

**AWL/SEC/SE/2024-25/104**

**14<sup>th</sup> November, 2024**

**BSE LTD.**

Phiroze Jeejeebhoy Towers,  
1<sup>st</sup> Floor, Dalal Street,  
Fort, Mumbai – 400 023

**Company Scrip Code: 517041**

**NATIONAL STOCK EXCHANGE OF INDIA LTD.**

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

**Company Symbol: ADORWELD**

Dear Sir/Madam,

**Sub: Presentation made during the Analysts / Institutional Investors Meet**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further to our letter dated 11<sup>th</sup> November, 2024, this is to inform that the Analysts / Institutional Investors Meet was held today, i.e. on Thursday, 14<sup>th</sup> November, 2024. The Analysts / Institutional Investors were generally informed about the Company's progress, updates on business / financials, updates on the ongoing scheme of amalgamation and we also addressed the Analysts / Investors' queries. Further, no unpublished price sensitive information (UPSI) was discussed / shared during the interactions.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 <https://www.adorwelding.com/events-2/>

We hereby request you to make a note of it and acknowledge its receipt.

Thanking you,  
Yours Sincerely,  
For **ADOR WELDING LIMITED**

VINAYAK M. BHIDE  
**COMPANY SECRETARY**  
Encl: As above



**INVESTOR PRESENTATION**  
**November 14, 2024**

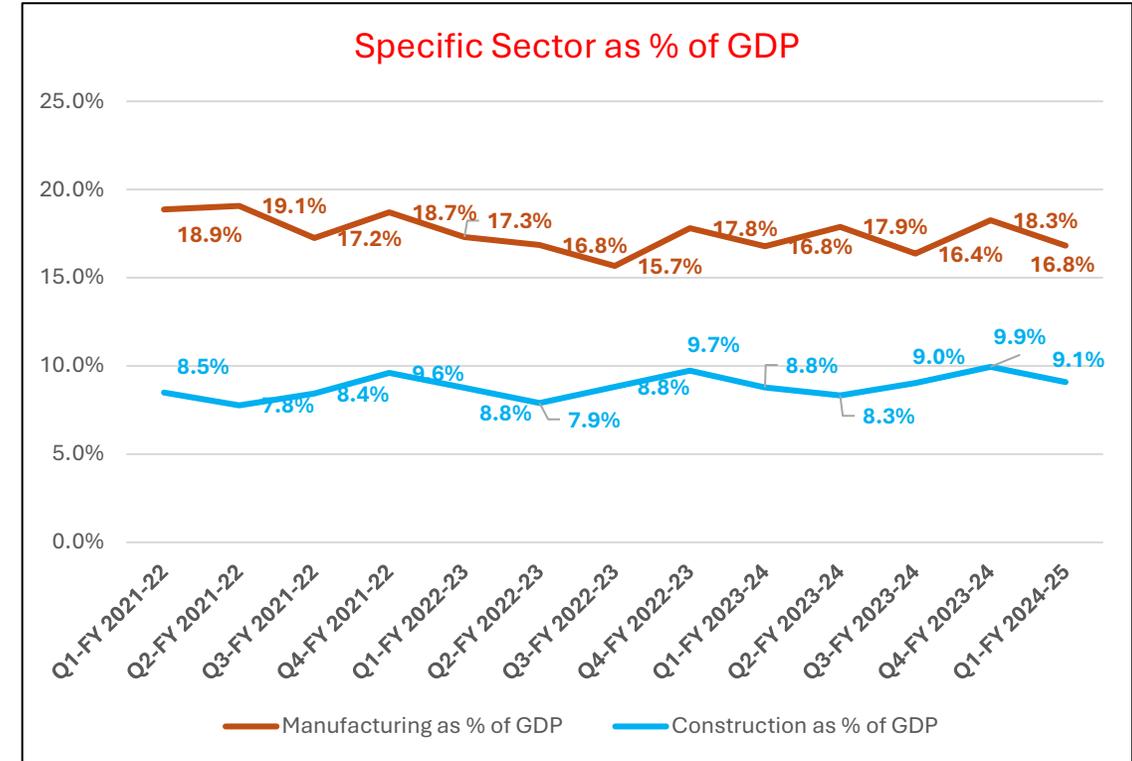
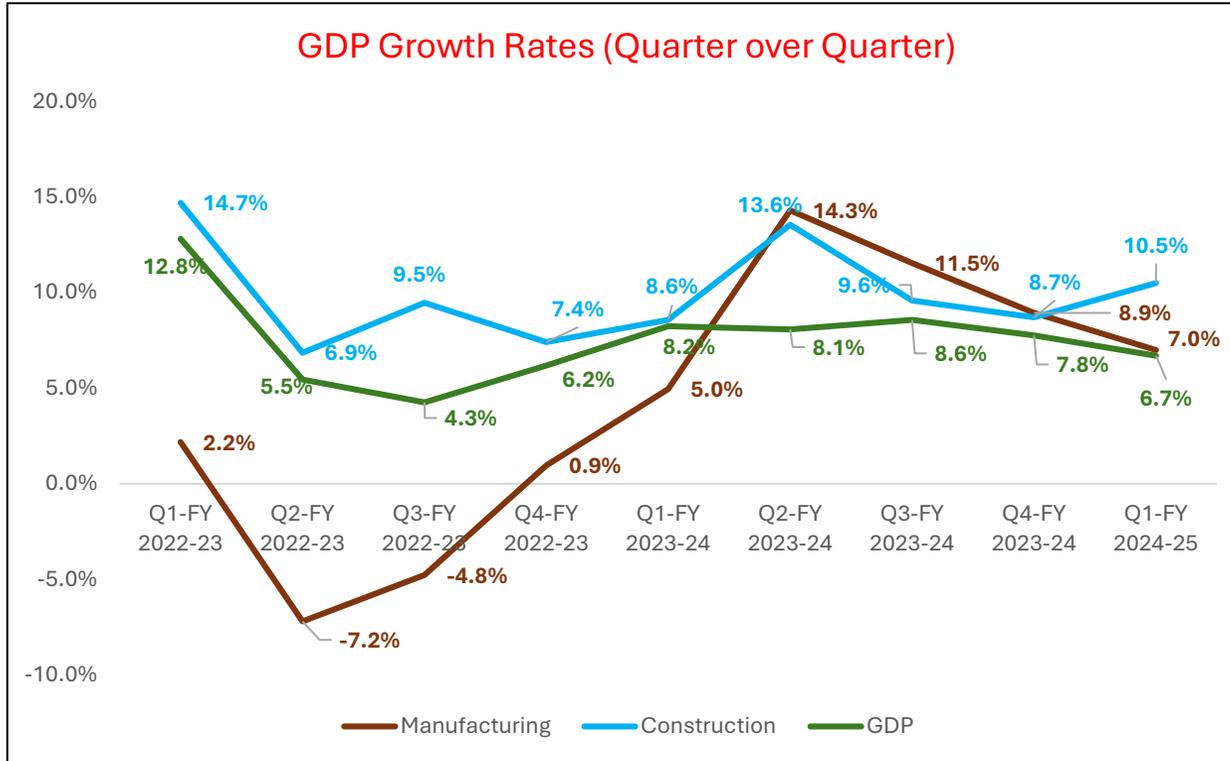
# Agenda

