

WCL/SEC/2020

October 29, 2020

To,

BSE Ltd. (Scrip Code-532144) Department of Listing, P. J. Towers, Dalal Street, Mumbai – 400 001.	National Stock Exchange of India Ltd. (Symbol: WELCORP, Series EQ) Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.
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Dear Sirs/ Madam,

- Sub.: (1) Un-audited Financial Results for the quarter and half-year ended September 30, 2020 and Limited Review Report thereon by the Auditors.**
(2) Business Update including including Foray into Ductile Iron Pipe Segment..
(3) Investors' Presentation.
(4) Change in the composition of the Board of Directors.
(5) Re-opening of Trading Window.

1. Unaudited Financial Statements for the quarter and half-year ended September 30, 2020.

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 and half-year ended September 30, 2020 along with the Limited Review report thereon by the Auditors, as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held today.

2. Business Update / Investor Presentation:-

Also attached is the Investors' Presentation and Business Update including Foray into Ductile Iron Pipe Segment.

Welspun Corp Limited

Welspun House, 5th Floor, 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_wcl@welspun.com Website : www.welspuncorp.com

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

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

3. Change in the composition of the Board of Directors

a. Appointment of Ms. Dipali Goenka as Non-Executive, Non-Independent Director.

Note that at the recommendation of the Nomination and Remuneration Committee, Ms. Dipali Goenka (DIN: 00007199), aged 51 years has been appointment as an additional Non-Executive, Non- Independent Director of the Company, liable to retire by rotation w.e.f. the date of the meeting.

Brief Particulars of Ms. Goenka are as under:

Ms. Dipali Goenka is the CEO & Joint Managing Director of Welspun India limited. She is an accomplished global business leader known for her dynamism, entrepreneurial spirit and passion for people & environment. She has been instrumental in transforming Welspun into a global leader in Home textile with focus on Innovation, Branding & Sustainability. Welspun is now a strategic partner to world's top retailers and go to company for Home textiles, supported by its integrated 'Farm to Shelf' capabilities. It has the highest market share in US where every 5th towel and 9th bedsheet sold is made by Welspun. It is also the largest exporter of home textiles products from India.

She has made Welspun a 'Thought leader' in Home focused on research backed consumer innovations with the highest 30+ patents in the industry. Welspun was first in the industry to provide Wel-trak™ traceability solution on Blockchain platform for end to end Supply chain transparency. It also launched industry first 3D Virtual showroom and Omni-channel market experience. To overcome the pandemic induced challenges, She is now institutionalizing Digital way of working.

By developing internationally recognized brands like *Christy* and *Hygrocotton* and leading domestic brands *Spaces & Welspun*, she has been seminal in her forward looking customer centric approach. She has further strengthened the brand portfolio through licensing arrangement with Martha Stewart, Scott Living and Wimbledon.

She is replicating the learning from international success by revolutionizing the Indian home textile market with premium brand 'Spaces' and value brand 'Welspun', that has already catapulted to 2nd position in the segment within 2 years of launch. She has also successfully diversified Welspun's operations by foraying into Hospitality, Technical textiles & Flooring solutions.

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She is also the torchbearer for Sustainability and Circular economy. Welspun India has been featured as one of top 100 sustainable companies in India by ET-Futurescape. It has been conferred 'Giga-guru' status by the world's top retailer.

She has a strong focus on women empowerment and has undertaken significant initiatives to promote inclusive growth and diversity. Welspun's workforce now comprises of 25% women. She is a firm believer that business can be an agent of change with focus on initiatives towards Education, Empowerment, Environment and Health

She has been recognized as one of most powerful woman in Asia and India by Forbes. She was co-chair at India Economic Summit 2017 organized by World Economic Forum. She has been an Inspire series speaker at Harvard India conference. She was also recognised by Businessworld and HTT, US as one of the most influential woman business leader. She joined other world leaders at the recent historic 1st United Nations Biodiversity summit for urgent action on Sustainable development. She is chairperson of ASSOCHAM Women's council and also on board of Consumption platform at World economic forum.

She is a graduate in Psychology and a Harvard alumnus.

Please note that Ms. Goenka is spouse of Mr. Balkrishan Goenka, a director and the Chairman of the Company.

Further note that Ms. Goenka is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

b. Resignation of Mr. Rajkumar Jain, an Independent Director.

Take note that due to other commitments requiring his substantial time, Mr. Rajkumar Jain, an independent director aged 64 years has tendered his resignation as a member of the Board of Directors of the Company with effect from October 31, 2020. The Board has considered his resignation and has appreciated Mr. Jain for the services rendered over his long tenure with the Company. Mr. Jain confirmed that there is no other material reasons other than those provided.

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4. Trading Window:-


Pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015, and the Company's Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, please be informed that the trading window for dealing in the securities of the Company shall re-open with effect from **Sunday, November 1, 2020**.

The Board meeting concluded at **03:28 p.m.**

Kindly take note of the above.

Thanking You.

Yours faithfully,
For Welspun Corp Limited



Pradeep Joshi
Company Secretary and Compliance Officer
FCS-4959

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BUSINESS UPDATE

Strong Bounce Back in an Improving Environment Order book in excess of INR 6 bn provides business visibility

October 29, 2020, Mumbai: Welspun Corp Ltd. (WCL), flagship Company of the Welspun Group, announced its consolidated financial results for the quarter ended September 30th, 2020.

