03	0.65	0.13	26%
FY19	1.41	0.30	0.06	26%

THANK YOU

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