

WIL/SEC/2021

May 14, 2021

<b>Bombay Stock Exchange Limited</b> Department of Corporate Services, SP. J. Towers, Dalal Street, Mumbai – 400 001 (Scrip Code-514162)	<b>National Stock Exchange of India Limited</b> 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find attached Investor Presentation, inter alia, on audited financial results of the Company for the quarter and year ended March 31, 2021.

Please take the same on record.

Thank you,

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

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Corporate Identity Number: L17110GJ1985PLC033271

# Investor Presentation

Welspun India Limited

Home Textile | Advance Textile | Flooring

May 2021

NSE: WELSPUNIND  
Bloomberg: WLSI:IN  
Reuters: WLSP.NS

[welspunindia.com](http://welspunindia.com)



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# Welspun Group

## Global Conglomerate

The USD 2.7 Bn Welspun Group is one of India's fastest growing global conglomerates with business interests in Line Pipes, Home Textiles, Infrastructure, Steel, Advanced Textiles, Warehousing and Flooring solutions.

The group has a strong foothold in 50+ countries and its clientele includes Fortune 500 companies.

USD **2.7** Bn  
Revenue

**26,000+**  
Workforce

USD **1.0** Bn  
Net Fixed Assets

**9**  
Manufacturing  
Facilities in India,  
USA, and Saudi  
Arabia.

 **WELSPUN INDIA**  
HOME TEXTILES



Global **leader** in **Home Textiles**

 **WELSPUN ENTERPRISES**  
Infrastructure & Energy



Robust portfolio of **Roads & Water** Infra projects

 **WELSPUN CORP**  
PIPES AND PLATES



Amongst **world's largest Line-Pipe** manufacturers

 **WELSPUN ONE**  
Logistics Parks



Integrated **Grade-A Warehousing** Solutions



# Welspun India

– Who are we?

---



# Welspun India #1 Global Home Textiles Leader

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WelHOME.  
BY WELSPUN  
{ Textile Solutions  
for Better Living }



WELSPUN  
BED • N • BATH

SCOTT LIVING



LIVING  
BY Christy

KINGSLEY

## Diversified Brand & License Portfolio



Multipronged

### E-Commerce

Strategy to accelerate growth & capture larger share of the fast-growing market



spun  
threads with a soul

### ESG Focused

organization with well-defined principles, roadmap and targets



WELSPUN FLOORING WELSPUN INDIA ADVANCED TEXTILES

### Strong Emerging Businesses:

- ◆ Flooring Solutions disrupting the world of flooring
- ◆ Advanced Textiles dealing with innovative product applications



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### Thought leader

in Home Textiles with robust innovation portfolio of 32 patented technologies



### #1 Ranking

Consistently as Home Textile Supplier to USA.\*

1 in 5 Towels &  
1 in 9 Sheets Sold  
in US made by Welspun\*\*

#### Note:

\* Source: HTT Magazine

\*\* Source: OTEXA data



### A certified woman owned business

with >25% women in a 20,000+ strong workforce

WELSPUN INDIA  
HOME TEXTILES

Welspun India Ltd (WIL), part of \$2.7 bn Welspun Group, is a global leader in the Home Textiles landscape. With a strong global distribution network and world-class vertically-integrated manufacturing facilities located in India, Welspun is strategic partners with top global retailers.

**WIL is differentiated by its strategy based on Branding, Innovation and Sustainability.**

# Strong Global Presence



#1 Ranking

In "Top 15 Home Textile Supplier Giants to USA"



Over 50 Countries Presence

## Key Customer Partnership

### North America



### UK & Europe



### India

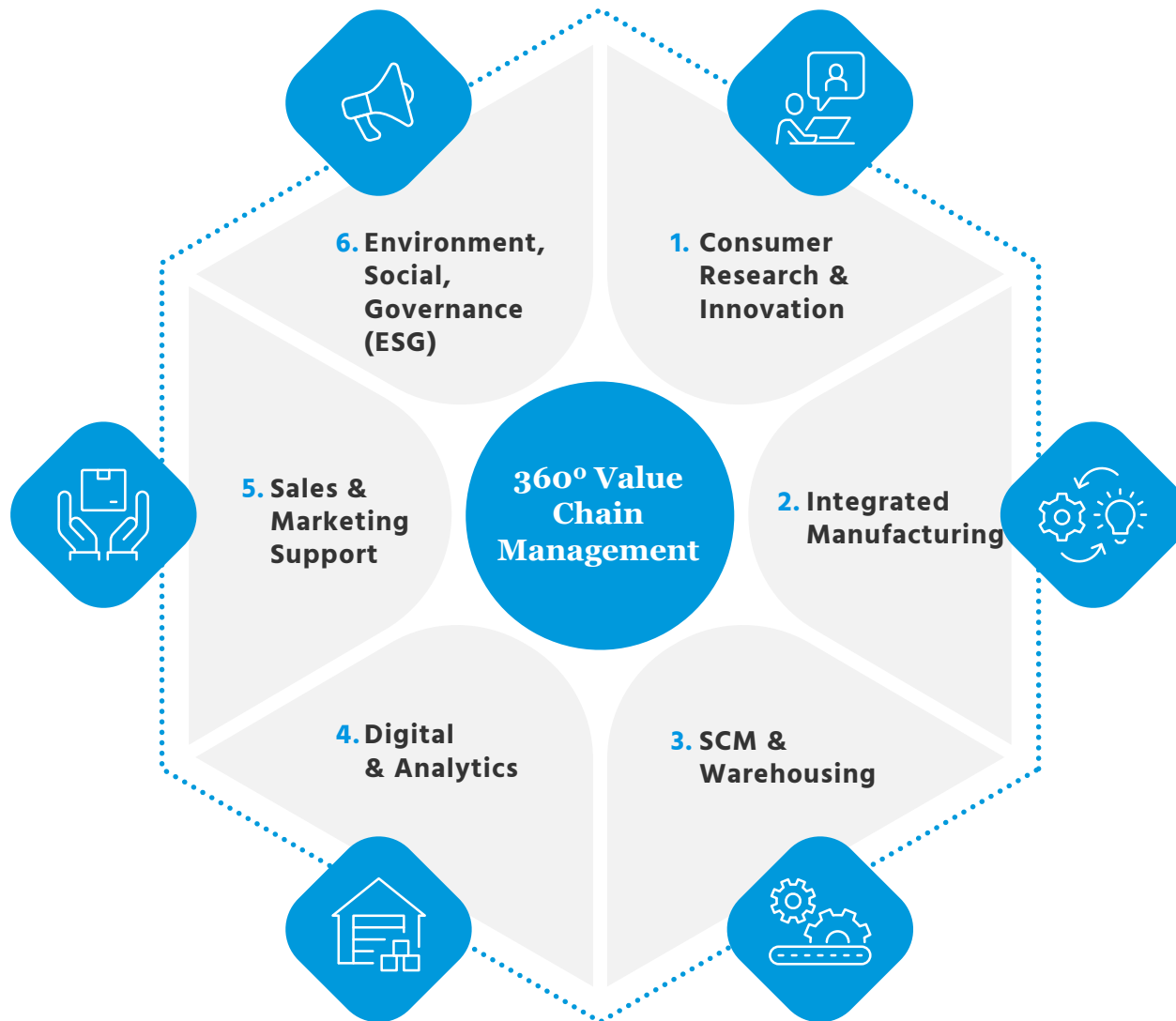


### ROW





# 360 degrees capabilities from Farm to Shelf



- 1. Well Researched Innovative Offerings backed by deep Consumer understanding**
- 2. Vertically integrated facilities with seamless connectivity to Global Supply chains**
- 3. Global Distribution footprint**
- 4. Digital Transformation across the organization**
- 5. Strengthening Brand portfolio & Omni-channel capabilities**
- 6. Socially Responsible, Sustainability Focused**



[Click here for more details](#)



# Vertically Integrated presence with Significant Capabilities

Home Textile	Particulars	UOM	Annual Capacity
	Bath Linen	MT	80,000
	Bed Linen	Mn mtrs	90
	Rugs & Carpets	Mn sq mtrs	10

Advanced Textile	Particulars	UOM	Annual Capacity^
	Spunlace	MT	10,000
	Needle Punch	MT	3,000
	Wet Wipes	Mn Packs	75

Flooring Solutions	Particulars	UOM	Annual Capacity	
			Expected*	Current
	Soft Flooring	Mn sq mtrs	16.3	7.5#
	Hard Flooring		10.7	5.4@

**Note:**

\*Expected Capacity at Full Capex | @ Increased to 5.4 on 15 Jan 2021 | # The same will increase to 16.3 mn sq mtrs operationally based on business needs by making small investment in balancing equipment | ^Nominal Capacity



# Awards & Recognition – Testimony of Excellence



**Global Textile Company of the Year 2021**



**Most Influential Woman 2020**

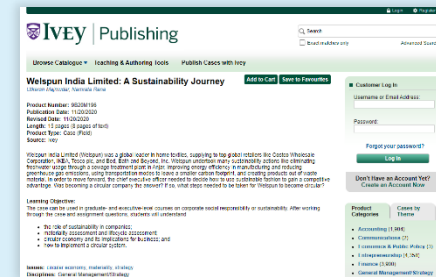
Dipali's Contribution to Industry & Society



