

WCL/SEC/2019

June 26, 2019

To,

BSE Ltd. Listing Department, P. J. Towers, Dalal Street, Mumbai - 400 001. (Scrip Code-532144)	National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. (Symbol: WELCORP, Series EQ)
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Dear Sirs/ Madam,

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 participating in a non-deal roadshow (NDR), details of which is as under:

Date	Organised by	Place
Thursday, June 27, 2019	Antique Broking Ltd	Hong Kong
Friday, June 28, 2019	Antique Broking Ltd	Singapore

Please find enclosed the copy of the presentation, which would be used in the NDR. The same is also available on the website of the Company on www.welspuncorp.com.

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

Thanking you.

For Welspun Corp Limited



Pradeep Joshi
Company Secretary
FCS-4959

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Corporate Identity Number: L27100GJ1995PLC025609

WELSPUN CORP LTD

Global Leader in Line Pipes

June 2019



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WELSPUN INDIA
HOME TEXTILES

Global Leader in Home Textiles



WELSPUN CORP
PIPES AND PLATES

Global Leader in Large Diameter Pipes



WELSPUN ENTERPRISES
INFRASTRUCTURE AND ENERGY

Specialized HAM Infrastructure Player

FY 19

Key financials (Rs. Mn)	Welspun India	Welspun Corp	Welspun Enterprises	Welspun Group
Sales	65,266	89,535	17,394	1,85,288
Op. EBIDTA	10,649	8,968	1,929	21,263
Net Worth	27,793	27,976	15,993	80,263
Net Debt	30,283	2,856	(3,028)	31,990
Net Debt/Op. EBITDA	2.84	0.32	(1.57)	1.50
Net Debt/Equity	1.09	0.10	(0.19)	0.40

USD 2.7 bn Welspun group –Well-Managed with Sound Financials

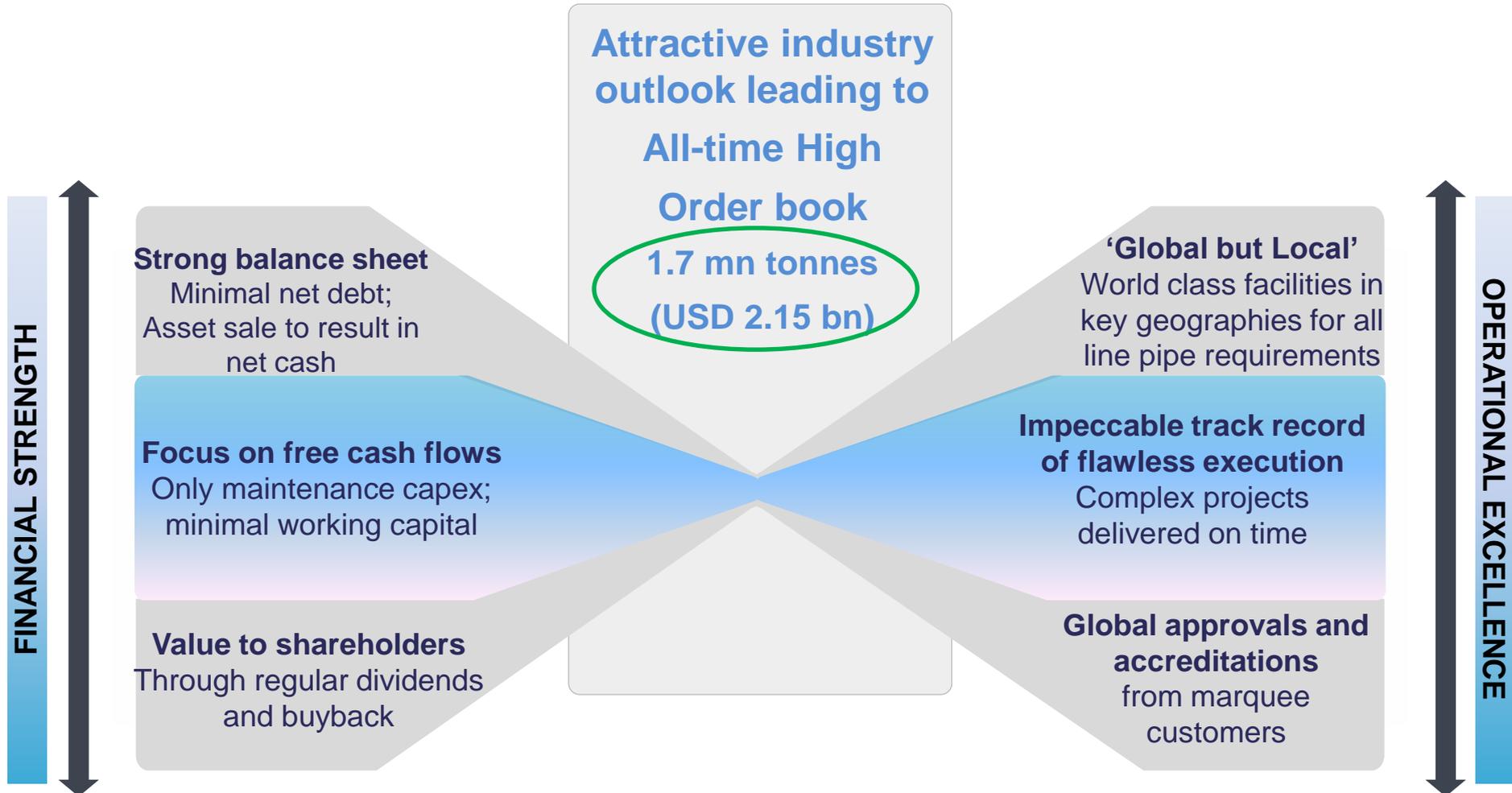
Notes: 1) Welspun Group also includes RMG Alloys, Welspun Steel and Welspun Investments & Commercials Ltd
2) Welspun Corp figures are only for continuing operations (Pipes) 3) Welspun Enterprises figures are on standalone basis