- Macros review
- Business Overview
- Merger – Value creation
- Innovation & New Products

# Disclaimer

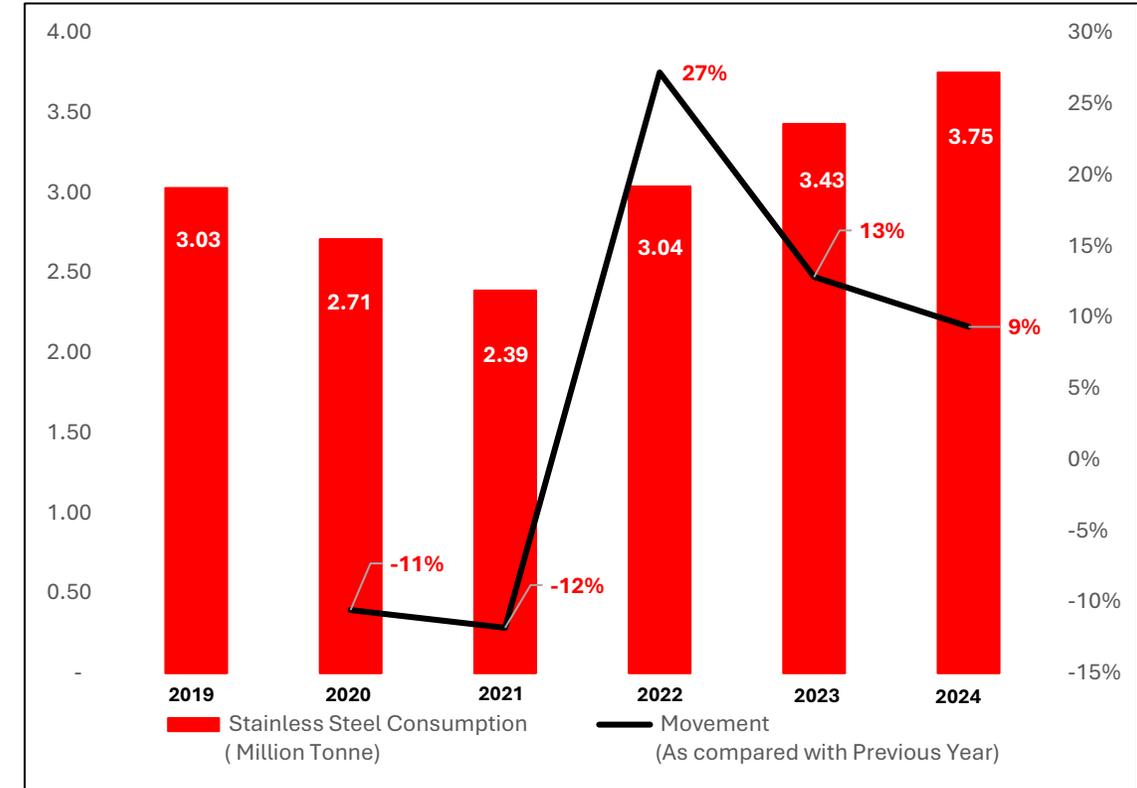
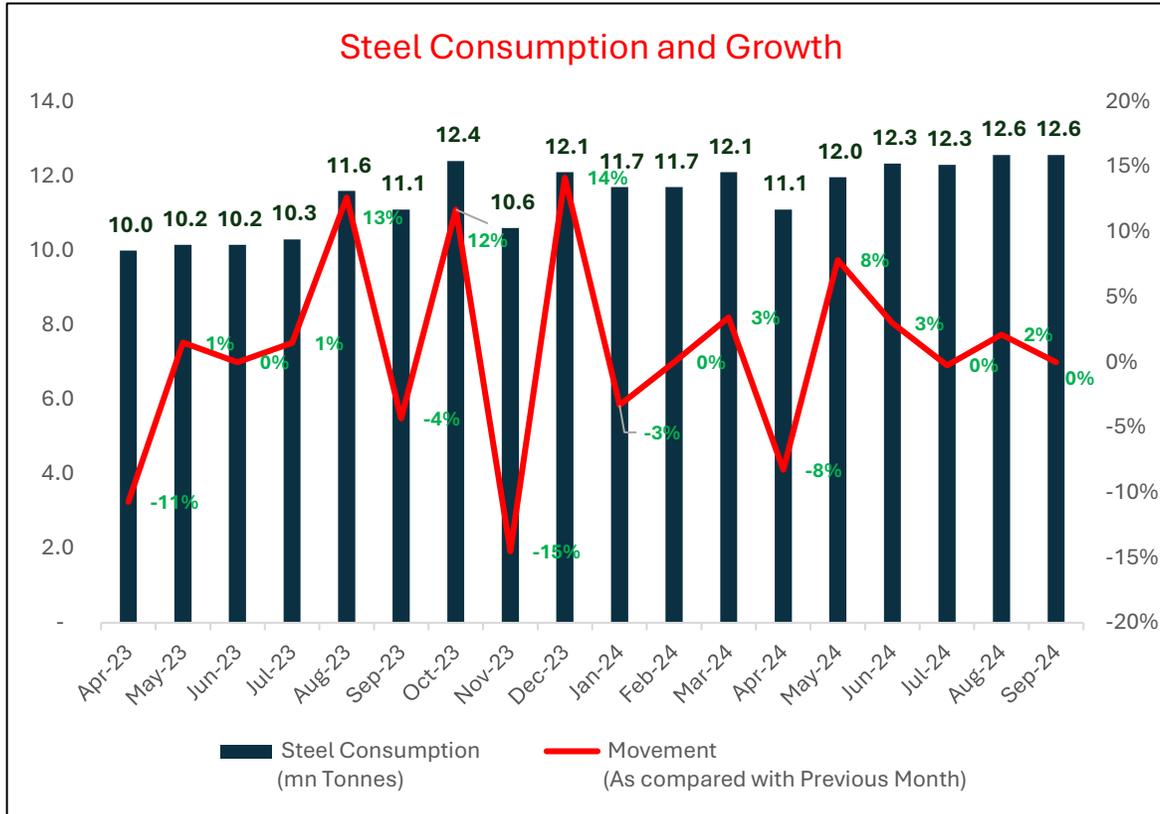
- This Investor Presentation by Ador Welding Ltd. (“Ador / the Company”) is solely for informational purposes. This presentation does not constitute an offer or invitation, directly or indirectly, to purchase or subscribe for any securities of Ador.
- The information contained herein has been prepared to assist prospective investors in making their own evaluation of the Company. It does not purport to be all-inclusive or to contain all of the information that a prospective or existing investor may desire. In all cases, interested parties may conduct research and analysis of the Company about the data set forth in this information on their own. Ador makes no representation or warranty as to the accuracy or completeness of this futuristic information and shall not have any liability for any representations (express or implied) regarding information contained herein, or for any omissions from, this information or any other written or oral communications transmitted to the recipient in the course of its evaluation of the Company.
- This Information may include certain statements containing estimates provided by the Company with respect to the projected future performance of the Company. These statements are “forward looking statement.” All such statements, estimates & projections reflect various assumptions by management concerning possible anticipated results and are subject to risk & uncertainties, which may cause the Company’s actual future results to differ from those expected by the Investors. No representations are made as to the accuracy of the estimates & / or projections. Prospective investors may conduct their own due diligence regarding the same and all other matters pertaining to investment in the Company.

