

Investor Presentation

Welspun India Limited

Home Textile | Advance Textile | Flooring

Feb 2022

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

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

USD **1.0** Bn
Net Fixed Assets

26000+
Workforce

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

Christy
ENGLAND

SPACES®
BED • BATH • RUGS

Wel HOME.
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 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.



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

WEL-TRAK 2.0
BLOCKCHAIN
BY WELSPUN

Thought leader

COLLABORATION WITH
Tamper-proof Blockchain platform for state-of-the-art transparency for All Fibers & All Product Categories



#1 Ranking

Consistently as Home Textile Supplier to USA.*

1 in 4 Towels &
1 in 7 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

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



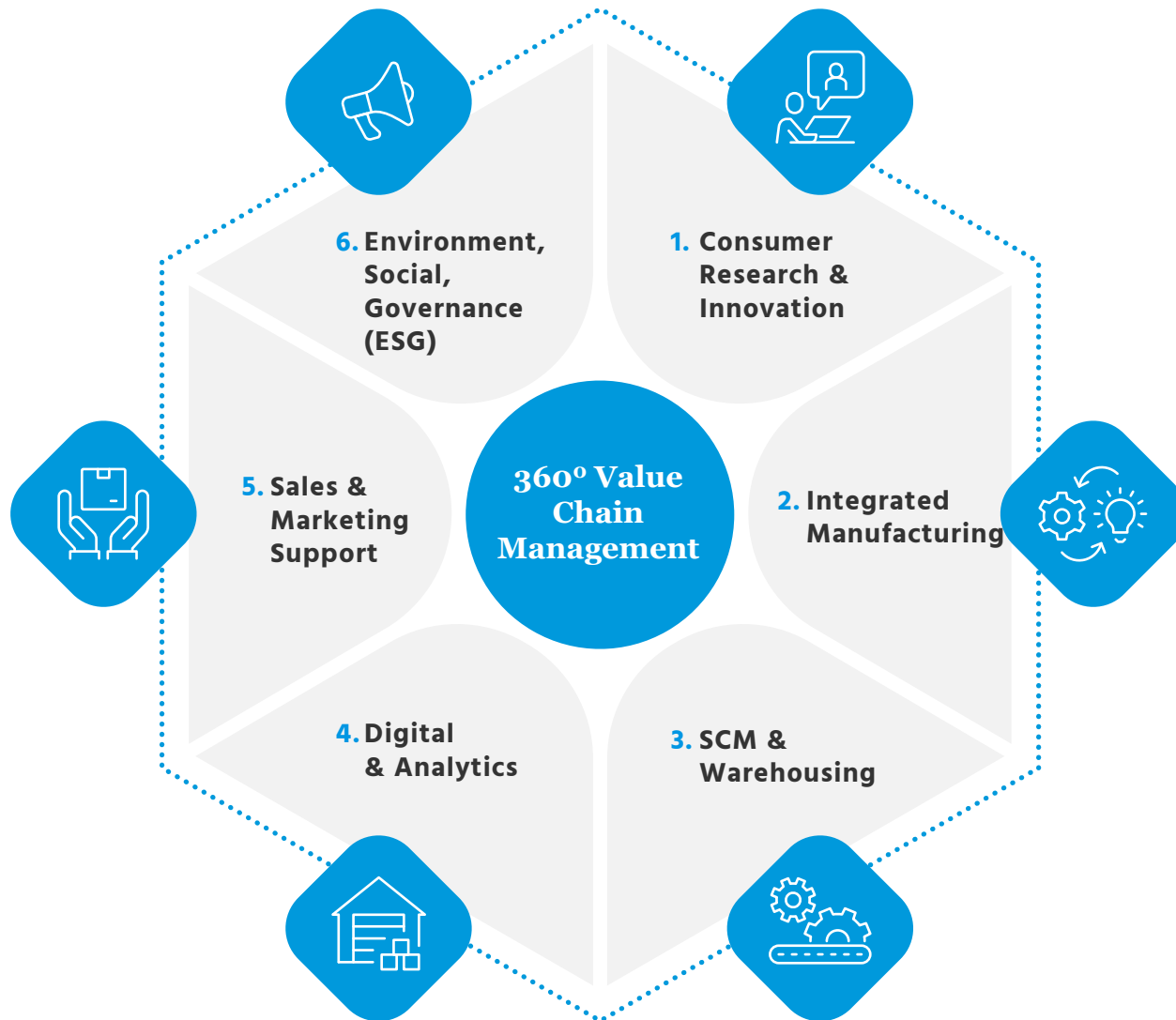
India



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	85,400	
	Bed Linen	Mn mtrs	90	
	Rugs & Carpets	Mn sq mtrs	12.0	
	Advanced Textile			
	Spunlace	MT	10,000	
	Needle Punch	MT	3,026	
	Wet Wipes	Mn Packs	100	

Flooring Solutions	Particulars	UOM	Annual Capacity	
			Expected*	Current
	Flooring	Mn sq mtrs	27	18

Note:
 *Expected Capacity at Full Capex | operationally based on business needs by making small investment in balancing equipment | ^Nominal Capacity



Watch Welspun Manufacturing Facility Tour

Awards & Recognition – Testimony of Excellence



**Global Textile Company
of the Year
2021**



**Most Influential Woman
2020**
Dipali's Contribution to
Industry & Society



**Sustainability & CSR
2021**
Amongst Top 100 Companies
in India



**US FDA
2021**
1st Indian firm to get US FDA nod
for 3 ply surgical masks



**Greenguard Gold
2021**
Certification for Chemical
Emissions



**Innovation Award
2021**
South and South East Asia
Innovation Award 2021



**Dow Jones Sustainability
Index (DJSI)**
DJSI rates Welspun with a
rating of 48



**Value Award
2020**
Being responsive, supportive
and collaborative during
COVID-19



**Innovation
2020**
Product & CSR Supplier of
the year

and many more...

Feathers in our cap



[Read More](#)

