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Welspun Corp Ltd

CMP: Rs. 914

Target: Rs. 1,112 ▲+22%

Investment Horizon: 15 months

Rating: **BUY**

Industry: Iron & Steel Products

Date: 13th Nov, 2025

Initiating Coverage

Investment Rationale

- **Multi-Vertical Diversification Driving Resilience:** Welspun Corp has successfully evolved from a single-line pipe manufacturer into a multi-vertical industrial group spanning line pipes, ductile iron pipes, stainless steel, building materials, and TMT rebars—de-risking revenue volatility and improving cash flow stability. The company is among the top three global large-diameter pipe producers, with an installed capacity of ~2.5 MTPA across India, the US, and Saudi Arabia. Deep client relationships (Aramco, Kinder Morgan, GAIL, ONGC, IOCL) anchor repeat business and industry-leading execution standards.
- **Record Order Book Providing Multi-Year Visibility:** The consolidated order book stood at Rs. 23,500 Cr as of Q2FY26—the highest in over a decade—providing visibility of 2+ years in the US business and 12–15 months in India.
- **Strong Growth Visibility in the US Market:** The US subsidiary (Welspun Pipes Inc.) is capitalising on a structural surge in LNG infrastructure and data centre-linked gas pipeline demand, with the Little Rock mill booked till FY28. Management guided $200–250/t EBITDA and ~$1,700/t ASP, supported by Buy America localisation premiums.
- **Emerging Data Centre–Driven Pipeline Cycle:** A new demand vector is opening up in the US as over 250+ data centres and AI campuses install captive gas-based power generation. This is spawning a fresh wave of midstream pipeline investments from the Permian Basin to key data centre clusters, complementing LNG exports. With its Little Rock facility booked through FY28, Welspun stands as a primary beneficiary of this structural shift.
- **Indian Line Pipe Business on a High-Value Export Cycle:** India's line pipe segment is benefitting from high-margin export LSAW orders to the Middle East and Australia, sustaining elevated EBITDA spreads of Rs. 8,000–10,000/t, with near-term execution visibility driven by oil & gas and interlinking-of-river projects.
- **Saudi Arabia Expansion Unlocking Next Growth Engine:** Under Vision 2030, Welspun's Saudi operations (via EPIC and its own 100% subsidiary) are entering a high-growth phase, with a 350 ktpa LSAW mill and 250 ktpa DI plant commissioning through FY27. Management expects EBITDA margins of 12–15% for LSAW and 20–25% for DI, aided by localisation incentives.
- **Ductile Iron (DI) Pipes Positioned for Policy-Led Revival:** Despite near-term softness from state-level fund delays, demand recovery is expected under Jal Jeevan Mission and AMRUT 2.0 (Rs. 2.9 lakh Cr outlay). Capacity stands at 600 ktpa (post-expansion), with expected utilisation ramp to 70%+ and margins normalising at Rs. 11,500–12,500/t by FY27.
- **WSSL: High-Margin Niche Growth Platform:** The 51%-owned stainless steel subsidiary (WSSL) operates as a niche, high-value manufacturer with Rs. 20,000–25,000/t blended EBITDA and 25–30% revenue growth outlook, driven by exports, defence, and energy sector approvals. The new bright bar facility is expected to lift margins by 200–300 bps.
- **Sintex Transformation into a Scalable B2C Platform:** Sintex (water tanks and plastic pipes) is scaling distribution-led growth, targeting 15–20% CAGR in topline and EBITDA recovery to 10–12% by FY28. OPVC pipe approvals across multiple states will begin contributing from FY27, complementing legacy water storage profitability.
- **Prudent Capital Allocation and Strong Balance Sheet:** Despite executing a Rs. 5,500 Cr capex plan (FY25–FY27), the company remains net cash positive, aided by strong free cash flows and declining finance costs (down 41% YoY). ROCE stands at 17%, with a long-term commitment to disciplined leverage.

Valuation

- **Revenue Mix Evolution:**
  - In FY25, India's line-pipe business contributed ~60% of consolidated revenues; by FY27E, this share is projected to moderate to ~50% as overseas and value-added verticals scale up.
  - DI pipes are expected to sustain a 12–15% contribution over FY25–FY27e.
  - Welspun Pipes Inc. (US business) is set to increase its share from ~15% in FY25 to ~24% in FY27E, driven by firm order visibility across LNG for general purposes and data-centre energy corridors.

- **Earnings Visibility:**
  - Consolidated order book of Rs. 23,500 crore provides 12–24 months' execution cover, ensuring earnings stability despite regional cyclicality.
  - The mix of mid/long-cycle projects across India, the US, and Saudi Arabia underpins steady EBITDA generation and volume throughput.

- **Rerating Catalysts:** Execution ramp-up for the US data-centre pipeline ecosystem, successful turnaround and margin normalisation of Sintex, and timely commissioning of Saudi greenfield plants could drive earnings upgrades and valuation re-rating over the next 12–18 months.

- **Financial Trajectory & Target Price:**
  - We foresee PAT CAGR of 17% over FY24–FY27e (Rs. 1,136 crore → Rs. 1,808 crore), underpinned by stronger mix realisations and high-margin overseas business.
  - Valuating the company at a PER of 16x based on FY27e we arrive at a per share target price of Rs. 1,112 which is a discounted PEG of <1.0x, implying a ~20% upside over a 15-month horizon.

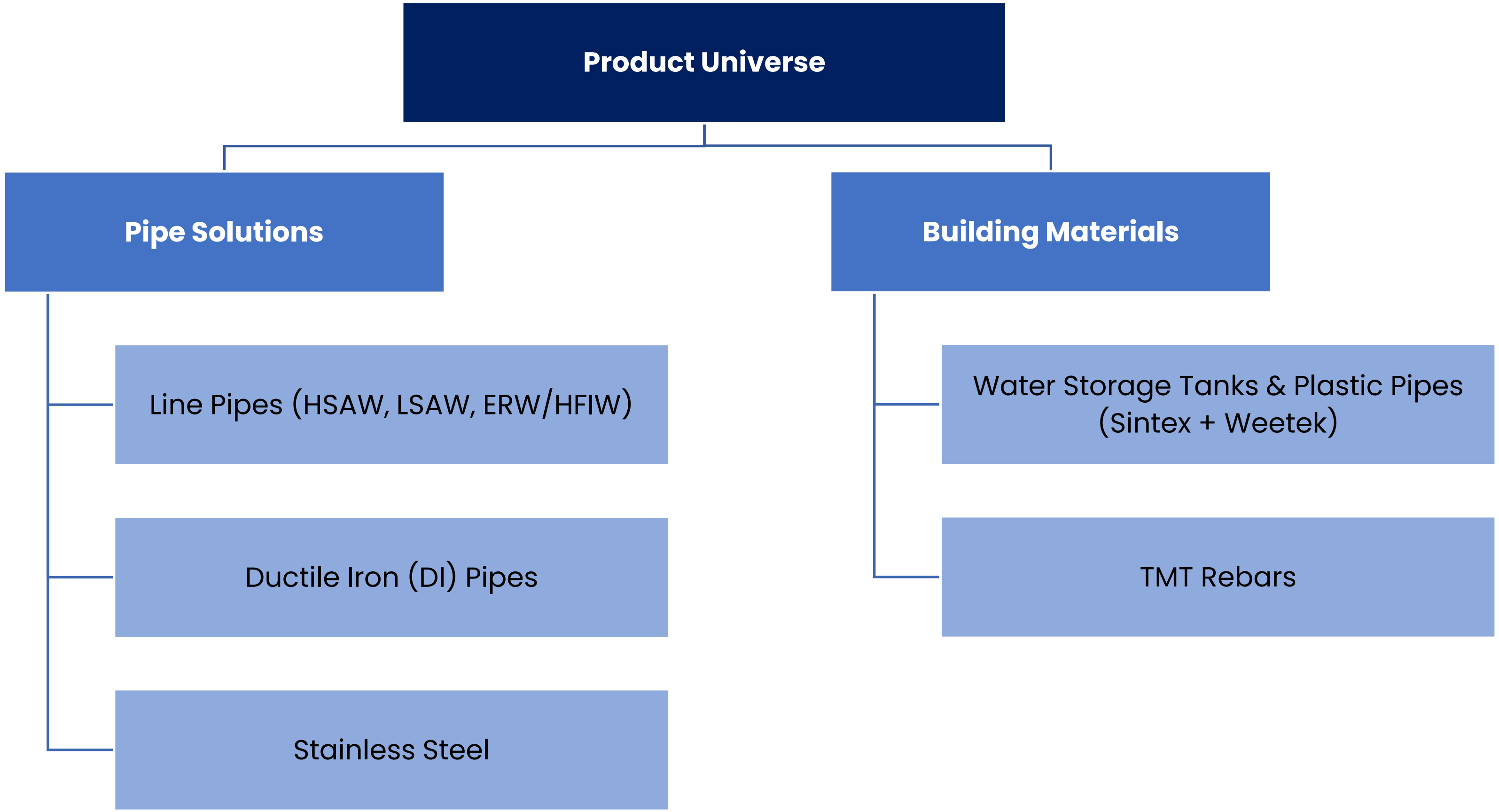
Note: Upside Triggers Not Yet Factored In:

- Tailwinds for Energy Pipeline US Data-centre Infrastructure Opportunity: Revenue accrual from this new vertical is majorly expected from H2FY27, having multi-year visibility as AI-linked energy corridors expand. We have not considered incremental upside from potential orders in our model.
- Saudi Arabia (WCL WOS): Two greenfield facilities—350 KTPA LSAW and 250 KTPA DI pipes, both are slated for completion by Q1FY27—are expected to start contributing meaningfully by H2FY27/Q4FY27 post plant approvals. Their upside potential is excluded from our forecasts pending commissioning milestones.

Company Overview

- Welspun Corp Ltd (WCL), the flagship company of Welspun World, is a global leader in pipe solutions and building materials, consistently ranking among the top two large-diameter line pipe manufacturers worldwide with ~2.55 MTPA of installed pipe capacity. Incorporated in 1995, WCL has expanded from a single-product focus in line pipes to a diversified multi-vertical enterprise spanning steel pipe, ductile iron pipes, stainless steel products, TMT rebars, water storage tanks, plastic pipes and building materials.
- The Company's core remains its legacy line pipe business, encompassing HSAW (Helically Submerged Arc Welded), LSAW (Longitudinally Submerged Arc Welded) and ERW/HFIW (High-Frequency Welded/Induction Welded) pipes designed for both onshore and offshore oil, gas, and water transmission. Installed capacity in India stands at ~1.26 MTPA across three facilities—Anjar (Gujarat), Bhopal (Madhya Pradesh), and Mandya (Karnataka) - with capacity split into 0.70 MTPA HSAW, 0.35 MTPA LSAW, and 0.20 MTPA ERW. In the United States, WCL operates two plants in Little Rock, Arkansas, with combined capacity of 0.53 MTPA (0.35 MTPA HSAW and 0.18 MTPA HFIW), supplying exclusively to the oil and gas sector. In Saudi Arabia, WCL holds a 26.5% equity stake in East Pipes Integrated Company (EPIC), a listed entity with 0.40 MTPA of HSAW capacity that primarily services Saudi Aramco's oil, gas, and water projects.
- Over the last five years, WCL has pursued a structured diversification strategy to mitigate cyclicality in oil and gas capex. Key milestones include commissioning of a 0.4 MTPA ductile iron (DI) pipe plant in FY22, subsequently expanded to 0.6 MTPA in Q2FY26; acquisition of a 51% stake in Welspun Specialty Solutions Ltd (WSSL), a stainless steel pipes, tubes, and bars producer with hot extrusion technology; forward integration into TMT rebars through its Welspun Shield brand; and entry into the B2C building materials space through the acquisition of Sintex-BAPL in FY23. The Sintex acquisition, combined with the subsequent purchase of Weetek Plastics Pvt Ltd in Raipur (FY25), has positioned WCL as the only Indian company capable of providing a full suite of water infrastructure solutions - large-diameter steel pipes, ductile iron pipes, plastic pipes (uPVC, cPVC, SWR, OPVC), and branded water storage tanks.
- WCL operates four steel and pipe facilities in India (Anjar, Bhopal, Mandya, Jhagadia), multiple Sintex plants strategically spread across India (Natagarh, Kalol, Nagpur, Uluberia, Namakkal, Raipur, Guwahati), two facilities in Little Rock (US), and one associate plant in Dammam (KSA). Capacity expansion is ongoing, with new LSAW and DI pipe plants under construction in Saudi Arabia (target commissioning FY26e), a greenfield 0.3 MTPA LSAW pipe mill and upgraded HFIW mill in the US, and debottlenecking at WSSL to lift utilisation.
- End-market exposure is diversified across water infrastructure, oil and gas transportation, city gas distribution, petrochemicals, defence, power, and B2C housing. In India, government programmes such as Jal Jeevan Mission, AMRUT 2.0, and interlinking of rivers are expected to sustain DI and HSAW demand, while the gas grid and hydrogen blending initiatives provide long-term growth optionality. In the US, WCL has visibility of ~700,000 tonnes annual volumes through FY28, supported by large projects in the Permian Basin and increasing demand from gas powered data centres. In Saudi Arabia, the Company is investing in greenfield capacities to capture import substitution opportunities created by Vision 2030 and Aramco's pipeline expansion

- WCL has complemented its industrial strength with sustainability initiatives, ranking among the top 10 global steel companies in S&P Global's 2024 Corporate Sustainability Assessment. Governance and customer-centricity remain central pillars, with long-standing partnerships across global oil majors, EPC players, and infrastructure developers.
- Through its transformation from a line pipe manufacturer into a multi-vertical enterprise with integrated water, energy, and building materials solutions, WCL has positioned itself at the centre of structural growth themes spanning infrastructure, energy transition, and water security.



Quick Data	
Face Value (Rs.)	5.0
No. of Shares (Cr)	26.4
MCAP (Rs. Cr)	24,088
52W H/L (Rs.)	995 / 650
BSE Code	532144
NSE Symbol	WELCORP
Book Value (FY25)	294.6

Ratios	
ROE (FY25)	28.3%
ROCE (FY25)	17.4%
P/E Ratio (ttm)	13.6
P/BV (ttm)	2.9
Dividend Pay-out	6.9%
Dividend Yield	0.5%

Stock Price Movement	
5d	+2.2%
30d	+8.1%
3m	+3.1%
52w High	-8.1%
52w Low	+40.6%

Shareholding Pattern (Sep-25)	
Promoters	49.8%
FII	11.8%
DII	20.9%
Public	17.5%

Sources: CSEC Research, Company Filings, NSE, BSE

Vertical Dive

Welspun Corp Ltd (WCL) operates across two core verticals—Pipe Solutions and Building Materials—which together form a comprehensive portfolio spanning critical infrastructure, energy, water, and construction end-markets.