**Sustainability & CSR 2020**

Amongst Top 100 Companies in India

## Feathers in our cap



[Visit Website](#)

[Read More](#)

**Welspun's Sustainability** journey now a case study on Ivey publishing website



[Watch video](#)

[Read More](#)

Welspun has been recognized by Walmart as its **trusted partner for 20 years** in their recent corporate announcement & HT leadership summit

**Home Textiles Today Supplier Titan 2020**

Response to COVID & stakeholder support



**Sustainability 2019**

GIGA GURU Status Energy Conservation



**Highest Exports 2019**

Platinum awards Highest global exports



**Sustainability 2020**

Innovation product award in Consumer Wellness



**Value Award 2020**

Being responsive, supportive and collaborative during COVID-19



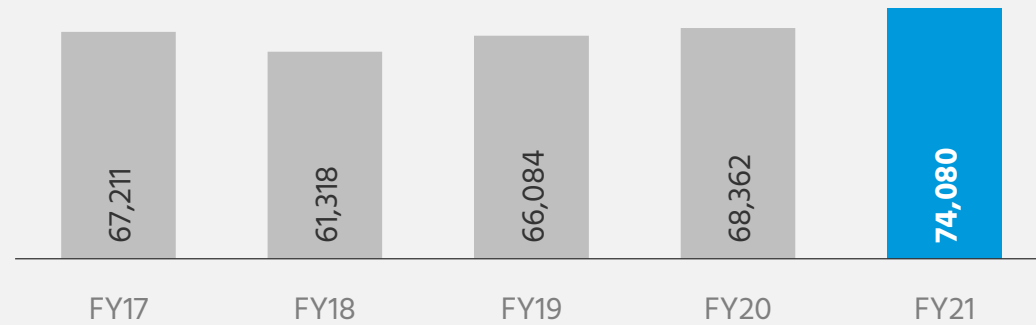
**Innovation 2020**

Product & CSR Supplier of the year

# Trend of Financial Performance

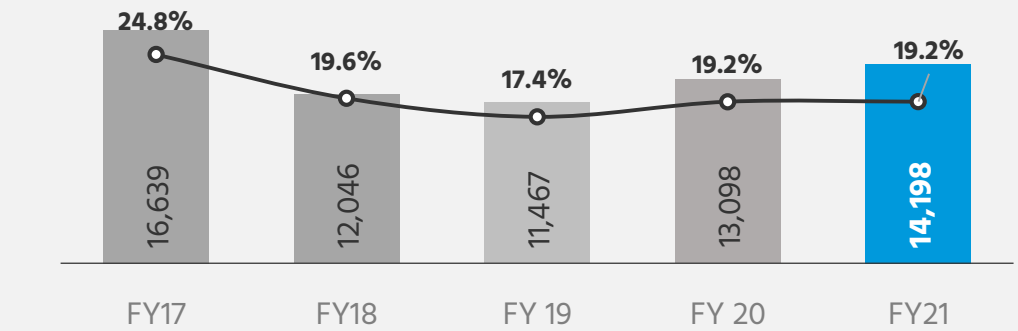
## Total Income

(₹ Million)



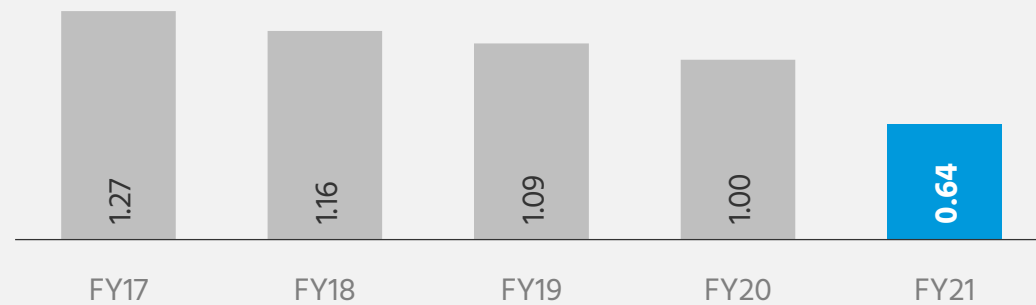
## EBITDA

(₹ Million, %)



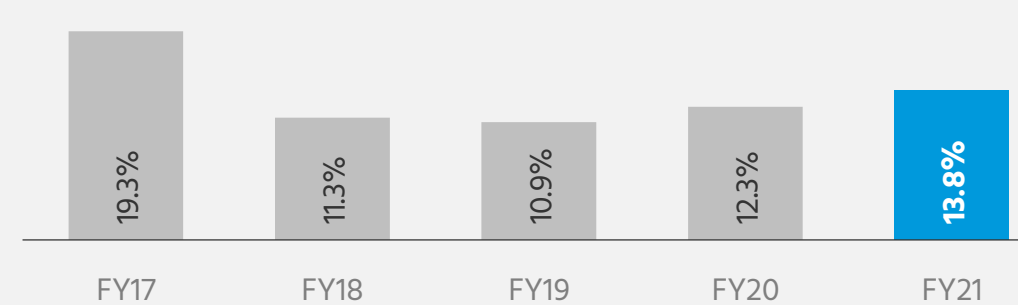
## Net Debt to Equity

(x)



## ROCE

(%)





# Leadership

## Board of Directors

### Mr. B. K. Goenka

#### CHAIRMAN

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

### Mr. Arun Tadarwal

#### 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

### Mr. Pradeep Poddar

#### INDEPENDENT DIRECTOR

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

### Mr. 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.

## Management Team

### Mr. Rajesh Mandawewala MD; MEMBER OF BOARD

- ◆ Qualified Chartered Accountant; Played an instrumental role in establishing Welspun's Textile & Pipe business
- ◆ Leading new strategic initiatives of the Group

### Ms. Dipali Goenka CEO & JT. MD; MEMBER OF BOARD

- ◆ Driving force behind Welspun's global leadership in home textile with focus on Innovation, Brands & ESG
- ◆ Graduate in Psychology & completed Management Program from Harvard

### Mr. Sanjeev Sancheti CFO (WELSPUN INDIA)

- ◆ 29+ years of experience in corporate finance, accounts and strategy was with SREI as Chief Strategy Officer for 12 years before joining Welspun

### Mr. Keyur Parekh Global Head (HOME TEXTILE)

- ◆ 18+ years of experience in Sales, Marketing and New Business Development in International markets
- ◆ Instrumental in forging Strategic partnership with Top Retailers & Hotel chains across the globe

### Mr. Cherian Thomas CEO (ADVANCED TEXTILES)

- ◆ 24+ years of experience across diverse functions & global functional expertise
- ◆ Worked with Essel Propack, ITW Signode, Packaging India Private India Limited, Amcor Flexibl

### Mr. Mukesh Savlani CEO (FLOORING - EXPORTS)

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

### Ms. Nemisha Ghia CEO (DOMESTIC RETAIL)

- ◆ 18 years+ of diverse experience across E Commerce, FMCG & Telecom
- ◆ Worked with Swiggy, Amazon, Mondelez, HUL, PepsiCo Fritolay, Reliance Telecom and Bharti

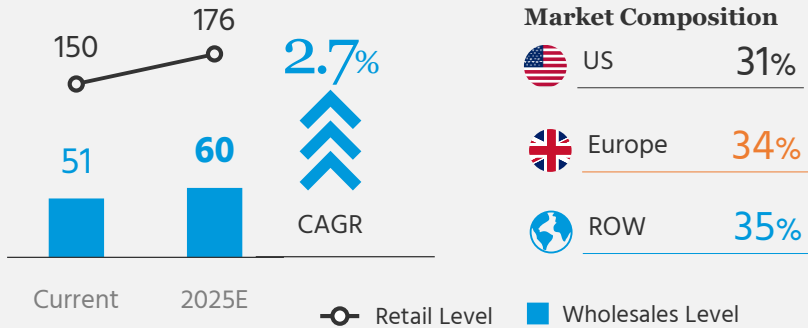
### Mr. Ravi Panicker HEAD (CHRISTY)

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

# Global Home Textile Opportunity

## Global Home Textile Market

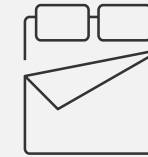
(USD Bn)



## Addressable US Home Textile Market (2020)

(USD Bn) (Wholesale level)

**\$6.3 Bn**



### Strong Presence of Welspun

- a** Cotton Pillowcase **\$0.3 Bn**
- b** Cotton Sheet **\$1.2 Bn**
- c** Cotton Towels **\$1.4 Bn**

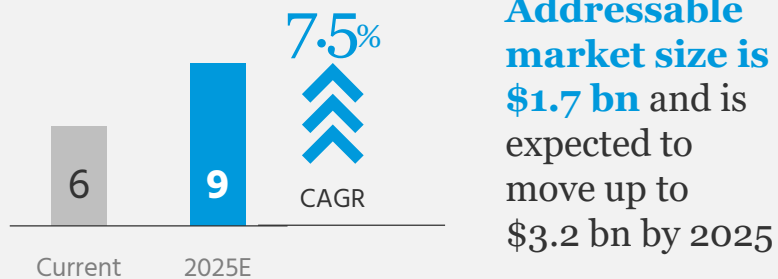
### Next Opportunity for Welspun

- d** Cotton Bedspreads **\$0.9 Bn**
- e** Floor Coverings **\$2.4 Bn**

- ◆ US is a large and homogenous market making it more attractive.
- ◆ While US is a level playing field, Europe market is heterogeneous and provides preferential tariff rates to some competing countries.
- ◆ India remains one of the fastest growing markets.

