

Profit after Tax grows 55%

- ✓ Brand 'Welspun' catapulted to Top 2 position in value segment in Home Textile
- ✓ Only Home Textile player amongst Top 100 companies in India for Sustainability & CSR
- ✓ Emerging businesses collectively continue to grow by ~30% YoY
- ✓ Flooring business reach at 50 distributors and 450 dealers pan-India
- ✓ Net Debt for core business reduced by Rs. 4,549 million in 9 months to Rs. 22,863 million
- ✓ Class action claims settled

Mumbai, February 12, 2020: Welspun India Ltd. (WIL), part of the US\$ 2.7 billion Welspun Group, announced Q3FY20/9MFY20 results today.

Consolidated Financial Summary								(Rs. Million)
Particulars	Q3FY20	Q3FY19	YoY Change	Q2FY20	QoQ Change	9MFY20	9MFY19	YoY Change
Total Income	16,996	16,574	2.5%	18,371	-7.5%	52,667	50,109	5.1%
EBITDA	3,336	2,506	33.1%	4,034	-17.3%	11,082	8,943	23.9%
EBITDA Margin	19.6%	15.1%	451 bps	22.0%	-233 bps	21.0%	17.8%	319 bps
Finance Cost	455	402	13.2%	336	35.6%	1,165	1,114	4.6%
Depreciation	1,325	1,118	18.5%	1,145	15.7%	3,564	3,259	9.4%
PBT	1,556	986	57.8%	2,554	-39.1%	6,353	4,570	39.0%
Exceptional Items [^]	(513)	(294)		-		(513)	(407)	
PAT After Min. Int	732	471	55.4%	1,985	-63.1%	4,218	2,891	45.9%
Cash Profit*	2,576	1,928	33.6%	3,366	-23.5%	8,688	6,804	27.7%
EPS[#] (Rs.)	0.73	0.47	55.4%	1.98	-63.1%	4.20	2.88	45.9%

*Cash Profit = PBDT before exceptionals – Current Tax | # EPS not annualized | ^ @Q3FY20 exceptional loss includes reversal of MEIS benefit of Rs. 947 mn partially offset by unutilized provision of Rs. 434 million related to traceability issue.

Consolidated Balance Sheet Summary		(Rs. Million)	
Particulars	31 st Dec 2019	31 st Mar 2019	
Net worth	30,992	27,793	
Gross debt	30,650	33,104	
- Short Term Loans	14,069	14,080	
- Long Term Loans (excl. Welspun Flooring Debt)	10,387	16,153	
Net Debt excluding Flooring Debt	22,863	27,412	
- Welspun Flooring Debt	6,194	2,870	
Net Debt	29,057	30,283	
Net fixed assets (incl. CWIP)	38,671	36,154	
Net current assets (excl. cash & cash equiv.)	23,443	22,210	
Capital Employed (avg.)	66,287	64,209	
Net Debt/EBITDA*	1.97x	2.64x	
Net Debt/Equity	0.94x	1.09x	

* Based on annualized EBITDA | Prior period figures are restated and reclassified, wherever necessary

Consolidated Highlights

- Q3FY20 Total income was Rs. 16,996 million vs. Rs. 16,574 million in Q3FY19, registering a growth of 2.5% YoY. Emerging businesses collectively continue to grow by ~30% YoY
- EBITDA margin for Q3FY20 was at 19.6%, higher 451 bps YoY
- PAT (after exceptional items) in Q3FY20 and 9MFY20 grows by 55% YoY and 46% YoY respectively
- Net Debt (Excluding Flooring) stood at Rs. 22,863 million, down by Rs 4,549 million in 9 months.
 - Net debt/equity continues to be below 1x
- HygroCotton® completed 15 Years and cumulatively achieved \$1 bn in Global Sales
- Brand 'Welspun' catapulted to Top 2 position in value segment in Home Textile
- Launched 'Martha Stewart' brand for Bed, Bath & Flooring categories in USA and Canada
- Awarded 'Highest Global Exports' from TEXPROCIL for more than 10 years in a row
- Only Home Textile player amongst Top 100 companies in India for Sustainability & CSR by 'ET-Futurescape'

Capex and Project Status

- Company continues to calibrate capex according to Cash flows
- 9MFY20 Capex was approx. Rs. 4.7 billion
- FY20 Total capex is expected to be Rs. 6 billion

- **Welspun Flooring (WFL)** – WFL has commenced its operations with effect from September 13, 2019. Overall capex till date is around Rs. 8.3 bn. As part of the sales network, 50 distributors and around 450 dealers have been appointed so far pan-India.

Management comment

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, "Our association with Mr. Amitabh Bachchan has not only had a positive impact on our flooring business, but has also catapulted 'Welspun' brand to the Top 2 position in the Home Textile value segment. We have an unrelenting focus on ESG and that has started yielding results with our clients as well as other stakeholders. We continue to build on our differentiation strategy based on branding, innovation and sustainability."

About Welspun India Ltd.

Welspun India Ltd, part of US\$ 2.7 billion Welspun Group, is one of the world's largest home textile manufacturers. With a distribution network in more than 50 countries and world class manufacturing facilities in India, it is the largest exporter of home textile products from India. Welspun is supplier to 17 of Top 30 global retailers.

About Welspun Group

A US\$ 2.7 billion enterprise, Welspun Group is one of India's fastest growing conglomerates with businesses in Line Pipes, Home Textiles, Infrastructure, 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

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