

# WELSPUN ENTERPRISES LTD

## An Infra Player with a Difference

October 2019



# SAFE HARBOR

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# KEY INVESTMENT HIGHLIGHTS

## Welspun Group

comes with vast experience of

- Nurturing businesses
- Executing marquee projects
- Investing & timely value unlocking

## Sunrise Road Sector

~ Rs. 5.35 Trillion of road projects to be awarded in next 5 years

## Hybrid Annuity Model (HAM) Opportunity

- Win-win model for government & developer
- Around half of road awards happening through HAM

## Welspun Enterprises

- Focussed purely on HAM
- Robust order book provides strong visibility
- Demonstrated operational excellence
  - Financial strength

## Asset Light Model

- Focussed on Project Management Consultancy (PMC)
  - Minimal Plant & Machinery
  - Low Working Capital
- Continuous asset value unlocking
  - High RoCE, Low Leverage



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# WELSPUN GROUP OVERVIEW

## FY19 Revenue

**Rs. 185 bn**

CAGR 21% (1995-2019)

## FY19 EBITDA

**Rs. 25 bn**

Overall 13% EBITDA margin

## Fixed Asset Base

**Rs. 61 bn**

Asset creation calibrated to  
Demand & Cash flows

## Net Debt of Rs. 32 bn

Continuous focus on reducing  
high cost debt

Net Debt to Equity of 0.40 x

## 25,000+ Employees

Managing large, diverse  
workforce across geographies

## Strong Credit Rating

Welspun India: AA

Welspun Corp: AA-

Welspun Enterprises: AA



**WELSPUN INDIA**  
HOME TEXTILES

## Global Leader in Home Textiles

Ranked #1 Home Textile Supplier  
to USA 5 Times in Last 6 Years



**WELSPUN CORP**  
PIPES AND PLATES

## Global Leader in Large Diameter Pipes

Manufacturing facilities in India,  
Saudi Arabia & USA



**WELSPUN ENTERPRISES**  
INFRASTRUCTURE AND ENERGY

## Specialised HAM Infra player

Completed India's first 14 lane  
Expressway in record time of 19  
months vs scheduled 30 months

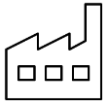
# GROUP'S RICH EXPERIENCE OF PROJECT EXECUTION

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**History of designing & building manufacturing plants & projects worth USD 3 bn+**

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**Successfully built Anjar Welspun City, spread across 2,500 acres in Gujarat**

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**Built renewable energy portfolio of 1,000+ MW worth Rs.10,000+ crores & successfully divested it**

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**Track record of delivering quality projects, on or before time**

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**Successfully built one-of-its-kind anciliarisation (captive outsourcing) model in Textiles**

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**Experience of value unlocking from assets of more than Rs. 130 bn in the past five years**

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**Group vision to be among the Top-3 HAM players in the country**

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# ROAD SECTOR WITH STRONG THRUST FROM GOVERNMENT

Road Infrastructure a vital ingredient for country's GDP growth



**Only ~5%**

of Indian Roads are national / state highways

**8.1% of GDP**

As per IMF, required spend on Infra in India

**8x Multiplier effect**

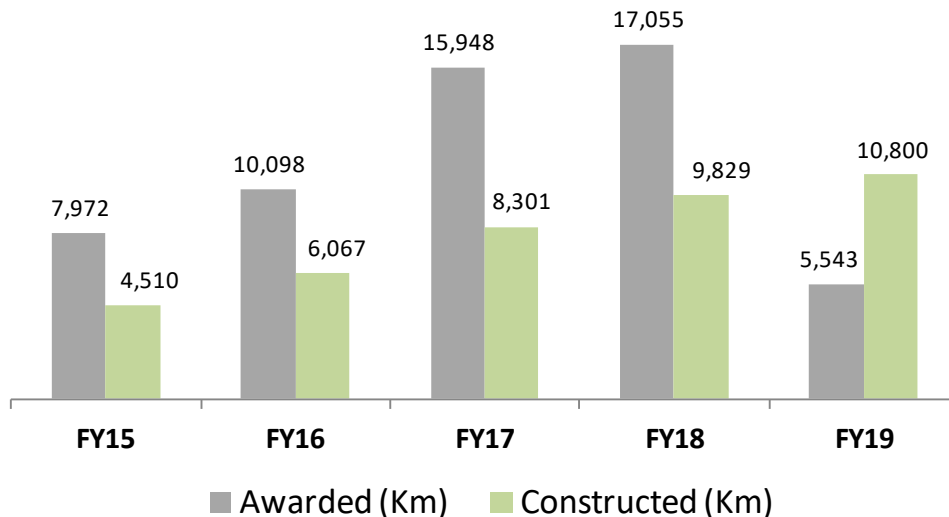


Investment in roads has multiplier impact on GDP growth

**Employment**

Local employment generation

## MoRTH Projects in Kms



## Increasing Road Projects Awarding & Spending

Budget 2019-20 has allocated

**Rs. 1.12 Trillion**

for Ministry of Road Transport and Highways



# FUTURE POTENTIAL PROVIDES HUGE BIDDING OPPORTUNITY

**~Rs. 5.35 Trillion**

Road projects expected to be awarded in next 5 years

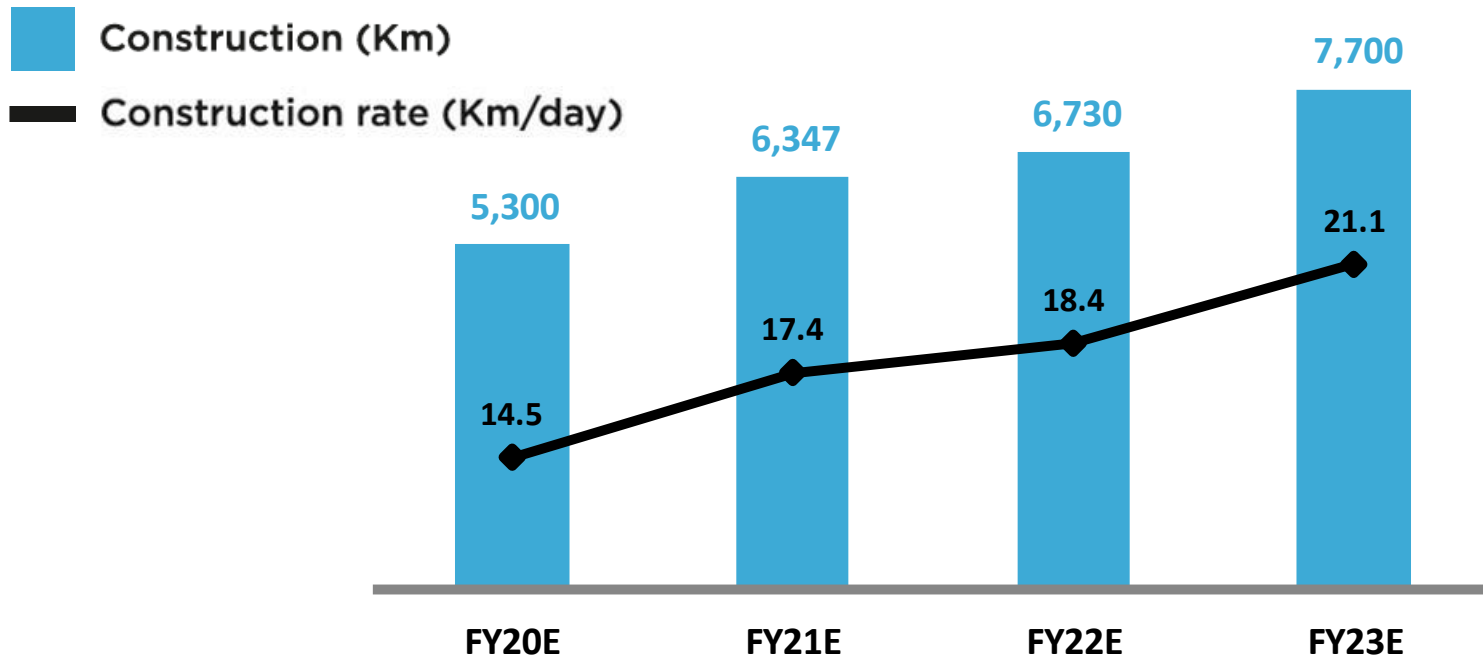
**India Ranks 63 / 140**

India's infrastructure rank, while improved from Rank#87 in 2015, still has a long way to go

**34,800 kms**

Bharatmala project total construction target by 2022

## NHAI: Planned construction of the Bharatmala programme



**~1.5x growth expected in annual road construction in next 4 years**

# POTENTIAL UNDER BUY & TURNAROUND STRATEGY

Several HAM projects awarded to various infra players with weaker balance sheet are not financially closed...

