

AWL/SEC/SE/2021-22

10th June, 2021

BSE LTD.

Phiroze Jeejeebhoy Towers,
01st Floor, Dalal Street,
Fort,
Mumbai - 400 023.

NATIONAL STOCK EXCHANGE OF INDIA LTD.

Exchange Plaza, C - 1, Block G,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Company Scrip Code: 517041

Company Scrip Code: ADORWELD

Dear Sir / Madam,

Sub: Presentation made during the Analysts / Institutional Investors Meet

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and further to our letter dated 07th June, 2021, this is to inform that Analysts / Institutional Investors Meet was held today, i.e. on Thursday, 10th June, 2021, through the electronic medium of video conferencing (Zoom Platform) with Analysts / Institutional Investors. They were generally informed about the Company's progress, updates on business / financials with respect to the Audited Financial Results for FY 2020-21 and we also addressed analysts / Investors' queries. No unpublished price sensitive information (UPSI) was discussed during the interactions.

We are attaching herewith the Presentation made at the said Meeting. The same is also being uploaded on the website of the Company at www.adorwelding.com

Kindly take the same on record and acknowledge its receipt.

Thanking you,

Yours Sincerely,

For **ADOR WELDING LIMITED**



VINAYAK M. BHIDE

COMPANY SECRETARY & COMPLIANCE OFFICER



ADOR WELDING LIMITED

Registered Corporate Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400 001 - 16, Maharashtra, India.

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INVESTORS MEET

10/June/2021



Agenda

- | Ador Group Introduction
- | Ador Welding
- | India Welding Industry Overview
- | Financial performance and ratios
- | Way forward