Pipe Solutions

1. Line Pipes:

- The line pipe business is WCL's legacy and global anchor. With ~2.2 MTPA of installed capacity across India, the United States, and Saudi Arabia (via associate East Pipes Integrated Company), WCL is one of the world's top two manufacturers of large-diameter welded pipes. Its product spectrum includes LSAW (onshore/offshore oil & gas, hydrogen pipelines), HSAW (oil, gas, and long-distance water transport), and ERW/HFIW (natural gas, refined products, green hydrogen). Facilities are strategically located in Anjar, Bhopal, and Mandya in India; Little Rock, Arkansas in the US; and Dammam, KSA. The Company also integrates value-added solutions including hot induction bends, concrete/anti-corrosion coatings, double jointing, and inventory management. Current expansions include a HSAW mill in Bhopal and new bend facility at Anjar, an enhanced coating line at Bhopal, a greenfield LSAW mill at Little Rock, and a greenfield LSAW facility in Dammam (KSA) expected by FY26e. In addition, WCL is establishing a hydrogen testing laboratory at Anjar—among the first of its kind in India—to validate pipeline performance under hydrogen and sour gas atmospheres, positioning the Company for new energy opportunities.
- Welspun remains India's largest line pipe manufacturer with ~1.25 MTPA installed capacity, set to increase to ~1.31 MTPA by FY27 through ongoing updates — including the Bhopal coating line (3 mn sq. m p.a., Q3FY26), Anjar hybrid LSAW/HSAW mill, and Hot Induction Bend facility (1,500–2,000 bends p.a., Q1FY27).
- The total order book stood at 1.25 MMT as of Q2FY26, ensuring execution visibility across India and the US. The management reiterated that locked volumes de-risk pricing and throughput through FY28, with a strong mix of LNG export, hydrogen, and data-centre pipeline projects.
- FY25 India line-pipe EBITDA/t peaked at ~Rs. 13,000, led by export-heavy LSAW mix, versus a long-term average of Rs. 8,000–10,000. FY26 is expected to sustain similar levels, with FY27 normalising modestly but staying above historical averages.
- In the US, management guided normalized spreads of US$200–250/t, supported by "Buy America" localisation and higher-value liquids, CO_2, and hydrogen pipelines, while Indian line-pipe EBITDA remains structurally around US$125/t.
- Mix enrichment via double-jointing, coating, bending, and ID machining is a deliberate value-creation lever, with co-located finishing lines to compress lead times. The US expansion—350 KTPA HFIW (Mar-26, Rs. 840 crore) and 300 KTPA LSAW (Dec-26, Rs. 1,075 crore)—will create a twin-mill platform in Little Rock capable of serving the energy-transition value chain. The Company is also tapping a new multi-year opportunity from gas pipelines for data-centre energy corridors, with initial orders already secured.

2. Ductile Iron (DI) Pipes

- The DI pipe business was established to address India's growing water infrastructure requirements. The Anjar facility, initially commissioned at 400 KTPA, has recently expanded to 600 KTPA, making it one of the largest integrated DI pipe operations in the country. Applications include drinking water supply, sewage, and rural/urban pipeline networks under flagship government programmes such as Jal Jeevan Mission, AMRUT 2.0, and river-linking projects. Internationally, WCL is constructing a 250 KTPA DI pipe plant in Dammam, KSA, to serve local water infrastructure demand and reduce the Kingdom's reliance on imports.
- DI pipes form a policy-linked secular growth pillar, anchored by India's Jal Jeevan Mission, AMRUT 2.0, and river-linking initiatives. Installed capacity stands at 600 KTPA post-completion of the 200 KTPA expansion at Anjar (Q2FY26).
- Management indicated FY26 realisations to stabilise at Rs. 10,000–12,000/t and to recover to Rs. 11,500–12,500/t by FY27 as fund flows normalise. Despite near-term liquidity constraints, the Company holds a confirmed DI order book of ~355 KT and is diversifying into exports, with encouraging early traction.
- Outside India, the KSA greenfield DI plant (250 KTPA) is on track for Q1FY27 commissioning, positioning Welspun to capitalise on GCC desalination and water-transmission demand.
- Management added that Saudi anti-dumping investigations on DI imports will benefit WCL's local operations once production commences.

3. Stainless Steel (Bars; Pipes & Tubes)

- Through its subsidiary Welspun Specialty Solutions Ltd (WSSL), WCL operates India's only fully integrated stainless steel seamless pipe and bar facility, with end-to-end capabilities from steelmaking to finished products. Installed capacity includes 150 KTPA steelmaking and ~18 KTPA seamless pipe & tube manufacturing. The business caters to mission-critical sectors such as defence, nuclear, petrochemicals, thermal power, and aerospace. WSSL has developed advanced grades including S304H, T91/P91, Alloy 625, and Super-13Cr, and holds approvals from marquee clients such as BHEL, as well as AS9100D aerospace certification. Product development continues to expand into high-grade alloys and low-cobalt steels. Export presence is gradually broadening with entry into South Africa and other international markets.
- Welspun Specialty Steel Ltd (WSSL) operates a 150 KTPA billets/bars and 18 KTPA tubes facility, uniquely integrated from melt to tube. FY25 volumes were ~19 KT bars and ~5 KT tubes, guided to 30–35 KT bars and 6–7 KT tubes by FY27–28 as utilisation and export approvals improve.
- WSSL remains India's first integrated producer qualified by BHEL for Super 304H boiler tubes, securing its largest-ever BHEL order (4,050 MT). The bright-bar line (Q3FY26) will enhance alloy precision and margins by 200–300 bps.
- Blended EBITDA stands at Rs. 20,000–25,000/t, with premium grades fetching up to Rs. 40,000/t. FY26 topline is guided to grow 25–30 % YoY, driven by defence, energy, petrochemical, and nuclear segments.
- Management reaffirmed that WSSL will remain a niche, high-ROCE business, with expansion driven by approvals, not capacity additions. Export orders from Europe, MENA, and South Africa underpin medium-term growth visibility.

Building Materials

1. TMT Rebars (Welspun Shield):

- As part of forward integration, WCL manufactures branded TMT rebars at Anjar, marketed under the Welspun Shield name. The product line caters to construction applications in housing, roads, and bridges, aligning with rising urbanisation and government infrastructure investments. Demand is driven by the shift toward branded, quality-certified rebars in India. The Welspun Shield offering includes both standard and cut-and-bend rebars, with distribution networks expanding across Gujarat and western India.
- Welspun operates a 350 KTPA TMT rebars plant at Anjar with full metallurgical integration from steelmaking to finished product, enabling control over quality and delivery.
- FY25 deliveries were ~211 kt, operating at ~60% utilization, with expectations to scale towards 70% by FY27e. ASPs are in the Rs. 45,000–50,000 per tonne range with EBITDA spreads of Rs. 3,000–3,500 per tonne.
- The segment leverages a 150+ dealer network concentrated in Western India, gaining traction in both B2C (housing) and B2B (projects) markets. "Cut-and-Bend" solutions provide incremental value-add for project clients.
- Growth tailwinds from Rs. 11.11 trillion central capex (PM Gati Shakti), housing under PMAY, and stricter standards favoring branded, corrosion-resistant rebar grades support multi-year demand visibility.

2. Water Storage Tanks & Plastic Pipes (Sintex & Weetek):

- WCL's entry into building materials was accelerated by the acquisition of Sintex-BAPL in FY23, a household name in water tanks and electrical enclosures with multiple pan-India facilities (200 KTPA). This provided strong B2C brand equity and an extensive distribution network. In FY25, the acquisition of Raipur-based Weetek Plastics (19 KTPA capacity) expanded the portfolio to cPVC, uPVC, and SWR pipes and fittings, supported by planned OPVC pipe manufacturing at Bhopal. Together, these businesses uniquely position WCL as the only Indian company offering integrated water transport solutions—steel pipes, DI pipes, plastic pipes, and water tanks—covering both infrastructure (B2B) and retail (B2C) demand. A partnership with Rollepaal secures access to OPVC pipe manufacturing technology, strengthening differentiation in durability and efficiency.
- Sintex BAPL provides Welspun a scaled building-materials platform with ~200 KTPA across roto-moulding, blow-moulding, and SMC plants, alongside strong brand equity in tanks, panel tanks, industrial containers, and enclosures.
- The Indian plastic pipes market is worth Rs. 55,000+ crore, growing at 11–12% CAGR, with Sintex targeting ~5% share by FY28. Management expects revenues to grow 15–20% CAGR between FY26–27, led by tanks and pipes.
- EBITDA margins are guided at ~5% in FY26, improving marginally in FY27e as branding, distribution rebuilding, and dealer expansion initiatives gain traction. Water tanks already deliver positive margins, while pipes remain margin-dilutive until FY27.
- The Rs. 1,300 crore capex (FY25–27) includes the Weetek Plastics acquisition (19 KTPA) and partnership with Rollepaal for OPVC technology. The Bhopal OPVC facility is fully operational with statutory approvals, and initial multi-state orders are under execution.
- The dual-track go-to-market strategy leverages Sintex's retail plumbing distribution for B2C and Welspun's EPC/infrastructure relationships for B2B, positioning the business to lift building-materials margins from sub-10% today into mid-teens over the medium term.

Geography Dive

1. **India**

- India serves as the structural growth flywheel for Welspun's portfolio, underpinned by GDP growth of 6.5–7% CAGR (FY25–30E) and an Rs. 11.21 lakh crore government capex outlay in FY26, which continues to support energy, infrastructure, housing, and water sectors.
- Line Pipes benefit from revival in PSU oil and gas tenders, with IOCL, HPCL, and GAIL driving demand, while the government's $67 billion gas infrastructure program and the expansion of the national pipeline grid to 34,500 km sustain long-term volumes.
- DI Pipes are supported by a secular policy-led demand cycle, with Rs. 2.9 lakh crore of outlay under Jal Jeevan Mission and AMRUT 2.0, extended to 2028, ensuring consistent demand from state and central water-supply projects, alongside irrigation and river-linking programs.
- Sintex tanks and pipes are strategically aligned to capture share from these water initiatives and urbanisation drives such as the Smart Cities Mission and PMAY housing.
- Stainless steel and TMT rebars ride the broader infrastructure and housing capex cycle, with stainless targeting high-spec energy and industrial applications, while rebars monetise demand from affordable housing, metro, and freight corridor construction. Rebars provide channel synergies with DI pipes and scrap/billet integration benefits.

2. **United States**

- The US segment is one of Welspun's profit anchors, with order-book coverage effectively securing FY26–28 volumes. Normalised EBITDA spreads of US$200–250 per tonne are guided under Buy America, supported by a premium mix of natural gas transmission, liquids, and potential CO_2/hydrogen service pipelines, with Data Centres coming up as a new avenue.
- The Little Rock capacity stack is being doubled through investments in a 350 KTPA HFIW mill (Mar-26; Rs. 840 crore) and a 350 KTPA LSAW mill (Dec-26; Rs. 1,075 crore), creating a twin-mill platform that enhances localisation, reduces tariff exposure, and improves lead times for EPC clients.
- Macro fundamentals remain supportive despite weaker GDP growth (IMF projects 1.8% in CY25) and rising inflation (~3%), as the US Oil & Gas sector continues to expand capacity across LNG and natural gas. Oil demand is projected to rise by 90 kb/d in CY25, led by LPG and ethane, while gross LNG exports are forecast to grow 14.2% in CY25, enabled by new terminals.
- Henry Hub prices, averaging US$2.19/MMBtu in CY24, are expected to rise by 35% in CY25, reinforcing upstream project economics and pipeline demand.
- Management confirms that delays in key LNG-linked projects (Corpus Christi, Plaquemines, Port Arthur) were deferrals, not cancellations which led to a downturn in FY25 performance, but the 700 KTPA US order book underpins execution and visibility for the next 18 – 24 months. A new demand vector is opening up in the US as over 250+ data centres and AI campuses install captive gas-based power generation. This is spawning a fresh wave of midstream pipeline investments from the Permian Basin to key data centre clusters, complementing LNG export.

Sources: CSEC Research, Company Filings, NSE, BSE

3. Kingdom of Saudi Arabia (KSA)

- KSA represents a structural multi-decade growth opportunity for Welspun, anchored in Vision 2030, under which 85% of initiatives were completed or on track by end-CY24 and non-oil GDP grew 3.9% in CY24, with private-sector contribution to GDP rising to 47%.
- Line Pipes benefit from mega upstream expansions—Zuluf (+600 kb/d), Marjan (+300 kb/d), Berri (+250 kb/d), Tanajib (+300 kb/d), and Safaniyah—all of which require large-diameter offshore and onshore pipeline capacity. KSA aims to expand oil production capacity to >13 mb/d, reinforcing multi-year demand visibility.
- Natural gas is an equally critical growth driver. The Jafurah shale gas project (200 Tcf reserves, 2 Bcf/d by 2030) underpins demand for both DI and line pipes, ensuring supply for petrochemicals and power while diversifying the energy mix away from crude-based electricity.
- On the water front, KSA faces acute scarcity, with 80% of agriculture dependent on non-renewable groundwater and two-thirds of municipal water supplied via desalination. Water consumption peaked at 24.8 bcm in 2015, nearly 150% higher than in 2010. With desalination capacity doubled to 2.2 bcm in 2021, DI pipes are critical to linking plants with urban and agricultural centres.
- Welspun's KSA business has a dual platform: its 26.5% associate stake in East Pipes Integrated Company (EPIC; 400 KTPA), which grows topline at 8–10% CAGR with EBITDA margins of 12–15% for line pipes and 20–25% for DI pipes; and a greenfield wholly owned subsidiary (350 KTPA LSAW, Q1FY27; 250 KTPA DI, H2FY27), fully aligned with Aramco's localisation thrust under IKTVA.
- Saudi DI pipe realisations and EBITDA spreads per tonne materially exceed Indian benchmarks, giving structural profitability upside. Management expects the KSA platform to scale to Rs. 8,000–10,000 crore topline in the medium term, with localisation ensuring strong order visibility from Aramco and water authorities.
- Beyond hydrocarbons, desalination-linked water infra, renewable-powered water projects, and sustainable irrigation initiatives are set to structurally expand DI demand, offering multi-decade growth for Welspun's presence in the Kingdom.

Note:

- Our projections currently do not factor in the contribution from Welspun Corp Company, a new wholly owned subsidiary facility under development in the Kingdom of Saudi Arabia, which is expected to become operational in Q3/Q4 FY27. The facility will add meaningful line pipe and DI capacity aligned with Aramco's and Saudi's localisation program, and hence represents upside optionality to our estimates.
- We have also not incorporated the potential inflows from the sale of the remaining 6% stake in Nuayaan Shipping.

