

WEL /SEC/2021

October 29, 2021

To,

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| BSE Limited 1 st Floor, Rotunda Bldg, Dalal Street, Fort, Mumbai - 400 001. Scrip Code: 532553 | National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. NSE Symbol: WELENT |
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Dear Sir/Madam,

Sub.: Business Update pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further to our letter dated October 28, 2021 with respect to Un-Audited Financial Results for the quarter and half-year ended September 30, 2021, kindly find attached Business Update which is being released to the media and also being uploaded on the website of the Company.

Kindly take note of the above.

Thanking you.

For Welspun Enterprises Limited



Priya Pakhare
Company Secretary
FCS - 7805

Welspun Enterprises Limited

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

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Corporate Identity Number: L45201GJ1994PLC023920

ORDER BOOK CONTINUES TO BE STRONG

COMMENCEMENT DATE FOR ~RS. 2,100 CR. ORDER RECEIVED ALONG WITH ADVANCE WATER DIVISION PROJECT TAKES OFF

Mumbai, October 28, 2021: Welspun Enterprises Ltd. (“WEL” or “Company”), part of the Welspun Group, today announced its Q2FY22 results.

- Total current EPC Order Book at ~Rs 7,835 crore (~Rs 5,300 crore in Road and ~Rs 2,535 crore in Water segment).
- PCOD for HAM road project (completion cost of Rs 1,240 crore) received. Portfolio now has 4 projects that have received PCOD/COD; nearly 50% of the HAM portfolio now operational.
- Management bandwidth strengthened with three new additions at CXO level; CEO – Roads & Water, CFO, and COO – Roads.

MANAGEMENT COMMENTS

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, “The quarter was impacted by seasonality of monsoon; while this is a cyclical impact, what gives me immense confidence are two policy measures announced by the Government that boost the infrastructure sector. The Gati Shakti plan announced by the Prime Minister lays the foundation for holistic infrastructure development and gives an integrated pathway to our economy. The National Monetisation Pipeline unveiled by the Finance Minister provides a sustainable source of long term funding for infrastructural development by monetising operational infrastructural assets. These measures provide clear direction and focus to our execution engine.

“Water segment continues to be an important growth driver for us and I am pleased to announce that our first project in this sector has taken off. I am happy to share with you that your Company was awarded the 'Fastest Growing Company' in the Infrastructure Sector at the Annual Construction World Awards 2021.”

STANDALONE FINANCIALS

| INCOME STATEMENT SNAPSHOT (RS CRORE) | | | | | | | | |
|--------------------------------------|--------------|--------------|----------------|--------------|----------------|--------------|--------------|----------------|
| Particulars | Q2FY22 | Q2FY21 | YoY % | Q1FY22 | QoQ % | H1FY22 | H1FY21 | YoY% |
| Revenue from Operations | 280.0 | 324.2 | (13.6%) | 344.2 | (18.6%) | 624.2 | 498.3 | 25.3% |
| Other Income | 8.4 | 10.1 | (16.1%) | 9.4 | (10.4%) | 17.9 | 19.7 | (9.2%) |
| Total Income | 288.4 | 334.3 | (13.7%) | 353.6 | (18.4%) | 642.1 | 518.0 | 24.0% |
| EBITDA | 33.8 | 46.5 | (27.4%) | 41.4 | (18.4%) | 75.2 | 74.0 | 1.5% |
| EBITDA margin | 11.7% | 13.9% | (221 bps) | 11.7% | - | 11.7% | 14.3% | (259 bps) |
| PBT | 17.5 | 32.0 | (45.3%) | 25.2 | (30.7%) | 42.7 | 48.0 | (11.1%) |
| PAT | 14.2 | 24.7 | (42.4%) | 20.0 | (28.8%) | 34.2 | 37.7 | (9.3%) |
| PAT margin | 4.9% | 7.4% | (245 bps) | 5.7% | (72 bps) | 5.3% | 7.3% | (196 bps) |
| Cash PAT | 18.3 | 35.2 | (48.1%) | 23.5 | (22.3%) | 41.8 | 52.7 | (20.6%) |