....Welspun Enterprises with its strong banking relationship backed with strong balance sheet sees this as an opportunity to be a Turnaround Specialist

## Welspun Enterprises' Turnaround Record – 3 projects till date

1) Gagalheri-Saharanpur-Yamunanagar (GSY)

2) Chutmalpur-Ganeshpur & Roorkee-Chutmalpur-Gagalheri (CGRG)

### Concessionaire

Concessionaire not in a position to achieve financial closure



Along with Welspun Enterprises

Financially closed **within 2 months**

3) Chikhali-Tarsod (Package-IIA)

### Concessionaire

Concessionaire not in a position to achieve financial closure



Along with Welspun Enterprises

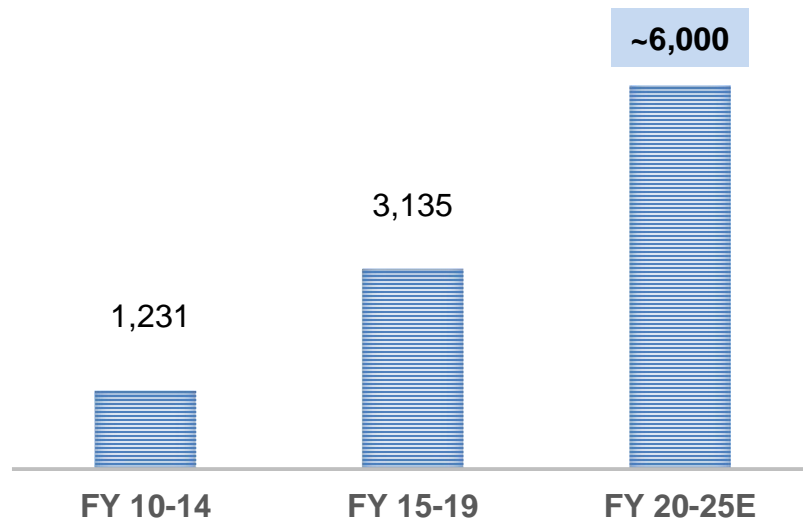
Financially closed **within 1 month**

## WATER SECTOR – KEY FOCUS AREA IN MODI 2.0

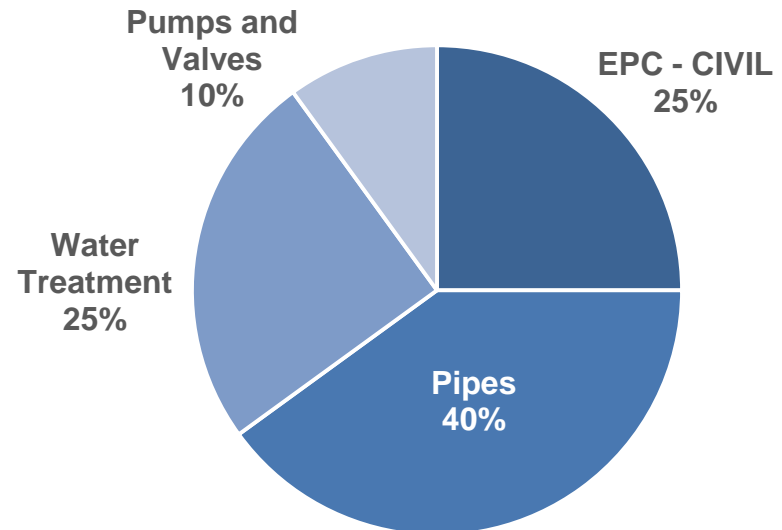
### Government's Mission: 'Nal se Jal'

**Target of providing 100% piped water to all households by 2024 (from current 18%)**

**Investments in water area to double in the next 5 years (Rs. Bn)**



**Major Project cost likely to be distributed amongst**



A new 'Jal Shakti' Ministry formed unifying the water management functions

**Expected to Translate into Rs. ~ 6,000 bn investment in the next 5 Years**

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# NHAI HYBRID ANNUITY MODEL (HAM) INTRODUCED IN 2016....

....to overcome BOT issues including

Land Acquisition

Change of scope

Traffic changes

Toll Risk

Financing

....thus, now NHAI awarding projects under HAM and pure EPC.

## HAM advantageous to both Developer & Authority

**NHAI** as a partner  
providing  
**40% funding**

**12-15%**  
of project cost  
Minimal Equity requirement

At least **80% land**  
provided by the authority on  
appointed date. COD given  
based on land provided

**All Clearances**  
provided by the authority  
before appointed date

**No Toll Collection**  
**Risk**  
No traffic risk

**O&M covered**  
by separate payments  
from authority

During construction,  
**Better Credit Rating**  
**than BOT** on account of  
lower risk

Once constructed, **AAA**  
**(SO) Credit Rating** as  
semi-annual assured  
payments from NHAI