- **EPS from continuing operations in Q2 FY21 at Rs. 5.8 per share, up 161% over Q1 FY21**
- **Q2 FY21 Reported EBITDA at Rs. 240 cr vs Rs. 197 cr in Q1 FY21**
- **Production Volumes more than doubled (268 KMT in Q2 vs. 130 KMT in Q1)**
- **Increase in Net Cash by Rs. 457 cr vs Q1 FY21, closing Net Cash Position of Rs. 655 cr**
- **Current Order Book stable at 701 KMT, valued at Rs. 6,100 cr**

Key Highlights of the Quarter ended September 30th, 2020

- *Financial Highlights (Consolidated) for Continuing Operations (Ind AS):*
- *Pipes – Considered as continuing operations & PCMD – Considered as discontinued operations*
- *Prior period figures are restated and reclassified wherever necessary*

1. Global Order Book position:

- Current Global Order Book stands at 701 KMT valued at Rs. 6,100 cr (US \$826 mn)

2. Pipe Sales Volume (Total Operations):

- 249 KMT vs. 222 KMT, up 12% QoQ

3. Pipe Production Volume (Total Operations):

- 268 KMT vs. 130 KMT, up 106% QoQ

4. Operating EBITDA:

- Rs. 187 cr up 2% QoQ

5. Reported EBITDA:

- Rs. 240 cr up 22% QoQ

6. Profit (Continuing Operations):

- PAT (after Minorities & share of JVs) stands at Rs. 152 cr vs. Rs. 58 cr QoQ up 163%

7. Debt position:

- Net Cash stands at **Rs. 655 cr vs. 198 cr** in June 20
- The Company has further reduced the Gross Debt and also added to its cash balance as a result of which the overall net cash position has strengthened even more. This demonstrates

BUSINESS UPDATE

the Company's strong focus on free cash flows and gives the ability to enter new businesses offering consistent earnings.

- Gross and Net Debt position is as per details below:

Figures in Rs. Cr

Consolidated debt	Sep-20	Jun-20	Mar-20
Gross Debt	335	479	995
Cash & Cash Equivalents	990	677	963
Net Debt / (Net Cash)	(655)	(198)	32

8. Forex

The Company follows a policy of hedging its steel and forex exposure. However, there are impacts due to the cost of forex hedging and timing mismatch. The impact for this quarter is as under:

Figures in Rs. Cr

Transactional Forex impact	Q2FY21	Q2FY20	H1FY21	H1FY20
Forex gain in Other income	10	20	10	41
Forex loss in Other Expense	1	(29)	(3)	(49)
Net gain/(loss)	11	(9)	6	(8)

9. Update on Saudi business:

The Saudi business continues to contribute towards profitability. Welspun share of PAT has increased to USD 6 mn in Q2 over Q1 FY21 which was USD 3 mn.

Key figures of Saudi JV, which is not consolidated as per Ind-AS:

Particulars in US\$ MN	Q2FY21	Q1FY21	%
Saudi Arabia Ops:			
- Pipe Prodn (KMT)	107	25	324%
- Pipe Sales (KMT)	98	41	140%
Revenue	96	44	121%
EBITDA	25	12	99%
PBT	19	8	150%
PBT – Welspun share	9	4	150%
PAT – Welspun share	6	3	119%

We have also proposed the listing of our Saudi JV viz. WMEPL at the local Stock Exchange. The process of Listing would involve divestment of 30% of stake, split equally between both JV partners. WCL currently holds 50.01% in the JV through its overseas subsidiary. This divestment would further improve liquidity at WCL.

BUSINESS UPDATE

10. Bhopal Project Status:

As informed earlier, considering the business prospects and optimal utilisation of assets, we have relocated one more spiral mill from Anjar to Bhopal, which will also commence operations by mid November 2020.

11. Foray into Ductile Iron Pipe Segment:

Looking at an exponential growth in urbanization necessitating to create supporting water network, a huge demand is being projected for DI pipes over the next 10 years. The CAGR growth projected is over 6% in this sector. In order to capitalize on this demand and to bridge the widening demand supply gap, we intend to set up a Greenfield facility at Anjar to enter the high growth Ductile Iron (DI) Pipe segment.

DI pipes find their key applications in water supply infrastructure, sewage pipe system, irrigation water system, industrial water transportation etc. in urban as well as in rural areas. DI Pipes have key features that include easy installation, corrosion resistance & tamper proof, cost effective, long serving life of at least 50 years etc. Due to these features, DI pipes are rated high by multiple stakeholders in the industry including Project Management Consultants, EPC players and Water Departments of various states. There is expected to be a huge push from the government to improve water related infrastructure within India which will drive demand for DI pipes. At approx. Rs. 9,750 cr (in 2019), domestic DI market size is expected to grow to Rs. 19,500 cr in 2029.

For WCL, DI pipes would make a natural fit for product portfolio expansion, would have good synergies with our existing business and bring in financial stability to our earnings.

The set up would include:

- Steel making facility (400 KMTPA)
- DI Plant (250 KMTPA)

The project is being setup with an initial investment of around Rs.1,250 cr (plus soft cost) and is expected to be commissioned within 18 months.

The project will be funded through internal accruals and external debt.

12. Update on Plate & Coil Mill Division (PCMD) Divestment:

Both parties to the Business Transfer Agreement (BTA) for sale of PCMD, have reiterated their commitment to consummate the transaction stipulated in the BTA on or before March 31, 2021. Further, the Company has already received an advance amount as per the understanding, for the aforesaid

BUSINESS UPDATE

transaction. Considering the buoyancy in the steel market, we stay very optimistic of this deal getting consummated in this financial year.

13. Business outlook:

The outlook for oil remains subject to unpredictability as the recovery from COVID-19 continues to evolve. Several countries have reentered partial lockdowns while some like China have staged a V-shaped recovery. In recent months we have seen a pickup in global demand. EIA estimates that global consumption of petroleum and liquid fuels averaged 95.3 million b/d in September. Liquid fuels consumption was down 6.4 million b/d from September 2019, but it was up from an average of 85.1 million b/d during the second quarter of 2020 and 93.9 million b/d in August. In fact, EIA forecasts that global consumption of petroleum and liquid fuels will average 92.8 million b/d for all of 2020 before increasing by 6.3 million b/d in 2021. Oil prices meanwhile continue to hover around \$40. The current high inventory levels and surplus crude oil production capacity will limit any upward pressure in the near term.

