

Welspun Specialty Solutions Limited

Investor Presentation

Q4 & FY24

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WSSL: An Integrated Facility



Fully Integrated Manufacturing Facility for Stainless Steel Long Products and Seamless Pipes & Tubes spread over an area of 126 acres in Jhagadia, Gujarat

Product Information



Stainless Steel & Alloys



Products

Ingots, Blooms, Rolled Bars in Rounds, Round Cornered Squares, Peeled & Polished Bars and Heat Treated Bars

Stainless Steel Pipes & Tubes



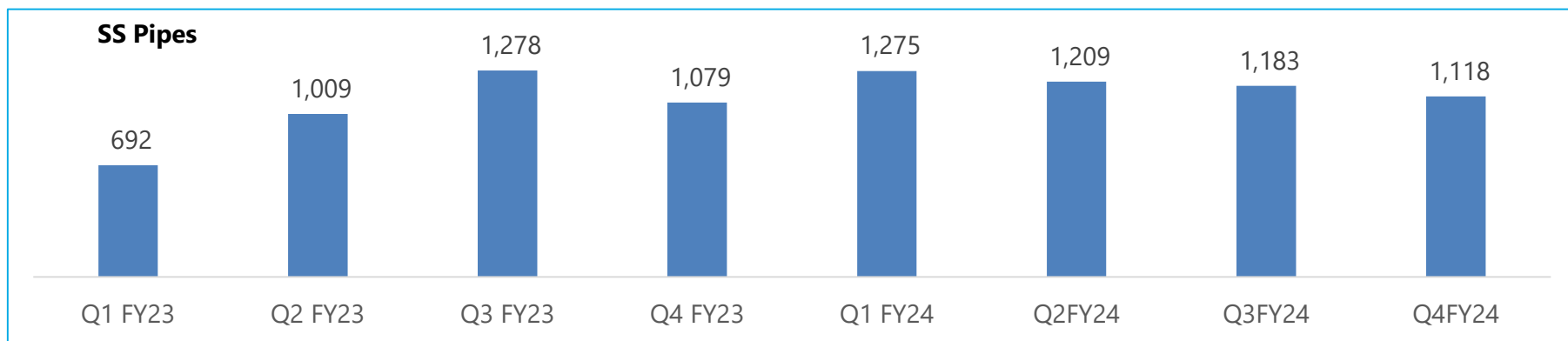
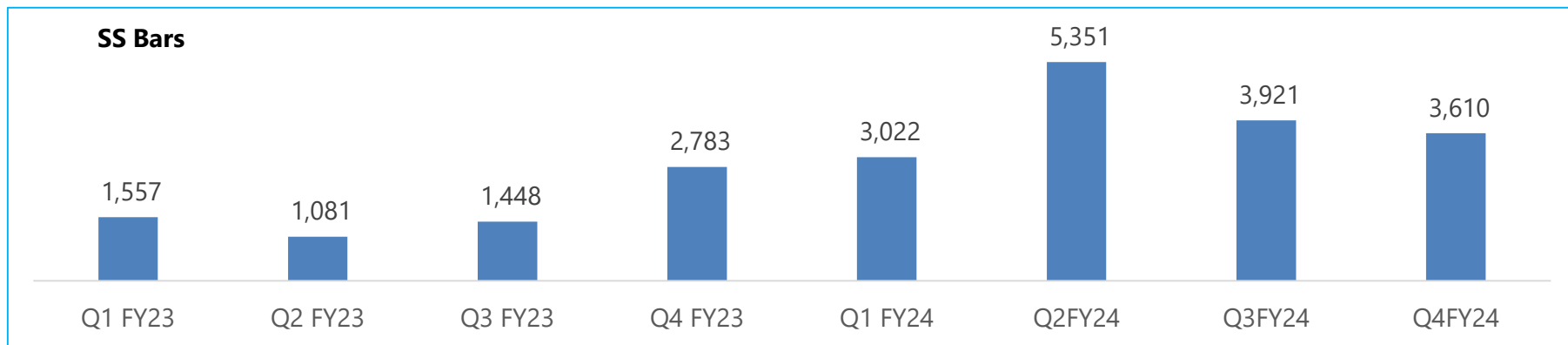
Products

Extruded Seamless Schedule Pipes, Hollow Bars, Cold Finished Pipes & Tubes, Heat Exchanger Tubes, Hydraulic & Instrumentation Tubes and U-bend Tubes

