

WIL/SEC/2021

March 17, 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> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (Symbol : WELSPUNIND)
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Dear Madam/Sir(s),

**Subject: Intimation to Schedule Analyst / Institutional Investor meetings under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.**

In compliance with Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Company will be attending below scheduled webinar organized by Maybank Kimeng with Global Institutional Investors:

Date	Topic	Venue	Type of Meeting
March 17, 2021	Welspun India ESG Practices	Virtual	Group

This is to further inform that copy of the presentation is attached herewith.

Kindly note that changes may happen due to exigencies on the part of the Host / Company.

Yours faithfully,

**For Welspun India Limited**




**Shashikant Thorat**  
**Company Secretary**  
**ICSI Membership No. : FCS-6505**

Encl: As above

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Corporate Identity Number: L17110GJ1985PLC033271



# Investor Presentation

Welspun India Limited

Home Textile | Advance Textile | Flooring

March 2021



Christy  
ENGLAND



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BED • BATH • RUGS



WELSPUN  
BED-N-BATH



WELSPUN  
FLOORING



AUTHENTIC  
WEL-TRAK™  
FIBER  
traced - tracked - trusted™



HYGRO  
COTTON

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.



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



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



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



Integrated **Grade-A Warehousing** Solutions



# Welspun India

– Who are we?

---



# Welspun India #1 Global Home Textiles Leader

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SPACES®  
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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



HYGRO COTTON AUTHENTIC WEL-TRAK FIBER  
traced • tracked • trusted™

### 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

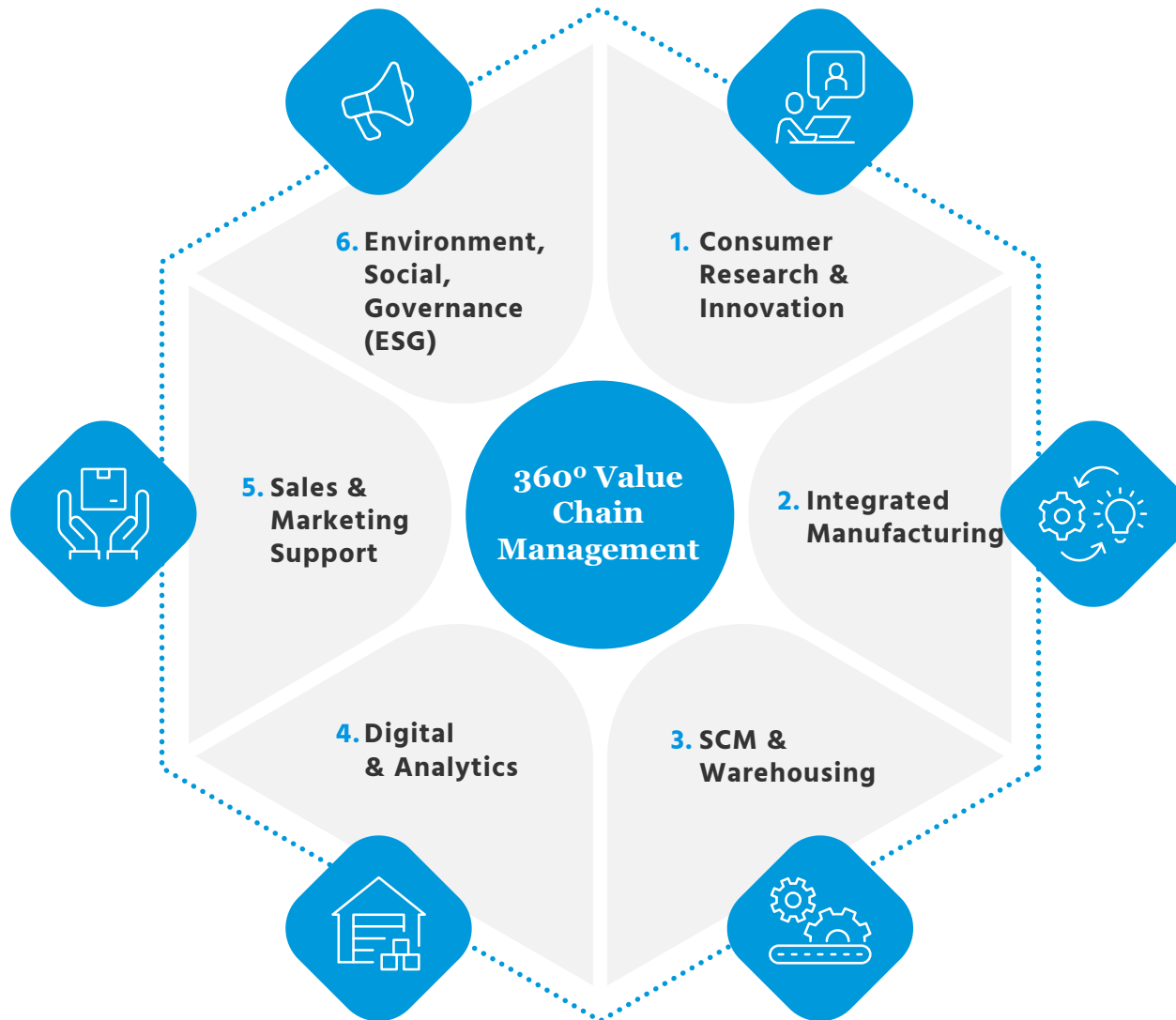


### ROW





# 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](#)



# Awards & Recognition – Testimony of Excellence



**Global Textile Company  
of the Year  
2021**

**Home Textiles Today  
Supplier Titan  
2020**

Response to COVID &  
stakeholder support

**★macy's  
Sustainability  
2019**

Supplier Partner for the year

and many more...



**Most Influential Woman  
2020**

Dipali's Contribution to  
Industry & Society



**Sustainability  
2019**

GIGA GURU Status Energy  
Conservation



**Home category  
2019**

Home Greatness award



**Sustainability & CSR  
2020**

Amongst Top 100 Companies  
in India



**Highest Exports  
2019**

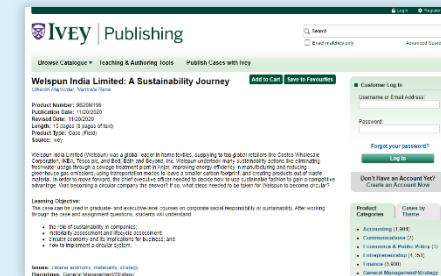
Platinum awards Highest  
global exports



**Home category  
2019**

Supplier award For Trust

## Feathers in our cap



[Visit Website](#)

[Read More](#)

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



[Watch video](#)

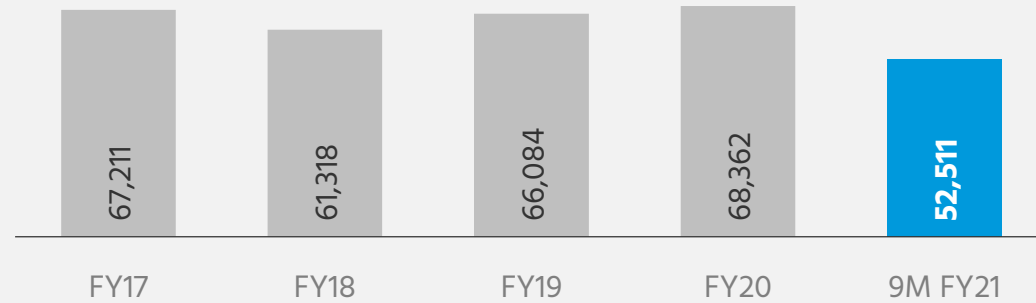
[Read More](#)

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

# Trend of Financial Performance

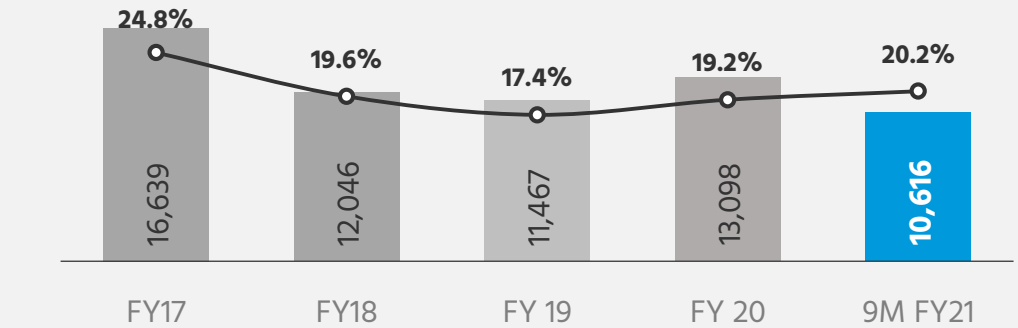
## Total Income

(₹ Million)



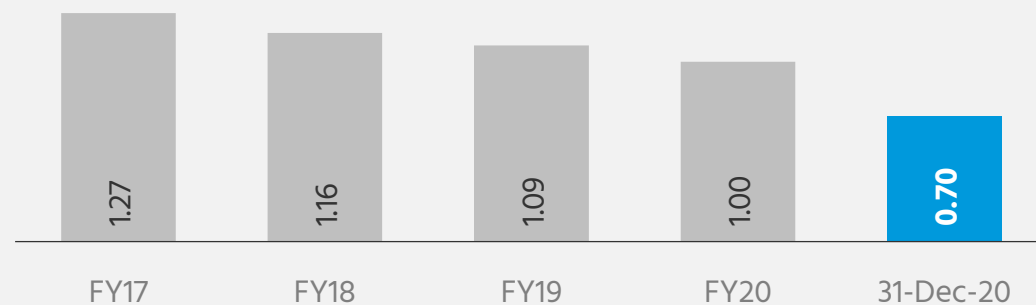
## EBITDA

(₹ Million, %)



