



“Welspun Corp Limited  
Q1 FY '26 Earnings Conference Call”  
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**MODERATOR** **MR. ASHUTOSH SOMANI – JM FINANCIAL  
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**Moderator:** Ladies and gentlemen, good day, and welcome to the Welspun Corp Limited Q1 FY '26 Earnings Conference Call hosted by JM Financial Institutional Securities Limited. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ashutosh Somani from JM Financial Institutional Securities Limited. Thank you, and over to you.

**Ashutosh Somani:** Thanks operator and welcome, everyone, to the call. I will first thank Welspun Corp for giving JM Financial the opportunity to host today's call. Without much ado, I'll hand over the call to Mr. Salil Bawa, Head, Investor Relations, Welspun Group, to introduce the management.

Over to you, Salil.

**Salil Bawa:** Thank you very much, Ashutosh, and good morning to all of you. I welcome all of you to the Q1 FY '26 earnings call of Welspun Corp. Present along with me today on this forum are Mr. Vipul Mathur, Managing Director and CEO of Welspun Corp; I have Mr. Percy Birdy, Chief Financial Officer; Mr. Ashish Prasad, CEO of our Sintex BAPL; and Goutam Chakraborty, who takes care of Investor Relations for Welspun Corp.

You must have received the results and investor presentation of the company, which are also available on the stock exchanges as well as on the company's website. As usual, we will start the forum with opening remarks by the leadership team. Then we will open the floor for the questions. During discussion, we may be making references to the presentation. And that's why I'm requesting you to take a moment to review the safe harbor statement in the presentation. Should you have any queries that remain unanswered after this call, please feel free to reach out to any one of us.

With that, let me hand over the floor over to Mr. Vipul Mathur, MD and CEO of Welspun Corp. Over to you, Mr. Mathur.

**Vipul Mathur:** Thank you, Salil, and good morning to everyone. Welcome all to the Welspun Corp Q1 FY '26 Earning Conference Call. As a practice, I will start my discussion giving you the brief overview of the key operational and the financial highlights of the concluding quarter, followed with an update on the business environment, our investments, guidance and thereafter, we could have a more interactive session.

So just to share the key operational highlights of the quarter 1 are as under. Number one, our line pipe sales volume for India and U.S. stood at almost 182,000 tons. Our DI sales volume stood at 65,000 tons. Our SS Bar and Pipes volume, sales volume stood at almost close to 9,000 tons.

Our company Sintex recorded a sale of almost INR160 crores during this quarter. Our consolidated order book stands at approximately INR19,000 crores. This order book of INR19,000 crores gives us a very -- it gives us a clear visibility of continued operations of at

least 8 quarters in America, more than 4 quarters for all the operations in India, including Pipes, DI Pipes and SS pipes.

The key financial highlights of this quarter was the quarter 1 FY '26. We showed a consistent improvement trend. Our EBITDA stood at INR560 crores. This is the highest ever quarterly EBITDA. Our EBITDA margins got improved to 16%. The annualized ROCE is around 24%. Our PAT for the quarter stood at INR350 crores, and we continue to be a net cash company.

Despite all the capex is going on, we are still a net cash company with a net cash of INR600 crores. Also, I'm happy to report that given the performance and the future visibility the CRISIL has upgraded our long-term facilities to AA with stable outlook. These were the key operational and the financial metrics of the quarter.

Moving on to the next segment, which is the business environment. Let me first talk about the pipe vertical. We are seeing in our pipe business, we are seeing a very strong demand visibility for high-quality longitudinal pipes. We are also seeing that there is a paradigm shift in the technical requirements for all these new projects which are coming up globally, both on onshore as well as offshore.

These requirements are primarily because the oil and gas fields are getting deeper and they're getting more corrosive by nature. As Welspun, we have an impeccable track record of supplying pipes for such critical applications and are being treated as one of the top 1 or 2 global companies having such global -- having such capabilities. Our previous order books, the previous executions, what we have done is a clear testimony of this capability.

On the domestic front, we have seen that the oil demand in India is projected to get doubled, potentially reaching to almost 9 million barrels by 2015. Also, the natural gas consumption is anticipated to grow significantly, potentially more than doubling by 2040. So both oil as well as gas is showing us a tremendous upward traction in the Indian context as well.

We further note that India intends to expand their oil and gas exploration area by more than 1 million square kilometer by 2030, boosting, this you would have seen even today, the government made an announcement about this that they would like to open unchartered territories where almost close to 1 million square meters of offshore area will also get opened for further oil and gas exploration.

We are also seeing a huge investment in the infrastructure development for LNG. We are -- there are more than 8 or 10 operational terminals with a combined capacity of 52 million tons, but we see that as we are energy-dependent nation, there would be a lot of LNG, which is going to come in, and we will see investment coming in this sector as well.

The CGD sector, the City Gas Distribution sector has -- is also likely to grow at a CAGR of 10% between FY '20 and FY '30. There was a little bit of a slowdown in the quarter 3 and the quarter 4 of last year, because of the abnormally high gas prices. But as now the gas prices -- international gas prices have calibrated, we have seen this growth coming back into the CGD sector.

We are expecting an investment of additional INR30,000 crores in this segment over the next 3 years. So all these sectors, whether it is the oil sector in India or the gas sector in India or the exploration sector in India or the LNG infrastructure in India or the CGD sector in India. All these are indicating and pointing towards a very, very strong demand potential for quality line pipes where Welspun is a dominant player.

On the water sector, it is going to be -- it will continue to be our key focus area. We are seeing huge investments being made or announced by the government with respect to interlinking projects. I'm sure you would be tracking that some of the projects announced are in MP, which is the Ken-Betwa project, in Rajasthan ERCP project and in Maharashtra, where massive interlinking projects will now kick start in funds to come.