Steady Performance



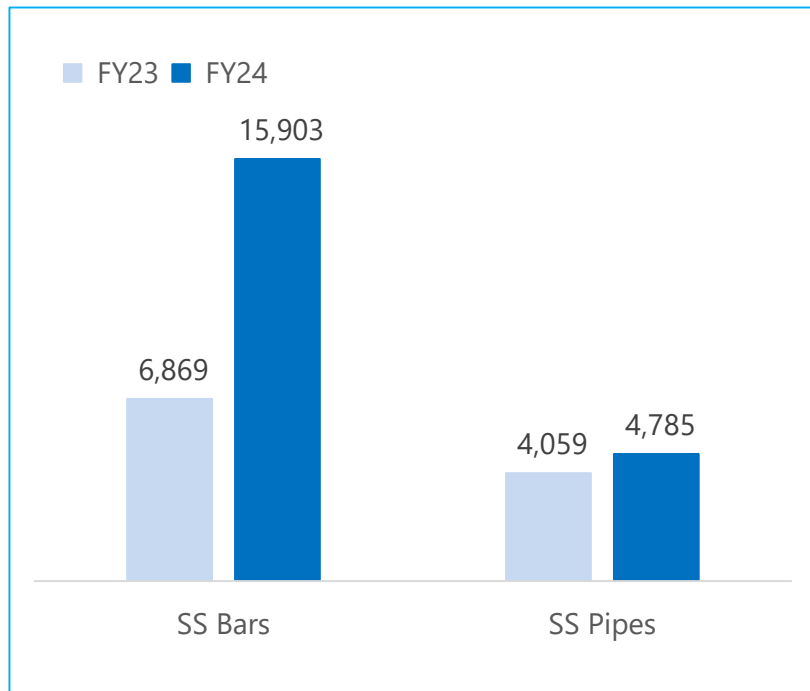
Sales volume (MT)