## India Home Textile Market

(USD Bn) (Retail level)

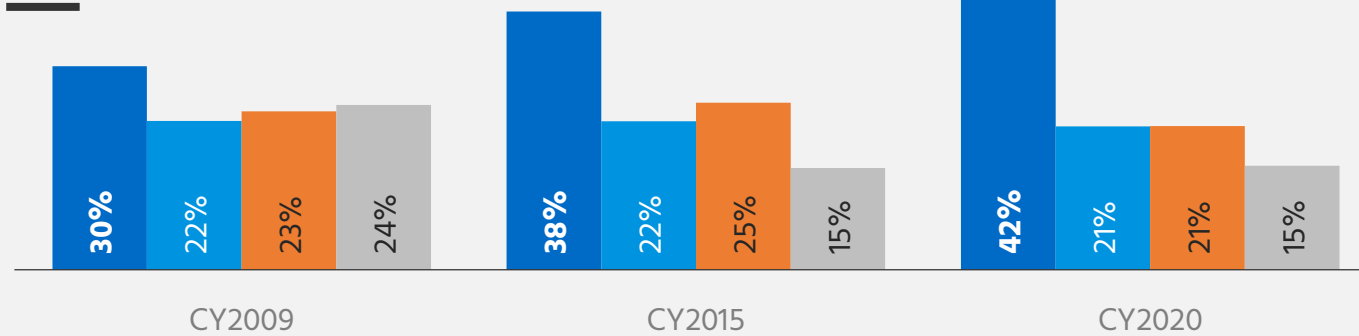


Source: UN Comtrade, Wazir Analysis, OTEXA

# US imports and Welspun's Market Share

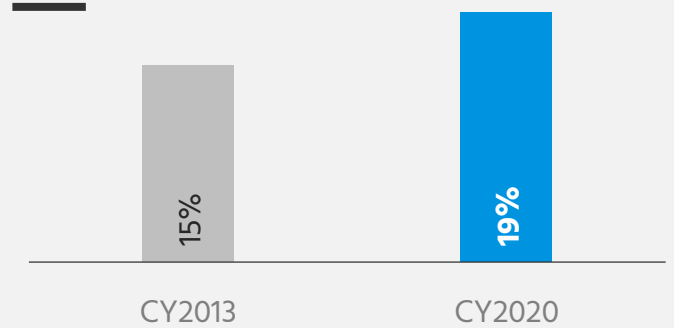
## India - Largest Player in US Market (Towel)

(In %)



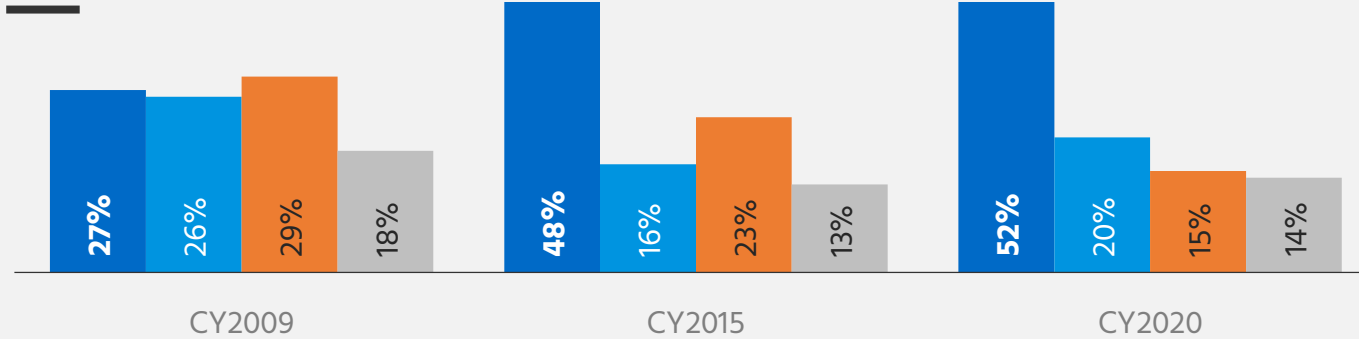
## Welspun's Towel Market share in US

(In %)



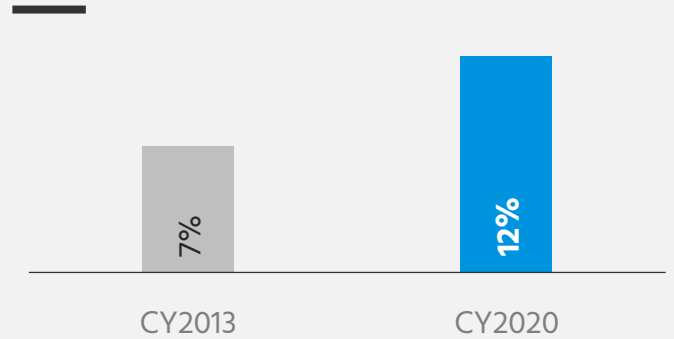
## India - Largest Player in US Market (Sheet + Pillow)

(In %)



## Welspun's Sheet Market share in US

(In %)



Source: OTEXA

■ India ■ Pakistan ■ China ■ Others

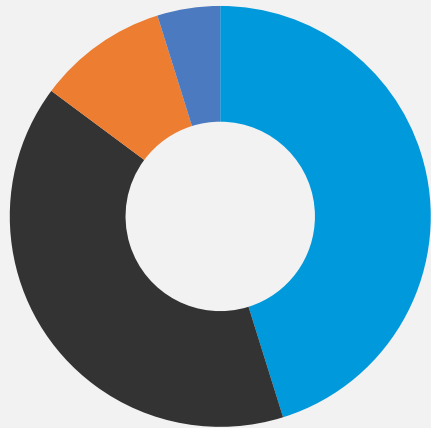
Note: OTEXA & Company Estimate



# Global Flooring Opportunity

## Global Flooring Market (2020) – USD 290 Bn

~5% CAGR



Asia Pacific	131, 45%
USA	116, 40%
Europe	29, 10%
Others	14, 05%

## Addressable Indian Market

- ◆ Overall Indian Flooring market is around ₹ 50,000 crores & growing, of which 90% is for new construction and 10% is renovation.
- ◆ Addressable market in India is ~ **₹6,000 Crores**
- ◆ Higher Disposable Income & Industrialization to remain key drivers

Source: Floor Covering Weekly (July 2020), Ceramic World Review (Aug/Oct 2020), and Company Estimates

## Addressable Global Market for Welspun (2020) – USD 20 Bn



USA

\$10 Bn  
Market

- ◆ 50% Broadloom
- ◆ 25% Carpet Tiles
- ◆ 25% LVT



Europe

\$7.5 Bn  
Market

- ◆ 40% Broadloom
- ◆ 35% Carpet tiles
- ◆ 25% LVT



APAC

\$3 Bn  
Market

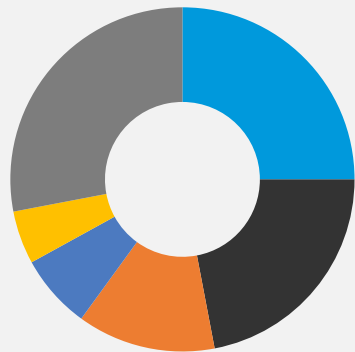
- ◆ 15% Broadloom
- ◆ 35% Carpet tiles
- ◆ 50% LVT

- ◆ With China + 1 strategy being followed by global market, export opportunity has opened up for countries like India.

