

Welspun Corp Ltd

Investor Presentation - February 2020



SAFE HARBOUR

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AGENDA

- 1. Q3 & 9M FY20 – KEY HIGHLIGHTS**
- 2. WCL - CORE COMPETENCE**
- 3. ANNEXURES:**
 - 1. About - Industry & WCL**
 - 2. Financials**

Q3 & 9M - FY20 KEY HIGHLIGHTS

Q3 FY20 - AT A GLANCE



473 KMT

Highest ever 3M Production;
Up **38%** YoY



428 KMT

Highest ever 3M Sales;
Up **26%** YoY



₹ 3,712 mn

Q3 Op EBITDA;
Up **79%** YoY



**₹ 11,900/
US \$170**

Q3 Op EBITDA / Ton;
Up **51%** YoY



₹ 2,342 mn

Q3 Profit After Tax;
Up **310%** YoY



₹ 9.0

Q3 EPS;
Up **317%** YoY

♀ Plate and Coil Mill: Divestment on Track

♀ Closure date extended to 31st March 2020

♀ Financial commitment (50% of advance) received as per agreement

9M FY20 - AT A GLANCE



1.21 mn MT

Highest ever 9M Production;
Up **28%** YoY



1.08 mn MT

Highest ever 9M Sales;
Up **19%** YoY



₹ 9,466 mn

9M Op EBITDA;
Up **50%** YoY



**₹ 13,250 /
US \$188**

9M Op EBITDA / Ton;
Up **57%** YoY



₹ 5,332 mn

9M Profit After Tax;
Up **176%** YoY



₹ 20.4

9M EPS;
Up **181%** YoY



30.9%

Return on Capital Employed*
vs 22.6% in FY19



25.2%

Return on Equity*
vs 11.7% in FY19



₹ 1,715 mn

Net Debt - Dec' 19;
Down Rs. 1,141 mn in 9M



₹ 10

Interim Dividend declared
(per share)



1.31 mn MT

Order Book;
Valued at US \$1.51 bn



25.2 mn MT

Active + Potential Bids;
Future Outlook

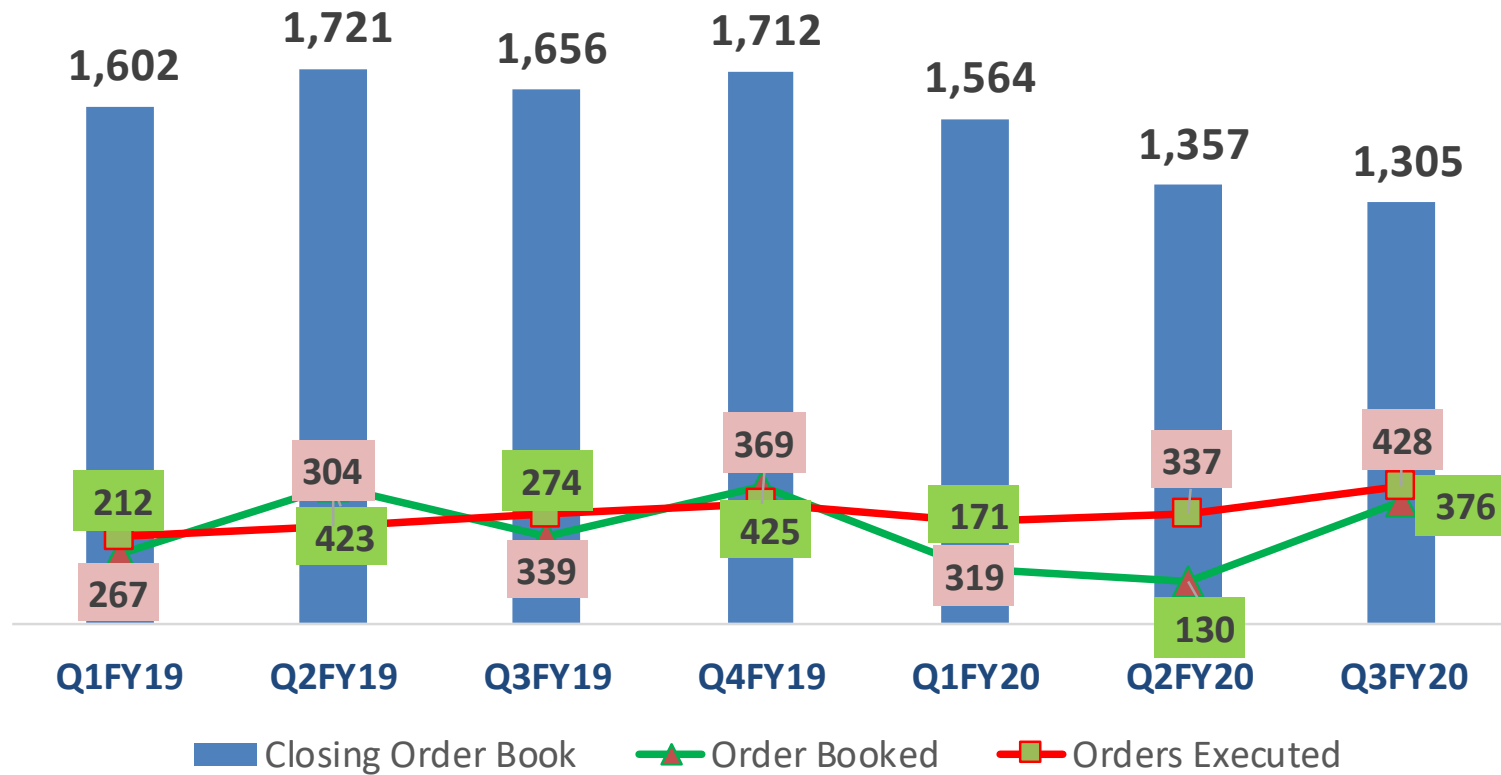
Note: Pipe Sales & Production volumes, Order Book and Future Bids include Saudi Arabia operations; All other figures pertain to IND-AS continuing operations

