

WCL/SEC/2022

November 22, 2022

To,

BSE Ltd. Department of Listing, P. J. Towers, Dalal Street, Mumbai - 400 001. (Scrip Code: Equity - 532144), (NCD- 960468, 960491 & 973309)	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 Madam/ Sirs,

Subject: Intimation of Schedule of Analyst/ Institutional Investor Meetings under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our letter dated November 21, 2022 on the subject, please find attached herewith the presentation to the investors attending the meeting today. The presentation is being uploaded simultaneously on the Company website (www.welspuncorp.com).

Thanking You.

Yours faithfully,
For Welspun Corp Limited**Pradeep Joshi**
Company Secretary
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Corporate Identity Number: L27100GJ1995PLC025609

Welspun Corp Limited

Investor Presentation | November 2022



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Our journey so far...

Core business of “Line Pipes” – Strong business visibility

WCL as “it was”: High Quality Line Pipe Business



Top
3

Among Line Pipe Manufacturers globally



50+

Approvals from O&G majors; Qualifies for global bidding



15+
MN MT

Pipes delivered since inception with multiple repeat orders

2.5 mn MT Pipes Capacity

6 manufacturing facilities
in 3 countries

Used in Oil & Gas, Water
industry & Structurals

Approvals & accreditations: Line Pipes

Oil & gas



Transportation



Others



Line Pipes: Key Drivers

India

- Expansion of National Gas Grid Pipeline
- **City Gas Distribution (CGD)** network
- **Strong export** outlook with focus on Australia, Central America, South East Asia and Middle East
- **Demand returning in the Water** sector with moderating steel prices

USA

- Rig count almost close to pre-pandemic levels
- Permian basin expected to be the key growth driver
- At least **3 more large gas pipelines** planned from Permian to Gulf coast; 5 new LNG terminals being added for export of gas
- Big focus on **New Energy including Carbon Capture and Ammonia pipelines**

Saudi Arabia

- Saudi Aramco to **boost oil production** from 10 million to 13 million barrels a day by 2027
- Saudi Aramco **to boost gas production by more than 50%** by 2030
- Huge capex in distribution of Desalinated water; 7 large water infrastructure projects planned; Total demand **exceeding 3 MN MT over 3 years**

Line Pipes: Key Drivers

New Energy

This is the future for pipelines

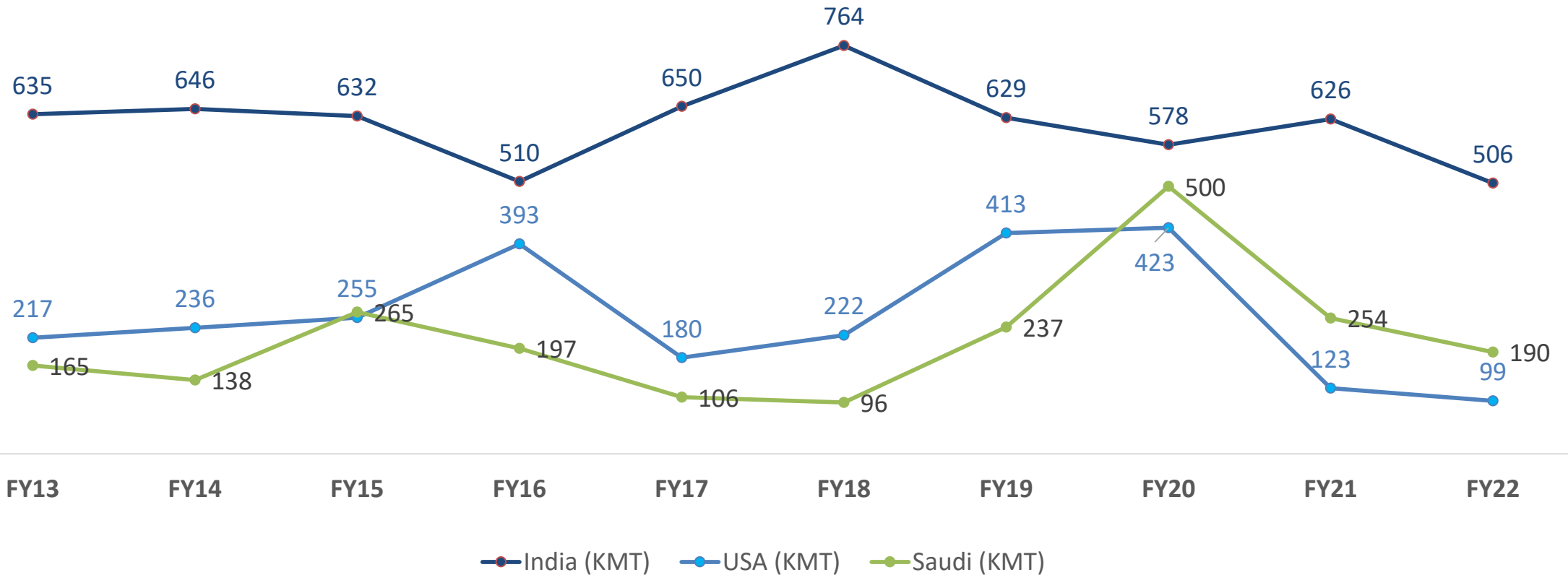
Hydrogen:

