

Strong & Sustainable performance continues in Q1 FY 24

Mumbai, July 31, 2023: Welspun India Ltd. (WIL), a global leader in Home Textiles and part of the US\$ 2.3 billion Welspun Group, announced Q1-FY24 results today.

Management Comment:

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said *“The Company continues to deliver strong performance in Q1 FY 24 with sequentially higher margins, continuing the trend since last few quarters, delivering highest EBITDA margin in last seven quarters. It is also heartening to see Flooring business post its highest revenues during the quarter. All our Emerging businesses, which are our pillars of growth, have shown promising results during the quarter.*

The domestic consumer business further strengthened its market leadership, with Brand “Welspun” being the most widely distributed “Home Textile” brand in India, increasing its reach with presence at more than 13000 outlets pan India, in line with our vision of ‘Har Ghar se Har Dil tak Welspun’.

At Welspun, Environment, Social & Governance (ESG) is now embedded in every aspect and activity of its operations, I am happy to share that the Company has improved its “Sustainalytics” rating to 11.3, highest among the home textile manufactures globally and rank among the top 10 out of the 202 participating companies worldwide.”

Welspun has also unveiled its new brand identity. The same has been created to recognise and cherish Welspun’s hallmark story of bold expansion and growth built upon our strategic diversification forays from B2B to B2C business opportunities.

Key Highlights

- **Total Income** for Q1 FY 24 is ₹ 22,149 Mn grew 11.9% YoY
- **EBITDA** for Q1 FY 24 is ₹ 3,415 Mn @ 15.4% grew 96.7% YoY
- **PAT** for Q1 FY 24 is ₹ 1,616 Mn grew more than 7x YoY
- **Net Debt stood** at ₹ 18,153 mn as on 30th June 2023 vs. ₹ 15,343 mn as on 31st March 2023. During Q1 FY 24 the Company paid out of ₹ 2,400 mn (incl. tax of ₹ 450Mn) towards buyback.
- **Flooring** business grew 33% YoY to record the highest revenue ever of ₹ 2,251 mn
- **Sustainalytics rating** of Welspun India improves to 11.3, the rating elevated WIL into TOP 10 of the 202 participating companies worldwide in the Sustainalytics rating
- Board has approved the **Merger** of Welspun Flooring Limited and other subsidiaries with Welspun India Limited subject to NCTL approval

Key Financial highlights of the Quarter (Consolidated):**(₹ Million)**

Financial Summary	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%
Total Income	22,149	19,790	11.9%	21,955	0.9%
EBITDA	3,415	1,736	96.7%	3,201	6.7%
EBITDA Margin	15.4%	8.8%	665 bps	14.6%	84 bps
PAT after Minorities	1,616	224	621.6%	1,254	28.9%

Segmental Details	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%
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Home Textile:

Revenue	20,376	18,521	10.0%	20,171	1.0%
EBITDA	3,123	1,716	82.0%	2,930	6.6%
EBITDA Margin (%)	15.3%	9.3%	606 bps	14.5%	80 bps

Flooring:

Revenue	2,251	1,694	32.9%	2,083	8.1%
EBITDA	183	21	766.8%	87	109.3%
EBITDA Margin (%)	8.1%	1.2%	688 bps	4.2%	393 bps

(₹ Million)

Balance Sheet Summary	30-June -23	31-Mar-23
Net Worth	40,302	40,878
Gross Debt	24,272	23,504
- Short Term Loans	13,803	12,342
- Long Term Loans	10,469	11,162
Net Debt	18,153	15,343
- Net Flooring Debt	8,160	7,878
Net Debt excluding Flooring Debt	9,993	7,465
Net fixed assets (incl. CWIP)	37,109	37,777
Net current assets (excl. cash & cash equiv.)	25,642	23,135
Capital Employed	72,916	72,389
Net Debt/EBITDA	1.74x	1.76x
Net Debt/Equity	0.45	0.38x

▪ Total Income:

- **Total revenue at ₹ 22,149 Mn** grew 11.9% YoY in Q1 FY 24.
 - **Textile business** revenue at ₹ 20,376 grew 10.0% YoY
 - **Flooring business revenue** at ₹ 2,251 mn grew 32.9% YoY

▪ EBITDA:

- **Consolidated EBITDA** is ₹ 3,415 Mn in Q1 FY 24 with Margin of 15.4% grew 96.7% YoY
 - **Textile Business** EBITDA is ₹ 3,123 mn in Q1 FY 24 with Margin of 15.3% grew 82.0%YoY
 - **Flooring Business** EBITDA is ₹ 183 mn in Q1 FY 24 with Margin of 8.1% grew 9x YoY

▪ PAT (after minority):

- Consolidated PAT is ₹ 1,616 Mn in Q1 FY 24 grew more than 7x YoY.

