ADOR WELDING LIMITED

ador WELDING

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Corporate Identity No: L70100MH1951PLC008647

AWL/SEC/SE/2018-19 **27th August, 2018**

BSE LTD.
Phiroze Jeejeebhoy Towers,
01st 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 Scrip Code: ADORWELD

Dear Sirs,

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 16th August, 2018, this is to inform that Analysts / Institutional Investors Meet was held today, i.e on 27th August 2018, at our Corporate Office in Mumbai with a few Analysts / Institutional Investors. They were generally informed about the Company's progress, updates on business / financials for Q1 of FY 2018-19 and we also addressed analysts / Investors' queries.

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.

Yours Sincerely,
For **ADOR WELDING LIMITED**

V. M. BHIDE
COMPANY SECRETARY

Encl. as above

PASSION FOR WELDING SINCE 1951

ADOR WELDING LIMITED

(Formerly Advani-Oerlikon Ltd.)

Investor Presentation

Strong Presence In Welding Industry Since 1951

300 + Plus distributors in India

70 + Reach in 70 plus countries

R&D division 30+ completed Years of registration with department of scientific & industrial research (DSIR), Govt. Of India

50 Years Exporting

30+ years of existence in Project Engineering Business

Disclaimer

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Content

- Indian Economy
- Shareholding pattern as on 30th June , 2018
- Financial Performance
- Market/ Business Drivers


Indian Economy

Indian Economy At Glance

- AWL sends heartfelt condolences to the Kerala Flood Victims
- Monsoon: Dispersion and Quantity is good. Improving rural demand
- The Indian economy expanded 7.7% year-on-year in the first three months of 2018 and expected 7.8% Y-o-Y
- Growth on account of agriculture (4.5%) and manufacturing (9.1%) and construction (11.5%)
- Government spending recorded the highest growth rate (16.8 percent compared to 6.8 percent in Q4)

Source: tradingeconomics.com

YoY Manufacturing IIP Growth %

IIP Base 2011-2012
Source: TRADINGECONOMICS.COM MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)