Further, the water pipeline network for irrigation on account of industrialization and urbanization is also increasing in states like Gujarat, MP, Rajasthan, Haryana, Tamil Nadu and Jharkhand. With our pan-India presence, which means our presence, physical presence in the western market, in Gujarat, our presence in the Central of India, which is in Madhya Pradesh and our presence in our southern market, which is in Karnataka, Welspun Corp has a complete reach to service all these upcoming water requirements in the -- on the pan-India basis. So we see a huge traction as that of the last year in this financial year as well.

Coming back to the U.S. market, we see robust demand visibility continues to be there in the U.S. market. Having said that, we have an order book of almost 8 quarters. From today, we have almost a visible -- clear order book of more than 8 quarters at this point in time. But at the same time, we are also seeing new opportunities which are coming up.

We are in contention for those opportunities. We are seeing that market still growing, and I'm sure these opportunities will get converted into business opportunities in times to come, which means all what I am suggesting my friends here is that U.S. market remains fairly, fairly robust, and we continue to be a dominant player into that particular market, and we are seeing a traction of an order book beyond 8 quarters as well.

We also have to see that the U.S. government has been insisting on energy exports. I think the recent announcement by the U.S. government with respect to the trade deal with Europe, where almost \$750 billion of energy will be exported is also acting as a catalyst to the growth. This will mean that there are a lot of infrastructure pipelines which will come to the Gulf Coast where this LNG gas will get exported out.

So we see a traction coming up for pipelines for LNG export. On top of it, there will be new LNG terminals, which will get created, which would be developed. And for those LNG terminals, we are seeing a huge demand, which will come up for the longitudinal pipes as you know, which is another plant, we are now at this point in time, setting up in America.

So we are seeing that, all in all, if you see there is a very strong visibility, both for export of LNG to the international market, development of LNG terminals and also the gas requirement to fuel the power plants, which are captive for their data centers. There's a huge requirement coming of power from the data centers, for which the captive power plants are being set just into

that. So these are the 3 areas where we see that the demand in the U.S. market is going to be unabated for the next 3 to 5 years' time. As the leading player into the U.S. market with a market share of more than 30% at this point in time, Welspun will be absolutely poised to capture all these emerging opportunities in times to come.

Let us now move to Saudi Arabia. In Saudi Arabia, we have our joint venture company, Epic, East Pipe, they are -- I think so their performance, you would have seen their performance. It has been a phenomenal performance in FY '25. Even their first quarter performance was phenomenal. They also enjoy a very, very healthy order book at this point in time. And also, they have a very clear business continuity for the next 8 quarters, if not more.

Further, the Saudi market, as you know, is between 2 critical segments, one is water and other is oil and gas. Today, the water segment is excluding into the -- in Saudi market, where a huge transmission pipelines are being kept from moving water, desalinated cell to the consumption centers. This has been going in for the last 3 or 4 years.

We see this momentum to stay there for the next 2 to 3 years. Having said that, sufficient capability in our capacity, which is available at this point in time within Saudi, and I think to the existing players, there is a sufficient business for all the existing players to capture to that particular opportunity.

So market has reached to a sort of an equilibrium, has reach to a sort of a balance where the demand requirement and the capacity available is now going to match. Apart from that, the oil and gas, Saudi Aramco, their development for their oil and gas field continues unabated. They are aiming to increase their production capacity beyond 13 million barrels per day. They are expecting large fields like Zuluf, Marjan, Safaniya and few others, which are going to be the fields which are developed and also under development field.

We see a huge traction coming up for oil and gas pipelines from Saudi Aramco over the next 3 to 5 years' time. If you remember, we have also announced in this backdrop of this potential opportunity which exists there, we have also announced setting up a state-of-art longitudinal part plant in the Kingdom of Saudi Arabia. I'm happy to report that, that plant -- the progress on that plant is moving as per the track. And I think so by the end of the financial year, we should be up and running there.

So in terms of opportunity, we are seeing a huge traction both in oil and gas as well as water in the kingdom of the Arabia. After these line pipes, the large diameter pipes, which I just talked about, I now want to draw your attention to our Ductile Iron Pipes division, where we make the pipes for the transmission -- for the distribution network.

At this point in time, our order book, we have a strong order book of almost 300,000 tons, more than 300,000 tons of an order book. We are seeing that the JJM, the Jal Jeevan Mission support is going to continue for the DI Pipe, and this will be coupled with AMRUT 2, which is all about urbanization.

However, having said that, I think so the last 2 quarters or 3 quarters, we have seen slowdown in the funding from the JJMs for certain reasons. But as the schemes are almost on the verge of

getting completed, all the schemes there would be a continued support of JJM shall come on. And all the schemes, as announced, we believe, will get completed. This slowdown resulted into some inventory pile up at the various manufacturers and -- but we strongly believe and we get very clear indication that H2 onwards, in the second half of this year, things will get completely normalized, and we will see a strong demand coming back to the market for the Ductile Iron Pipes for the distribution network under the JJM project.

Also, we have seen a huge demand emerging from the irrigation sector that is expected to be close to additional 2 million to 3 million tons over the next 3 to 4 years' time. We are well poised to cater to this particular requirement and our plan at this point in time is almost operational weightage of 80% to 85% operational capacity. We are also spreading our footprint into the market -- into the domestic markets by entering into markets like Haryana, Chhattisgarh, Punjab, Goa, Orissa and Telangana.

Traditionally, we have been restricting ourselves to Gujarat, Rajasthan and Madhya Pradesh but now we are also expanding our footprint and our presence felt in the other states of the country, too. So all these things put together that the Jal Jeevan Mission scheme will come, funding in the Jal Jeevan Mission is likely to come back.

The demand in the irrigation sector, our penetration into the new markets and more importantly, our focus on exports to the European and the Middle East market. These 4 things put together, we see a huge demand traction and the profitability emerging out of our Ductile Iron Pipe business.