# Global Advanced Textile Opportunity

## Global Advanced Textile Opportunity (2020) (\$ 180-190 Bn)

~5% CAGR



US	25%
Europe	22%
China	13%
Japan	07%
India	05%
Other	28%

## Indian Market

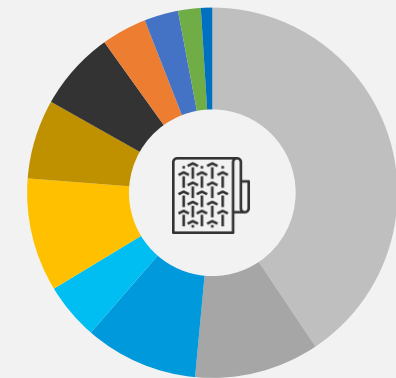
- ◆ Overall Market Size is ~\$10 bn.
- ◆ Underpenetrated consumption of technical textiles in India, still at 5-10% against 30-70% in advanced countries

## \$ 33 Bn Global Addressable Opportunity (2020)

- ◆ Market growing at 5% CAGR
- ◆ Post Covid Health & Hygiene has seen focus
- ◆ MEDITECH - growing healthcare infrastructure, further accelerated by Covid-19 remains the key driver
- ◆ MOBILTECH - one of the biggest segments, automobile demand remains key driver
- ◆ Multiple Industrial Applications

## Advanced Textile End User Industry Segmentation (In %)

(In %)

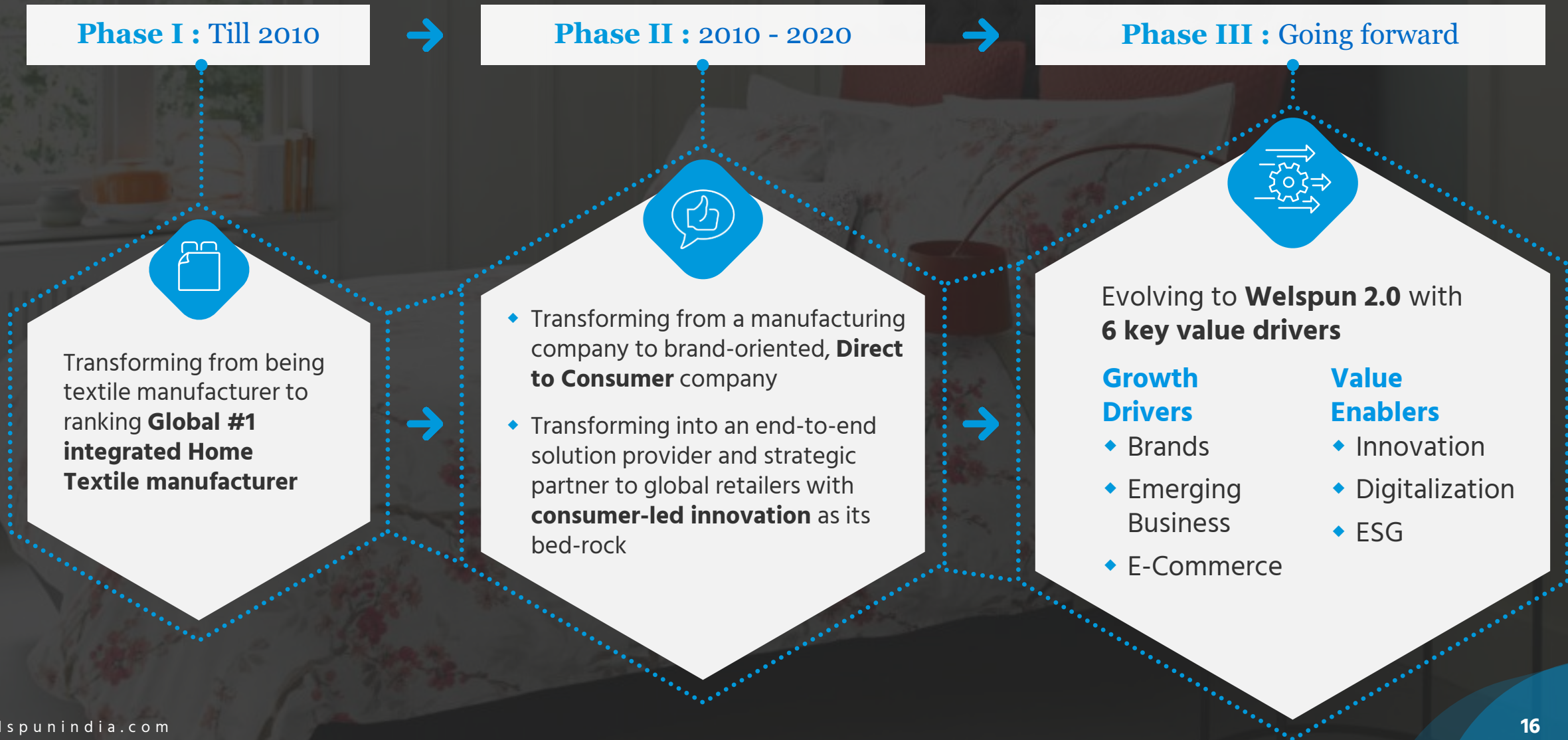


PACKTECH	41%	CLOTHTECH	07%
INDUTECH	11%	BUILDTTECH	04%
MOBILTECH	10%	PROTECH	03%
MEDITECH	05%	AGROTECH	02%
HOMETECH	10%	OEKOTECH	01%
SPORTECH	07%		

Area of focus

Source: Invest India, Company estimates

# Evolution of Welspun India







# **Welspun 2.0**

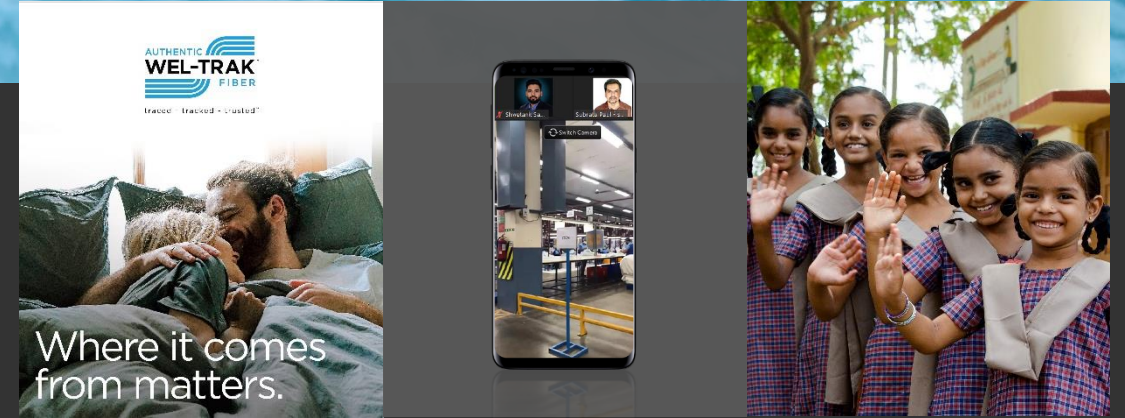


# Welspun 2.0

## Growth drivers



## Value enablers



### 1 Brands

- ◆ Brand Portfolio – Owned & Licensed

### 2 Emerging Businesses

- ◆ Flooring
- ◆ Advanced Textiles

### 3 E-Commerce

- ◆ Multi-pronged E-commerce Strategy

### 4 Innovation

- ◆ Thought leader in Home Textiles

### 5 Digitalization

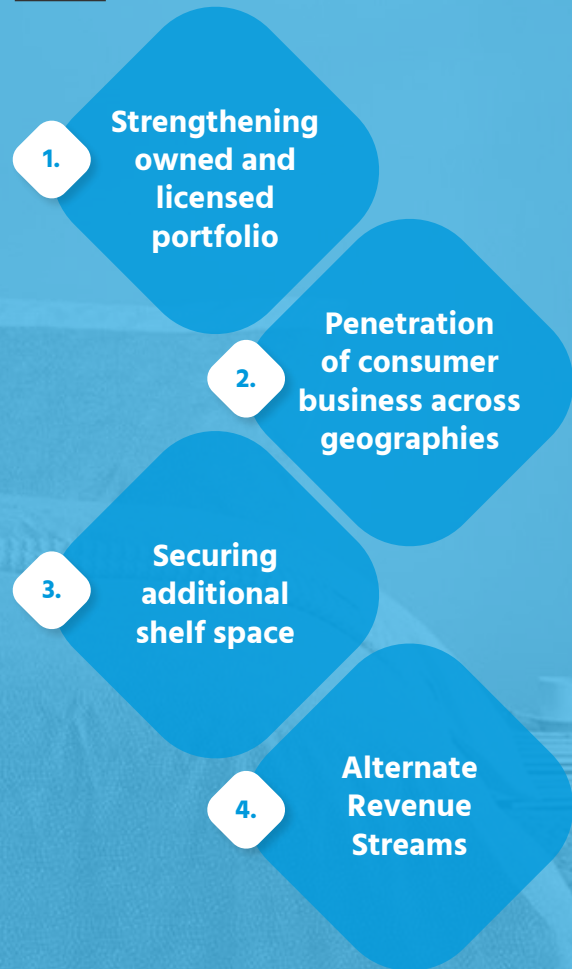
- ◆ Organization wide transformation

### 6 ESG

- ◆ Encompassing all stakeholders with defined roadmap

# Brands : Dominating Global Consumer Landscape

## Brand Strategy



## Owned Brands

### India



## Licensed Brands

### India



### Global



### Global





# Owned Brands - Domestic



## Brand Positioning

- ◆ Premium
- ◆ Thoughtfulness

- ◆ Mass



## Presence

- ◆ **2,300+** outlets
- ◆ **370+** cities & towns
- ◆ **240+** shop-in-shop locations

- ◆ **3,800+** outlets
- ◆ **50+** distributors
- ◆ **65+** cities



## Early Success

- ◆ **2<sup>nd</sup> most famous brand** in premium category\*
- ◆ **#1** shop-in-shops brand
- ◆ **Best brand on Myntra** in home category

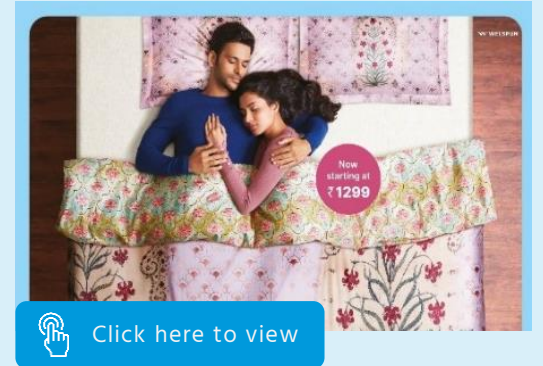
- ◆ **2<sup>nd</sup> most famous brand** in Home Linen **mass-market\*** category within 2 years of launch