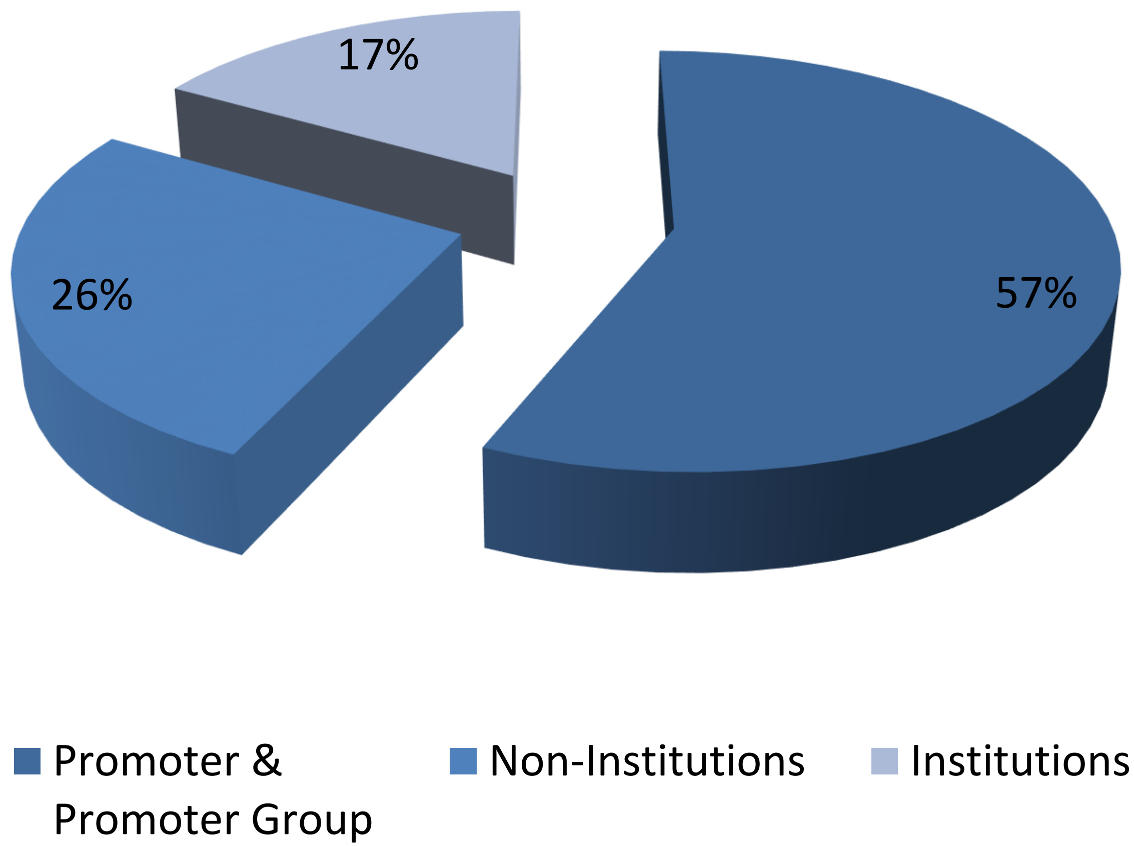
Factors Responsible For Growth

- Bank Recapitalization pushing credit growth
- Credit growth to non food sector, personal loans, service sector…robust
- BoP surplus in Q4FY18 at US$13.3bn was higher than US$9.4 bn in Q3FY18
- Lower GST rates to boost discretionary consumption
- NPA resolution should improve bank balance sheets further

Source: https://secresearch.idfc.com

SHAREHOLDING PATTERN

Shareholding Pattern (as on 30th June 2018)




FINANCIAL
HIGHLIGHTS

Performance Highlights

*Net of Excise

Rs. In Cr.

Business Segment	Q1		YoY
	F-19	F-18*	F-18*
Dom Consumables	70	46.4	279
Dom Eqpt.	15	8.9	64
IBD Consumables	5.8	4.6	28
IBD Eqpt.	0.7	1.6	7
WAPS	0.8	0.4	4
Welding Business	**92**	**62**	**382**
PEB	10.8	25	76
TOTAL	**103**	**87**	**458**

Financial Overview

**Net of Excise* *Rs in Cr.*

Particulars	Q1 FY-19	Q1 FY-18*	YoY FY-18*
Net Sales/Income from Ops	102.6	87.1	458
Other Income	2.2	3.0	10
Mat Cost	68.7	63.5	327
EBITDA	9.75	3.4	44
PBT	5.72	-0.1	28
Exceptional Item	-	-	-
PAT	4.13	-0.1	19
Employee Cost	10.6	9.6	38
Employee Cost/Net Sales(%)	10.3%	11%	8%
Inventory	67.2	54.1	54
Debtors	91.1	69.7	92
Creditors	71.8	75.7	75
Debtors in Days	62	62	69
Creditors in Days	77	82	82
Working Capital (in Days)	67	39	57

Segment-wise Profitability

Rs in Cr.

FY19-Q1	Welding Business
Net Sales	92
Operating Profit	9.8
PBIDT/Sales %	11%

Segment-wise Profitability

FY19-Q1 PEB	(Rs in Lacs)
Revenue	1075
Variable Cost	936
Contribution (13%)	**139**
Finance Cost	88
Fixed Cost	134
Profit	**(83)**

Key Ratios

Ratio Type	Ratios	Q1 F19	Q1 F18
Financial Performance as % of Net Sales/Total Revenue	EBITDA	9.3%	3.9%
	PBT	5.5%	-0.1%
	PAT	4.0%	-0.1%
	COM	67%	72.9%
	ME	6.5%	5.9%
	SGA	8.9%	9.7%
	Total Expense	96.6%	103.5%
	Interest/Fin. Charges	1.6%	1.0%
Liquidity Ratios	Current Ratio (CA/CL)	1.7	1.8
	Quick Ratio (CA-Inventory)/CL	1.3	1.4
Efficiency Ratios	Inventory Turnover Times (Sales/Inventory)	7	8
	Working Capital Turnover (Days) (WC/Sales*365)	67	39

Key Ratios

Ratio Type	Ratios	Q1 F19	Q1 F18
Debt Ratios	Equity Ratio (TOL/TNW)	66%	62%
	Interest Cover (PBIT/Fin cost) (times)	5	1
Investment Ratios	Return on Tangible Net Worth (PAT/TNW)	1.7%	0.0%
	[EBITDA/Capital Employed including Borrowings]	3%	1%

MARKET/BUSINESS DRIVERS

Market/Business Drivers

Bn in USD

Key Segment	Growth Drivers	Market Size 2017	Market Size 2022E
Infrastructure	• The Government of India has given a massive push to the infrastructure sector by allocating US$ 92.22 billion for the sector	160	215
Automobile	• Indicative Investment lines up till 2022: 18 USD Bn • Suzuki Motor Corporation plans to invest USD 970.70 million in second vehicle production line at its new plant in Gujarat	89	144
Heavy Eng.	• (BHEL) plans to set up a structural fabrication units . The plant is expected to entail an investment of Rs 1,000 crore	70	115
Oil & Gas	• Investment of $6 Billion for the upstream and downstream sectors by 2020 • MNRE plans to invest $ 16 Million by 2022 to enhance the use of bio-fuels	315	421

Source: ibef.org


Thank You!
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