



At the onset, I take this opportunity to wish a Wonderful Christmas and Happy New Year to all of you. This is a celebration season and I want you and your family to join me in thanking God for his wonderful blessings bestowed upon us as both as an individual and as a family.

Friends, when I reflect back, exactly one year before, the whole world was behaving in manner as if there is no tomorrow - commodity prices including oil and steel prices were having a free fall, many large International corporates - icon of today's globalization had "Gone on crutches", provided by their respective governments. In that difficult time I remember sending an email to all of you on how this crisis could be converted into an opportunity, with our single minded focus, dedication, hard work and last but not the least the unwavering commitment to our value system and beliefs.

Friends, the journey over the last year has been most interesting, not only had we secured future of our companies but also sowed seeds of new opportunities. I am happy to present our score card for this year as under:

- In Welspun Gujarat Stahl Rohren Limited,
 - We showed extraordinary operational and financial results, breaking all previous records and despite slow down in Pipe Industry, ended the year with a healthy order book of over Rs. 6,000 Crore (nearly \$ 1.5 billion).
 - Plate Mill showed tremendous operational improvements and combined with our marketing initiative of opening multiple distribution depots is certain to overcome slowdown in the overall plate market.
 - Not to forget the commissioning of much acclaimed US Pipe Facility; very rightly the Governor of Arkansas Mr. Mike Beebe announced to the august audience during opening ceremony that "Welspun has not only delivered on its promises but has delivered far more than our expectations".
 - We also successfully completed the largest capital market fund raising in the history of Welspun by placing securities worth \$ 250 million within renowned international and domestic investor community.
- In Welspun India Limited,
 - We achieved highest level of operational efficiency and every day new records were created. We also delivered superlative financial results reposing confidence and trust of our investors in the long term business prospects for this company. Catalysts in this journey were some path breaking measures that the company undertook in bringing our costs in line with global benchmarks.
 - Our international businesses (Christy, Sorema, Mexico and WUSA) though severely affected due to global downturn, remain focused in chartering new markets and are now back on track.
 - We also achieved greater business focus by demerging Welspun Global into a separate company.
 - In Welspun Retail (WRL), with effective consolidation we could achieve cash break-even during a period when most of the retailers worldwide has faced mounting losses. WRL is on a path to become one of the largest specialty retail chain in the country.
- In Welspun Power and Steel Limited,
 - We successfully brought in our fold Vikram Ispat - erstwhile steel division of Birla Group, rechristened it as **Welspun Maxsteel Limited** and within a short period of time the production level has been doubled, and sound profitability model has resurfaced.
 - We initiated investment of over Rs. 6,000 Crores to create a world class steel slab capabilities, one of its kind in the country.
 - Similarly, Remi Metals is on its path to witness a strong turnaround with sustained efforts by Team.
- Our new initiatives, which I jokingly say, "new kids on the bloke" will be our engine for growth at infinity, significant among them are:
 - Welspun Energy - charting foray in mega power projects and is going to be a business to watch in the coming years.
 - Similarly, Welspun Infratech Limited, our initiative in infrastructure and construction space is looking to grow by leaps and bound through organic and inorganic route and thereby creating a new star in the Group.

Friends, all the above, will enable Welspun to achieve Disha 2012 target of becoming Rs. 25,000 Crore (\$ 5.0 Billion) Group. Our torch bearer in this journey would be effective corporate governance, dedication and hard work of all Welspunites, creation of strong leadership team, our contribution back to the society in form of effective CSR and last but not the least "Out-of-box- thinking".

This time of the year is not only a time for celebration but also the time for reflection in our life and dream big. I pray to God that all our dreams come true in this Happy New Year 2010 and wish you once again a Very Happy New Year.

DARE TO COMMIT!!

BK. Goenka
24th December, 2009.