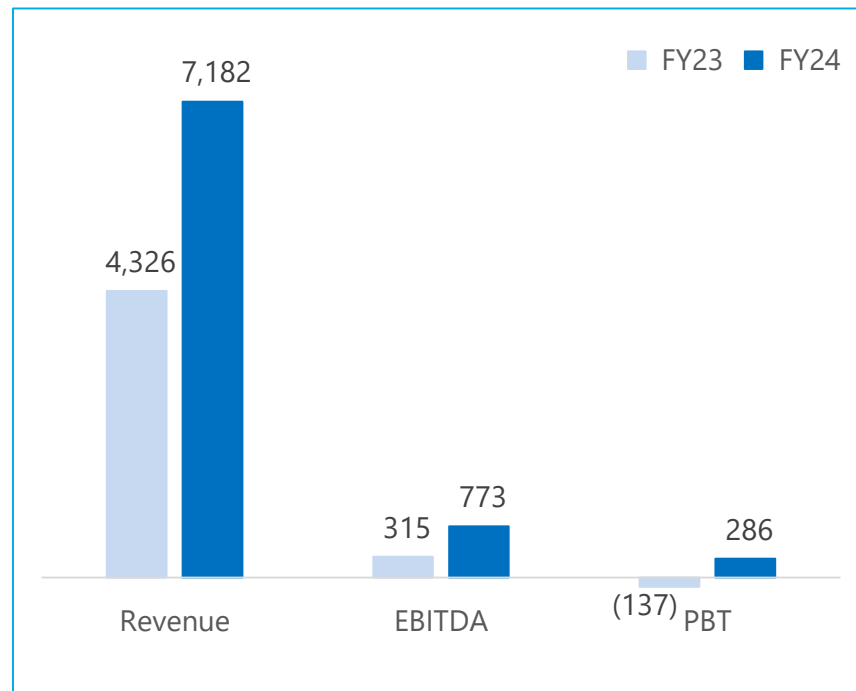
Complete Turn Around



Sales Volume (MT): Ramping up



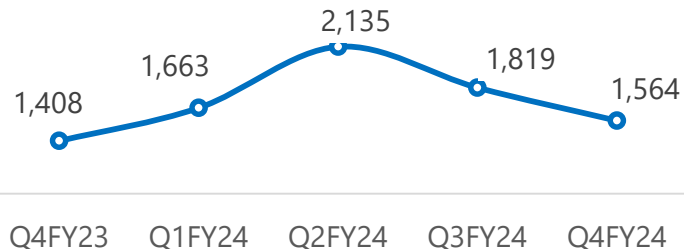
Financials (Rs million): Loss to Profit



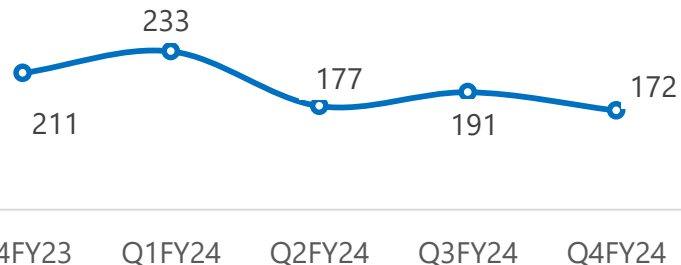
Steady Performance



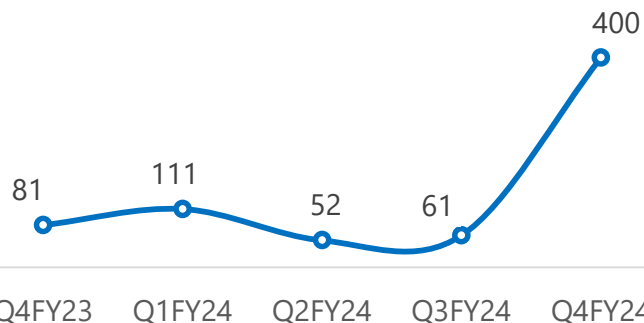
Revenue (INR Million)



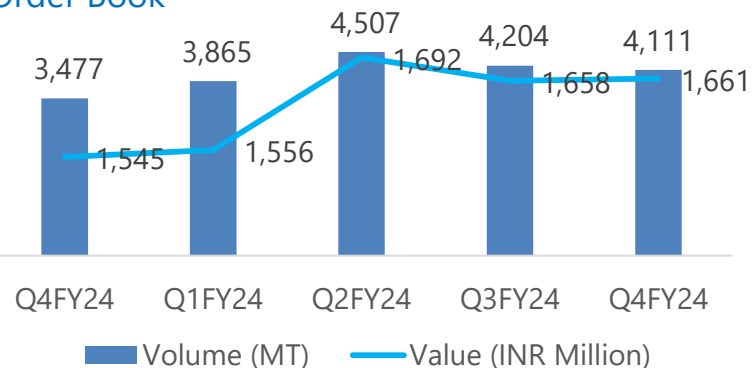
EBITDA (INR Million)



PAT (INR Million)



Order Book



Q4FY24 PAT includes deferred tax asset of Rs 338.7 million

Financial Snapshot



Income Statement Snapshot (INR Million)								
Particulars	Q4 FY24	Q4 FY23	YoY	Q3 FY24	QoQ	FY24	FY23	YoY
Total Income	1,564	1,408	11%	1,819	-14%	7,182	4,326	66%
EBITDA	172	211	-18%	191	-10%	773	315	146%
Profit Before Tax (PBT)	62	81	-23%	61	1%	286	(137)	NA
Profit After Tax (PAT)	400	81	397%	61	557%	625	(137)	NA
Cash PAT	101	118	-15%	100	0%	441	12	38x

Notes:

- Cash PAT = PBDT (adjusted for cash exceptional items) – Current tax
- Prior period figures have been restated wherever necessary
- PAT for Q4 and FY24 includes deferred tax assets of Rs 338.7 million- The company has unabsorbed tax losses and depreciation that are available for offsetting against future taxable profits of the Company. The Company had recognised deferred tax assets to the extent of deferred tax liability of Rs 258 million as of March 31, 2023 due to continued losses in the earlier years. In view of the profit made during the year and expected continued profitability in future, during the quarter ended March 31, 2024 the Company has recognised additional deferred tax asset of Rs 338.7 million based on the projection of taxable profit for the next 4 years on prudent basis.