Note: Cash PAT = PBDT – Current tax + Non-cash ESOP expenses | Prior figures have been restated wherever necessary

| Balance Sheet Snapshot (Rs crore) | 30 th Sept 2021 | 30 th June 2021 |
|--|----------------------------|----------------------------|
| Net worth | 1,834 | 1,840 |
| Gross Debt | 500 | 566 |
| - Long Term Debt | 485 | 476 |
| - Short Term Debt | 15 | 90 |
| Cash & Cash Equivalents[#] | 343 | 95 |
| Net Debt / (Cash) | 157 | 471 |
| Other Long Term Liabilities | 37 | 31 |
| Mobilisation advance payable [^] | 407 | 80 |
| Total Net Fixed Assets (incl. CWIP) | 58 | 53 |
| Net Current Assets (Excl. Cash & Cash Equivalents) (adj.) [@] | 214 | 304 |
| Other Long Term Investments and assets (adj.) [@] | 2,163 | 2,064 |

[#] includes FD classified under "Other non-current financial assets"

[^] Disclosed as part of Contract liabilities In the Balance Sheet

[@] Temporary funding of Rs 454 crores has been made in lieu of drawing debt at the subsidiary/JV level in order to minimise the interest cost. This temporary funding has not been included in the cash balance of Rs 343 crores. The same is reflected in Other Long-Term Investments and assets.

INVESTMENTS

| INVESTMENTS (AS ON 30 TH SEPT 2021; RS CRORE) | | |
|--|--------------|--|
| Project | Investment | Additional funding for current portfolio |
| HAM Road Portfolio | 1,021 | Rs 159 crores for next |
| Road BOT Projects | 575 | 2-3 years |
| Oil & Gas Projects | 379 | Rs. 21 crores |
| Water BOT Projects | 92 | |
| Other assets | 54 | |
| Total | 2,121 | 180 |

KEY BUSINESS UPDATES

- Recently submitted RFQs to Railway Land Development Authority (RLDA) for 'Redevelopment of Surat and Udhana Railway Stations' and 'Redevelopment of Udaipur Railway Station'. The same are under evaluation.
- Received the second annuity for the "Chutmalpur-Ganeshpur and Roorkee- Chutmalpur-Gagalheri" (CGRG) project
- PCOD declared by NHAI on August 25, 2021 for the "Chikhali-Tarsod" project (completion cost of Rs 1,240 crore).
- "Mukarba Chowk – Panipat" project received an approval from NHAI for extension of construction period by 104 days.
- Commencement Date of September 30, 2021 for "Varanasi-Aurangabad project" (contract value of ~Rs. 2,100 crore).

- UP State Water and Sanitation Mission Project under *Namami Gange* and Rural Water Supply Department (SWSM):
 - 557 DPRs submitted (value of Rs 1,593 crore), covering 1,145 villages; 286 DPRs approved (value of Rs 800 crore), covering 502 villages.

ABOUT WELSPUN ENTERPRISES LTD.

Welspun Enterprises Ltd. (WEL), part of the Welspun Group, is an infrastructure development company focusing on Road and Water segments. The Company also has investments in Oil & Gas Exploration.

ABOUT WELSPUN GROUP

One of India's leading conglomerates, Welspun Group is amongst the largest global exporters with 'Make in India' at its core for over three decades. Welspun Group has gained a global leadership position spread across global markets including US, Europe, and more in Line Pipes, Home Textiles. In a short span of time the group has established noteworthy presence in Infrastructure, Warehousing, Retail, Advanced Textiles and Flooring Solutions. The Group also enjoys strong relationships with almost all Fortune 100 companies operating in the Retail and O&G sectors.

As India's fastest-growing multinationals, Welspun Group has a strong presence in over 50 countries employing over 26,000 employees and more than a 100,000 shareholders, with its global manufacturing facilities strategically spread across India, USA and Saudi Arabia. Along with a deep penchant for technological and operational excellence, the group has been continuously following global ESG practices as a responsible conglomerate.

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 Enterprises Ltd or any of its affiliates. Neither Welspun Enterprises 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.

For further information please visit www.welspunenterprises.com