*Adjusted for MTM loss on bonds

ORDERBOOK – QUARTERLY TREND

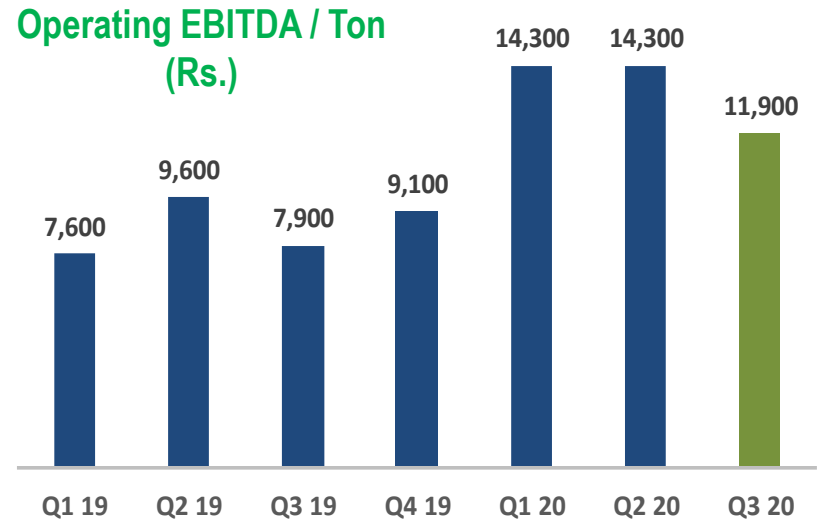
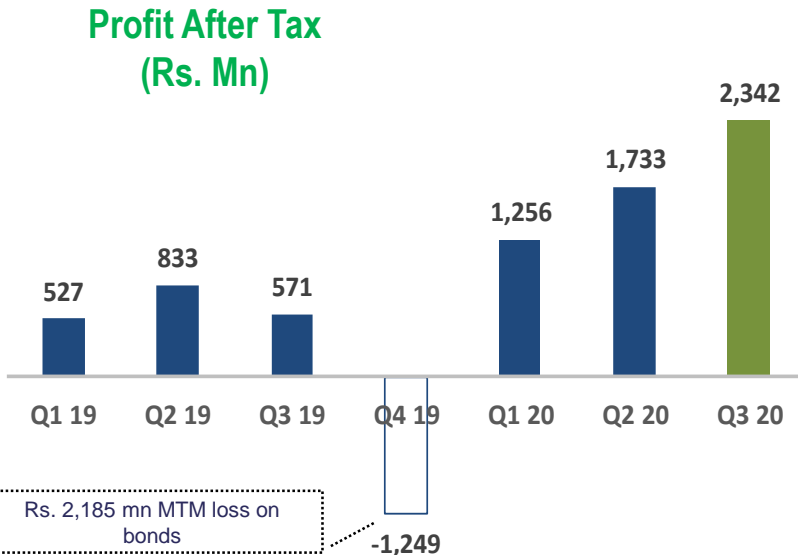
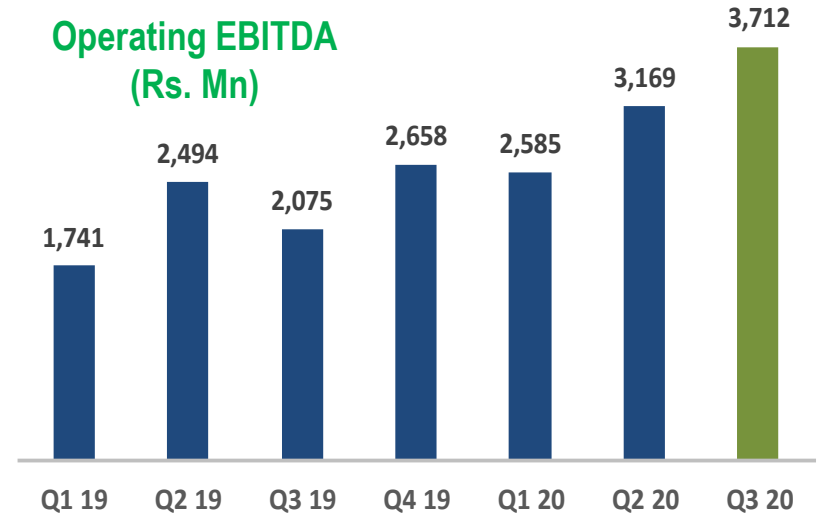
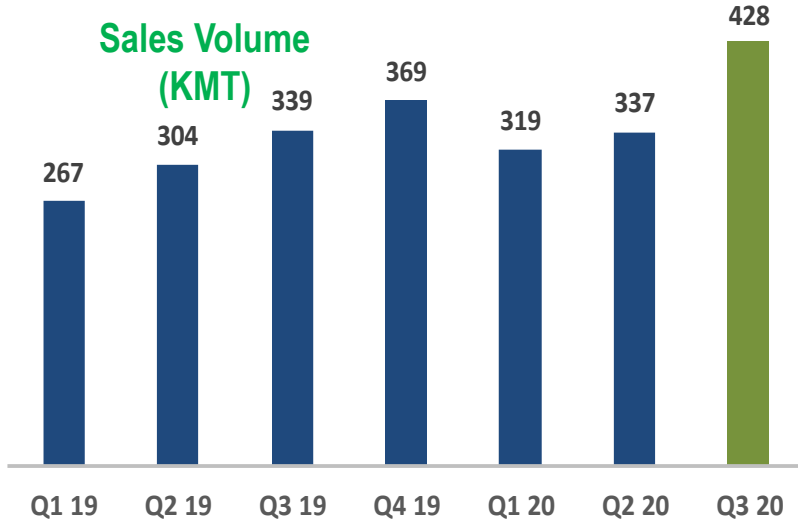
(Figures in KMT)

