

WELSPUN ENTERPRISES LTD

An Infra Player with a Difference

November 2018



SAFE HARBOR

The information contained in this presentation is provided by Welspun Enterprises Limited (the "Company"). Although care has been taken to ensure that the information in this presentation is accurate, and that the opinions expressed are fair and reasonable, the information is subject to change without notice, its accuracy, fairness or completeness is not guaranteed and has not been independently verified and no express or implied warranty is made thereto. You must make your own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as you may consider necessary or appropriate for such purpose. Neither the Company nor any of its directors assume any responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information or opinions contained herein. Neither the Company nor any of its directors, officers, employees or affiliates nor any other person accepts any liability (in negligence, or otherwise) whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

The statements contained in this document speak only as at the date as of which they are made, and the Company expressly disclaims any obligation or undertaking to supplement, amend or disseminate any updates or revisions to any statements contained herein to reflect any change in events, conditions or circumstances on which any such statements are based. By preparing this presentation, none of the Company, its management, and their respective advisers undertakes any obligation to provide the recipient with access to any additional information or to update this presentation or any additional information or to correct any inaccuracies in any such information which may become apparent. This document is for informational purposes and does not constitute or form part of a prospectus, a statement in lieu of a prospectus, an offering circular, offering memorandum, an advertisement, and should not be construed as an offer to sell or issue or the solicitation of an offer or an offer document to buy or acquire or sell securities of the Company or any of its subsidiaries or affiliates under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, both as amended, or any applicable law in India or as an inducement to enter into investment activity. No part of this document should be considered as a recommendation that any investor should subscribe to or purchase securities of the Company or any of its subsidiaries or affiliates and should not form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This document is not financial, legal, tax, investment or other product advice.

This presentation contains statements of future expectations and other forward-looking statements which involve risks and uncertainties. These statements include descriptions regarding the intent, belief or current expectations of the Company or its officers with respect to the consolidated results of operations and financial condition, and future events and plans of the Company. These statements can be recognized by the use of words such as "expects," "plans," "will," "estimates," or words of similar meaning. Such forward-looking statements are not guarantees of future performance and actual results, performances or events may differ from those in the forward-looking statements as a result of various factors and assumptions. You are cautioned not to place undue reliance on these forward looking statements, which are based on the current view of the management of the Company on future events. No assurance can be given that future events will occur, or that assumptions are correct. The Company does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.

Any reference herein to "the Company" shall mean Welspun Enterprises Limited, together with its consolidated subsidiaries.

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
- Order book with revenue growth visibility of 100% p.a. for 2 years
- 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

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
- Order book with revenue growth visibility of 100% p.a. for 2 years
- 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

WELSPUN GROUP OVERVIEW

FY18 Revenue

Rs. 152 bn

CAGR 21% (1995-2018)

FY18 EBITDA

Rs. 22 bn

Overall 15% EBITDA margin

Asset Base

Rs. 198 bn

Asset creation calibrated to
Demand & Cash flows

Net Debt of Rs. 30 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-



Global Leader in Home Textiles

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



Global Leader in Large Diameter Pipes

Manufacturing facilities in India,
Saudi Arabia & USA



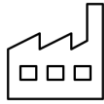
Specialised HAM Infra player

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

GROUP'S RICH EXPERIENCE OF PROJECT EXECUTION



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



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



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



Track record of delivering quality projects, on or before time



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



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

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

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
- Order book with revenue growth visibility of 100% p.a. for 2 years
- 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