- WCL is a part of a key international committee drafting the specifications for these pipelines
- Undertaking critical long lead tests on existing pipeline order to certify compatibility to carry 100% Hydrogen –
Will give us a head start in the global new energy market (in case of success)

Carbon Capture:

- Recently secured a strategic and breakthrough order of 1,250 KM of HFIW pipes (>100 KMT); This will put us
again in the pole position in the new energy market

Sales Volume Mix: Line Pipes (Long Term Trend)



India: Stable in a range of ~ 6 lakhs MTPA

Line Pipes: Global Order Book Position

Order Book and Outlook providing visibility for next several quarters

As of 31st Oct'22

Confirmed Order Book	MT	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Line Pipes							
India							
LSAW	1,20,000						
HSAW	1,30,000						
ERW	30,000						
USA							
HSAW	3,35,000						
ERW	1,25,000						

- Confirmed Order Book of ~1 MN MT (including Saudi Arabia)
- Clear earning visibility for next 5 to 6 quarters

Confirmed order book
In pole position for few orders

The way forward....

- **Core business of “Line Pipes” – Strong Business Visibility**
- **Start up of new Greenfield Businesses of DI, TMT and Stainless Steel**
- **Acquisitions – ABG specified assets & Sintex BAPL**

Transformation Strategy

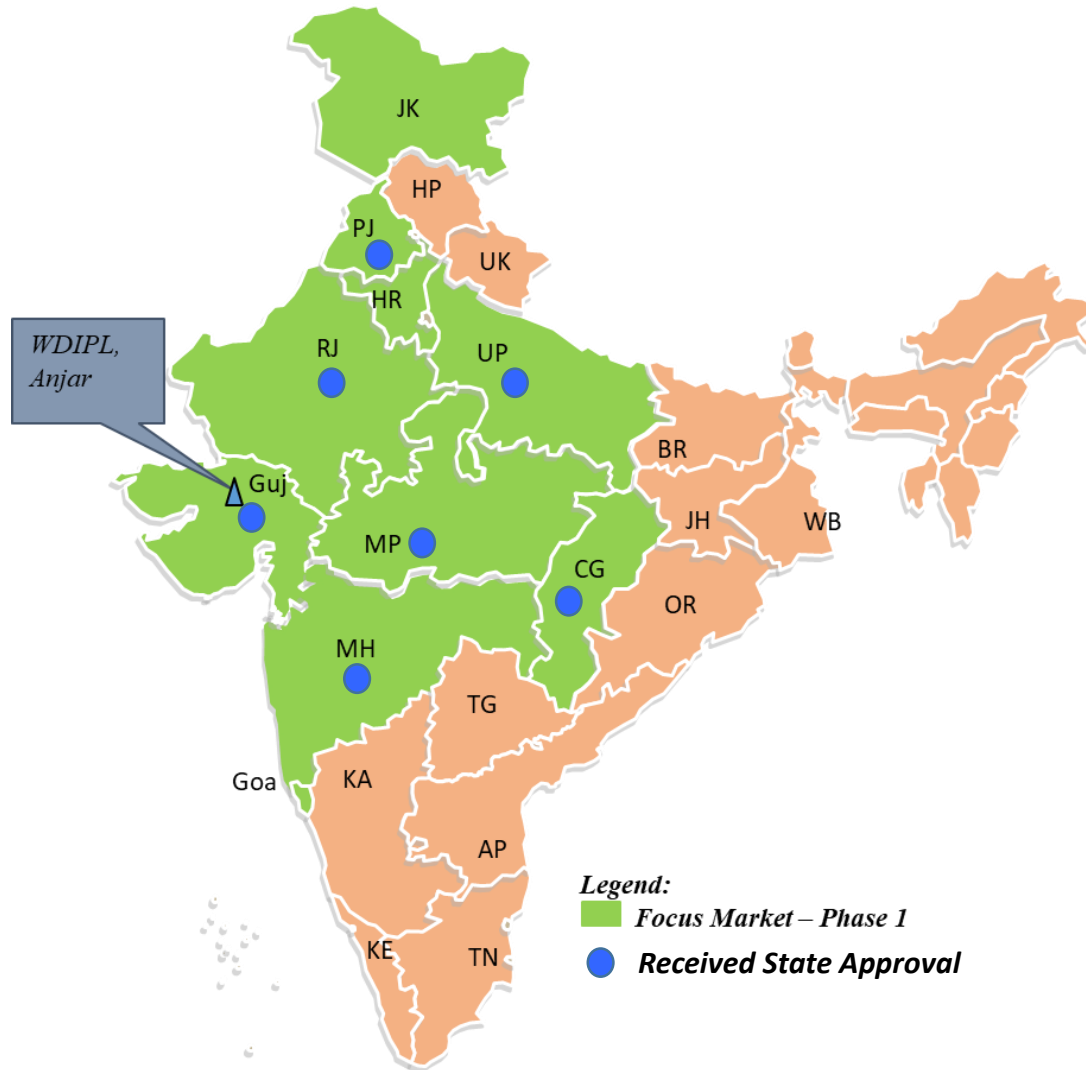
	Existing	New				Planned
Business	<p>Large Diameter Pipe and Coating</p> <p>New Energy</p>	Pig Iron and DI Pipes	Specialty Steel	ABG Shipyards	Billets & TMT ¹⁾	Plastic Products