Dipali Goenka: Unstoppable Tycoon
Featured in Business Today

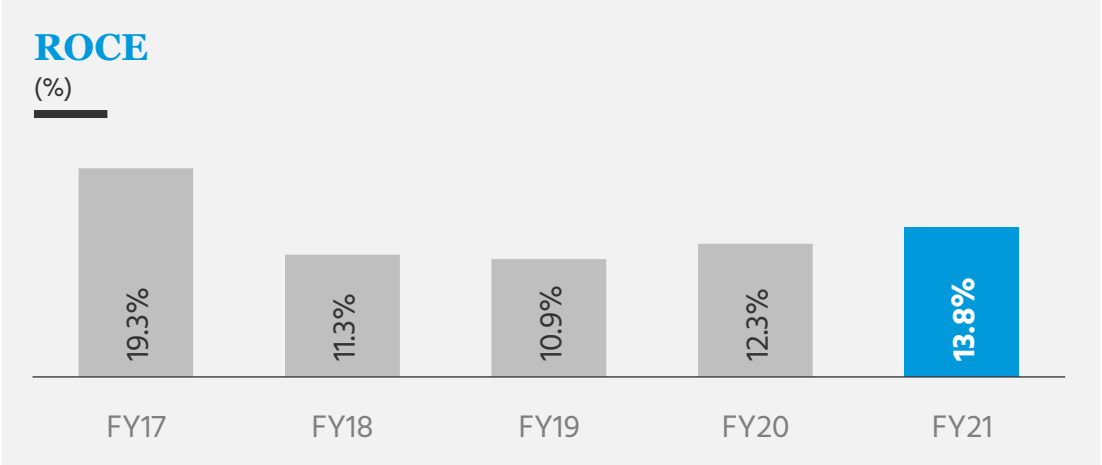
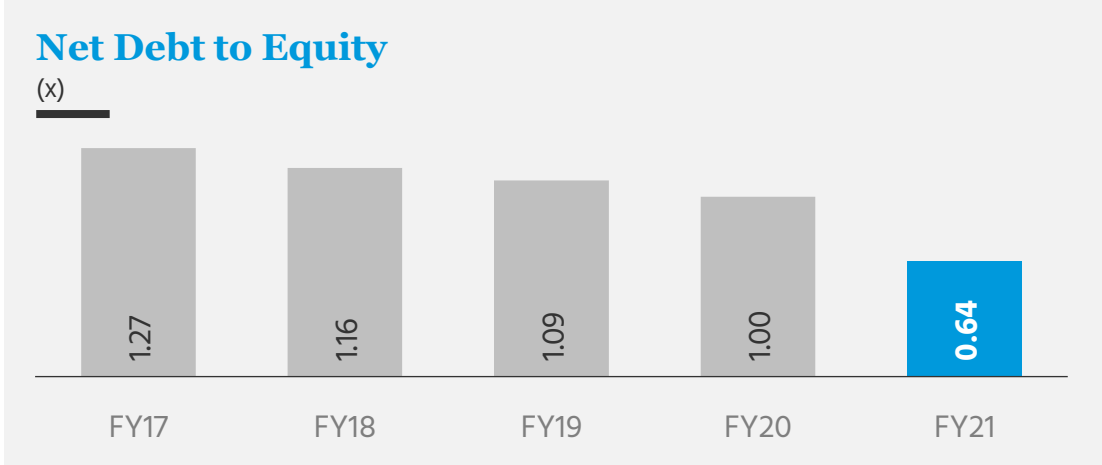
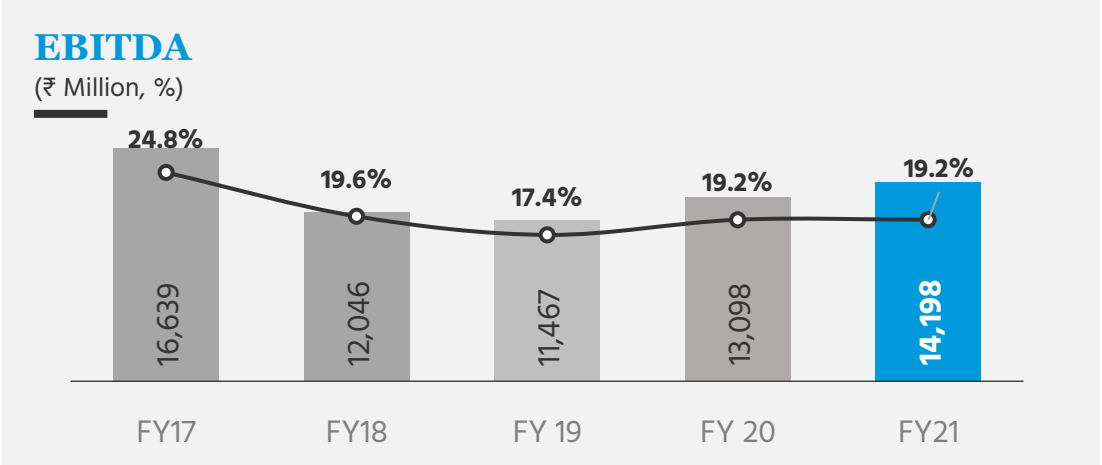
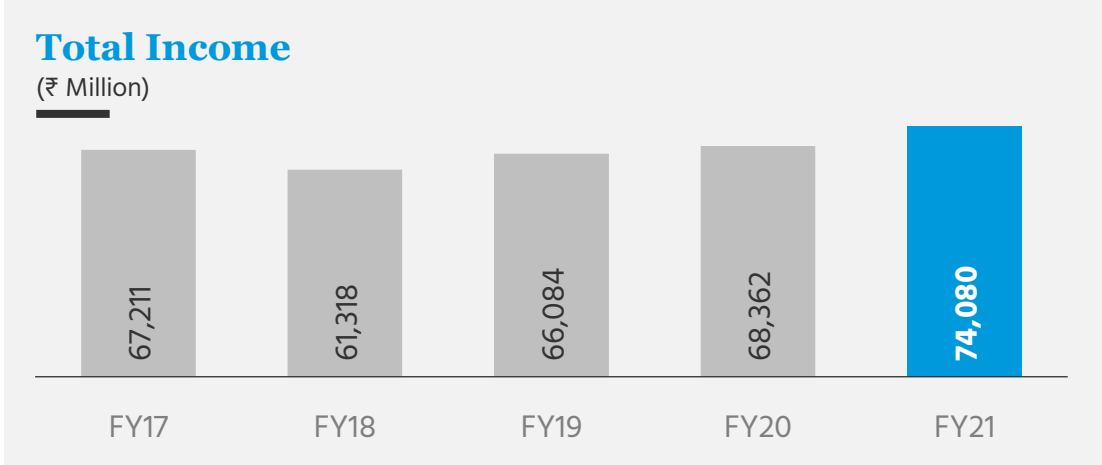


[Watch video](#)

[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



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. Sanjay Gupta President (Finance) and CFO

- ◆ 29+ years of experience in corporate finance, accounts, strategy and M&A
- ◆ Worked with organizations like Tata Tesco JV, Bata, Glenmark Pharma, Roche, etc.

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. Manjari Upadhye CEO (Domestic Business)

- ◆ 20+ of rich experience & expertise in Strategic Portfolio management, Consumer Insights, Advertising and Innovation domains.
- ◆ Experience in FMCG sector with leading international marquee brands like Colgate, PepsiCo, Mondelez etc.

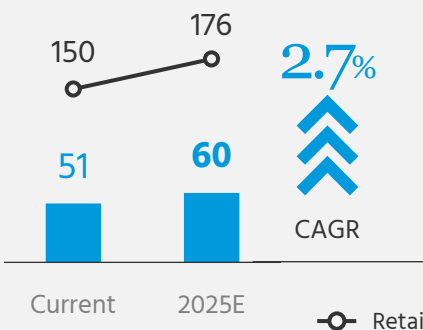
Mr. Ravi Panicker HEAD (CHRISTY)

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

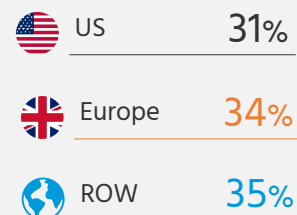
Global Home Textile Opportunity

Global Home Textile Market

(USD Bn)

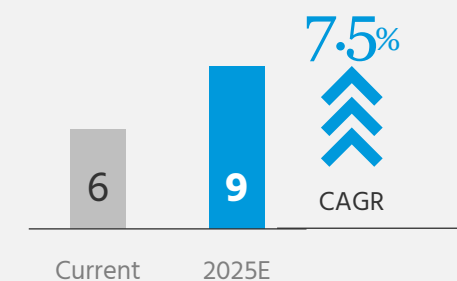


Market Composition



India Home Textile Market

(USD Bn) (Retail level)

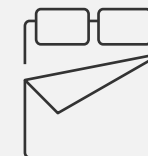


Addressable market size is \$1.7 bn and is expected to move up to \$3.2 bn by 2025

Addressable US Home Textile Market (2020)

(USD Bn) (Wholesale level)