## Festive Collection: Rangana Campaign



Click here to view

## Launch of Healthy Life Campaign: Anti Viral



Click here to view

## Regional Festive Campaign : Chalo Paltai



Click here to view

## 'Welspun' Campaign: Dono Taraf Khushiyan



Click here to view



# Domestic Business

## Opportunity

### Market size

Addressable market size is currently about ₹ 12,000 cr. and is expected to move up to ₹ 23,000 cr. by 2025. Major part of market is unorganized and unbranded

### Brand Strategy

Dual Brand Strategy : Welspun brand for Mass market segment and Spaces for Premium segment

### Approach

Enhance our Brands reputa via Trust, Quality and Availability. Innovation product offerings based on consumer needs & pain points

### Target

₹ 1,000 Cr business by FY25

## Aiming to be “Har Ghar Welspun”

- ◆ To be Leader in home textiles space in India by 2023
- ◆ Innovative, Quality products, available at arm’s length
- ◆ Nationwide presence –in urban and rural & be preferred partners for every Modern Trade and Marketplace Retailer

## Brand Penetration

Particulars	Spaces	Welspun
	BY 2025	BY 2025
Households	8 Lakhs	20 Lakhs
# Outlets	4,400	23,000



# Owned Brands - Global

Christy LIVING  
ENGLAND BY Christy



## Brand Positioning

- ◆ 170-year-old heritage
- ◆ Luxury



## Presence

- ◆ Moving from Phygital to **Global Digital**
- ◆ Repositioning for **Millennials**



## Early Success

- ◆ **35%** Christy business now comes from E-Commerce channel





# Licensed Brands

Licensed brand brings us new opportunity pockets by opening up new channels and shelf space without cannibalizing our existing business

Expected annualized revenue from licensed brands to cross \$100 mn by FY23



## Martha Strong performance across channels

- ◆ Healthy contribution coming in from E-Commerce
- ◆ Strong performance across Retailers & specifically with largest WH clubs store format
- ◆ Top Rated' programs status credentials
- ◆ Expanding beyond North America – Brazil, Mexico, etc



SCOTT  LIVING

## Scott Living

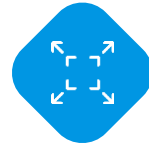
- ◆ Scott Living and Welspun plan to reach wider consumer base with innovative bed & bath linen products
- ◆ The brand has been able to create healthy interest & generate a pipeline for FY'22 across WH clubs & Department Stores formats alike



# Welspun Flooring Solutions

## Technologically advanced Flooring Solutions

- ◆ Flooring for Home, Hospitality and Commercial segment.
- ◆ Aiming to revolutionize the renovation segment of Indian flooring market.
- ◆ Flooring still considered as part of construction activities, with no concept of modular flooring.
- ◆ Quick turn-around time and hassle-free installation.
- ◆ Only company to manufacture hard & soft flooring solutions under one roof.
- ◆ Positive traction from overseas especially in hard flooring



**Greenfield Fully Integrated** facility spread over 600 acres of land in Telangana



Annual Capacity of **27 Mn Sq.Mt.**



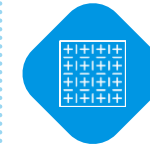
**Warranty (5-15 YEAR)**  
Only company to offer warranty in flooring industry



Making **Inroads** in **Global Markets**



**50** Distributors & **~500** Dealers appointed pan-India



**Fusion flooring**  
A highly customizable unique mix of hard and soft flooring



India's **First** company to create **anti-viral flooring**



India's largest **LEED certified** production facility



# Welspun Flooring Product Offerings

## Click N Lock® Tiles



### Features



Healthy Floors



Highly Durable



Less than a day installation



Noise & Dust Free Installation

## Carpet Tiles



### Features



Multiple Design Possibilities



Anti-viral



Easy to Install & Maintain



Provides Sound Insulation

## Wall to Wall carpets



### Features



Multiple Design Possibilities



Anti-viral

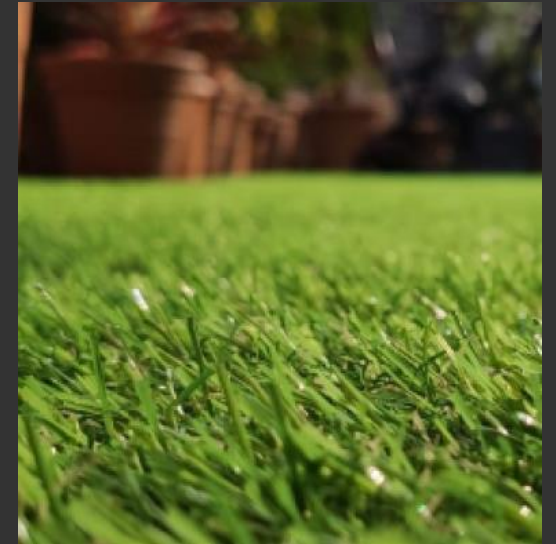


Stain Resistant



Provides Heat Insulation

## Greens



### Features



No Cropping



No Watering



In-built Drainage System

# Welspun Advanced Textiles

## Emerging segment of textile products

- ◆ Innovative product applications
- ◆ Facility located in Anjar, Gujarat (India)
- ◆ Planned to augment Spunlace & Wet wipes capabilities
- ◆ High demand for PPE products & disposable solutions due to changing consumer behavior towards health & hygiene

## Certifications



## Wet Wipes

- ◆ Tailor-made wet wipes for end applications like baby care, personal hygiene, cosmetics, industrial use, and home care.
- ◆ Manufacturing partners for brand launches and category extensions with innovative product claims and solutions for packaging, lotion formulas, and substrates

## Spunlace

- ◆ Born from innovation and refined by Hydro-Entanglement non-woven technology, SPUNLACE is expanding its global presence.
- ◆ Catering to medical disposables, hygiene, and cosmetic industries.
- ◆ Successfully tested for manufacturing Aerospace cleaning material

## Needlefelt

- ◆ Needlepunch is engineered for applications like Air filtration, EAF (Engine air filter), Liquid filtration - Industrial oil, Fuel, Food & Beverage, Paint, Pharma,

# E-Commerce – Multipronged strategy to drive growth



## Project WAVE

Accelerating E-Commerce growth

**\$100 Mn+**

Target Revenue by FY23

**3**

Geographies in focus



US



UK



India

## Target Annualized Share (%)

**70%**

US

**15% - 20%**

UK

**7% - 10%**

India



### Ecommerce Channel Growth

Brand.com  
Marketplaces  
Retailer.com



### Build & Grow Branded Business

Own Brand  
License Brand



### Robust Supply Chain

Inventory Planning  
Network Design



### Strong Technology Back-end

Tech-Stack: Middleware  
PIM  
Analytics – GC3



### Right Organization

COE Org Model  
Wave Academy  
Capability

#### Notes:

- PIM –Product Information Management
- GC3 –Global Command & Control Centre
- COE –Center of Excellence