India

Despite the global turbulence, India is charting its own path. Minister of Petroleum and Natural Gas said that Oil PSUs alone are spending Rs 1.2 lakh crore on various O&G projects during the current fiscal to help boost employment and economic growth. We have seen increased tendering activity from domestic PSU companies which has resulted in several order wins for us. There is also a strong demand for small diameter pipes from City Gas Distribution projects as new PNG connections and CNG stations continue to be added at a rapid pace to the existing infrastructure around the country. The downstream segment too is expected to grow further with refinery expansions and new planned refineries like Barmer, Vizag Paradip and Ratnagiri.

Demand in the domestic water segment across States continues to be low, as their resources have been diverted in the fight against COVID-19. Water projects will pick momentum as the governments renew their focus on providing piped water connections and improve irrigation facilities in drought prone areas. For instance, in the state of Uttar Pradesh the Chief Minister has set a target of providing piped drinking water in each and every household of the state, including water-stressed regions like Bundelkhand, within two years. Multilateral financing by agencies like ADB, JICA, NABARD and central assistance is key for funding the demand in the sector.

In the export market, we are in close discussions with various customers and are in contention to bag new orders. During the quarter, we bagged a highly prestigious 45 KMT order from Australia which once again is a testimony of Brand Welspun. Our overall order book in India stands at a healthy 421 KMT.

BUSINESS UPDATE

USA

In the US, there is an element of uncertainty in the run up to the Presidential elections and the possible impact of the outcome on the Energy policy. Nonetheless, we won a large order during the quarter as well as some other repeat orders reinforcing our position as a trusted pipe supplier. Based on our current order book for HSAW, we have visibility till May 2021 and have already commenced production of a large order from our longstanding customer. We have also participated in a few bids and are well positioned to win new orders.

Saudi Arabia

The JV in Saudi Arabia has an order backlog of around 4 months. We are continuously engaged with a large customer in the water segment and are in a favourable position on three large orders. We are also expecting a few large orders under the long term agreement with Saudi Aramco to supply HSAW pipes for O&G applications.

14. COVID-19 Update:

All our plants are fully operational. The Company and its subsidiaries are operating in accordance with the health and safety guidelines, as issued by the respective government authorities. We have adopted several additional measures encompassing global best practices, across our offices and plants globally to keep our employees and service providers safe.

Management Comments:

Commenting on the results, **Mr. B. K. Goenka**, Chairman, Welspun Group said, “We have seen a strong improvement over the previous quarter with higher sales and production volumes. Our performance has been satisfactory and we have bagged several orders in the domestic market as well as a few large orders for exports. Profitability has been healthy, supported by product mix and the cost optimisation measures taken by the management. Our strong free cash flow generation, cash reserves, additional liquidity from Saudi divestment and PCMD deal and strong organizational & execution capability will enable us, to explore and fund new business opportunities bringing growth and consistency in financial earnings. In this backdrop, I am pleased to inform you about our plans to enter the Ductile Iron Pipes business. Apart from creating shareholder value, this will go a long way in developing our Nation’s water infrastructure and help provide access to reliable and clean water for all.”

BUSINESS UPDATE

Detailed reconciliation of Operating EBITDA is provided hereunder:

Figures in Rs. Cr

Reconciliation of Operating EBITDA	Q2FY21	Q1FY21	Q2FY20	H1FY21	H1FY20
Reported EBITDA	240	197	331	437	572
Less: Treasury income	(12)	(13)	(15)	(25)	(34)
Less: Profit on sale of Land (incl. interest)	(42)	-	-	(42)	-
Add: MTM loss/fair valuation on other bonds	0	(1)	2	(0)	38
Operating EBITDA	187	183	317	369	575

Consolidated Performance Snapshot

Figures in Rs. Cr unless specified

Particulars	Q2FY21	Q1FY21	Q2FY20	H1FY21	H1FY20
Ex-Saudi Arabia/ CWC operations					
- Pipe Production (KMT)	161	105	317	265	508
- Pipe Sales (KMT)	151	181	221	332	402
Total operations					
- Pipe Production (KMT)	268	130	443	397	739
- Pipe Sales (KMT)	249	222	337	471	656
Continued Operations (Pipes)					
Total Income from Operations	1,158	2,069	2,263	3,227	4,310
Operating EBITDA	187	183	317	369	575
Reported EBITDA	240	197	331	437	572
Finance Cost	15	28	34	43	74
Depreciation and Amortisation	52	53	61	105	115
Profit before tax and share of JVs	173	115	236	289	383
Tax expense	63	78	115	142	153
Non-controlling interest	(5)	(2)	(5)	(7)	(6)
Share of profit/(loss) from Associates and JVs	47	23	58	70	75
PAT after Minorities, Associates & JVs (I)	152	58	173	210	299
Discontinued Operations					
(PCMD & 43MW)					
Profit After Tax (II)	(3)	(6)	(18)	(9)	(25)
Profit for the Period (I + II)	149	52	156	201	274

Prior period figures have been restated, wherever necessary

BUSINESS UPDATE

Figures in Rs. Cr

Consolidated Balance Sheet - Key figures	Sep-20	Mar-20
Net Fixed Assets (incl CWIP)	1,567	1,619
Net Current Assets #	1,040	1,195
Net Debt / (Net Cash)	(655)	32
Net Worth	3,387	3,215
Net Assets Held for Sale *	881	829
ROCE (pre-tax)	26.8%	32.1%

Net Current Assets excludes Net Asset Held for Sale

* Net Assets Held for Sale = Assets classified as held for sale less Liabilities of assets held for disposal

ROCE (pre-tax) = TTM EBIT adj. for one-offs/ Avg. Capital Employed; both taken for continuing operations

BUSINESS UPDATE

Q2 FY21 Investor / Analyst conference call:

WCL management would be happy to answer investor queries on a conference call. Please find details below:

Date: Tuesday, 29th October 2020

Time: 4:00 PM IST

Dial in details:

- Primary Access: +91 22 6280 1325 / +91 22 7115 8226
- Local Access: 70456 71221
- International Toll-Free numbers
 - Hong Kong: 800 964 448
 - Singapore: 800 1012 045
 - UK: 0808 101 1573
 - USA: 1866 746 2133

About Welspun Corp Ltd. (WCL)

Welspun Corp is a one-stop service provider offering complete pipe solution with a capability to manufacture line pipes ranging from 1½ inches to 140 inches, along with specialized coating, double jointing and bending. With current capacity of more than 2.5 million MTPA in Dahej, Anjar, Mandya and Bhopal in India, Little Rock in the USA and Dammam in Saudi Arabia, Welspun takes pride in being a preferred supplier to most of the Fortune 100 Oil & Gas companies. With 360 degree abilities, Welspun Corp has undertaken some of the most challenging projects in different parts of the world. With business excellence being a clear focus, the company is on the path of innovation and technology edge supported by its state-of-the-art facilities and global scale operations. The Line pipe industry caters to the sectors like energy and water resource management where in the line pipes supplied are used to construct cross-country pipelines for transportation of oil, gas, petro-products and water in the safest and most environment friendly way.