\$6.3 Bn



Strong Presence of Welspun



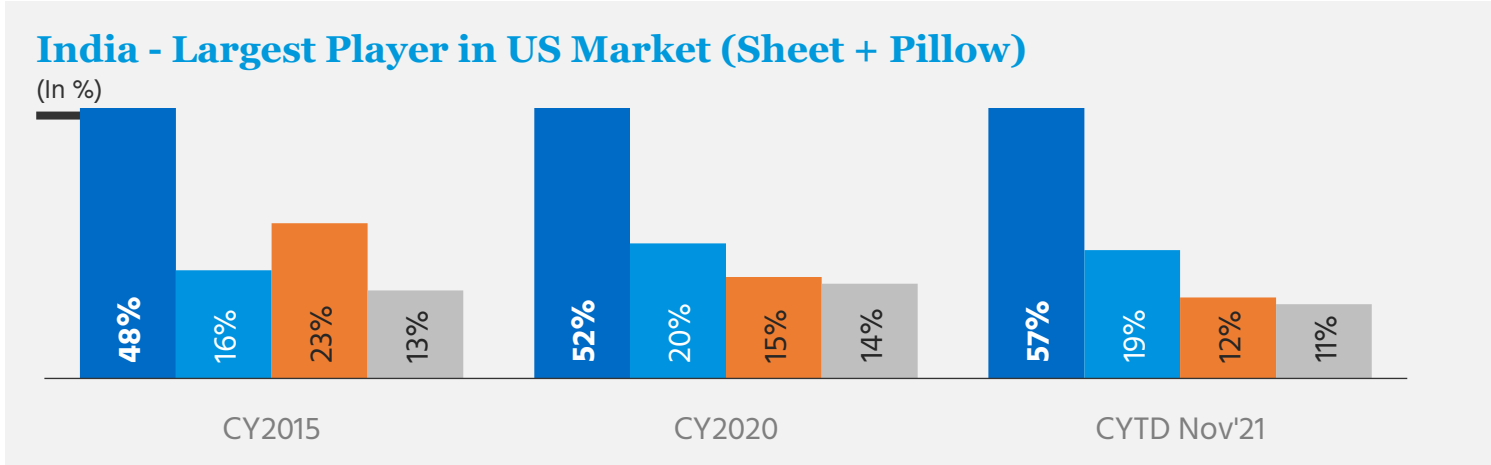
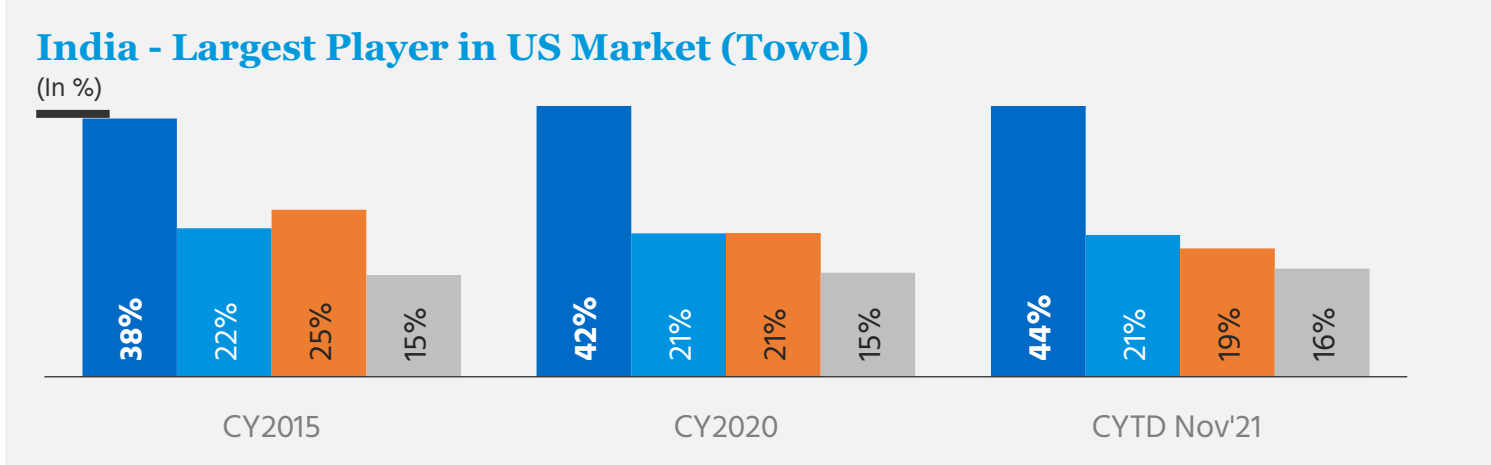
Next Opportunity for Welspun



- ◆ 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.

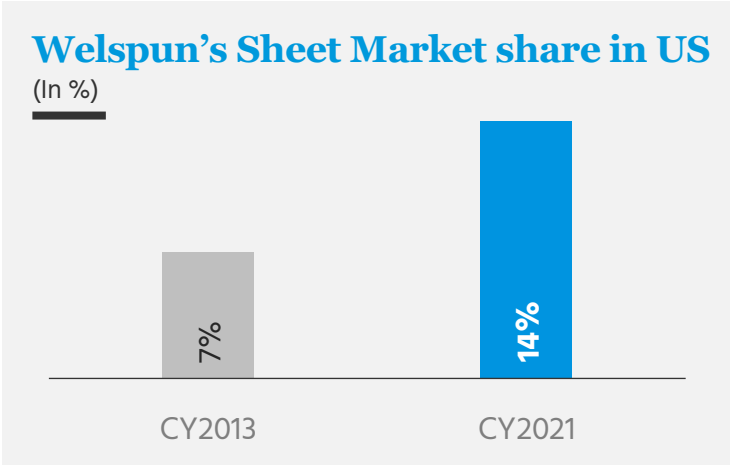
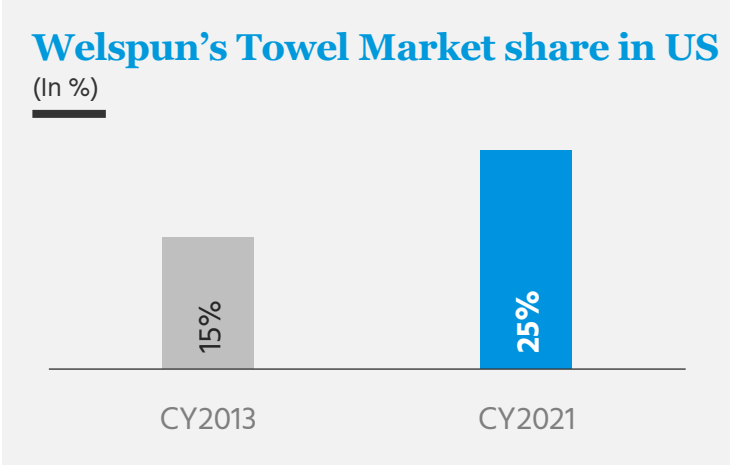
Source: UN Comtrade, Wazir Analysis, OTEXA

US imports and Welspun's Market Share



Source: OTEXA

India Pakistan China Others

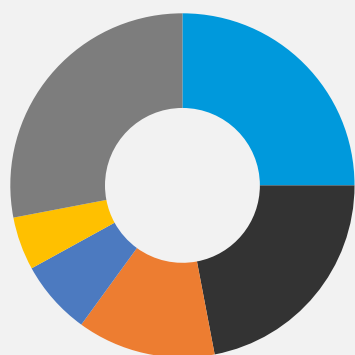


Note: OTEXA & Company Estimate

Global Advanced Textile Opportunity

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

~5% CAGR

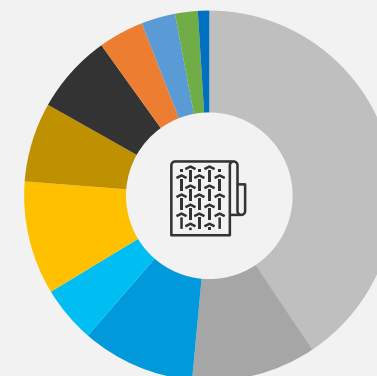


US	25%
Europe	22%
China	13%
Japan	07%
India	05%
Other	28%

\$ 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 %)