Order Book Valued at USD 1.51 Billion



Consistent level of >1 million tonnes for the last 7 Quarters

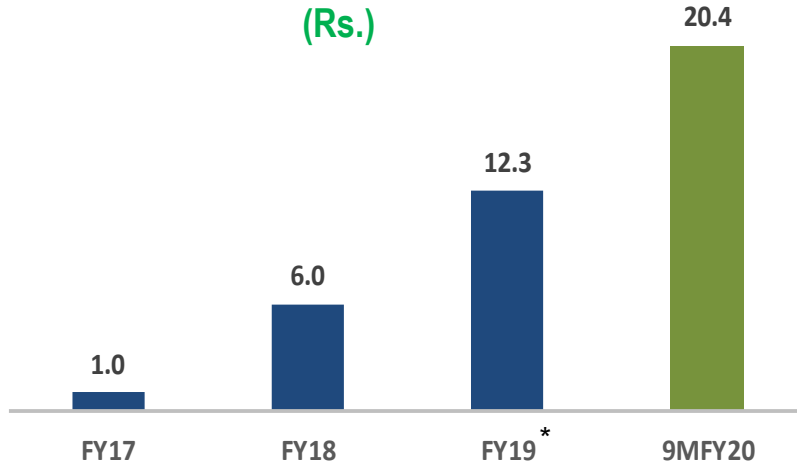
GROWING IN STRENGTH - QUARTERLY



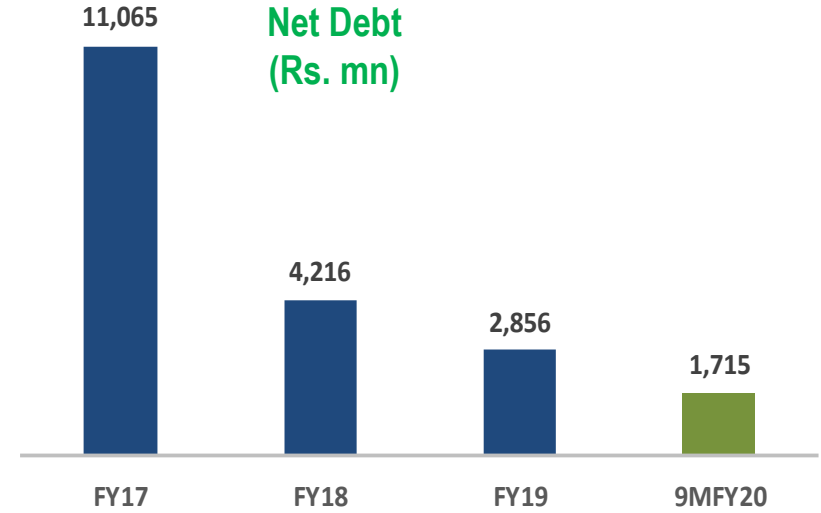
Note: Pipe Sales volumes includes Saudi Arabia operations; All other figures pertain to IND-AS continuing operations

GROWING IN STRENGTH - YEARLY

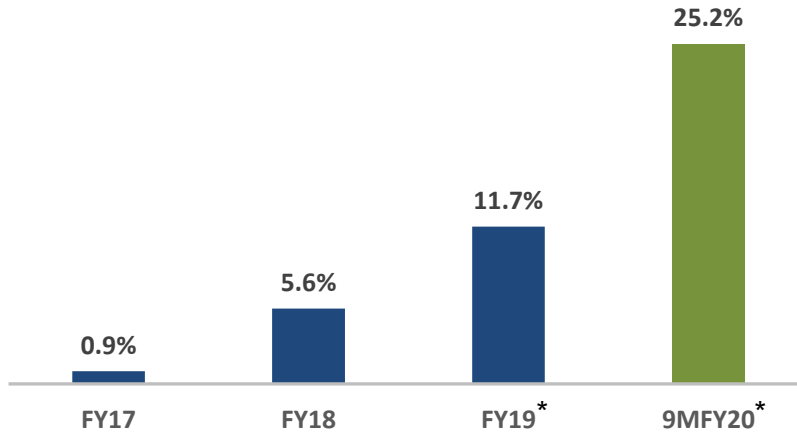
Earnings Per Share (Rs.)



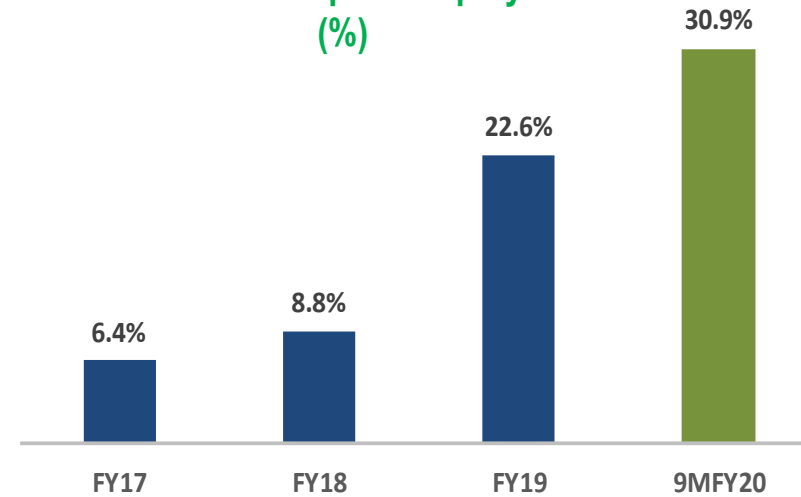
Net Debt (Rs. mn)



Return on Equity (%)



Return on Capital Employed (%)