About Welspun Group

A US\$ 2.7 billion enterprise, Welspun Group is one of India's fastest growing conglomerates with businesses in Line Pipes, Home Textiles, Infrastructure, Oil & Gas, Advanced Textiles and Floorings. The Group has a strong foothold in over 50 countries with more than 25,000 employees and over 100,000 shareholders. Headquartered in Mumbai, Welspun Group's manufacturing facilities are strategically located in India, USA and Saudi Arabia. Known for technological and operational excellence, the Group has established a leadership position in the Line Pipe & Home Textiles sectors globally. Its clients include most of the Fortune 100 companies.

For further information please visit www.welspuncorp.com

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 Corp Ltd. or any of its affiliates. Neither Welspun Corp 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.*

Welspun Corp Limited

Investor Presentation | October 2020



Disclaimer

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Welspun Corp Limited (the “Company” or “WCL”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

Welspun Corp at a glance



Top
3

Among Line Pipe Manufacturers globally



50+

Approvals from O&G majors; Qualifies for global bidding



14+
MN MT

Pipes delivered since inception with multiple repeat orders

2.55 mn MT Pipes Capacity

**6 manufacturing facilities
in 3 countries**

**Used in Oil & Gas and
Water industry**

Our Manufacturing Facilities



INDIA



UNITED STATES



SAUDI ARABIA

Capacity (in KMT)	India				US	Saudi Arabia	Total
	Anjar	Dahej	Mandya	Bhopal	Little Rock	Dammam	
Products / City							
LSAW	350	350	-	-	-	-	700
HSAW	250	50	150	305	350	375	1,480
ERW/ HFIW	200	-	-	-	175	-	375
Total (KMT)	1,655				525	375	2,555



Port based facilities



All major accreditations



Best in class equipment & practices

Our Business Moat

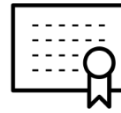
Global Leadership

Among Top 3 Line Pipe Manufacturers globally



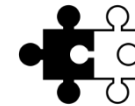
Accreditations

Approvals: 50+ O&G majors;
Qualifies for global bidding



Expertise

Executed critical & complex projects worldwide



Customer Centricity

Delivered 14+ mn MT Pipes with multiple repeat orders



Supplier Relationship

Long term association with global Steel & other vendors



Innovation

Patented technology leading to higher productivity



Global but Local

Domestic presence in key demand areas: USA | KSA | India



One-Stop Shop

Steel sourcing to ROW / Laying Site – Managing complete SCM



ESG

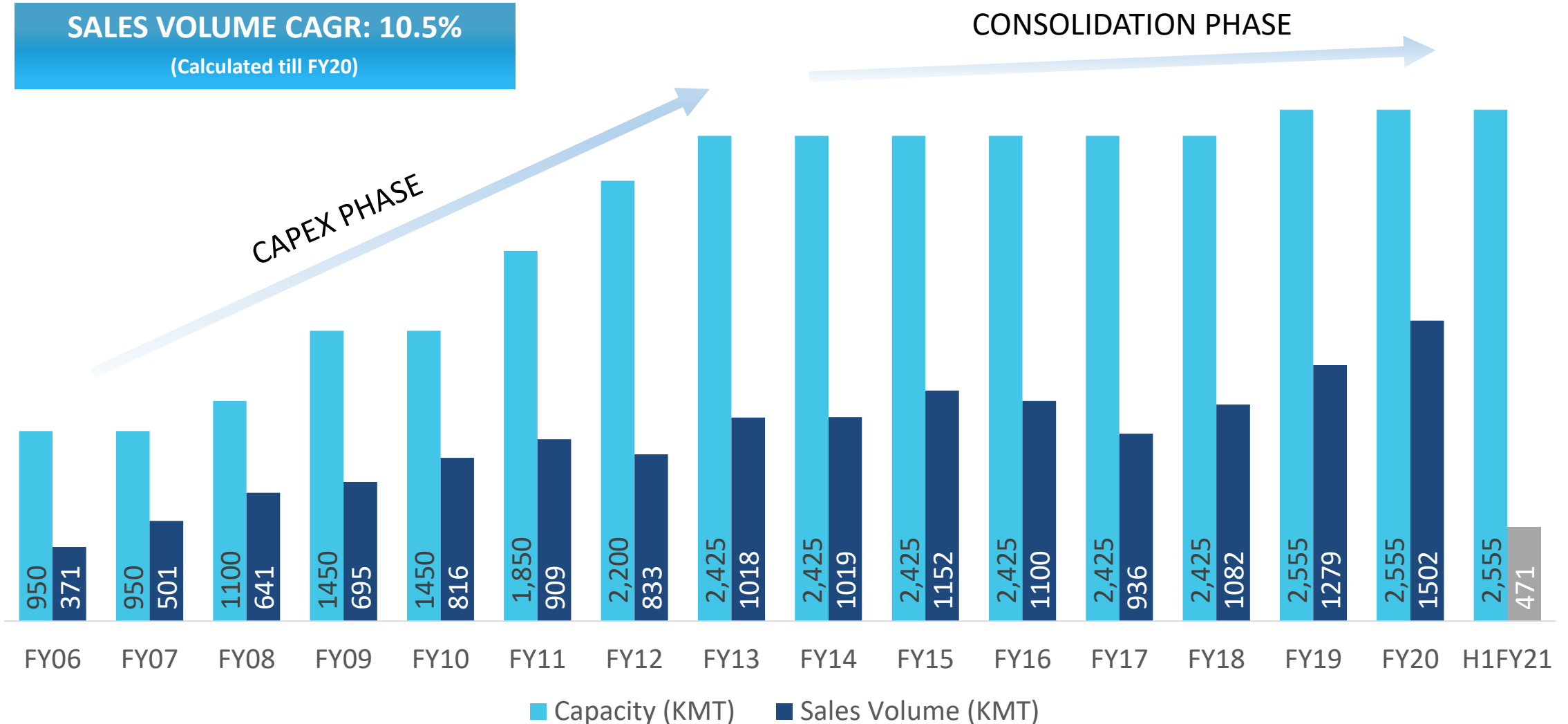
Independent Board | Focus on Diversity, CSR & Sustainability