▪ EPS:

- EPS at ₹ 1.66 in Q1 FY 24 vs ₹ 0.23 in Q1 FY 23

▪ Net Debt:

- Net Debt stood at ₹ 18,153 mn as on 30th June 2023 vs. ₹ 15,343 mn as on 31th March 2023. During Q1 FY 24 the Company paid out of ₹ 2400 mn (incl. tax of ₹ 450 Mn) towards buyback.
- Net debt excluding Flooring business stood at ₹9,993 mn as on 30th June 2023 vs ₹ 7,465 mn as on 31st March 2023.

Key Business Updates:

- Consolidated Revenue in Q1 FY 24 is ₹ 22,149 Mn grew 11.9% YoY
- Company has achieved highest EBITDA margin in last seven quarters, clocking 15.4% in Q1FY 24, nearly doubling i.e., 96.7% YoY and 6.7% QoQ
- PAT for Q1 FY 24 is ₹ 1,616 Mn grew more than 7x YoY
- Emerging businesses Sales of Domestic Consumer business, Advanced Textiles & Flooring businesses grew 15% YoY
- Flooring business grew 33% YoY to record the Highest revenue ever of ₹ 2,251 mn
- Our Domestic consumer brand Welspun continued to be the most widely distributed Home Textile brand in the country with presence in 500+ towns and 13,265+ outlets (up by 2092 in Q1), a reach not hitherto achieved by any home textile player in India.

- Welspun India's endeavor to keep ESG at the core of all operations has improved its sustainability rating to 11.3. The rating elevated WIL into TOP 10 of the 202 participating companies worldwide in the Sustainalytics rating.

Capex:

- In Q1 FY24 the Company has spent ₹571 mn towards Capex, Mainly towards the setup of 30 MW Solar Power plant at our Anjar facility.

Awards and Accolades:

- Awarded as the 'Most Preferred Workplace of 2023-24' by Team Marksmen Network
- Won the Golden Peacock Eco Innovation award, 2023 for Welspun Flooring Ltd
- Won Excellent Supplier Award, 2023, Excellence in Product Development by Nitori
- Won the Domestic Business Excellence 2023 Award by Outlook Business
- Awarded as India's 100 Most Influential AI leader (data driven CXO category) 2023 by Analytics India Magazine

About Welspun India Ltd:

Welspun India Ltd (WIL), part of \$2.3 Bn Welspun Group, is a global leader in Home textiles. With a distribution network in more than 50 countries and world class manufacturing facilities in India, Welspun is strategic partners with top global retailers. WIL is driven by its differentiation strategy based on Branding, Innovation and Sustainability.

About Welspun Group:

A US\$ 2.3 billion enterprise, Welspun Group is one of India's fastest growing conglomerates with businesses in Line Pipes, Home Textiles, Infrastructure, Warehousing, Oil & Gas, Advanced Textiles and Floorings. The Group has a strong foothold in over 50 countries with 26,000 employees and over 100,000 shareholders. Headquartered in Mumbai, Welspun Group's manufacturing facilities are strategically located in India, USA and Saudi Arabia. Known for technological and operational excellence, the Group has established a leadership position in the Line Pipe & Home Textiles sectors globally. Its clients include most of the Fortune 100 companies.

For further information please visit www.welspunindia.com or contact:

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Q1 FY24 Investor / Analyst conference call:

Conference call with the management to discuss the company's
Q1FY24 financial results on Monday, 31 July, 2023 at 4:00 PM IST

Date: 31 July, 2023

Time : 4.00 PM IST / 16:00 hours

Conference dial-in:

Primary Number : + 91 22 6280 1123 / + 91 22 7115 8024

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