

Well Poised to Scale Up

Mumbai, January 30, 2023: Welspun Specialty Solutions Limited (“WSSL” or “Company”), today announced its Q3 FY23 results.

- **Order Book for Stainless Steel Bars: 2,134 MT | Tubes and Pipes: 1,426 MT**
- **Pipe Sales Volumes for Q3 FY23 up 45% YoY**
- **Total Income from Operations for Q3 FY23 up 175% YoY, driven by SS Bars**
- **Imposition of Anti-Dumping Duty on Stainless Steel Seamless Pipes & Tubes to provide further impetus to the business**

Financial Highlights

- **Order Book:** The total order book of the company for Stainless Steel Bars stands at 2,134 MT amounting to ~ Rs. 60 crores and for Tubes and Pipes stands at 1,426 MT amounting to ~ Rs.92 crores.
- **Sales Volumes:** Pipe volumes higher by 45% for Q3 FY23 and 70% for 9M FY23, both compared to the corresponding period in the previous year.

Particulars	Q3 FY23	Q2 FY23	Q3 FY22	9M FY23	9M FY22
Stainless Steel Bars (MT)	1,448	1,081	141	4,086	283
Pipes (MT)	1,278	1,009	881	2,980	1,754

1) Steel melting facility restarted in Q3FY22

- **Financials:** Total Income 175% higher for Q3 FY23, compared to the previous year. EBITDA for Q3 FY23 at Rs. 9.4 crores vs loss of Rs. (1.6) crores in Q3 FY22.

Income Statement Snapshot (Rs. crores)					
Particulars	Q3 FY23	Q2 FY23	Q3 FY22	9M FY23	9M FY22
Total Income	112.7	93.7	41.0	291.8	80.2
EBITDA	9.4	0.3	(1.6)	10.4	(12.1)
Profit Before Tax (PBT)	(3.1)	(10.7)	(9.5)	(21.8)	(34.6)
<i>Exceptional Gain/(Loss)</i>	-	-	-	-	0.1
Reported PBT	(3.1)	(10.7)	(9.5)	(21.8)	(34.4)
Profit After Tax (PAT)	(3.1)	(10.7)	(9.5)	(21.8)	(34.4)
Cash PAT	0.6	(7.0)	(5.8)	(10.6)	(23.7)

Cash PAT = PBDT (adjusted for cash exceptional items) – Current tax
 Prior period figures have been restated wherever necessary

Key Business Updates

- BIS standard for Seamless Tubes & Pipes (BIS 17875) has been introduced which is favourable for integrated players like us. The Company has received accreditation certificate by BIS for a wide range of product grades and sizes.
- The finance ministry has approved the gazette notification for Anti-Dumping Duty on Stainless Steel Seamless Pipes & Tubes (chapter 7304) imported from China. This is expected to significantly improve business prospects for Indian mills.
- In the SS Bars Business, company has started offering expanded product size range from earlier upto 200mm to now upto 300mm diameter. WSSL is working on further expanding this range.
- During the quarter, the company booked its first order of very high value Ni-Alloy Grade 6625 Pipes from a reputed customer. The company has also booked an order of Grade Alloy 800H pipe for nuclear application.
- Company booked new export orders that are of strategic significance w.r.t. territory and application. In coming quarters, company expects to add more new customers and expand its footprint into new large geographies.
- The company expects its improved performance to sustain, on the back of several new customer approvals, accreditations, development of new products and penetrating new markets.

Management Comments

Commenting on the results, Mr. B. K. Goenka, Chairman, Welspun Group said, *“WSSL is well poised to reap benefits from opportunities arising from import substitution, export growth and an upswing in capex. The imposition of five-year anti-dumping on stainless steel seamless tubes and pipes from China will provide further impetus to the business resulting in more opportunities for growth and job creation.”*

Mr. Vipul Mathur, Managing Director and Chief Executive Officer, Welspun Corp Limited added, *“The company has done well to expand its product range and gain several new accreditations. It is looking to further scale up with the addition of new customers and by penetrating new geographies. The rollback of 15% export duty on stainless steel bars along with the levy of anti-dumping duty on stainless steel seamless tubes and pipes has resulted in strong, meaningful tailwinds for a backward integrated player like WSSL.”*

About Welspun Specialty Solutions Ltd.

Welspun Specialty Solutions Limited (WSSL) is a part of global conglomerate 'Welspun Group', one of India's fastest-growing multinationals with a leadership position in line pipes, home textiles, infrastructure, warehousing, retail, advanced textiles, and flooring solutions.

WSSL is an ISO 9001:2008 & TS:16949 accredited company and a world-class manufacturer of value-added Alloy & Stainless Steel products that are globally benchmarked. It is the only Indian integrated producer of quality Stainless Steel Seamless Pipes & Tubes right from steel-making to the final finished products. WSSL has a steel-making capacity of ~150,000 tons per annum and a seamless pipe & tube capacity of ~18,000 tons per annum.

WSSL has a state-of-the-art fully integrated steel melting shop, hot rolling mill, and hot extrusion-based seamless pipe plant, all under one roof.

The company has invested heavily in the latest infrastructure and ultra-modern technologies, keeping in view its unwavering focus on quality, processes, and commitment to customers.

Given the setup and the expertise, WSSL is successfully catering to niche applications in sectors like Energy, Defence, Nuclear Power, Aerospace, Oil & Gas, Petrochemicals, Food, Fertilizers, Pharma, Desalination etc.

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