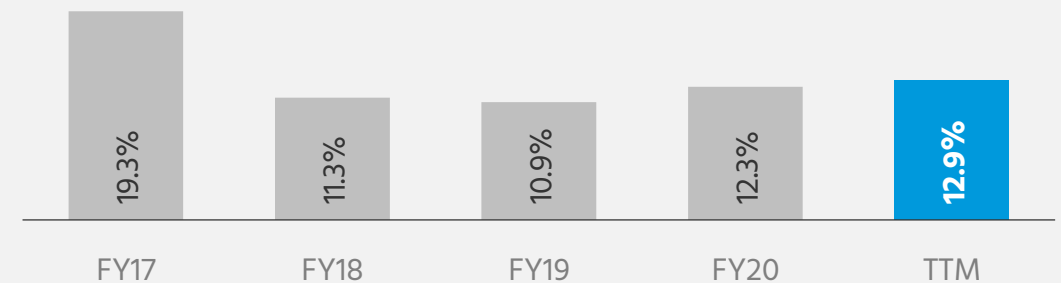
## Net Debt to Equity

(x)

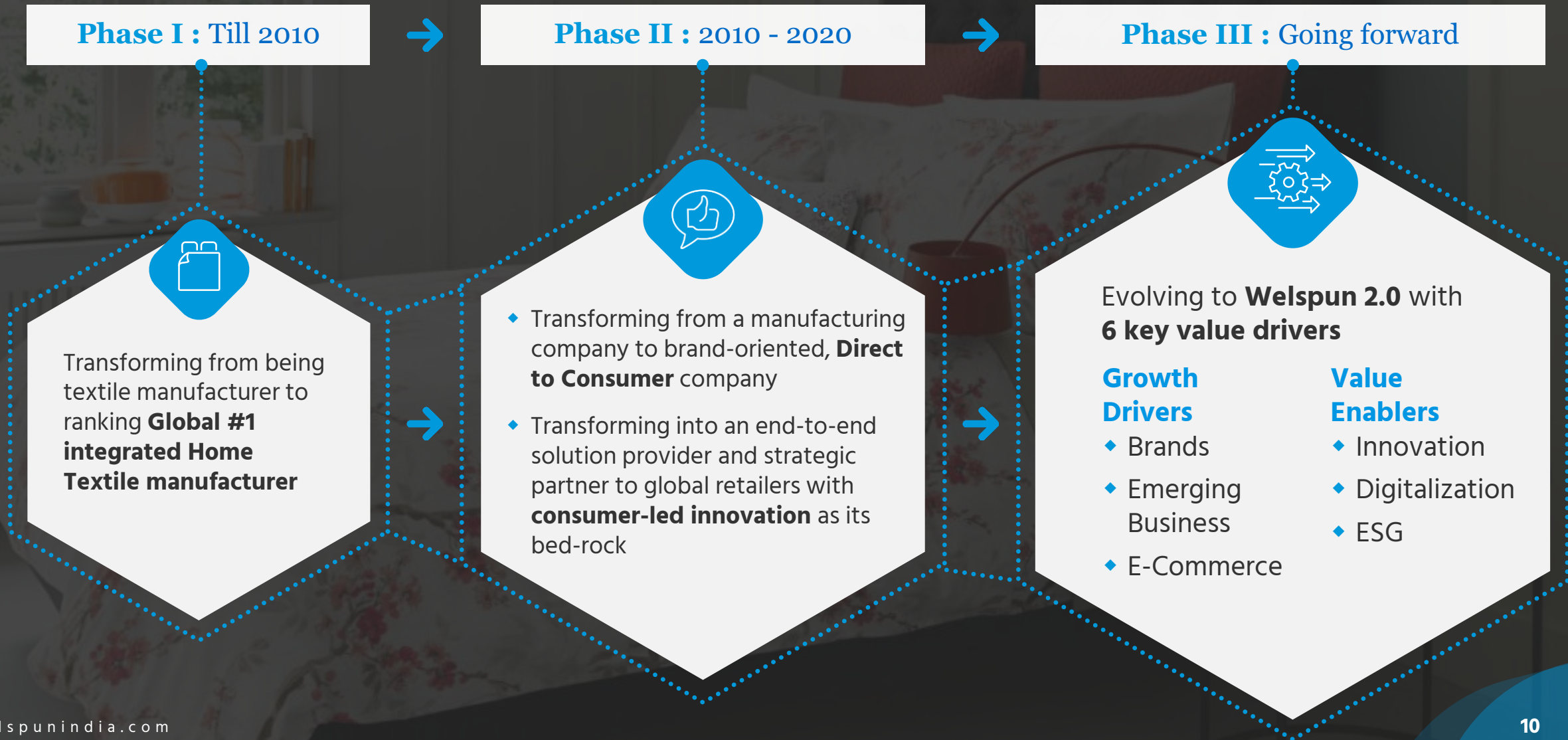


## ROCE

(%)



# Evolution of Welspun India







# **Welspun 2.0**

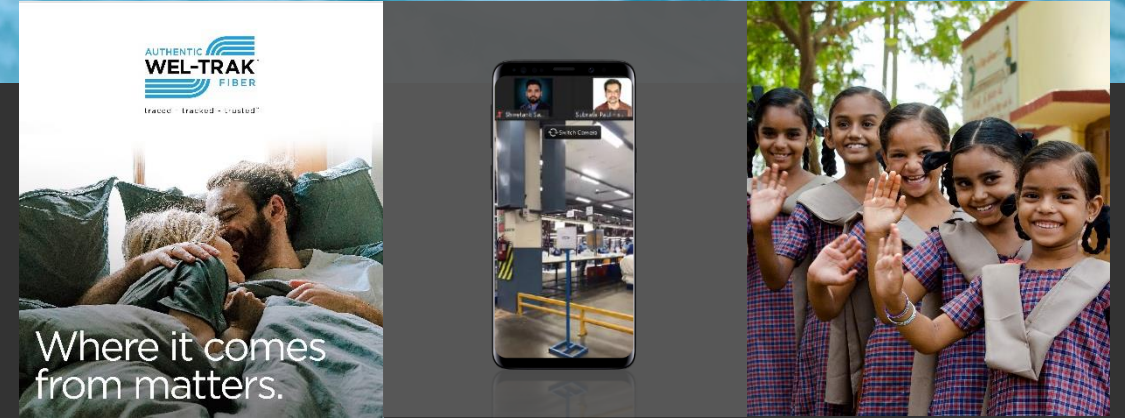


# Welspun 2.0

## 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

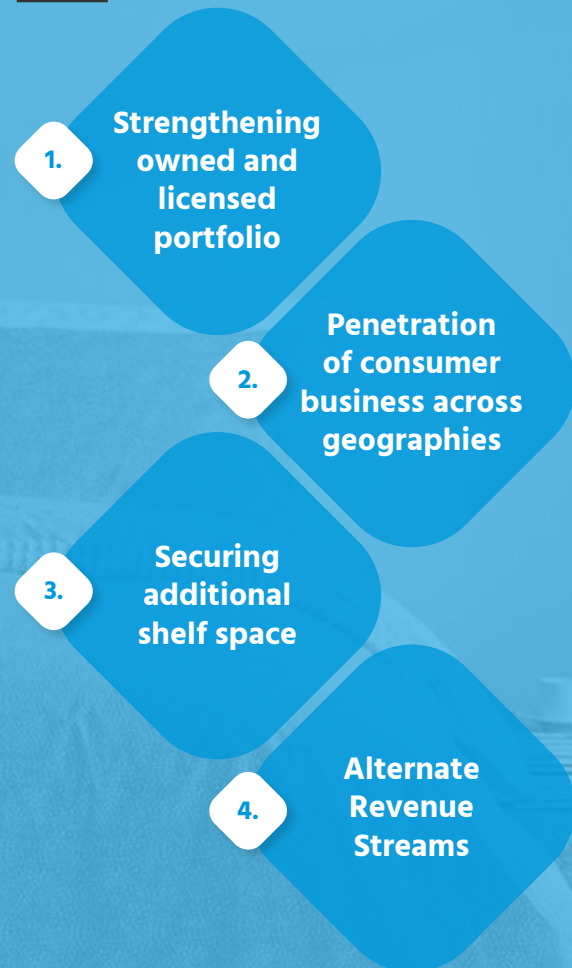
- ◆ Organization wide transformation

### 6 ESG

- ◆ Encompassing all stakeholders with defined roadmap

# Brands : Dominating Global Consumer Landscape

## Brand Strategy



## Owned Brands

### India



## Licensed Brands

### India



### Global



### Global





# Domestic Business

## Opportunity

### Market size

The 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 repute via Trust, Quality and Availability. Innovation product offerings based on consumer needs & pain points

### Target

₹ 1,000 Cr business by 2025

## Aiming to be “Har Ghar Welspun”

- ◆ To be Leader in home textiles space in Indian 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



# 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 2023



## 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



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

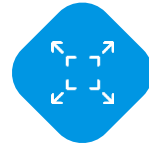


# Welspun Flooring Solutions

## Disrupting the world of Flooring

### Introduction

- ◆ Newest brainchild is disrupting the world of flooring through path-breaking product offerings.
- ◆ 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.