If you recollect, we had also announced that we are putting up a ductile iron plant in Saudi Arabia, apart from our longitudinal plant, which I spoke a few minutes back. This ductile iron plant project is also moving absolutely on track. We are seeing a continuous demand for -- at this point in time in the market, in the Saudi Arabian market.

As I talked, there is a huge demand for transportation pipelines, which are the large diameter pipeline and the distribution pipelines, which are the ductile iron pipes. So we are seeing a combination of both. I am sure the ones that facility is commissioned out there, this facility will start up running, and we will have a significant uptick in the order book in that market as well.

Further, we also have noticed that there was some imports which were coming in into the Saudi Arabian market of this ductile iron pipes. The government has taken note of that and looking at the investments which we have done and others have done, they are about to start or probably have started some antidumping investigations which will restrict and discourage any cheap imports coming into that particular market, this strategy, this will angle well with the investments what we are making in the Saudi market.

Next, I would like to draw your attention to our very niche and boutique business of SS Bars and Pipes and our entity Welspun Specialty Steel. Currently, our order book stands at close to 10,000 tons between pipe and steel. Our bar sales volume recorded an all-time high in this particular quarter.

Our pipe volumes were slightly impacted in this particular quarter because we have taken a much awaited maintenance shutdown, a planned shutdown in the month of June this year. We are -- we wanted to do some -- we wanted to prepare ourselves for some very specialized value-added products which -- for which we are anticipating some new orders, and we wanted to prepare for that.

So it was imperative for us to take that maintenance shutdown, which has now been successfully completed, and we are back in operations. Apart from that, as you know, this business is all about certifications, accreditation and approvals. Our Welspun Specialty Steel has been able to secure very committed accreditation in the aerospace sector, which is AS9100D. We have also received IBR certification. We are in the process of getting the IBR certification.

Also, we are working on some certifications called Norsok and others, and we are expecting that all these very coveted certifications exercise will get completed successfully by the third quarter of this year. Our new bright bar project facility, which we are commissioning is in -- the construction is in full swing. And as targeted, it will also be up and running in quarter 3 of FY '26.

So we are preparing ourselves both on the pipe side of it and also on the steel side of it. On the pipe side of it, as I said, we took a maintenance shutdown to prepare ourselves for some value-added orders. And on the steel side of it, we are preparing ourselves by enhancing our capability in bright bar segment and with the commissioning of a new facility, giving us more leverage to enter and to supply steel to the global market.

Let me now move your attention to our building materials vertical and to start with Sintex. In our Sintex, as you know, Sintex has 2 major components of business. One is the water storage tank and other is the pipe business, the polymer pipe business. On the water storage tank, I am happy to report that our penetration on the ground has -- which is through the distributors, retailers and the plumbers. I think so that is an all-time high. we are seeing a very increased participation in our signature scheme called Sintex Hamesha.

This scheme has been very well accepted, acknowledged by all the people in the value chain. Our unique plumber engagement has nearly doubled on a quarter-on-quarter basis. So all what we have -- at this point in time, we are completely in the process of creating a value chain around distributions, dealer, distributors and the plumber. And on a quarter-on-quarter basis, we have seen significant traction and acceptability and adoptability under this value chain. We are positioning ourselves as a premium player as Sintex been resonates to.

So we are going -- we are positioning ourselves as a premium to our supplier. And we are well poised to get -- and we are well poised to achieve that objective. We are absolutely on the right trajectory as what we have planned. And I'm sure the next quarter -- in subsequent quarters, you will see that our continued improved performance is clearly demonstrated.

On top of it, we also are extending our total addressable market by moving into the pipe business. With our water tank business and the pipe business put together, now our total addressable

market moves from, let's say, INR12,000 crores to INR85,000 crores. This is the landscape, which is changing for Sintex.

We have -- and in this contention, we, as you are aware, that we have acquired a company called Weetek in Chhattisgarh, which is a pipe manufacturing company, polymer pipes. We have already started the pipe production. We have already started the distribution of that into restricted areas.

And the feedback is very, very encouraging. On top of it, we have also commissioned our Bhopal plant. At this point in time, where we are going to make the OPVC pipes. We -- as I earlier mentioned as well in my earlier calls that this is one product which we are very buoyant about, our production of OPVC pipes have already started.

We are -- I'm happy to report that we have got breakthroughs in that particular project -- orders, by having some orders and which we'll get -- start executing in Q2. So we have our OPVC plant, which is operational. It is now being supported by an order book, and now those orders will come under execution during quarter 2 of FY '26.

In sum and substance, Sintex continues to be our North Star. It is going to be a company which is going to create a humongous value for all our stakeholders. We, as Welspun, are completely poised and focused and obsessed about the growth of this particular company, and all that might what we have is being put across that. We have no doubt whatsoever that in days to come, this will be one of the most -- it will be a crown jewel of our organization.

Coming back to our other segment in the building materials, which is the TMT Bars segment, we are a local player. We are a restricted player into the Gujarat market. We are very focused on quality. We are very focused on serviceability. We are very focused on pricing. We are not a pan-India player, nor we have any ambition to that -- be.

But looking at the demand, looking at the requirements and looking at our capacity, I think so we are doing -- we will be focusing in the Gujarat market itself, and we see huge opportunities continue to be there in terms of infrastructure, the development of the metro expansion which is happening, the new GIFT city, the flyover, the connectivity, the new investment, which have been done by 2 large conglomerates there into the industrial setup.

I think so these industrial activities, which are happening within Gujarat will keep our -- this asset extremely busy and serviced. We are hoping -- there was a little dip in the demand as it always happens during the period of monsoon, but I'm sure that post August onwards, this demand will pick up. But as I mentioned, our focus will be more regional, more quality focus, more service focused and more price focused. So we are absolutely the poised to capitalize on the demand, which is going to come out in the region.

