

ORDER BOOK CONTINUES TO BE STRONG

COMMENCEMENT DATE FOR ~RS. 2,100 CR. ORDER RECEIVED ALONG WITH ADVANCE WATER DIVISION PROJECT TAKES OFF

Mumbai, October 28, 2021: Welspun Enterprises Ltd. ("WEL" or "Company"), part of the Welspun Group, today announced its Q2FY22 results.

- Total current EPC Order Book at ~Rs 7,835 crore (~Rs 5,300 crore in Road and ~Rs 2,535 crore in Water segment).
- PCOD for HAM road project (completion cost of Rs 1,240 crore) received. Portfolio now has 4 projects that have received PCOD/COD; nearly 50% of the HAM portfolio now operational.
- Management bandwidth strengthened with three new additions at CXO level; CEO – Roads & Water, CFO, and COO – Roads.

MANAGEMENT COMMENTS

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, "The quarter was impacted by seasonality of monsoon; while this is a cyclical impact, what gives me immense confidence are two policy measures announced by the Government that boost the infrastructure sector. The Gati Shakti plan announced by the Prime Minister lays the foundation for holistic infrastructure development and gives an integrated pathway to our economy. The National Monetisation Pipeline unveiled by the Finance Minister provides a sustainable source of long term funding for infrastructural development by monetising operational infrastructural assets. These measures provide clear direction and focus to our execution engine.

"Water segment continues to be an important growth driver for us and I am pleased to announce that our first project in this sector has taken off. I am happy to share with you that your Company was awarded the 'Fastest Growing Company' in the Infrastructure Sector at the Annual Construction World Awards 2021."

STANDALONE FINANCIALS

INCOME STATEMENT SNAPSHOT (RS CRORE)								
Particulars	Q2FY22	Q2FY21	YoY %	Q1FY22	QoQ %	H1FY22	H1FY21	YoY%
Revenue from Operations	280.0	324.2	(13.6%)	344.2	(18.6%)	624.2	498.3	25.3%
Other Income	8.4	10.1	(16.1%)	9.4	(10.4%)	17.9	19.7	(9.2%)
Total Income	288.4	334.3	(13.7%)	353.6	(18.4%)	642.1	518.0	24.0%
EBITDA	33.8	46.5	(27.4%)	41.4	(18.4%)	75.2	74.0	1.5%
EBITDA margin	11.7%	13.9%	(221 bps)	11.7%	-	11.7%	14.3%	(259 bps)
PBT	17.5	32.0	(45.3%)	25.2	(30.7%)	42.7	48.0	(11.1%)
PAT	14.2	24.7	(42.4%)	20.0	(28.8%)	34.2	37.7	(9.3%)
PAT margin	4.9%	7.4%	(245 bps)	5.7%	(72 bps)	5.3%	7.3%	(196 bps)
Cash PAT	18.3	35.2	(48.1%)	23.5	(22.3%)	41.8	52.7	(20.6%)

Note: Cash PAT = PBDT – Current tax + Non-cash ESOP expenses | Prior figures have been restated wherever necessary

Balance Sheet Snapshot (Rs crore)	30 th Sept 2021	30 th June 2021
Net worth	1,834	1,840
Gross Debt	500	566
- Long Term Debt	485	476
- Short Term Debt	15	90
Cash & Cash Equivalents[#]	343	95
Net Debt / (Cash)	157	471
Other Long Term Liabilities	37	31
Mobilisation advance payable [^]	407	80
Total Net Fixed Assets (incl. CWIP)	58	53
Net Current Assets (Excl. Cash & Cash Equivalents) (adj.) [@]	214	304
Other Long Term Investments and assets (adj.) [@]	2,163	2,064

[#] includes FD classified under "Other non-current financial assets"

[^] Disclosed as part of Contract liabilities In the Balance Sheet

[@] Temporary funding of Rs 454 crores has been made in lieu of drawing debt at the subsidiary/JV level in order to minimise the interest cost. This temporary funding has not been included in the cash balance of Rs 343 crores. The same is reflected in Other Long-Term Investments and assets.

INVESTMENTS

INVESTMENTS (AS ON 30 TH SEPT 2021; RS CRORE)		
Project	Investment	Additional funding for current portfolio
HAM Road Portfolio	1,021	Rs 159 crores for next
Road BOT Projects	575	2-3 years
Oil & Gas Projects	379	Rs. 21 crores
Water BOT Projects	92	
Other assets	54	
Total	2,121	180

KEY BUSINESS UPDATES

- Recently submitted RFQs to Railway Land Development Authority (RLDA) for 'Redevelopment of Surat and Udhana Railway Stations' and 'Redevelopment of Udaipur Railway Station'. The same are under evaluation.
- Received the second annuity for the "Chutmalpur-Ganeshpur and Roorkee- Chutmalpur-Gagalheri" (CGRG) project
- PCOD declared by NHAI on August 25, 2021 for the "Chikhali-Tarsod" project (completion cost of Rs 1,240 crore).
- "Mukarba Chowk – Panipat" project received an approval from NHAI for extension of construction period by 104 days.
- Commencement Date of September 30, 2021 for "Varanasi-Aurangabad project" (contract value of ~Rs. 2,100 crore).

- UP State Water and Sanitation Mission Project under *Namami Gange* and Rural Water Supply Department (SWSM):
 - 557 DPRs submitted (value of Rs 1,593 crore), covering 1,145 villages; 286 DPRs approved (value of Rs 800 crore), covering 502 villages.

ABOUT WELSPUN ENTERPRISES LTD.

Welspun Enterprises Ltd. (WEL), part of the Welspun Group, is an infrastructure development company focusing on Road and Water segments. The Company also has investments in Oil & Gas Exploration.

ABOUT WELSPUN GROUP

One of India's leading conglomerates, Welspun Group is amongst the largest global exporters with 'Make in India' at its core for over three decades. Welspun Group has gained a global leadership position spread across global markets including US, Europe, and more in Line Pipes, Home Textiles. In a short span of time the group has established noteworthy presence in Infrastructure, Warehousing, Retail, Advanced Textiles and Flooring Solutions. The Group also enjoys strong relationships with almost all Fortune 100 companies operating in the Retail and O&G sectors.

As India's fastest-growing multinationals, Welspun Group has a strong presence in over 50 countries employing over 26,000 employees and more than a 100,000 shareholders, with its global manufacturing facilities strategically spread across India, USA and Saudi Arabia. Along with a deep penchant for technological and operational excellence, the group has been continuously following global ESG practices as a responsible conglomerate.

Disclaimer

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