Scale	Amongst the Top manufacturers globally	One of the largest standalone single location facility	Integrated producer from steel-making to finished products	One of the largest shipyard infrastructure in India	One of the largest players in the Key Growth Market of Western India	Acquisition ²⁾ of one of the largest national level brand
Focus	Oil & Gas & New Energy	Jal Jeevan Mission	Defense, Nuclear & Power	Defense	Infra & Housing	B2C
	Transportation of Energy & Water	Greenfield	Defense Sector		Transition to B2C	
		Acquisitions				

Note: 1) Through Forward Integration 2) Acquired Sintex BAPL Ltd.'s Non-Convertible Debentures with outstanding of Rs. 1,223 Crore for a purchase price of Rs. 418 Crore

Ductile Iron Pipes

Ductile Iron Pipes: Market Overview

Our Focus Market will be West, Central and North India



Ductile Iron Pipes: Market Overview

Our Focus States cover ~ 40% of JJM's Total Budget

Unutilized budget in the Focus States is 84% (INR 1,24,421 crores) of the JJM Budget, indicating huge potential

S.No.	State	JJM Budget	Central Expenditure				Total Exp. Till Date	Balance Amount
			FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 YTD		
A	B	C	D	E	F	G	H (D+E+F+G)	C-H
1	Uttar Pradesh	62,963	639	1,761	2,930	2,986	8,317	54,646
2	Madhya Pradesh	23,577	327	1,015	2,263	1,098	4,702	18,875
3	Rajasthan	20,059	620	762	1,920	1,313	4,615	15,444
4	Maharashtra	20,042	308	474	378	432	1,591	18,451
5	Chhattisgarh	9,694	39	224	499	446	1,208	8,486
6	Punjab	3,803	73	147	248	139	606	3,197
7	Haryana	3,772	69	131	435	152	787	2,985
8	J&K	2,823	200	89	112	84	485	2,338
9	Gujarat	3,441	385	839	2,125	1,415	4,763	-1,322
TOTAL		1,46,733	2,276	4,602	8,785	6,649	22,312	1,24,421
Total JJM Budget (at India Level)		3,59,875	6,000	12,542	25,506	14,728	58,776	301,099