**Public Private**  
**Partnership** to build  
world class infrastructure

**Lesser Cash**  
**Outflow** as  
compared to EPC  
model

**Revenue**  
**Generation** from  
toll collection which  
funds the annuity

**Quality Assured**  
due to maintenance  
obligation of 15 years by  
concessionaire

For details refer appendix



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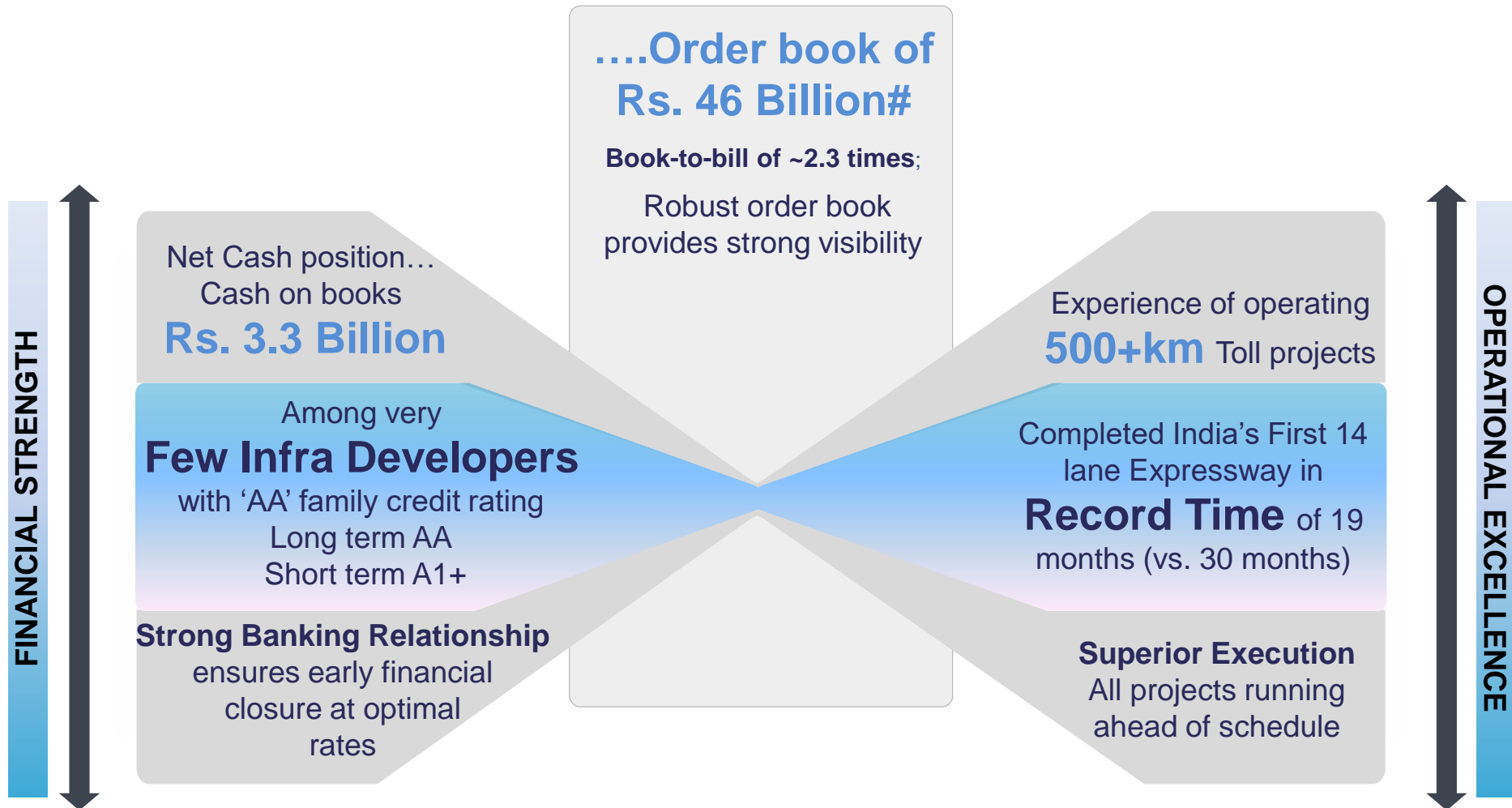
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## ROBUST HAM PORTFOLIO: Rs. 85+ BILLION, 590+ KM WITH....



High value creation with focus on HAM Projects

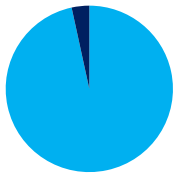
# excluding GST

For details refer appendix

# STRONG PLATFORM SET FOR FUTURE GROWTH

Continuously building HAM portfolio through bid / buy strategy for profitable growth  
Current order book at ~Rs 46 billion (excluding GST)