*Financials for previous periods / year have been regrouped / rearranged, wherever necessary, to make them comparable

Business Update



Market update:

- Government's continuing spent on infrastructure, energy and other strategic sectors providing thrust to the industry. Domestic industry specially benefitting under "Make in India" Policy
- Export market remains subdued due to lower consumption, higher interest rates and geo- political situation
- Red Sea crisis yet to be resolved and continue to affect shipment time and costs
- Encouraging product acceptance/ feedback from recently added USA market; Customer addition continues
- Further geography and territory expansion envisaged during FY25
- 45 new customers added during FY24

New products development:

- Many high value grades developed and delivered during the year including 904L, S30432, Alloy 800/H, Alloy 625, Low Cobalt Steel for Nuclear Power, Hollow Bars, Welsonic 50 etc.
- Qualified by BHEL and NTPC for super critical boiler tube grade S30432 for first time to an indigenous integrated facility
- New product development and introduction continues. More grades envisaged during FY25

Competitive Advantages



1 The only integrated producer of Quality Stainless Steel Bars and Pipes & Tubes starting from Steel Making to Finished Tubes in the country.

2 Strong focus on R&D and New Product Development

3 Speed to Market due to a Fully Integrated Process

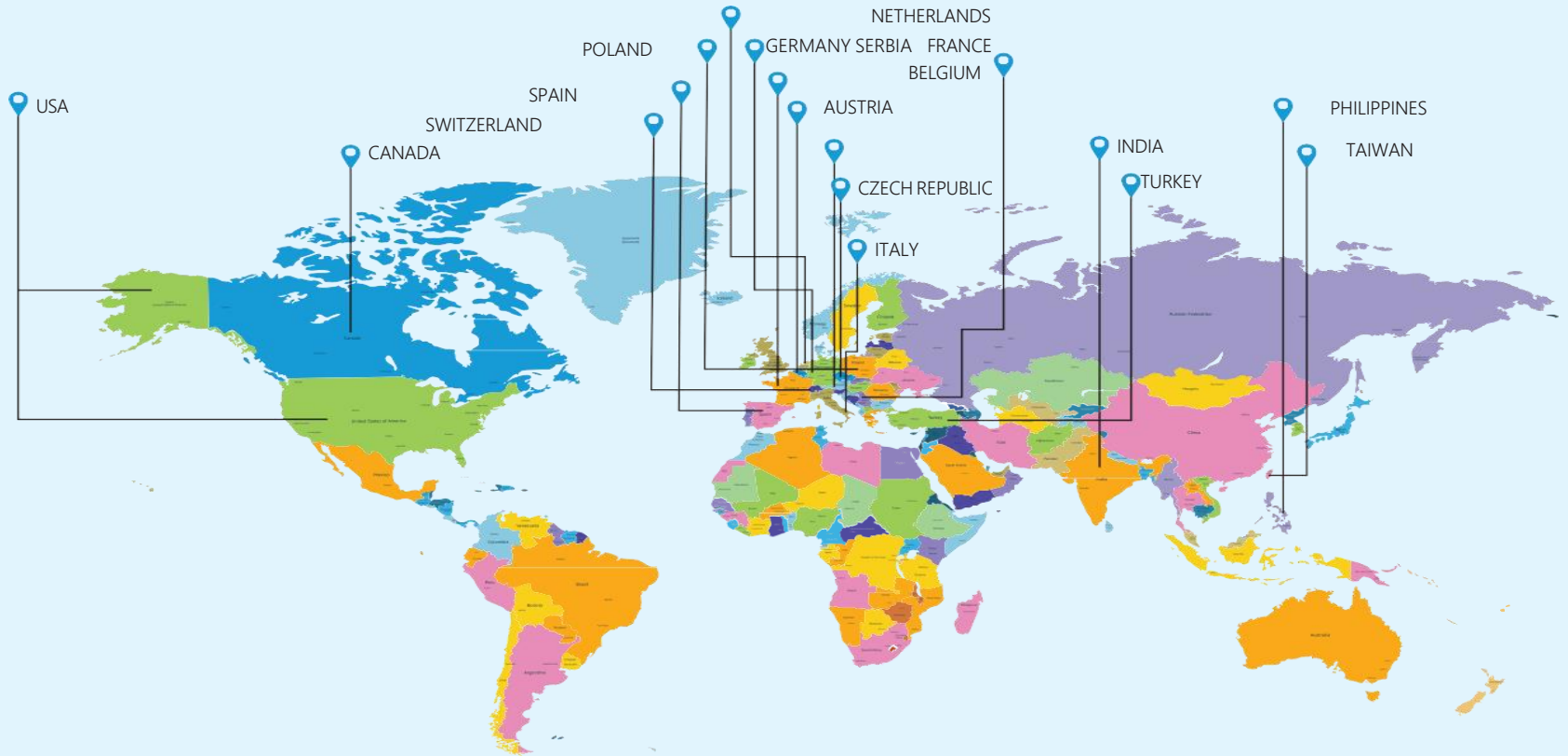
4 Expertise to make Stainless Steel in Special Grades with controlled chemistry