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



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



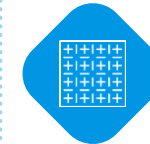
**Warranty (5-15 YEAR)**  
Only company to offer warranty in flooring industry



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 Advanced Textiles

- ◆ Emerging segment of textile products which deals with 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.
- ◆ Additionally - successfully tested for manufacturing Aerospace cleaning material

## Needlefelt

- ◆ Needle-punch 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

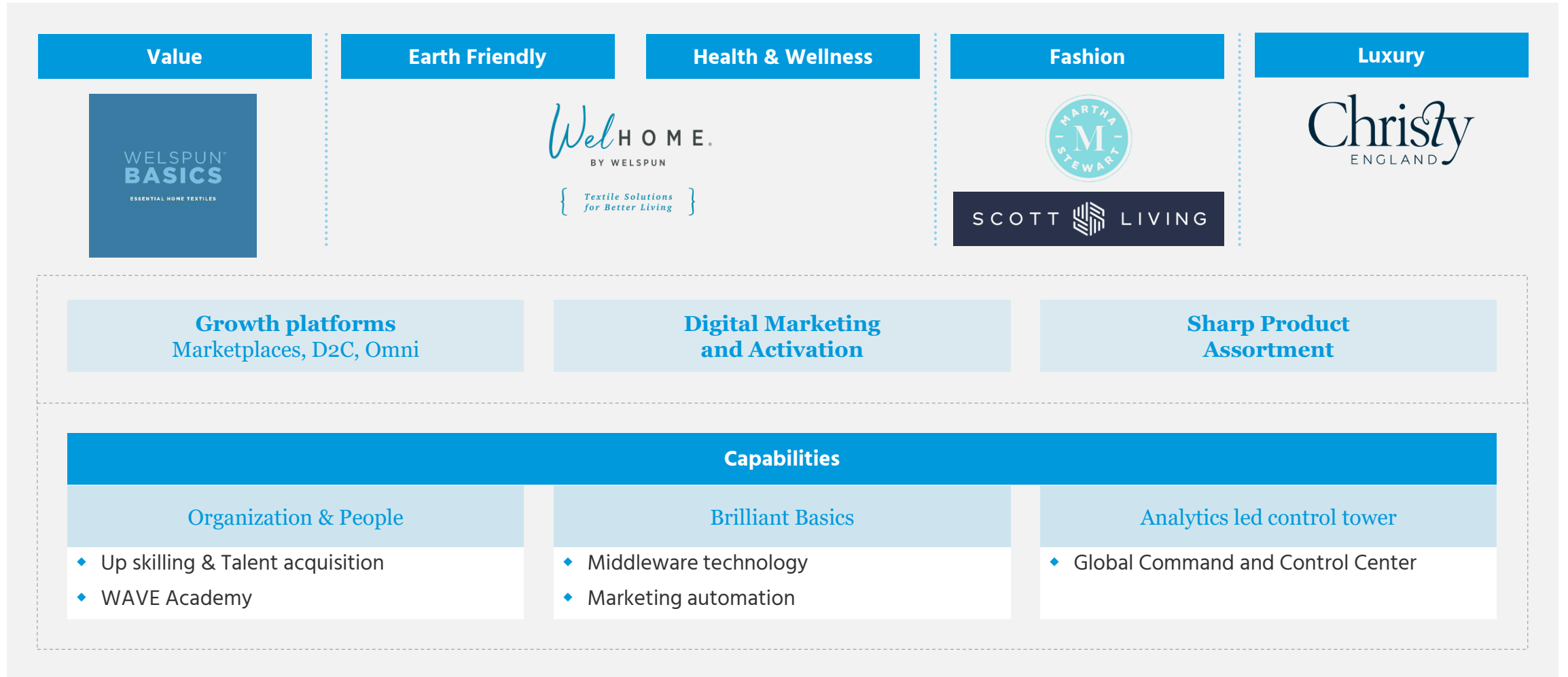
COE Org Model  
Wave Academy  
Capability

#### Notes:

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



# E-Commerce – (Contd.)



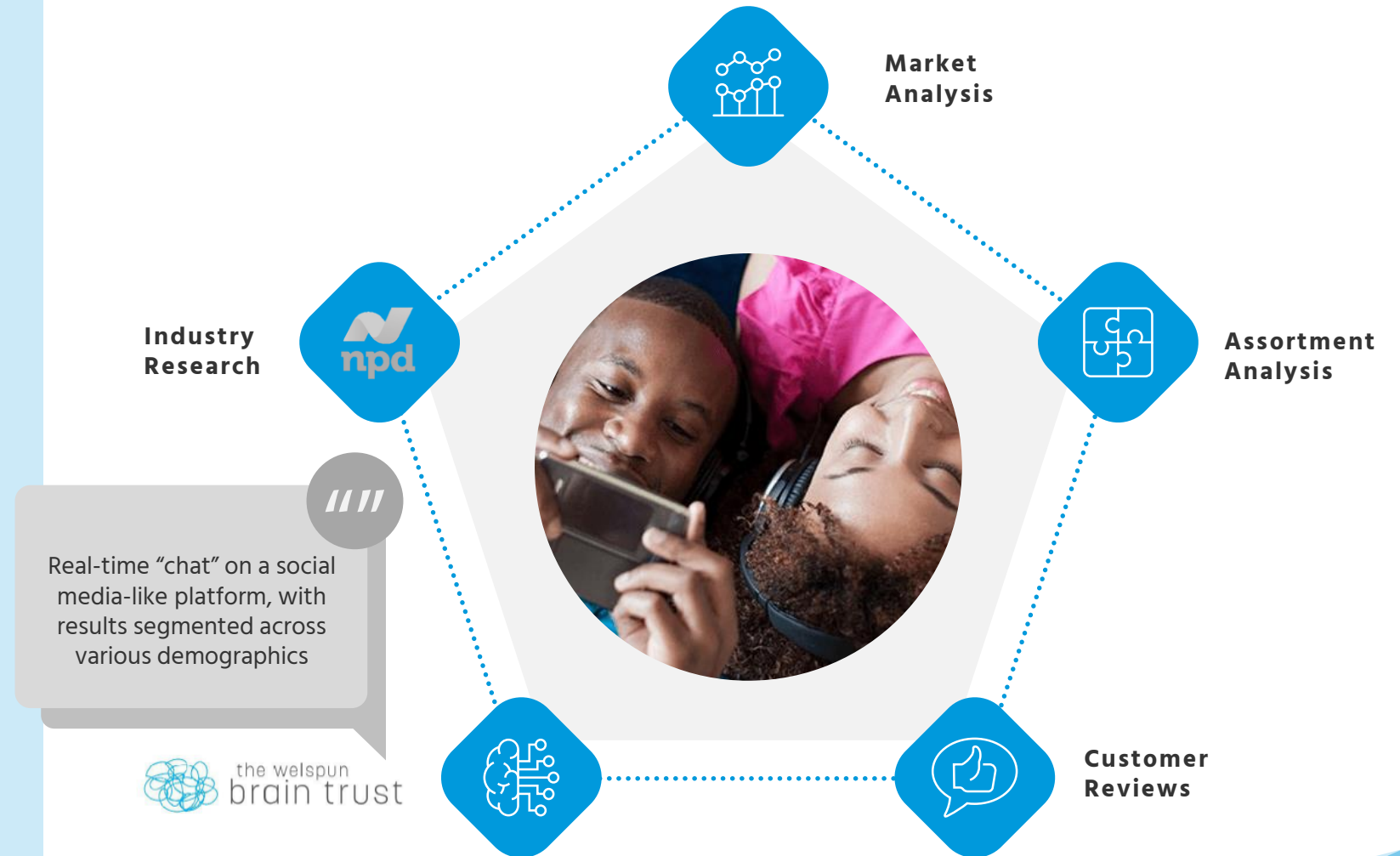


# Well-researched offerings backed by deep consumer understanding



- ◆ 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

# 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

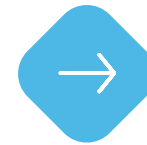
- Virtual Showroom, shop floor walkthrough & Inspection
- Global E-Commerce Program via Marketplaces & brand.com portals