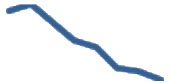
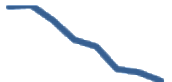


Approvals & accreditations from marquee customers is a significant entry barrier



Pipes: Capacity and Volumes



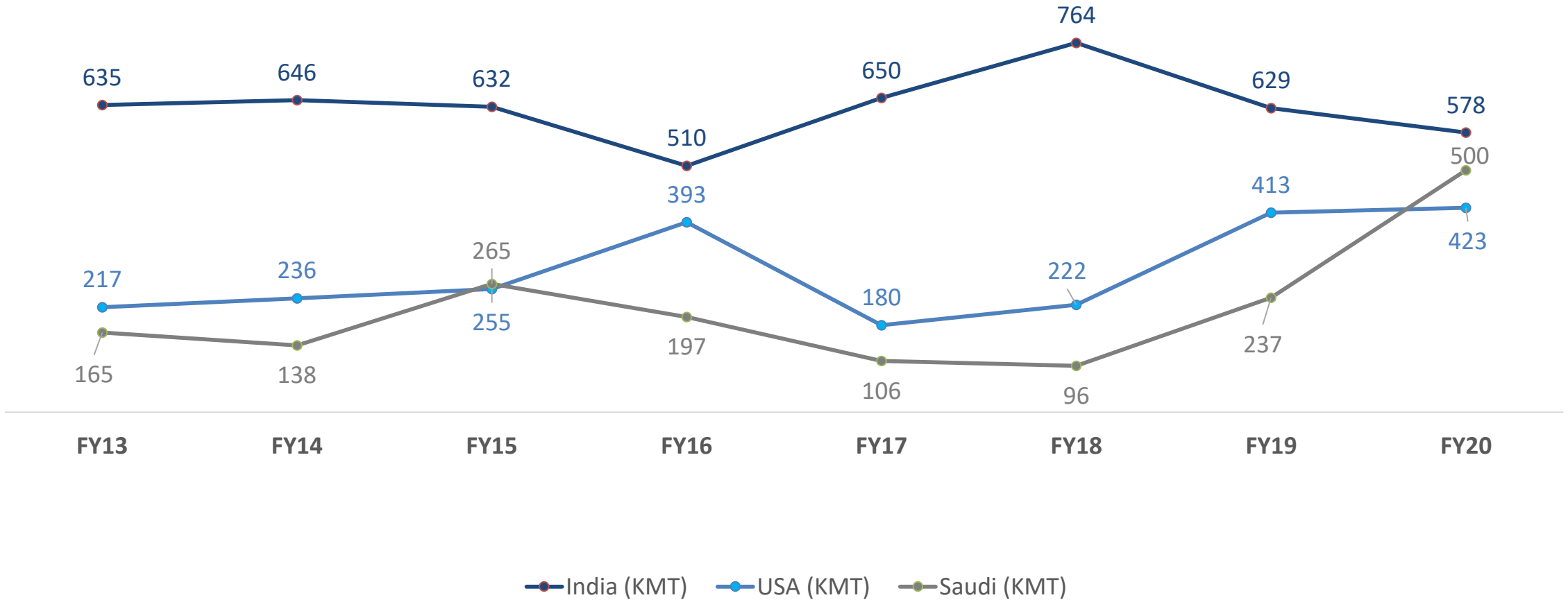
Long Term Financial Performance

Particulars	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	H1FY21	CAGR %
Sales Volume (KMT)	1,018	1,019	1,152	1,100	936	1,082	1,279	1,502	471	5.7%
Revenue (INR cr)	9,083	7,705	8,451	7,380	6,035	7,587	8,954	9,957	3,227	1.3%
Operating EBITDA (INR cr)	708	774	769	778	594	705	897	1,284	369	8.9%
EPS	6.1	2.8	2.6	5.8	1.0	6.0	2.6	25.6	8.1	22.8%
Net Worth (INR cr)	2,750	2,957	2,799	2,799	2,809	2,854	2,798	3,215	3,387	2.3%
Net Debt (INR cr)	2,314	2,568	1,910	1,355	1,106	422	286	32	(655)	
Net debt/Equity	0.84x	0.87x	0.68x	0.48x	0.39x	0.15x	0.10x	0.01x	-0.19x	
ROCE (pre-tax)	8.2%	7.4%	8.7%	8.0%	6.4%	8.8%	22.6%	32.1%	26.8%	
ROE	3.7%	2.6%	2.4%	5.2%	0.9%	5.6%	11.7%	23.7%	18.1%	