WELSPUN GROUP PROFILE

- Professionally Managed Companies; No Cross Holdings Intra-Group
- Independent Board Structure with professional / independent Directors
- Big-4 auditors in most of the group companies (PwC in WCL)
- Ring fenced financing in each company
 - No corporate guarantee issued between businesses
 - No cash flow transfer between the companies
- Pre-decided hedging policies across companies
- No shares of Promoters are pledged and no personal guarantees extended by them.
- All group companies have credit rating “AA” family (WCL is AA-)

Robust Corporate Governance Practices

WELSPUN CORP: KEY HIGHLIGHTS



FCF generating business with focus on shareholder value creation

WORLD'S LEADING LINE PIPE MANUFACTURER...

...focussed on midstream segment of Oil & Gas industry value chain

Upstream



Exploration / Production

Midstream



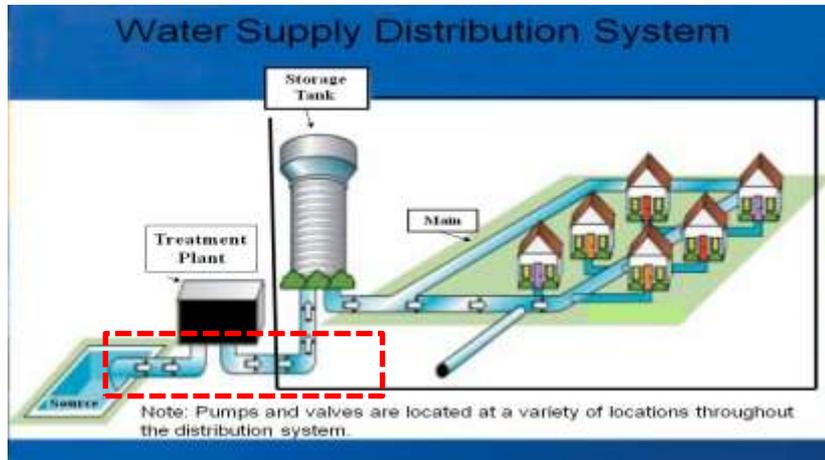
Transportation

Downstream



Distribution / Retail Sale

...and Water transmission value chain



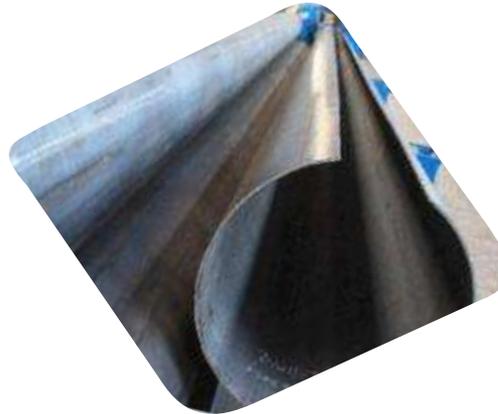
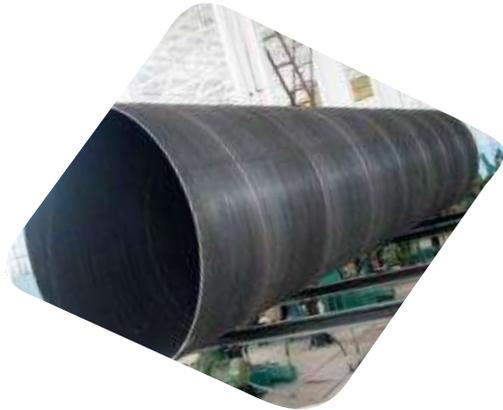
Denotes WCL's presence