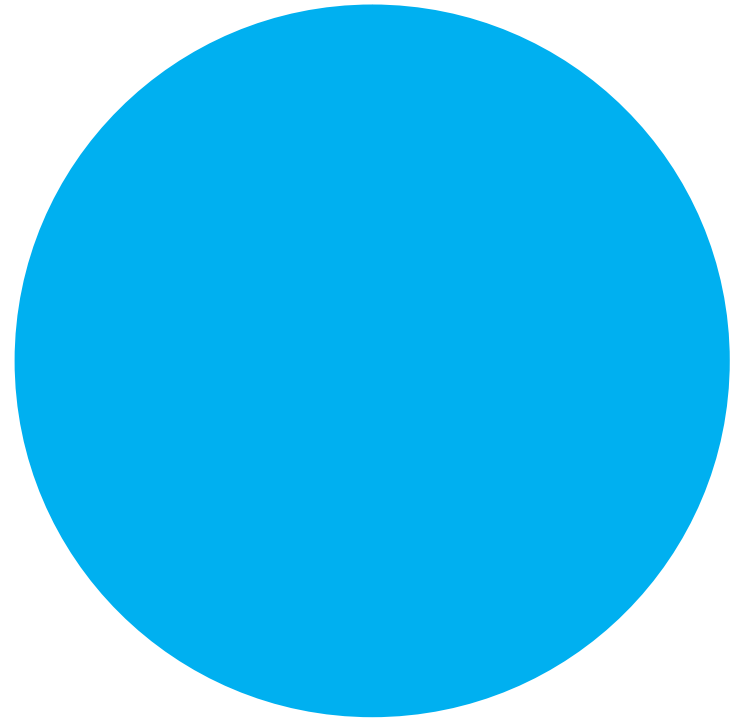
As on Mar-17



EPC of HAM: 5.2 bn  
Other EPC: 0.2 bn



As on Sep-19



EPC of HAM: 46 bn

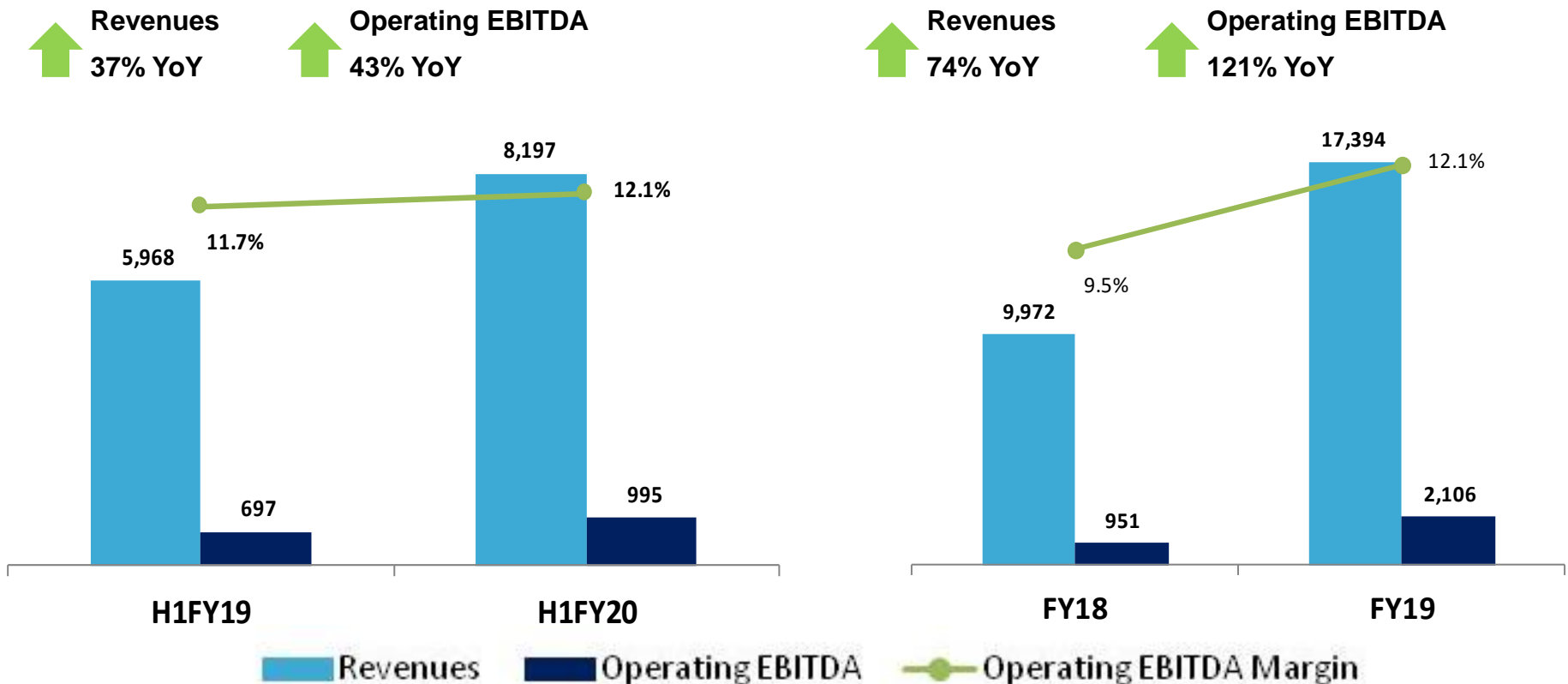
 EPC of HAM Projects  
 Other EPC

# OPERATING LEVERAGE TO IMPROVE MARGINS

H1FY20 revenue contributed by 5 HAM projects as against 3 in last year

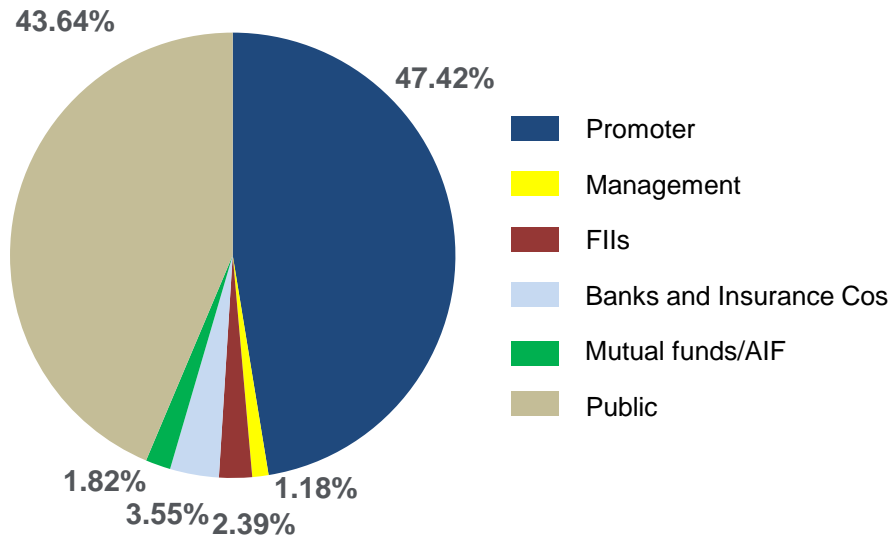
Margin improvement as fixed cost absorption increased with higher execution on multiple projects

## Revenues and Operating EBITDA (Rs. Million)



# WITH UNDIVIDED FOCUS ON SHAREHOLDER VALUE CREATION

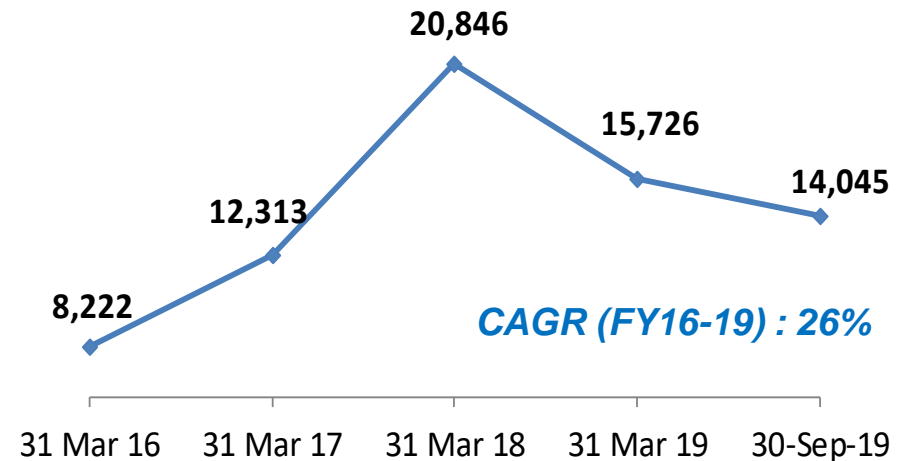
## Shareholding Pattern (as on 30<sup>th</sup> Sep 2019)



## Market Statistics

As on Sep 30, 2019	INR	USD
Price per share (Face value Rs. 10 per share)	94.85	1.34
No of Shares outstanding (Mn)	148	148
Market Capitalization (Mn)	14,045	198
Daily Average Trading Volumes (Q2FY20) No of shares in Mn	0.21	0.21
Daily Average Trading Value (Q2FY20) (Mn)	21.15	.3

## Market Cap (Rs. Million)



## Creating Shareholder value

### Share Buyback

- Bought back ~27 mn shares at Rs. 62 per share
- Total cash outflow of Rs. 1.67 bn
- Completed in March 2017

### Stated Dividend Distribution Policy

- Endeavor to achieve distribution of an amount of profit subject to maximum of 25% of Profit After Tax
- Applicable FY18 onwards
- FY19 dividend at Rs. 2 per share



# THROUGH AN EXPERIENCED BOARD AND MANAGEMENT

## Board of Directors

### **B.K.Goenka**, Chairman

- Amongst India's most dynamic businessmen
- Ranked amongst India's Most Powerful CEOs by Economic Times

### **Rajesh Mandawewala**, Group MD

- Associated with Welspun Group since 1985 as promoter
- Chartered Accountant with experience across industries

### **Dr. Aruna Sharma**, Independent Director

- Retired IAS officer (1982 batch, Madhya Pradesh cadre) with 38+ years of experience and PhD (Dev. Economics)
- Expertise in IT, Big Data & Cyber Security, Steel, Rural Development.

### **Mohan Tandon**, Independent Director

- Ex MD of GIC of India, and Chairman & MD of National Insurance Co. Ltd.
- Expert in Org. Restructuring; Productivity-oriented Incentive Schemes

### **Raghav Chandra**, Independent Director

- Retd. IAS officer (1982 batch) with more than 3 decades of experience.
- Held key positions with Center / State Govt. at various levels; Expert in Infrastructure Development & Public Private Partnership

## Management Team

### **Sandeep Garg**, Managing Director & CEO, Member of Board

- Harvard Graduate with 30+ years experience in diverse roles in infrastructure and oil & gas sector
- Prior experience with ONGC, Punj Lloyd, IL&FS

### **Asim Chakraborty**, Chief Operating Officer (COO) - Highways

- 32 years experience in Designing, Engineering and Construction of Infrastructure projects

### **Banwari Lal Biyani**, Operation Head – BOT & EPC

- AICWA professional with approx 39 years experience in Commercial, Planning & Budgeting, Business Excellence & Strategy and Operations

### **Jitendra Jain**, President, Finance

- 23+ years experience in capital raising, debt financing, structured finance, investments, cash management, forex and investor relations

### **Yogen Lal**, Head- Water Business

- Civil engineer with 26+ years experience in water segment

## Management Team : Group Support

### **Akhil Jindal**, Group CFO & Head - Strategy

- 22+ years of experience in corporate finance, M&A, strategy and fund raising
- Significantly contributed to Welspun Group in the last 12 years with its global expansion plans