# E-Commerce – (Contd.)



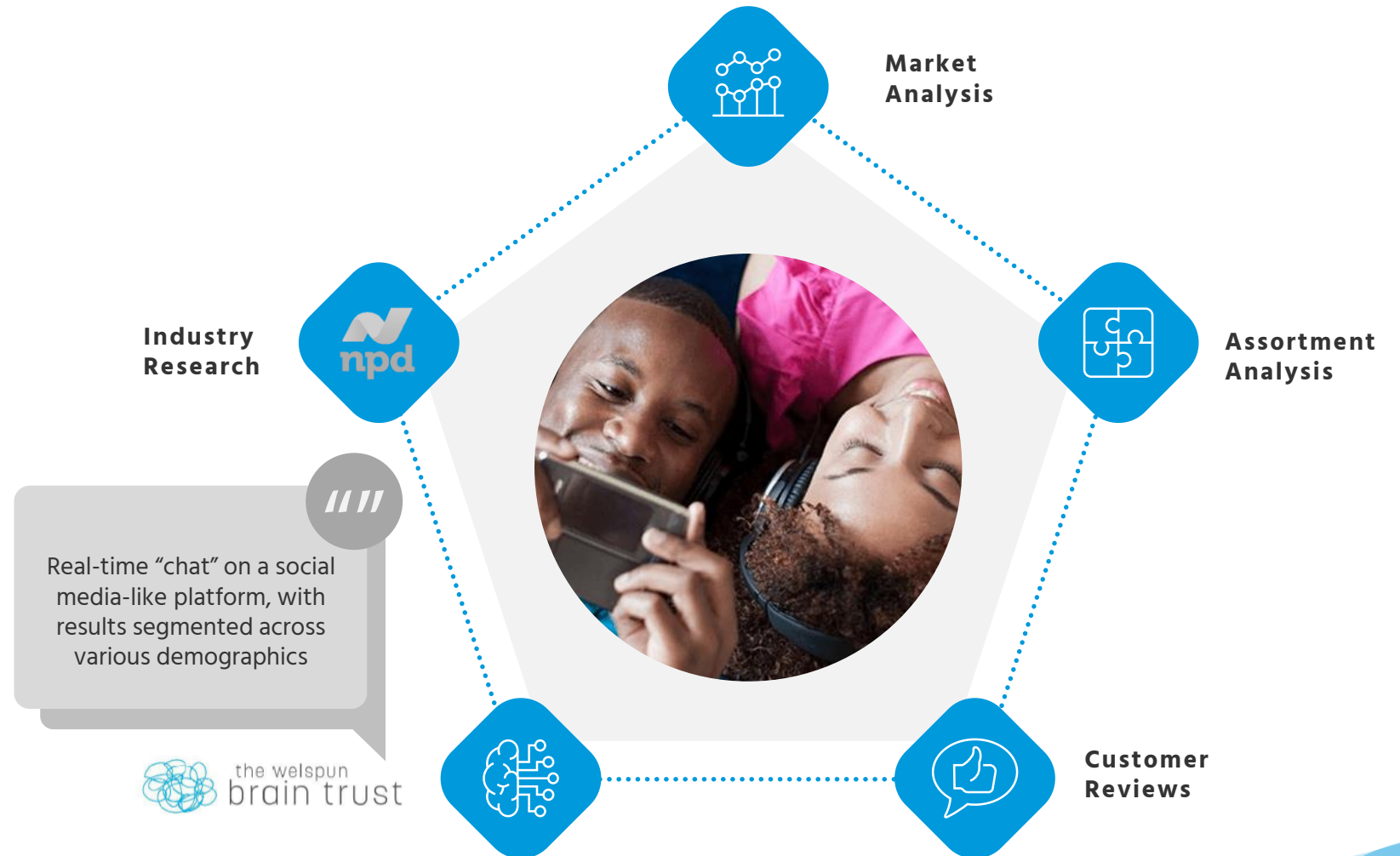


# Well-researched offerings backed by deep consumer understanding



- ◆ Enables us to develop relevant Consumer Solutions and Innovations in Sleep, Comfort, Wellness & Performance
- ◆ Guides our decision making with regards to product development, consumer marketing, retailer assortments.

## Welspotted: Style & Trends



# Innovation – Our strong suite

## 32 Patented Technologies

Filed globally



## Welspun India

has been recently recognized as the most 'Influential Innovators' at the Clarivate South and South East Asia Innovation Award 2020

## Global Collaborations

with Top Universities, Technology Partners and Industry Associations

## Key Innovations



### HYGROCOTTON

Patented spinning technology makes towel softer loftier and sheet temperature regulating



Softer



Fluffier after wash



Temperature regulating



### WEL-TRAK

Patented traceability solution tracking fibre from source to finished product.



Building Trust



Digital Verification



Enhancing Transparency

## Other Innovations



### ORGANIC

- ◆ Wrinkle resist properties



### NANOCORE

- ◆ Prevent Allergy & Asthma
- ◆ Chemical-free



### DRYLON

- ◆ Ultra soft
- ◆ Dries super fast



### CHARCOAL

- ◆ Odor-control
- ◆ Hygienic & Detoxifying

# Innovations in Advance textile and Flooring

## Innovations in Flooring products



### HealthyFloor™

SPC and Carpet Tiles with Antiviral and Antimicrobial Properties. It kills 99.68 % human corona virus with a special coating of silver iron and titanium oxide.



### Resilon

Resilon yarn (recycled PET) ensures the carpets are extremely durable and can withstand high foot traffic.



### Welspun Ecolite™

Revolutionary backing made up of lightweight PVC ensuring 40% less environment footprint than traditional carpets.

## Innovations in Advance Textiles



- ◆ Engine air and cabin air filter media
- ◆ Higher dust holding capacity



- ◆ Unique & patented blend\*
- ◆ MID range temperature filtration

Note - \* Patent application in process



- ◆ Pleatable filter media
- ◆ Superior pleatability
- ◆ Abrasion resistance



- ◆ Industrial filtration media
- ◆ Various applications
- ◆ All temperature ranges



- ◆ Liquid filtration media
- ◆ FDA approved
- ◆ Zero fibre migration

# Digitalization - Digital Transformation at Welspun



## Supplier

E-Sourcing

E-Procure to Pay



## Manufacturing

Industry 4.0

- Computer vision based QC
- Real time performance monitoring
- Energy Mgmt Systems
- IOT / Connected machines
- Robots, Sewbots, Cobots
- AI enabled Projects



## Product Management

Collaborative E-PLM

- Digitization of Product Development
- Master Data Management
- Collaborative 3D Design Platform for customers
- B2C Product Info Management Platform



## Supply Chain

E-Documentation (Bolero Platform)

Freight Tiger (Cloud based)

Planning Platform enabled by ML Algos



## Sales & Marketing

Digital Customer Engagement

- Virtual Showroom, shop floor walkthrough & Inspection
- Global E-Commerce Program via Marketplaces & brand.com portals

Advanced Analytics, Power BI based Dashboarding tools, Robotic Process Automation





# Digitally Engaging with our customers

## Virtual Showroom & Product presentation



## Virtual Shop floor walkthrough



## Virtual Quality Inspections



## Customer Feedback



66

Audio-Video quality was so good that I could feel myself sitting in cart and visiting the plants.

Very good synergy among team members and could see everyone striving for excellence.



# Welspun ESG way: Encompassing all stakeholders



**Welspun is going through a major transformation where we are embedding sustainability and circularity in every realm of our value chain.**

We are striving to be the absolute benchmark and global leader in the use of ESG framework and compliance to sustainable practices.

We have built a roadmap on Sustainability for WIL that enlists our goals under Sustainability till 2030.



**Independent review of Welspun India's performance across 170+ ESG (Environmental, Social & Governance) parameters**

[Click here for more details](#)



## Environmental

- ◆ Implemented the ISO 140001 EMS at both manufacturing sites
- ◆ "SPUN" business is empowering women in rural communities earn livelihood by making handicraft goods from Factory textile scrap - thus circular economy
- ◆ Setup 30-MLD STP to collect sewage from 3 municipalities and use the treated sewage instead of Freshwater in production operations
- ◆ Successfully completed trials to use Hazardous sludge from ETP as alternate fuel in Power Plant (coal replacement)

**Water Story**



## Social

- ◆ Focus on inclusion and gender diversity – large segment of women workers in Cut-&-Sew operations
- ◆ Welspun Foundation is established to run the CSR and philanthropic programs
- ◆ Welspun CSR initiatives are based on 3E's – Environment & Health, Education, Empowerment
- ◆ Contributed to COVID-19 relief efforts
- ◆ Working with Cotton Farmers to enable them to grow sustainable forms of Cotton

**Sustainable Cotton Story**



## Governance

- ◆ Initiated putting in place a broad Enterprise Risk Management framework
- ◆ Implemented the ACCESS module in SAP to enable access of relevant data to authorized users
- ◆ Ethics framework is in place
- ◆ Compliance management tool is in place
- ◆ Innovation and intellectual property is encouraged as evidenced in 30+ patents

**Governance Framework**

# ESG Journey till date ...

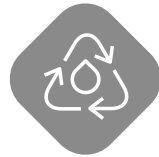
Featured among Top 100 Sustainable companies in India by ET-Futurescape

## Journey Till Date



**100,000+** acres

Landbank of sustainable cotton farming



**4000+** million

Liters of water recycled annually



**175,697 GJ** of energy

Saved annually through energy conservation



**45%**

Of cotton from sustainable sources



**2,822 tons**

Cotton recycled and reused in the factories

Welspun is rated “**Low Risk**” on ESG factors by one of the **top ESG rating agency**

**Welspun’s Sustainability** journey now a case study on Ivey publishing website

## Way Forward

Sustaianalytics

DJSI (S&P Global)

**ESG 2020 Score**

Available by Jul-21

Available by Sep-21

**Conducting Gap-assessment and identifying measures to move to "Negligible" risk rating**



# Our ESG journey and envisaged outcomes

## What are we doing?

Comparison of ESG-related systems and processes across peer set

**Maturity Assessment**

Identifying, refining, and assessing numerous potential environmental, social and governance issues that could affect the business and stakeholders

**Materiality Analysis**

Identification of current gaps and/or improvement areas based on maturity assessment and materiality analysis

**Gap Analysis**

Formulation of a strategic roadmap outlining key actions to be undertaken in short, medium and long term