# Macro-Economic Overview – Gross Domestic Product (GDP)



- GDP growth for Manufacturing sector for last 3 quarters is declining and coming in-line with overall GDP growth.
- Govt. targets Manufacturing as % of GDP to be 25% by end of 2025 from current level of 17-18%. We should see a significant growth in Manufacturing if target is to be achieved.

# Macro-Economic Overview – Steel and Stainless-Steel Consumption Data



- Annual steel consumption is at 136 million tonnes (MT) for FY 24 (YTD Sep'24 – 72.8 MT and YTD Sep'23 – 64.1 MT)
- FY 31, the government target is ~220 MT (CAGR ~7.1%).

- Over the last 3 years, stainless steel consumption has grown by at CAGR of ~16% annually.

# Update for Q2 & H1

## Q2 update – Standalone

- Merger completed on 25<sup>th</sup> Sept'24
- New segment reporting – M&R.
- Sales declined by (3%) over Q2FY24
- Gross margins declined by (2.3%) bps due to higher input cost. Gross margins at 27.8%
- EBIDTA margins declined due to increased fixed cost
- PBT (before exceptional items) was at Rs 20 crs. compared to Rs 36 crs. in Q2FY24
- Exceptional items amounting to INR 41.7 crs has been accounted related provision on account of valuation of wholly owned subsidiary, merger related expenses, provision for obsolete inventory and gain on sale of Kochi property.
- International market expansion – USA/Australia

## HY1 update - Consolidated

- Sales grew by 5% over HY1 FY24.
- International business grew by 19% in H1FY 25
- Gross margins were at 29.1%.
- EBIDTA margins declined due to increased fixed cost.
- PBT (before exceptional items) was at Rs 46 crs. compared to Rs 57 crs. in HY1 FY24.
- Exceptional items amounting to INR 10. crs has been accounted, for merger related expenses, provision for obsolete inventory and gain on sale of Kochi property.
- Consolidated PAT at INR 26 crs in HY 1 FY 25 as compared to INR 42 crs in HY 1 FY24

# Exceptional items ~ Q2 FY 25 and HY 1 FY25

Particulars	Q2 FY 25	HY1 FY 25	Remarks
<b>PBT (Before Exceptional item)</b>	<b>20.3</b>	<b>48.1</b>	
<b>Exceptional item:</b>			
Provision for impairment	31.7	31.7	Refer <b>Note 1</b>
Merger related expenses	5.7	5.7	Refer <b>Note 2</b>
Employee Benefit expenses	3.8	3.8	Refer <b>Note 3</b>
Obsolete inventory provision	1.0	1.0	Refer <b>Note 4</b>
Kochi Property sale	-0.5	-0.5	Refer <b>Note 5</b>
<b>Total Exceptional items</b>	<b>41.7</b>	<b>41.7</b>	
<b>PBT (After Exceptional item)</b>	<b>-21.4</b>	<b>6.3</b>	