### **Deepak Chauhan**, Head – Group Legal

- 20 years experience in legal, majorly in infrastructure and transportation

### **Devendra Patil**, Head – Group Secretarial

- 30+ years experience in secretarial and legal

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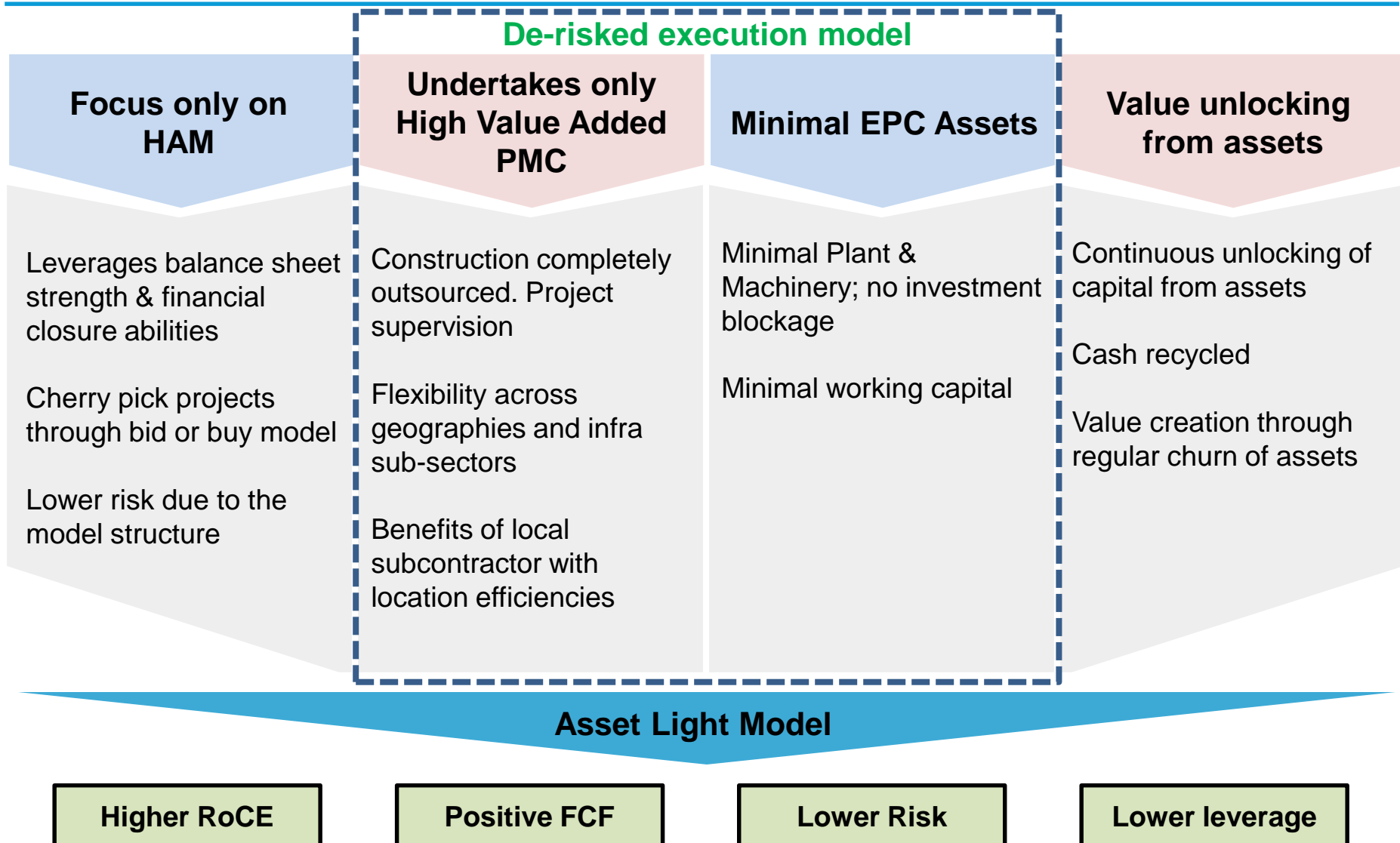
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## ONE OF ITS KIND ASSET LIGHT MODEL



# CREATING VALUE THROUGH A PROFOUND STRATEGY

1

**Bid for differentiated HAM projects/  
Buy distressed HAM projects**

- Lower competition
- Better IRRs

2

**Achieve early financial closure**

- Strong Balance Sheet
- Reduced finance cost

3

**Award construction to best suited sub-contractor**

- Reduce execution risk
- Minimal investment in Plant & Machinery

4

**Project Management Consultancy**

- Rigorous monitoring
- Achieve early completion

8

**Reinvest proceeds in new projects**

- Ensure optimal balance sheet size

7

**Timely value unlocking**

- Divest to long term investor with lower cost
- Sustained Cashflow

6

**Refinance to reduce interest cost**

- Rating revision
- Reduce financing cost

5

**Achieve COD ahead of schedule**

- Earn early completion bonus
- Improve returns

# DELHI MEERUT E-WAY: VALIDATING OUR DIFFERENTIATED STRATEGY

Project Under the Aegis of Prime Minister of India Shri Narendra Modi and NHAI

## Laying of foundation stone



## Inauguration of completed project



- ★ India's FIRST 14-Lane Expressway
- ★ India's FIRST Green Expressway
- ★ India's FIRST COMPLETED HAM project – 332 Days ahead of schedule
- ★ India's FIRST HAM project to be awarded AAA (SO) credit rating
- ★ India's FIRST HAM project to receive annuity
- ★ India's FIRST HAM project to be re-financed post completion





# APPRECIATION BY PRIME MINISTER OF INDIA SHRI NARENDRA MODI

New Delhi  
23 May, 2018

Shri B. K. Goenka Ji,

I am delighted to know of your valuable contribution to the completion of Package I of Delhi-Meerut Expressway, which as you know got completed much before the target date.

We, as a nation, are standing at the cusp of a wave of development that is driven by a young nation with great aspirations. The infrastructure we are building will create new pathways for India's all-inclusive development and open new vistas of opportunity for our people.

It was our former Prime Minister Shri Atal Bihari Vajpayee's vision to connect each and every village and city with all-weather roads. He envisioned India's future built on a firm foundation of enhanced connectivity for people and businesses.

Today, from highways to I-ways, we are ensuring that our nation is ahead of the curve in infrastructural development.

The Delhi-Meerut expressway has showcased India's engineering capabilities that are well integrated with our goal of sustainable development. Also appreciable is the way in which the expressway has been converted into a green belt with initiatives such as drip water irrigation, solar plant and landscape development.

It is a matter of immense joy to see pride in people's eyes when they experience seamless commute through these modern day marvels. The new expressway is one such marvel that will ease the lives of citizens by saving them time and money as well as ensuring that local economy flourishes.

It is my firm belief that the highways built today will become runways for dreams of tomorrow to take flight. I, once again, congratulate everyone associated with this project for achieving a remarkable feat and delivering not just an expressway, but a roadway to progress and prosperity.

I wish you success in all your future endeavours.

Yours Sincerely,



(Narendra Modi)



सत्यमेव जयते

प्रधान मंत्री

Prime Minister

## APPRECIATION BY SHRI NITIN GADKARI, UNION MINISTER



सड़क परिवहन एवं राजमार्ग मंत्रालय  
(भारत सरकार)  
Ministry of Road Transport & Highways  
(Govt. of India)



### Certificate of Appreciation

AWARDED TO

**SHRI SANDEEP GARG**

Managing Director, M/s Welspun DME Pvt Ltd.

*In recognition of your valuable contribution towards the successful completion of Delhi-Meerut Expressway Project (Pkg.-I) well before the scheduled time and that too with great efficacy, I really appreciate your efforts and professionalism by which you have been associated in completion of the project well before time.*

**Nitin Gadkari**

Union Minister of Road Transport & Highways Shipping  
and Water Resources, River Development & Ganga Rejuvenation  
Government of India

May 31, 2018



# BUILDING MUCH MORE THAN AN EXPRESSWAY



Vertical garden developed along the entire bridge

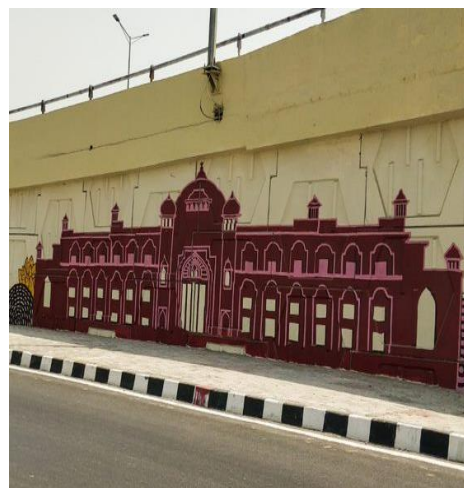
**40,000+ Trees**

transplanted and retained existing trees



**3,230 Solar Panels**

Electrification through solar power of 1050 kWp



**Beautification Initiatives**

Wall art & replicas of famous monuments

# WELSPUN ENTERPRISES CSR INITIATIVES

Working with communities through diverse social interventions to secure stable & sustainable futures