Product	Location	Installed Capacity	Expansion	Target completion
Line pipes	Anjar, Gujarat	LSAW: 350 KMTPA HSAW: 250 KMTPA HFW: 200 KMTPA	Hot Induction Bends: 1,500-2,000 Bends p.a Hybrid facility of Spiral + LSAW pipes (in existing Spiral plant)	Hot Induction Bends: Jun-26 Hybrid: Mar-26
	Bhopal, Madhya Pradesh	HSAW: 305 KMTPA	HSAW plant: 60 KMTPA Coating plant: 3 Mn Sqmt p.a.	HSAW: Commissioned in Q2FY26 Coating: Dec-25
	Mandya, Karnataka	HSAW: 150 KMTPA	-	-
	Little Rock, USA	HFIW: 175 KMTPA HSAW: 350 KMTPA	New HFIW Line: +350 KMTPA LSAW: 300 KMTPA	HFIW: Mar-26 LSAW: Dec-26
	Kingdom of Saudi Arabia (KSA)	-	New LSAW Plant: 350 KMTPA	April-26
DI Pipes	Anjar, Gujarat	400 KMTPA	+200 KMTPA	Q2FY26
	Kingdom of Saudi Arabia (KSA)		New DI Pipe Plant: 250 KMTPA	April 26
Stainless Steel	Jhagadia, Gujarat	SS Bars: 150 KMTPA SS Pipes & Tubes: 18 KMTPA	-	-
TMT Rebars	Anjar, Gujarat	350 KMTPA	-	-
Sintex	India (Multiple Locations)		In staggered and calibrated manner: FY25 to FY27	

Sources: CSEC Research, Company Filings, NSE, BSE

Income Statement **Flow Chart**

(As of FY25 - figures in Rs. Crores)

Total Revenues: Rs. 14,167 Cr (100.0%)

Expenses: Rs. 12,309.4 Cr (89.6%)

EBITDA: Rs. 1,668 Cr (11.8%)

Finance Cost: Rs. 320 Cr (2.3%) | **Dep:** Rs. 351 Cr (2.5%)

Profit Before Tax (PBT): Rs. 2,262 Cr (16%)

Taxes: Rs. 360 Cr

Profit After Tax (PAT): Rs. 1,902 Cr (13.4%)

Expenses Break up:

Cost of materials consumed: Rs. 9,576.1 Cr

Purchase of stock-in-trade: Rs. 32.0 Cr

Changes in inventories of finished goods, stock-in-trade and work-in-progress: Rs. (737.8) Cr

Employee benefits expense: Rs. 1,003.0 Cr

Other Expenses: Rs. 2,436.1 Cr

PBT Inclusions:

Exceptional Items: Rs. 466 Cr (Sale of Nauyaan Shipyard Pvt Ltd)

Share of profit of joint venture and associates (net): Rs. 231 Cr

Profit on sale of shares of associates: Rs. 378 Cr

Revenue Break Up:

Revenue from Operations: Rs. 13,978 Cr (98.7%)

Other Income: Rs. 190 Cr (1.3%)

Revenue from Operations break up:

Products:

Steel products: Rs. 13,346.8 Cr

Others (including plastic products): Rs. 630.8 Cr

Geography:

Outside India and USA: Rs. 906.2 Cr

Within USA: Rs. 3,731.7 Cr

Within India: Rs. 9,339.7 Cr

Balance **Sheet**

as on 31st March, 2025

Assets:
Rs. 15,237 Cr

Fixed Assets (Net Block)	Rs. 4,707 Cr
Capital WIP	Rs. 787 Cr
Cash & Cash Equivalents	Rs. 1,255 Cr
Other Assets	Rs. 8,488 Cr

Liabilities:
Rs. 15,237 Cr

Equity share capital	Rs. 131.2 Cr
Share application money pending allotment	Rs. 8.7 Cr
Equity component of 12% Non-cumulative redeemable preference shares	Rs. 18.9 Cr
Reserves	R. 7,304 Cr
Non Controlling Interest	Rs. 266 Cr
Non Current Liabilities	Rs. 1,186 Cr
Current Liabilities	Rs. 6,322 Cr

Financials And Projections

Income Statement (Rs. Cr)	FY24	FY25	FY26e	FY27e	3 Yr CAGR
Revenue from operations	17,340	13,978	18,322	20,319	5.4%
Other income	242	190	199	213	
Total Income	**17,582**	**14,167**	**18,521**	**20,533**	**5.3%**
Less: Expenses	15,778	12,309	16,089	17,758	
EBITDA	**1,561**	**1,668**	**2,233**	**2,561**	**17.9%**
EBITDA Margin	*9.0%*	*11.9%*	*12.2%*	*12.6%*	
Less: D&A	348	351	397	539	
EBIT	1,214	1,317	1,835	2,023	18.6%
Less: Finance Cost	304	320	171	109	
Profit Before Exceptional Items, Share of JV/Assoc and Tax	**1,152**	**1,187**	**1,863**	**2,127**	**22.7%**
Exceptional items	-	466	-	-	
Share of profit / (loss) of joint venture and associates (net)	157	231	280	304	24.7%
Profit on sale of shares of associates	105	378	-	-	
Profit Before Tax	**1,413**	**2,262**	**2,143**	**2,431**	**19.8%**
Less: Tax Expense	277	360	536	608	
Tax Rate	*20%*	*16%*	*25%*	*25%*	
Reported PAT	**1,136**	**1,902**	**1,607**	**1,823**	**17.1%**
Earnings Per Share (EPS)	42.3	72.4	61.3	69.5	

Balance Sheet (Rs. Cr)	FY24	FY25	FY26e	FY27e
EQUITY AND LIABILITIES				
Equity share capital	130.8	131.2	131.8	131.8
Share application money pending allotment	-	8.7	-	-
Equity component of 12% Non-cumulative redeemable preference shares	18.9	18.9	19.3	19.3
Reserves	5,466.6	7,303.9	8,982.0	10,805.0
Non Controlling Interest	118.2	266.0	221.5	239.7
Non Current Liabilities	2,138.9	1,186.1	1,098.2	978.2
Current Liabilities	3,976.8	6,322.1	6,360.1	6,971.8
TOTAL EQUITY & LIABILITIES	**11,850**	**15,237**	**16,813**	**19,146**
ASSETS				
Fixed Assets	4,800	4,707	7,058	8,353
CWIP	87	787	630	504
Cash & Cash Equivalents	1,072	1,255	579	990
Other Assets	5,892	8,488	8,545	9,299
TOTAL ASSETS	**11,850**	**15,237**	**16,813**	**19,146**

Sources: CSEC Research, Company Filings, NSE, BSE

Date: 13th Nov, 2025

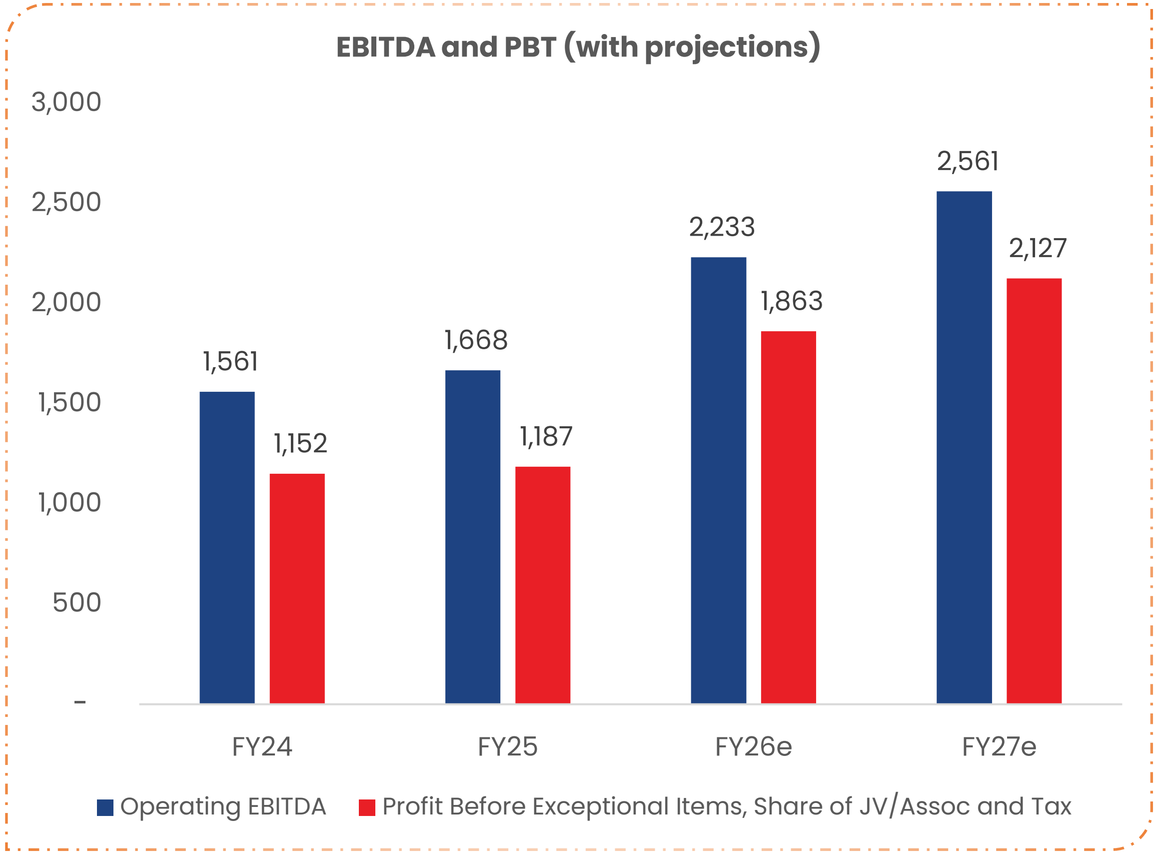
Financial Ratios

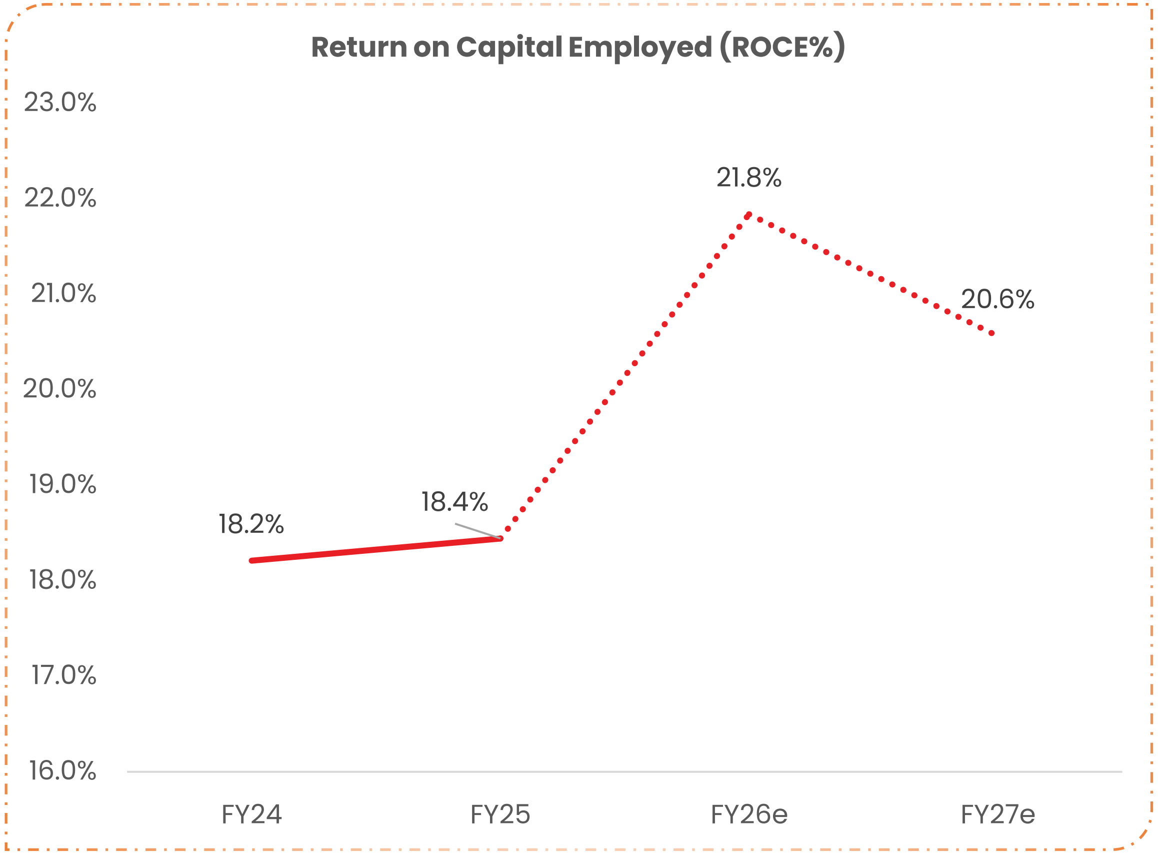
Du Pont Analysis	FY24	FY25	FY26e	FY27e
Profit/Sales	0.07	0.14	0.09	0.09
Sales/Assets	1.28	1.03	1.13	1.13
Sales/Net Fixed Assets	3.57	2.94	3.24	2.64
Assets/Net Worth	2.57	2.01	1.90	1.75
Return on Equity (ROE %)	21.5%	28.3%	18.9%	17.7%

Valuation Ratios	FY24	FY25	FY26e	FY27e
Earning Per Share (EPS)	42.3	72.4	61.3	69.5
EPS Growth YoY%	436%	71%	-15%	+13%
Price to Earnings (P/E x)	12.2	12.0	14.9	13.2
Book Value per Share (BVPC)	219.2	294.6	356.6	426.8
Price to Book Value (P/BV x)	2.4	3.0	2.6	2.1

Key Operational Ratios	FY24	FY25	FY26e	FY27e
EBITDA Margin (%)	9.0%	11.9%	12.2%	12.6%
PAT Margin (%)	6.6%	13.6%	8.8%	9.0%
ROCE (%)	18.2%	18.4%	21.8%	20.6%
Debt to Equity ratio	0.3	0.1	0.1	0.1

Story In Charts





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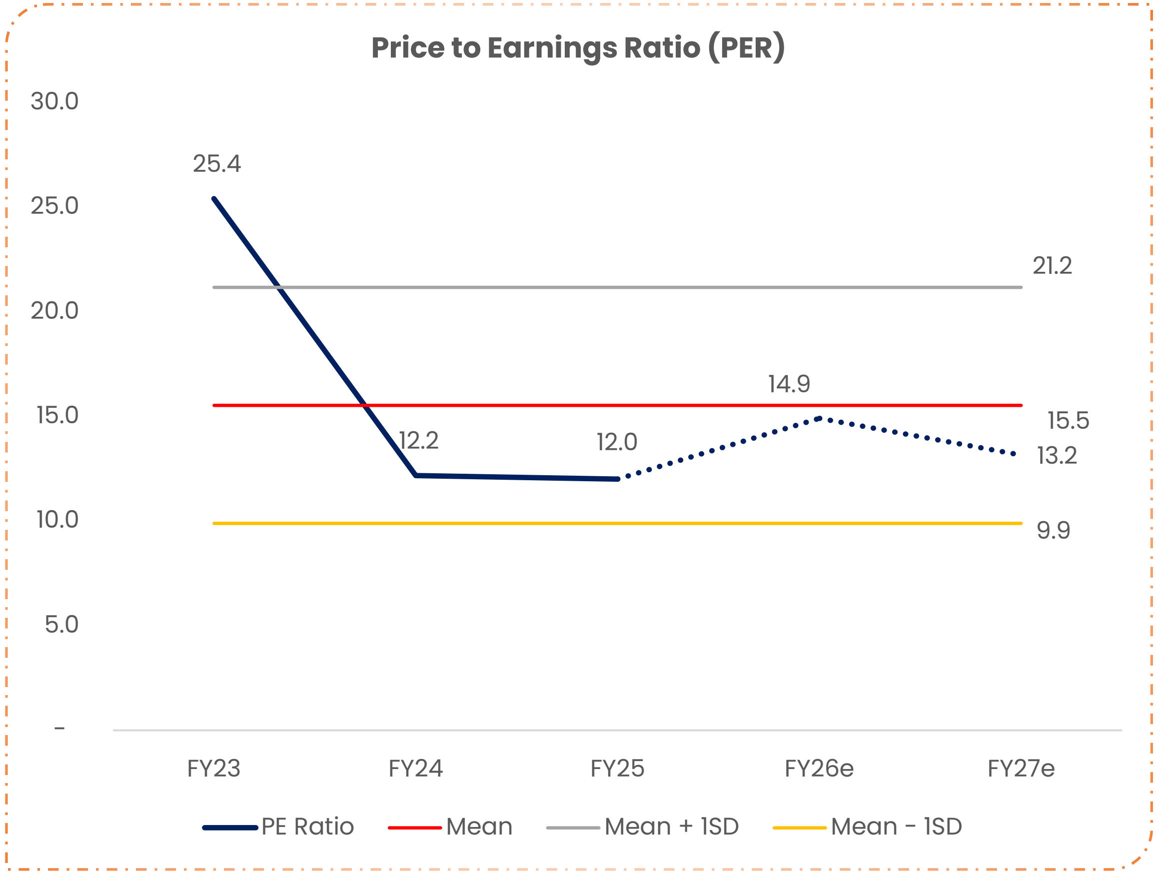