Just to briefly give you an update on all the investments. If you recollect, we have given an update in our investor presentation, about all the investments which we are making in America, which we are making in Saudi Arabia, which we are making here in India. All those projects, which are listed there and -- or the list you are privy to are moving as on schedule, on track and in cost. We are committed to deliver those projects as per the guaranteed time lines what we



have indicated, and I'm happy to report that all the projects at this point in time as we speak, are absolutely on track.

With respect to our guidance, we gave the guidance for the financial year and our quarter 1 results are clearly an indication that we are on track with respect to that. I am very confident that with the performance of all our entities, the pipes, the steel, the Ductile Iron Pipe, the Sintex, the WSSL. I'm sure that our company will be in a position to meet, if not exceed, the guidance given for FY 2026.

Last, but not the least, we continue to maintain our very strong focus on sustainability, people and digitalization. We believe these are the 3 pillars: growth, green are the pillars for our development and we are obsessed with highest governance standards and transparency across the organization. I think so these are some 4 or 5 basic hygiene factors around which Welspun Corp works around.

We have been absolutely working within our guardrails. We have been absolutely following the communication what we have given to the Street. And friends, I just want to let you know that we will continue to maintain a very sharp focus in further gaining the momentum in the next subsequent quarters to come.

With this, I request the moderator to open the floor for any question for any questions you might have, which me and my team will be more than happy to answer. Thank you very much.

**Moderator:** Thank you very much. The first question is from the line of Abhishek Ghosh from DSPM. Please go ahead.

**Abhishek Ghosh:** Congratulations for a greater set of numbers at a time when things are not that great as far as underlying economy. Sir, a few questions.

**Moderator:** I'm sorry to interrupt you, Mr. Abhishek Ghosh. There is a disturbance from your background.

**Abhishek Ghosh:** Congratulations for great set of numbers. A few questions which I had in terms of the commentary that you gave in terms of, if you look at the India piece, the interlinking of river, whenever it kind of comes through, what can be the opportunity size that can come through given the states which are kind of working around. Any thoughts on that, sir? And how should we look at it from a 2- to 3-year perspective?

**Vipul Mathur:** Abhishek, the opportunity or interlinking of rivers is mammoth. The way the projects are currently being conceived and the way they have been planned, it could be more than 1 million tons of an opportunity which may come up to start with, right? And these opportunities are currently happening in -- will happen in the state of Madhya Pradesh to follow up within Rajasthan and then in Maharashtra. So we are very, very optimistic and buoyant about this particular opportunity.

And we are very -- we are confident that we will have a piece of share out of this opportunity because of our geographical presence into those states. So coming to your question, the volumes could be very mammoth. It would be exceeding more than 1 million tons. And it is no more an

opportunity, which is under evaluation. It is something which is now going to happen on the ground very shortly.

**Abhishek Ghosh:** Sir, also, you spoke about the demand coming in from the irrigation segment. You called out the 2 million to 3 million tons opportunity can come in from there, which kind of pipes will go in there? And how should one look at the time lines here?

**Vipul Mathur:** My sense, Abhishek, is that irrigation predominantly has been serviced by HDPE pipe lines. There could be -- there will be a paradigm shift, which will happen and these pipes will move more towards OPVC and ductile iron pipes. Because at the end of the day, these pipes guarantee and almost 50 years service guarantee, more than 50 years of service guarantee, which primarily substandard HDPE pipes, which have been supplied by the industry in the past has not met that expectation. So we see irrigation is a huge emerging opportunity where both tactile and OPVC pipe and very high-quality HDPE pipes will be used and should be used.

**Abhishek Ghosh:** Okay. And do you think this is again something that should fructify over the next 12 to 18 months? Is what the expectation is?

**Vipul Mathur:** Yes. Yes. I'm very confident.

**Abhishek Ghosh:** Sir, lastly, coming to the DI Pipe as far as the domestic market is concerned, we have seen some slackness, which you have also mentioned in your comments. How should we see going forward, do you see because of multiple delays in projects, payment issues and subsequently, a lot of supply also had come in. How should one see over the next 12 to 18 months, both on your order book ramp-up of your facility and margin profile here?

**Vipul Mathur:** See, there has been a momentary slowdown over the last 2 quarters. That's very clear. There's no doubt about it. But having said that, structurally, are we seeing any change? The answer is no. I still believe -- we still feel that the Jal Jeevan Mission is a great mission for the development of getting water to every household, right? And it is a very -- fundamentally a very strong scheme. It has and it will be completed. I think it has met some cash flow challenges in the last 2 quarters.

But we have a strong belief that it will come back with -- it should come back in the second half of this particular year. So we have no doubt whatsoever, number one. Number two, more than that, we are seeing a big traction coming up in AMRUT also, which is the urban scheme, right? We have to understand that any developed economy has to invest into infrastructures like this. We, as an economy are developing. We will continue to invest like that.

So I don't see that we should carry any doubts whatsoever, that whether structurally these schemes will be there or not. I think so it is a momentum mismatch, which is happening. It is a matter of time. They will -- these things will come on track. We are hopeful that it is the second half of this year, we will see that full flow coming into this segment.

**Abhishek Ghosh:** Sir, just on the U.S. piece, you called out that your market shares are 30% now. Sir, in the last cycle, what would have been our market share in that 2018, '19, '20 cycle?