Line pipes are used for transporting oil, gas or water over long distances (interstate or from offshore/ under-sea) or as gathering lines (from well to processing centre)

END-TO-END PRODUCTS & SOLUTIONS

HSAW Pipes

- Helically welded pipes made from HR coils; used for on-shore oil, gas & water transmission
- 18 – 140 inch diameter, moderate wall thickness

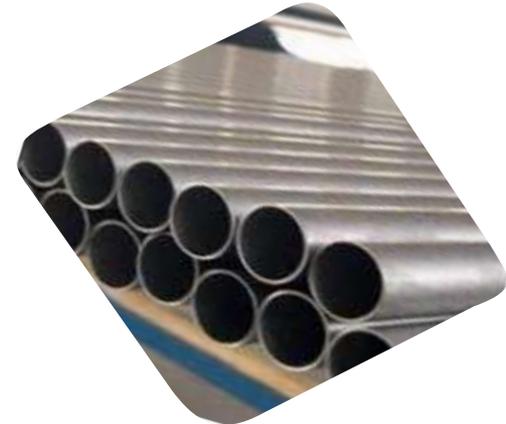


LSAW Pipes

- Longitudinally welded pipes made from HR plates; used for onshore / off-shore oil & gas transmission
- 16 – 60 inch diameter, high wall thickness

ERW/HFIW Pipes

- High-frequency electric welded pipes made from HR coils; used for downstream distribution of oil, gas & water
- 1.5 – 20 inch diameter, low/moderate wall thickness



Coating Systems: Double Jointing, 3LPE, 3LPP, DJ, Internal Solvent /Solvent free coating, Coal Tar Enamel, Inside Cement Mortar Lining

Value Added services: Concrete Weight Coating, Pipe bending, ID Machining, Dump Site & Inventory management

DIVERSIFIED GLOBAL PRESENCE



Plant Locations

- Anjar, India
- Dahej, India
- Mandya, India
- Bhopal, India
- Little Rock, USA
- Dammam, Saudi Arabia

Marketing Offices

- Mumbai, India
- Houston, USA
- Dammam, Saudi Arabia

● Manufacturing Plants

■ Countries Served

EXPERTISE IN COMPLEX PROJECTS

- Track Record of delivering more than 13 million tonnes of pipeline

LSAW	HSAW	ERW/HFIW	Total (KMT)
4,269	7,381	1,425	13,074

Independence Trail

233 Kms, 24" deep sea gas transmission pipeline in Gulf of Mexico
Complexity: High collapse resistance

Deepest

IGAT- IV

100 Kms, 56" of high pressure gas transmission pipeline in Persian Gulf
Complexity: Large diameter high wall thickness, X70 grade of steel

Heaviest

Peru LNG

118 Kms, 34" gas transmission pipeline
Complexity: Pipeline in service at very high altitude

Highest

Keystone Pipeline

Sole Supplier, Canada to USA Crude Oil Pipeline (~1700 kms, 36")
Complexity: Very long distance hydrocarbon pipeline supplied by a single manufacturer

Longest

Arabiyah-Hasbah (Wasit Gas Program)

100 kms, 36" of gas pipeline in Saudi Arabia
Complexity: Highly sour gas

Offshore

Stampede Oil Export SCR* Pipeline

~32 kms, 18" oil pipeline in Gulf of Mexico
Complexity: Only WCL could match specifications

Stringent tolerance level

PARTNERSHIP WITH GLOBAL GIANTS

Oil & gas



Transportation



Others



Approvals & accreditations from marquee customers across the globe

GLOBAL CERTIFICATIONS ACROSS FACILITIES



Quality, Capability and Safety Certifications across facilities

ADEQUATE CAPACITIES FOR GROWTH

US Facility



Saudi Facility



India Facility



Products (KMT)	US	Saudi Arabia	India
LSAW	-	-	700
HSAW	350	375	755
ERW/ HFIW	175	-	200
Coating Systems	✓	✓	✓