- Annual demand expected to be ~3 MN MT
- WD IPL has an order book of ~70 KMT giving visibility for next 2 quarters
- Strong demand for next 3 to 5 years
- Plant under stabilization phase and should be fully on stream in next 2 quarters

Source: Jal Jeevan Mission website

Specialty Steel

Specialty Steel: Overview

Robust demand expected going forward

Key Drivers

- **Make in India** initiative by the government providing push to local manufacturing
- High value business and a **differentiated import-substitution** play with obvious synergies with existing business and capabilities, characterized by superior margins and resilient demand
- **High Entry Barriers** due to technology capabilities as well as approvals and accreditations required from customers, process licensors, and EPC players

Sectors

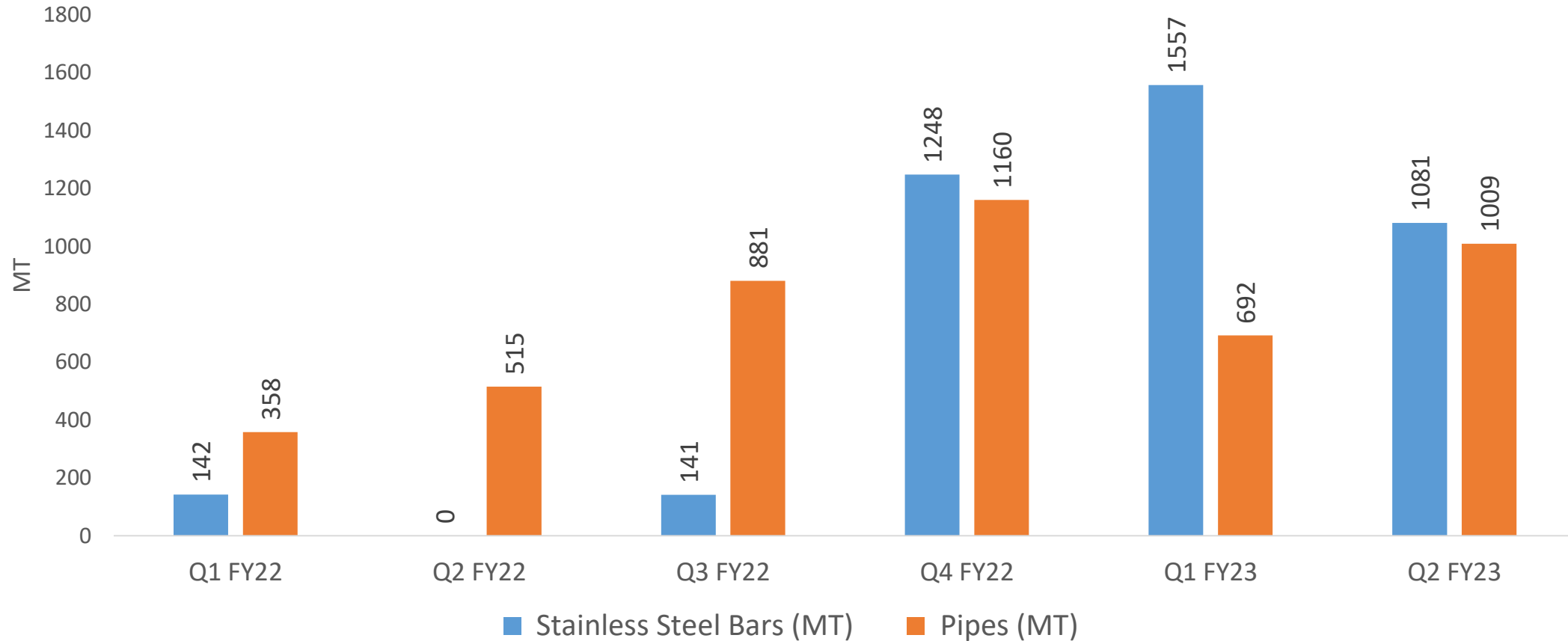
- Critical applications in key sectors like Power, Nuclear, Defense, Petrochemicals etc.