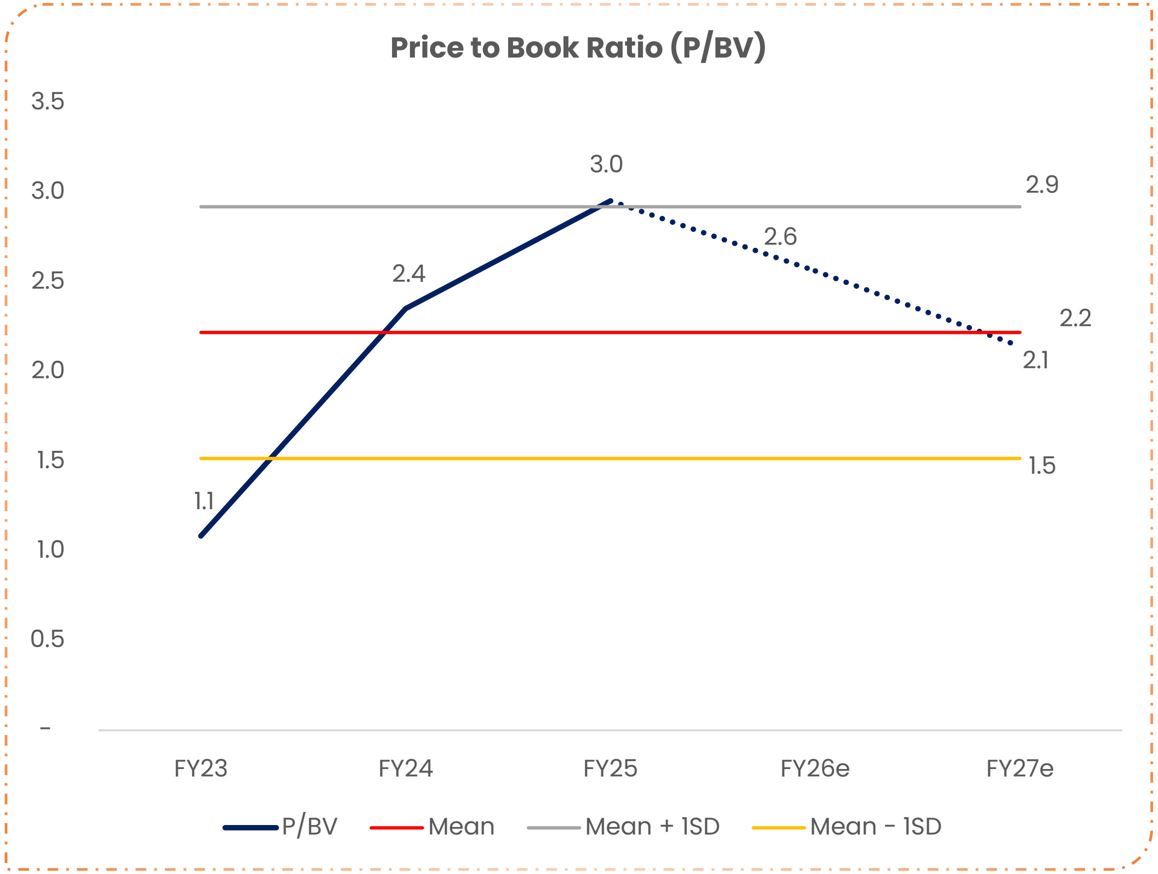

Line Pipes

- **Overview:** Welspun Corp Ltd (WCL) is among the top two global manufacturers of large-diameter line pipes, with ~2.2 MTPA of installed capacity across India, the United States, and Saudi Arabia. The business serves over 50 countries across six continents, supporting critical applications in oil & gas, water transmission, and emerging sectors such as hydrogen and carbon capture. The Company's integrated facilities—spanning HSAW, LSAW, and ERW/HFIW technologies—are supported by advanced bending, coating, and testing capabilities.
- **Product Portfolio The product offering covers:**
  - LSAW pipes: Onshore and offshore oil & gas, hydrogen and carbon capture pipelines.
  - HSAW pipes: Long-haul crude, gas, and water transmission.
  - ERW/HFIW pipes: Natural gas distribution, petroleum products, water transport, and green hydrogen networks.
  - Value-added services: Concrete weight coating, anti-corrosion coatings (through JV with WASCO), induction bends, double jointing, and inventory management.
- Sales Volumes & Order Book: Volumes in the line pipe business have remained consistently high, supported by both domestic and export demand:

Particulars	Unit	FY23	FY24	FY25
Large Diameter Line Pipes – Sales Volume	MT	658,988	979,865	851,389
Large Diameter Line Pipes – Order Book	KMT	–	528	1,093

- **India Operations:** In India, the Anjar, Bhopal, and Mandya facilities cater to both domestic and export markets. FY25 saw demand driven by both PSU and private sector projects. Key highlights included the delivery of India's first API X65 grade ERW pipes for gaseous hydrogen, marking WCL's entry into hydrogen-grade solutions. Demand outlook remains strong: India's oil consumption is forecast to rise to 220 kb/d by CY25, while natural gas demand is projected to grow nearly 60% by 2030 to ~103 bcm. The Nation One Gas Grid plans to add 15,500 km of pipeline by 2027, taking total length to 33,000 km. On the water side, major interlinking projects (Ken–Betwa, ERCP, Wainganga–Nalganga) and state-led irrigation and urbanisation pipelines will sustain DI and HSAW demand.
- **United States Operations:** The Little Rock facility with an installed capacity of 0.53 MTPA (HSAW and HFIW lines) has an order book now secured through FY28, reflecting multi-year visibility. The company is executing a 350 KTPA HFIW expansion (commissioning by March 2026) and a new 300 KTPA LSAW mill (targeted for December 2026), positioning the facility as a fully integrated supplier across diameter and grade ranges. Sector tailwinds are exceptionally strong—besides LNG export and gas transmission pipelines, a new wave of midstream infrastructure linked to data-centre and AI-driven power demand is emerging, with over 250+ data centres planned across the US requiring dedicated natural-gas supply lines. The broader energy backdrop remains favourable, with US crude output projected to reach 14.5 mbpd by 2030, Permian production rising from 5.2 mbpd to 8 mbpd, and LNG export capacity expanding from 90 MTPA to 120 MTPA over the next 2–3 years.

- **Saudi Arabia Operations:** Through its 26.5% strategic stake in East Pipes Integrated Company (EPIC) and the ongoing development of wholly owned greenfield facilities, Welspun Corp has established a strong and scalable presence in the Kingdom of Saudi Arabia (KSA). EPIC continues to operate at high utilisation levels supported by a robust order book from Saudi Aramco, Saline Water Conversion Corporation (SWCC), and major EPC contractors. Demand visibility remains anchored by Aramco's upstream expansion program (~US$10 billion annual capex), Master Gas System Phase 3, and extensive Vision 2030 infrastructure investments, particularly in unconventional gas, desalination, and cross-country water transmission. Welspun has commenced construction of a 350 KTPA LSAW mill and a 250 KTPA Ductile Iron (DI) pipe facility in Dammam, with phased commissioning beginning April 2026 (LSAW) and FY27 (DI). Once operational, these projects will localise high-specification pipe manufacturing, reduce import dependence, and position Welspun as a key enabler of Saudi Arabia's energy transition and water infrastructure self-sufficiency agenda under IKTVA and Vision 2030.

- **Strategic Strengths**
  - Global leadership in large-diameter welded pipes with presence across three key geographies.
  - Deep relationships with marquee clients such as Saudi Aramco, Qatar Energy, Total, Shell, Chevron, GAIL, and IOCL.
  - Proven technological capability, including early qualifications for hydrogen-grade pipes.
  - A diversified and expanding order book with an increasing share of high-value exports.

- **Risks & Concerns**
  - Volatility in steel prices and freight costs can affect order economics.
  - Geopolitical and regulatory uncertainties in key export geographies.
  - Trade policy changes in the US/EU impacting access and competitiveness.
  - Long approval cycles for hydrogen and carbon capture projects, potentially delaying commercialisation.

- **Way Forward:** The next 2–3 years will be transformative for Welspun Corp, as the company transitions from a cyclical line-pipe manufacturer into a diversified, multi-geography, multi-material infrastructure solutions provider. In India, medium-term visibility is underpinned by the national gas grid expansion, hydrogen blending pilots, and large interlinking-of-rivers and water transmission projects under Jal Jeevan Mission and AMRUT 2.0. In the United States, visibility extends through FY28 with secured bookings from Permian Basin and LNG export projects, now complemented by a new demand cycle linked to 250+ data centres and AI-driven power infrastructure. The upcoming 350 KTPA HFIW line (March 2026) and 300 KTPA LSAW mill (December 2026) at Little Rock will position Welspun among the few US manufacturers capable of serving both LNG and hydrogen-certified high-pressure pipelines. In Saudi Arabia, the commissioning of 350 KTPA LSAW and 250 KTPA DI pipe facilities through FY27e will cater to Vision 2030 infrastructure, desalination, and oil & gas projects, while deepening localisation under Aramco IKTVA.

Ductile Iron (DI) Pipes

- **Overview:** Welspun Corp Ltd (WCL) entered the ductile iron (DI) pipe business in 2020, commissioning its Anjar facility (Gujarat) under the Welspun Flow brand in FY22. The foray marked a strategic extension of WCL's steel-to-pipes value chain, allowing full vertical integration—from steelmaking and pig iron to centrifugal casting and finishing. This structure has delivered cost synergies and improved supply responsiveness for government projects. The Anjar plant's coastal location offers logistical proximity to both key domestic demand hubs and export markets, enhancing competitiveness for large project orders and global tenders. WCL's integrated setup—comprising its own blast furnace, sinter plant, and foundry—enables consistent metallurgical quality, faster cycle times, and strong margin protection even during steel price volatility. The company has also extended its DI footprint internationally through a 250 KTPA greenfield facility in Dammam, Saudi Arabia, designed to produce large-diameter (DN >1200 mm) pipes using a hot mould process, enhancing regional product differentiation.
- Sales Volumes & Order Book: Since commissioning, volumes have ramped up significantly:

Particulars	Unit	FY23	FY24	FY25
DI Pipes – Sales Volume	MT	34,383	205,833	272,245
DI Pipes – Order Book	KMT	-	328	353

- India Operations: The Anjar facility, expanded from 400 KTPA to 600 KTPA, is now among India's largest DI operations. Demand drivers include:
  - Jal Jeevan Mission and AMRUT 2.0, targeting rural and urban drinking water supply.
  - National river linking projects (e.g., Ken–Betwa, Wainganga–Nalganga).
  - Irrigation and sewerage schemes across high-growth states such as Gujarat, MP, Rajasthan, Tamil Nadu, and Karnataka.
  - Urbanisation and "Smart Cities" programmes requiring modern water distribution and sewage networks.
  - WCL has also qualified for supplies to almost all state water boards, enabling participation across a broad project pipeline.
- Saudi Arabia Operations: In KSA, the structural deficit in DI pipe supply (domestic production <40% of demand) provides immediate import substitution opportunities. The 250 KTPA Dammam facility, targeted for April 2026 commissioning, will be one of the largest DI plants in the GCC, catering to SWCC, Aramco's Master Gas expansion, and Vision 2030 water projects. The plant will include a hot mould line for DN >1200 mm pipes, addressing a product gap in the region. Management expects ~70% capacity utilisation within 12–18 months of commissioning, supported by localisation mandates (IKTVA). WCL has already executed its first DI export shipment to Europe, marking the segment's global acceptance.

- **Strategic Strengths**
  - Fully integrated production model (steel to finished DI pipes).
  - Port-based India facility enabling cost-competitive exports.
  - Direct alignment with government water and sanitation programmes in India.
  - Expansion into KSA providing geographic diversification and access to high-growth demand.
  - Strong accreditations with state water boards, plus established presence in Europe via offices in Italy and Spain.

- **Risks & Concerns**
  - Volatility in raw material and freight costs, which can compress margins despite largely fixed-price contracts.
  - Execution delays in large-scale government projects due to funding or approval bottlenecks.
  - Intensifying competition in India as other integrated steel and pipe producers expand capacity.

- **Way Forward:** WCL aims to consolidate its position among the top three DI pipe suppliers in India, leveraging steady demand visibility from public investment in water and sanitation. The company's backward-integrated steel and casting ecosystem will continue to support cost competitiveness and margin stability. Internationally, the Dammam facility will serve as a regional export and localisation hub, tapping into the growing GCC and African markets. WCL is also expanding its engagement with state PSUs, global EPC contractors, and multilateral water projects, positioning its DI business as a scalable and sustainable growth engine. Together, the India and KSA platforms will enable Welspun to meet rising demand for water transmission and desalination infrastructure across Asia, the Middle East, and Europe, aligning with long-term ESG and circular-economy goals.

Stainless Steel Bars, Pipes & Tubes

- **Overview:** Welspun Specialty Solutions Ltd (WSSL), a 51.1% subsidiary of WCL, is India's only fully integrated stainless steel facility, with end-to-end operations spanning steel melting, rolling, bright bars, and seamless pipes & tubes. Located at Jhagadia (Gujarat), WSSL leverages advanced hot extrusion technology to manufacture mission-critical products that cater to high-specification industries such as power generation, petrochemicals, oil & gas, defence, nuclear power, aerospace, and space research. The backward-integrated model, combined with in-house R&D, testing, and approvals from marquee clients, provides WSSL a distinct edge in a competitive segment.

- Sales Volumes & Order Book: Volumes have grown steadily as the business pivots towards value-added applications:

Particulars	Unit	FY23	FY24	FY25
Stainless Steel Bars – Sales Volume	MT	6,869	15,903	18,860
Stainless Steel Pipes – Sales Volume	MT	4,059	4,785	4,807
SS Bars & Pipes – Order Book	KMT		5,590	9,025

- **Product Portfolio & Capabilities**
  - Stainless Steel Bars: Produced with tight chemistry controls and offered in diverse grades and sizes, catering to automotive, engineering, defence, and petrochemical applications.
  - Seamless Stainless Steel Pipes & Tubes: Manufactured using vertical hot extrusion technology, offering superior surface finish, high-pressure resistance, and corrosion resilience. Key grades include Super-304H, Super-13Cr, T91/P91, Alloy 625, and new proprietary alloys such as Welsonic-60 for oil well applications.
  - Integrated Value Chain: In-house steelmaking significantly reduces turnaround times and ensures quality control, enabling rapid fulfilment of critical orders.
  - Accreditations: Approvals secured from BHEL, NTPC, NPCIL, ISRO, and EIL, along with AS9100D certification for aerospace and ISO/IEC 17025 accreditation for testing labs.

- **Key Highlights & Innovations**
  - Secured a 4,050 MT supercritical boiler tube order from BHEL, reinforcing leadership in the power generation sector.
  - Successfully developed and supplied new high-value grades including Welsonic-60, Super-13Cr, and T91/P91.
  - Forayed into aerospace with AS9100D certification; initiated NORSOK M-650 qualification for North Sea oil & gas projects.
  - Expanded global footprint with first orders from South Africa and strengthened European presence.
  - Reduced emission intensity per MT of bloom production by 12% and increased renewable energy usage to 31% in FY25, with plans to reach 70% through new initiatives.

- **Strengths**
  - Only fully integrated stainless steel facility in India with end-to-end capabilities.
  - Proven expertise in manufacturing complex special grades for critical applications.
  - Accreditations from marquee clients across high-value sectors.
  - Ability to deliver customised, rapid solutions through in-house steelmaking and hot extrusion.
  - Expanding presence in high-growth domestic sectors supported by “Make in India” initiatives.

- **Risks & Concerns**
  - Suboptimal capacity utilisation (current utilisation <50%) impacting operational efficiency.
  - Long approval cycles in nuclear, defence, and aerospace applications.
  - Price volatility in nickel and other alloying elements.
  - Competition from established global players and cheaper imports.

- **Way Forward:**
  - WSSL’s strategic roadmap is anchored in a shift from a volume-centric to a value model, focusing on high-margin, critical-grade stainless steel for niche end markets. The company aims to strengthen its presence in strategic sectors such as defence, nuclear, oil & gas, power generation, and petrochemicals, where certification barriers and alloy complexity ensure durable competitive advantage.

  - With installed capacity of 150 KTPA in stainless steel bars and 18 KTPA in pipes and tubes, WSSL’s medium-term goal is to lift utilisation by product mix improvement and efficiency-led debottlenecking. Management has guided that EBITDA margins are expected to expand from ~9% in FY25 to 12–13% by FY27e, driven by a rising share of value-added grades, automation in finishing lines, and backward integration into billets.