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

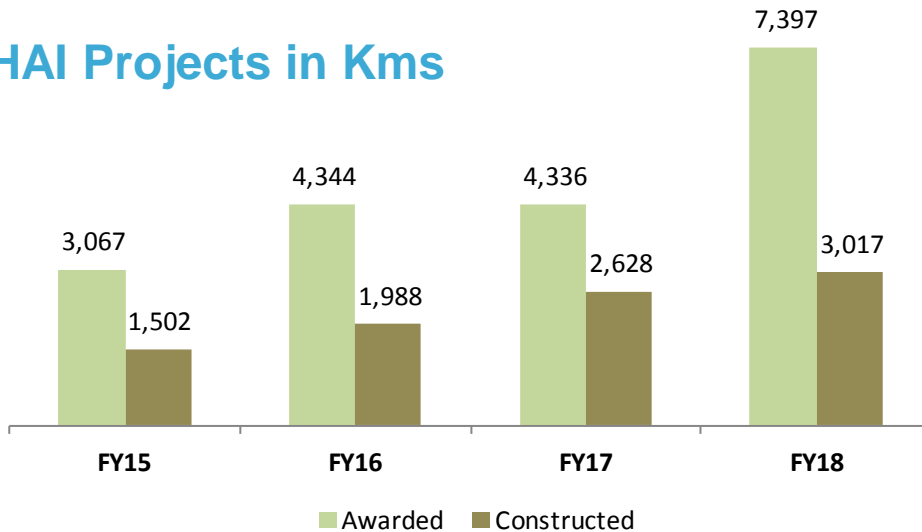


Investment in roads has multiplier impact on GDP growth

Employment

Local employment generation

NHAI Projects in Kms



Increasing Road Projects Awarding & Spending

Budget 2018 earmarked Rs. 1.2 Trillion for Road Infrastructure

FUTURE POTENTIAL PROVIDES HUGE BIDDING OPPORTUNITY

~Rs. 5.35 Trillion

Road projects expected to be awarded in next 5 years

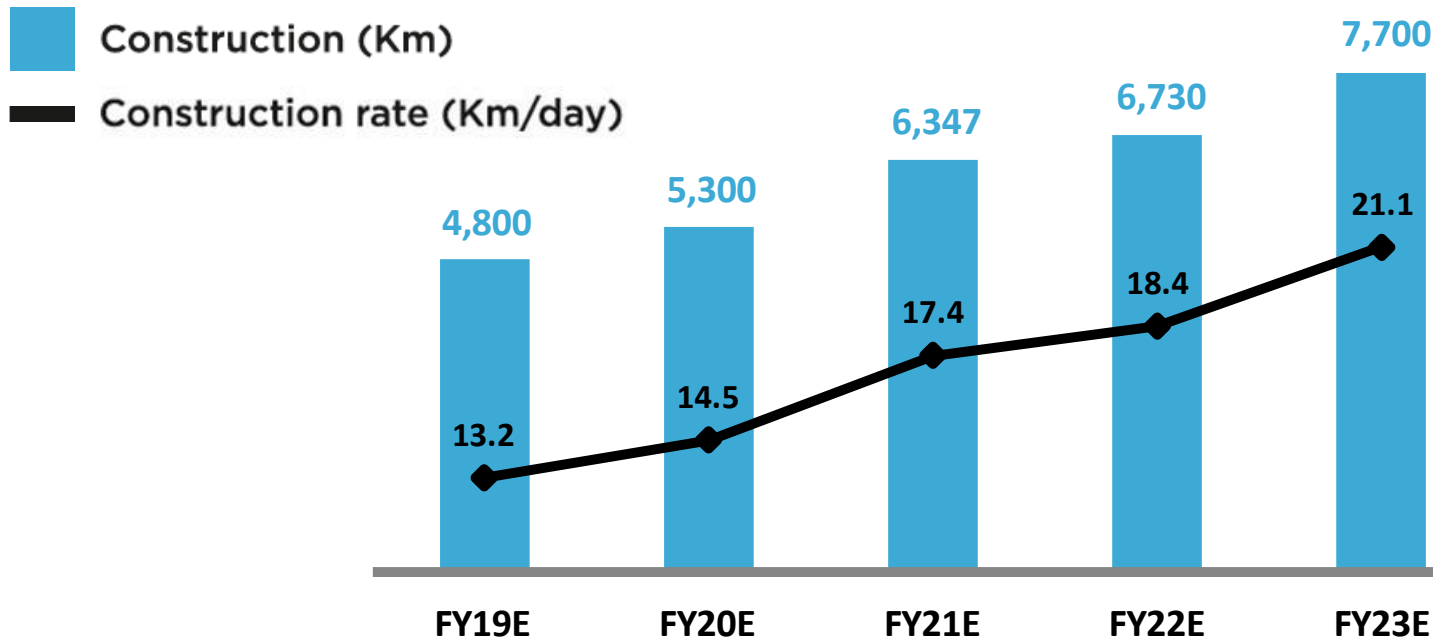
India Ranks 66 / 137

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



~1.6x growth expected in annual road construction in next 5 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**

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
- Order book with revenue growth visibility of 100% p.a. for 2 years
- 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