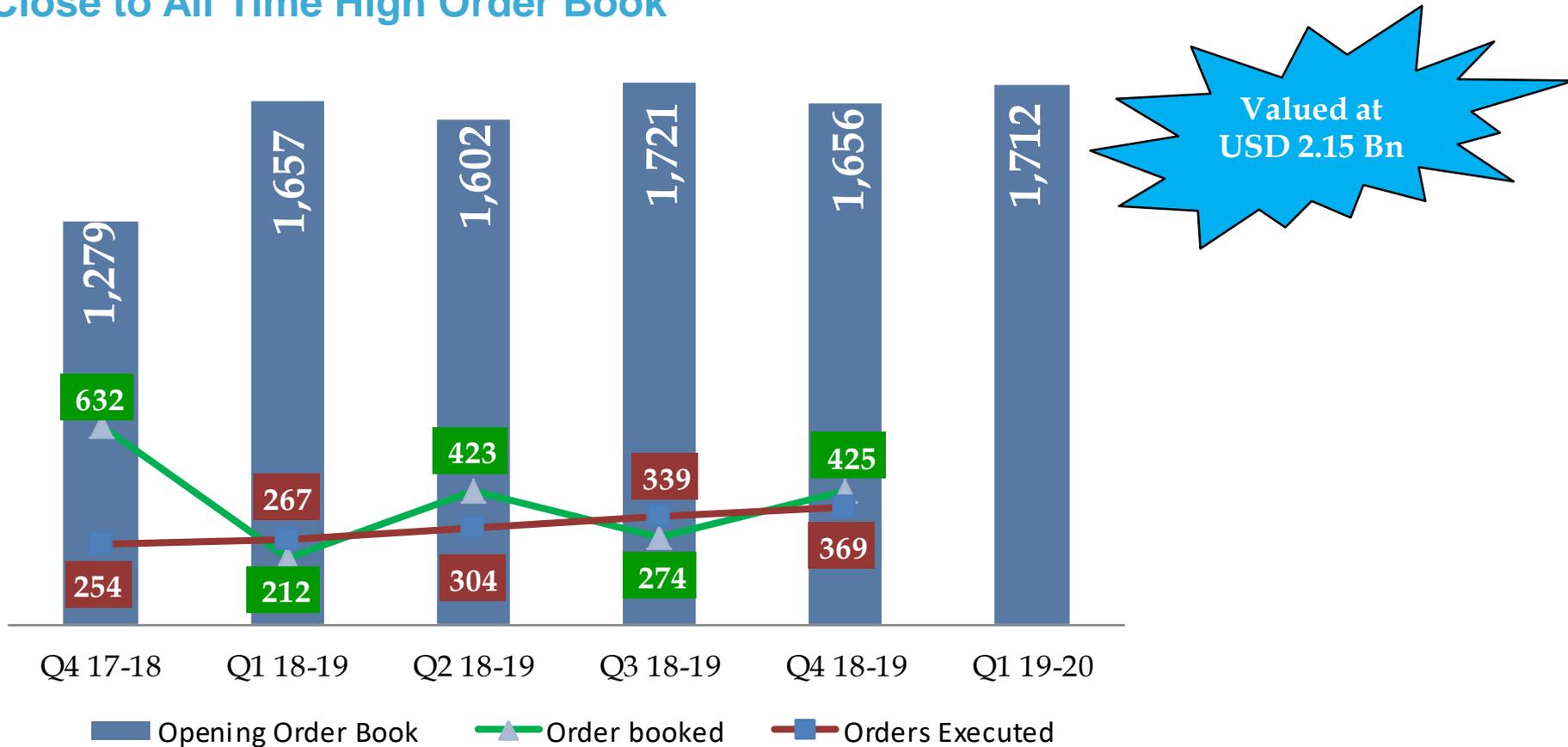
Total combined installed capacity @ 2.55 mn MT

Modern manufacturing facilities leads to minimum maintenance capex

- Port based facilities
- All major accreditations
- Best in class equipment & practices

ORDER BOOK TREND

Close to All Time High Order Book

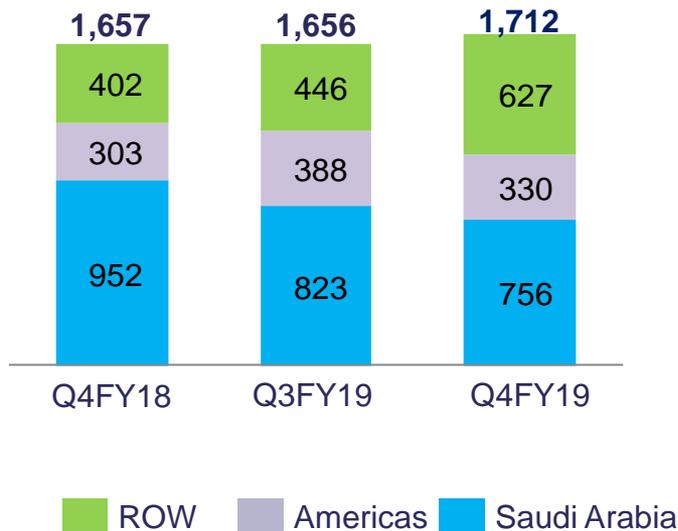


Opening order book mentioned above for Q1 FY 19-20 at 1712 KMT is as of 10th May with sales execution up to April 2019