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





**Environment**  
**Social**  
**Governance**

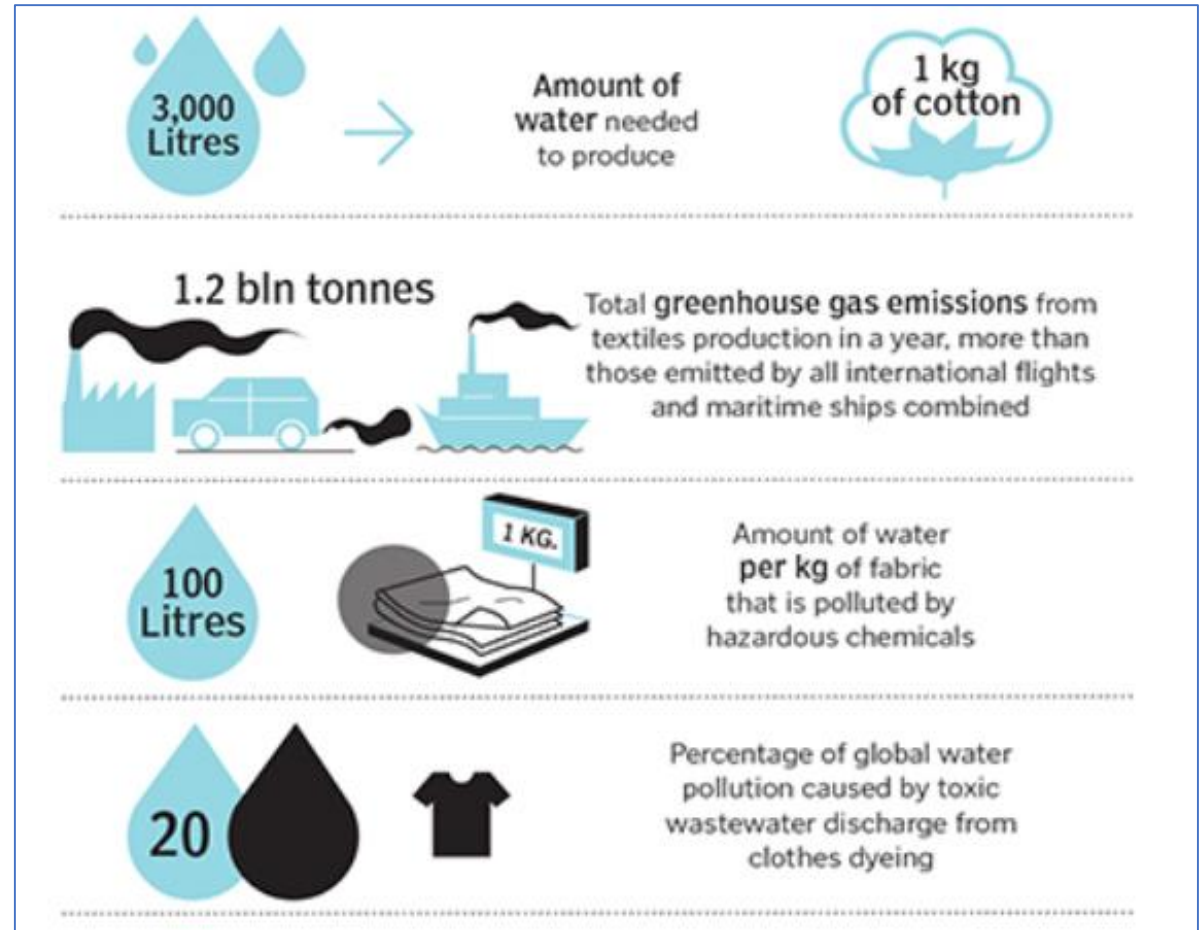




# The Textile Challenge



20% OF INDUSTRIAL WATER POLLUTION comes from textiles treatment and dying



# Materiality mapping



### Capitals

<span style="color: #00AEEF;">●</span> Human	<span style="color: #F08080;">●</span> Financial
<span style="color: #FFC000;">●</span> Social	<span style="color: #C08040;">●</span> Intellectual
<span style="color: #00C000;">●</span> Natural	<span style="color: #A0A0FF;">●</span> Manufactured

<span style="background-color: #E0E0E0; width: 15px; height: 15px; display: inline-block;"></span>	Very high priority for action
<span style="background-color: #A0A0C0; width: 15px; height: 15px; display: inline-block;"></span>	High priority for action
<span style="background-color: #808080; width: 15px; height: 15px; display: inline-block;"></span>	Medium priority for action
<span style="background-color: #404040; width: 15px; height: 15px; display: inline-block;"></span>	Low priority for action

# Welspun ESG way: Encompassing all stakeholders



Welspun is an industry leader in its commitment to sustainable business practices and positive impact. Sustainability is typically evaluated through analysis of environmental, social, and governance (ESG) policies, practices, and performance. Third-party evaluation of Welspun's efforts in all these areas insures the success of our transformational journey



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



[Click here for more details](#)



## Environmental

- ◆ Zero Fresh water for Manufacturing Setup 30 MLD STP to treat sewage from surrounding villages
- ◆ "SPUN" empowering women in rural communities by making products from upcycling Factory remnants
- ◆ Hazardous sludge from ETP as alternate fuel in Power plant

**Water Story**



## Social

- ◆ Focus on inclusion and gender diversity >25% women
- ◆ 3E's of CSV – Environment & Health, Education, Empowerment
- ◆ Contributed to COVID relief efforts
- ◆ Supporting Farmers to grow BCI & Organic Cotton

**Sustainable Cotton Story**



## Governance

- ◆ Broad Enterprise Risk Management framework
- ◆ ACCESS module in SAP to enable access of relevant data to authorized users
- ◆ Ethics framework in place
- ◆ Compliance management tool

**Governance Framework**

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



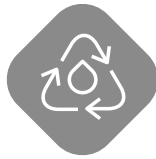
# ESG Journey till date ...

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



**100,000+** acres

Landbank of sustainable cotton farming



**7,000+** billion

Liters of water recycled annually



**55,000+** T Co<sub>2</sub>

Saved annually through energy conservation



**260,000+** trees

Planted for improving Green cover



**85%**

Carton usage with recycled paper

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)	MSCI ESG Leaders Index
<b>ESG Score</b>	Available by Jun-21	Available by Sep-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**

# Energy and GHG - Carbon Neutral by 2030

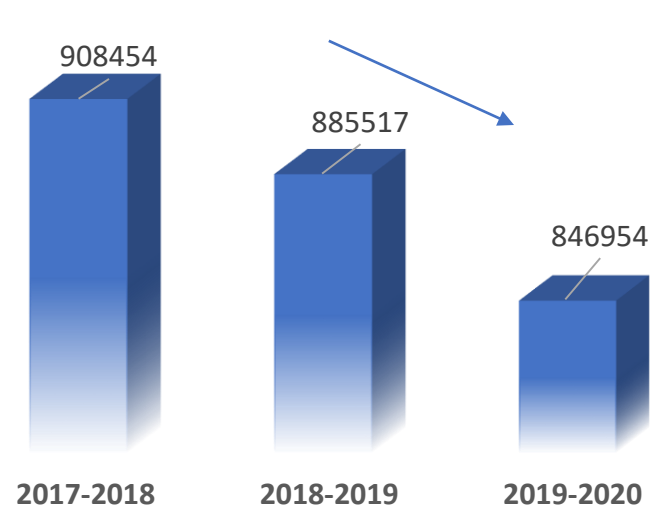


Environmental

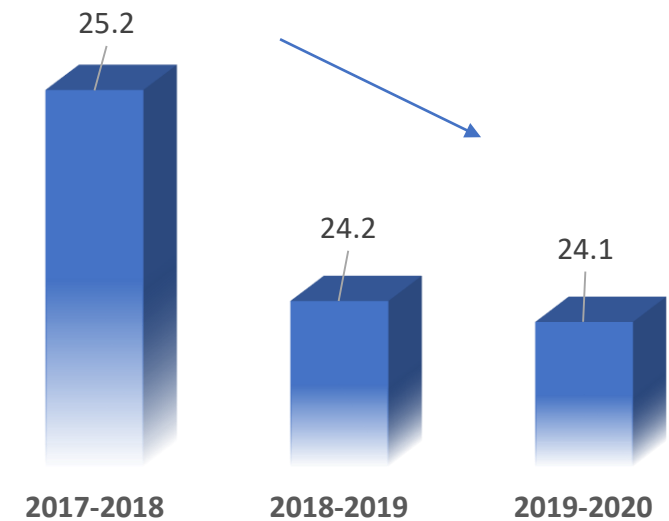


Exploring opportunities in renewable energy through **solar & wind power**  
Energy targets are taken to tune of 5% for the next five years

TOTAL GHG EMISSIONS - SCOPE 1&2 FOR WIL IN T CO2E



ENERGY INTENSITY [GJ/T]



There has been a **reducing trend** in both, GHG emissions as well as Energy intensity

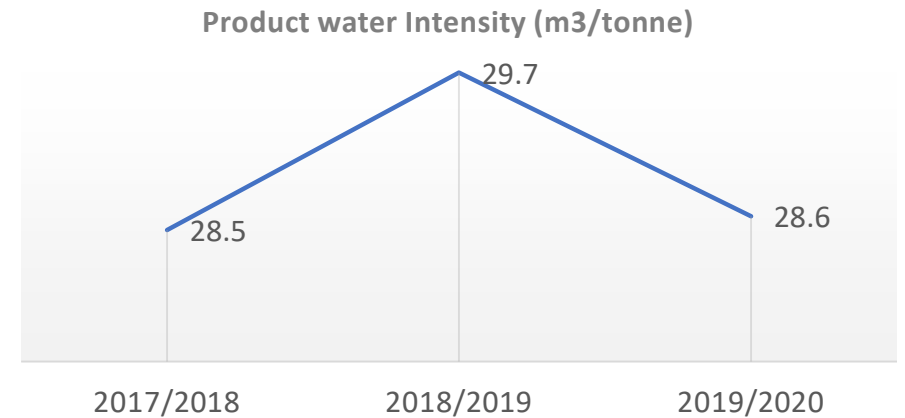
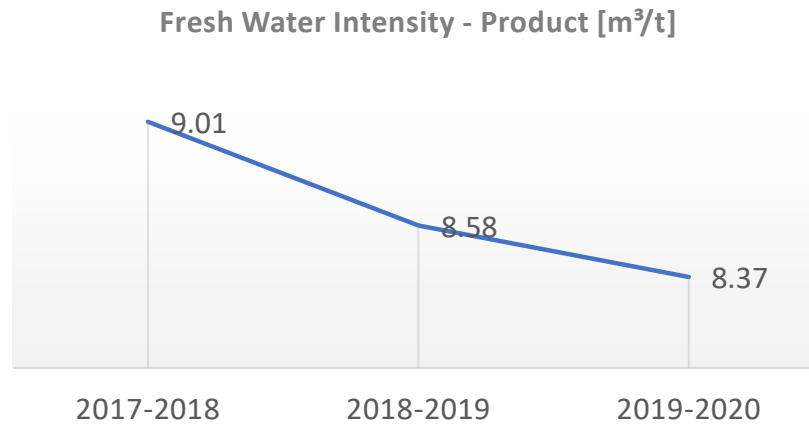
# Water - Water Positive by 2030