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

Area of focus

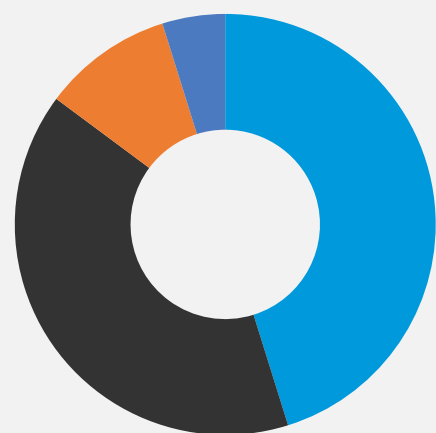
Indian Market

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

Source: Invest India, Company estimates

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



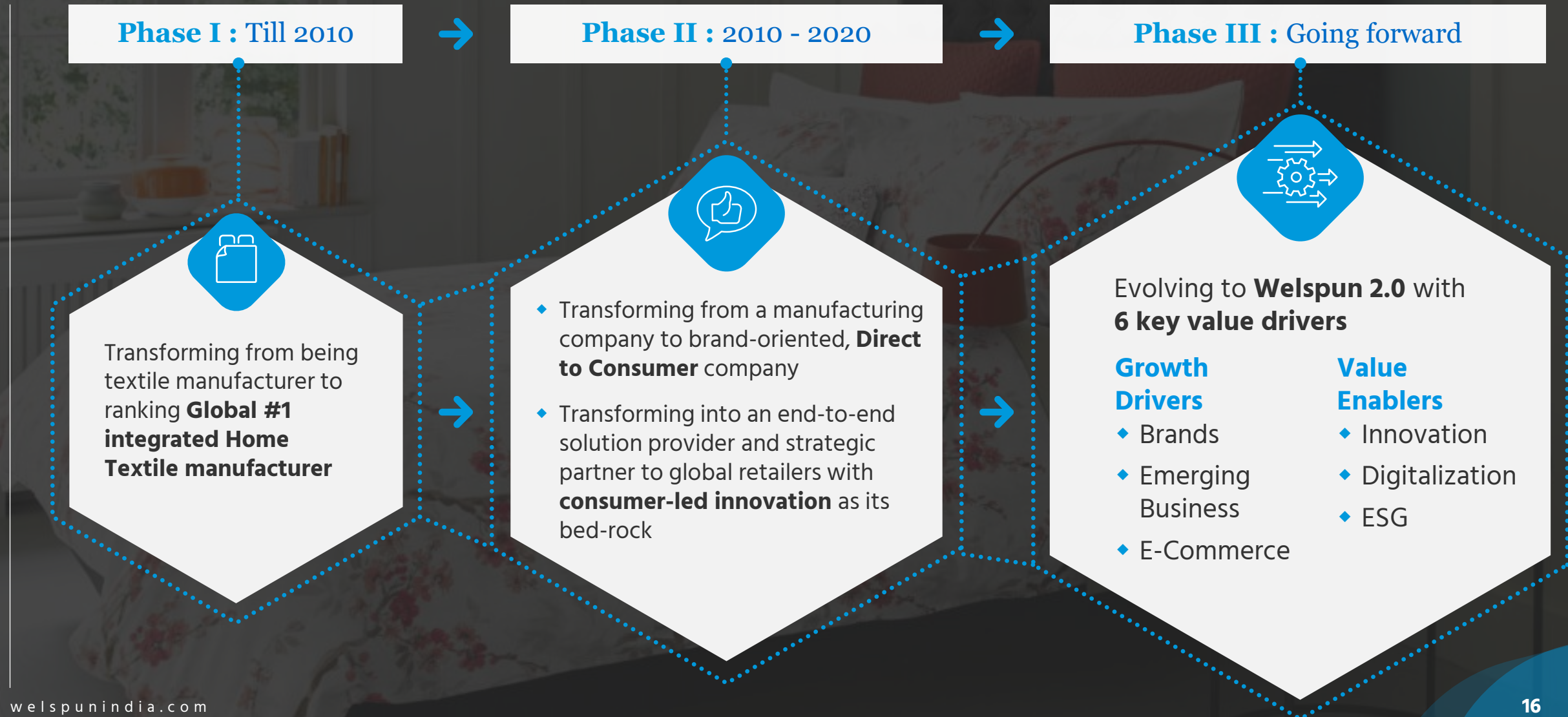
APAC

\$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.

Evolution of Welspun India





Welspun 2.0

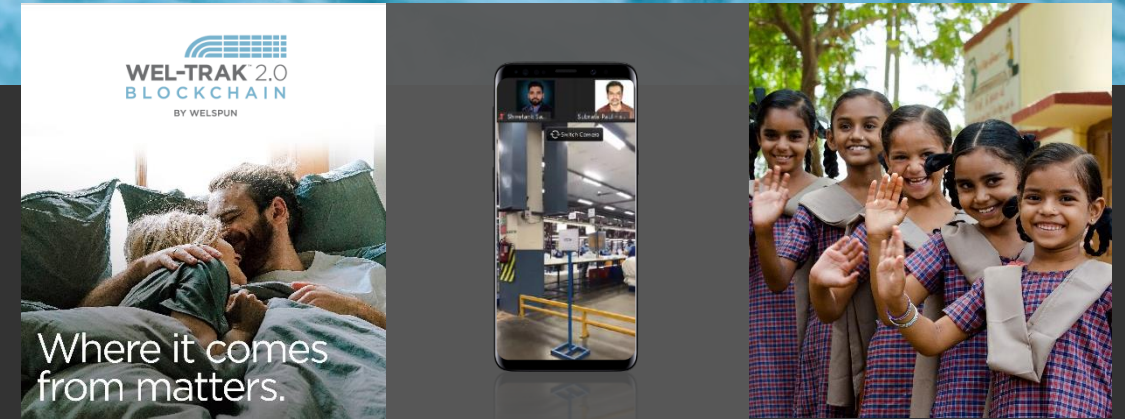


Welspun 2.0

Growth drivers



Value enablers



1 Brands

- ◆ Brand Portfolio – Owned & Licensed

2 Emerging Businesses

- ◆ Flooring
- ◆ Advanced Textiles (part of home textile)

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

1.

Strengthening
owned and
licensed
portfolio

2.

Penetration
of consumer
business across
geographies

3.

Securing
additional
shelf space

4.

Alternate
Revenue
Streams



Owned Brands

India



Licensed Brands

India



Global



KINGSLEY



{ Textile Solutions
for Better Living }

Global



STAYWELL



Owned Brands - Domestic



Brand Positioning

- ◆ Premium
- ◆ Thoughtfulness

- ◆ Mass



Presence

- ◆ **2,300+** outlets
- ◆ **240+** shop-in-shop locations
- ◆ **Top** brand of **Myntra** (HT)

- ◆ **5,400+** outlets
- ◆ **100+** cities & **450+** towns



Early Success

- ◆ **#1** shop-in-shops brand
- ◆ **Best brand on Myntra** in home category

- ◆ **#1** distributed Brand of HT in Home Linen **mass-market*** category, as per Nielsen Survey

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 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