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 Developer

For Authority

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

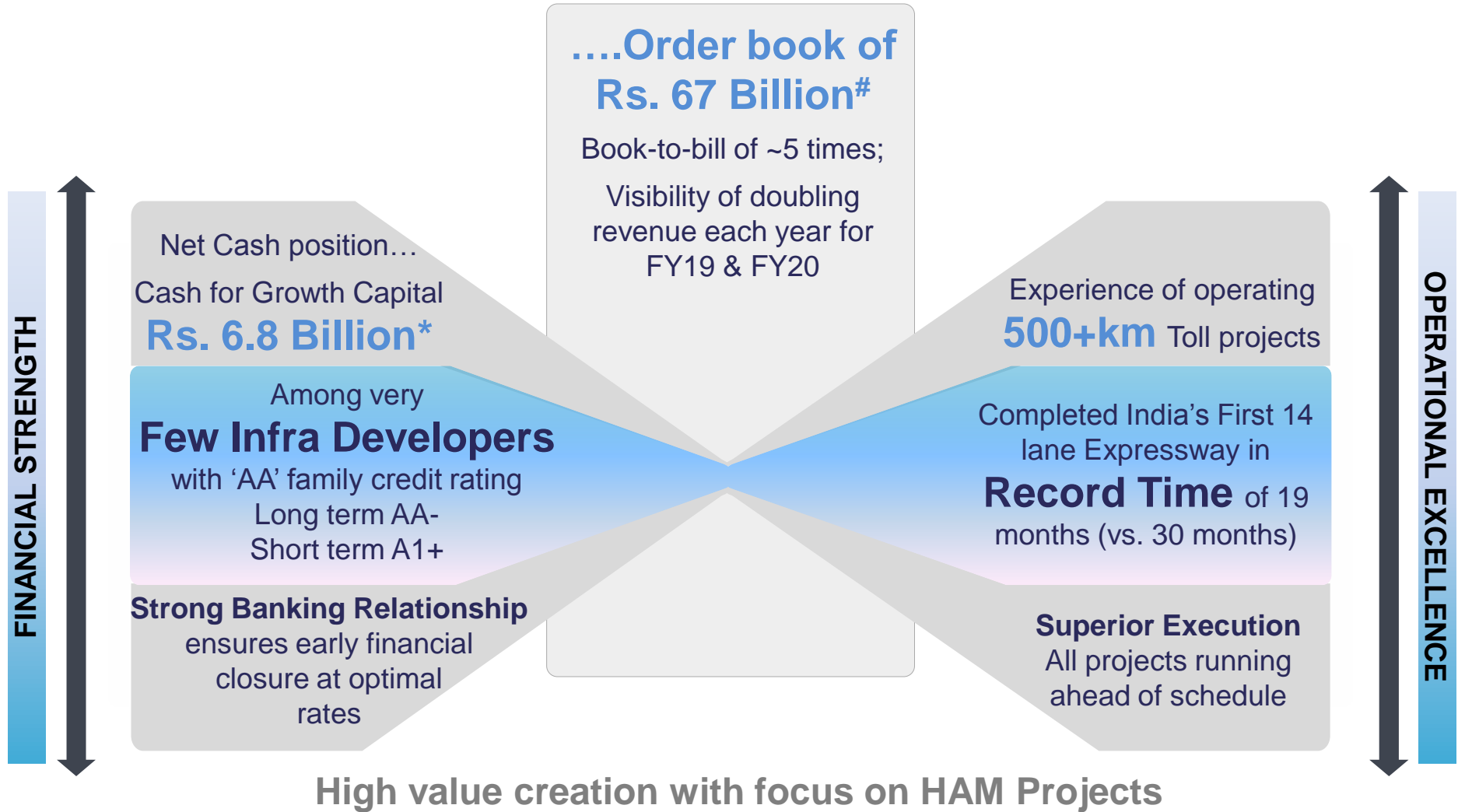
Welspun Enterprises

- Focussed purely on HAM
- Order book with revenue growth visibility of 100% p.a. for 2 years
- 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

WEL ROBUST HAM PORTFOLIO OF Rs. 85+ BILLION WITH....



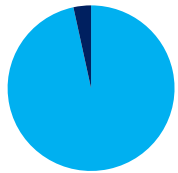
EPC project value for Maharashtra HAM Package No. AM 2 is being finalised

* Incl. temporary funding of Rs. 800 mn made in lieu of drawing debt at the subsidiary/JV level in order to minimise the interest cost

STRONG PLATFORM SET FOR FUTURE GROWTH

Continuously building HAM portfolio through bid / buy strategy for profitable growth
Current order book at ~Rs. 67 Billion[#]