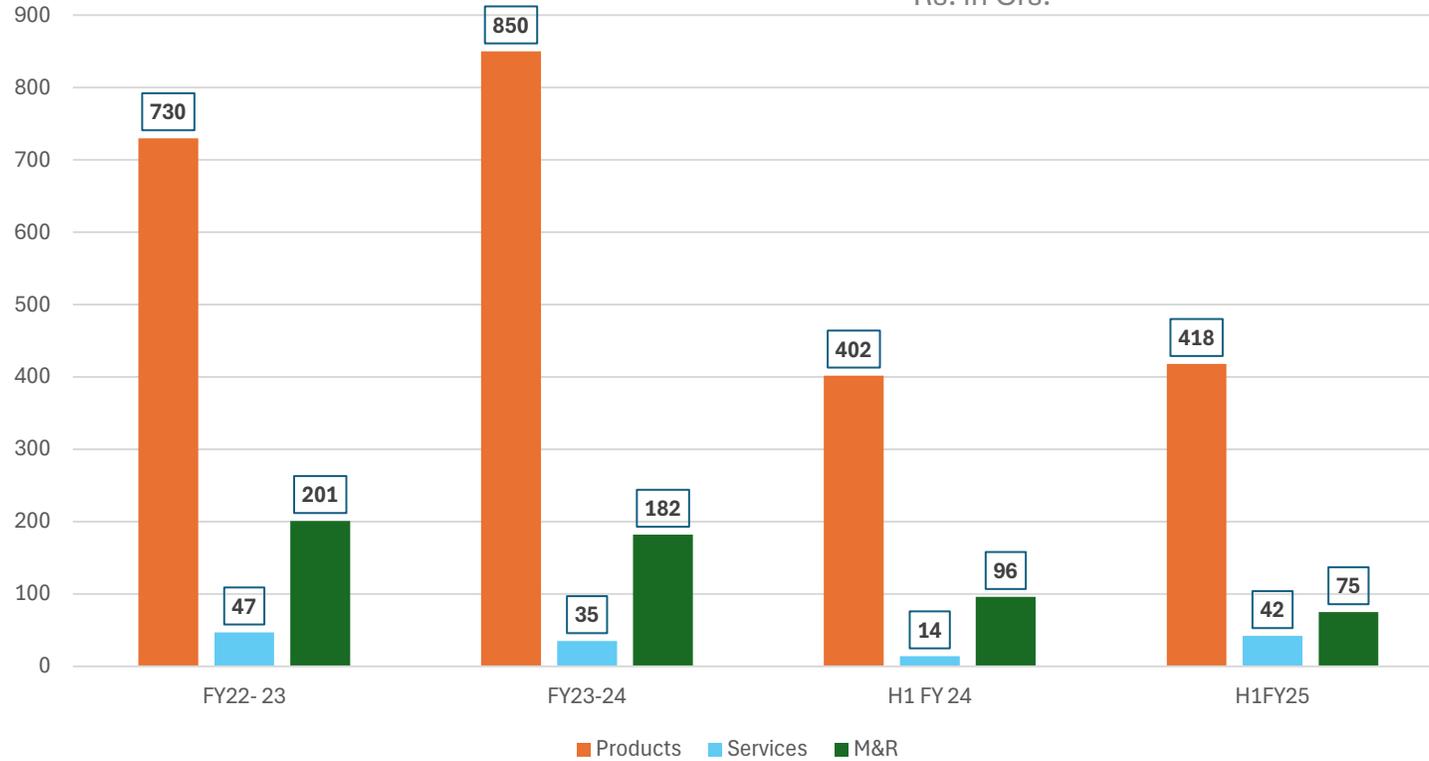
**Provision for impairment amounting to INR 31.7 crs. will be removed from consolidated financials results, as part of elimination adjustments.**

- Provision for impairment** - Upon completion of the merger, the management of Ador Welding Limited has re-evaluated the said investment and the ICDs provided to 3DFT, considering its long-term perspective to focus on core/strategic and sustainable lines of business. In view of the same and in line with the Accounting Standards, the management has recognized a provision of INR 31.7 crs towards diminution in the value of aforesaid investment and ICDs against their respective carrying amounts. This does not have any impact on operations of the Company.
- Expense related to **stamp duty, legal & professional services** in relation to its merger with its fellow subsidiary Ador Fontech Limited (ADFL), amounting to **INR 5.7 crs** in current quarter.
- During the quarter, the Company has paid **INR 3.8 crs** towards **rewards & recognition**, considering long service tenure & contribution, to few employees of M&R Division (erstwhile Ador Fontech Limited).
- Expense related to **inventory provision** of ADFL (merged entity) amounting to **INR 1 crs** in current quarter, for inventory which have become obsolete or unusable due to market conditions and their physical state
- The Company has **sold part of its property** situated at Kochi and the profit of **INR 0.5 crs** on sale has been recognized as an exceptional item.