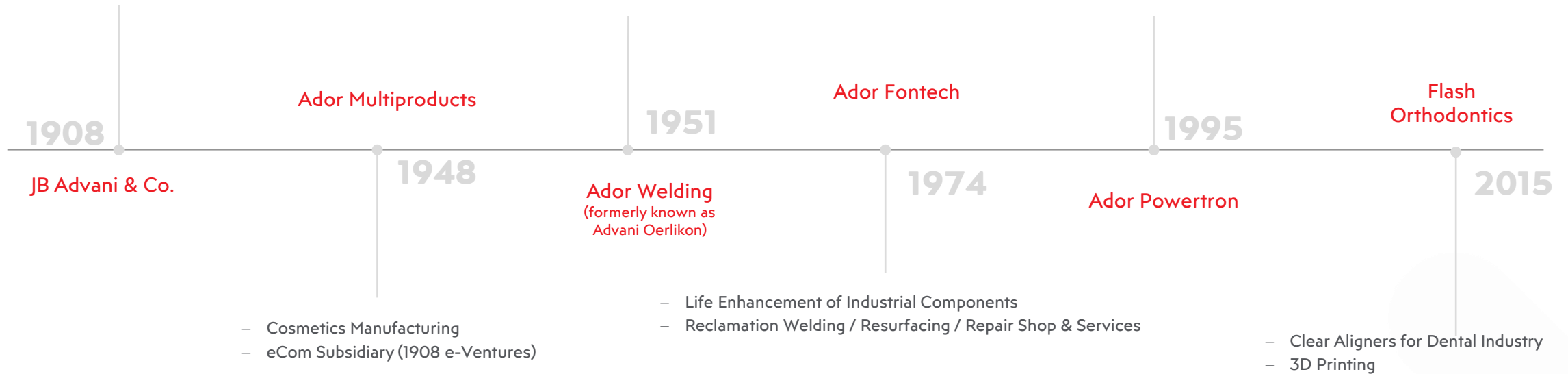
Ador Group

113 YEARS YOUNG INDUSTRIAL GROUP

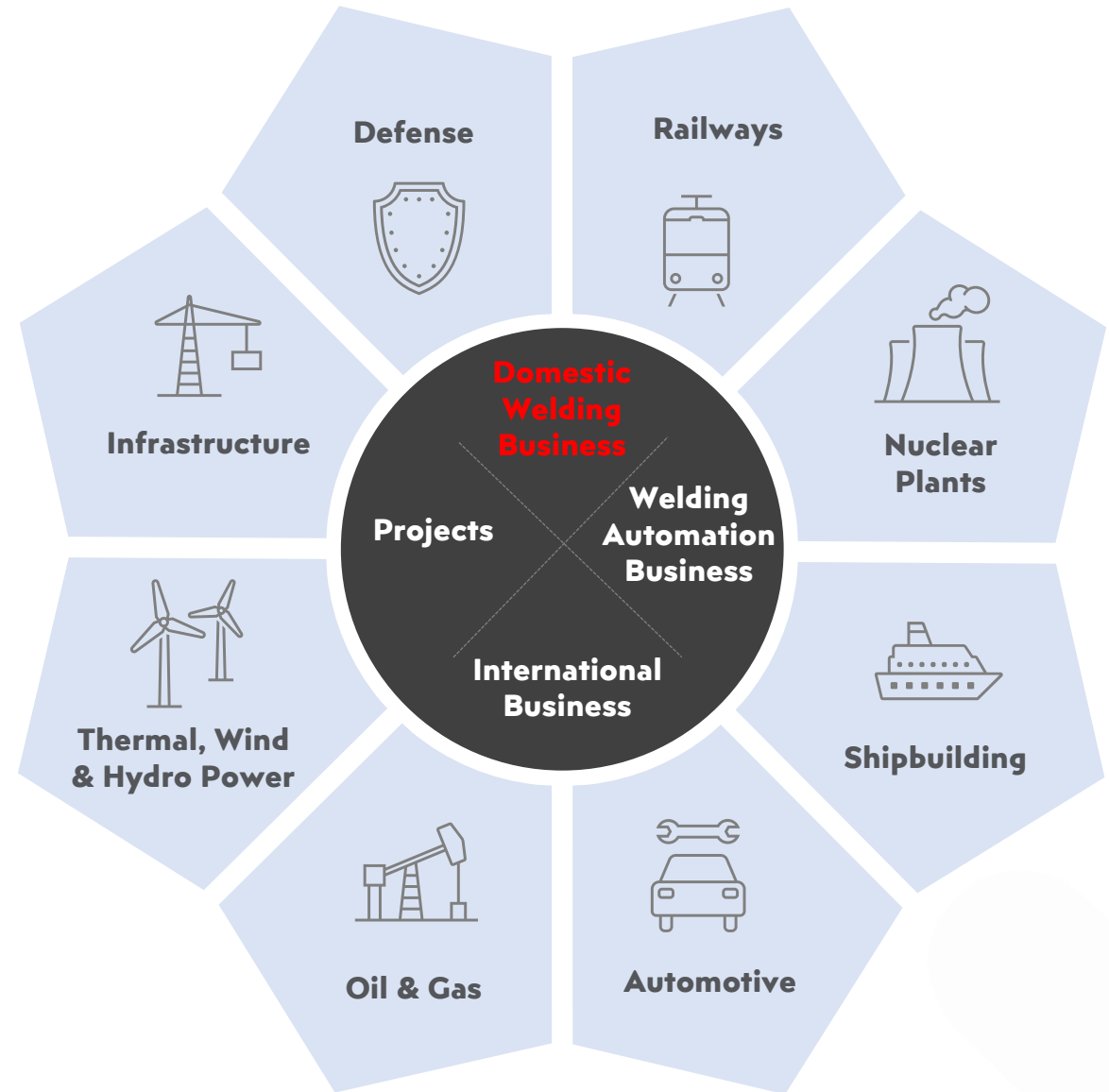
- FY 21 - Group Revenues of approx. 700 Cr.
- 1200 Employees

- Welding & Cutting Products
- Projects / Flares

- Electronic Components for Thermal Power Plants
- e-Vehicle Chargers
- Traffic Solutions



Business Units & Customer Profile



India Welding Industry Overview

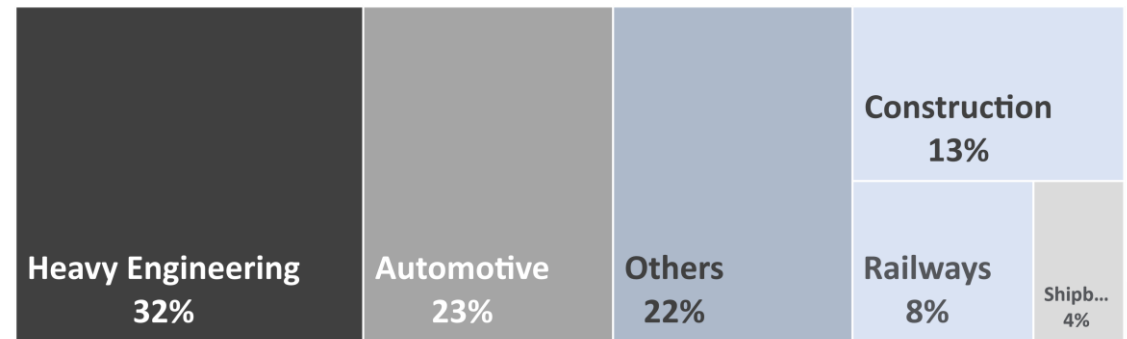
Indian Welding Market (4500 Cr.)
Growing @ 9% CAGR to be 6700 Cr. by 2025