  - WSSL’s order book is led by PSU refineries, power-equipment manufacturers, and strategic defence entities, ensuring visibility and stability. The company is also diversifying its export footprint in Europe, the Middle East, and Southeast Asia, targeting high-spec welded tube and bar applications. R&D investments are being channelled into new grades (e.g., duplex, super-duplex, and high-nickel alloys), as well as green steel initiatives, positioning WSSL among the few Indian producers aligned with future low-carbon sourcing norms.

Building Materials

- **Overview:** Welspun Corp Ltd (WCL) made a decisive foray into the Building Materials space through two strategic acquisitions — Sintex-BAPL Ltd in March 2023 and Weetek Plastics Pvt Ltd in October 2024. These acquisitions transformed WCL into a comprehensive water management and plastic piping solutions provider, catering to both B2C (consumer) and B2B (infrastructure, institutional) segments. Sintex, a brand with nearly five decades of heritage, is among the most trusted names in India's building materials landscape, enjoying brand recall in the water tank category. Its nationwide retail footprint, encompassing 18,000+ touchpoints and 7,500+ active distributors, provides WCL a ready platform for scale. The acquisition of Weetek added ~19 KTPA of plastic pipe capacity at Raipur, expanding the product portfolio to cPVC, uPVC, SWR, and OPVC piping systems and marking WCL's entry into the rapidly growing Rs. 45,000 crore Indian plastic pipes market.

- **Product Offerings:** The portfolio today spans across:
  - Water Storage Solutions: Household and institutional water tanks, "Pure+" premium variants, and "SMART" budget tanks.
  - Plastic Pipes & Fittings: cPVC, uPVC, SWR, OPVC, and agri pipes for plumbing, sewerage, irrigation, and infrastructure applications.
  - Commercial & Industrial Products: Electrical products, industrial containers, grey water management solutions, uPVC doors, and decorative panels.
  - Digital & Value-Added Services: Programmes like Sintex Hamesha (for retailers) and Sintex Pride (for plumbers) aimed at strengthening secondary sales and channel engagement.

- **Manufacturing Footprint:** Sintex operates seven manufacturing facilities (Natagarh, Kalol, Nagpur, Namakkal, Raipur, Uluberia, and Guwahati via outsourcing), supported by additional land banks at Jammu and Hyderabad. New greenfield projects are underway at Sonepat and Bhopal, with the Bhopal facility earmarked for OPVC pipes and expected commissioning in FY26e. This manufacturing scale ensures pan-India coverage and proximity to both urban and rural demand hubs.

- **FY25 Highlights**
  - Launched the 'Sintex Advantage NXT' initiative, focusing on consumer health and hygiene with features such as anti-bacterial, anti-viral, anti-fungal, UV resistance, and 100% food-grade virgin plastic.
  - Expanded premiumisation strategy via Pure+ tanks, while piloting SMART tanks for budget-conscious households.
  - Strengthened channel network by onboarding high-quality distributors, revamping Sintex Hamesha, and scaling Sintex Pride.
  - Launched India's first antimicrobial cPVC pipes, with patent filed, alongside six additional water management systems (hot & cold water, potable water, sewerage, drainage, agri, and reclaim pipes).
  - Began upgrading Weetek's Raipur infrastructure to Sintex standards, with integration well underway.
  - Progressed with digitalisation initiatives (One Stakeholder, One Application) for distribution and people management systems.

- **Strategic Strengths**
  - Iconic Brand Equity: Sintex is one of the most recognised names in India's building materials sector, synonymous with trust and reliability.
  - Health-First Differentiation: Exclusive use of virgin plastics and antimicrobial features provide clear product positioning advantages.
  - Pan-India Distribution: Deep coverage across dealers, retailers, and plumber networks, ensuring wide market penetration.
  - Technology Partnerships: Tie-up with Rollepaal for OPVC pipes strengthens technological edge.
  - Synergies with WCL: Leveraging WCL's infrastructure, procurement, and logistics to scale building materials effectively.

- **Risks & Concerns**
  - Competitive intensity from both branded and unorganised players in plastic pipes.
  - Execution challenges in regaining lost market share in water tanks.
  - Ramp-up risk in new facilities (Raipur, Bhopal, Sonepat) including timely commissioning and distributor alignment.
  - Need to continuously invest in marketing, brand-building, and digital initiatives to sustain differentiation.

- **Way Forward:**
  - WCL's strategy is to build a 5% market share in plastic pipes over the medium term, while consolidating Sintex's leadership in water storage. The focus will be on a dual approach:
  - B2B: Establish leadership in OPVC pipes by leveraging long-standing credibility, technology edge, and partnerships.
  - B2C: Drive brand salience through health-first, premium water tanks and plumbing products, while piloting cost-effective solutions (SMART tanks, Raipur pipes) for mass adoption.
  - With a Rs. 1,300 crore phased capex programme over three years, digital-led distributor engagement, and continuous innovation, WCL is positioning its Building Materials segment as a high-growth, consumer-facing pillar complementing its industrial pipe businesses.

TMT **Rebars**

- **Overview:** Welspun Corp Ltd (WCL) entered the Thermo-Mechanically Treated (TMT) Rebars business in 2021 as part of its backward integration strategy and its broader goal of creating a vertically integrated steel and infrastructure materials platform. Operating under the flagship brand "Welspun Shield", the Company runs a fully integrated greenfield facility at Anjar, Gujarat, with seamless control over the entire value chain—from steelmaking to finished rebars. These products are engineered for high strength, ductility, and corrosion resistance. The rebar business strengthens WCL's diversification within the domestic infrastructure value chain, complementing its presence in line pipes, DI pipes, and building materials. The segment has also established a strong presence in Western India, where infrastructure spending and housing development remain robust.

- **FY25 Highlights**
  - Achieved its highest-ever annual sales volume of ~211 KMT during FY25.
  - Expanded dealer network to 150+ partners across Western India, particularly Gujarat.
  - Introduced cut-and-bend rebar solutions, adding value for infrastructure and housing projects.
  - Strengthened project-level accreditations and digital engagement platforms for dealers and influencers, enhancing brand visibility in B2C channels.

- **Strategic Strengths**
  - Integrated Manufacturing Facility: Full control over input steel and rebar production ensures cost efficiency and consistent quality.
  - Brand Differentiation: Welspun Shield has established recognition for safety and reliability in Western India.
  - Dealer Network Expansion: Rapidly growing distribution footprint, improving accessibility to both institutional and retail buyers.
  - Value-Added Portfolio: Introduction of cut-and-bend solutions and tailored offerings aligned to evolving construction needs.
  - Alignment with National Priorities: Positioned to benefit from the Rs. 11.1 trillion central capex allocation in FY25, with key demand drivers from PM Gati Shakti, Pradhan Mantri Awas Yojana (PMAY), and state-led infrastructure spending.

- **Bright Bars – Synergistic Diversification:** In parallel, WCL has launched Bright Bar manufacturing at its Jhagadia facility (under WSSL) to capture the value-added engineering and automotive steel opportunity. The Bright Bar line, commissioned in FY25, enables production of high-precision, mirror-finish bars used in automotive, defence, and capital goods applications. Management highlighted in the Q2FY26 concall that this capability enhances the group's downstream product mix, supporting margin accretion and creating opportunities for cross-segment synergies with the TMT and stainless operations.

- **Risks & Concerns**
  - Raw Material Price Volatility: Fluctuations in steelmaking inputs can pressure cost efficiency.
  - Competitive Intensity: The rebar market is highly fragmented, with both local and pan-India players competing aggressively.
  - Scaling Challenges: Achieving differentiated scale in a commoditised product category requires continuous brand-building and channel engagement.

- **Way forward:** The demand for TMT rebars in India is expected to remain robust, supported by government capital expenditure of Rs. 11.1 trillion in FY25 under the PM Gati Shakti National Master Plan, alongside large-scale housing initiatives. Rapid urbanisation, industrialisation, and the adoption of branded, high-strength rebars will continue to expand the addressable market. WCL's integrated production model, established distribution, and brand equity position Welspun Shield for consistent performance over the next 3–5 years. Expansion into new regional markets (Rajasthan, MP, and South India), coupled with investment in branding, Bright Bars, and cut-and-bend automation, will further consolidate Welspun's standing as a trusted and technically superior rebar supplier to India's infrastructure and housing ecosystem.

Corporate Structure

Category	Entity	Shareholding	Business Segment
Subsidiary	Welspun Trading Ltd	100%	Trading arm
Subsidiary	Welspun Mauritius Holdings Ltd	100%	Holding entity for overseas investments
Subsidiary	Welspun Pipes Inc.	100%	International pipes subsidiary
Subsidiary (Listed)	Welspun Specialty Solutions Ltd	51.06%	Stainless steel seamless pipes & bars; only integrated facility in India
Subsidiary	Welspun DI Pipes Ltd	100%	Ductile Iron pipes
Subsidiary	Anjar TMT Steel Pvt Ltd	100%	TMT Rebars (Welspun Shield brand)
Subsidiary	Sintex Prefab and Infra	100%	Prefabricated structures & infrastructure
Subsidiary	Sintex BAPL Ltd	100%	Water tanks, plastic pipes, allied building materials
Subsidiary	Sintex Advance Plastics	100%	Advanced polymer products
Subsidiary	Sintex Holdings BV	100%	International holding company
Subsidiary (Liquidated)	Sintex Logistics LLC	100%	Former US assembling/trading entity; divested and liquidated
Step-down Subsidiary	Weetek Plastics Pvt Ltd (India)	100%	Plastic pipes (cPVC, uPVC, SWR), fittings; part of Sintex BAPL
Subsidiary	Welspun Pipes Company, LLC (KSA)	100%	Greenfield DI & LSAW pipes; Saudi expansion
Subsidiary	Welspun Europe S.A (Spain)	100%	Marketing & distribution in Europe
JV / Associate	East Pipes Integrated Company (EPIC), KSA	26.5%	Large-diameter HSAW pipes; supplies Saudi Aramco & SWCC
JV / Associate	Welspun Wasco Coatings Pvt Ltd	51%	Anti-corrosion & concrete weight coatings
Associate	Welspun Captive Power Generation Ltd	22.9%	Captive power generation
Associate	Clean Max Dhyuti Pvt Ltd	26%	Renewable energy (solar/wind)

Strengths

- **Global scale and leadership in Pipe Solutions:** Welspun Corp Ltd (WCL) is among the top two global manufacturers of large-diameter welded line pipes, underpinned by ~2.2 MTPA consolidated line-pipe capacity (India 1.26 MTPA, US 0.53 MTPA, and Saudi via associate 0.40 MTPA). This scale supports a diversified portfolio serving Oil & Gas, Water Infrastructure, and New Energy (incl. hydrogen/CCUS), and is complemented by integrated positions in Ductile Iron (DI) pipes, Stainless Steel bars & seamless pipes, TMT rebars, and B2C building materials (Sintex tanks and plastic pipes).

- **United States: Profitability anchor with multi-year order cover:** The Little Rock, Arkansas facility remains the Group's profitability anchor, with its HFIW mill being upgraded to 350 KTPA by Mar-2026 and a greenfield 300 KTPA LSAW mill scheduled for Dec-2026 commissioning. Management highlighted in the Q2FY26 concall that the order book is secured through FY28, driven by Permian Basin gas pipelines, LNG export terminals, and a new wave of data-centre-linked midstream infrastructure. US operations continue to deliver EBITDA/tonne higher than the consolidated average, underpinning earnings stability during India and KSA capacity ramp-ups.

- **Saudi Arabia: long-cycle growth platform under Vision 2030:** WCL's dual presence through its 26.5% stake in East Pipes Integrated Company (EPIC) and its own wholly owned LSAW (350 KTPA) and DI (250 KTPA) projects (capex ~US$200 mn; commissioning FY27) provides structural exposure to Aramco's Master Gas System, SWCC's desalination expansion, and Vision 2030 infrastructure. These assets localise supply, reduce import dependence, and will form the company's third EBITDA leg alongside India and the US.

- **India: integrated manufacturing backbone and multi-decade demand visibility:** The Anjar complex (LSAW, HSAW, DI 400→600 KTPA expansion, TMT rebars) and Jhagadia (stainless steel melt-to-tube) anchor Indian operations, complemented by Sintex's seven-plant national footprint and Weetek Raipur (19 KTPA) for CPVC/UPVC/SWR pipes. Policy programmes—Jal Jeevan Mission, AMRUT 2.0, river-linking—and the One Nation One Gas Grid provide durable volume visibility across DI and line pipes, with optionality from hydrogen-grade ERW (API X65) already demonstrated in India.

- **Comprehensive portfolio across B2B and B2C:** A full solutions suite—LSAW/HSAW/ERW line pipes; DI pipes; stainless steel bars & seamless tubes (mission-critical grades); TMT rebars; and Sintex tanks & plastic pipes—balances project-driven B2B exposure with consumer-led B2C growth. This construct reduces cyclicality and enables mix optimisation as cycles rotate across geographies and end-markets.

- **Strong order book:** A record Rs. 23,500 crore consolidated backlog as of Q2FY26, which includes the latest US award, and comprises ~1.22 MMT of line pipes evenly split between India and the US (~0.6 MMT each); this excludes Saudi/EPIC orders, where visibility is >2 years at the associate level.

- **Agility and speed in capital deployment and M&A:** The Weetek acquisition enabled a fast-track entry into plastic pipes; DI India is being scaled 400→600 KTPA; KSA LSAW/DI greenfields and US LSAW/HFIW upgrades are on firm timelines. This organisational clock-speed—executing brownfield debottlenecking while standing up greenfields across continents—enhances market responsiveness and share capture.

- **Technological depth and approvals moat:** Proven capability in deep-water, sour-service and hydrogen-ready pipelines is being reinforced by a dedicated hydrogen fracture-testing lab at Anjar. In stainless steel, WSSL's integrated melt-to-tube platform (steelmaking 150 KTPA, seamless ~18 KTPA) and special grades (e.g., Super-13Cr, Alloy 625, Super-304H) with PSU/aerospace approvals create high entry barriers and support value-added growth.
- **Brand and distribution advantage in B2C (Sintex):** Sintex delivers household-level brand recall in water storage, with national distribution and engagement programmes (Sintex Hamesha, Sintex Pride) that accelerate secondary sales and pull-through for the plastic pipes roll-out. This consumer-facing pillar diversifies earnings and enhances cross-sell into integrated water solutions.
- **ESG commitment aligned to next-generation infrastructure:** A roadmap towards carbon and water neutrality by 2040, rising renewable-power usage (WSSL at 31%, with plans to scale materially), and product innovation (e.g., antimicrobial CPVC, hydrogen-ready pipelines) positions WCL favourably with global oil majors, EPCs, and financiers whose procurement increasingly embeds ESG screens.

Opportunities

- **US energy infrastructure up-cycle with multi-year visibility:** WCL's Little Rock complex remains an integral growth engine, with HFIW 175 KTPA and HSAW 350 KTPA lines booked for nearly two years. Management reiterated that the US order book provides >2 years' visibility, driven by Permian Basin gathering lines, LNG export expansions (Port Arthur, Plaquemines), and the emerging data-centre-linked power pipeline grid. The HFIW capability upgrade (March 2026) and greenfield 300 KTPA LSAW mill (commissioning December 2026) will materially expand the onshore product envelope, local content eligibility (Buy America), and participation in hydrogen/CCUS corridors. The management also cautioned that while the US business is in a structural up-cycle, order flows remain "lumpy," alternating between mega projects and cooldown phases, reinforcing their 2-year rolling-book view.

- **Data-centre and digital-infrastructure pipeline opportunity:** A structural theme emerging from the US energy infrastructure up-cycle is the surge in power-pipeline and transmission demand linked to hyperscale data-centre expansion. Management highlighted that over 250 data-centres are currently under development across the US, requiring dedicated gas pipelines to support backup and distributed-generation systems. WCL's Little Rock facility is strategically positioned to supply high-spec, large-diameter line pipes for these projects, which are typically high-margin, long-duration contracts. The company has already secured initial enquiries from EPCs and midstream developers serving major AI and cloud providers, signalling a new multi-year demand corridor complementary to traditional oil, gas, and LNG infrastructure.