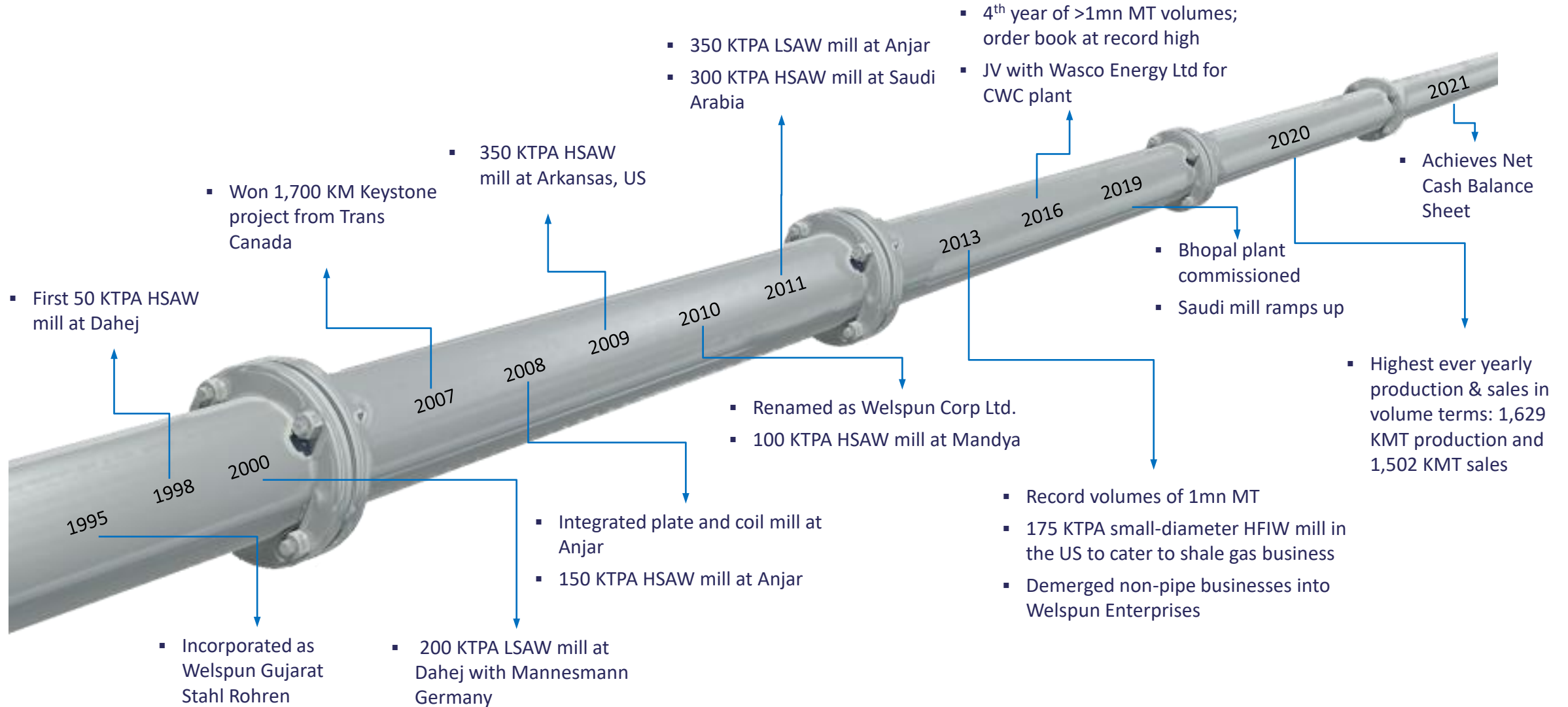
Note:

- Consolidated Financials
- Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures except sales volume
- Sales volumes are based on total operations including Saudi and are for Pipes
- From FY19 figures are pertaining to continuing operations (Pipes) only
- CAGR calculated till FY20