**Roadmap Development**

Public reporting and disclosures of ESG performance

**Communications and Reporting**

## Key considerations

**Global trends**

**Peer analysis**

**Global reporting frameworks**

**ESG ratings**

## Expected outcomes

**Progressive Vision and Strategy / Commitment**

**Building Trust with Stakeholders**

**Competitive Advantage & Market Differentiation**

**Improved Processes and Systems**

**External recognition**



# Sustainability targets

Aspects	FY 2020-21	Goal 2025	Goal 2030	Key Highlights of FY20-21
<b>Carbon Neutral (measured as % RE)</b>	--	20% RE	100% RE	Planned installation of 10MW solar plant to enable incremental 2.5% sourcing of RE in FY21-22
<b>100% Sustainable Cotton</b>	<b>45%</b>	50%	100%	Sourcing of both Organic Cotton & BCI-cotton has increased (Due to increased customer demand)
<b>Fresh Water Positive in Production operations</b>	<b>10 KL/MT</b>	5 KL/MT	0 KL/MT	Planned recycled wastewater use at Vapi factory; existing treated wastewater use in Anjar factory continues
<b>Zero hazardous waste to Landfill (ETP chemical sludge)</b>	<b>41 MT</b>	0 MT	0 MT	Hazardous Waste used as Alternate Fuel in Power Plant, reducing use of Coal
<b>Impacting 1 million lives in CSV</b>	<b>1,60,735</b>	5,00,000	1,000,000	3E program beneficiaries accounted here
<b>Farmers in Welspun sustainable farming project</b>	<b>12,167</b>	20,000	50,000	Despite Covid pandemic, sustained our farmer connect in the 3 Farming Projects



# Robust Financial Performance



# Profit & Loss Summary

(₹ Million)

Particulars	FY17	FY18	FY19	FY20	FY21
<b>Total Income</b>	<b>67,211</b>	<b>61,318</b>	<b>66,084</b>	<b>68,362</b>	<b>74,080</b>
Growth %	11.8%	-8.8%	7.8%	3.4%	8.4%
<b>EBITDA</b>	<b>16,639</b>	<b>12,046</b>	<b>11,467</b>	<b>13,098</b>	<b>14,198</b>
<b>EBITDA Margin</b>	<b>24.8%</b>	<b>19.6%</b>	<b>17.4%</b>	<b>19.2%</b>	<b>19.2%</b>
Depreciation	5,054	5,042	4,358	4,811	4,536
Finance cost	1,583	1,408	1,593	1,777	1,975
PBT (Before exceptional)	10,003	5,597	5,516	6,510	7,686
Exceptional Items	(4,648)	-	(2,647)	434	-
<b>PAT (After Minority Interest)</b>	<b>3,576</b>	<b>3,850</b>	<b>2,098</b>	<b>5,074</b>	<b>5,397</b>
Cash Profit*	9,131	9,413	8,977	9,702	10,197
<b>EPS (₹)</b>	<b>3.56</b>	<b>3.83</b>	<b>2.09</b>	<b>5.05</b>	<b>5.37</b>

**Note:**

- \*Cash Profit = PBDT (before exceptionals) less Current Tax
- Prior period figures are restated wherever necessary

# Balance Sheet Summary

(₹ Million)

Particulars	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21
<b>Net Worth</b>	<b>23,971</b>	<b>26,057</b>	<b>27,793</b>	<b>29,721</b>	<b>36,447</b>
Short Term Loans	11,721	12,580	14,080	17,717	17,452
Long Term Loans	21,393	20,228	19,024	16,704	10,962
<i>of which Flooring Debt</i>	-	-	2,870	6,378	7,112
<b>Gross Debt</b>	<b>33,114</b>	<b>32,807</b>	<b>33,104</b>	<b>34,421</b>	<b>28,414</b>
Cash & Cash Equiv.	2,725	2,538	2,821	4,803	5,087
<b>Net Debt</b>	<b>30,389</b>	<b>30,269</b>	<b>30,283</b>	<b>29,618</b>	<b>23,327</b>
<b>Net Debt excluding Flooring debt</b>	<b>30,389</b>	<b>30,269</b>	<b>27,412</b>	<b>23,240</b>	<b>16,215</b>
Capital Employed*	61,259	62,962	65,456	68,825	71,303
Net Fixed Assets (incl CWIP)^	35,713	33,641	36,154	38,105	38,042
Net Current Assets	20,114	23,734	22,210	21,828	24,534
<b>Total Assets</b>	<b>73,283</b>	<b>72,249</b>	<b>77,423</b>	<b>83,103</b>	<b>86,778</b>

**Net Debt of Core business reduced by 46% in last 3 Years**

**Note:**

\*Capital Employed = Net worth + Gross Debt + Other long term liabilities | ^Net current assets does not include Cash & cash equivalents



# Ratios Summary

		FY17	FY18	FY19	FY20	FY21
<b>Solvency ratios</b>	Net Debt/Equity	1.27	1.16	1.09	1.00	0.64
	Net Debt/EBITDA	1.83	2.51	2.64	2.26	1.64
	EBIT/Interest	7.32	4.98	4.46	4.66	4.89
<b>Operational ratios</b>	Current ratio	1.41	1.42	1.25	1.19	1.33
	Fixed asset turnover	1.86	1.80	1.81	1.77	1.93
	Total asset turnover	0.91	0.84	0.84	0.81	0.85
	Inventory days	70	79	75	83	88
	Debtor days	53	56	60	59	59
	Payable days	41	39	39	49	54
	Cash conversion cycle	82	96	95	93	93
<b>Return ratios</b>	ROE	29.6%	15.4%	15.2%	16.1%	16.3%
	ROCE (Pre-tax)	19.3%	11.3%	10.9%	12.3%	13.8%

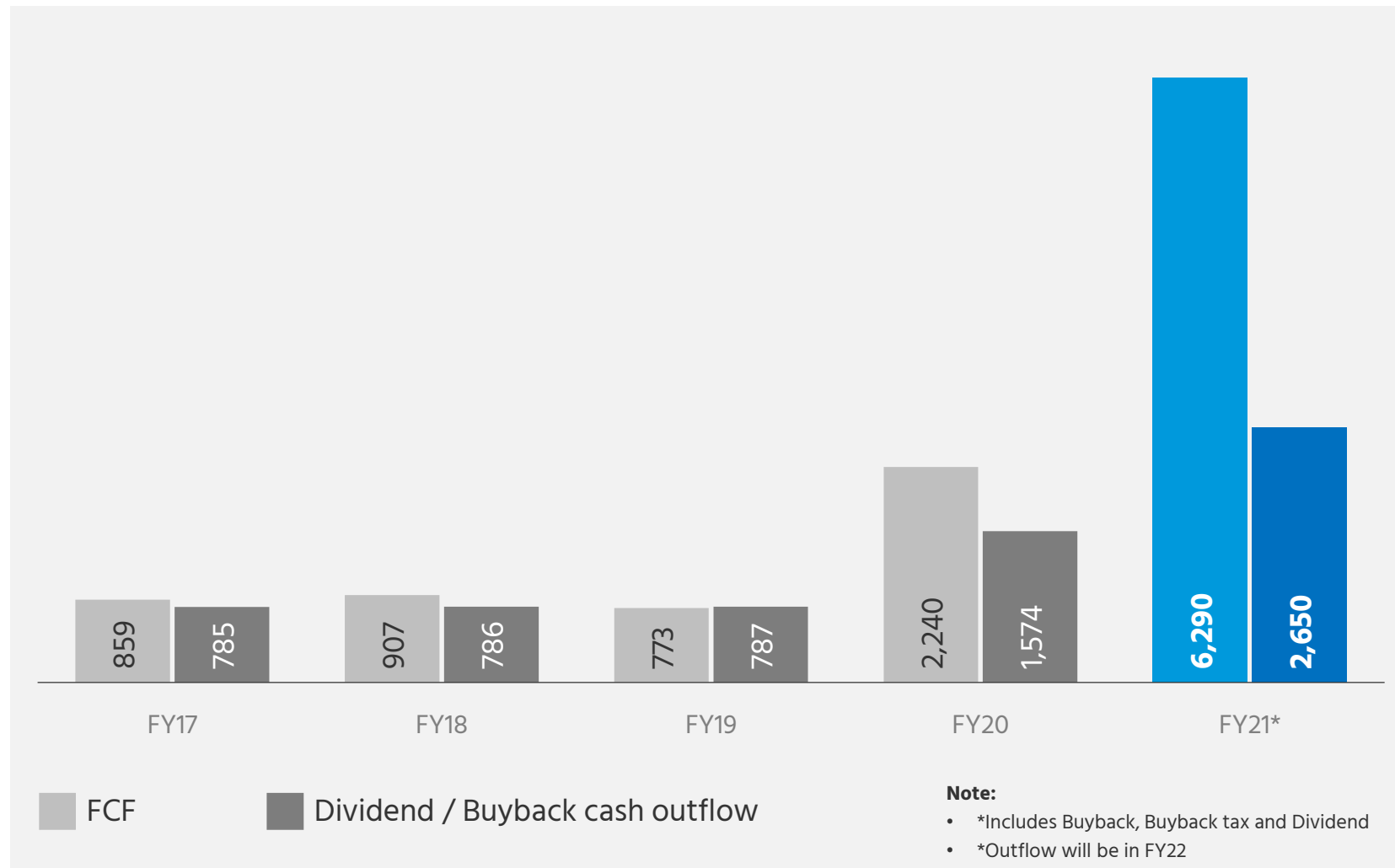
**Continuous improvement in ROCE in last 3 Years**

**Note:**

- ROCE (pre-tax) excluding Welspun Flooring is 13.9% for FY20 & 16.0% for FY21
- ROCE = EBIT / Average Capital Employed & ROE = Net Profit / Average Net worth
- Total asset turnover = Sales/ (Fixed assets + Gross current assets)
- FY17, FY19 & FY20 Return Ratios figures adjusted for Exceptional item