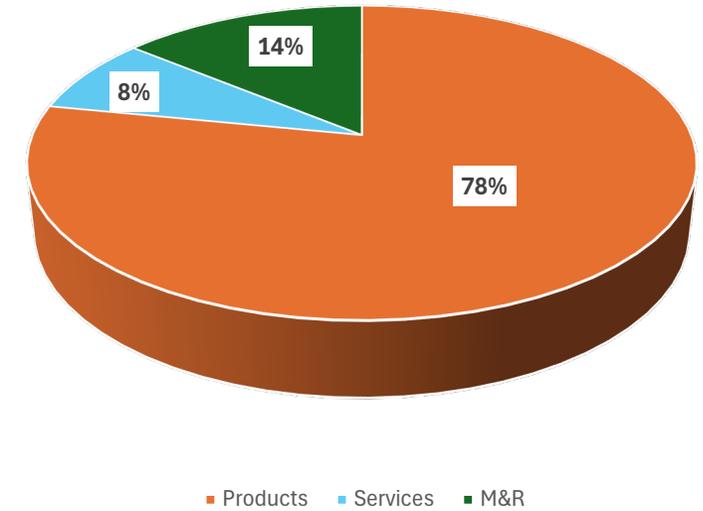
# Business Overview- Stand alone .

Sales Composition

Rs. in Crs.

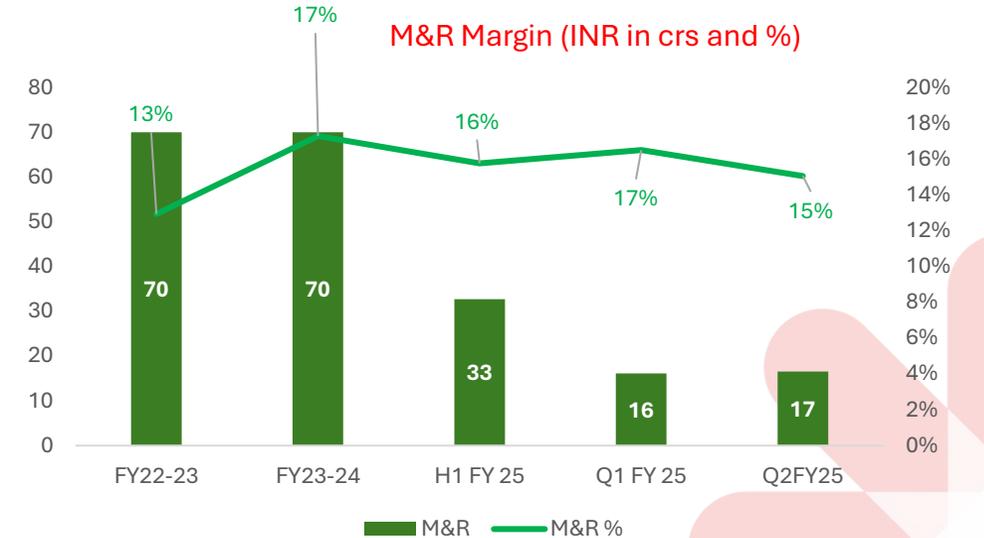
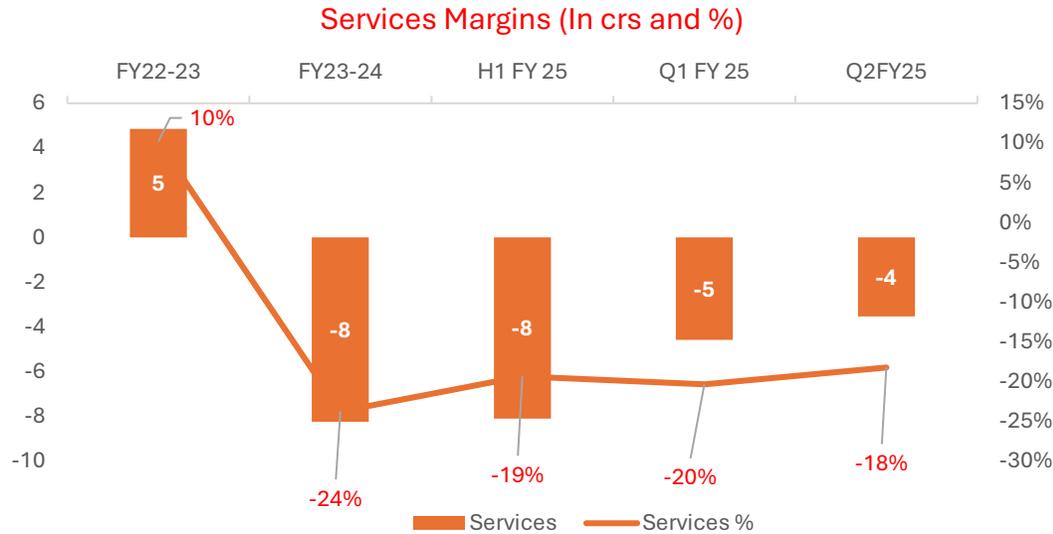
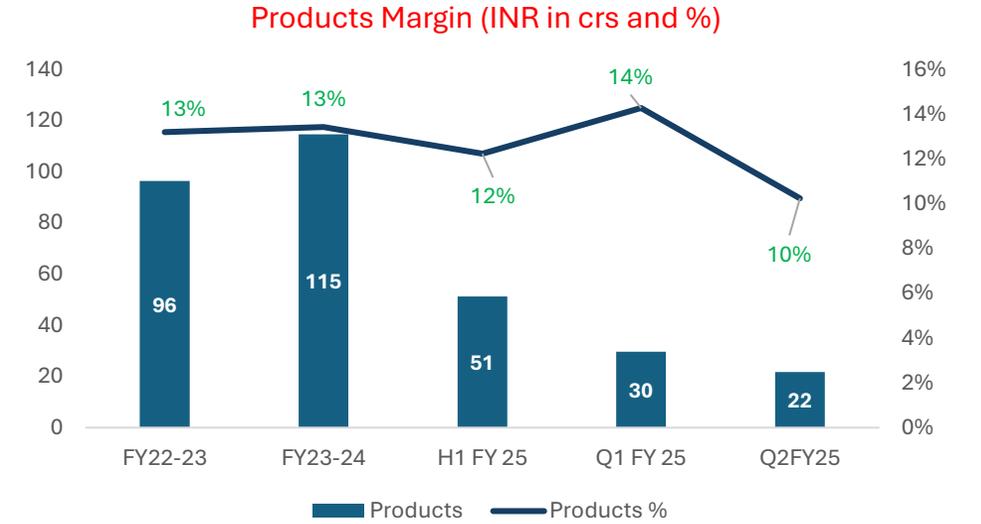
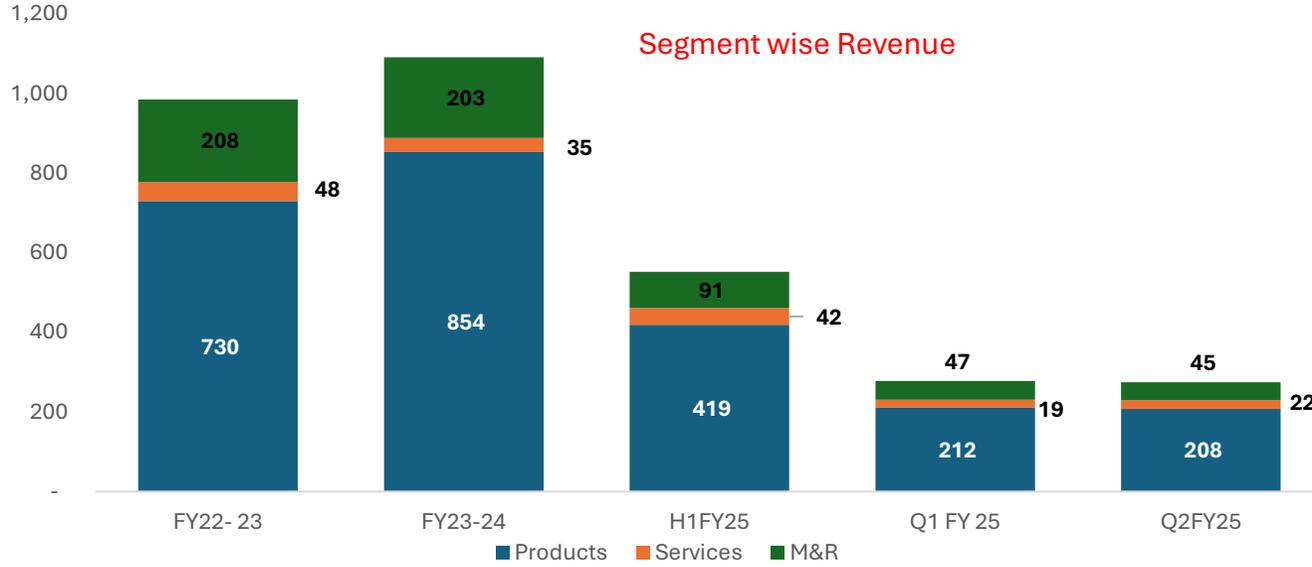