## Community Healthcare

### Initiatives

- Weekly health check-up camps being organised
- Regular fogging

### Impact

- Cases of illness have reduced 90% over a span of 6 months
- Malaria/Dengue/Chikungunya cases completely eliminated



## Potable Water Supply

### Initiatives

- Distribution of Potable Water every alternate day at slums
- Provided clean & hygienic water bottles for storage

### Impact

- Condition have changed from unavailability of water to doorstep water distribution.
- 250+ beneficiaries



## Promoting Education

### Initiatives

- Providing basic education at a young age
- Distribution of school kits and books for children

### Impact

- Programme started with 20 children, now increased to 60
- 15 students admitted in govt. school post preliminary education at classes

# FINANCIALS

# INCOME STATEMENT Q2 & H1 FY20 - STANDALONE

Income Statement Snapshot (Rs Million)						
Particulars	Q2 FY20	Q2 FY19	YoY Growth	H1 FY20	H1 FY19	YoY Growth
<b>Revenue from Operations</b>	<b>3,038</b>	<b>2,498</b>	<b>21.6%</b>	<b>8,197</b>	<b>5,968</b>	<b>37.4%</b>
Other Income	174	249	-30.0%	291	427	-32.0%
<b>Total Income</b>	<b>3,212</b>	<b>2,747</b>	<b>17.0%</b>	<b>8,488</b>	<b>6,395</b>	<b>32.7%</b>
<b>Operating EBITDA**</b>	<b>364</b>	<b>322</b>	<b>13.1%</b>	<b>995</b>	<b>697</b>	<b>42.8%</b>
<i>Operating EBITDA margin</i>	<i>12.0%</i>	<i>12.9%</i>	<i>-91 bps</i>	<i>12.1%</i>	<i>11.7%</i>	<i>46 bps</i>
<b>EBITDA</b>	<b>511</b>	<b>479</b>	<b>6.7%</b>	<b>1,232</b>	<b>942</b>	<b>30.7%</b>
EBITDA margin	15.9%	17.4%	-154 bps	14.5%	14.7%	-22 bps
PBT ( <i>before exceptional</i> )	373	421	-11.5%	963	827	16.3%
Reported PBT	373	432	-13.8%	963	841	14.5%
<b>PAT</b>	<b>324</b>	<b>331</b>	<b>-2.2%</b>	<b>700</b>	<b>600</b>	<b>16.5%</b>
<i>PAT margin</i>	<i>10.1%</i>	<i>12.0%</i>	<i>-197 bps</i>	<i>8.2%</i>	<i>9.4%</i>	<i>-114 bps</i>
<b>Cash PAT</b>	<b>431</b>	<b>395</b>	<b>9.1%</b>	<b>896</b>	<b>726</b>	<b>23.5%</b>

Note: Cash PAT = Reported PBDT – Current tax + Non-cash ESOP expenses

\*\* Adjusted for notional interest under IndAS & non cash ESOP exp.

# INCOME STATEMENT TREND - STANDALONE

Income Statement Snapshot (Rs Million)			
Particulars	FY18	FY19	H1FY20
<b>Revenue from Operations</b>	<b>9,972</b>	<b>17,394</b>	<b>8,197</b>
Other Income	956	546	291
<b>Total Income</b>	<b>10,928</b>	<b>17,940</b>	<b>8,488</b>
<b>Operating EBITDA**</b>	<b>951</b>	<b>2,106</b>	<b>995</b>
<i>Operating EBITDA margin</i>	<i>9.5%</i>	<i>12.1%</i>	<i>12.1%</i>
<b>EBITDA</b>	<b>1,660</b>	<b>2,369</b>	<b>1,232</b>
<i>EBITDA margin</i>	<i>15.2%</i>	<i>13.2%</i>	<i>14.5%</i>
PBT ( <i>before exceptional</i> )	1,385	2,122	963
Reported PBT	1,527	2,320	963
<b>PAT</b>	<b>1,097</b>	<b>1,537</b>	<b>700</b>
<i>PAT margin</i>	<i>10.0%</i>	<i>8.6%</i>	<i>8.2%</i>
<b>Cash PAT</b>	<b>1,298</b>	<b>1,809</b>	<b>896</b>

Note: Cash PAT = Reported PBDT – Current tax + Non-cash ESOP expenses

\*\* Adjusted for notional interest under IndAS & non cash ESOP exp.



## BALANCE SHEET SNAPSHOT - STANDALONE

Balance Sheet Snapshot (Rs. Million)	30 <sup>th</sup> Sept 2019	31 <sup>st</sup> Mar 2019
Net worth	<b>16,426</b>	<b>15,993</b>
Gross Debt	1,739	1,709
- Long Term Debt	491	130
- Short Term Debt	1,248	1,579
Cash & Cash Equivalents	<b>3,325</b>	<b>4,737</b>
Net Debt /(Cash)	(1,586)	(3,028)
Other Long Term Liabilities	322	315
Total Net Fixed Assets (incl. CWIP)	744	645
Net Current Assets (Excl. Cash & Cash Equivalents) (adj.)	1,947	1,328
Other Long Term Investments and assets (adj.)	12,472	11,306

*Note: Cash & Cash Equivalents includes liquid Investments & ICDs*

*Short-term loans of Rs. 1,248 million are adequately supported by net current assets and long-term loans of Rs. 491 mn are adequately supported by net fixed assets*

## KEY HIGHLIGHTS

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- ✓ **Well Positioned to Benefit from India's Economic Growth & Development**

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- ✓ **Unique Position with Strong Financials and Robust Credit Rating to tap Infra Opportunities**

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- ✓ **Strong Order book with visibility of significant revenue growth**

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- ✓ **Asset light business model in Infra with regular project value-enhancement post COD**

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- ✓ **Demonstrated Operational Excellence with earlier-than-scheduled completion**

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- ✓ **Focus on Sustainable and Inclusive Growth**

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- ✓ **Strong Corporate Governance - Experienced Board with 50% Independent Directors**

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- ✓ **Transparency through Timely Disclosures with Stated Dividend Distribution Policy**

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- ✓ **Management with Proven Track Record**

# WAY FORWARD

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**Continue approach of prudent bid/buy strategy to strengthen HAM portfolio**

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**Targeting projects where differentiation is possible**

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**Tapping opportunities in State road HAM projects on a selective basis**

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**Divest/securitise completed projects in order to unlock value and capital**

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**Looking at opportunities in associated areas in Infra; targeting water segment**

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**Explore and develop existing oil & gas blocks**

# THANK YOU

**For further details, please contact:**

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# APPENDIX

# NHAI HYBRID ANNUITY MODEL (HAM) OVERVIEW

**Award criterion:** Lowest NPV value based on Construction cost and O&M cost, quoted by the bidders

40% of Project Cost (Construction Support) by Govt.

**Hybrid Annuity Project**

60% of Project Cost arranged by Concessionaire for Financial Closure  
 - 12-15% through equity from developer  
 - Remaining through debt

**Construction Period**

**COD**

## Returns to Concessionaire on Capital Arranged

- Annuity payments (biannually) till end of concession period as per predetermined schedule
- Interest payments (on reducing balance @ Bank Rate + 3%)
- O&M payments at the bid rate with escalation

Toll collection by Govt.