- **KSA capacity addition to capture Vision-2030 pipelines and import substitution:** In Saudi Arabia, EPIC continues to deliver steady growth and profitability with a robust order book from Aramco and SWCC, while WCL's wholly owned 350 KTPA LSAW and 250 KTPA DI projects in Dammam remain on track for commissioning by March–April 2026. Management described KSA as the next major growth vector—driven by Aramco's Master Gas Phase-3, unconventional gas investments, and Vision-2030's water-transmission corridors. The combination of EPIC's HSAW and WCL's upcoming LSAW/DI capacities establishes a full-suite offering across product and pressure segments, enabling import substitution and margin accretion in a region investing ~US$10 billion annually in pipeline infrastructure.

- **India: dual engines—gas transmission build-out and water-sector capex:** India's policy thrust on energy transition continues to drive robust demand. The One Nation One Gas Grid will expand to ~33,000 km by FY27, supporting a projected 60 % rise in gas consumption to 103 bcm by 2030. Management confirmed that line-pipe visibility exceeds 0.6 MMT for India alone (of a 1.2 MMT consolidated backlog evenly split with the US). Water-sector spending under Jal Jeevan Mission and AMRUT 2.0 remains resilient, aided by fund release and state project execution. The DI segment's 353 KMT order book (Rs. 2,661 crore) and new 600 KTPA capacity underpin visibility into FY27, with industry growth projected at 13–15 % CAGR (FY25–30).

- **Hydrogen & CCUS readiness as a differentiated wedge:** The hydrogen fracture-testing laboratory at Anjar—one of the first of its kind in Asia—is nearing completion and will qualify WCL's products for hydrogen and sour-gas pipeline service. Management highlighted growing engagement with European and Australian EPCs on pilot hydrogen corridors and CCUS trunklines, where such qualification is a pre-requisite. This positions WCL to capture early-stage energy-transition infrastructure globally.

- **Stainless steel bars, pipes & tubes – mission-critical adjacencies:** At WSSL, sales of stainless steel pipes reached an all-time high in Q2FY26, supported by 20 new customer additions and traction across energy, defence, space, power, and petrochemicals. Management confirmed that the Bright Bar project at Jhagadia will commission in Q3FY26, targeting precision and automotive-grade applications. WSSL's fully integrated melt-to-tube platform remains a unique differentiator, serving nuclear and PSU projects while preparing for export expansion to South Africa and the Middle East.

- **Sintex scale-up: integrated water-management portfolio and entry into plastic pipes:** The Bhopal OPVC facility is now fully operational with approvals and first orders, and the Raipur plastic-pipe business has launched in Chhattisgarh and Punjab, receiving strong customer feedback. Management aims to cover a wide spectrum of the Indian market by March 2026, leveraging Sintex's 28,000-retailer and 70,000-plumber network. The "Sintex Advantage NXT" initiative and antimicrobial product suite reinforce premium positioning in B2C, while OPVC and CPVC rollouts open up B2B plumbing and irrigation channels. Leveraging Sintex's brand and channel, WCL targets ~5% share in plastic pipes over time. The acquisition of Weetek (19 KTPA) accelerates capacity and market entry, while a calibrated ~Rs. 1,300 Cr three-year capex builds a national footprint. This broadens WCL's water value-chain exposure across line pipes, DI, tanks and plastic pipes, improving growth optics and mix resilience.

- **Order-book depth and export mix as margin levers:** The consolidated Rs. 23,500 crore backlog (the highest in over a decade) provides >24 months' visibility, with export-heavy LSAW orders sustaining above-cycle EBITDA/tonne. Management reaffirmed margin tailwinds from the global mix (US, MENA) and higher value-added product contribution in stainless and hydrogen-ready segments.

- **Global diversification dampens single-market risk while enabling optionality:** The simultaneous scaling of US, India, and KSA platforms, complemented by rising exports to Australia, Europe, MENA, and Latin America, provides structural diversification. This global footprint smoothens demand cycles and ensures blended utilisation resilience, a key differentiator for WCL in the next growth phase.

Risks & Concerns

- **Raw Material and Input Cost Volatility:** WCL's profitability remains sensitive to fluctuations in steel and other raw material prices, as well as freight costs. With ~2.2 MTPA of installed pipe capacity across geographies, any volatility in hot-rolled coil, steel plate, or nickel alloys (for stainless steel) directly affects EBITDA/tonne.
- **Execution and Ramp-Up Risks in Greenfield Projects:** With a consolidated capex programme of Rs. 5,482 crore (US LSAW 300 KTPA, KSA LSAW 350 KTPA, KSA DI 250 KTPA, DI India 400→600 KTPA, HFIW/Bend facility at Anjar, coatings at Bhopal), the Company faces execution and approval-cycle risks. Management reiterated that new facilities (especially US HFIW and LSAW) will contribute meaningfully only from FY27–FY28, as qualification and customer-approval timelines typically extend 9–12 months. Delays in commissioning, cost overruns, or longer stabilisation periods could defer revenue recognition and depress near-term ROCE.
- **Working Capital Intensity and Receivables Risk:** India's water and gas projects, dominated by PSUs and EPC contractors, are characterised by elongated receivable cycles averaging 120–150 days. In DI pipes, where FY25 utilisation was 68%, realisations fell to Rs. 10,000–12,000/tonne from Rs. 15,000/tonne in FY24 as liquidity at the contractor level tightened. This raises near-term stress on cash conversion and may require incremental working capital lines.
- **Demand and Execution Risk in Building Materials:** The Sintex–Weetek integration remains margin-dilutive in the near term, with FY26 guided as an investment year due to channel incentives, marketing spend, and slower-than-expected brand recapture. The B2C model's dependence on channel productivity poses execution risk, while any delay in OPVC and CPVC approvals or slower B2B traction could affect the FY27 scale-up trajectory.
- **Qualification, Approval and Ramp-Up Risk (Stainless & Hydrogen):** The stainless segment (WSSL) operates in mission-critical sectors such as defence, nuclear, and aerospace, where product qualification takes 9–18 months. Management reaffirmed that IBR and bright-bar accreditations are progressing but remain timeline-dependent. Similarly, for hydrogen pipelines, while API X65-grade qualification is complete in India, international hydrogen and CCUS approvals could take multiple quarters, delaying monetisation of this capability.
- **Geopolitical and Trade Policy Exposure:** The Company's global footprint subjects it to multiple trade and regulatory risks. In the US, dependence on imported plates makes operations vulnerable to Section 232 tariffs (25%), which could erode cost competitiveness. In Saudi Arabia, operations are concentrated towards state entities like Aramco and SWCC, exposing the Company to single-client concentration risk. Broader geopolitical instability in the Middle East could disrupt demand or project timelines.
- **Competitive Pressures:** In India, DI pipes face rising competition from established players such as Electrosteel and Jindal Saw, while plastic pipes remain fragmented with strong incumbents (Astral, Supreme). In stainless steel, WSSL faces domestic and international competition from integrated global players. Competitive bidding pressures could cap pricing power, especially in commoditised DI and plastic pipes segments.
- **Macroeconomic and Demand Risks:** Any slowdown in global oil & gas capex, LNG expansions, or Vision 2030 spending could defer project flows. In India, delayed Jal Jeevan Mission fund releases or state-level fiscal pressures may affect DI demand. Management also cited that data-centre pipeline demand, while promising, remains project-tied and could experience intermittent ordering patterns.

Way Forward

- **Strategic Investment Roadmap (Rs. 5,482 crore multi-geography capex):**
  - Welspun Corp Ltd (WCL) remains on track with its Rs. 5,482 crore strategic capex programme spanning India, the US, and Saudi Arabia, all of which are progressing on schedule.
  - Pipes: commissioning of the US HFIW enhancement (175 → 350 KTPA) by Mar-2026 and the US LSAW greenfield 300 KTPA by Dec-2026, alongside the KSA LSAW 350 KTPA and Anjar hybrid HSAW + LSAW bend facility (1,500–2,000 bends p.a.).
  - DI Pipes: KSA's 250 KTPA greenfield DI plant (commissioning Q1 FY27).
  - Stainless Steel: debottlenecking and bright-bar project at Jhagadia (commissioning Q3 FY26) to lift margins 200–300 bps.
  - Building Materials: full operationalisation of the Bhopal OPVC and Raipur plastic-pipe units; 80% national market coverage targeted by Mar-2026, supported by ~28 k retailers and 70 k plumbers.

- **Business Segment Trajectory**
  - Line Pipes: Management reported a record consolidated order book (~Rs. 23,500 crore; ~1.2 MMT), ensuring >24-month execution visibility. The US business has secured ~US$715 million (~Rs. 6,000 crore) of new orders, including one from a large data-centre infrastructure project—a first of its kind for WCL. The outlook remains robust across LNG export, data-centre, and hydrogen-corridor pipelines, with utilisation expected to remain near full through FY27.
  - DI Pipes: Despite near-term realisation pressure, management guided that state and central fund releases under AMRUT 2.0 and Jal Jeevan Mission will normalise cash flows within a quarter. Export channels have been initiated to offset domestic funding bottlenecks, and the upcoming KSA DI facility (Q1 FY27) is expected to capture regional import-substitution demand.
  - Stainless Steel (WSSL): WSSL continues its trajectory of high-margin, niche-alloy growth, with FY26 topline guided to rise 25–30 % YoY and EBITDA stabilising at Rs. 20,000–25,000/t depending on mix. The Bright-Bar line will meaningfully contribute from Q3 FY26, deepening exposure to defence, energy, and automotive clients and raising export potential across Europe and MENA.
  - Building Materials (Sintex + Weetek): Sintex has entered the B2B OPVC and CPVC segment with initial orders and statutory approvals. Management maintained that FY26 will be investment-heavy with muted margins owing to branding costs, but expects a sharp scale-up from FY27, targeting 5 % share in India's Rs. 55,000 crore plastic-pipes market.
  - TMT Rebars: No new capacity is planned; focus remains on utilisation improvement from towards 70% by FY27. The Welspun Shield brand will leverage infrastructure and housing momentum under PM Gati Shakti and PMAY.

- **Geographic Focus**
  - India: Core growth to be driven by gas-grid build-out, water-infra programmes, and energy-transition projects. The company remains on course with the Tata Steel MoU for hydrogen pipelines and continues qualifying API X65 hydrogen-grade ERW.
  - United States: The Little Rock operations are a backed by a multi-year order cover from LNG export terminals, Permian Basin pipelines, and data-centre corridors. Capex totalling ~US$1.1 billion in the region will double throughput by FY27 while maintaining 200–250 $/t EBITDA spreads.
  - Kingdom of Saudi Arabia: The KSA greenfields (LSAW 350 KTPA, DI 250 KTPA) are progressing on schedule for Apr-2026 start-up, with first full-year contribution in FY28. Ongoing anti-dumping investigations against DI imports will structurally favour WCL's local entity and accelerate its ramp-up.

- **Financial Discipline & Capital Allocation**
  - Management reaffirmed that despite Rs. 950 crore capex spend in H1FY26, WCL retains a strong balance sheet, 24% ROCE, and 41% YoY reduction in finance cost, with a long-term A+ credit rating (stable outlook). Strong free-cash generation from existing businesses is expected to fully fund the remaining capex without incremental leverage.

History & Key Milestones

1995 – Foundation Incorporated as a focused steel pipe manufacturer in Gujarat, laying the foundation for future large-scale operations.	**1998 – First HSAW Mill, Dahej** Commissioned first Helically Submerged Arc Welded (HSAW) mill in Dahej, Gujarat, initiating the large-diameter pipe journey.	**2000 – First LSAW Mill, Dahej** Expanded with a Longitudinal Submerged Arc Welded (LSAW) mill at Dahej, broadening technology capability and customer reach.	**2008 – Anjar HSAW Facility** Operationalised an HSAW mill at Anjar, Gujarat—today the Company's flagship integrated manufacturing complex.
2009 – Global Expansion: USA Marked international entry with an HSAW mill in Little Rock, Arkansas (US), targeting oil & gas pipelines.	**2010 – Middle East Entry** Established HSAW facility at Mandya, Karnataka and acquired a stake in Dammam (KSA) mill, signalling Middle East foray.	**2011 – Anjar LSAW Commissioning** Commissioned the LSAW mill in Anjar, consolidating India as the core hub for line-pipe production.	**2013 – HFIW Facility, USA** Enhanced US footprint with a High-Frequency Induction Welded (HFIW) mill, catering to shale and LNG pipeline demand.
2019 – Bhopal Expansion Commissioned a new HSAW mill in Bhopal, Madhya Pradesh, adding central-India presence and coating/bend capabilities.	**2021–23 – Diversification Beyond Steel** • 2021: Entered stainless steel seamless pipes & bars and TMT rebars. • 2022: Commissioned DI pipe facility at Anjar (400 KTPA). • 2023: Acquired Sintex brand, entering polymers and building-materials adjacencies.	**2024–27 – Capacity Expansions (In Progress)** • India: DI expansion 400 → 600 KTPA, hybrid HSAW+LSAW upgrades, enhanced coating & bends capacity. • USA: Upgrading HFIW, building 300 KTPA LSAW greenfield. • KSA: New 350 KTPA LSAW and 250 KTPA DI facilities.	**Future Outlook** Strategic vision to integrate verticals, expand capacities, and build globally competitive, future-ready businesses spanning pipes, stainless, rebars, and polymers, aligned to global energy transition and infrastructure megatrends.

Sources: CSEC Research, Company Filings, NSE, BSE

Management Structure

Mr. Balkrishan Goenka – Chairman

Mr. Balkrishan Goenka is the prime architect of Welspun World and one of India's foremost corporate leaders. Beginning his entrepreneurial journey at the age of 19, he has steered the Group over the last 27 years into a US$5 billion global conglomerate with operations across more than 50 countries and over 30,000 employees. Under his leadership, Welspun has expanded from line pipes into home textiles, steel, infrastructure, oil & gas, retail, flooring, warehousing, and new energy. He has driven strategic acquisitions such as Christy (UK) and Sintex (India), underscoring the Group's B2C ambitions. Recognised for his leadership, he served as President of ASSOCHAM (2019), received the ABLF Award (2019), was honoured by the Prime Minister of India in 2009 for Welspun Corp being named Emerging Company of the Year, and was twice nominated Entrepreneur of the Year.

Mr. Vipul Mathur – MD & CEO

Mr. Vipul Mathur, aged 55, is a Science graduate and MBA (Marketing), with more than three decades of experience in steel pipes and heavy engineering. Associated with Welspun since 2001, he has played a central role in building WCL's global presence across India, the Middle East, and the US. He brings expertise in marketing, product development, procurement, HR, and commercial functions, and is a well-regarded figure in the global pipe industry. His leadership has contributed significantly to Welspun's strong order book and diversification into DI pipes, stainless steel, and building materials. He was conferred Hall of Fame Steel CEO of the Year (2018) by SUFI.

Mr. Rajesh R. Mandawewala – Director

A qualified Chartered Accountant and co-promoter of Welspun, Mr. Rajesh Mandawewala has been integral to the Group's expansion into home textiles and line pipes, and in building its global leadership position. With over 35 years of experience spanning textiles, steel, infrastructure, and finance, he has been instrumental in embedding sustainability, governance, and risk management across operations. He has represented the Group in industry forums including CII, FICCI, IMC, TEXPROCIL, and FIEO, and is known for his emphasis on innovation, R&D, and long-term value creation.

Management **Structure**

Mr. Percy Birdy – CFO

Mr. Percy Birdy is a Chartered Accountant and member of ICAI and ICWAI, with over 25 years of experience in corporate finance, taxation, budgeting, and banking. He has held senior leadership roles at Allana Group, Glenmark Pharmaceuticals (Executive VP – Finance), and Essel Propack (Global Finance Controller) before joining Welspun Corp. A graduate of Sydenham College, he is credited with strengthening financial controls, enhancing capital efficiency, and steering WCL's ongoing deleveraging programme.