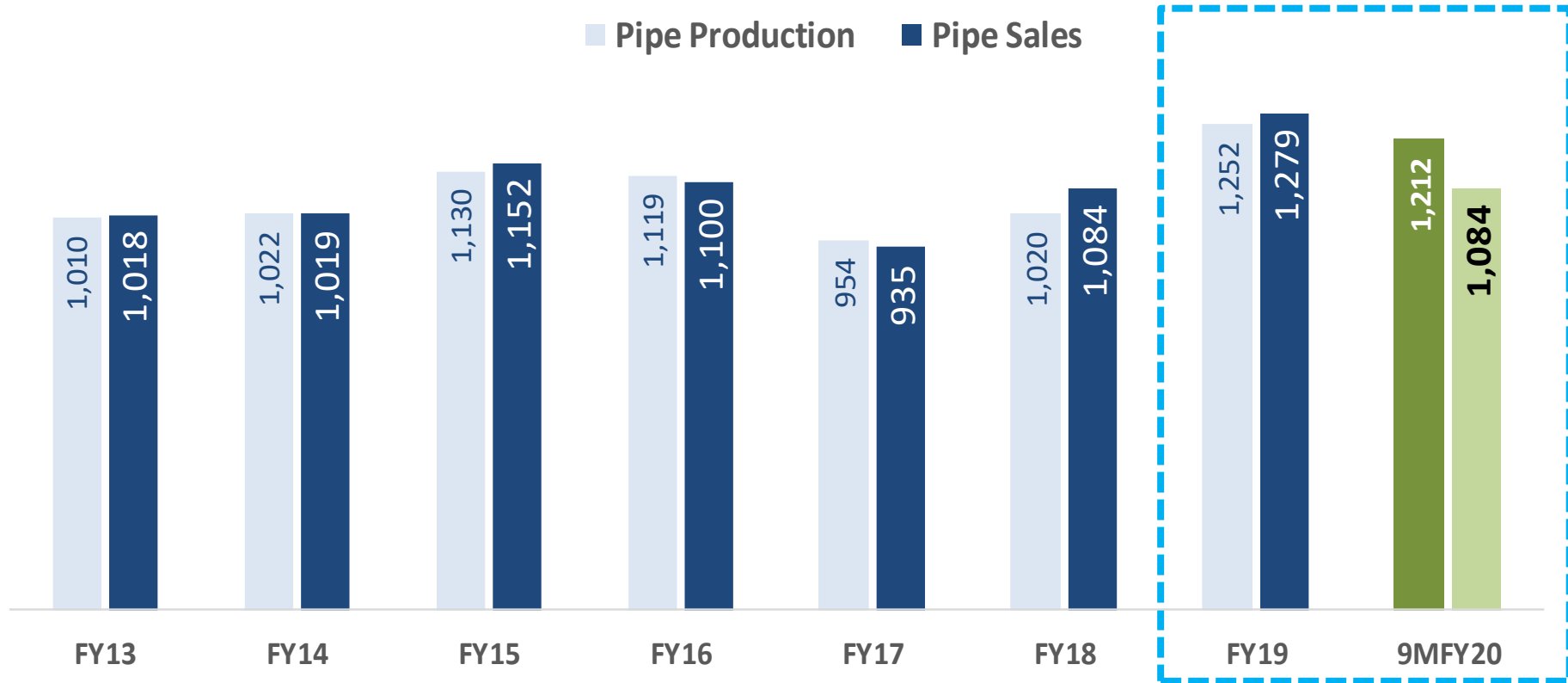


Note: Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures; FY19 onwards figures pertain to continuing operations (Pipes) only

*FY19 EPS & ROE and 9M FY20 ROE figures are adjusted for Rs 2,578 mn MTM loss on bonds and Rs 377 mn respectively

VOLUME – YEARLY TREND

Production and Sales in KMT – Pipes (including Saudi JV)



Breaking out from the earlier consistent level of 1 million tonnes per annum

RESULTS – Q3 & 9M FY20

Particulars (Rs Mn)	Q3 FY20	Q2 FY20	QoQ	Q3 FY19	YoY	9M FY20	9M FY19	YoY
Pipe Sales Volume (KMT)	428	337	26.9%	339	26.1%	1,084	911	18.9%
Revenue	28,878	22,630	27.6%	24,030	20.2%	71,979	61,974	16.1%
Operating EBITDA	3,712	3,169	17.1%	2,075	78.9%	9,466	6,310	50.0%
EBITDA	3,855	3,306	16.6%	2,304	67.3%	9,576	6,664	43.7%
Depreciation	591	610	-3.1%	654	-9.6%	1,746	1,984	-12.0%
Finance cost	344	341	0.9%	418	-17.8%	1,079	1,238	-12.9%
Profit before tax and share of JV	2,920	2,355	24.0%	1,232	137.0%	6,752	3,443	96.1%
Tax	(957)	(1,147)		(447)		(2,488)	(760)	
Non Controlling Interest	(37)	(55)		22		(97)	81	
Share of profit/(loss) from associates & JVs	416	580		(236)		1,165	(831)	
Net Profit	2,342	1,734	35.1%	571	309.9%	5,332	1,932	176.0%
EPS	9.0	6.5	37.3%	2.2	316.7%	20.4	7.3	180.6%

Note:

- Prior period figures have been restated, wherever necessary
- Figures are pertaining to continuing operations only (Pipes)

DRIVING TOWARDS VALUE CREATION

No Pledge of shares by Promoters



All three geographies simultaneously performing; Strong future growth visibility

Dividend – Track record of paying for last 15 years



Visible improvement in Operational and Financial Performance

Strong Free Cash Flow generation



Leaner B/S & Value Unlocking through sale of Plate & Coil Mill

EPS, ROCE, ROE → A quantum improvement



Saudi business – Operational & Financial Turnaround

WCL CORE COMPETENCE

FLAGSHIP COMPANY OF WELSPUN GROUP



Global Leader in Home Textiles

Ranked #1 Home Textile Supplier to USA 5 Times in Last 6 Years



Global Leader in Large Diameter Pipes

Manufacturing facilities in India, Saudi Arabia & USA



Specialised HAM Infra player

Completed India's 1st 14 lane Expressway in record time of 19 months vs scheduled 30 months



Group Revenue
US\$ 2.7 Billion

Fixed Asset Base
US\$ 1 Billion

Employees
25,000+

BUSINESS MOAT

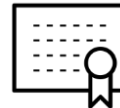
Global Leadership

Among Top 3 Line Pipe Manufacturers globally



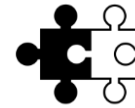
Accreditations

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



END TO END PRODUCTS & SOLUTIONS

HSAW Pipes

(Helically welded)

18 – 140 inch diameter,
6mm to 25 mm

→ Used for Onshore oil, gas & water transmission

LSAW Pipes

(Longitudinally welded)

16 – 60 inch diameter,
6 mm to 43 mm

→ Used for Onshore / Offshore oil & gas transmission

ERW/HFIW Pipes

(Electric Resistance Welded / High-frequency Induction Welded)

1.5 – 20 inch diameter,
4 mm to 14 mm

→ Used for Onshore O&G transmission and Downstream O&G distribution

Coating Systems

3LPE, FBE, 3LPP, Concrete Weight Coating, Internal Epoxy, Coal Tar Enamel, Inside Cement Mortar Lining

Value Added services

Double Jointing, Pipe bending, ID Machining, Dump Site & Inventory management

GLOBAL BUT LOCAL MANUFACTURING PRESENCE

INDIA



UNITED STATES



SAUDI ARABIA



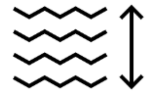
Capacity (in KMT)	India				US	Saudi Arabia	Total
	Anjar	Dahej	Mandya	Bhopal	Little Rock	Dammam	
Products / City	Anjar	Dahej	Mandya	Bhopal	Little Rock	Dammam	
LSAW	350	350	-	-	-	-	700
HSAW	380	50	150	175	350	375	1,480
ERW/ HFIW	200	-	-	-	175	-	375
Total (KMT)	1,655				525	375	2,555

Modern manufacturing facilities at Key Demand Areas

- Port based facilities
- All major accreditations
- Best in class equipment & practices

EXPERTISE IN EXECUTING CRITICAL PROJECTS

AMONG THE



Deepest

Independence Trail

233 Kms, 24" deep sea gas transmission pipeline in Gulf of Mexico
Complexity: High collapse resistance

Water Depth
 2,420m (7,940 ft)



Heaviest

IGAT- IV

100 Kms, 56" of high pressure gas transmission pipeline in Persian Gulf
Complexity: Large diameter high wall thickness, X70 grade of steel

Wall Thickness
 35.56 mm



Highest

Peru LNG

118 Kms, 34" gas transmission pipeline
Complexity: Pipeline in service at very high altitude

Altitude
 > 9,000 feet



Longest

Keystone Pipeline

One of the largest Supplier for Canada to USA, 36" Crude Oil Pipeline
Complexity: Long distance hydrocarbon pipeline

Length
 ~1,450 kms

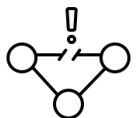


Sour Service

Arabiyah-Hasbah (Wasit Gas Program)