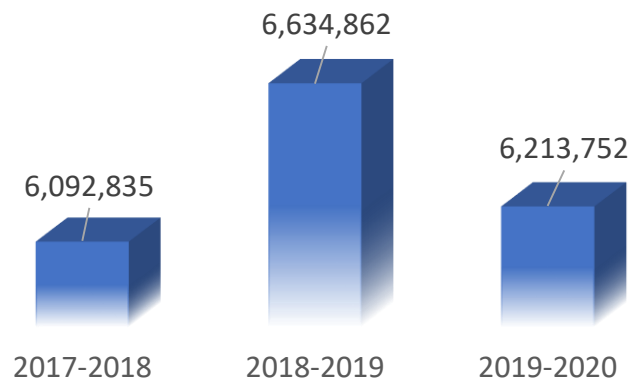
## Environmental



### WIL aims to reduce its current freshwater usage **by 50% in 2025**



### TOTAL WATER CONSUMPTION - INDUSTRIAL [M<sup>3</sup>]



WIL operations in Anjar uses **zero freshwater for manufacturing** by recycling sewage from neighboring communities thru 30 MLD STP

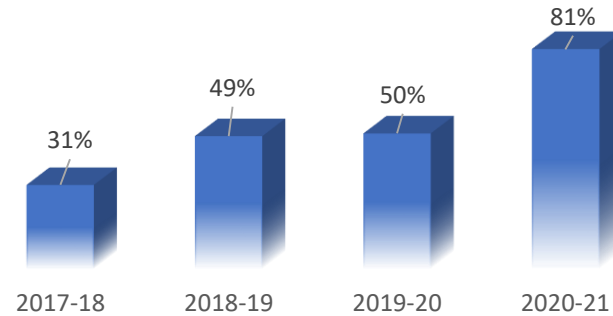
# From Linear to **Circular Systems**



## Environmental

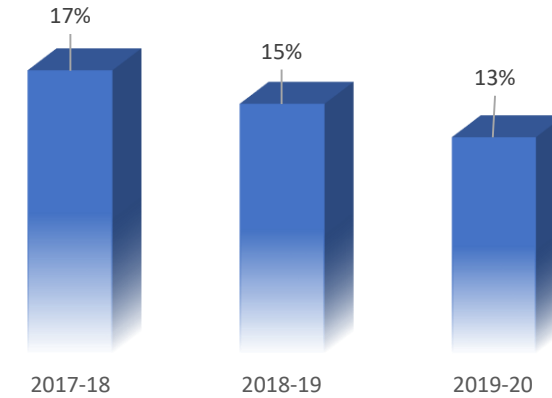


### % OF HAZARDOUS WASTE EXTERNALLY RECYCLED



Sludge in Anjar used as a fuel (around 16% of total Hazardous waste generated), reducing waste to landfill

### % OF NON HAZARDOUS WASTE RECYCLED AND REUSED IN THE FACTORY



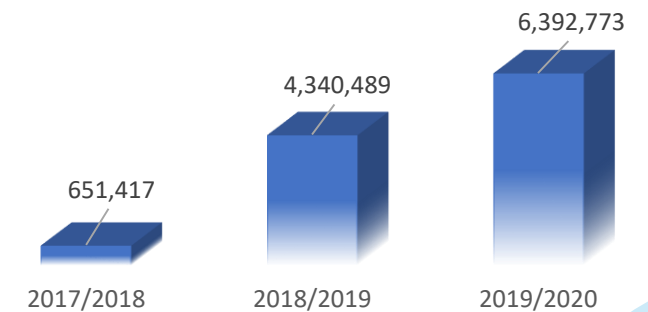
In FY21 we recycled around 1 tonne of plastic waste & used in our packaging, thereby reducing usage of virgin plastic

## Celebrating the hand techniques of India while supporting sustainability & women empowerment at the same time



- Women empowerment, livelihood opportunities
- >50 tons of factory waste upcycled

### EARNINGS BY THE BENEFICIARIES IN INR





# Raw material - 100% Sustainable Cotton by 2030



Social



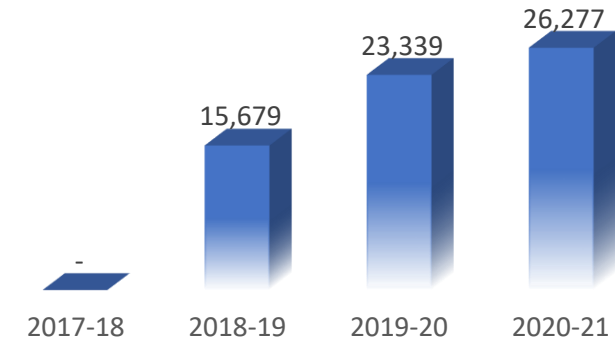
Cotton forms the most significant raw material for the type of products we offer

- We engage with farmers to grow BCI as well as Organic cotton (Non GMO)
- Impacting 350+ villages, 13,000+ farmers, Est 70,000+ farm workers

**Positive impacts : Better soil health, reduced to zero use of chemical pesticides, water conservation, improved biodiversity, better health and well being of farmers, increased yields, knowledge of growing more than one type of crop through intercropping etc.**

Year	Total Cotton (MT)	Sustainable cotton (MT)	% of sustainable cotton
2017-18	50,633	8,185	16%
2018-19	59,896	13,811	23%
2019-20	56,849	17,400	31%

SUSTAINABLE FARMING - LAND IN HECTARES



# Diversity, Inclusion and Employee Development



Social



WIL is an equal opportunity employer and believes in an inclusive workforce for a better economy

**WIL has > 25% female employees in 20,000 workforce**

Year	Male	Female	% of female workforce
2017-18	17,266	4,449	20%
2018-19	15,696	4,664	23%
<b>2019-20</b>	<b>15,335</b>	<b>5,173</b>	<b>25%</b>

Year	Number of specially abled employees
2017-18	208
2018-19	171
<b>2019-20</b>	<b>249</b>

WIL believes in investing to train their workforce to develop them and unlock their potential

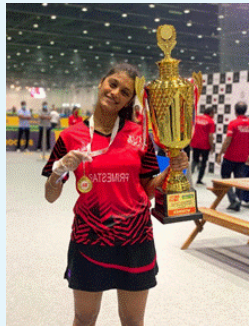
Training hours	2017-18	2018-19	2019-20
<b>Hours</b>	<b>56,611</b>	<b>56,657</b>	<b>79,961</b>

- **We Learn** in an online platform that offers courses of different types based on behavioral and functional requirements, making this accessible from anywhere, anytime
- With an aim to build leaders who can be at the helm and steer different companies and functions under the Welspun Group, there is a **Group Leadership Program**
- **Future Leaders Program** - focuses on developing and assigning leadership roles for next generation of leaders

# Ensuring Inclusive Growth: 3E's



Social



#LeapBeyond



## ENVIRONMENT & HEALTH

- Improved sanitation, Health camps, better Infrastructure, COVID awareness
- **Impacting 125+ villages, more than 40 group & 25 individual enterprises**



## EMPOWERMENT

- Empowering women to lead the way to economic independence
- Empower female athletes coming from challenging backgrounds,
- **60+ women engaged across 14 villages**
- **27 sports women, 150+ medals won**



## EDUCATION

- Revolutionizing the quality of education at grassroots level
- Welspun run schools, Smart classrooms, Home learning programs
- **Impacting over 180+ schools, and 4000+ students**



Year	No of Beneficiaries
2017-18	41,400
2018-19	109,787
2019-20	136,400
2020-21	160,735

# Sustainability assessment

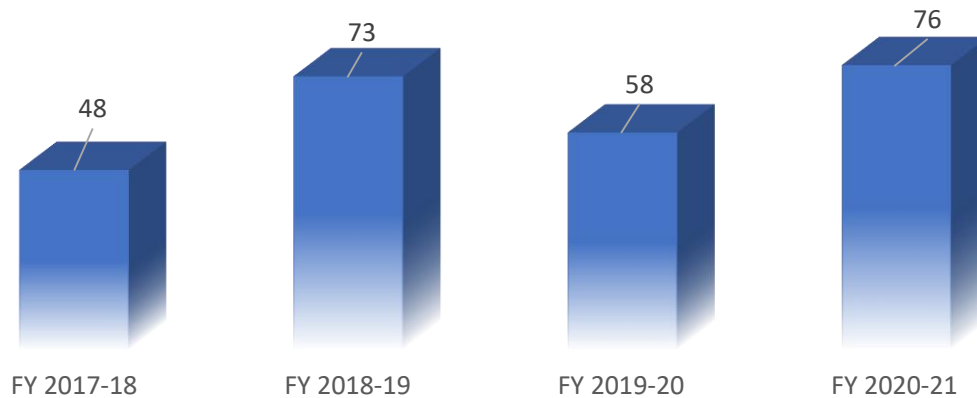
Higg Index is an apparel and footwear industry self-assessment standard for assessing environmental and social sustainability throughout supply chain



The scores have shown an increasing trend, thereby reflecting the company's improving sustainability performance

Year	Score	
	Anjar	Vapi
2017-18	73.32%	80.00 %
2018-19	83.99%	80.18%
2019-20	96.00%	85.20%

TOTAL NUMBER OF TIER 1 SUPPLIERS AUDITED FOR SOCIAL AND ENVIRONMENTAL ASPECTS



- Assessments and checks with our suppliers on social and environmental parameters
- Completed the assessments with the suppliers of some major retailers and have a goal to carry out assessments for all tier-1 suppliers by 2021-22