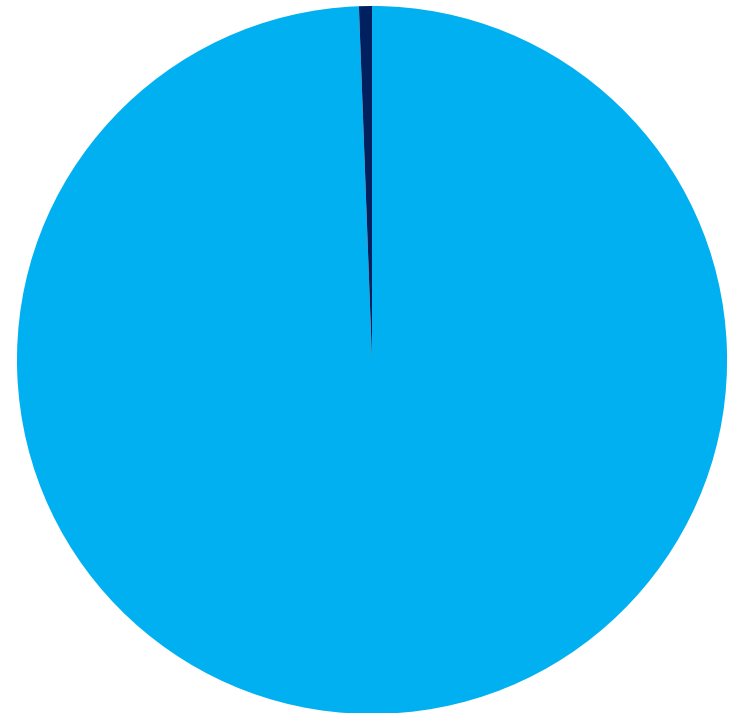
As on Mar-17



EPC of HAM: 5.2 bn
Other EPC: 0.2 bn



As on Nov-18



EPC of HAM: 66.6 bn
Other EPC: 0.4 bn

 EPC of HAM Projects
 Other EPC

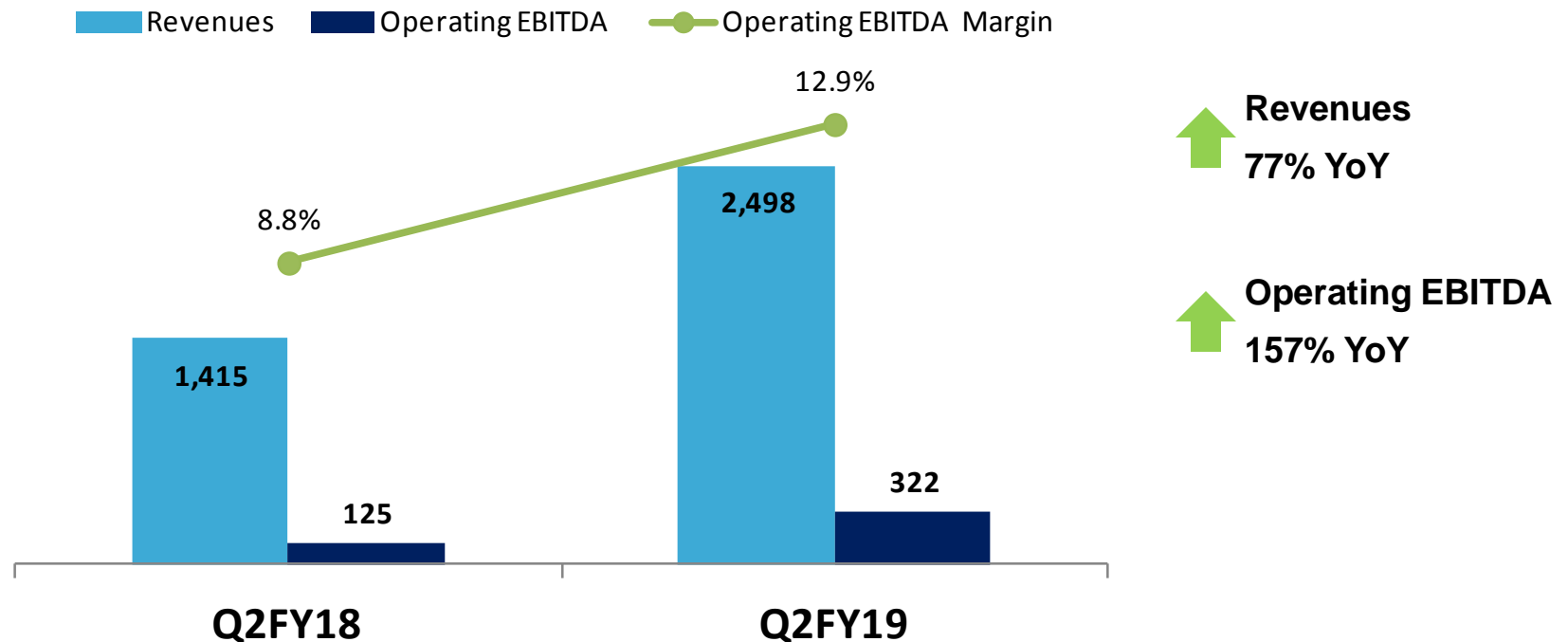
[#] EPC project value for Maharashtra HAM Package No. AM 2 is being finalised

OPERATING LEVERAGE TO IMPROVE MARGINS

Q2FY19 revenue contributed by 3 HAM projects as against one in last year

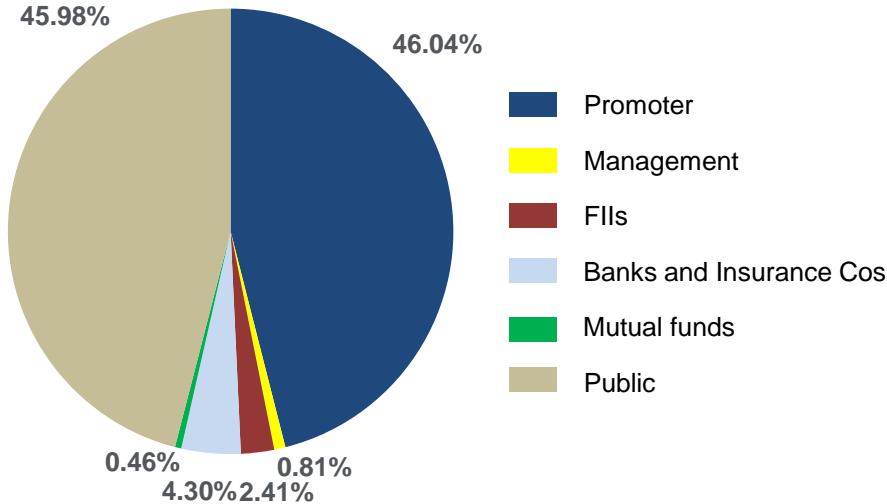
Margin improvement as fixed cost absorption increased with higher execution on multiple projects

Revenues and Operating EBITDA (Rs. Million)

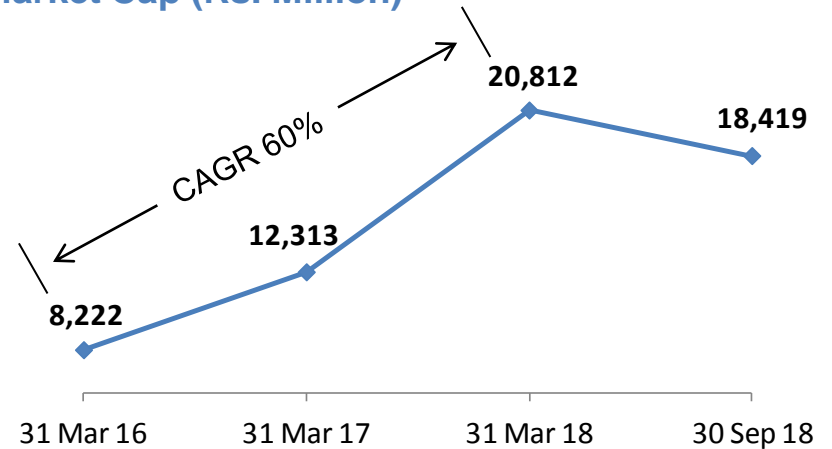


WITH UNDIVIDED FOCUS ON SHAREHOLDER VALUE CREATION

Shareholding Pattern (as on 30th Sept 2018)