Demand Estimates

- ~65 KMT in Domestic Market and ~25 KMT in Exports per Annum

Fully integrated facility from SS Steel to Pipes

Specialty Steel: Sales Volumes



Improved performance to sustain, on the back of several new customer approvals, accreditations and development of new products

Dip in performance of Q1FY23 due to the conflict in Europe and imposition of export duty

Value Added Grades – New Product Development (Specialty Steel)

Material	Size	Application	Phase	Status
SS310	1.5" – 6"	Urea plants (Zero Ferrite)	1	Completed
SS321	6"	Process Plant Industry	1	Completed
SS317L	1.5"	Chemical industry (S and acid)	1	Completed
SS347H	4"	Food Processing and FCC	1	Completed
Inconel 825	4"	Nuclear, Chemical & Pollution Control	2	Completed - Order
Monel 400	2"	Petrochemical	2	Completed - Order
Inconel 625	4"	Refinery, Chemical processing, etc	2	2" Completed. 4" TBD
Square Tubes	50 X 50 X 3	Nuclear	3	Completed - Order
Super304H	1.5"	Ultra Super Critical boilers	3	Literature study completed
SS904L	1.5"	Refinery, Petrochemical	3	H2- FY22-23
SS31254/6Moly	1.5"	Sea water	3	H2- FY22-23

Specialty Steel: Outlook

- Healthy order book for Pipes & Tubes of 1,853 MT
- Order book for Stainless Steel Bars of 1,387 MT
- Moving towards higher value added grades
- Favourable domestic conditions
 - Implementation of BIS
 - DGTR Investigation & AD possibility on cheap imports
 - “Make in India” initiative
 - Buoyant Oil & Gas, Petrochemicals, Refineries and Defense sectors

TMT

TMT: Our Differentiated Strategy

Forward Integration from Billets to TMT

Growth Drivers

- Infrastructure: Massive spending expected in the sector including –
 - **PM Gati Shakti National Master Plan:** an expected outlay of INR 100 lakh Cr
 - **Pradhan Mantri Awas Yojana-Urban's** (PMAY-U) 'Housing for All' mission
 - Private Sector Capital Expenditure
 - Individual House Builders

~3 MN MT per Annum demand
expected in Gujarat for TMT
rebars

Welspun Strategy

- Sharp focus on
 - **Branding and creating a robust distribution network - B2C segment**
 - Presence in High growth Western India (especially Gujarat) region where Welspun enjoys a strong brand presence
 - Differentiated Strategy to add value like Epoxy Coating on rebars and Pre-Fab rebars