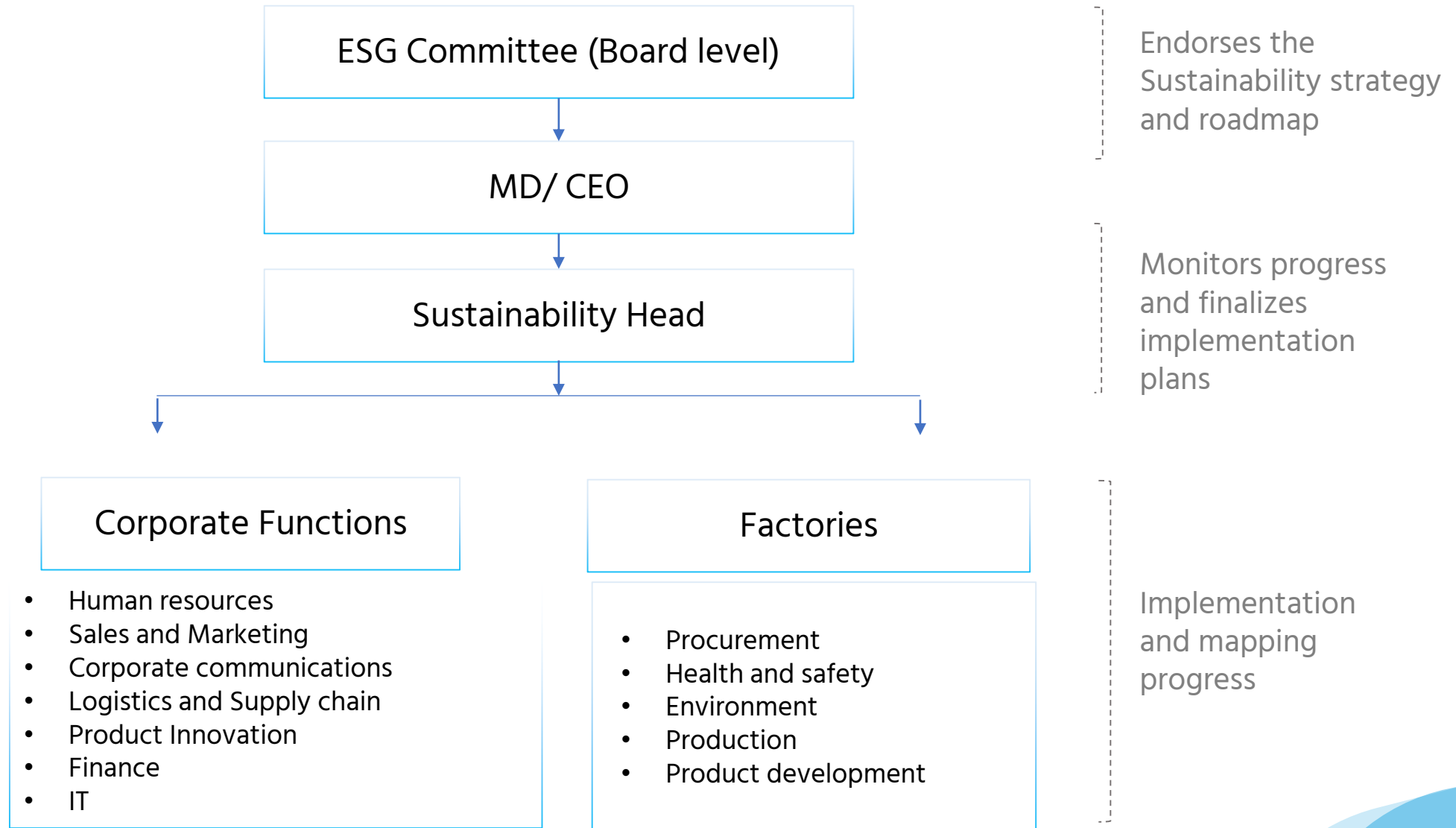
# Sustainability targets

Aspects	2015-16	2018-19	Goal 2025	Goal 2030	YTD Dec 20
<b>Carbon Neutral</b>	0%	10% RE	50% RE	100% RE	<b>7%</b>
<b>100% Sustainable RM - Cotton</b>	11%	23%	50%	100%	<b>29%</b>
<b>Fresh Water Positive</b>	78 KL/ MT	18 KL/ MT	5 KL/MT	0	<b>10 KL/MT</b>
<b>Zero waste out of site (ETP chemical sludge – landfill)</b>	1,342 MT	1,019 MT	0	0	<b>850 MT</b>
<b>Impacting 1 million lives in CSV</b>	62,848	109,787	500,000	1,000,000	<b>160,729</b>
<b>5-Lakh farmers growing sustainable cotton</b>	0	7,000	250,000	500,000	<b>13,029</b>

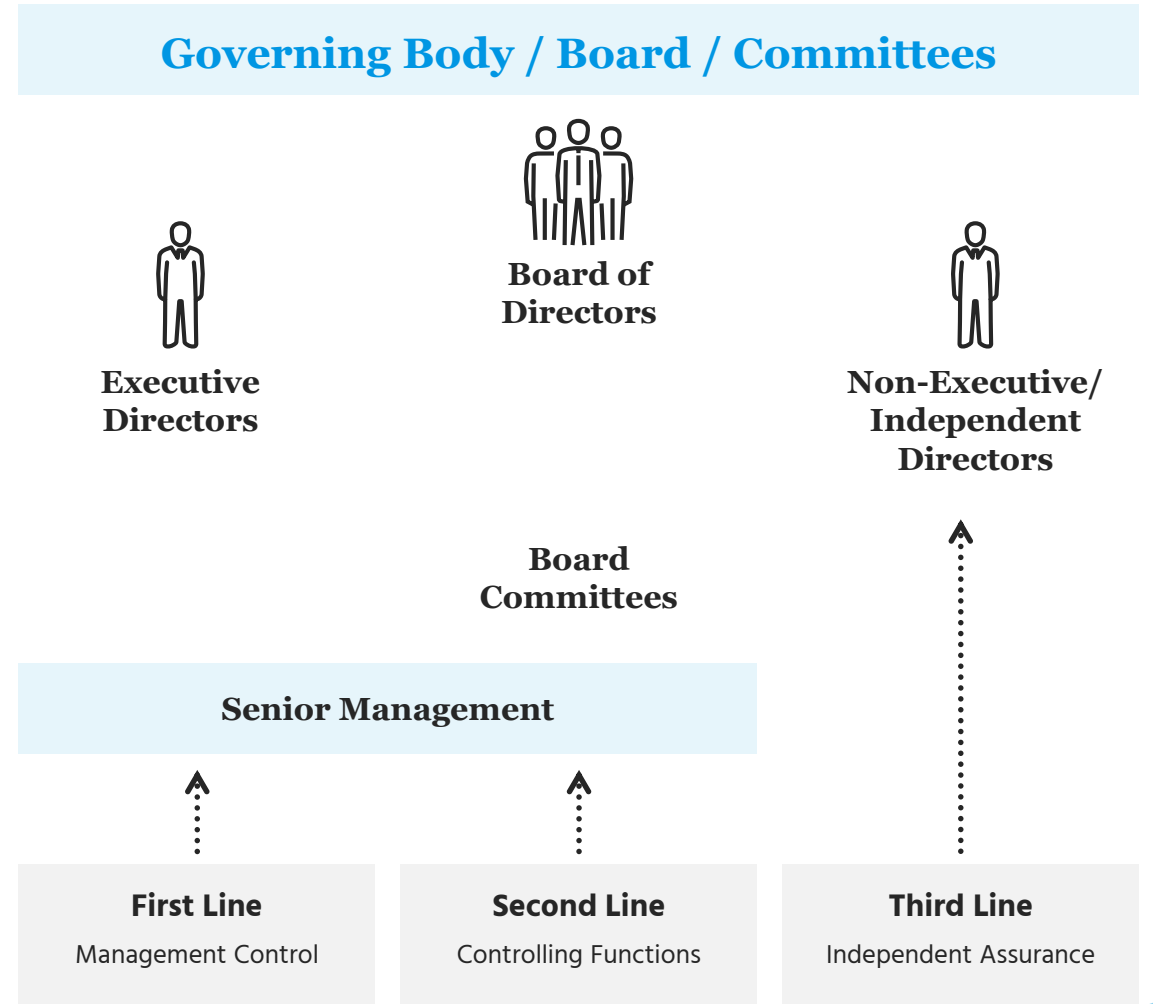
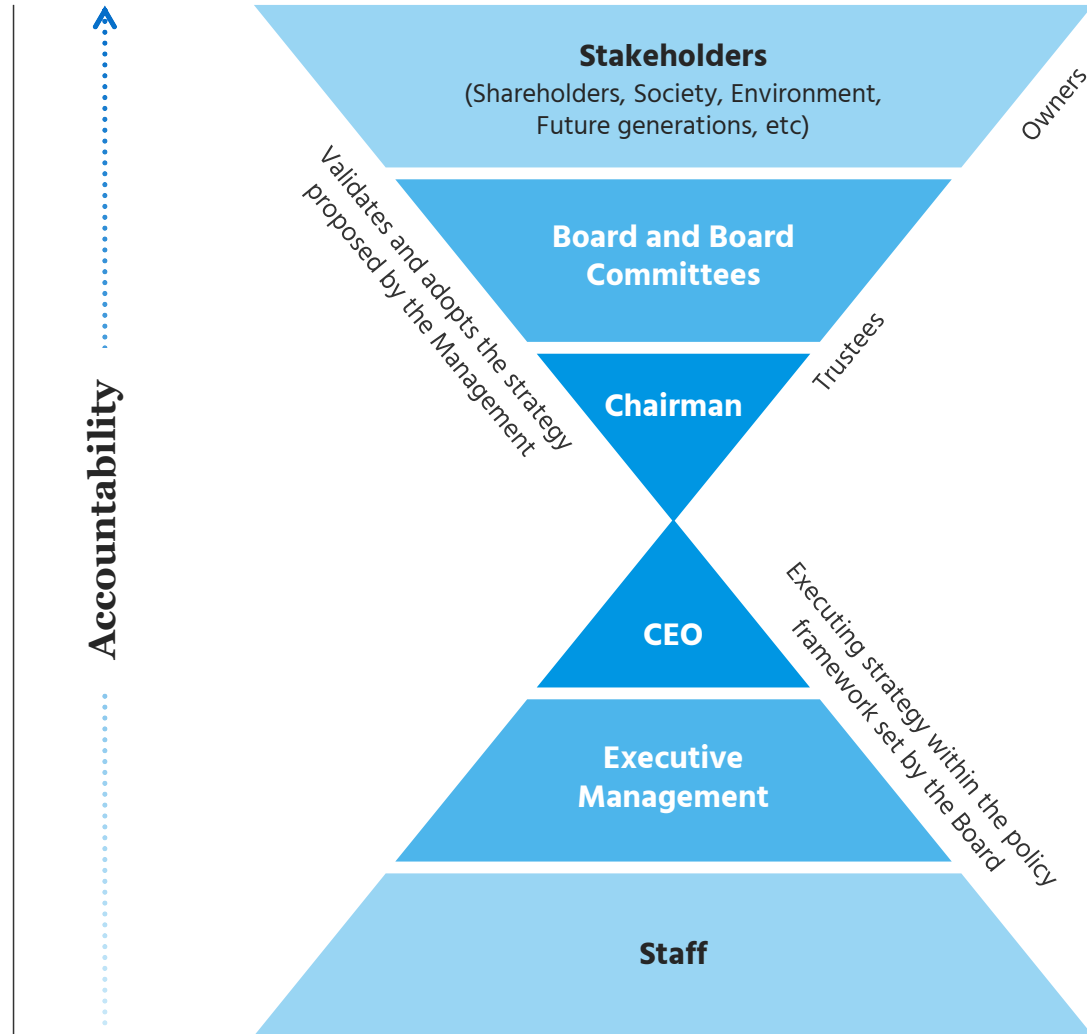
# Governance Structure