Mr. Godfrey John – CEO (Pipes Business)

With more than 33 years of industry experience, including 21 years at Welspun Corp, Mr. Godfrey John is a specialist in pipe solutions across oil & gas, water, ports, terminals, and structural applications. He has been instrumental in expanding the Company's technical and project execution capabilities across critical infrastructure sectors.

Mr. Nitin Agarwal – CEO (Steel Business)

Mr. Agarwal was appointed CEO – Steel Business in May 2024, after nearly two decades with the Welspun Group. With expertise in supply chain management, business development, and global marketing, he has played a pivotal role in commissioning the Little Rock, Arkansas plant, which now operates with over 500,000 MTPA capacity across Spiral and HFIW pipes. He previously headed global supply chain and marketing, and his leadership spans logistics, shipping, and procurement. Mr. Agarwal holds a Master's degree in Business Economics, a Bachelor's degree in Commerce, and has completed executive programmes at IIM-Bangalore and ISB.

Management Structure

Mr. Sarados Milios – CEO (Welspun Inc)

Mr. Milios brings over 30 years of international leadership experience across steel, energy, and industrial sectors. He holds an MBA from IMD, Switzerland, an M.Sc. in Control Systems from Imperial College London, and an M.Eng. in Electrical Engineering from Aristotle University of Thessaloniki. A Chartered Engineer (UK) and European Engineer (FEANI), he has held senior roles at United States Steel, VIOHALCO, and Corinth Pipeworks, and founded Aspis Steel Company. His prior consulting experience with McKinsey & Co. and A.T. Kearney has equipped him with strong expertise in business transformation, procurement, and strategy execution.

Mr. Anuj Burakia – CEO & Whole-time Director, WSSL

Mr. Burakia, aged 43, is a Chartered Accountant with two decades of experience in the steel industry. Associated with Welspun since 2002, he has managed diverse roles across strategy, manufacturing, supply chain, and marketing. Since 2008, he has led the Group's steel businesses, and currently heads Welspun Specialty Solutions Ltd (WSSL) as CEO and Whole-time Director. He is known for his operational depth, financial discipline, and leadership in scaling stainless steel operations.

Historical Financials

Income Statement (Rs. Cr)	FY23	FY24	FY25
Revenue from operations	9,758	17,340	13,978
Other income	320	242	190
Total Income	**10,078**	**17,582**	**14,167**
Less: Expenses	9,274	15,778	12,309
EBITDA	**485**	**1,561**	**1,668**
EBITDA Margin	*5.0%*	*9.0%*	*11.9%*
Less: D&A	303	348	351
EBIT	182	1,214	1,317
Less: Finance Cost	243	304	320
Profit Before Exceptional Items, Share of JV/Assoc and Tax	**258**	**1,152**	**1,187**
Exceptional items	-	-	466
Share of profit / (loss) of joint venture and associates (net)	75	157	231
Profit on sale of shares of associates	-	105	378
Profit Before Tax	**334**	**1,413**	**2,262**
Less: Tax Expense	134	277	360
Tax Rate	*40%*	*20%*	*16%*
Reported PAT	**199**	**1,136**	**1,902**
Earnings Per Share (EPS)	7.89	42.32	72.44

Balance Sheet (Rs. Cr)	FY23	FY24	FY25
EQUITY & LIABILITIES			
Equity share capital	130.8	130.8	131.2
Share application money pending allotment	-	-	8.7
Equity component of 12% Non-cumulative redeemable preference shares	-	18.9	18.9
Reserves	4,601.3	5,466.6	7,303.9
Non Controlling Interest	112.1	118.2	266.0
Non Current Liabilities	2,330.0	2,138.9	1,186.1
Current Liabilities	8,165.2	3,976.8	6,322.1
TOTAL EQUITY & LIABILITUES	**15,339**	**11,850**	**15,237**
ASSETS			
Fixed Assets	4,910	4,800	4,707
Capital Work – in – progress	87	87	787
Cash & Cash Equivalents	1,202	1,072	1,255
Other Assets	9,140	5,892	8,488
TOTAL ASSETS	**15,339**	**11,850**	**15,237**

Sources: CSEC Research, Company Filings, NSE, BSE

Geographical Split

Revenue from Operations (Rs. Cr)	FY23	%	FY24	%	FY25	%
Outside India	4,454.4	46%	8,775.3	51%	4,637.9	33%
Within India	5,303.7	54%	8,564.4	49%	9,339.7	67%
Revenue from Operations	9,758.1	100%	17,339.6	100%	13,977.5	100%

Product Split

Revenue from Operations (Rs. Cr)	FY23	%	FY24	%	FY25	%
Steel products	9,747.9	100%	16,684.3	96%	13,346.8	95%
Others (including plastic products)	10.2	0%	655.3	4%	630.8	5%
Revenue from Operations	9,758.1	100%	17,339.6	100%	13,977.6	100%

Common Size Income St.	FY23	FY24	FY25
Revenue from operations	96.8%	98.6%	98.7%
Other income	3.2%	1.4%	1.3%
Total Income	**100.0%**	**100.0%**	**100.0%**
Less: Expenses	**92.0%**	**89.7%**	**86.9%**
EBITDA	**4.8%**	**8.9%**	**11.8%**
Less: D&A	3.0%	2.0%	2.5%
EBIT	**1.8%**	**6.9%**	**9.3%**
Less: Finance Cost	2.4%	1.7%	2.3%
Profit before exceptional items, share of JV/assoc. and tax	**2.6%**	**6.6%**	**8.4%**
Exceptional items	0.0%	0.0%	3.3%
Share of profit / (loss) of joint venture and associates (net)	0.7%	0.9%	1.6%
Profit on sale of shares of associates	0.0%	0.6%	2.7%
Profit before tax	**3.3%**	**8.0%**	**16.0%**
Total Income tax expenses	1.3%	1.6%	2.5%
Profit after tax	**2.0%**	**6.5%**	**13.4%**

Common Size Balance Sheet	FY23	FY24	FY25
EQUITY AND LIABILITIES			
Equity share capital	0.9%	1.1%	0.9%
Share application money pending allotment	0.0%	0.0%	0.1%
Equity component of 12% Non-cumulative redeemable preference shares	0.0%	0.2%	0.1%
Reserves	30.0%	46.1%	47.9%
Non Controlling Interest	0.7%	1.0%	1.7%
Non Current Liabilities	15.2%	18.0%	7.8%
Current Liabilities	53.2%	33.6%	41.5%
TOTAL EQUITY AND LIABILITIES	**100.0%**	**100.0%**	**100.0%**
ASSETS			
Fixed Assets	32.0%	40.5%	30.9%
CWIP	0.6%	0.7%	5.2%
Cash and Cash equivalents	7.8%	9.0%	8.2%
Other Assets	59.6%	49.7%	55.7%
Total	**100.0%**	**100.0%**	**100.0%**

Product Volumes (MT)

Particulars	FY23	FY24	FY25
Pipe Solutions			
Large Diameter Line Pipes	6,58,988	9,79,865	8,51,389
Ductile Iron Pipes	34,383	2,05,833	2,72,245
Stainless Steel Bars	6,869	15,903	18,860
Stainless Steel Pipes	4,059	4,785	4,807
Building Materials			
Water Storage Tanks, Interiors and Plastic Pipes			
TMT Rebars	17,717	1,21,757	2,10,665

Orderbook Volumes (MT)

Particulars	FY24	FY25
Pipe Solutions		
Large Diameter Line Pipes	528	1,093
Ductile Iron Pipes	328	353
Stainless Steel Bars and Pipes	5,590	9,025
Total Orderbook Value (Rs. Cr)	9,056	19,553

Peer Comparison

Companies	Mcap (Rs. Cr)	EPS (FY25)	PE Ratio (ttm)	ROE% FY25	ROCE% FY25	Rev from Ops (FY25 Rs. Cr)	EBITDA (FY 25 Rs. Cr)	EBITDA Margin % (FY25)	PAT (FY25 Rs. Cr)
Welspun Corp Ltd	24,088	72.73	13.6	18.6%	21.2%	13,978	1,684	12%	1,902
APL Apollo Tubes Ltd	49,875	27.28	47.7	19.0%	22.4%	20,690	1,199	6%	757
Ratnamani Metals & Tubes Ltd	17,251	77.61	28.5	16.0%	21.5%	5,186	824	16%	542

Companies	Production Capacity (Annual)
Welspun Corp Ltd	Global Line pipe capacity: 2.155 MMTPA | Ductile Iron (DI) Pipes: 600,000 MTPA | TMT Rebars: 350,000 MTPA | SS Bars: 150 KMTPA and SS Pipes & Tubes: 18 KMTPA
APL Apollo Tubes Ltd	Total capacity: 4.5 MTPA (11 manufacturing plants spread across India + 1 Dubai plant with a capacity exceeding 0.4 million MTPA)
Ratnamani Metals & Tubes Ltd	Stainless Steel Tubes and Pipes (SSTP): 61,500 TPA | Carbon Steel Pipes: 510,000 TPA | Carbon Steel High-Frequency Electric Resistance Welded (HF-ERW) Pipes: 100,000 MT per year

Sources: CSEC Research, Company Filings, NSE, BSE | Mcap and PERE taken as on 12-Nov closing

1. **APL Apollo Tubes Ltd:** APL Apollo Tubes is a major Indian manufacturer of steel tubes and pipes with a production capacity of around 575,000 metric tons annually, including both carbon steel and stainless steel pipes. The company operates multiple manufacturing facilities across India producing a wide range of round, square, and rectangular hollow sections used extensively in infrastructure, construction, and industrial applications. Known for its technological innovation and quality standards, APL Apollo Tubes serves domestic and export markets, positioning itself as a key player in the steel pipes segment with strong growth prospects.screener+1

2. **Ratnamani Metals & Tubes Ltd:** Established in 1983, Ratnamani Metals & Tubes Ltd. is a leading Indian manufacturer specializing in stainless steel seamless and welded tubes and pipes, as well as carbon steel welded pipes. With manufacturing facilities located in Gujarat at Chhatral, Indrad, and Bhimasar (near Gandhidham), the company caters to diverse sectors including refineries, petrochemicals, oil and gas, power generation, fertilizers, aerospace, and chemicals. Ratnamani is recognized for its commitment to quality and flexibility in production, supporting both standard and customized piping solutions. Approximately 40% of its production serves international markets, reflecting its status as a true global player. The company emphasizes continuous innovation, technical excellence, and dedicated manpower to drive performance and customer satisfaction.ratnamani+2

Industry Overview

Global Market Overview

- **Global Water Sector:** The global water sector is under mounting pressure from rising consumption, climate change, and inadequate infrastructure. Global water use is increasing at twice the rate of population growth, with agriculture alone consuming nearly 70% of freshwater withdrawals. Around 50% of the world's population experiences water scarcity at some point in the year, and 25% face extreme water stress, which directly impacts health, economic development, and political stability. Wastewater treatment remains inadequate: only 57.8% of domestic wastewater was safely treated in CY2022, with levels below 30% in Sub-Saharan Africa and Asia, leading to severe water pollution and ecosystem degradation. The annual investment gap in water infrastructure stands at US$140 billion, reflecting ageing networks in developed markets and underfunding in emerging economies. As a result, the global water treatment market is projected to expand at a 7.1% CAGR, reaching US$489.1 billion by CY2029, supported by stricter regulations, urbanisation, and industrial demand. Smart water management using IoT, AI-driven predictive analytics, and real-time monitoring is gaining traction, offering solutions for efficiency and leakage control.
- **Global Energy Scenario (2024):** Global primary energy consumption rose 2% in CY2023, despite economic uncertainty and conflicts. Fossil fuels continue to dominate, accounting for ~80% of consumption: oil (30%), coal (28%), and natural gas (23%). Energy growth is concentrated in non-OECD countries, with India and China leading demand, while OECD consumption is projected to decline over the next two decades.
- **Geopolitical and Economic Drivers:** Energy markets remain shaped by geopolitical risk. The Israel–Hamas conflict and attacks on shipping in the Strait of Hormuz have raised security concerns. OPEC+ supply cuts and non-OPEC output growth have kept oil near US$80/bbl. Global gas prices, which spiked in 2022, fell by 60% but remain volatile. Policy and investment increasingly focus on security, efficiency, and sustainability.
- **Energy Demand Outlook:** With the global population reaching 8.05 billion in CY2023, energy demand is projected to rise from 290.9 mboe/d in 2023 to 359.2 mboe/d in 2045. Non-OECD countries will drive nearly all incremental demand, with India contributing 28% of the growth. Africa (+2.3%) and the Middle East (+1.7%) recorded the fastest population growth rates in 2023, while Europe declined (-0.4%). Oil demand returned to pre-pandemic levels in 2023, underpinned by industrial and transport activity in emerging markets, while coal remains entrenched in China and India despite phase-out efforts elsewhere.
- **Global Oil Market Outlook (2024–25):** Global oil demand is projected to increase by 1.1 mb/d in CY2025 to reach 103.9 mb/d, led by petrochemicals (75% of incremental demand) and aviation (+377 kb/d). India is expected to add ~200 kb/d, while China's demand growth slows due to weaker industrial activity and EV penetration. Supply is set to grow by 1.9 mb/d in CY2025 to 104.8 mb/d, mainly from non-OPEC+ producers such as the US, Brazil, Canada, Guyana, and Argentina. Brent crude prices are expected to average US$73–80/bbl in CY2025, though volatility remains likely due to geopolitical risks, OPEC+ decisions, and macroeconomic conditions.
- **Natural Gas:** Global gas demand rebounded strongly in CY2024, expanding by ~2.5% YoY (~100 bcm) to reach an all-time high of 4,200 bcm, with Asia-Pacific driving 45% of incremental consumption. Industrial use and power generation are key growth drivers, especially in China and India. Europe's industrial gas demand, while still below pre-crisis levels, has begun to recover. In CY2025, global gas demand is expected to rise another 2.3% (~100 bcm), with Asia again accounting for more than half the growth.

- **Liquefied Natural Gas (LNG):** The LNG market grew modestly in CY2024 at +2% YoY (10 bcm), constrained by project delays and feedstock shortages. In CY2025, LNG supply is forecast to expand by ~6% (30 bcm), with North America contributing 85% of the growth, led by the US (+16 bcm). Longer-term fundamentals remain robust, with over 270 bcm/year of liquefaction capacity under construction or FID, expected to be operational by 2030. Europe's reliance on LNG may increase as Russia's gas transit contract with Ukraine (15 bcm) nears expiry.
- **Hydrogen Pipelines:** Hydrogen infrastructure is rapidly emerging as a pillar of the energy transition. As of CY2024, ~5,000 km of hydrogen pipelines were operational, primarily in the US and Europe. Announced projects could extend the network to 40,000 km by 2035, with Europe targeting a 31,000 km backbone by 2030. Germany plans 700 km of dedicated hydrogen pipelines, while China and Spain are also advancing deployment. Challenges include regulatory gaps, financing constraints, and technical risks such as hydrogen embrittlement. Non-metallic composite pipelines are being tested to improve resilience. Offshore hydrogen transport projects in the North Sea and Mediterranean are under feasibility studies.