100 kms, 36" of gas pipeline in Saudi Arabia
Complexity: Highly sour gas

Wall Thickness
 42.9 mm



Stringent tolerance level

Stampede Oil Export SCR* Pipeline

~32 kms, 18" oil, 25.40 mm wall thickness pipeline in Gulf of Mexico
Complexity: Only WCL could match specifications

OOR* at pipe ends:
 2 mm maximum

Now, manufacturing one of the highest operating pressure pipeline - X80 (niche grade)

ESTABLISHED RELATIONSHIP WITH GLOBAL GIANTS

Oil & gas



Transportation



Others



Approvals & accreditations from marquee customers across the globe
 Acts as an Entry Barrier

CORPORATE CONDUCT & GOVERNANCE



- ♀ **Independent Board Structure with Majority Outside Directors**
- ♀ **No cross holdings with other group companies**
- ♀ **Zero Pledge of shares by Promoters**



- ♀ **Big Four as Statutory and Internal Auditors**
 - ♀ **Statutory Auditors:** Price Waterhouse Chartered Accountants LLP
 - ♀ **Internal Auditors:** Ernst & Young LLP



- ♀ **Strong Credit Rating (CRISIL):**
 - ♀ Long Term: AA(-) with Positive Outlook
 - ♀ Short Term: A1+



- ♀ **Focus on Distribution**
 - ♀ Clearly defined Dividend Policy
 - ♀ Track record of paying dividend to shareholders for last 15 years
 - ♀ Buyback completed in November 2019

FOCUS ON SUSTAINABILITY & CSR

3Es @ WELSPUN GROUP

ENVIRONMENT.



Clean water, improved sanitation and development of green spaces

EMPOWERMENT.



Economic independence to women through Spun centers and Smart Villages

EDUCATION.



Improve the quality of education in over 55 schools with 500 teachers and 10,000 students

SUSTAINABILITY



2,25,000 Trees planted in facilities in India with 635 acre of green cover; 8,500 tons of CO2 sequestered per year



Minimizing Water consumption and avoid Water wastage; Reuse of Water through ETP and 30 MLD STP

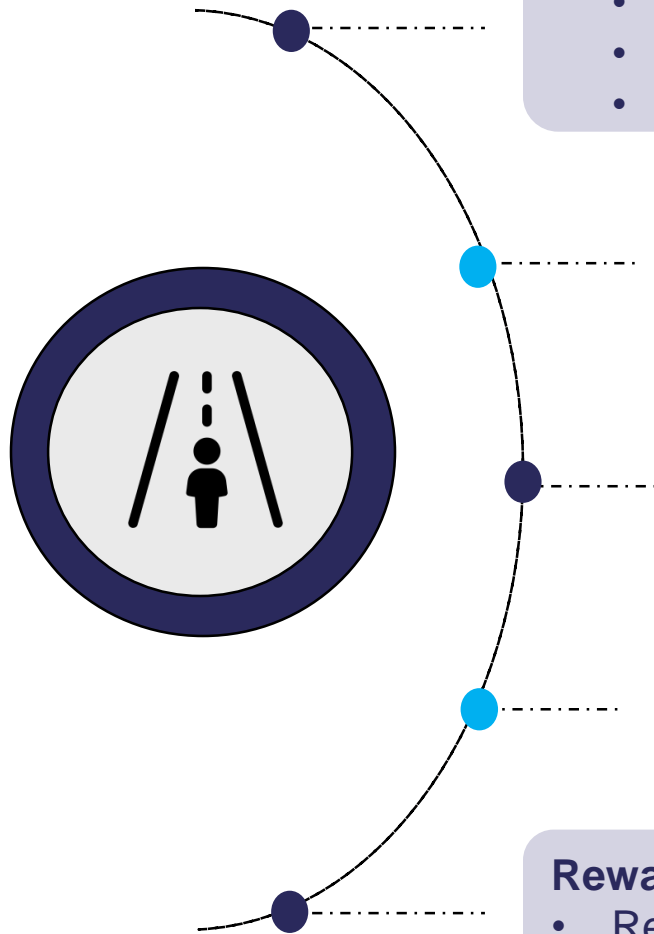


Recycling e-waste from landfills to reduce methane emissions. Disposed 1,020 kg in the year 2018-19 of E-Waste to Registered Recycler



45,536 kwh/annum /year saved by efficient usage; Natural gas is being utilized for processes by replacing coal

WAY FORWARD



Strengthening Business Moat through:

- Automation & Digitisation
- Talent development
- Quality control

Higher Profitability:

- Strong visibility through order book and Bid Book
- Profitability trend to continue in future
- Sharp focus on Cost control

Focus on Core Assets:

- Focus on Pipe business – Optimizing Asset Utilisation
- Divestment of non-core businesses - Asset Light Approach

Leaner Balance Sheet:

- Focus on FCF: Optimising Capex and working capital
- Deleveraging: Targeting Zero Net Debt by Q4FY20