Market Cap (Rs. Million)



Market Statistics

As on Sept 30, 2018	INR	USD
Price per share (Face value Rs. 10 per share)	125.05	1.73
No of Shares outstanding (Mn)	147	147
Market Capitalization (Mn)	18,419	254
Daily Average Trading Volumes (Q1FY19) No of shares in Mn	0.63	0.63
Daily Average Trading Value (Q1FY19) (Mn)	97	1.34

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

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

Dhruv Subodh Kaji, Independent Director

- Chartered Accountant with 35+ years experience across industries

Mala Tadarwal, Independent Director

- Qualified CA with experience in Audit Assurance, Due Diligence, Corporate Restructuring and Transaction Advisory

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

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

Shriniwas Kargutkar, Chief Financial Officer (CFO)

- Qualified CA with 34+ years experience in Finance and Accounts

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

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

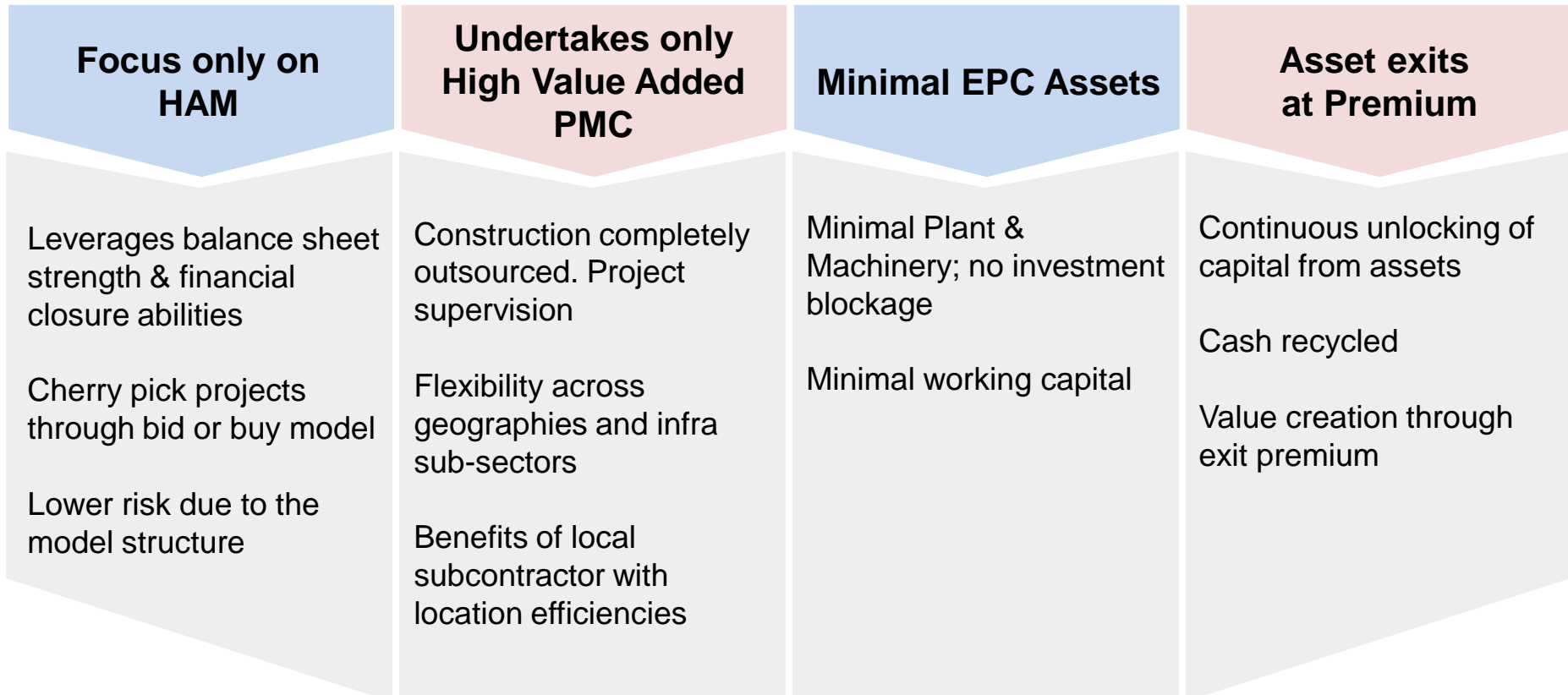
Welspun Enterprises

- Focussed purely on HAM
- Order book with revenue growth visibility of 100% p.a. for 2 years
- 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

ONE OF ITS KIND ASSET LIGHT MODEL



Asset Light Model

Higher RoCE

Positive FCF

Lower Risk

Lower leverage

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 Narendra Modi and NHA

Laying of foundation stone



Inauguration of completed project



- ★ India's FIRST 14-Lane Expressway
- ★ India's FIRST Green Expressway
- ★ India's FIRST HAM project to achieve financial closure
- ★ India's FIRST and ONLY COMPLETED HAM project
- ★ India's ONLY HAM project to be awarded AAA (SO) credit rating