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,

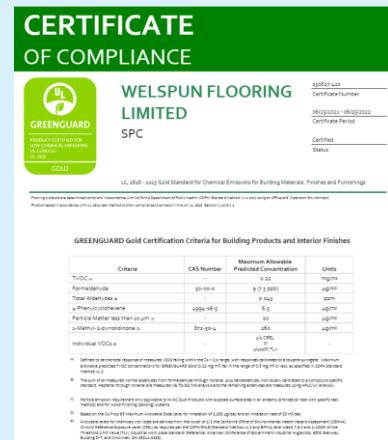


Flooring Solutions

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

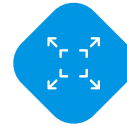
Flooring awards



Greenguard Gold certificate



SCS Global Zero Waste certificate



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



Flooring Product Offerings

Click N Lock® Tiles



Features



Healthy Floors



Highly Durable

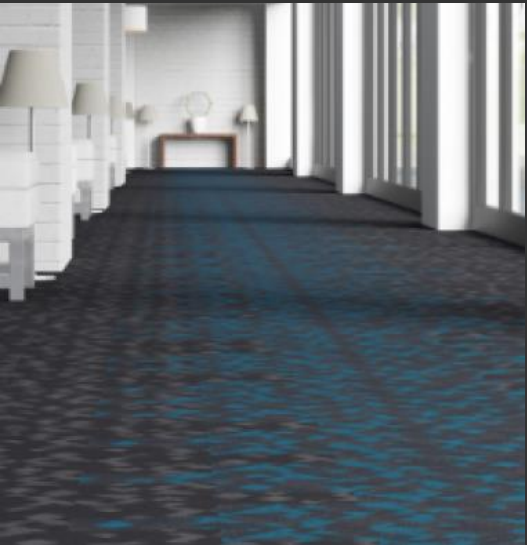


Less than a
day installation



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

E-Commerce – Multipronged strategy to drive growth



Project WAVE

Accelerating E-Commerce growth

\$100 Mn+

Target Revenue Run rate by
Q4FY23

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

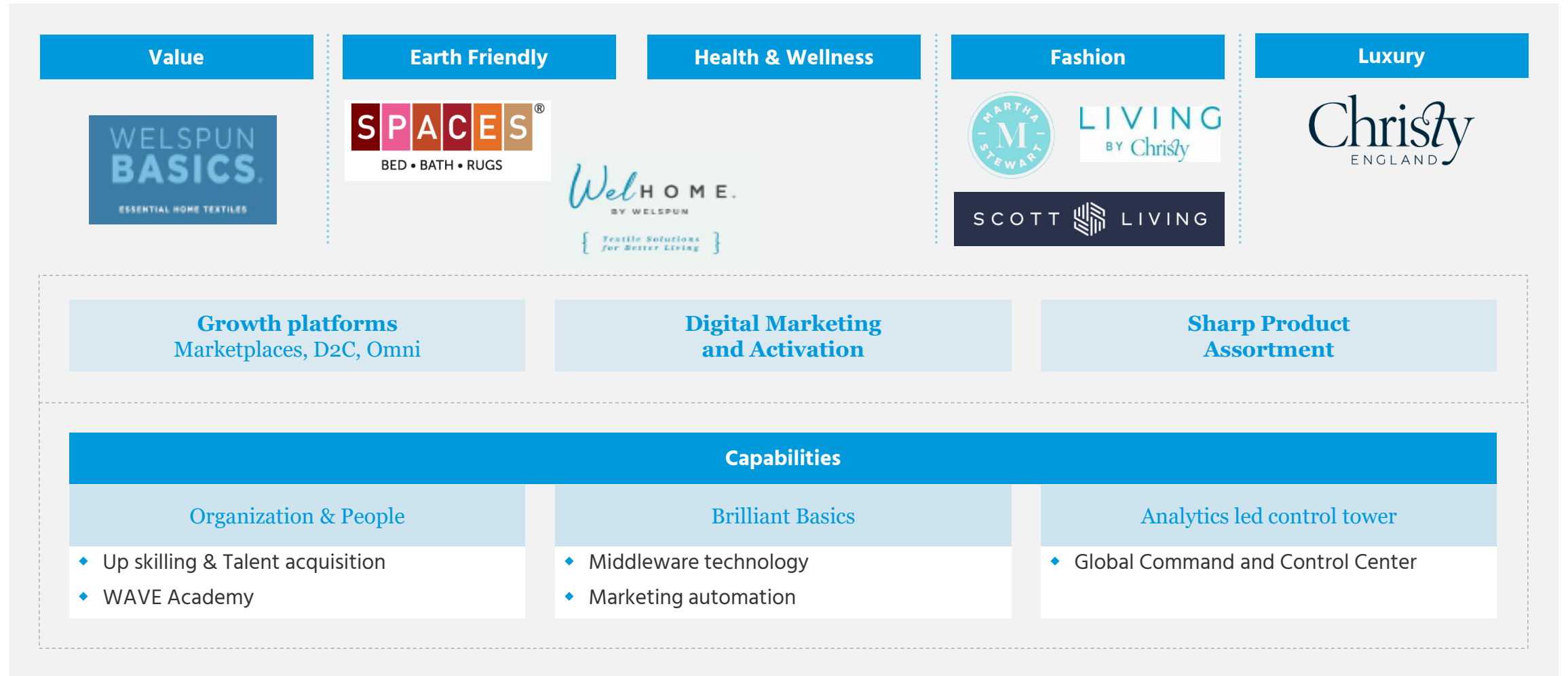
COE Org Model
Wave Academy
Capability

Notes:

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



E-Commerce – (Contd.)

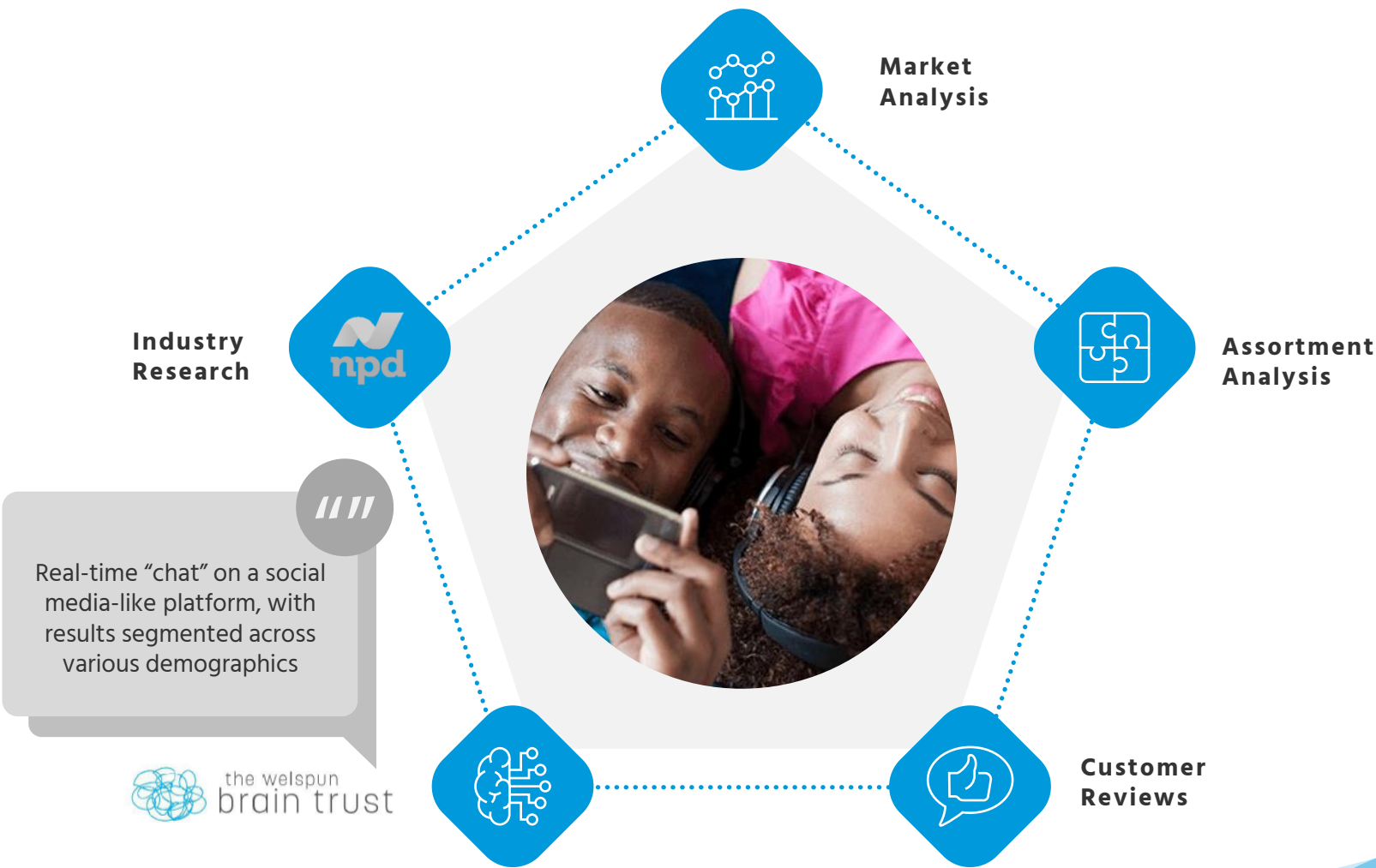


Well-researched offerings backed by deep consumer understanding



- ◆ 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



Thought leader

Collaboration With Tamper-proof Blockchain platform for state-of-the-art transparency for All Fibers & All Product Categories