H1 FY25- Sales Mix



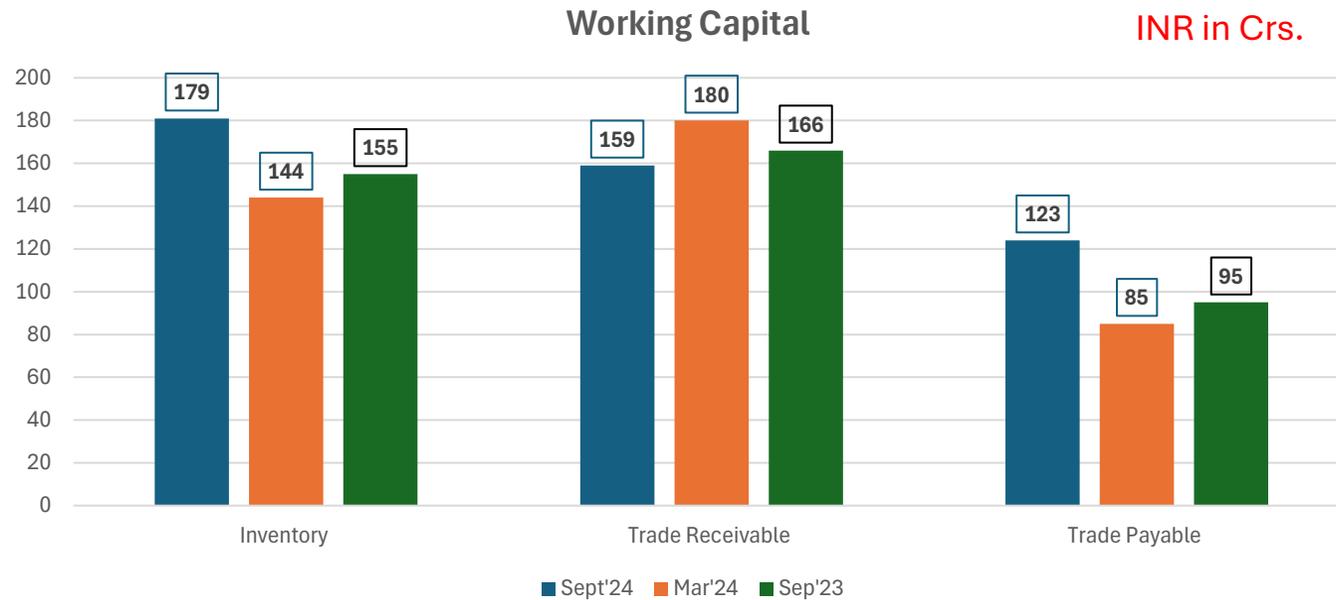
**Products contribute to ~ 78% of total business, Services at 8% and M&R at 14% for H1 FY 25**

# Segment wise Margin



Revenue is gross of inter segment elimination.