# Focus on Shareholder Value Creation

(₹ Million)



Significant improvement in FCF and continuous payout thru dividend / buyback

# Prudent Capital Allocation Strategy

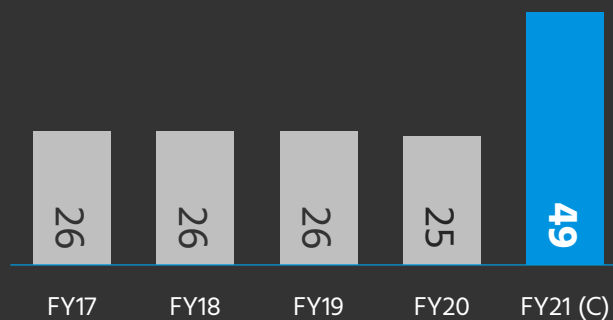


## Core Philosophy in Capital Allocation Decisions

- ◆ Investment toward profitability-margin assertive product categories
- ◆ Consistent track record of distribution through Dividend / Buyback

## Dividend / Buyback

(Payout ratio %)



- ◆ Calibrated as per the cash flows available



- ◆ Strengthening Brands
- ◆ New Trade Channels
- ◆ New Geographies



- ◆ Distribution through Dividend / Buyback



- ◆ Focused on Net Debt reduction
- ◆ Net Debt reduced by ₹6,956 mn from 31<sup>st</sup> March 19

# Enhancing capacity; catering to growing demand

- ◆ Rise of homebody economy & focus on hygiene driving increased consumption of Home textile products
- ◆ Enhancing our capacity through de-bottlenecking & rebalancing facilities to cater to this demand
- ◆ Capital light expansion in the areas of processing, cut & sew etc.



## Towels

80,000<sub>MT</sub>

Current Annual Capacity

85,400<sub>MT</sub>

\*Revised Annual Capacity



7%

Starting Q1 FY22 E



## Bed Linen

90 Mn. Meters

Current Annual Capacity

108 Mn. Meters

\*Revised Annual Capacity



20%

Starting Q2 FY22 E



## Rugs & Carpets

10 Mn. Sq. Meters

Current Annual Capacity

18 Mn. Sq. Meters

\*Revised Annual Capacity



80%

Starting Q2 & Q3 FY22 E

## HOME TEXTILE:

- ◆ Capacity expansion at Vapi and Anjar
- ◆ Benefits will start accruing from early Q2 FY22 and revenue potential from second year ~ ₹ 12,000 mn

## ADVANCED TEXTILE:

- ◆ Spunlace expansion to commence operations in H2 FY21
- ◆ Potential business topline: over ₹ 6,000 mn by FY23

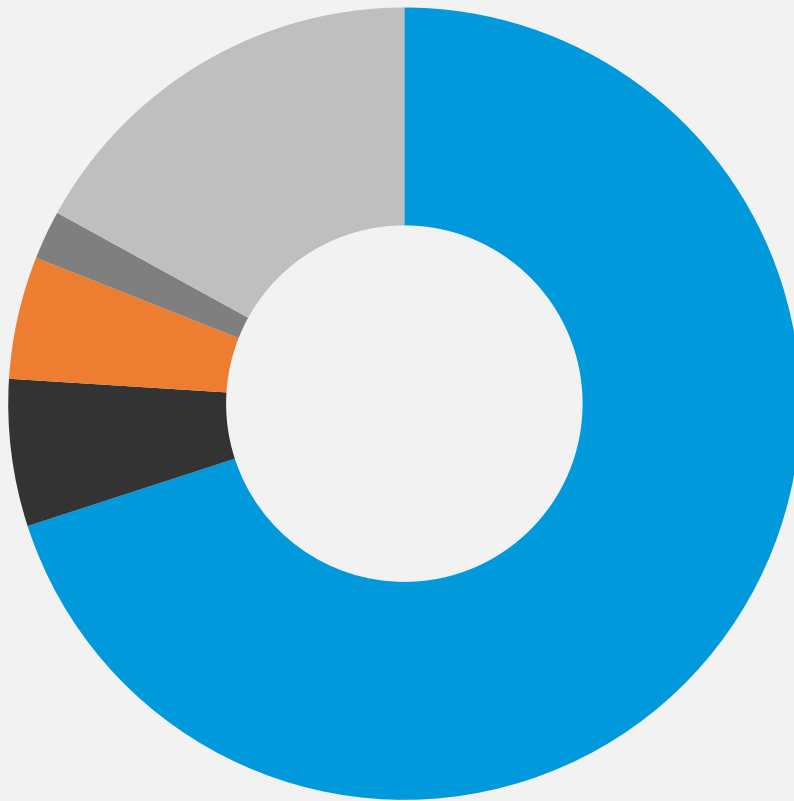
## FLOORING:

- Hard flooring capacity doubled in January 2021
- Further doubling of capacity of Hard Flooring by Q2FY22



# Share Holding Summary

## Shareholding Pattern (March 2021)



Promoter Group	70%
FIIS	6%
Mutual Funds/AIF	5%
Banks and Insurance Co's	2%
Public	17%

## Top Institutional Shareholders

DSP Mutual Fund

L&T Mutual Fund

Aditya Birla Mutual Fund

LIC of India

Vanguard

Dimensional

State Street



# Investment Rationale – What makes it an interesting play?

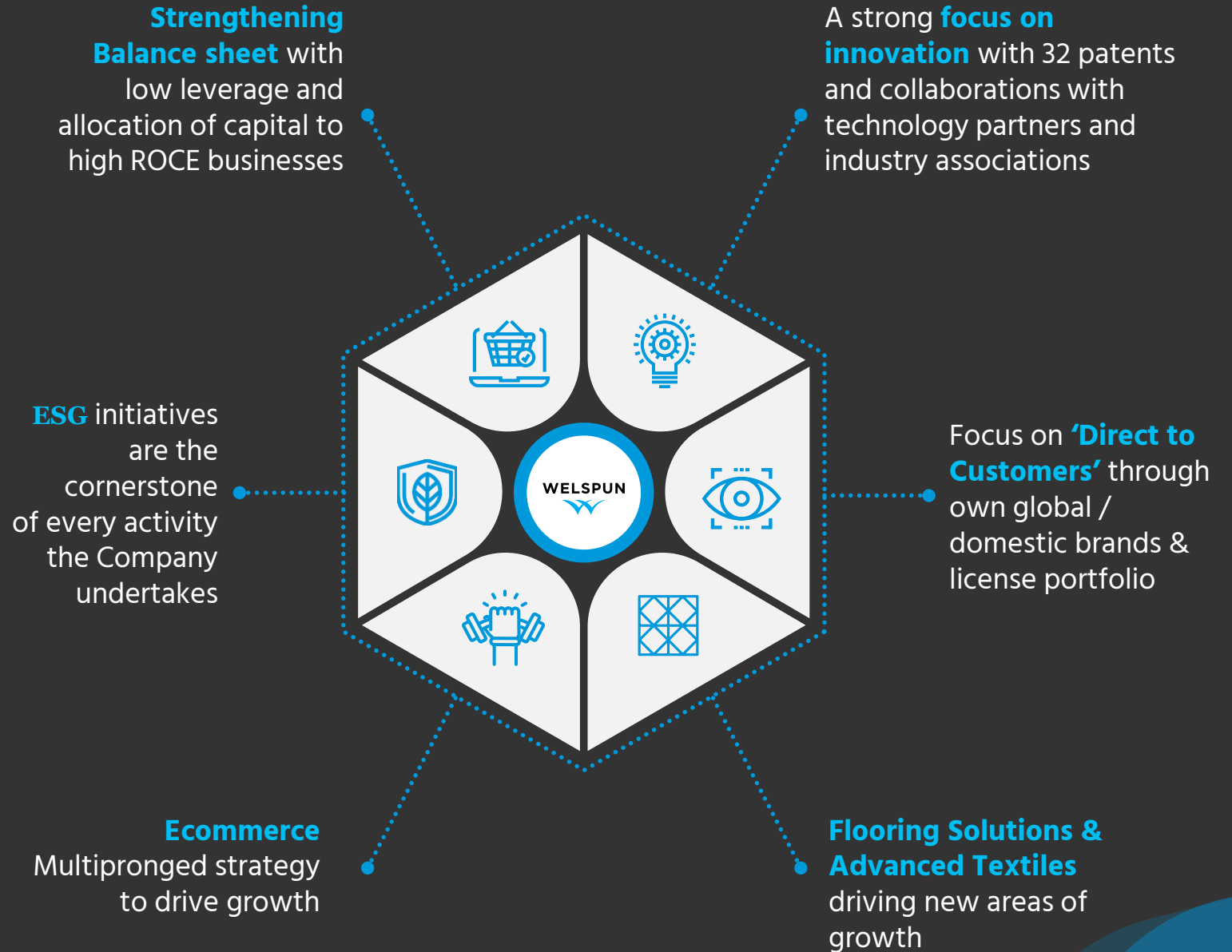
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# Investment Rationale



- Global leader in home textiles
- Strong distribution reach in over 50 countries
- Vertically integrated manufacturing facilities
- Industry leading EBITDA margins
- Global partnership with retailers



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# Let's connect

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