Building
Trust



Digital
Verification



Enhancing
Transparency

Other Innovations



ORGANIC

- ◆ Wrinkle resist properties



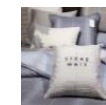
NANOCORE

- ◆ Prevent Allergy & Asthma
- ◆ Chemical-free



DRYLON

- ◆ Ultra soft
- ◆ Dries super fast



CHARCOAL

- ◆ Odor-control
- ◆ Hygienic & Detoxifying

Innovations in Advance Textiles

welaerTM

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

We||StratTM

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

Note - * Patent application in process

WelPleatTM

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

WelFilterTM

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

WelPoreTM

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

Innovations in Flooring



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

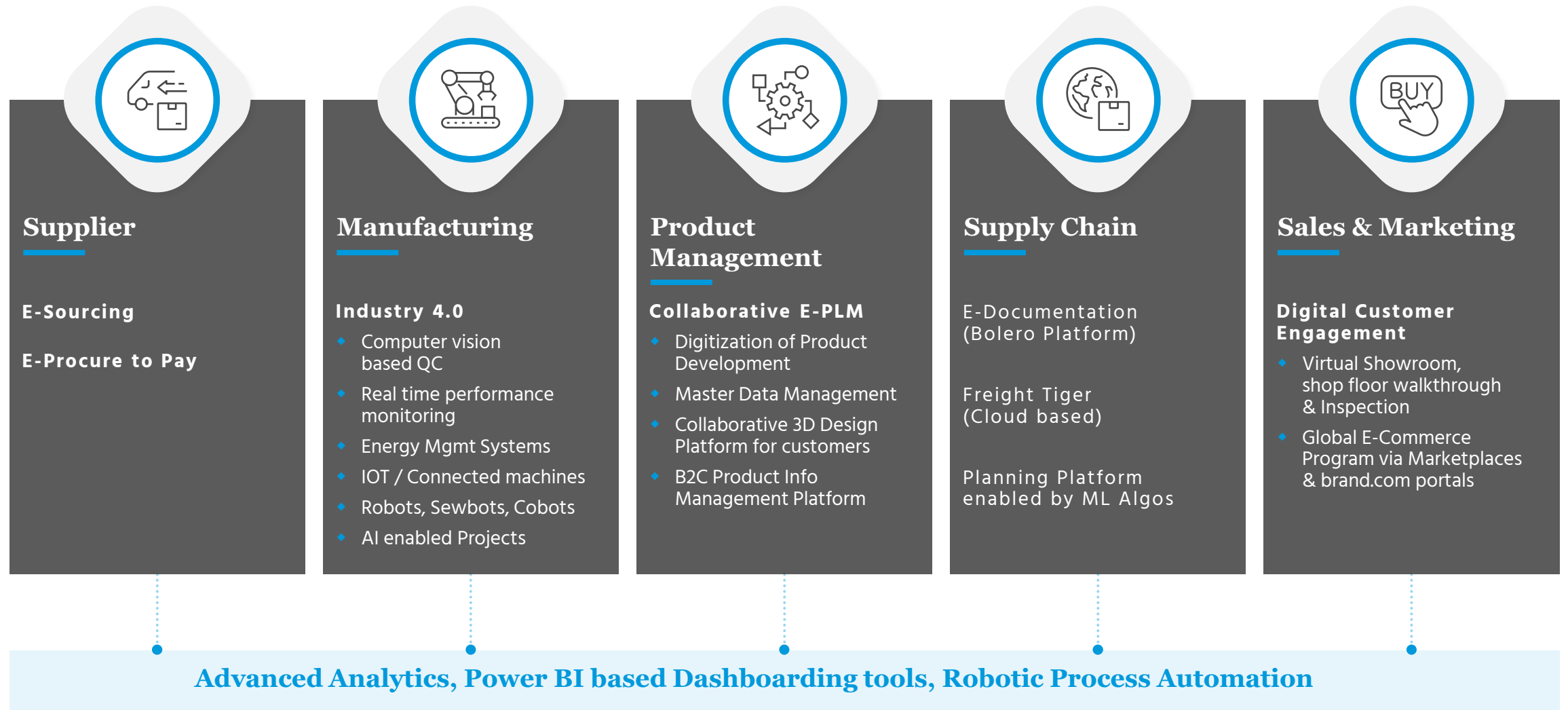
Resilon yarn (recycled PET) ensures the carpets are extremely durable and can withstand high foot traffic.



Welspun Ecolite™

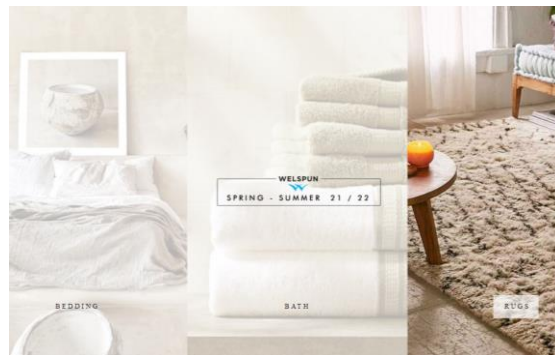
Revolutionary backing made up of lightweight PVC ensuring 40% less environment footprint than traditional carpets.

Digitalization - Digital Transformation at Welspun



Digitally Engaging with our customers

Virtual Showroom & Design Microsite



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. Our social and philanthropic initiatives are run through Welspun Foundation and are centered around 3E's – Environment & Health, Education, Empowerment.

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 ISO 14001 Environmental Management Systems at both manufacturing sites
- ◆ Flagship facility is fresh water positive: 30 mn liters per day sewage treatment plant enables use of 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)
- ◆ Recognized with the prestigious National Water Award 2020 (1st prize in "Best Industry" category)

Water Story



Social

- ◆ Engaged with Cotton Farmers to train & enable them grow sustainable forms of Cotton (Better Cotton Initiative and Organic Cotton) in an initiative spread over 350 villages, impacting 15,314 farmers.
- ◆ Focus on inclusion and gender diversity – large segment of women workers in Cut-&-Sew operations
- ◆ "SPUN" initiative: empowering women in rural communities earn livelihood by making handicraft goods from Factory textile scrap
- ◆ "SPUN" by Welspun recognized as one of the top 100 corporate-ready social enterprises, globally by World economic forum.

Sustainable Cotton Story



Governance

- ◆ Board Committee on ESG
- ◆ Executive remuneration linked to ESG goals
- ◆ Initiated a broad Enterprise Risk Management framework
- ◆ Implemented the ACCESS module in SAP to enable access of relevant data to authorized users
- ◆ Robust Ethics framework in place
- ◆ Compliance management tool in place
- ◆ Innovation and intellectual property oriented culture reflected in 30+ innovations.

Governance Framework

ESG Journey till date ...

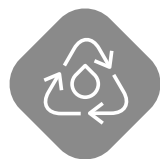
Dow Jones Sustainability Index (DJSI): Welspun India rated 62% higher than industry average score in DJSI Corporate Sustainability Assessment 2021

Journey Till Date (nos. are on YTD basis)



100,000+ acres

Landbank of sustainable cotton farming



3,278 million

Liters of recycled water used in process



1,38,419 GJ Energy

Saved through energy conservation



44%

Of cotton used from sustainable sources



8,380 tons

Recycled cotton reused in process

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

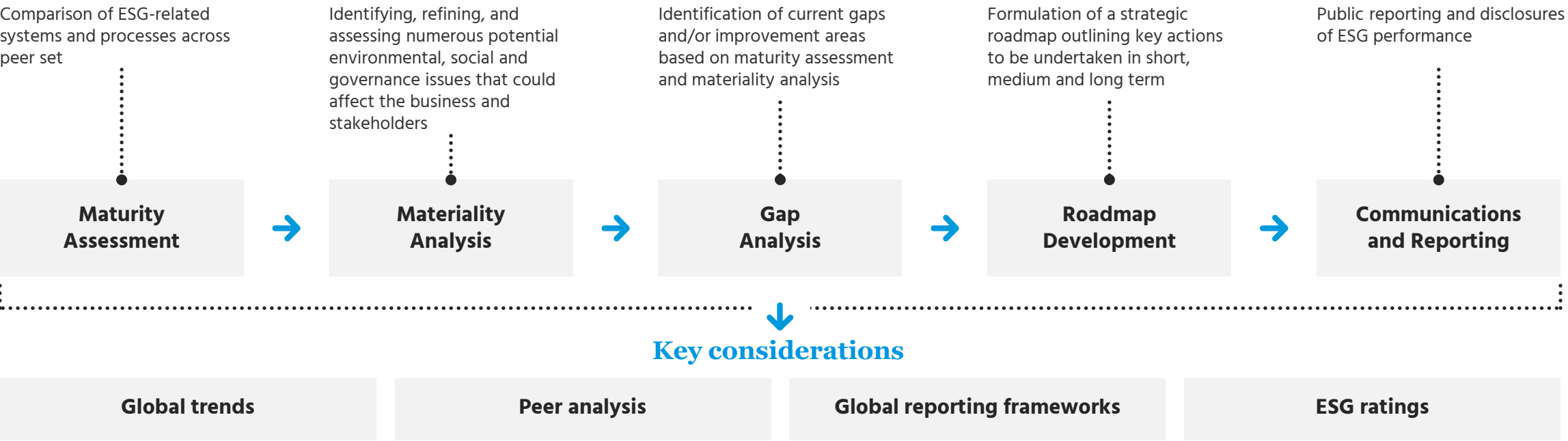
ESG Rating

Sustainalytics	Dow Jones Sustainability Index
Score improved to 14.8 from 17.9	ESG Rating of 48 (62% higher than industry average)

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

Our ESG journey and envisaged outcomes

What are we doing?