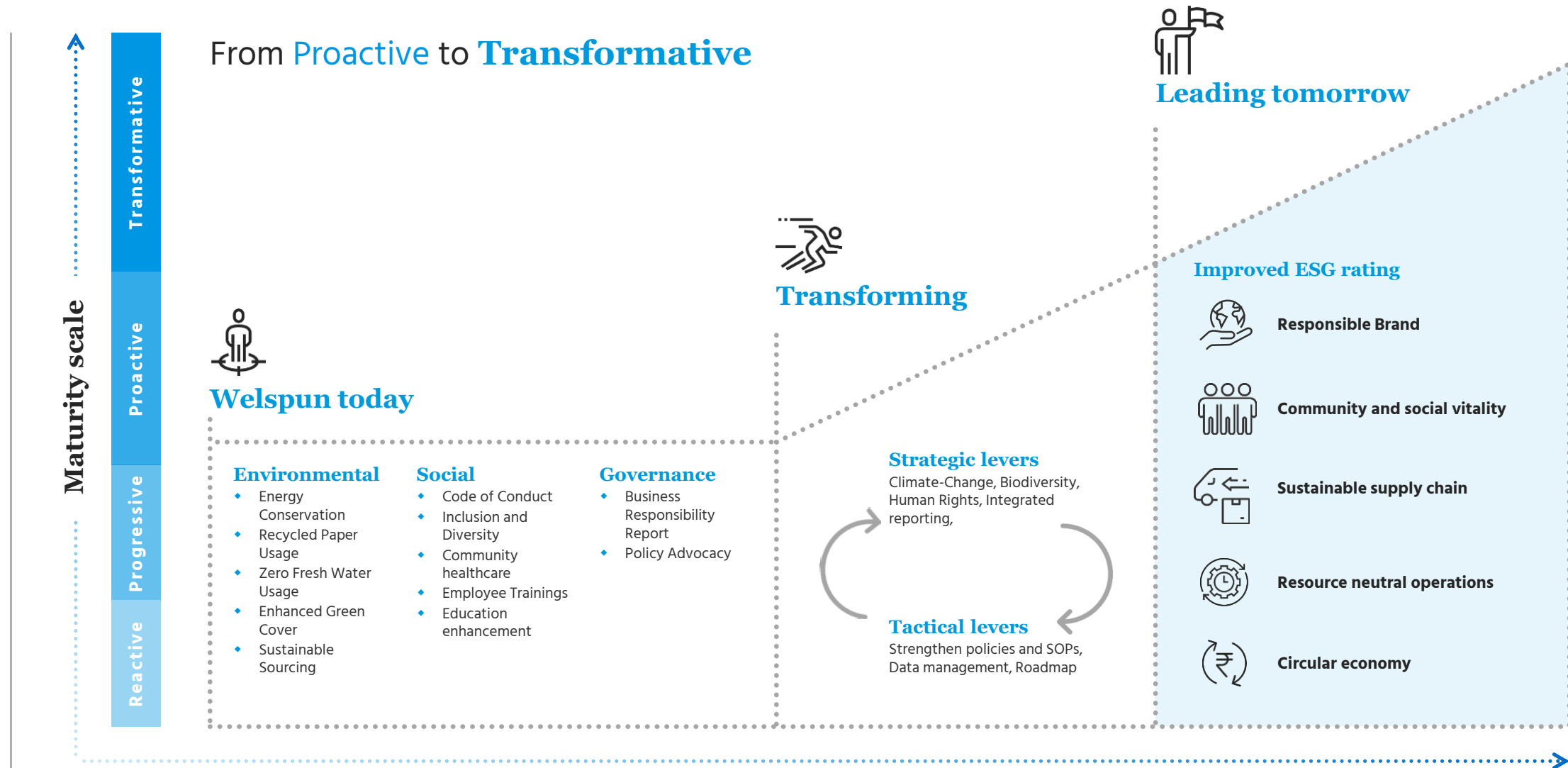
**Governance**



# Governance Framework



# Welspun's ESG Transformation Journey





# Robust Financial Performance

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# Quarterly Profit & Loss

(₹ Million)

Particulars	Q3 FY21	Q3 FY20 <sup>^</sup>	YoY Change	Q2 FY21	QoQ Change	9M FY21	9M FY20 <sup>^</sup>	YoY Change	FY20
<b>Total Income</b>	<b>20,497</b>	<b>16,049</b>	<b>27.7%</b>	<b>19,926</b>	<b>2.9%</b>	<b>52,511</b>	<b>51,721</b>	<b>1.5%</b>	<b>68,362</b>
<b>EBITDA</b>	<b>4,187</b>	<b>2,389</b>	<b>75.3%</b>	<b>4,048</b>	<b>3.4%</b>	<b>10,616</b>	<b>10,135</b>	<b>4.7%</b>	<b>13,098</b>
<b>EBITDA Margin (%)</b>	<b>20.4%</b>	<b>14.9%</b>	<b>554 bps</b>	<b>20.3%</b>	<b>11 bps</b>	<b>20.2%</b>	<b>19.6%</b>	<b>62 bps</b>	<b>19.2%</b>
Finance Cost	559	455	22.8%	362	54.5%	1333	1,165	14.5%	1,777
Depreciation	1,139	1,325	(14.0%)	1,149	(0.8%)	3,394	3,564	(4.8%)	4,811
PBT (before exceptional)	2,489	609	308.8%	2,537	(1.9%)	5,889	5,406	8.9%	6,510
<b>PAT (After Minority Interest)</b>	<b>1,808</b>	<b>732</b>	<b>147.0%</b>	<b>1,797</b>	<b>0.6%</b>	<b>4,096</b>	<b>4,218</b>	<b>(2.9%)</b>	<b>5,074</b>
Cash Profit*	3,217	1,629	97.4%	3,179	1.2%	8,043	7,741	3.9%	9,702
<b>EPS (₹)</b>	<b>1.80</b>	<b>0.73</b>	<b>147.0%</b>	<b>1.79</b>	<b>0.6%</b>	<b>4.08</b>	<b>4.20</b>	<b>(2.9%)</b>	<b>5.05</b>

**Note:**

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

2. Prior period figures are restated wherever necessary

3. <sup>^</sup>Total Income & EBITDA includes prior period impact on reversal of MEIS benefit for ₹ 947 mn in Q3FY20 and for ₹ 109 mn in 9MFY20

# Profit & Loss Summary

(₹ Million)

Particulars	FY17	FY18	FY19	FY20	9M FY21
<b>Total Income</b>	<b>67,211</b>	<b>61,318</b>	<b>66,084</b>	<b>68,362</b>	<b>52,511</b>
Growth %	11.8%	(8.8%)	7.8%	3.4%	1.5%
<b>EBITDA</b>	<b>16,639</b>	<b>12,046</b>	<b>11,467</b>	<b>13,098</b>	<b>10,616</b>
<b>EBITDA Margin</b>	<b>24.8%</b>	<b>19.6%</b>	<b>17.4%</b>	<b>19.2%</b>	<b>20.2%</b>
Depreciation	5,054	5,042	4,358	4,811	3,394
Finance cost	1,583	1,408	1,593	1,777	1,333
PBT (Before exceptional)	10,003	5,597	5,516	6,510	5,889
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>4,096</b>
Cash Profit*	9,131	9,413	8,977	9,702	8,043
<b>EPS (₹)</b>	<b>3.56</b>	<b>3.83</b>	<b>2.09</b>	<b>5.05</b>	<b>4.08</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-Dec-20
<b>Net Worth</b>	<b>23,971</b>	<b>26,057</b>	<b>27,793</b>	<b>29,721</b>	<b>35,324</b>
Short Term Loans	11,721	12,580	14,080	17,717	16,374
Long Term Loans	21,393	20,228	19,024	16,704	14,633
of which Flooring Debt	-	-	2,870	6,378	6,799
Gross Debt	<b>33,114</b>	<b>32,807</b>	<b>33,104</b>	<b>34,421</b>	<b>31,007</b>
Cash & Cash Equiv.	2,725	2,538	2,821	4,803	6,321
<b>Net Debt</b>	<b>30,389</b>	<b>30,269</b>	<b>30,283</b>	<b>29,618</b>	<b>24,686</b>
Net Debt excluding Flooring debt	<b>30,389</b>	<b>30,269</b>	<b>27,412</b>	<b>23,240</b>	<b>17,887</b>
Capital Employed*	61,259	62,962	65,456	68,825	71,838
Net Fixed Assets (incl CWIP)^	35,713	33,641	36,154	38,105	37,062
Net Current Assets	20,114	23,734	22,210	21,828	24,149
<b>Total Assets</b>	<b>73,283</b>	<b>72,249</b>	<b>77,423</b>	<b>83,103</b>	<b>85,446</b>