Consumables (3150 Cr.)
70%
~ 5100 Cr by 2025

Equipment (1350 Cr.)
30%
~ 1700 Cr by 2025

Ador Welding ESAB D&H Secheron Ador Fontech
Lincoln Electric Mailam G-Weld D&H India EWAC Alloys
Malu Electrodes (Manglam)

Ador ESAB
Kemppi Lincoln Electric
Panasonic Fronius
Imports



Industry Segmentation

*Approximate data and based primarily on supply side estimations

Growth drivers to sectors catered by welding

Infrastructure

Via National Infrastructure Pipeline the Government of India plans to execute 7400 projects with a total budget of 111 lakh crore till 2025

Railways & Defence

Policy support initiatives such as “Make in India”, export promotion policy

The Government of India has put 101 defense items under import embargo to promote domestic manufacturing

Core Sectors (Oil & Gas, Steel, Power, Auto)

Steel industry expected to grow at a rate of 10% CAGR

Union government outlay of 1.97 lakh crore in the PLI scheme to boost exports and domestic manufacturing

Introduction of vehicle scrappage policy; likely to boost demand for new vehicles

Rs 75000 crore on oil and gas infra in next 5 years

Steel Consumption

Steel consumption expected to grow at **CAGR of 10% to 140 Million Metric Ton by FY 22** driven by higher infra spend & per capita steel consumption

Vision and Refreshed Branding

Creating The Best Welding Experience



Ador Welding

70+
Years

3
Plants

250+
Distributors

10+
Industry Segments

Technical Capability

Research & Development center for equipment and consumables recognized by “The Department of Scientific and Industrial Research” – Government of India

Highly qualified team of 35 researchers and engineers working on development of new products.

Accredited laboratory as per ISO 17025 standards to test consumable quality.

Some of Our Valued Customers In India



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Domestic Welding Business

Actions

- Strengthen Distribution
- Efficient use of IT Systems
- Reconfiguration of Manufacturing Systems
- Advanced Product Development with a focus on “Make in India”
- Reduction of Logistics Costs
- Optimize Product-Mix

International Business

Actions

- Strengthen market presence in existing markets
- Rate Contracts
- Enhance application-oriented selling
- Build Equipment Product Line

Global Presence



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Welding Automation Business

Actions

- Nascent Business Division
- Enhance product portfolio
- Improve strike ratio of Orders

Projects

Actions

Focus on Strengths

Consolidate business offering

Focus on Flares & Process Equipment Business

Sustained Business Operations

Focus on stable revenue growth, increase margins, better cash-flows and reduce costs