O&M by Concessionaire

**O&M Period**

# HAM BETTER THAN BOT

	<b>BOT Toll</b>	<b>HAM</b>
<b>Traffic Risk</b>	Risk borne by concessionaire	No risk on the concessionaire
<b>Toll Tariff Rates</b>	Risk with concessionaire as tariffs decided as per National Tariff Policy	No risk on the concessionaire
<b>Equity Requirement</b>	Higher (25-30% of project cost)	Lower (12-15% of project cost)
<b>Project Credit Rating</b>	Lower rating based on the higher risk	Better rating during construction Once constructed, AAA (SO) credit rating
<b>Mobilization Advances</b>	No mobilization advance is granted from Authority during construction period	Mobilization advances can be availed from Authority upto 10% of bid Project Cost @ RBI Bank Rate during construction period
<b>O&amp;M Payments</b>	No separate O&M payments from the authority	Separate O&M payments from the authority



# WELSPUN ENTERPRISES INFRASTRUCTURE PORTFOLIO

## HAM PROJECTS

### Delhi-Meerut Expressway (Pkg 1)

Authority: NHAI  
 Status: Completed; First Two Annuities Received

1

### Gagalheri-Saharanpur-Yamunanagar (GSY)

Authority: NHAI  
 Status: Under Construction

2

### Chutmalpur-Ganeshpur (CGRG)

Authority: NHAI  
 Status: Under Construction

3

### Aunta-Simaria

Authority: NHAI  
 Status: Under Construction

4

### Chikhali-Tarsod

Authority: NHAI  
 Status: Under Construction

5

### Package No. AM 2

Authority: Maharashtra PWD  
 Status: Under Construction

6

### Sattanathapuram-Nagapattinam

Authority: NHAI  
 Status: CA signed / Debt tied up

7

## BOT PROJECTS

### Dewas Water

Authority: MPSIDC  
 Status: Operational  
 (Modified Project PCOD received)

### Himmatnagar Bypass

Authority: GSRDC  
 Status: Operational

**Robust portfolio of 9 infrastructure projects in roads and water supply**

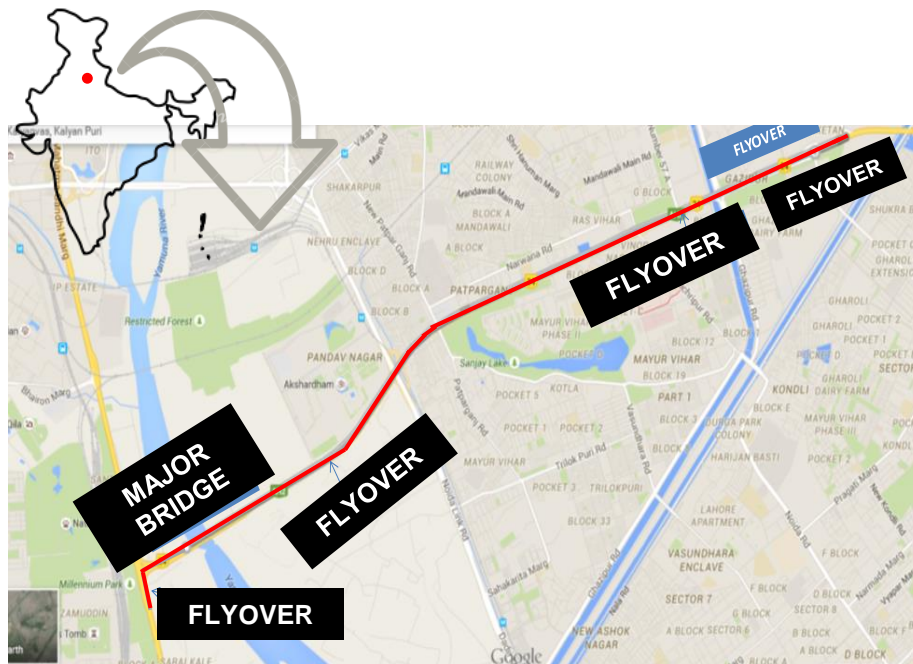
**1**

# HAM: DELHI-MEERUT EXPRESSWAY PACKAGE 1

**Scope:** 14 Lane expressway: Six-laning of Delhi – Meerut Expressway & four-laning either side from 0<sup>th</sup> km to existing km 8.4 of NH-24 in Delhi

**Status:** Record completion within 19 months. Received first two annuities within the stipulated time and early completion bonus of Rs. 271 mn from NHAI.

Outstanding loan re-financed @ 8.82% p.a. – First HAM refinancing post project completion, in the country. Top-up loan of ~ Rs. 900 mn awaiting NHAI approval.



## PROJECT DETAILS

Project Length (Kms)	8.716 Km
Award Date	Jan 2016
Financial Closure	Achieved
Appointed Date	28 <sup>th</sup> Nov 2016
Scheduled Construction Period	30 months
COD Date	28 <sup>th</sup> June 2018
Concession Period after COD	15 Years

## PROJECT COST & FINANCING

(Rs. Mn)

Bid Project Cost	8,415
<i>Means of Finance</i>	
- NHAI	3,366
- Debt	4,000
- Equity	1,049
O&M Cost (First Year)	39.5

**2**

## HAM: GAGALHERI-SAHARANPUR-YAMUNANAGAR

**Scope:** 4-Laning of Gagalheri-Saharanpur-Yamunanagar section of NH-73 in UP / Haryana

**Status:** NHAI declared the Appointed Date for the Project as 26<sup>th</sup> January 2018; execution in full swing



### PROJECT DETAILS

Project Length (Kms)	51.5 Km
Acquisition Date	Jan 2018
Financial Closure	Achieved
Appointed Date	26 <sup>th</sup> Jan 2018
Scheduled Construction Period	24 months
Concession Period after COD	15 Years

### PROJECT COST & FINANCING

(Rs. Mn)

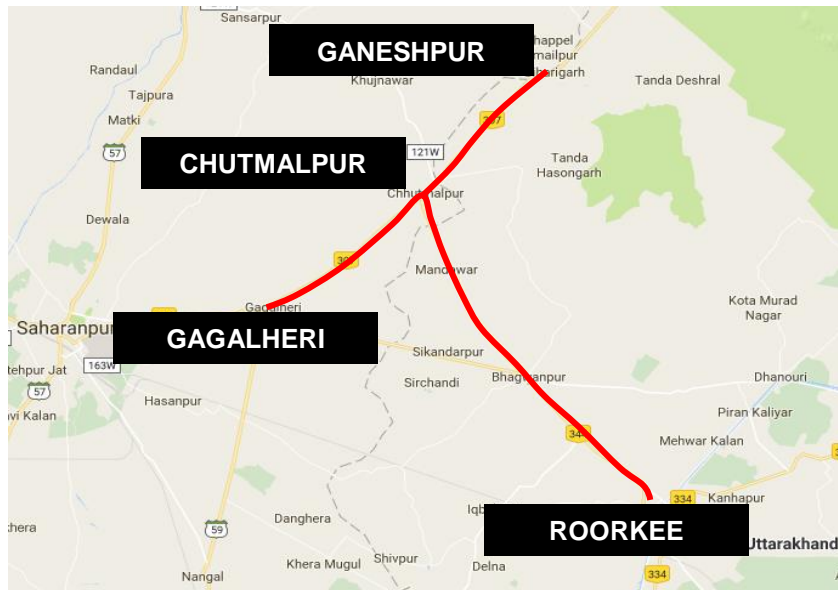
<b>Bid Project Cost</b>	<b>11,840</b>
<i>Means of Finance</i>	
- NHAI	4,736
- Debt	5,683
- Sponsor's Commitment	1,421
<b>O&amp;M Cost (First Year)</b>	<b>100</b>

**3**

# **HAM: CHUTMALPUR-GANESHPUR & ROORKEE-CHUTMALPUR-GAGALHERI**

**Scope:** 4-Laning of Chutmalpur-Ganeshpur section of NH-72A & Roorkee-Chutmalpur-Gagalheri section of NH-73 in UP & Uttarakhand

**Status:** NHAI declared the Appointed Date as 28th February 2018; execution in full swing



## **PROJECT DETAILS**

Project Length (Kms)	53.3 Km
Acquisition Date	Jan 2018
Financial Closure	Achieved
Appointed Date	28 <sup>th</sup> Feb 2018
Scheduled Construction Period	24 months
Concession Period after COD	15 Years

## **PROJECT COST & FINANCING**

(Rs. Mn)