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 SNAPSHOT - STANDALONE

Income Statement Snapshot (Rs. Million)						
Particulars	Q2 FY19	Q2 FY18	YoY Growth	H1 FY19	H1 FY18	YoY Growth
Revenue from Operations	2,498	1,415	77%	5,968	3,419	75%
Other Income*	249	254	-2%	427	488	-12%
Total Income	2,747	1,669	65%	6,395	3,906	64%
Operating EBITDA**	322	125	157%	697	296	136%
<i>Operating EBITDA margin</i>	12.9%	8.8%		11.7%	8.7%	
EBITDA	479	341	40%	942	706	33%
Reported PBT	432	353	22%	841	644	31%
PAT	331	259	28%	600	470	28%
Cash PAT	286	237	20%	614	515	19%

Note: Cash PAT = PBDT (before exceptional items) – Current tax-FVTPL Ind AS adjustment+ Non-cash ESOP expenses

* In Q2FY19, Other income includes treasury income of Rs.109 million (vs. Rs. 194 million for Q2FY18) and gain of Rs. 98 mn arising due to fair valuation of equity interests in Dewas-Bhopal road project.

** Q2FY19 Operating EBITDA excludes: a) Rs. 43.5 million (vs. Rs. 37.4 million in Q2FY18) included in 'Other Income' as notional interest under IndAS and excludes corresponding cost of Rs. 43.5 million included in 'Other Expenses' b) ESOP related non-cash expense of Rs. 48.3 million (vs. Rs. 0.49 million in Q2FY18)

BALANCE SHEET SNAPSHOT - STANDALONE

Balance Sheet Snapshot (Rs. Million)	30 th Sept 2018	31 st Mar 2018
Net worth	15,013	14,573
Gross Debt	545	664
Cash & Cash Equivalents[@]	6,062	7,135
Net Debt /(Cash)	(5,517)	(6,471)
Other Long Term Liabilities	299	303
Total Net Fixed Assets (incl. CWIP)	280	87
Net Current Assets (Excl. Cash & Cash Equivalents) [@]	1,349	1,053
Other Long Term Investments and assets	8,167	7,263

Note: Cash & Cash Equivalents includes liquid Investments & ICDs

As on 30th Sept, Growth Capital stands at Rs. 6,862 million comprising of Rs. 6,062 million in the form of direct cash and cash equivalents and Rs. 800 million as temporary funding to subsidiaries/JVs in lieu of drawing debt at that level. This was done in order to minimise the interest cost at the SPVs and the funds are available to WEL, on demand

KEY HIGHLIGHTS

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

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

- ✓ **Strong Order book with visibility of doubling revenue each year for FY19 & FY20**

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

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

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

- ✓ **Strong Corporate Governance - Experienced Board with Majority Independent Directors**

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

- ✓ **Management with Proven Track Record**

WAY FORWARD



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



Targeting projects where differentiation is possible



Tapping opportunities in State road HAM projects on a selective basis



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



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



Explore and develop existing oil & gas blocks

THANK YOU

For further details, please contact:

Harish Venkateswaran

AVP - Group Finance and Strategy

Email: harish_venkateswaran@welspun.com

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

	BOT Toll	HAM
Traffic Risk	Risk borne by concessionaire	No risk on the concessionaire
Toll Tariff Rates	Risk with concessionaire as tariffs decided as per National Tariff Policy	No risk on the concessionaire
Equity Requirement	Higher (25-30% of project cost)	Lower (12-15% of project cost)
Project Credit Rating	Lower rating based on the higher risk	Better rating during construction Once constructed, AAA (SO) credit rating
Mobilization Advances	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
O&M Payments	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
 Inaugurated by PM

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 Development
 FC Achieved

5

Sattanathapuram-Nagapattinam

Authority: NHAI
 Status: Awaiting CA signing;
 Debt tied up

6

Package No. AM 2

Authority: Maharashtra PWD
 Status: Received LoA

7

BOT PROJECTS

Dewas Water

Authority: MPSIDC
 Status: Operational
(Modified Project under construction)

Himmatnagar Bypass

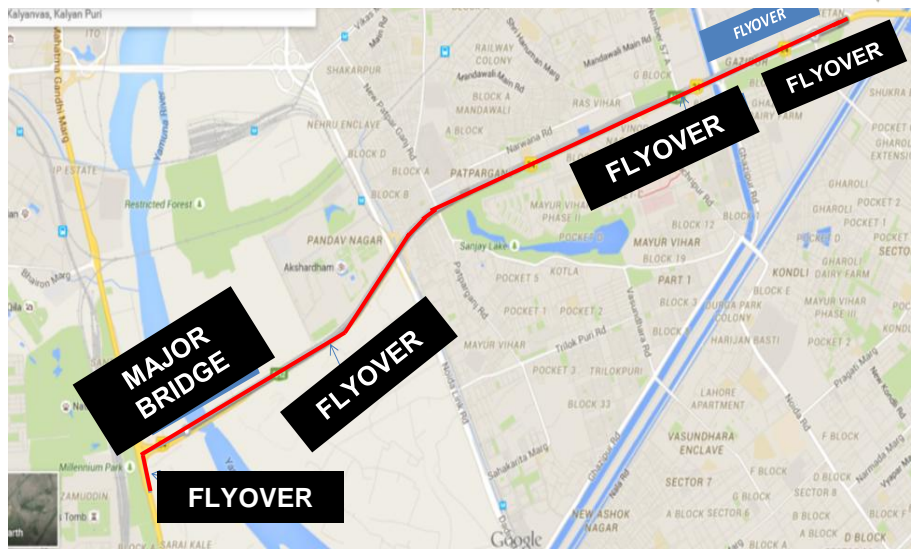
Authority: GSRDC
 Status: Operational

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 0th km to existing km 8.4 of NH-24 in Delhi

Status: Record completion within 19 months. Received completion certificate from NHAI & first annuity along with bonus is likely to be received by end-Dec 2018.