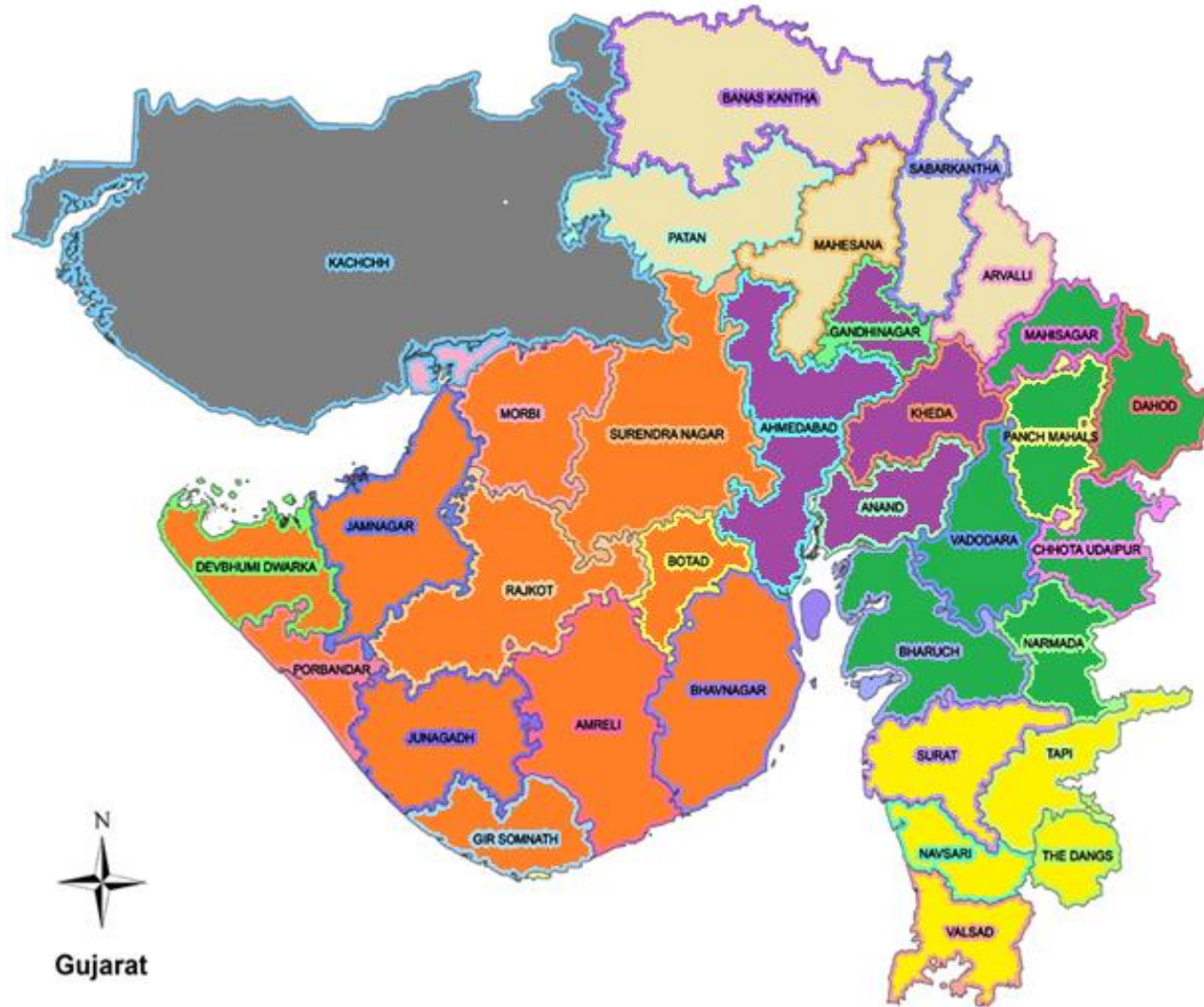
**Synergy with our steel
business**

TMT: Our Differentiated Strategy

Creation of a widespread Distributor – Dealer network for selling TMT Rebars in Gujarat

1. Creating a unique and industry first , a digital platform for distributors , dealers , retailers & influencers - having socioeconomic impact.
2. This would also help to analyse early trends / buying pattern of consumers in every region.
3. This can significantly help plan our production and make Supply chain operations more effective and completely stay consumer centric.
4. Penetration into all 33 districts and 252 talukas across Gujarat. Robust B2C strategy.
5. Creating a brand – “Welspun Shield”

TMT: Our Focus Market



Colour	Zone	District	Talukas
Purple	Central Gujarat - 1	4	32
Green	Certral Gujarat - 2	7	50
Yellow	South Gujarat	5	32
Orange	Saurashtra	11	80
Light Brown	North Gujarat	5	48
Grey	Kutch	1	10
	TOTAL	33	252

ABG Shipyard – Specified Assets

ABG Shipyard: Value Accretive Transaction

- Transaction at Attractive Terms
- Total cost of acquisition: INR 659 Cr (plus applicable taxes)
- **Partially built ships, equipment and metal scrap in excess of 150,000 MT**
- Metal/ metal scrap not required for business purposes will be disposed over 12-15 months

Post payment was made to ABG's Liquidator and receipt of sale certificates by us, the Liquidator received a Provisional Attachment Order from ED, Ahmd. The Company, the Liquidator and the Lenders (SBI & IDBI) have all filed separate writ petitions before Hon'ble Gujarat High Court against ED's Provisional Attachment Order. We are making best efforts for an early and favorable disposition.