<b>Bid Project Cost</b>	<b>9,420</b>
<b>Means of Finance</b>	
- NHAI	3,768
- Debt	4,522
- Sponsor's Commitment	1,130
<b>O&amp;M Cost (First Year)</b>	<b>100</b>

**4**

## HAM: AUNTA-SIMARIA (Ganga Bridge with Approach Roads)

**Scope:** Six- Laning from Aunta-Simaria (Ganga Bridge with Approach Roads) Section from km 197.9 to km 206.1 of NH-31 in Bihar. **Includes widest extradosed bridge on Ganga river**

**Status:** NHA declared the Appointed Date as 30th August 2018; execution in full swing



### PROJECT DETAILS

Project Length (Kms)	8.15 Km
Award Date	Aug 2017
Financial Closure	Achieved
Appointed Date	30 <sup>th</sup> Aug 2018
Scheduled Construction Period	42 months
Concession Period after COD	15 Years

### PROJECT COST & FINANCING

(Rs. Mn)

<b>Bid Project Cost</b>	<b>11,610</b>
<i>Means of Finance</i>	
- NHA	4,644
- Debt	5,573
- Equity	1,393
<b>O&amp;M Cost (First Year)</b>	<b>99</b>

## 5 HAM: CHIKHALI-TARSOD

**Scope:** 4-laning of Chikhali – Tarsod (Package-IIA) section of NH-6 from km 360.0 to km 422.7 in Maharashtra

**Status:** NHAI declared the Appointed Date as 16th January 2019; execution in full swing



### PROJECT DETAILS

Project Length (Kms)	62.7 Km
Acquisition Date	Jan 2018
Financial Closure	Achieved
Appointed Date	16 <sup>th</sup> Jan 2019
Scheduled Construction Period	30 months
Concession Period after COD	15 Years

### PROJECT COST & FINANCING (Rs. Mn)

<b>Bid Project Cost</b>	<b>10,480</b>
<b>Means of Finance</b>	
- NHAI	4,192
- Debt	5,030
- Sponsor's Commitment	1,258
<b>O&amp;M Cost (First Year)</b>	<b>40.1</b>



## 6 HAM: PACKAGE NO. AM 2

**Scope:** Upgradation of Roads in Maharashtra State or Two Laning Road/ Two Laning Road with paved shoulder under MRIP Package on Hybrid Annuity Mode (HAM) Package No. AM 2.

**Key Features:** Concessionaire to receive 60% of the Bid Project Cost (BPC) during the construction period (vs. 40% in NHAI projects); balance 40% of BPC and O&M paid in a period of 10 years (vs. 15 years in NHAI projects)

**Status:** Authority declared the Appointed Date as 28th May 2019; execution in full swing



### PROJECT DETAILS

Project Length (Kms)	352.15 Km
Award Date	Nov 2018
Financial Closure	Achieved
Appointed Date	28 <sup>th</sup> May 2019
Scheduled Construction Period	24 months
Concession Period after COD	10 Years

### PROJECT COST & FINANCING

(Rs. Mn)

Bid Project Cost	14,600
<b>Means of Finance (Expected)</b>	
- Maharashtra PWD	8,760
- Debt	4,088
- Equity	1,752
O&M Cost (First Year)	315

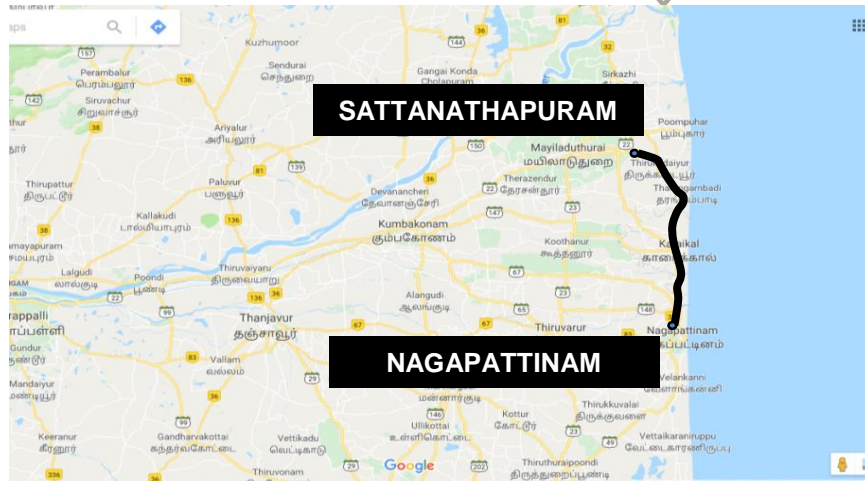
\* Table figures are excluding GST



## HAM: SATTANATHAPURAM - NAGAPATTINAM

**Scope:** 4 laning of Sattanathapuram to Nagapattinam (Design Ch Km 123.8 to Km 179.6) section of NH-45A (New NH -332) in Tamil Nadu

**Status:** Received Letter of Award (LoA) in July 2018; signed concession agreement on 3<sup>rd</sup> Dec 2018. Company has submitted financial closure documents to NHAI and is awaiting appointed date.



### PROJECT DETAILS

Project Length (Kms)	55.755 Km
Award Date	July 2018
Financial Closure	FC documents submitted to NHAI
Appointed Date	Post Financial Closure
Scheduled Construction Period	24 months
Concession Period after COD	15 Years

### PROJECT COST & FINANCING

(Rs. Mn)

Bid Project Cost	20,045
<i>Means of Finance</i>	
- NHAI	8,018
- Debt	9,622
- Equity	2,405
O&M Cost (First Year)	50

## EXISTING BOT PROJECTS SUMMARY

Experience & expertise of successfully operating water project and 500+ kms of roads

(Rs. Mn)

Sector	Project Name	Location	Value on books (March-19)	External Debt on books (March-19)	COD	Concession End
Highways	Himmatnagar Bypass	Gujarat	7	-	Apr-06	Jun-20
Water Supply	Dewas Water*	MP	1,246	494	Sep-08	Jun-37
<b>Total</b>			<b>1,253</b>	<b>494</b>		

### \*Dewas Water – Modified Project

- Modified project involves the supply of treated water of up to 23 MLD to industrial customers in Dewas
- PCOD received w.e.f 30<sup>th</sup> April 2019
- Estimated cost of the modified project is Rs. 1,463 mn including subsumed debt of the existing project

### Dewas Bhopal Road Project

- In FY19, 13% residual stake in Dewas Bhopal road project was sold for Rs. 577 million.
- With this, WEL has completely exited the project at a total consideration of Rs. 1,841 million as against its fund infusion of Rs. 854 million implying a multiple of 2.15x

# INVESTMENT IN OIL & GAS BLOCKS: POTENTIAL VALUE ACCRETION

**Adani Welspun Exploration Ltd (AWEL), a 65:35 JV between Adani Group & WEL, is the key investment vehicle**

Block Name	Location	AWEL Stake	WEL Effective Stake	Status
MB-OSN-2005/2	Mumbai High	100%	35%	AWEL has decided to execute Phase – II of the exploration
GK-OSN-2009/1	Kutch	25%	8.75%	Declaration of Commerciality (DoC) filed by operator; preparation of Field Development Plan (FDP) in progress
CB-ONN-2005/4	Palej	- *	35%	Consortium had stuck oil in the block. Termination notice served by MoPNG due to default of Naftogaz India holding 10% stake; non-defaulting partners AEL and WEL have requested for transfer of this 10% stake to AEL/AWEL. Request pending for approval by DGH/MoPNG.
B9 Cluster (DSF)	Mumbai High	100%	35%	Field Development Plan (FDP) submitted to DGH; Anticipated capital cost for full field development is USD 110 mn (at AWEL level)

**Value accretion expected on the invested amount of Rs. 5 Bn**

**Revenue from first block expected in FY20-21**

\* 55% stake directly held by Adani Enterprises Ltd and 35% by WEL