PROJECT DETAILS

Project Length (Kms)	8.716 Km
Award Date	Jan 2016
Financial Closure	Achieved
Appointed Date	28 th Nov 2016
Scheduled Construction Period	30 months
COD Date	28 th 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 26th January 2018; execution in full swing



PROJECT DETAILS

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

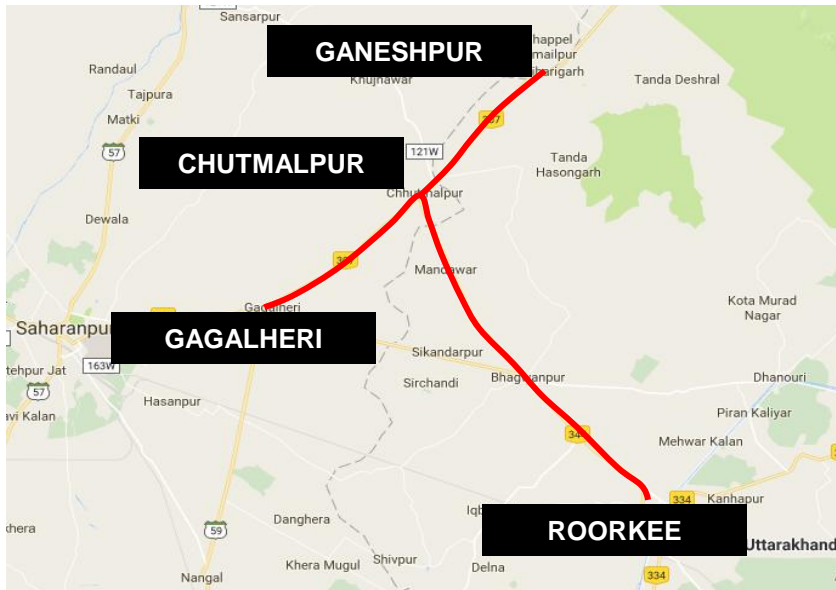
PROJECT COST & FINANCING (Rs. Mn)

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

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: NHA1 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 th Feb 2018
Scheduled Construction Period	24 months
Concession Period after COD	15 Years

PROJECT COST & FINANCING (Rs. Mn)

Bid Project Cost	9,420
<i>Means of Finance</i>	
- NHA1	3,768
- Debt	4,522
- Sponsor's Commitment	1,130
O&M Cost (First Year)	100

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 th Aug 2018
Scheduled Construction Period	42 months
Concession Period after COD	15 Years

PROJECT COST & FINANCING (Rs. Mn)

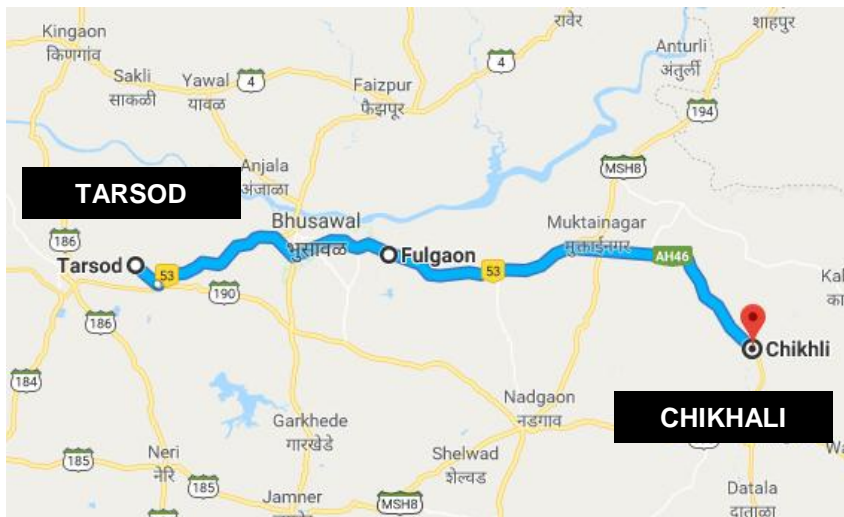
Bid Project Cost	11,610
<i>Means of Finance</i>	
- NHA	4,644
- Debt	5,573
- Equity	1,393
O&M Cost (First Year)	99

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: Financial closure achieved; appointed date is expected in Q3FY19; site mobilised and developmental work started



PROJECT DETAILS

Project Length (Kms)	62.7 Km
Acquisition Date	Jan 2018
Financial Closure	Achieved
Appointed Date	Expected in Q3FY19
Scheduled Construction Period	30 months
Concession Period after COD	15 Years