5 State-of-the-art manufacturing facilities delivering superior quality

6 In-house Facility for various testing requirements, accredited with ISO/IEC 17025



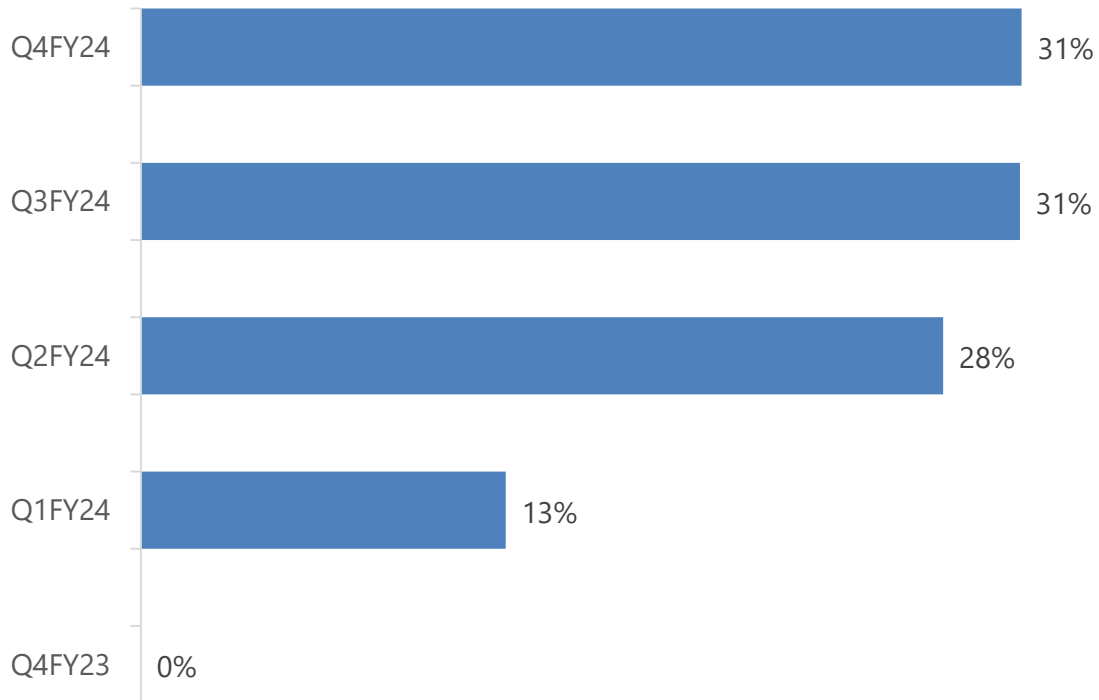
Growing Market Presence



ESG Interventions



Share of Renewable Electricity – Progressing well



Improving Emission intensity through real time data monitoring:

During FY24, use of biomass and renewable energy helped in avoiding total emissions of 8,694 tCO₂

Key Activities:

- Completion of Maturity assessment through stakeholder engagement
- Preparation of ESG dashboard tool for monthly tracking of ESG related KPIs
- Interventions on Carbon computation & assessment
- Evaluation of Carbon Border Adjustment Mechanism (CBAM) process & methodology

Note: Renewable Electricity data are average for the respective quarters

ESG Interventions



Strong focus on Governance

- **No cross holdings among the group companies**
- **Professional management**
- **Strong board representation with 50% independent directors**

Key Policies:

- Code of conduct for regulating, monitoring and reporting of trading by insiders
- Quality Policy; ABAC Policy; HSE Policy
- Policy on Related Party Transactions
- Board Diversity Policy
- Disclosure of the policy for determination of materiality of events or information
- Nomination and Remuneration Policy
- Whistle Blower Policy & Vigil Mechanism
- Familiarization Policy
- Dividend Distribution Policy

Thank You!

Welspun Specialty Solutions Limited

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