# Working capital- Standalone .



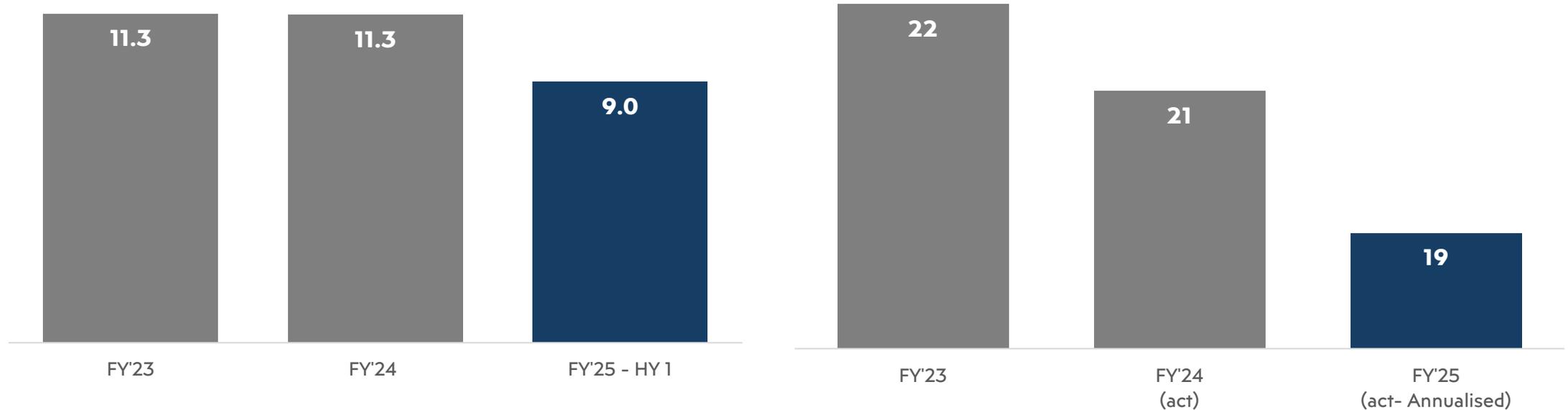
Particulars	Sept'24	Mar'24	Sep'23
Inventory	60	49	54
Trade Receivable	53	61	57
Trade Payable	41	29	33
<b>Net Working capital days</b>	<b>72</b>	<b>81</b>	<b>78</b>

- Improvement in Operative Working capital by 9 days
- Focus on optimising working capital and improving cash flows .

# PBT and RoCE- Merged Entity

**PBT Margins (%)**

**ROCE (%)**



1. All figures are w/o Exceptional Items.
2. FY 25 (Actual Annualised) – Based on trailing 12 months of Merged Entity.
3. Debt to Equity ratio is 0.08 as at Sep'24 as compared to 0.04 as at Mar'24 (Sep'23 – 0.09)

# Merger – Value creation



- The Effective date of merger 25<sup>th</sup> Sept'24 , and the appointed date April'22 .
- Integration process on .
- Synergies across
  - *Manufacturing & Supply chain*
  - *Product Development*
  - *Cost Structure*

# Innovation – Our Pillar for future growth



- **CHAMPMULTI 500** – Digitally Controlled Synergic Multipurpose Welder with Wireless Data logging and report generation system.
- CHAMP MULTI 500 is a multi process welding outfit with inverter based welding power source.
- The IGBT power module, High frequency transformer and fast recovery diode are used as key device for
- Power conversion and transmission to assure better Efficiency and performance.
- The welding power source has both constant current (CC) and constant voltage characteristics (CV),
- Suitable for MMA and MIG/MAG and FCAW applications.

## CHAMPMULTI 500

500 AMP CAPACITY MIG / FCAW / MMA / TIG WELDER

# Innovation – Our Pillar for future growth



## **RHINO-E : Battery Operated \_E Welder.**

- This machine has been proved very well for Railway track repair and maintenance. One of the large railway network has evaluated and using this machine continuously on field over the last few months
- RHINO –E machines are Zero Carbon Emission .
- Bluetooth enabled Mobile application has been developed for remotely monitoring battery status and controlling the welding parameters and now it is available in Play store for Android operating system phones.

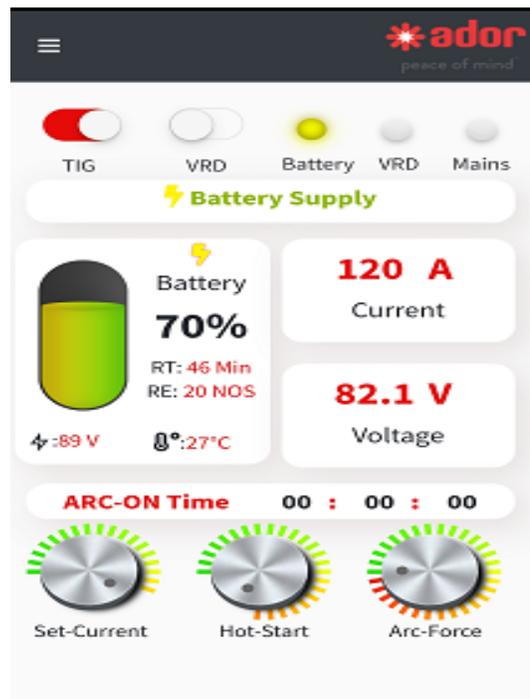
**POWER SOURCE WITH CHARGER**

***Our Commitment to Green ~ Zero Emission Machines***

# Innovation – Our Pillar for future growth

## RHINO E

THE BATTERY POWERED WELDING MACHINE RHINO-E represents a significant advancement in welding technology, offering flexibility, convenience, efficiency and diverse welding application