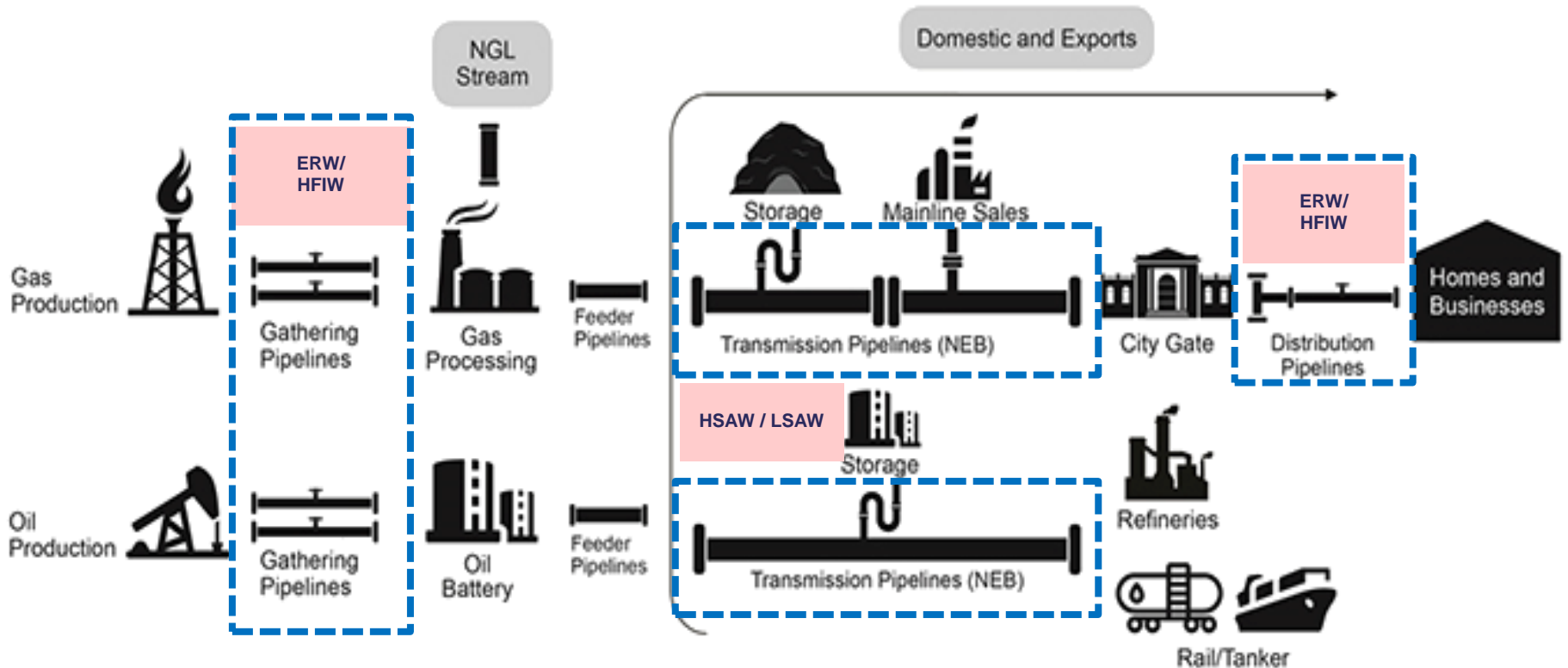
Rewarding Shareholders:

- Regular Dividend through defined policy
- Periodic Buyback

ANNEXURES

LINE PIPE APPLICATIONS

Line pipes are used for transporting oil, gas or water over long distances (interstate or from offshore/ under-sea) or as gathering lines (from well to processing centre)



WCL US – OUTLOOK

Attractive Industry Fundamentals Driving Strong Demand

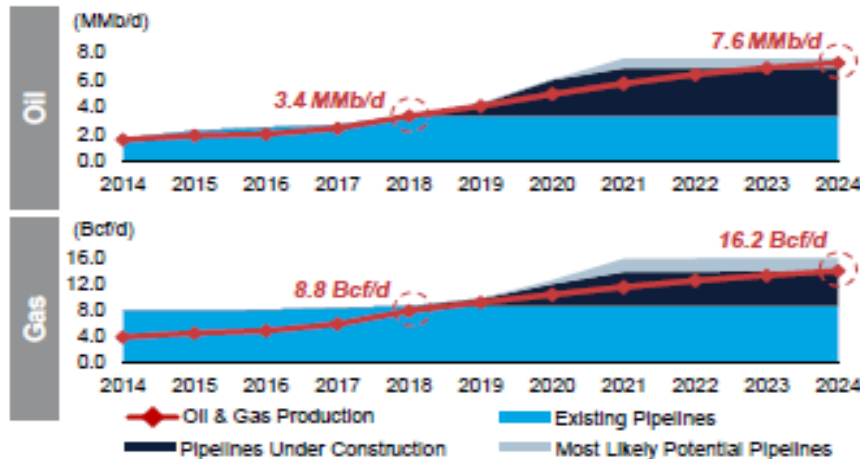
Pipeline Capacity Constraints

- USA Oil production: ~14 mn b/d by 2021 (est.) from ~11 mn b/d in 2018 led by Permian basin
- USA Gas production: >94 Bcf/d in 2021 (est.) from 84 Bcf/d in 2018
- Production boom creating pipeline shortage

Favorable structural changes in U.S. trade policy

“Melt in USA”; Anti-dumping duty, CVD & Section 232 tariffs

Permian Basin production forecast: Need for pipelines



WCL: DOMINANT PLAYER IN US

- 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

Proximity to Shale Basins



WCL SAUDI ARABIA – OUTLOOK

Attractive Industry Dynamics

Oil & Gas: Strong traction from Saudi Aramco

- Saudi Aramco working on expansion of four major fields: Marjan, Zuluf, Berri and Safaniyah
- Increasing gas production for domestic usage under Master Gas System
- Recent discoveries (one gas field, seven reservoirs) to boost future growth

Water: Saline Water Conversion Corporation (SWCC) driving demand

- Desalination projects at the coastline to produce fresh water
- Key cities: Distance of 200–500 km from coast
- API pipe demand for Water Transportation over such long distances at high pressure

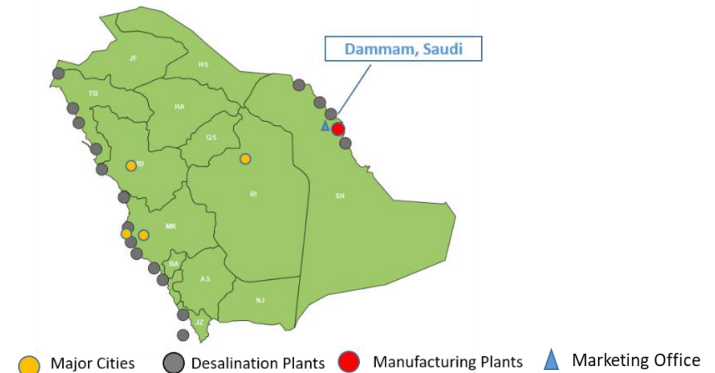
Favorable Protectionism Policies

- Royal decree to encourage local manufacturing companies
- In-Kingdom Total Value Add(IKTVA) Program favors domestic pipe industry

WCL : 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 SWCC
- Experience of executing multiple complex projects in O&G and water
- Current order book provides good visibility for next 3-4 quarters
- Healthy relationship with key steel suppliers

Location Advantage



WCL INDIA – OUTLOOK

Oil & Gas: Domestic and Exports

- **Domestic:**
 - Large-dia demand driven by National Gas grid expansion (from 16,200 kms to 27,000 kms) by GAIL & Oil Pipeline network by IOCL
 - Small-dia demand driven by CGD Projects
- **Exports:**
 - Offshore drilling activity picking up
 - Middle East, North & East Africa as well as Australasia look extremely promising

Domestic Water Opportunity

- **Irrigation** projects across various states continue to drive the demand
- Focus & Allocation under ‘**Nal se Jal**’ Scheme:
 - Targetting 100% piped water to all households by 2024 (from current 18%)
- River linking to add to pipe demand