Expected outcomes



Sustainability targets

Aspects	Q3FY22	Goal 2025	Goal 2030	Key Highlight of Q3FY21
Carbon Neutral (measured as % RE)	WIP	20% RE	100% RE	<p>Projects Under consideration: Solar PV on STP pumping stations (1MW), Floating solar PV @ Anjar (11MW)</p> <p>Increase use of wood briquettes, Rice Husks and ETP dried sludge @Anjar, WFL.</p> <p>Discussion with Guj. Govt. underway regarding solar power policy</p>
100% Sustainable Cotton	34%	50%	100%	On YTD basis sourcing of both Organic Cotton & BCI-cotton has increased (Due to increased customer demand). However, there is slight dip In Q3 on account of change in product mix
Fresh Water Positive in Production operations	10.8 KL/MT	5 KL/MT	0 KL/MT	Existing treated-municipal-sewage use in Anjar factory continues, while, Vapi factory continues to use Fresh water
Zero hazardous waste to Landfill (ETP chemical sludge)	9.8 MT	0 MT	0 MT	Hazardous Waste used as Alternate Fuel in Anjar Power Plant (thus, reducing use of Coal). However, Vapi factory ETP sludge has been sent to landfill at TSDF site
Impacting 1 million lives in CSV	1,73,532	500,000	1,000,000	Direct Beneficiaries reached through Wel Shiksha, We Netrutva, WSSW and We Suraksha, does not include Covid and Env. activities
Farmers in Welspun sustainable farming project	15,314	20,000	50,000	On track. Farmer Registrations are in process



Robust Financial Performance



Profit & Loss Summary

(₹ Million)

Particulars	FY17	FY18	FY19	FY20	FY21
Total Income	67,211	61,318	66,084	68,362	74,080
Growth %	11.8%	-8.8%	7.8%	3.4%	8.4%
EBITDA	16,639	12,046	11,467	13,098	14,198
EBITDA Margin	24.8%	19.6%	17.4%	19.2%	19.2%
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	-
PAT (After Minority Interest)	3,576	3,850	2,098	5,074	5,397
Cash Profit*	9,131	9,413	8,977	9,702	10,197
EPS (₹)	3.56	3.83	2.09	5.05	5.37

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
Net Worth	23,971	26,057	27,793	29,721	36,447
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
Gross Debt	33,114	32,807	33,104	34,421	28,414
Cash & Cash Equiv.	2,725	2,538	2,821	4,803	5,087
Net Debt	30,389	30,269	30,283	29,618	23,327
Net Debt excluding Flooring debt	30,389	30,269	27,412	23,240	16,215
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
Total Assets	73,283	72,249	77,423	83,103	86,778

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
Solvency ratios	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
Operational ratios	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
Return ratios	ROE	29.6%	15.4%	15.2%	16.1%	16.3%
	ROCE (Pre-tax)	19.3%	11.3%	10.9%	12.3%	13.8%

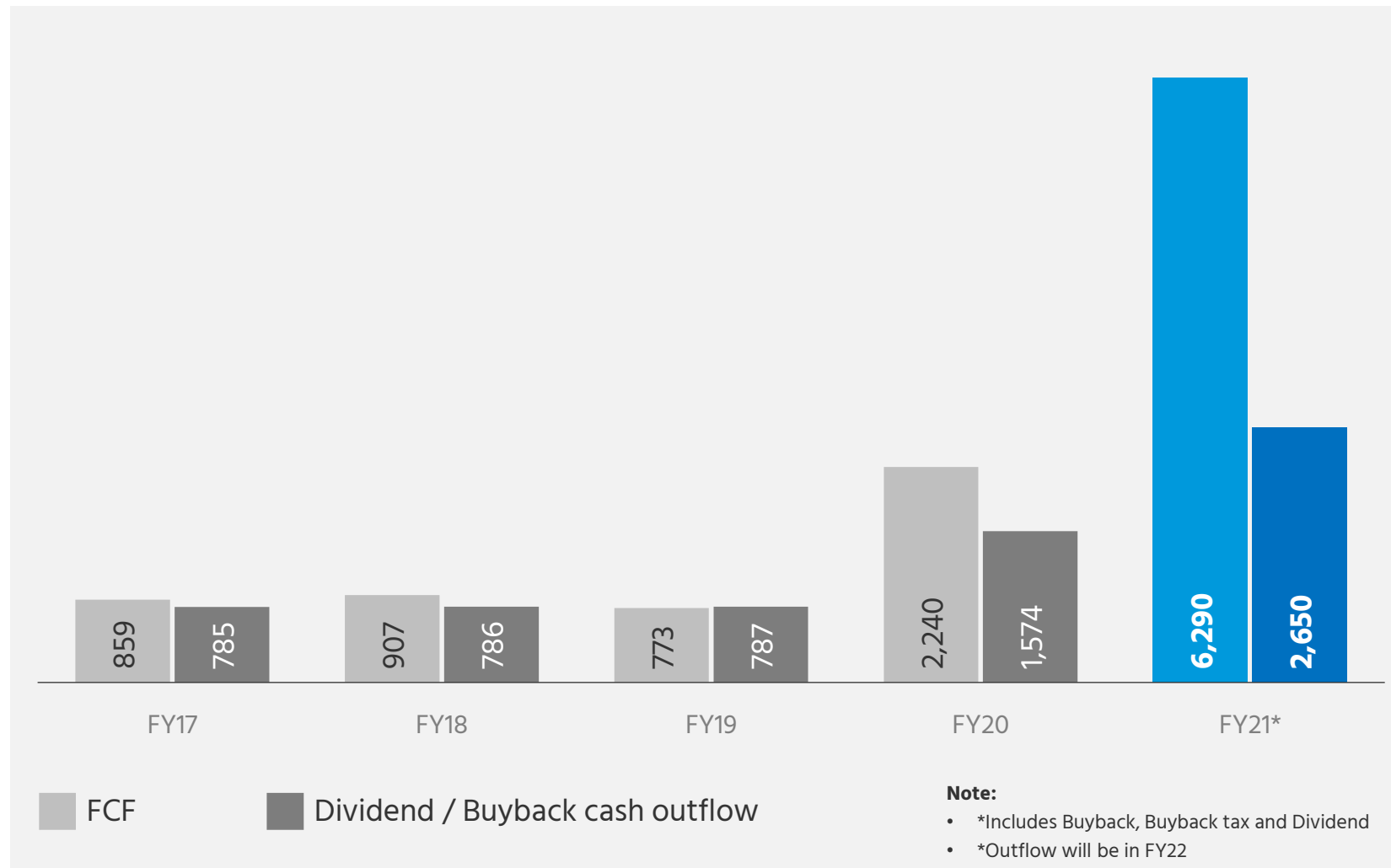
Continuous improvement in ROCE in last 3 Years

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

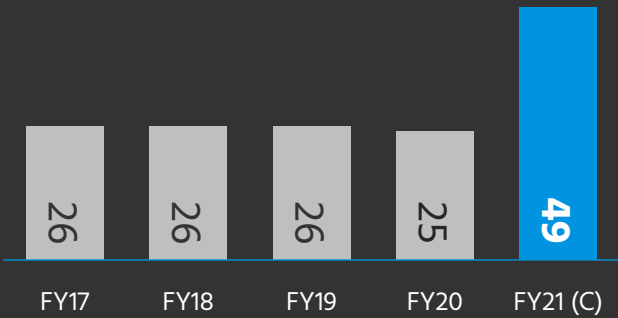


Core Philosophy in Capital Allocation Decisions

- ◆ 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 31st 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 MT
Capacity in FY21

85,400 MT
Current Capacity

102,000 MT
Starting Q4FY23



Bed Linen

90 Mn. Meters
Capacity in FY21

90 Mn. Meters
Current Capacity

108 Mn. Meters
Starting Q4FY22



Rugs & Carpets

10 Mn. Sq. Meters
Capacity in FY21

12 Mn. Sq. Meters
Current Capacity

18 Mn. Sq. Meters
Starting Q4FY22

HOME TEXTILE:

- ◆ Capacity expansion at Vapi and Anjar underway
- ◆ Additional TT Capacity expansion for 16,600MT PA to be operational by Q4 FY23