- Vipul Mathur:** We have always been able to maintain a share in north of 20%. Historically, we were close to 22%, 23% market share. This year, this time, because of the length of the orders, what we have and the extent of the duration of orders, what we have, we are close to 30%. But by far, we have the largest market share. I think what is important is that by far, we have the largest market share in the U.S. market.
- Abhishek Ghosh:** So sir, given the construct of the demand outlook, multiple levers of growth, strong visibility of 15% to 20% EBITDA growth is something in the medium term, it appears, given the kind of capex that you have done, it appears fairly visible from here on? Is that the way one should look at Welspun from here on?
- Vipul Mathur:** Abhishek, you have my guidance for the full financial year 2026. I see no reason why should we not meet that or if not exceed that. That answer -- that probably answers your question, if I'm not wrong.
- Moderator:** The next question is from the line of Vikash Singh from ICICI Securities.
- Vikash Singh:** Congratulations on a very good set of numbers. My first question pertains to Saudi? Sir, we are setting up our independent facility there, while we have a basically a JV where we have a minority partner, so we would be bidding for the same kind of orders in the same geography. So is there a conflict of interests which can arise and because of which we need to sell off the remaining shares in the Saudi JV partner?
- Vipul Mathur:** Vikash, I think so we will have to see this issue from a very different lens altogether. It's a fairly complementing setup we are putting up. The joint venture in which we are the shareholder reduces spiral pipes. Those pipes have a different market altogether. What we are setting up is longitudinal pipes and the ductile iron pipes.
- So the way it has to be seen that between our joint venture entity and our 100% ownership, we will be covering the full basket, supplying the spiral pipes, supplying the longitudinal pipes and supplying the ductile iron pipes under one roof. This is the synergy and a powerhouse, which we are creating in Saudi.
- Vikash Singh:** Noted, sir. Sir, my second question pertains to the 1Q results, especially from the stand-alone side. I believe that we have a very good export order because of which our numbers on the standard was pretty good. So is that the order has been fully executed and going forward, the stand-alone EBITDA per ton would come down. And that's why we are not increasing our guidance because usually, we are second half heavy in terms of EBITDA.
- Vipul Mathur:** Vikash, you are veteran, you understand this business is all about the product mix to be run in that particular quarter, right? This quarter, probably the product mix from a margin perspective would have been a little more favorable. But looking at the overall order book, what we have at this point in time, I think so on a quarter-on-quarter basis, we should be in a position to match and deliver the expectations or the guidance that we have given to the market.
- Vikash Singh:** Noted, sir, just split of the order book between India and U.S. if you can give us? That's my final question.

**Vipul Mathur:** Between India and U.S., we have close to 1 million tons of an order book at this point in time, and this is excluding Saudi. Just I'm talking of India and U.S. And I think so it is close to 600,000 tons in U.S. and almost close to 400,000-odd tons in India.

**Moderator:** The next question is from the line of Sailesh Raja from B&K Securities.

**Sailesh Raja:** Congratulations on delivery such a strong performance. I have 2 questions to ask. First question, in the OPVC pipe segment, we understand that several new entrants including a large player like Astral are procuring machinery from Chinese manufacturers at the cost of INR20 crores per line. In contrast, if you see companies like Welspun, Supreme they are sourcing equipment from Rollepaal and Molecor at a significantly higher cost of INR50 crores, INR60 crores per line.

So given this cost disparity, how do we plan to stay competitive against players using Chinese machinery. So even accounting for quality differences, do you believe there is a large enough customer base willing to pay 15%, 20% higher premium products from players like Welspun Corp up?

**Vipul Mathur:** Sailesh, I think that's a very good question you have asked, Sailesh. First and foremost, we all have to be very clear that OPVC is not a normal commodity product. It is a very high technological product being used for very specific applications. Now when you talk about a change in technology, of course, you will have impacts of some Chinese coming in here and there. But over a period of time, I think so this maturity will come into this particular market, where acceptance of technology will be driving the growth and the demand for this particular segment.

We strongly believe into that. We have a very clear foresight about it. Initially, there could be some hiccups. There could be some challenges. There would be some pressures of low margins and this. Yes, it is normal in the business. It will be there. But over a period of time, and I'm not talking of time over years, over quarters, people will understand what is the value of quality for these pipes. If you -- I would like to draw your attention, this is what precisely happened in the HDPE Pipe segment as well.

Almost 1,000 plants came up, mushroomed all over India, right? But effectively, they are the top 4 or 5 players are now going to be the 1 who will be in a position to service that requirement. So there is a shift in the user mindset that they prefer quality over price. It takes time. Even in this OPVC, it will happen the same way.

**Sailesh Raja:** My second question, we have reported EBITDA of INR290 crores from all other subsidiaries. So after backing out the normalized EBITDA contribution from DI Pipes, Sintex, which collectively accounted roughly INR100 crores. But the remaining INR190 crores appears to be attributable to the U.S. operation.

That translates roughly around INR25 per kg -- INR25 per kg plus, in U.S. And interestingly, if you see even in India also we reported INR18 per kg. So could you please break down India and U.S. separately and help us understand the key driver behind the sharp improvement, whether this EBITDA per ton is sustainable in the U.S. Could you please talk about that?

**Vipul Mathur:** Sailesh, we do -- we generally give an overall guidance. I have always given that guidance that what is the typical EBITDA, what we get in U.S. and what is the typical general EBITDA we get in India. I don't think so we will be in a position to share the specifics around that, the fact of the matter -- and as I earlier said, this is also a matter of a combination of the product mix what you are executing in this particular quarter.

But given the order book, what we have in India, given the order book, what we have in U.S. I think so we have clearly captured that and given as a very clear guidance to the Street, and I'm very sure that we will be able to maintain that.

**Moderator:** The next question is from the line of Ritesh Shah from Investec.

**Ritesh Shah:** Sir, my first question was top down. How do -- how should we gauge the impact of tariffs and regulatory tailwinds locally? Tariffs, I mean, the global tariffs and regulatory tailwinds as local.

**Vipul Mathur:** So Ritesh, I think so when you are talking of tariffs, you are probably talking about the U.S. tariffs, if -- am I right?