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Mobile application: A remote Mobile / Tab application provides users with the ability to observe and manage various aspects from a distance such as:

- OUTPUT CURRENT
- ARC FORCE
- HOT START
- BATTERY VOLTAGE, PERCENTAGE
- REMAINING ARC ON TIME OF MACHINE

# Product Update



THIS BATTERY POWERED WELDING MACHINE IS BEING USED ALONG WITH ARC SENSING MIG/ MAG WIRE FEEDER IN EUROPE FOR RAILWAY TRACK MAINTENANCE



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# Brand Initiatives

Exhibited at FABEX Saudi Arabia 2024 from 13-16<sup>th</sup> Oct, 2024

We had products on display as well as a VR set-up

150 brand/ product/ demo enquiries & 3000+ people stopped by our booth to enquire



# Brand Initiatives

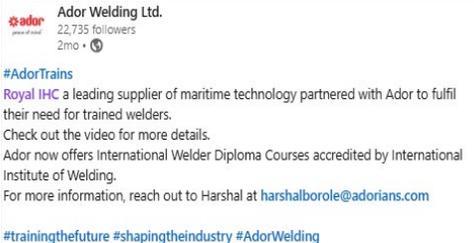
Brand building through visibility on OTT channel- Telecast of Ador in the digital show- Kaisa Banta Hai on JioCinema



Watch Kaisa Banta Hai Season 1 Episode 6 : 'Silent Welder, E-Luna & PVC Pipes- Let's See How These Products Are Made - Watch Full Episode Online(HD) On JioCinema

Watch Kaisa Banta Hai Season 1 Episode 6 - 'Silent Welder, E-Luna & PVC Pipes- Let's See How These Products Are Made.From Strong Welds To Eco-friendly Rides & Durable Pipes, Kaisa Banta Hai Brings You The Secrets Behind Ador's Silent Welding Machine, Kinetic's E-Luna & Utkarsh's PVC Pipes.'

Showcase of Training for Royal IHC via a video



Ador Welding Ltd. 22,735 followers 2mo •

#AdorTrains  
Royal IHC a leading supplier of maritime technology partnered with Ador to fulfill their need for trained welders. Check out the video for more details. Ador now offers International Welder Diploma Courses accredited by International Institute of Welding. For more information, reach out to Harshal at [harshalborole@adorians.com](mailto:harshalborole@adorians.com)

#trainingthefuture #shapingtheindustry #AdorWelding



Ador Welding Training Division

<https://www.linkedin.com/feed/update/urn:li:activity:7225002382756110336>

Showcase of the new FCW line in Silvassa via a video



Ador Welding Ltd. 22,734 followers 2w • Edited •

Ador expands capacity for Flux Cored Welding Wires. We are thrilled to unveil our new state-of-the-art facility in Silvassa. Our investment in this new facility aligns with the 'Make, Research, Create in India' vision, as we strive to strengthen India's industrial capabilities and technological advancements.

#CreatingTheBestWeldingExperience #MakeResearchCreate #AtmanirbharBharat #AdorWelding

ADOR INTERNATIONAL Mustafa Faizullahbhojy Dr. Shrikant Suvarna Manish Trivedi Romin Mathew Paul McVicar



<https://www.linkedin.com/feed/update/urn:li:activity:7250366261765804032>

Showcase of ESG initiatives via a chat format video



Our Environmental, Social, and Governance (ESG) policy guides everything we do.

At our Silvassa plant, the team has implemented innovative solutions for effective water management. Let's learn more in a conversation with [Manish Trivedi](#) - Plant Head, Silvassa.

[Niki Singh](#)

#CreatingTheBestWeldingExperience #ESG #Sustainability



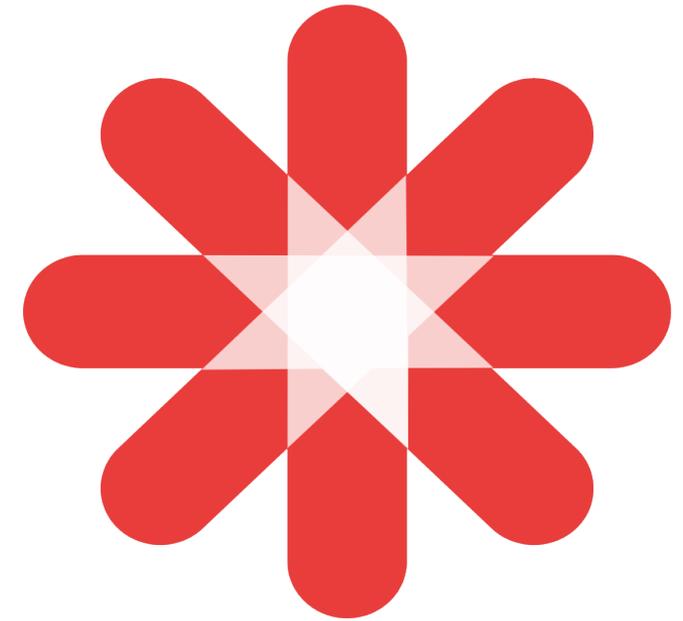
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# Q&A

# Guidelines

- Due to the time constraints, we would be limiting a maximum of 2 to 3 questions per participant. Please be quick & precise with your questions
- Please avoid asking questions, already answered or covered in the presentation
- Anyone interested in asking questions are requested to put their name & organization in the chat box, stating their desire to ask questions and it will be answered in sequence of receiving names in the chat box
- The end-time of meeting / call will be 5:00 pm, irrespective of no. of questions pending
- This call will be recorded for compliance purpose

**THANK YOU**



peace of mind™