Entry Barriers

- MoPNG requirement: Domestic value addition should be at least 35% of the cost

WCL: 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

Strategically Located Plants

...to cover West, South and Central India



EXPERIENCED BOARD AND MANAGEMENT

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 – Independent Director

- Ex-IAS with 38+ years of experience in various government & international organizations.
- Area of specialization includes - Finance, Governance, Policy, etc

Desh Raj Dogra - 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 - Independent Director

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

Raj Kumar Jain – 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 - 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
- Advisor on Public Policy Research in social sectors such as Water, etc

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

Rusty Fisher, SVP –Sales and Marketing (USA)

- 33+ years of experience in the industry
- Has previously worked with Tubular Synergy Group, US Steel, Lone Star
- Served as Chairman, Line Pipe Manufacturers Group (National Association of Pipe Coating Applicators)

Hisham Abdullatif Mohammed Allhmil, 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

AWARDS & ACCOLADES – TESTIMONY TO EXCELLENCE

**Bechtel Supplier
Excellence Award**
(2018-19)



**Supply chain
Excellence**

**OHS category in
engineering sector : Anjar**
(2018)



**Best energy
practices**

**Golden Peacock National
Quality Award : Anjar**
(2017)



**Golden Peacock
Award**

**By The Martin Luther King
Jr Commission of AR**
(2017)



**Salute to
Greatness Award
2017**

**Vipul Mathur
Hall of Fame Steel CEO of
the year**
(2018)



CEO of the Year

**CII National 5S Excellence
award**
(2018)



Confederation of Indian Industry

**“Gold Award”
Anjar pipes**

**International Safety Award
Anjar**
(2016)



**International
Safety Award
With merit**

**Quality Systems Excellence
Award for Manufacturing
(Large Size Category)**
(2016)



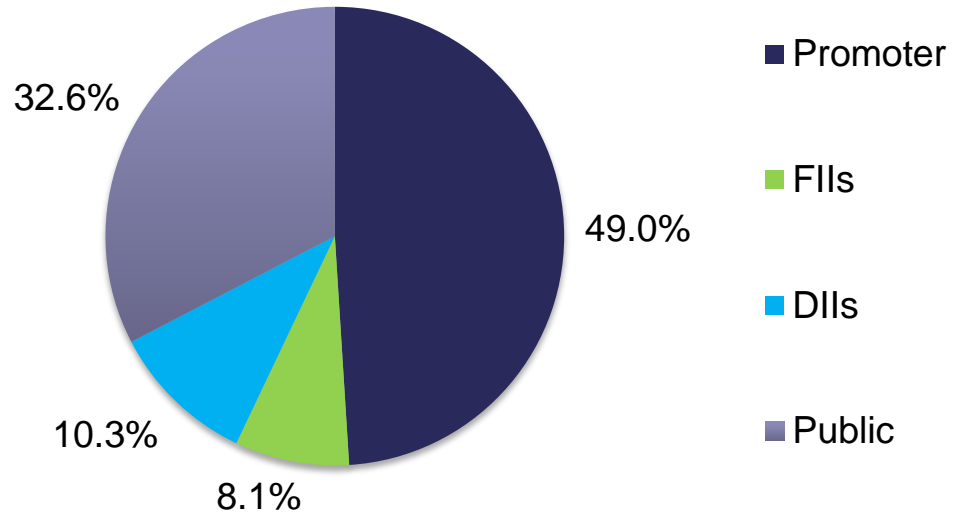
**Excellence
Award First Prize**

and many more....

CAPITAL MARKET UPDATE

Shareholding Pattern

Quarter ending December 2019



Market Statistics

As on February 3, 2020	INR	USD
Price Per Share	173.3	2.4
No of Shares outstanding (mn)	260.9	260.9
Market Capitalization (mn)	45,200	631
Daily Avg Trading Volumes - Q3FY20 (mn)	1.2	
Daily Avg Trading Value – Q3FY20 (mn)	172.8	2.4

INCOME STATEMENT – ANNUAL TREND

Rs mn	FY17	FY18	FY19	9M FY20
Pipe Sales Volume (KMT)	935	1,084	1,279	1,084
Revenue	60,355	75,873	89,535	71,979
Operating EBITDA	5,935	7,054	8,968	9,466
<i>MTM Loss on Bonds</i>			(2,578)	-
EBITDA	7,370	8,147	7,077	9,576
Depreciation	3,861	3,793	2,597	1,746
Finance cost	2,357	1,853	1,774	1,079
Profit before tax and share of JV	1,152	2,501	2,706	6,752
Tax	(258)	(112)	(1,223)	(2,488)
Non Controlling Interest	163	53	84	(97)
Share of profit/(loss) from associates & JVs	(793)	(859)	(885)	1,165
Net Profit	264	1,583	682	5,332
EPS	1.0	6.0	2.6	20.4

Note:

- Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures except sales volume
- Pipe sales volumes are based on total operations including Saudi
- From FY19 figures are pertaining to continuing operations (Pipes) only

INCOME STATEMENT – QUARTERLY TREND

Rs mn	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20
Pipe Sales Volume (KMT)	267	304	339	369	319	337	428
Revenue	16,419	21,525	24,030	27,561	20,471	22,630	28,878
Operating EBITDA	1,741	2,494	2,075	2,658	2,585	3,169	3,712
<i>MTM Loss on Bonds</i>		(282)	(110)	(2,185)	(360)	(17)	-
EBITDA	1,942	2,417	2,304	414	2,416	3,306	3,855
Depreciation	558	771	654	614	545	610	591
Finance cost	366	454	418	536	395	341	344
Profit before tax and share of JV	908	1,302	1,232	(736)	1,476	2,355	2,920
Tax	(138)	(176)	(447)	(462)	(384)	(1,147)	(957)
Non Controlling Interest	30	29	22	3	(5)	(55)	(37)
Share of profit/(loss) from associates & JVs	(273)	(322)	(236)	(54)	169	580	416
Net Profit / (Loss)	527	833	571	(1,249)	1,256	1,733	2,342
EPS	2.0	3.1	2.2	(4.7)	4.7	6.5	9.0

Note:

- Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures except sales volume
- Pipe sales volumes are based on total operations including Saudi

BALANCE SHEET – ANNUAL TREND

Rs mn	31-Mar-17	31-Mar-18	31-Mar-19	31-Dec-19
Net Worth	28,094	28,540	27,976	32,523
Short Term Loans	2,203	126	1,750	1,773
Long Term Loans	16,227	13,738	11,297	9,101
Gross Debt	18,430	13,864	13,047	10,874
Cash & Cash Equiv.	7,365	9,649	10,191	9,159
Net Debt	11,065	4,216	2,856	1,715
Net Fixed Assets (incl CWIP)	33,877	30,619	16,144	16,245
Net Current Assets	12,746	13,596	10,460	15,142
Net Assets Held for Sale	-	-	11,642	8,908
Total Assets	82,469	76,933	82,000	83,108