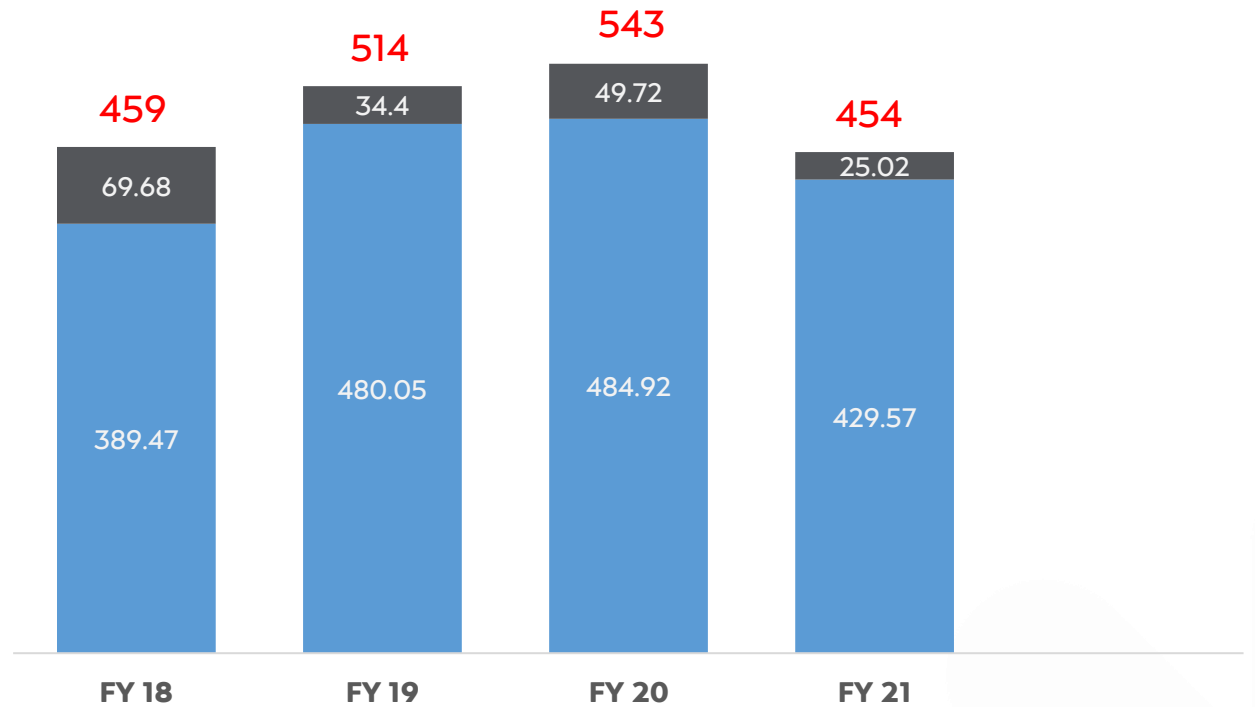
Customer Focus

Use technology innovation to increase delivery efficiency

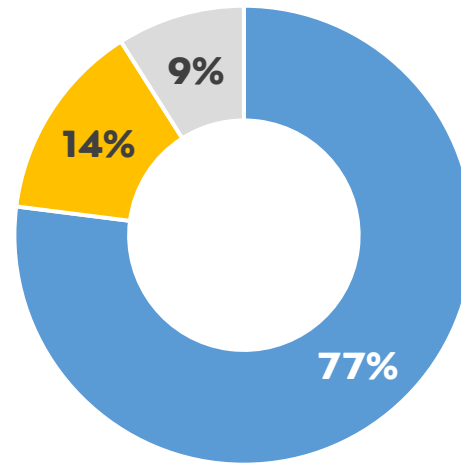
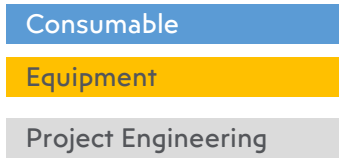
Enhance process alignments to provide better customer experience

Financial Overview

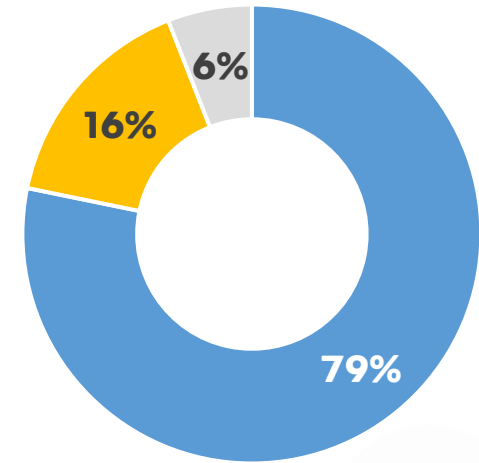
Revenue in INR Cr.