ORDERBOOK ANALYSIS (including Saudi Arabia operations)

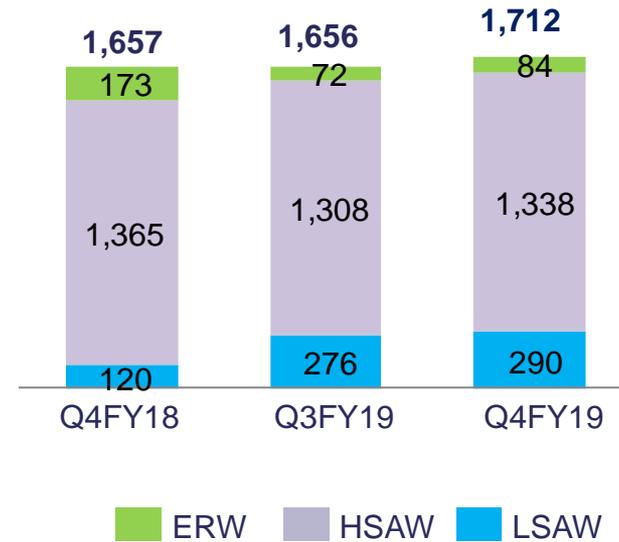
Order book by Region

(KMT)



Order book by Type

(KMT)



Note: All numbers on this page includes all JV operations – Saudi Arabia and CWC

INCOME STATEMENT – ANNUAL TREND

Rs Million	FY16	FY17	FY18	FY19
Pipe Sales Volume (KMT)	1,100	935	1,084	1,279
Revenue	73,801	60,355	63,633	89,535
Operating EBITDA	7,777	5,935	6,008	8,968
Reporting EBITDA	8,908	7,370	7,101	7,077
Depreciation	3,865	3,861	2,582	2,597
Finance cost	2,411	2,357	1,702	1,774
Profit before tax and share of JV	2,632	1,152	2,818	2,706
Tax	792	258	202	1,223
Non Controlling Interest	275	(163)	(53)	(84)
Share of profit/(loss) from associates & JVs	(47)	(793)	(859)	(885)
Net Profit / (loss) (Continuing Operations)	1,518	264	1,810	683
Net Profit / (loss) (Discontinued Operations)	-	-	(227)	(815)
Net Profit / (loss) for the period	1,518	264	1,583	(132)
Basic EPS (In Rs.)	5.76	1.00	6.82	2.57

* EPS for FY 18 to FY 19 - continuing operations

Note:

Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures

FY18 and FY19 figures are reclassified and regrouped as continuing operations (Pipes) and discontinued operations (PCMD and 43 MW power)

Pipe sales volumes are based on total operations including Saudi

BALANCE SHEET – ANNUAL TREND

Rs Million	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19
Net Worth	27,989	28,094	28,540	27,976
Short Term Loans	5,680	2,203	126	1,750
Long Term Loans	20,757	16,227	13,738	11,297
Gross Debt	26,437	18,430	13,864	13,047
Cash & Cash Equiv.	12,883	7,365	9,649	10,191
Net Debt	13,554	11,065	4,216	2,856
Net Fixed Assets (incl CWIP)	37,646	33,877	30,619	16,144
Net Current Assets #	13,944	12,746	13,596	10,460
Net Assets Held for Sale *	-	-	-	11,642
Total Assets	86,385	82,469	76,933	82,000
Net Debt to Equity	0.48	0.39	0.15	0.10
Net Debt to EBITDA	1.52	1.50	0.59	0.40

Note:

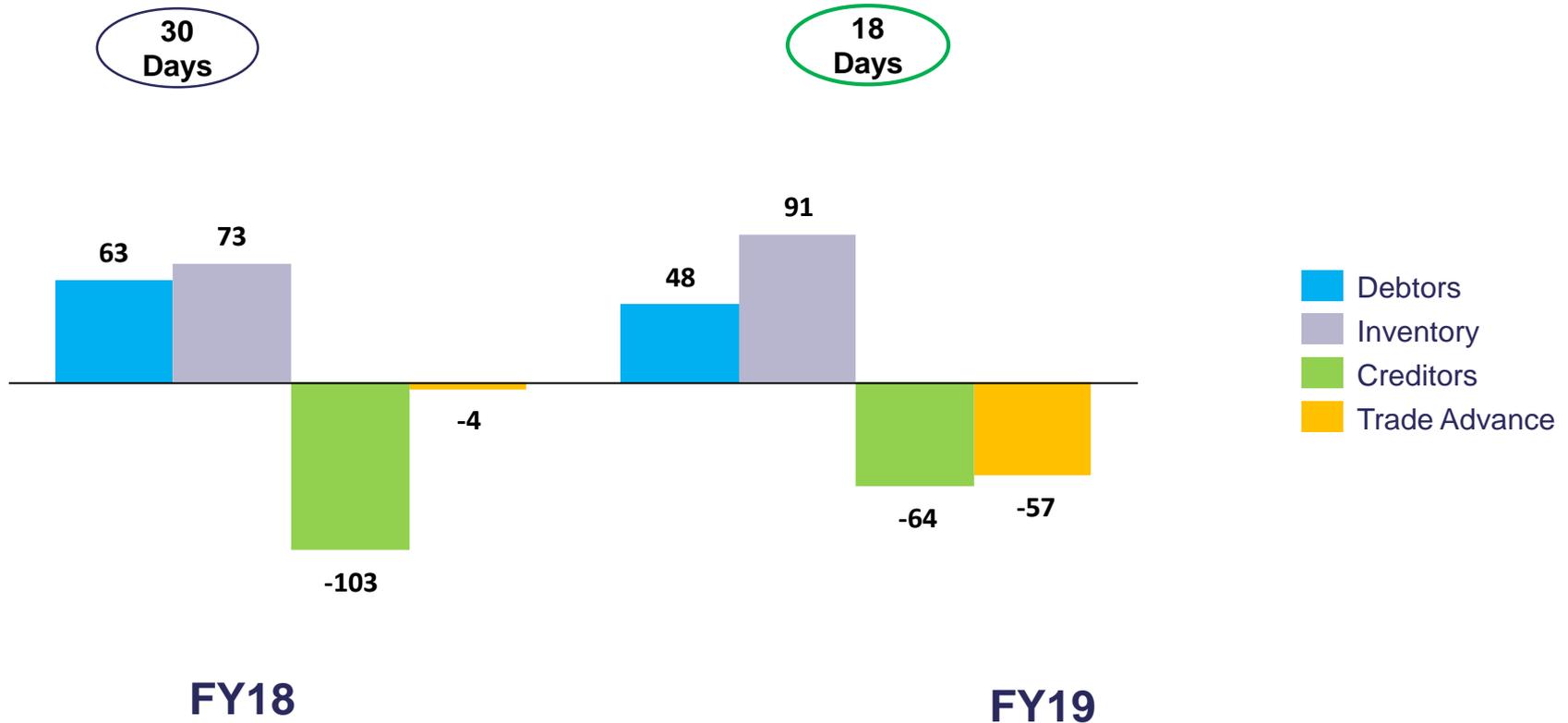
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* Net Assets Held for Sale = Assets or disposal groups classified as held for sale less Liabilities directly associated with disposal groups classified as held for sale