**Ritesh Shah:** That's right. That's right, sir.

**Vipul Mathur:** I think, sir, U.S. tariffs are creating quite a bit of uncertainty into the global economic market. There's no doubt about it. But if I have to narrow my vision and purely think from Welspun perspective, I think so it is angering well with us. Because I am a local producer, a local player in America. I am not dependent on any export out of any other continent or India. So I am actually benefited out of this tariff. I have -- sorry for my -- being a little -- having a little myopic and a vested view to that.

But that's the case. I am a domestic there in America. So I'm not impacted, number one. So tariffs in America might be hampering globally, but for Welspun, it is helping us. And if you see, keeping that potential and that benefit into mind, we announced our expansion. We believe that all the countries in the world are encouraging local production, local manufacturing, and this is going to be the new world order, which is going to emerge.

Keeping that into mind, we are spreading our wings in Saudi Arabia, where also you have a domestic production and in America, where also we are seeing a huge traction which is coming for domestic production. So as Welspun, we have adopted to a core principle of core products and core geographies. So our core product continues to be pipes, and our core geographies happen to be India, Saudi Arabia and America. It is in this paraphrase, we are working, please.

**Ritesh Shah:** Right. Sir, just a related question. My question was basically the guidance that we have given, does it also factor in the tailwinds because of the tariffs, which have been imposed and given we are in a quite a favorable situation. And if you could also highlight if I remember, we had certain volumes from India, which were exported. I'm not sure whether it hit the U.S. shores. Do we still have those volumes if that question is correct? And are we looking to continue that, if at all?

**Vipul Mathur:** So you're right. We -- from India, we were exporting a lot of longitudinal pipes to the international market, including America, in the earlier days. We will continue to be present into

the international market, excluding America for the longitudinal price, where we are setting up our own, but there is a potential in the rest of the world, where our product will continue to grow.

**Ritesh Shah:** And sir, the guidance what we have given, does it include the tailwinds because of the benefits of the tariffs specific to the situation that we are in quite a positive one?

**Vipul Mathur:** See, Ritesh, these are confirmed order books what we have. We are a B2B company. We have confirmed order books in America. We have confirmed order books in India. When I say confirmed order books, all everything is hedged. So when we have given the guidance, all those things have been taken care of. And accordingly, the guidance has been given to the marketplace.

**Ritesh Shah:** Right. Sir, if I put it the other way around, so 6 months out, if we had to go and bid for the same project, Will we be on a better footing as compared to what we were, say, 6 months back or right now given the tariffs have come? I'm just trying to understand the incremental ROCE and the margin profile. Can it get incrementally better because of the macro that we are in?

**Vipul Mathur:** I think so we will have to judge the situation from a demand and supply gap. I think so the demand seems to be fairly robust in the American subcontinent. In 6 months down the line, which we -- and we believe that the demand is going to be as robust. And if the capability -- capacities are booked then, of course, you will always be in a position to improve on your margins. So it's also a demand and the supply gap in the market at that point in time.

**Ritesh Shah:** And sir, my second question is on polymers. I'll just pick up from where Sailesh left. We have an investment of almost INR1,300 crores. It's a sizable number. What we have indicated is from FY '25 to '27. How should we break this number of INR1,300 crores? Is there a number which has been earmarked for OPVC and what is -- how do we look at the outlook or incremental ROCE on this business?

**Vipul Mathur:** So first and foremost, this INR1,300 crores is the investment which is going to happen over a period of time over the next 2 or 3 years' time, number one. Number two, largely the investments are going to happen for our OPVC business. We strongly believe that this is a game-changing technology. It's a technological product. It has a huge potential.

And we are extremely buoyant about this particular product. As Sailesh asked that question, and I answered that is it going to happen overnight? The answer is no. But we have a very strong conviction about its product, its quality, its sustainability, its utilization and acceptability by the customer.

**Ritesh Shah:** So breakup of INR1,300 crores, what part of it would be earmarked for OPVC?

**Vipul Mathur:** Largely, it will be. Largely, it will be OPVC. I mean I may not have the specific breakup at this point in time. I think so you can reach out to Percy and they can give you the specific breakup. But largely, it is going to be the OPVC business.

**Moderator:** The next question is from the line of Shweta Dikshit from Systematix Group.

**Shweta Dikshit:** Sir, my first question would be on the expected margin profile for the new LSAW pipe -- LSAW facility that we have announced in U.S. And what kind of margins can we look at it? And in -- for FY '27, any number that you could guide from the new plant in terms of the volume that you could derive in FY '27 itself? That's my first question.

My second question is on the capex. Now we are 1 quarter -- now we've entered second quarter now. And any visibility on what is likely to be the capex for this year? And how much was spent in the first quarter?

**Vipul Mathur:** So Shweta, let's say, for your first question about the new LSAW plants in Saudi as well as in the U.S. First and foremost, let me just tell you, Shweta, that when we announce any capex we have a process to follow. We are very clear about what is the market demand going to be in those markets over the next 3 to 5 years' time. What is the investment we're making and what is the return on capital employed.

We have done all those due diligence basis that only we got our respective board approvals to go ahead with that. I'm very sure. Right now, as we speak, we are completely focused in terms of executing the project part of it. We are still 6 months to 9 months to 12 months away at this point in time in various geographies. So right now, it will be slightly premature to talk about the margins.

But I want to assure you, Shweta, that we have done a complete assessment of the market. Complete assessment of the role, what as Welspun we can play, what share we can have and moving forward over the next 2, 3, 5 years' time, what is the margins we can make out. And that all has all been factored before we took that investment decision. So I think so let us wait those investments to get crystallized, the project plans to come up. And I think so then it will be more prudent to share on a quarter or half yearly basis at what are the margins we are going to make, number one.

Number two, coming to your second question about capex. We have clearly articulated what is the capex, what we are going to do over this financial year. If you see our investor presentation, we have clearly mentioned what are the projects we are working on, what type of capex we are going to put. And typically, as I say, that all this capex, what we have articulated will happen over the next 4 quarters to 5 quarters time.