India Market Overview

- **Macroeconomic & Policy Backdrop (FY2024–25):** India's FY2024–25 landscape was marked by resilient growth, macro-financial stability, and infrastructure-led development. The RBI estimates GDP growth at 6.5% for FY25 (and further projected for 6.8% growth in FY26), supported by resilient private consumption, steady government expenditure, and healthy rural demand. The Union Budget FY2025–26 provided a capital expenditure outlay of Rs. 11.21 lakh crore, reinforcing the thrust on connectivity and urban infrastructure. Flagship programmes—Gati Shakti Master Plan, Smart Cities Mission, and expansion of highways, metro networks, and freight corridors—are accelerating urbanisation and improving logistics efficiency, stimulating demand for construction materials and engineering solutions while fostering broader economic activity, job creation, and regional development. Macro-financial indicators remained stable: CAD ~1.1% of GDP aided by strong services exports and remittances; the rupee remained in the Rs. 82–84/US$ range, supporting trade flows and limiting currency volatility. India's manufacturing base—~12% of GDP—is expanding across Electronics, Automotive, Engineering, under Make in India and Atmanirbhar Bharat; Tamil Nadu, Maharashtra, Gujarat are key hubs, benefitting from the "China+1" shift. Backed by US$165 billion FDI (decade) and export ambitions, India is consolidating its position in global supply chains. Policy focus on water management, urban redevelopment, renewable energy, crude pipeline infrastructure, city gas distribution, hydrogen blending, and RE projects is broadening demand for high-spec materials and technologies. Trade agreements and export-oriented policies are opening new markets for specialised products. Overall, the FY2024–25 backdrop remains supportive for Infrastructure, Manufacturing, and Trade, with the interplay of infra expansion, industrial momentum, macro-stability, and credit growth expected to drive opportunities across transportation, water, energy, and urban development.
- **India Oil Market:** India remains the fastest-growing oil consumer globally: oil demand rose +200 kb/d (+3.6%) in 2024, driven by industrial activity, transport fuels, and household LPG. After a monsoon-related Q3 slowdown, demand rebounded +290 kb/d in Q4 2024. India is the world's #2 net crude importer and is diversifying supply: OPEC share fell to 49.8% in FY2023–24 (from 61.0% prior year). Russia was top supplier (33%), followed by KSA 19% and Iraq 17%. Downstream growth was supported by refinery upgrades and pipeline expansion, bolstering domestic demand and refined-product exports; diesel, jet fuel, petrochemicals led refinery growth. CY2025 oil demand +220 kb/d is expected, underpinned by transport, industry, and petrochemicals as India modernises refining and optimises crude sourcing.

- **India Natural Gas Market:** Gas consumption is projected to rise ~60% by 2030 to 103 bcm/year, driven by infrastructure build-out, domestic production recovery, and improved LNG market conditions. CGD leads growth (CNG network expansion; competitiveness vs liquid fuels). Heavy industry & manufacturing add ~15 bcm, and oil refining ~4 bcm. Domestic production met ~50% of demand in 2023 and is projected to reach just under 38 bcm by 2030 (+8%), implying LNG imports > double to 65 bcm/year by 2030. Since 2019, CNG stations have quadrupled; the transmission grid expanded ~40%; by 2030, CNG stations and residential connections nearly double again, with the transmission grid +50% Post-2028 expiry of legacy LNG contracts creates a supply gap and higher spot exposure; priorities include long-term LNG contracts, storage capacity, and terminal optimisation. Accelerated LNG for heavy-duty transport, higher utilisation of gas-fired power, and faster CGD build-out could push demand >120 bcm by 2030, reinforcing India's role in global gas consumption and energy security.
- **Gas Pipeline Infrastructure:** Under One Nation One Gas Grid, India plans to add 15,500 km (9,630 miles), taking the network to 33,000 km (20,505 miles) by 2027, supported by US$67 billion (Rs. 5.73 trillion) investment. Priority projects include 1,900-km Jagdishpur–Haldia Phase II and 1,834-km Mehsana–Bhatinda, enhancing connectivity to industrial and residential markets. An additional US$4.95 billion (Rs. 410 billion) is earmarked for the North-East, Kashmir, and Ladakh. By 2028, India is expected to account for 43% of Asia's pipeline expansion, improving domestic gas availability, supporting industry, and enabling cleaner energy substitution (targeting gas share 6%→15% in the energy mix).
- **India's Water Sector:** With 4% of global freshwater, India faces mounting demand from urbanisation, population growth, and industry. Groundwater is the primary source across agriculture, industry, and domestic needs; over-extraction and seasonal scarcity threaten long-term security. The Government committed Rs. 1.1 lakh crore towards water supply and infra to improve availability, conservation, and distribution. Jal Jeevan Mission (JJM) and AMRUT 2.0 target universal access, network strengthening, and sustainable management—driving demand for DI and HDPE pipelines for reliable, long-life transmission. River interlinking is a key accelerator: four projects are expected to generate Rs. 2.6 lakh crore of business, transferring surplus water to deficit basins to mitigate floods/droughts—significantly increasing demand for advanced pipeline solutions and construction materials. The Indian water market is US$14 billion, projected CAGR 6.1% to US$19.8 billion by 2030. The DI pipes segment is US$8 billion, projected CAGR 13–15% (2025–2030), underpinned by interlinking, irrigation, and municipal supply. Industrial users—Power, Pharma, Food Processing—are investing in corrosion-resistant, high-performance networks.
- **Key Budgetary Announcements (FY2025–26) — Water**
  - Department of Drinking Water & Sanitation: Rs. 74,226 crore (vs Rs. 29,916 crore RE prior year).
  - Jal Jeevan Mission (within a): Rs. 67,000 crore (vs Rs. 22,694 crore RE).
  - Dept. of Water Resources, River Development & Ganga Rejuvenation: Rs. 25,276.83 crore (vs Rs. 21,640.88 crore RE).
  - AMRUT 2.0: Rs. 2,99,000 crore outlay (2021–2026), incl. Rs. 76,760 crore Central share; outcomes targeted: 2.68 crore tap and 2.64 crore sewer connections.
  - River-Linking (National Perspective Plan)

Sources: CSEC Research, Company Filings, NSE, BSE

- **India Stainless Steel Market:** Stainless consumption grew at 4.36% CAGR over five years to 3.75 MT in FY2023–24 (from 3.03 MT in FY2018–19), with Covid-era setbacks in FY2019–20 and FY2020–21 followed by strong recovery. Policy support includes DMI&SP (import substitution), PLI for Specialty Steel, Make in India, PM Gati Shakti, and the Steel Scrap Recycling Policy—all aimed at expanding domestic capacity, improving scrap availability, and lowering import dependence. Demand drivers include Thermal Power & Energy, Defence, Space, O&G, Nuclear. Stainless seamless pipes & tubes: production grew 10.7% CAGR (2019–2023) to 0.12 MT; projected 7.2% CAGR (2023–2027) to 0.16 MT.
- **India Water Storage Market:** Market size Rs. 5,200 crore (FY2024); projected CAGR 9% to 2030. Demand is led by urbanisation, conservation, wastewater norms, and rainwater harvesting. The residential sector dominates (schemes: PMAY, Smart Cities), while industrial demand is rising with stricter compliance. Material innovation (e.g., high-density polymers) enhances durability/hygiene; smart storage (remote monitoring/automation) is reshaping adoption. The National Water Policy and modernised infra spending support sustained growth across urban and rural markets.
- **India Plastic Pipes Market:** Valued ~Rs. 55,000 crore (FY2023); projected Rs. 1,30,000 crore by FY2030 (CAGR 12%; EY). Growth drivers span water supply, sewage, irrigation, industrial systems under Smart Cities, Housing for All, JJM. Plastic pipes' resilience, low weight, and ease of installation favour adoption vs. traditional materials.
- FY2025 headwinds: muted end-market demand, rising input costs, project delays, subdued public spending, and PVC resin price volatility pressured margins. Nonetheless, structural tailwinds persist (housing cycle, capex revival). Regionally, South India leads (irrigation/infra), followed by North & West (industrialisation, urban expansion). Plastic pipes remain integral to long-term water, sanitation, and energy distribution agendas.
- **India PVC & OPVC Pipes:**
- PVC is mature yet expanding across Building/Infra/Industrial/Agriculture, driven by durability, cost-effectiveness, corrosion resistance, and easy installation. Government programmes (JJM, AMRUT, PMAY) are key demand engines. Industry consolidation continues—organised players gain share via branding/BTL, multi-location presence, strong distribution, and complete portfolios; awareness of BIS standards in residential real estate is rising. uPVC and cPVC demand is outpacing the market on affordability, quality, durability, and new applications.
- OPVC (oriented PVC) is a high-growth, tech-intensive niche with superior mechanical properties for lift irrigation, urban/rural water supply, sanitation, and building/infra use (potable, drainage, sewage). Lifecycle economics are attractive for sustainable urban infrastructure (e.g., Smart Cities). Consumption is concentrated in Central India (agri/manufacturing hubs) with Maharashtra notable for industrial infra; expansion potential exists in the North-East with higher public funding. Key constraints: limited specialised extrusion machinery (European suppliers at capacity), state-level adoption hesitancy, and higher upfront cost vs conventional PVC (though lifecycle costs are favourable). Outlook: combined PVC + OPVC to grow with infra expansion, technology upgrades, and sustainability imperatives; OPVC is poised to become transformational in water infrastructure.
- **Indian Steel & Rebars:** India's crude steel output reached 144 MT in FY2023–24 (~4.8% CAGR over a decade). Finished steel production was 138.8 MT (+9.1% YoY); consumption 136.3 MT (+13.6% YoY)—reflecting robust infra/construction demand. The National Steel Policy 2017 targets 300 MT capacity by FY2030–31. TMT rebars demand is rising with the construction boom; Rs. 11.21 trillion capex (FY25) under PM Gati Shakti is expected to catalyse consumption. Product premiumisation is visible (high-strength, earthquake-resistant, corrosion-resistant grades). On sustainability, the sector is moving toward EAFs and green hydrogen, improving efficiency and reducing emissions.

Sources: CSEC Research, Company Filings, NSE, BSE

United States Market Overview

- **Macro & Policy Backdrop (CY2025):** The US economy in CY2025 is navigating a complex environment shaped by domestic policy recalibrations, tariff interventions, and geopolitical shifts. Despite steady consumer demand and a healthy labour market, the IMF has downgraded GDP growth to 1.8% due to tariff pressures and policy uncertainty. Inflation is expected to rise to ~3%, while the risk of recession has increased materially, underscoring the fragility of the outlook. Amid these headwinds, the Oil & Gas sector continues to demonstrate resilient momentum, underpinned by domestic production growth, infrastructure expansion, and supportive regulatory frameworks. Demand for natural gas transmission, carbon capture pipelines, and regional connectivity remains high, ensuring a positive growth trajectory. This environment directly benefits Welspun Corp, which has an entrenched US presence as one of the largest local manufacturers of large-diameter pipes. The company's domestic manufacturing footprint ensures alignment with "Buy America" provisions, insulating it from import-based tariffs and reinforcing its positioning as a preferred partner for federally funded infrastructure projects. Despite policy-induced disruptions, Welspun's localized operations allow it to operate at scale, executing long-cycle, high-specification pipeline projects in energy-intensive corridors. Its robust US order book reflects strong customer trust, execution reliability, and technical expertise.
- **USA Oil & Gas Fundamentals**
  - Oil demand (CY2025): Projected +90 kb/d, driven by a +140 kb/d rise in LPG and ethane consumption, offsetting a –100 kb/d decline in gasoil and –10 kb/d drop in gasoline demand. This reflects structural energy-use shifts, particularly in petrochemical feedstocks and mobility.
  - Permian Basin: Continues to anchor US crude production with high productivity and low breakevens, critical for ensuring supply stability amid demand transitions.
  - Natural Gas Demand (CY2024): Grew +1.6% YoY, despite mild winter weather. Breakdown: residential & commercial +14% YoY, power sector +8% YoY.
  - CY2025 gas demand: Projected –0.3%, a correction after two years of elevated growth.
  - Dry gas production: Rebounded in Dec-2024 (+0.6% MoM), though full-year output dipped due to weather disruptions.
  - LNG Exports: CY2024: Up 0.8% YoY; and CY2025: Forecast +14.2% with new export terminals coming online.
  - Henry Hub Prices: Averaged US$2.19/MMBtu in CY2024 (–14% YoY); projected to rise +35% in CY2025 as balances tighten and global LNG demand rises.
  - Policy: In May 2025, the US administration expedited Oil & Gas leasing approvals, reinforcing supply resilience and underpinning long-term growth across upstream and midstream segments.

Kingdom of Saudi Arabia (KSA) Market Overview

- **Economic Landscape and Vision 2030:** Saudi Arabia continues to lead the MENA region as its fastest-growing economy, anchored by the ambitious Vision 2030 blueprint that aims to reduce oil dependency and build a diversified, investment-friendly economy. By end-CY2024, 85% of Vision 2030 initiatives were completed or on track, with 93% of targets achieved or nearing completion—running ahead of schedule. The non-oil economy expanded by 3.9% in 2024, while the private sector's share of GDP reached 47%, surpassing stated goals. These outcomes highlight the effectiveness of reforms, state-led investments, and entrepreneurship initiatives in strengthening economic resilience.
- **Oil Market and Production Capacity:** Oil remains the bedrock of Saudi Arabia's global influence, with CY2025 production expected to hold steady at 9.05 mb/d. Long-term capacity expansion targets exceed 13 mb/d, supported by multi-billion-dollar field developments. The Zuluf Offshore expansion will add 600 kb/d, Marjan 300 kb/d plus additional gas volumes, while Berri and Tanajib projects will contribute 250 kb/d and 300 kb/d, respectively. Safaniyah upgrades will further reinforce offshore output. These initiatives ensure supply security for global markets. At the same time, the Jafurah Gas Project, with estimated reserves of 200 Tcf, is set to deliver 2 bcf/d by 2030, underpinning domestic energy needs and freeing crude for exports.
- **Natural Gas Growth and Energy Transition:** Saudi Arabia is the Middle East's second-largest natural gas producer, contributing 3,621,479 TJ regionally and remaining entirely self-sufficient without imports. In CY2024, gas demand grew 2.5% YoY, led by industrial and power generation sectors. Gas accounts for 35.7% of total energy supply and 58.2% of electricity generation. Industrial activity consumes nearly 79% of the total, reflecting heavy usage in refining, petrochemicals, and manufacturing. Vision 2030 targets unconventional gas development, particularly at Jafurah, to displace crude oil in power generation. Since 2000, gas-fired electricity generation has risen by over 320%, making natural gas a structural pillar of the Kingdom's energy transition.
- **Water Stress and Scarcity Challenges:** The MENA region is the most water-scarce globally, with 15 of the world's 20 most water-stressed nations located here. The region houses over 6% of global population but has access to only 2% of renewable freshwater. By 2030, per capita water availability in MENA is expected to fall below the absolute scarcity threshold of 500 cubic meters annually. Saudi Arabia exemplifies these pressures, relying on non-renewable groundwater for 80% of agricultural needs and fossil-fuel-based desalination for two-thirds of municipal supply. Total water use peaked at 24.8 bcm in 2015—150% above 2010 levels—reflecting structural overconsumption. By CY2025, the Kingdom remains one of the most water-stressed nations, requiring urgent reforms in usage, efficiency, and supply.
- **Desalination and Infrastructure Expansion:** To counter declining natural freshwater sources, Saudi Arabia has doubled desalination capacity over the past decade, from 1.1 bcm in 2010 to 2.2 bcm in 2021. This places it among the global leaders in desalination. The Saline Water Conversion Corporation (SWCC) is spearheading projects that increasingly integrate renewable energy sources such as solar and wind to reduce fossil fuel reliance.
- **Future Outlook and Sustainability Measures:** Looking ahead, Saudi Arabia is prioritising stricter water conservation policies, greater investment in R&D at institutions like the King AbdulAziz City for Science and Technology (KACST), and enhanced private-sector participation in large-scale infrastructure projects. Regional cooperation for shared water resources remains critical to mitigate geopolitical risks. Collectively, these measures will reinforce Saudi Arabia's role as both an energy superpower and a leader in sustainable infrastructure within the MENA region.

Stock Selection Criteria – P^4 (PPPP) = A Winning Grid

Price	Product	People	Projections
SCORE: 08	SCORE: 06	SCORE: 10	SCORE: 05

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