Note:

- Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures
- Net Assets Held for Sale = Assets or disposal groups classified as held for sale less Liabilities directly associated with disposal groups classified as held for sale
- Net Current Assets as on 31-Mar-19 & 31-Dec-2019 excludes Net Asset Held for Sale
- FY19 onwards, figures are pertaining to continuing operations (Pipes) only

KEY FINANCIAL RATIOS – ANNUAL TREND

		FY17	FY18	FY19	9M FY20
Solvency ratios	Net debt/Equity	0.39	0.15	0.10	0.05
	Net debt/EBITDA	1.50	0.52	0.40	0.17
	EBIT/Interest	1.49	2.35	2.53	7.26
Operational ratios	Current Ratio	1.42	1.49	1.56	1.63
	Fixed Asset Coverage	1.84	2.23	1.43	1.79
	Total Asset turnover	0.73	0.99	1.09	1.15
	Inventory days	107	73	91	103
	Debtor days	89	63	48	42
	Payable days incl. Advances	143	107	121	107
	Cash conversion cycle	53	29	18	38
Return ratios	ROE	0.9%	5.6%	11.7%	25.2%
	ROCE (pre-tax)	6.4%	8.8%	22.6%	30.9%

Significant improvement in Return Ratios due to potential sale of PCMD

Note:

- Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures
- From FY19 figures are pertaining to continuing operations (Pipes) only
- $ROCE = EBIT \text{ (excl. MTM Loss on Bonds)} / \text{Average Capital Employed}$ | $ROE = \text{Profit After Tax (excl. MTM Loss on Bonds)} / \text{Average Net Worth}$
- MTM loss on bonds in FY19 and 9M FY20 was Rs 2,578 mn and Rs 377 mn respectively

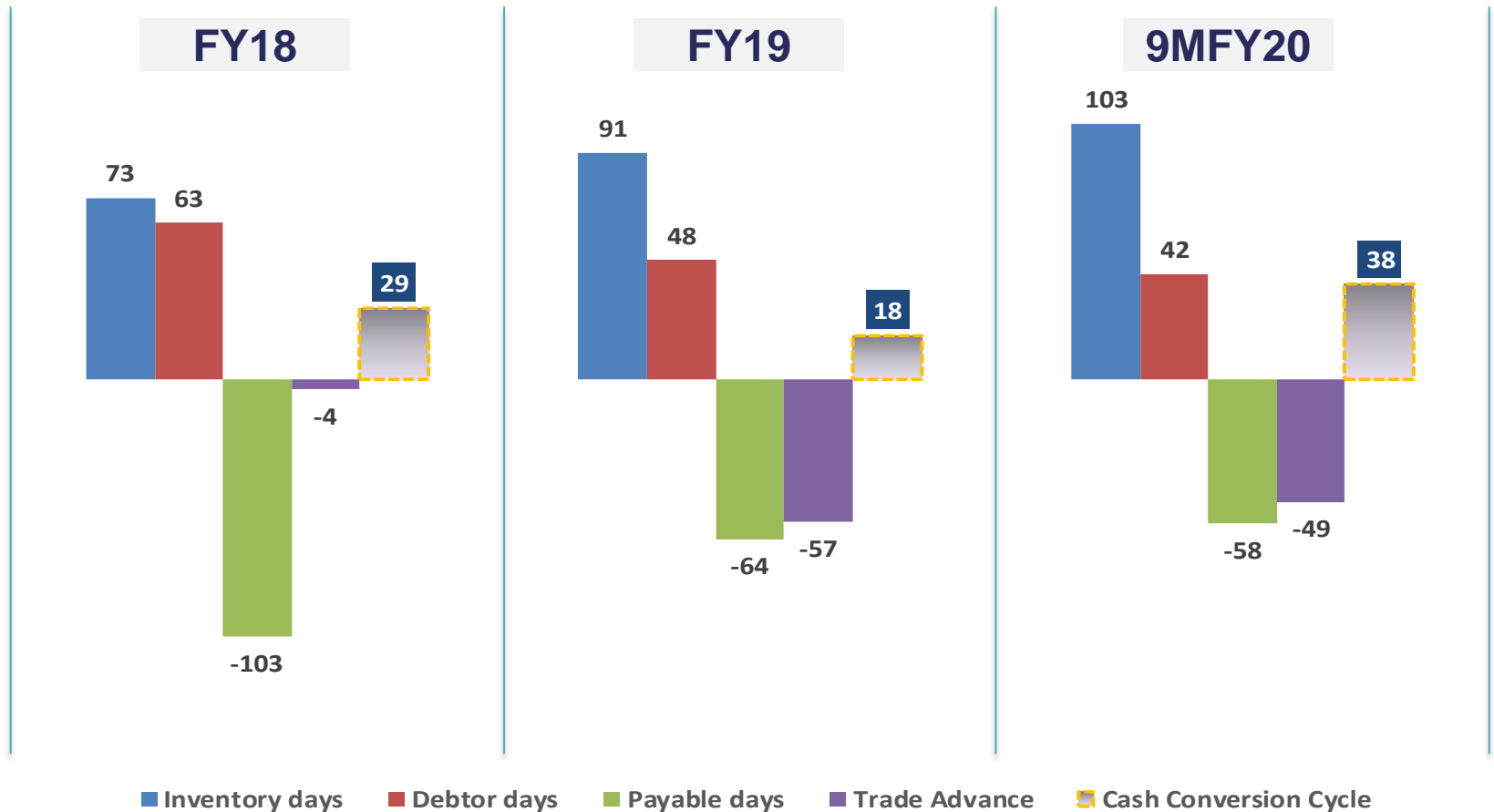
WCL – SAUDI JV FINANCIAL SNAPSHOT

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

Particulars in US\$ MN	Q3FY20	Q2FY20	Q3FY19	9M FY20	9M FY19
Saudi Arabia Ops:					
- Pipe Prodn (KMT)	125	126	80	356	158
- Pipe Sales (KMT)	114	116	78	369	160
Revenue	107	112	63	345	138
EBITDA	20	27	(1)	60	(9)
PBT	14	21	(6)	42	(22)
PAT – Welspun share	5	8	(3)	15	(10)

NET WORKING CAPITAL UNDER CONTROL

Cash conversion cycle at comfortable levels



*Includes Debtors + Inventory – Creditors – Trade Advance; Figures from FY19 are only for continuing operations on IndAS basis

**THANK
YOU**

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