ADVANCED TEXTILE:

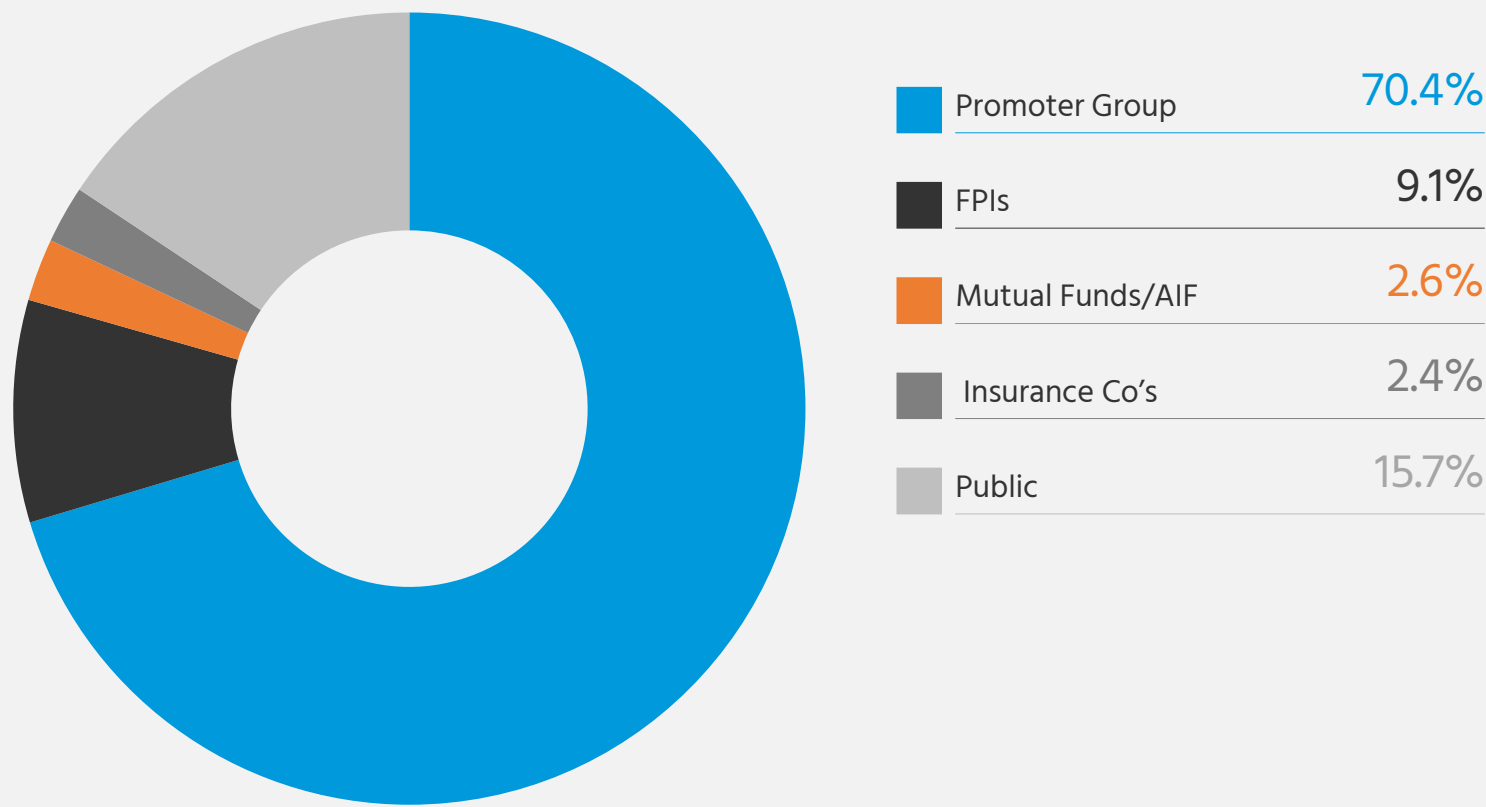
- ◆ Spunlace expansion to commence operations in Q4 FY22
- ◆ Potential business topline: over ₹6,000 mn by FY23

FLOORING:

- The planned capacity installation to be completed by Q4FY22

Share Holding Summary

Shareholding Pattern (Dec 2021)



Top Institutional Shareholders

LIC of India
L&T Mutual Fund
DSP Mutual Fund
Aditya Birla Sunlife MF
Tata Mutual Fund



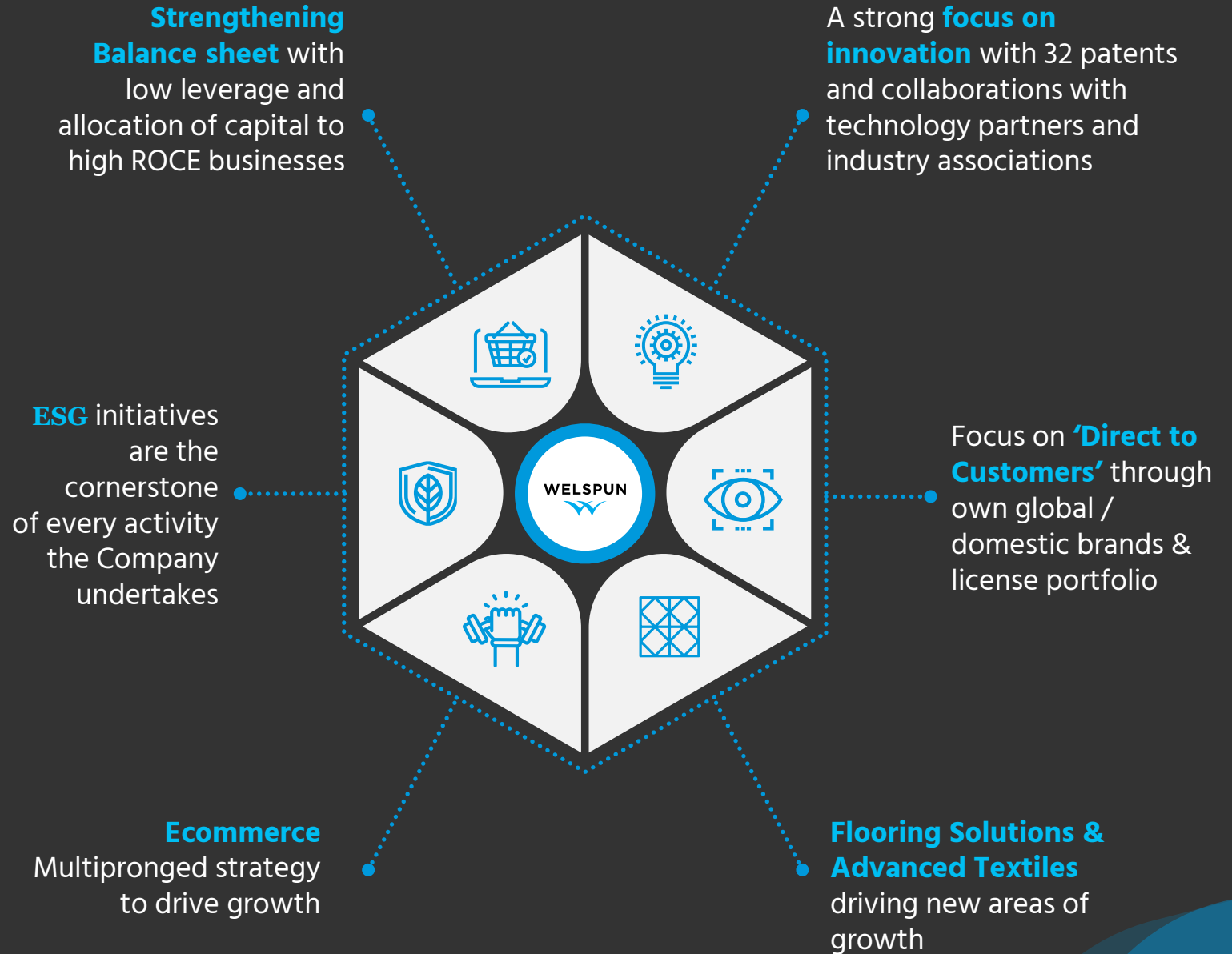
Investment Rationale – What makes it an interesting play?



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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