Net Current Assets as on 31-Mar-19 excludes Net Asset Held for Sale

NET WORKING CAPITAL UNDER CONTROL

IND AS Basis

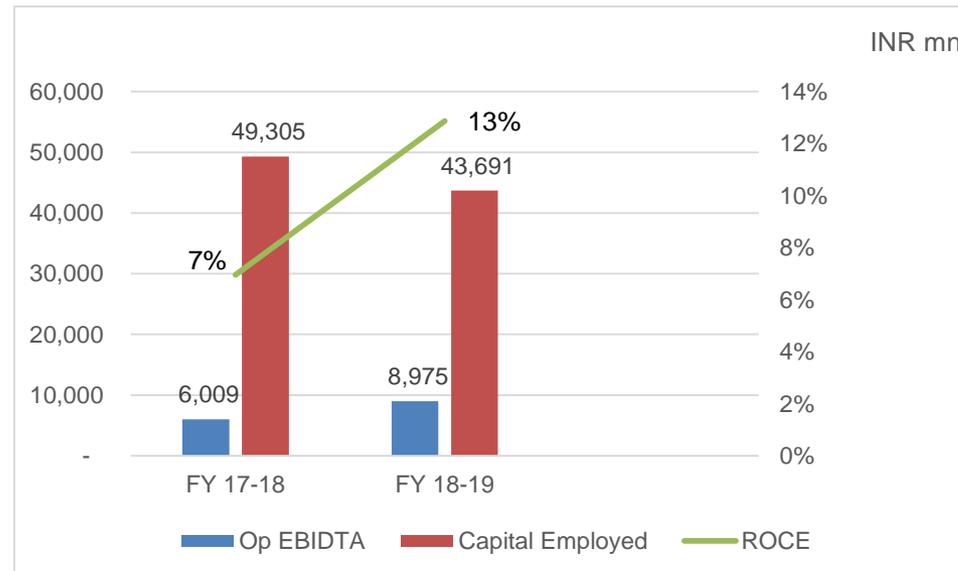


Cash conversion cycle down to 18 days due to PCMD divestment

**Includes Debtors + Inventory – Creditors – Trade Advances
 FY18-19 figures are only for continuing operations*

ROCE IMPROVEMENT

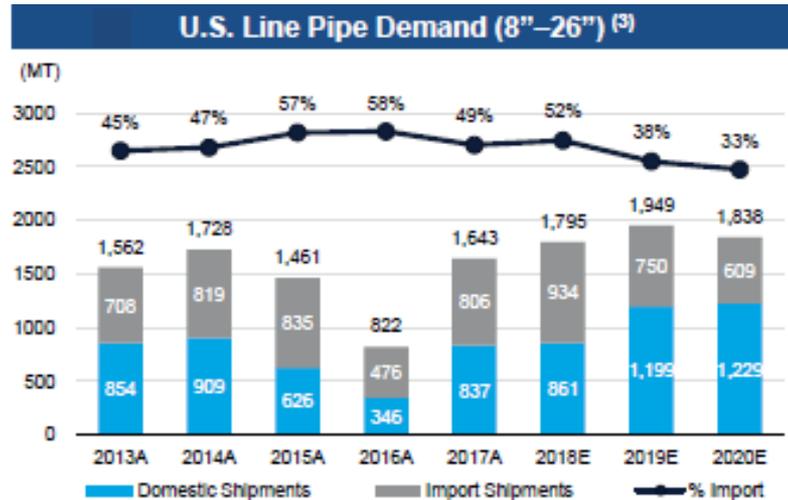
- PCMD Divestment
- PCMD contribution to EBITDA was negligible
- Lower depreciation
- Lower debt
- Lower asset base
- Lower Capital Employed
- Improved working capital



OUTLOOK

USA

<p>Strong Momentum in Oil & Gas Industry</p>	<ul style="list-style-type: none"> ✓ U.S. crude oil production is forecast to increase to 15 MMb/d by 2023 led by Permian basin in West Texas ✓ Increasing shale gas exports as U.S. now a net exporter of gas 	<p>Trade Policy Highly Supportive of Domestic Production</p>	<ul style="list-style-type: none"> ✓ Recent antidumping and countervailing duties for line pipe of all sizes expected to remain into the long term ✓ Section 232 also supportive of domestic production
<p>Need for Oil & Gas Infrastructure</p>	<ul style="list-style-type: none"> ✓ The production boom in the Permian basin has created a takeaway capacity shortage ✓ Current oil & gas pipeline capacity needs to increase significantly in order to meet production forecasts by 2024 	<p>Well-Positioned to Capitalize on Current Market Demand and Competition</p>	<ul style="list-style-type: none"> ✓ Largest U.S. HSAW facility and the only spiral line pipe producer west of the Mississippi best positioned to service the Permian basin ✓ Well-positioned across product lines of diameters ranging from 12-48 inches



Source: Preston Pipe Report,

OUTLOOK.....cont.

Saudi Arabia

- Strong demand in both oil & gas as well as water sectors: Big projects by Saudi Aramco and SWCC
- **Big potential in the medium term with**
 - the recent find of shale gas in Saudi Arabia
 - the intent to connect the entire GCC and Middle East nations through a pipeline network
- WCL Saudi **confirmed order book for more than two years**; favorable order mix translating to significantly better profit margins
- WCL Saudi operations achieved **break-even at EBIDTA level in Q4FY19**
 - Profitability expected to further improve in the coming years.

INR MN	2017-18	2018-19
Qty (MT)	96,444	237,081
Sales	5,789	14,111
EBIDTA	(691)	(429)
PBT	(1,754)	(1,689)
Total Debt	6,018	9,022
Long Term	6,018	5,529
Short Term	-	3,493
Cash	1,136	1,241
NET Debt	4,883	7,781

OUTLOOK....cont.