Sintex BAPL

Sintex BAPL

- **Extremely Strong Brand** in the Consumer space with **extensive Distribution (847 Nos)** and **Retail (13K) Network**

- **National Brand** having >10% market share (2018) in India

- **Diversification of Product Portfolio** - Works well with overall theme of providing water related solutions (through DI for water transportation and Tanks for storage)

- In Sync with Welspun Group Mission: **“Har Ghar Welspun”**

- This would potentially meet our aspiration to become a **large scale B2C player**

Sustainability

Sustainability Strategy

Energy Efficiency

Water Intensity

Health & Safety

Human Capital

Renewable Energy

Waste Intensity

Gender Diversity

Impacting Lives in CSV

Sustainable Supply Chain

Hydrogen Pipelines

Carbon Capture Projects

Ranked in Top One-Third in Steel Industry by S&P Global's Dow Jones Sustainability Index (DJSI) Corporate Sustainability Assessment

Sustainability Targets

Aspects	FY 2020-21	Goal 2025	Goal 2030	Goal 2040
Carbon Neutrality - % Renewable Energy (RE)		10% RE	20% RE	Carbon neutral
Water Neutrality - Water Intensity	0.63 KL/MT	0.55 KL/MT	0.40 KL/MT	Water neutral
Waste to Landfill	1.53 MT	1.00 MT	0 MT	Zero waste to landfill
Impacting Lives in CSV	1,60,735	5,00,000	1,000,000	2,000,000
Sustainable Supply Chain - % suppliers assessed as per ESG compliant Code of Conduct		100% critical suppliers assessed	100% (all suppliers)	100% (all suppliers)

Note: 1) Sustainability targets for Line Pipes India business 2) Impacting Lives in CSV through Welspun Foundation

Financials & Outlook

Financial Performance - Consolidated

Consistent Performance over the last 10 years

Particulars	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	H1FY23
Revenue (INR cr)	9,083	7,705	8,451	7,380	6,035	7,587	8,954	9,957	7,153	6,505	3,286
EBITDA (INR cr)	919	844	951	891	737	815	708	1,276	1,152	1,023	147
Basic EPS	6.1	2.8	2.6	5.8	1.0	6.0	2.6	25.6	29.8	16.8	(2.0)
Net Worth (INR cr)	2,750	2,957	2,799	2,799	2,809	2,854	2,798	3,215	4,209	4,528	4,479
Net Debt / (Cash) (INR cr)	2,314	2,568	1,910	1,355	1,106	422	286	32	(447)	(173)	1,609
Net debt/Equity	0.84x	0.87x	0.68x	0.48x	0.39x	0.15x	0.10x	0.01x	-0.11x	-0.04x	0.36x

EBITDA in Q2FY23 impacted by a loss of ~ INR 200 cr on account of high Inventory Cost and commissioning of new DI facility in Steel Vertical. Starting from Q4FY23, strong Business Outlook providing earnings visibility for next several quarters

- Note:
- Consolidated Financials
 - Prior period figures are restated wherever necessary; All numbers of this sheet are based on IND-AS disclosures
 - From FY19 figures are pertaining to continuing operations only

WCL Medium Term Mission (3-5 Years)

- Top line of INR 15,000 Cr +
- Sustainable EBIDTA of INR 1,600 Cr to INR 1,800 Cr
- ROCE of 18% +
- Net Cash Positive driven by strong Free Cashflows
- Increase in DJSI ESG rating from 41 to 60
- Dominant player in B2B and B2C segment in line with group vision of “Har Ghar Welspun”
- No major anticipated project Capex

Key Risks

- High inflation resulting in increasing input costs
- Volatility in Commodity Prices
- Looming threat of recession
- Uncertainty due to Geo-political reasons
- Localized Competition
- Regulatory Risks - Imposition of Duties
- Ramp-Up of New Greenfields Projects of DI & TMT
- Delay in Acquisition of SBAPL and Specified Assets of ABG Shipyards



Thank You

Welspun Corp Limited

CIN: L27100GJ1995PLC025609

www.welspuncorp.com

Annexure: Our Manufacturing Facilities

Capacity	India					US	Saudi Arabia	Total
	Anjar	Dahej	Mandya	Bhopal	Jhagadia	Little Rock	Dammam	
Products / City								
LSAW	350	350						700
HSAW	250		150	305		350	375	1,430
ERW/ HFIW	200					175		375
Line Pipes (KMT)	1,605					525	375	2,505
TMT Bars (KMT)	350							350
DI Pipes (KMT)	400							400
SS Bars (KMT)					150			150
SS Pipes (KMT)					18			18