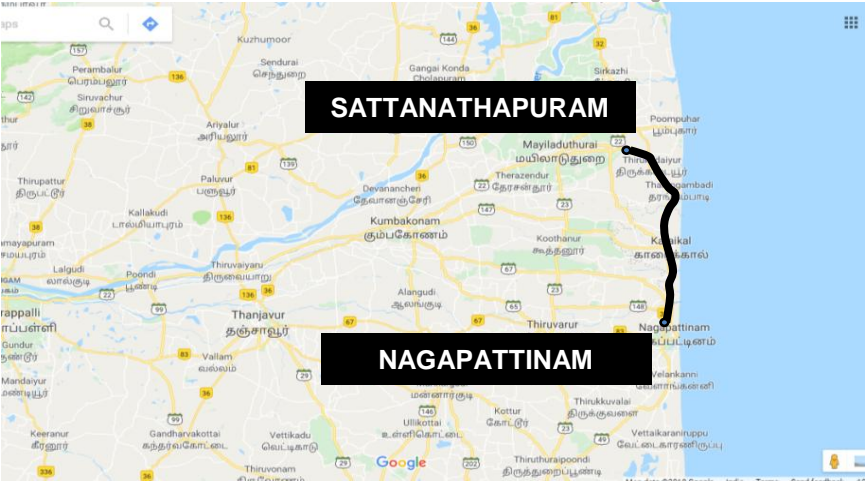
PROJECT COST & FINANCING (Rs. Mn)

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

6 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; awaiting signing of concession agreement. Company has received firm sanction letter from lenders for financial closure



PROJECT DETAILS

Project Length (Kms)	55.755 Km
Award Date	July 2018
Financial Closure	Post CA signing; firm sanction letter received
Appointed Date	Post Financial Closure
Scheduled Construction Period	24 months
Concession Period after COD	15 Years

PROJECT COST & FINANCING (Rs. Mn)

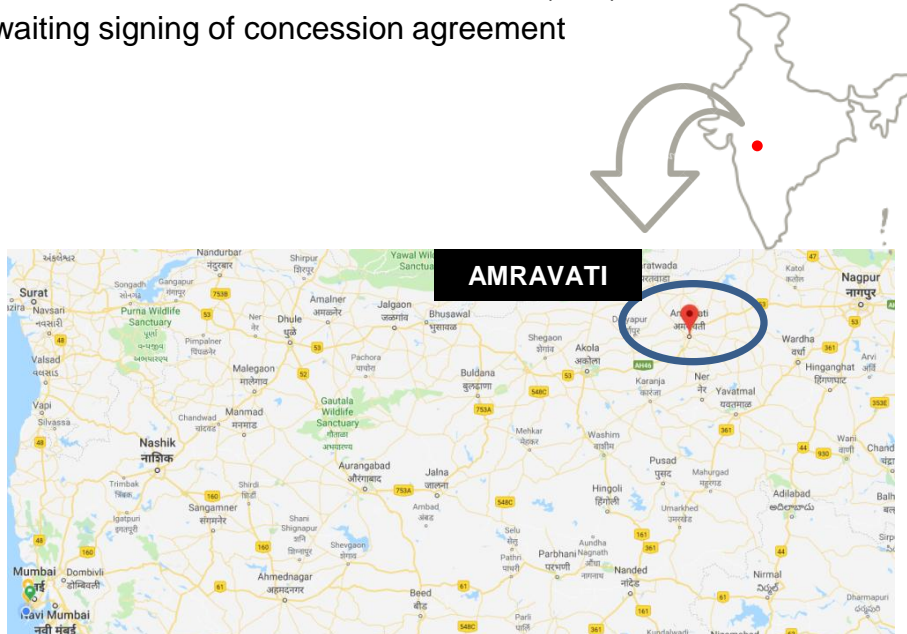
Bid Project Cost	20,045
<i>Means of Finance</i>	
- NHAI	8,018
- Debt	9,622
- Equity	2,405
O&M Cost (First Year)	50

7 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 payments during period of 10 years (vs. 15 years in NHAI projects)

Status: Received Letter of Award (LoA) in Nov 2018; awaiting signing of concession agreement



PROJECT DETAILS

Project Length (Kms)	352.15 Km
Award Date	Nov 2018
Financial Closure	Post CA signing
Appointed Date	Post Financial Closure
Scheduled Construction Period	24 months
Concession Period after COD	10 Years

PROJECT COST & FINANCING (Rs. Mn)

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

* Table figures are excluding GST

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-18)	Debt on books (March-18)	COD	Concession End
Highways	Himmatnagar Bypass	Gujarat	13	-	Apr-06	Jun-20
Water Supply	Dewas Water*	MP	696	518	Sep-08	Jun-37
Total			709	518		

*Dewas Water – Modified Project

- Modified project involves the supply of treated water of up to 23 MLD to industrial customers in Dewas
- Appointed date declared as 7th May 2018
- Execution in full swing; Project construction schedule is 12 months
- Estimated cost of the modified project is Rs. 1,463 mn including subsumed debt of the existing project

Dewas-Bhopal Road Project

- Residual stake of 13% can be sold to same buyer at Rs. 295 mn (plus interest at 11% p.a from Dec 2015)

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-2009/2	Kutch	30%	10.5%	Declared potential commercial discovery by operator; appraisal studies underway
GK-OSN-2009/1	Kutch	25%	8.75%	Declared potential commercial discovery by operator; appraisal studies underway
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%	Awarded in March 17; development plan being drawn; Anticipated capital cost: 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