Segment wise Revenue Breakup



FY 20



FY 21

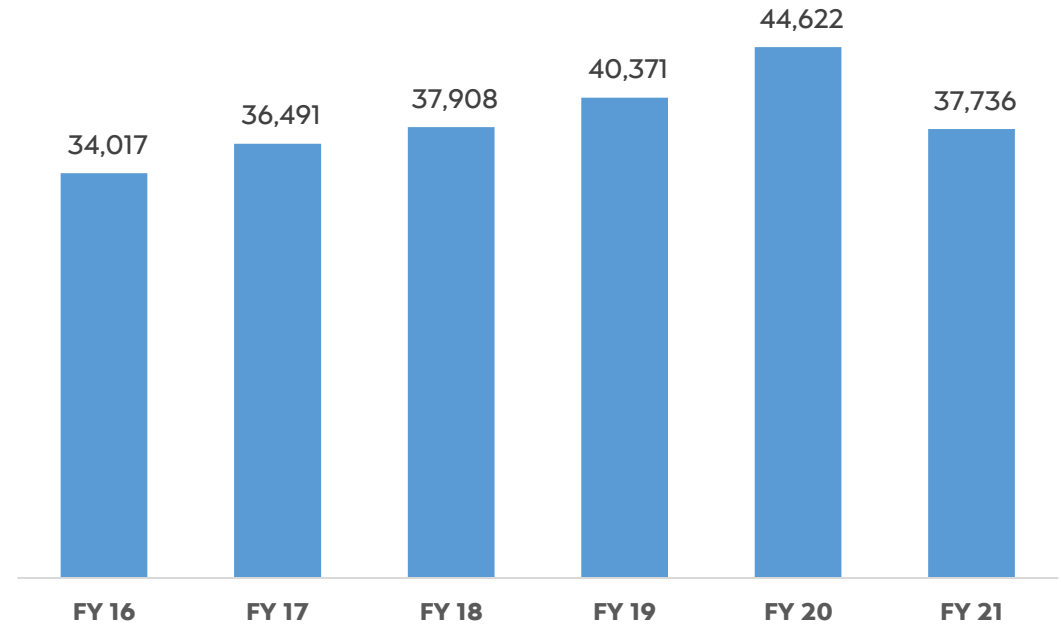
Financial Parameters

Gross Margins (%)			
	Ador Welding	Welding Business	Projects
FY 18	21%	26%	-3%
FY 19	21%	26%	-52%
FY 20	24%	28%	-8%
FY 21	22%	25%	-29%

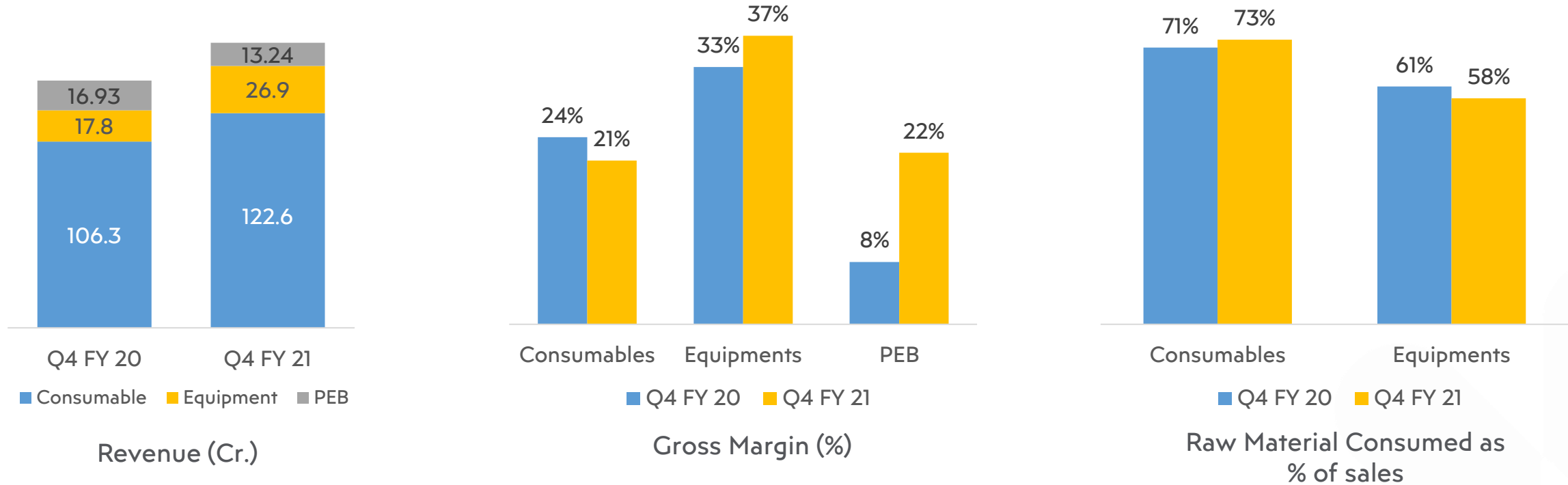
PBT Margins (%)			
	Ador Welding	Welding Business	Projects
FY 18	4%	8%	-18%
FY 19	4%	11%	-95%
FY 20	6%	11%	-43%
FY 21	2%	8%	-102%

Volume

Welding Consumable sales in
Metric Tons



Q4-vs-Q4 Segment wise



Financial Ratios

- Working Capital days has been decreasing
- D/E ratio has reduced from 0.4 to 0.12
- Reducing borrowings from 81 cr to 28 Cr.

	FY 18	FY 19	FY 20	FY21
D/E Ratio	0.4	0.26	0.33	0.12
Current ratio	1.6	1.5	1.5	1.6
Borrowings(in cr)	81	64	81	28
Inventory days	44	37	43	51
Debtor days	75	61	90	86
Creditor Days	62	55	51	60
Working Capital Days**	156	118	120	87
ROCE (%)	9.6	10.6	14.9	-
ROE (%)	8	7	12	-

** WC= Current assets –current liabilities (excluding borrowings)

Way Forward

- Focus on our Strengths
- Build on the Ador Brand (in Welding)
- Reduce legacy costs
- Keep it simple