**Core business Net Debt reduced by ₹12,382 mn from 31<sup>st</sup> March 18**

**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	TTM
<b>Solvency ratios</b>	Net Debt/Equity	1.27	1.16	1.09	1.00	0.70
	Net Debt/EBITDA	1.83	2.51	2.64	2.26	1.82
	EBIT/Interest	7.32	4.98	4.46	4.66	4.59
<b>Operational ratios</b>	Current ratio	1.41	1.42	1.25	1.19	1.36
	Fixed asset turnover	1.86	1.80	1.81	1.77	1.87
	Total asset turnover	0.91	0.84	0.84	0.81	0.81
	Inventory days	70	79	75	83	78
	Debtor days	53	56	60	59	64
	Payable days	41	39	39	49	48
	Cash conversion cycle	82	96	95	93	94
<b>Return ratios</b>	ROE	29.6%	15.4%	15.2%	16.1%	14.9%
	ROCE (Pre-tax)	19.3%	11.3%	10.9%	12.3%	12.9%

## Continuous improvement in **Net Debt / Equity** & **Net Debt / EBITDA**

**Note:**

- ROCE (pre-tax) excluding Welspun Flooring is 13.9% for FY20 & 14.8% on TTM basis
- 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

# Prudent Capital Allocation Strategy

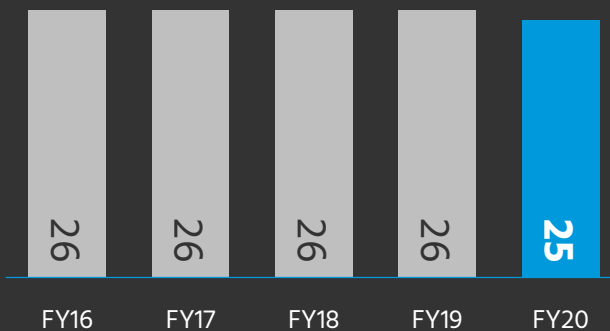


## Core Philosophy in Capital Allocation Decisions

- ◆ Investment toward profitability-margin assertive product categories
- ◆ Board approved dividend distribution policy of 25% of Consolidated PAT

## Consistent Dividend Payout

(Dividend payout ratio %)



CAPEX

- ◆ Calibrated as per the cash flows available

Areas of Investment

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

Dividend Distribution

- ◆ Maintain 25% distribution on Consolidated PAT

Net Debt

- ◆ Focused on Net Debt reduction
- ◆ Core business Net Debt reduced by ₹12,382 mn from 31<sup>st</sup> March 18



# 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
- ◆ Expected investment of around ₹ 2,250 mn over FY21 & FY22
- ◆ Benefits will start accruing from as early as Q1 FY22 and revenue potential from second year ~ ₹ 12,000 mn

## ADVANCED TEXTILE

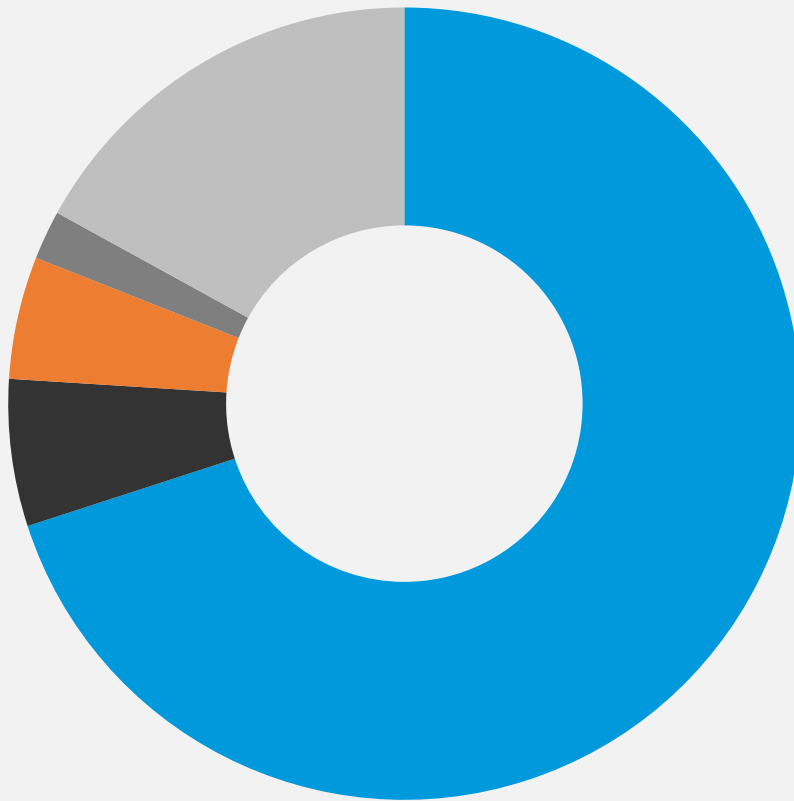
- ◆ Disinfectant wipes line to commence production in February 2021 & Spunlace expansion to commence operations by September 2021
- ◆ Out of the ₹ 4,957 mn project announced earlier, ₹ 1,961 mn has been deferred
- ◆ Potential topline: ~ ₹ 6,000 mn by FY23

## FLOORING

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

# Share Holding Summary

## Shareholding Pattern (Dec 2020)



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?

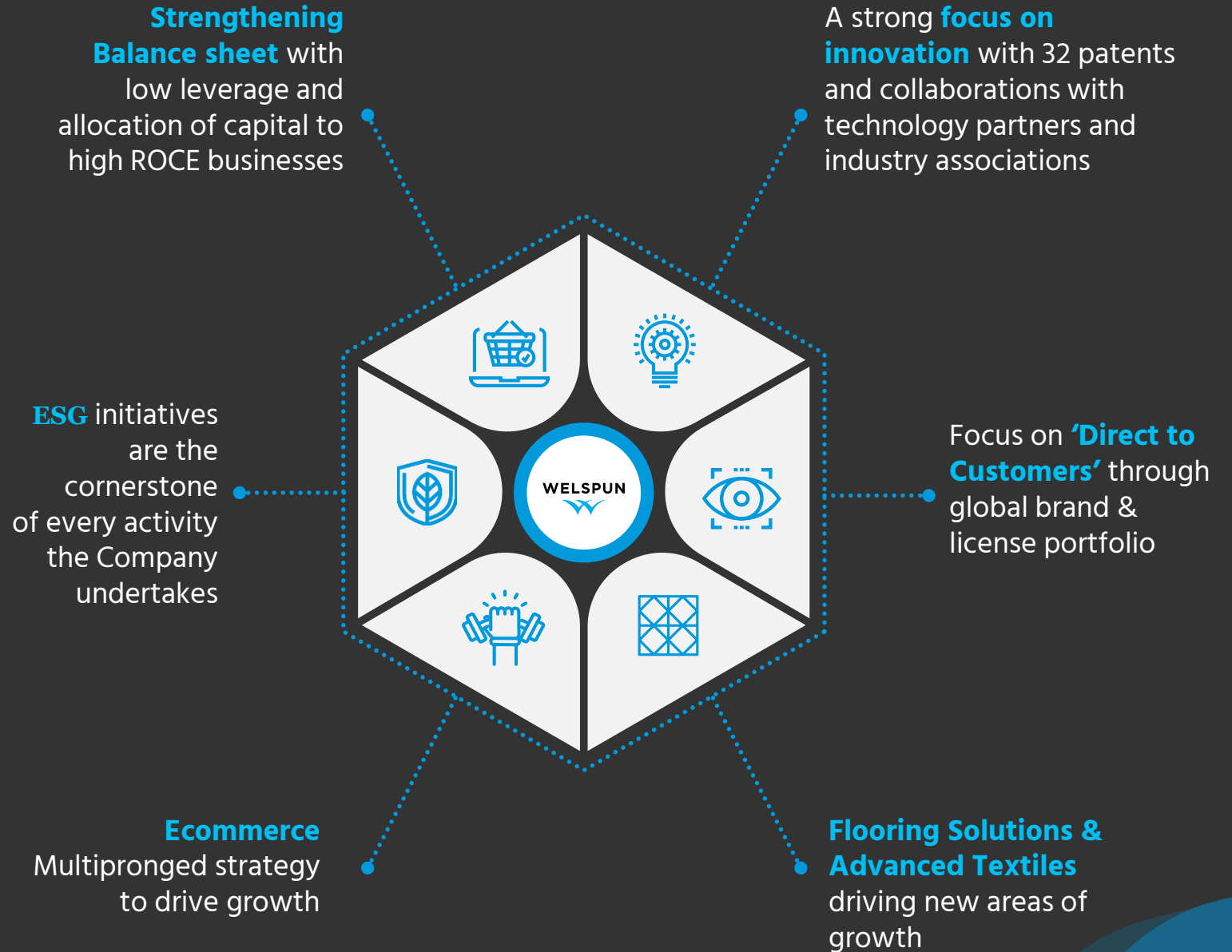
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# Investment Rationale



- 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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