**Shweta Dikshit:** Sir, going by 1Q run rate of around INR450 crores that you've done in 1Q. Can we look at almost INR2,000 crores of capex for the full year result if we annualize it? And that should still leave us another probably INR1,000 crores or INR1,200 crores of capex for FY '27 going by the targeted capex number?

**Vipul Mathur:** Shweta, by design, the capex are more back loaded. You can safely assume that we would be doing close to almost 40-odd percent in this year and the balance in the next financial year. What is important, Shweta, is to understand is that all these capex are being funded out of our strong operating cash flow itself. So it has no impact, which is happening on the debt side of it.

I think so that's more important for everyone to understand here. But the spread of the capex will be over the 2 years' time. And by design, typically, they are 40%, 45% in the first year and the residual in the second year. That may be a right assumption to make.

**Moderator:** The next question is from the line of Sneha Talreja from Nuvama.

**Sneha Talreja:** Congratulations on great set of numbers. Just wanted to understand, you mentioned about OPVC orders getting received. What is the order booking looking like and which are the places from where we have received orders. Some color would be helpful here.

**Vipul Mathur:** Sneha, as I said, we have breakthroughs in OPVC orders. They are coming from various states at this point in time. They are coming from the East. They're coming from Central. They are coming from South. These are early days. I'm not saying this order book is huge at this point in time, but they are good enough to start with. And good enough that acceptability of the product which seems to be settling down.

And as we speak, I think so this momentum is getting built up, it is being built up on a month-on-month basis. We are seeing a lot of traction, which is now coming up on the OPVC pipes. We are also seeing a lot of the states, government, state governments also acknowledging and accepting and working in terms of specifications to accept OPVC pipe. I think so these are very fundamental works, which are being done supported by a good order book what we have to start our project.

**Sneha Talreja:** Sir, that's good to hear. Just wanted to understand some numbers here. What's the capacity likely to look like the end of March '16 and March '17. And how do you see the utilization of this capacity? And at what capacity do we actually start making money because if I'm not wrong, these are huge capex capacity plans?

**Vipul Mathur:** And you -- Sneha, if I'm correct, you're asking with respect to OPVC only?

**Sneha Talreja:** Only OPVC, yes.

**Vipul Mathur:** I think so it's a little difficult. It's a little premature to tell something like that, to be honest, to predict something like that. I think so there's a lot of fundamental work, groundwork, which has to be done in terms of acceptability and acceptance of the product into the specification. I think so that basic work is currently being done on one side. On the other side, what is being done to keep the plants completely operational, to keep on servicing so that the product quality is also getting established into the market.

I think so you will have to -- we will have to wait on a quarter -- 1 or 2 more quarters to really crystallize the numbers. If I draw your attention to the last quarter discussions, Sneha, what I mentioned that time, that our focus will be to start producing and dispatching OPVC pipes in this particular quarter. We are walking the talk, we have started producing and started dispatching.

Last time also said, it is something which we will have to build over a period of time. We are going to do that. We are patient to do that, and we are more than confident that we will be very



successful in that. I think so you will have to give us some few more quarters when we start discussing exactly what are the volumes, what are the predictions, what are the margins? I think it might be a little -- a good idea to be a little more patient for 1 or 2 more quarters, please. But I must say that the start is good.

**Moderator:** The next question is from the line of Rakesh from Nine Rivers Capital.

**Rakesh:** Many congratulations to the team for the great set of numbers. Sir, with respect to the EBITDA profile that we are seeing, the volume growth is not high like a single high digit but the EBITDA growth is a very strong number, north of 20%, 25%. Just want to understand what the reason you highlighted is the orders that were executed were of a high margin, is there any other reason for the higher improvement in margins or the profits?

**Vipul Mathur:** Rakesh, I think so some of your earlier -- we talked about it in the earlier part of this. See, EBITDA profile is a factor of what is the product mix what you're executing in that particular quarter. this particular quarter, we have a very -- I mean, we had a nice product mix and that resulted into this number. Having said that, I think so our product mix for the subsequent quarters also look very nice, reasonably decent. And I'm very sure that we should be in a position to deliver our EBITDA, what we have given you as a guidance.

**Rakesh:** Sir, one last question on my side. With respect to the plant utilizing what was the plant running at -- what was the utilization rate for plant in India and the U.S. in the Q1?

**Vipul Mathur:** I think the plant utilization at the U.S. level was very high. I think so we -- probably it will be close to 80%, 85% of our plant level utilization. In India, various plants at various locations has different utilization level. The plants which were for -- meant for oil and gas, let's say, if I talk about our longitudinal plant, which is primarily oil and gas export plant, it would have seen almost 80%, 85% utilization.

But plant utilization for -- the plants for water where we are producing pipes for water application, we saw a low utilization. Quarter 1 historically is a low utilization zone, where the budgets and everything starts trickling in. And then we see that pickup happening in the second half, in the quarter 2 onwards. So there, the utilization would have been close to 40%, 45% to 50%.

**Rakesh:** Sir, in your opening remarks, you mentioned the plant of -- a new plant in Saudi Arabia will start in this year, but in the presentation, it is mentioned it will start April '26. Just clarification, sir.

**Vipul Mathur:** I said in the financial year, not the calendar year. We are still hopeful that we should be able to do the longitudinal plants commissioning in this financial year. Maybe my apology if I sounded that it is -- I meant this year, my mistake, please. If I have mentioned that, please.

**Moderator:** The next question is from the line of Sunaina Chhabria from Chola Securities.

**Sunaina Chhabria:** Congratulations on a great result. So I just have a follow-up question with respect to the volumes and EBITDA margin that is there for Welspun. Like you said, the product mix was a bit better this time. So are you looking at -- which products are you looking at, which gives this kind of

margin benefit? Is it the SS Bar pipe? Or is it the line pipes and DI Pipes. If you could give a bit of color over there?