Volume Mix



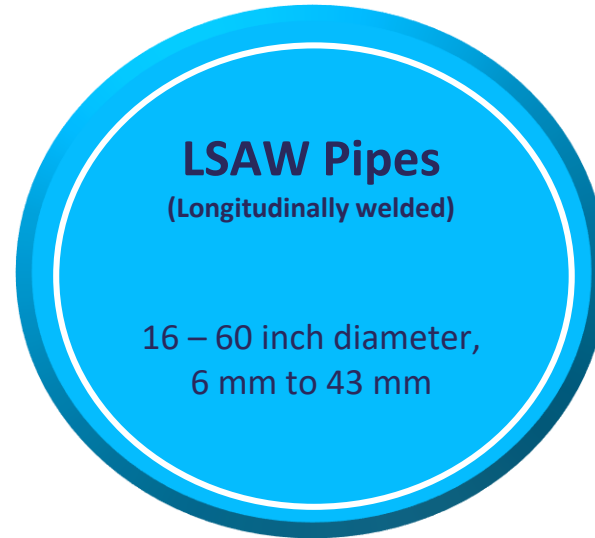
Key Milestones



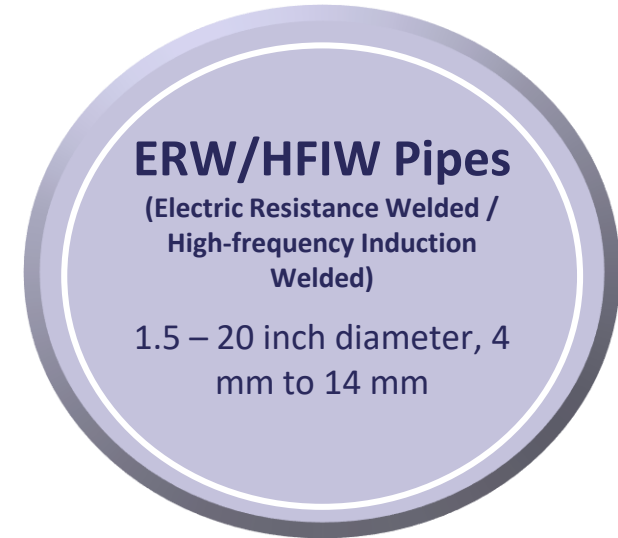
Product Information



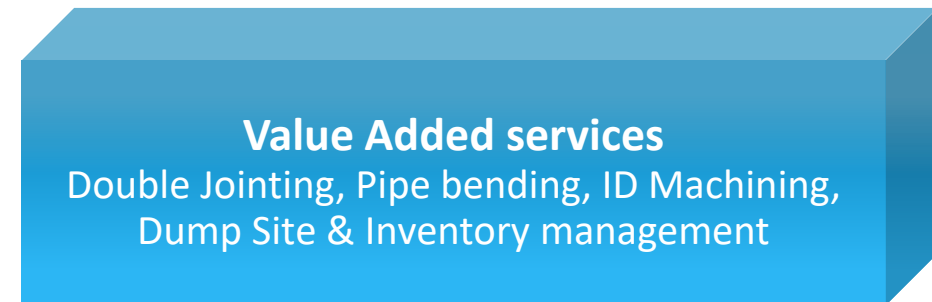
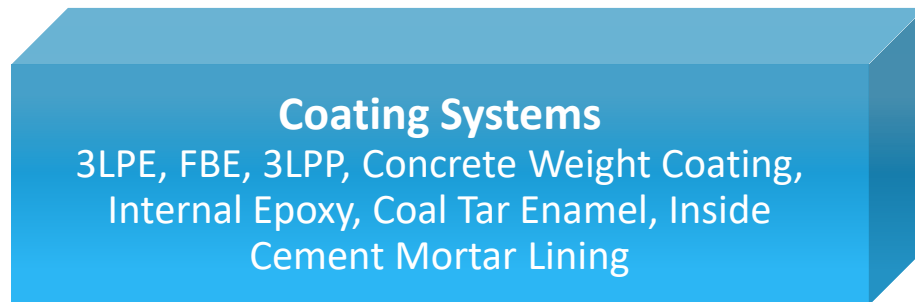
**Onshore oil, gas & water
transmission**



**Onshore / Offshore oil & gas
transmission**



**Onshore O&G transmission and
Downstream O&G distribution**



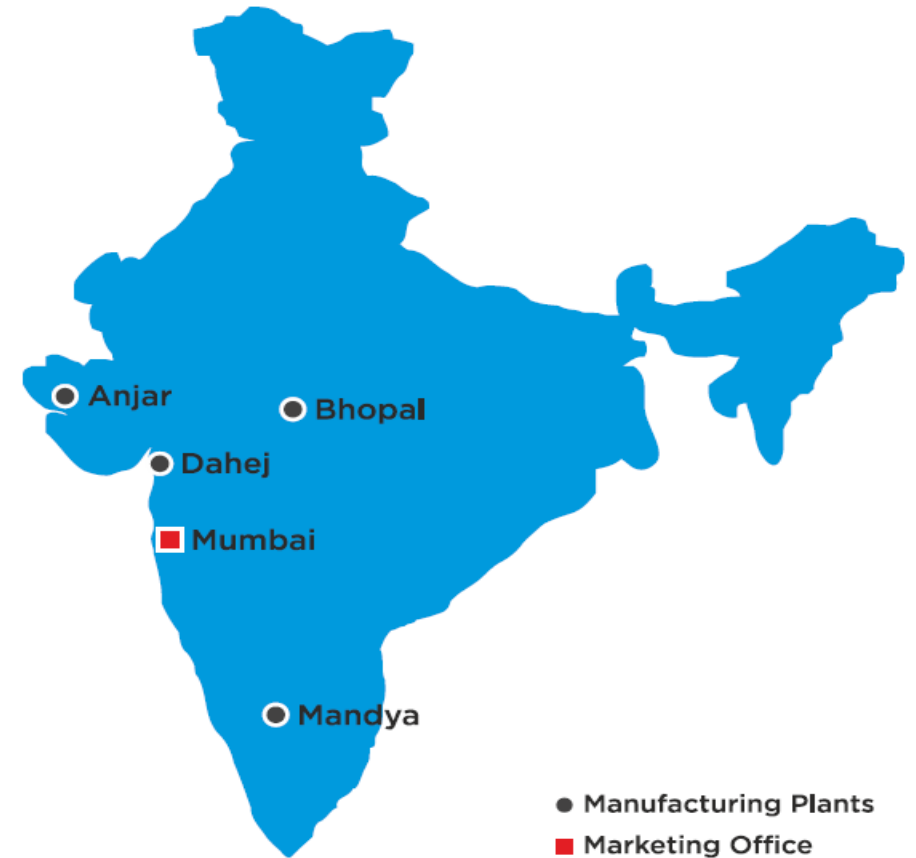
Unique Manufacturing Advantage: India

INDIA : 20+ YEARS OF EXPERTISE

- All-round capability: Pipes, bends, internal and external coating, Concrete Weight Coating
- Location advantage: Ideal to cater to export and domestic businesses
- Proximity to the key demand centres in West, South and Central India
- Heaviest LSAW Mill in India
- Approvals from all major domestic and Global O&G companies
- Healthy relationships with international and domestic steel suppliers
- Entry Barriers (India):
 - MoPNG requirement: Domestic value addition should be at least 35% of the cost

Strategically Located Plants

...to cover West, South and Central India



Unique Manufacturing Advantage: US & Saudi

US: DOMINANT PLAYER IN LINE PIPES

- Largest and most modern spiral (HSAW) mill
- Patented manufacturing technologies
- Strategic location, west of the Mississippi river
 - Close proximity: Oil basins & LNG terminals
- Robust logistics infrastructure:
 - Easy access to Arkansas river and New Orleans port
 - In-house rail connectivity
- Healthy relationship with key steel & logistic suppliers
- Favorable trade policies - “Melt in USA”; Anti-dumping duty, CVD & Section 232 tariffs

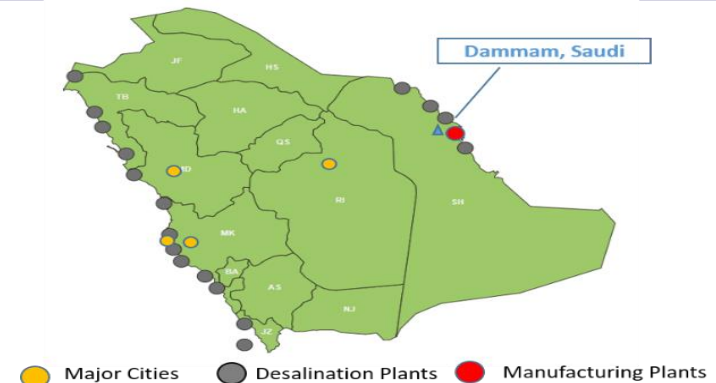
Proximity to Shale Basins



SAUDI: ONE OF THE LARGEST PIPE PLANTS

- Location Advantage:
 - Proximity to Dammam Port
 - Closer to major business destinations
- Approved and accredited by both Saudi Aramco and Saline Water Conversion Corporation (SWCC)
- Experience of executing multiple complex projects in O&G and water
- Healthy relationship with key steel suppliers
- IKTVA Program favors domestic pipe industry