India

Oil & Gas:

- **Large-diameter pipe demand** driven by gas grid development of GAIL & oil pipeline network by IOCL
- **Small-diameter pipe demand** from City Gas Distribution projects
- New government policy to grant pricing freedom to new gas discoveries → Increase in exploration activities in the country → higher pipeline demand

Water:

- Government focus on issues surrounding water scarcity & stress → Significant demand from water projects is expected across states → river linking projects foreseen.
- **WCL Bhopal Facility:** Geared to meet local demand & become a sizeable player in Central India

Exports:

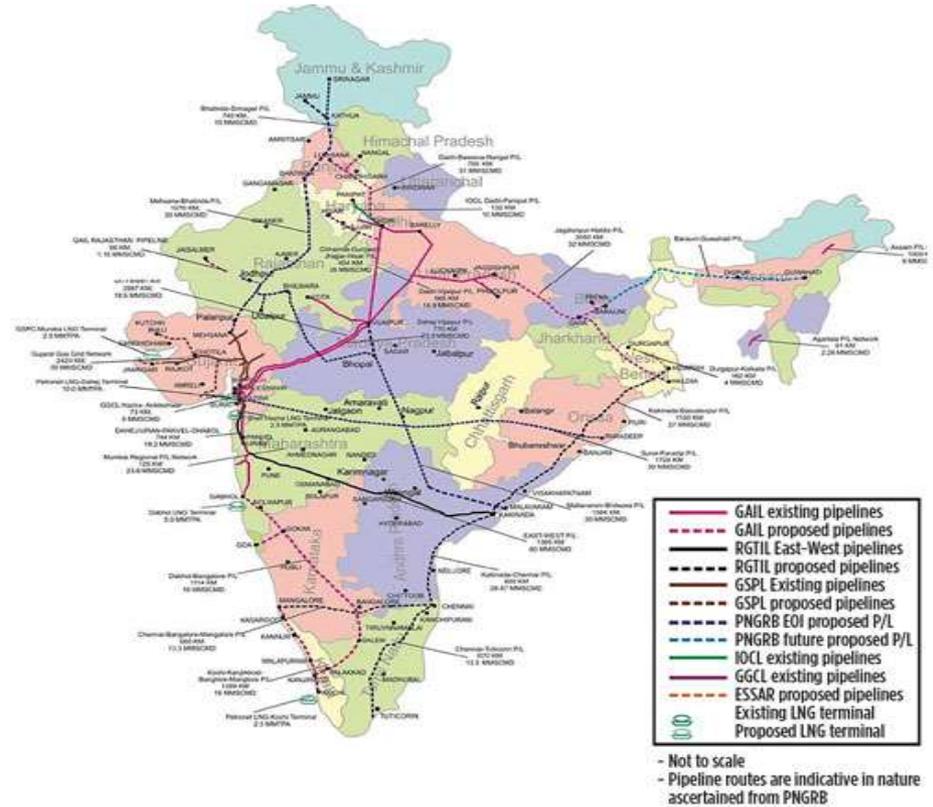
- **WCL well-placed to service LSAW pipes demand across geographies with**
 - its global approvals and accreditations
 - an impeccable track record of supplying pipes for complex projects for Oil & Gas majors
 - shortly commencing production for highest operating pressure line pipe (X 80 Grade) in the world to be supplied in North America.
- Export markets showing buoyancy across Middle East, South East Asia, Australia and East Africa
- With oil demand & price remaining strong, the export business from India is expected to improve

MARKET OUTLOOK....cont.

Oil pipelines - India



Gas pipelines - India



Near Term Potential for Further Growth

Global Bid Book: 3.3 million tons

Global Upcoming Bids: 18.8 million tons

WELSPUN CORP - WAY FORWARD



Higher Profitability

- ❑ Close to all time high **Order Book**: 1,712 KMT; provides strong visibility for the future across geographies
- ❑ Profitability associated with these orders is significantly better than recent profitability trends
- ❑ Likely to continue in the medium term



Focus on Core Assets

- ❑ Rich legacy & expertise of delivering pipes for many prestigious & challenging projects, thus **focus on pipe business**
- ❑ **Divestment of non-core businesses** - Plate & Coil Mill Division (PCMD) and 43MW power plant
- ❑ Unlocking significant value for shareholders



Leaner Balance Sheet

- ❑ Focus on free cash flows by calibrating capex and effective management of working capital
- ❑ Excess cash being used for **pre-paying debt** and to **buyback shares**, thus making the balance sheet leaner
- ❑ Asset-light approach to further improve Return ratios



Return to Stakeholders

- ❑ Utilizing the Company's surplus cash reserves and in order to enhance shareholder value
- ❑ Announced plans to buyback its shares for a maximum aggregate consideration of **Rs. 3.9 billion** at **Rs. 135 per share**

THANK YOU

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