Location Advantage



Q2 FY21 at a Glance



268 KMT

Global Production



249 KMT

Global Sales



256 KMT

Order Booked in Q2



₹ 240 crs

EBITDA



12,400 /
US \$165

Op EBITDA / Ton



₹ 152 crs

Profit After Tax



₹ 457 crs

Net Cash – Generated in Q2



₹ 478 crs

Free Cash Flow Generated
Q2



1.5 Mn MT

Active Bids Future Outlook

Note: Pipe Sales & Production volumes, Order Book and Future Bids include Saudi Arabia operations; All other figures pertain to IND-AS continuing operations

Financial Results for Q2

Particulars (Rs Cr)	Q2FY21	Q1FY21	QoQ
Pipe Sales Volume (KMT)	249	222	12.3%
Revenue	1,158	2,069	-44.1%
Operating EBITDA	187	183	2.2%
EBITDA	240	197	22.0%
Depreciation	52	53	-2.7%
Finance cost	15	28	-47.1%
Profit before tax and share of JV	173	115	50.3%
Tax	63	78	-19.0%
Non Controlling Interest	(5)	(2)	126.1%
Share of profit/(loss) from associates & JVs	47	23	105.5%
Net Profit	152	58	163.2%
EPS	5.8	2.2	161.6%

Note:

- Consolidated Financials pertaining to continuing operations (Pipes) only
- Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures except sales volume
- Sales volumes are based on total operations including Saudi and are for Pipes

Future Outlook

Extracting maximum value from Assets

- Pipe business – Maximizing Asset Utilisation
- Divestment of non-core businesses - Asset Light Approach
- IPO of Saudi JV

Strengthening Competitive Advantage

- Automation & Digitisation
- Talent development
- Quality control
- Introduce niche product basket



Converting adversity into opportunity

- Leaner cost structure
- Leveraging strength of Balance Sheet, Human Capital, Customer Relationships & Technical know-how
- Entry into Ductile Iron Pipes

Strong Balance Sheet

- Focus on FCF: Optimizing capex and working capital
- Efficient utilization of cash
- Mobilising funds for future growth

Management Profile: Running the show

Board of Directors

B.K.Goenka, Non-Executive Chairman & Promoter Director

- Amongst India’s most dynamic businessmen
- Past President ASSOCHAM (2019)
- Recipient of Asian Business Leadership (ABLF) Award, 2019

Rajesh Mandawewala, Promoter Director

- Qualified Chartered Accountant; Played an instrumental role in establishing Welspun’s Textile & Pipe business
- Leading new strategic initiatives of the Group
- Authorization of investment decisions for Welspun

Amita Misra – Non Executive Independent Director

- Ex-IAS with 38+ years of experience in various government & international organizations.
- Area of specialization: Audit, Financial Management, Procurement, Industrial and Development Projects involving International Cooperation & Governance

Desh Raj Dogra - Non Executive Independent Director

- Retired Managing Director & CEO of Credit Analysis and Research Limited.
- MBA, CAIIB with over 38 years of experience in banking and credit rating.

K. H. Viswanathan - Non Executive Independent Director

- Qualified cost and works accountant with over 34 years of experience
- Expert in Audit, Tax & Legal, Structuring, Business Strategy, M&A

Raj Kumar Jain – Non Executive Independent Director

- Qualified Chartered Accountant with over 30 years of experience
- Advisor to companies in the matters relating to accounts and internal control.

Revathy Ashok - Non Executive Independent Director

- Gold medalist from IIM, Bangalore and Member of Indian Angel Network.
- Independent consulting practice, working with mid and early stage companies, helping them scale
- Former MD of Tishman Speyer Private Equity and Global CFO of Syntel Inc

Management Team

Vipul Mathur, Managing Director & CEO, Member of Board

- Well-known figure in the global pipe industry; Associated with Welspun since 2001
- Led the company to historic high order book & profitability
- Recipient of Hall of Fame Steel CEO of the year (2018) by SUFI

Percy Birdy, Chief Financial Officer

- Member of ICAI and ICWAI with 25+ years of experience in the areas of Corporate Finance & Accounting, Costing, Budgeting, Direct & Indirect Tax, Banking, etc.
- Has previously worked with Allansons Group, Glenmark, Essel Propack

Godfrey John, Business Head - INDIA /APAC/MENA & EUROPE

- 25+ years of experience in the industry.
- Expertise in pipes across applications such as Oil & Gas, Water, Ports and Terminals as well as structural pipes

Todd Phillips, Vice President Sales - AMERICAS

- Rich and varied experience of nearly 30 years
- Has previously worked with Borusan USA, Gulf Interstate Engineering, Pe Ben USA, MTS USA, United Spiral Pipe and other companies of repute

Hisham Abdullatif Mohammed Allhmlil, CEO (Middle East)

- Well-known figure in the Saudi steel and pipe industry
- Previously worked with esteemed organizations in Saudi Arabia such as Saudi Steel Pipe, SABIC, Saudi Iron and Steel Co. (HADEED)

T.S. Kathayat, President & Chief - Corporate Quality & Technical Services

- 23+ years of Work Experience in the manufacturing Industry
- Conferred with “Quality leadership Award” and “Corporate Excellence Leader of the Year “by World Quality Congress

Thank You

Welspun Corp Limited

CIN: L27100GJ1995PLC025609

www.welspuncorp.com

For further information, please contact:

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