**Vipul Mathur:**

Sunaina, it's a blend of all, let's say, historically, the best of the margins comes from the product what we make in the U.S. That's where you have the highest EBITDA, highest margins you have there. Followed by our oil and gas products, and equally supported and collaborated by our stainless steel. So it's a blend of all the 3 things which happen at this point in time, and that results into this metrics.

So that's the way you have to see. So it's a little -- when you make multiple products, you'll see a blend coming into play. So all what matters is that what is the product mix which you are running in that particular quarter.

I think so there's a lot of signs which goes behind working around that. And I think so that's what's always been done. But let's focus on that, what is the EBITDA, which is coming, what is the margins which are coming and more importantly, is it sustainable in the future? And are we getting to the guidance which we have given. And to that, the answer is yes.

**Sunaina Chhabria:**

And just the second question is, so you've spoken about the margin in the U.S. and in India, if you could give a bit of a range as to where it looks like in KSA and the Saudi Arabian market with the new -- with the business that is already there and the new facilities which are coming up. So what is the margin looking like over there?

**Vipul Mathur:**

So let's say, the facilities, what we have, which is the spiral facility, I think so, those numbers are in public domain and you have an access to that. You could see that what type of margins they are operating at. There's nothing heading around that, number one.

Number two, coming back to the new investments, which are going to come up there. As I said earlier, we see a very strong demand, a very strong potential and being Welspun into local market -- as a local parent Saudi Arabian market, we will definitely be into a pole position in subsequent quarters to come once we start our operations. But I think so margins also affect us, Sunaina, you will agree, is the demand and the supply gap prevailing at that point in time.

So hypothetically to predict that what are the margins going to be there, 6 quarters down the line when I'm going to start, will be slightly premature. My request would be that as we -- let us first commission the project, let us start up our operations. And then I think so, we will love to give you the clear visibility, as I always do, for all of our businesses for that business, too. So that will be a very appropriate time to question and challenge about the margins. Right now -- I mean, my personal opinion, it is slightly premature.

**Moderator:**

The next question is from the line of Deshna Sheth from N-Wealth. Please go ahead. Deshna, your voice is not audible. The next question is from the line of Amit Agicha from HG Hawa.

**Amit Agicha:**

Congratulations for good set of number. Sir, my question was connected to the Sintex business. Like with TAM increasing to INR85,000 crores post the pipe launch, what is your targeted market share over the next 3 years?

- Vipul Mathur:** Amit, I think so, I have Ashish here and probably he will be in the best of the position to give you absolute ground reality and ground run on to that. Ashish, can you take that, please?
- Ashish Prasad:** Yes. Thank you, Vipul, for giving the chance. Amit, we -- as we have stated before, we are a premium player. That's where our brand is, and we are targeting a 5% market share by FY '30.
- Amit Agicha:** 5% of INR85,000 crores.
- Ashish Prasad:** We continuously work on increasing the total addressable market. So we will look at other opportunities of where we are playing to our core strategy, and we are able to increase that. At this point of time, our addressable market stands at INR85,000 crores. But over the next few years, we expect that we will penetrate more and we will also have opportunities to increase our addressable market.
- Vipul Mathur:** Amit, the way you have to see -- see, Sintex, it's a company in making. It's an icon in making. And today, to hold accountable that what is going to happen tomorrow, I don't think so that may be the most appropriate way. Probably, I think, so it's more about belief, more about trust and more about the brand.
- I think so it is a strong brand. It has a huge brand because it is a premium product. We will continue -- our focus is on water storage tanks and pipes. And I have no doubt whatsoever nor should have -- anyone have any doubts whatsoever in their mind, that over quarter-on-quarter basis, this company is going from -- is only going to grow from here.
- Ashish Prasad:** Vipul, if I might just add, Amit, you should also note and heartening to note that the work which we have done around our revitalizing the brand and the positioning of the brand with Sintex, which we have sharpened around Saaf, Safe, Sahi that has landed very well in the market. And as we have gone into our pilot market, I think we are finding good acceptance of the product superiority as well as the brand positioning, which is in line with our premium image, which we want to -- which we aspire for.
- Amit Agicha:** And sir, second question was like connect to the order book. Like can you just give a breakup of how much is the export and how much is domestic?
- Vipul Mathur:** Amit, I think so as I said, our -- I have a bifurcation for India as well as for Americas, which I said is close to 1 million tons, 600,000 tons in American, close to 400,000 tons in India. I think so the subsequent breakup, I will ask Goutam to reach out to you separately and give you the breakup. I may not have readily available, but broadly, this is what the order book split is.
- Amit Agicha:** Yes, sir. I'll connect offline.
- Moderator:** The next question is from the line of Sailesh Raja from B&K Securities.
- Sailesh Raja:** Just 2 questions. So we have entered the DI segment to reduce the business volatility. And while performance was strong last year, but now the entire industry is seeing pricing pressure building up due to a lot of capacity addition and new players entering. So in worst case, if the pricing pressures persist, then what is our plan B, just for my understanding, I'm asking that incremental

2 lakhs tons that we have added, can we explore relocating only the DI mill to Saudi similar to how we shifted the ideally the LSAW line just to unlock the value. So what is our plan here?

**Vipul Mathur:**

Sailesh, first and foremost, I think, so these are very unwarranted fears. I can understand that we -- 1 or 2 quarter slowdown has given rise to some doubts in the mind. When fundamentally, we are not seeing any fundamental shift in this Har ghar me Nal scheme, we're not seeing any fundamental shift, please. This scheme is our pioneer signature scheme of the country.

It is there and it will be there. We still see a traction of at least next 3 to 5 years into that, number one. Number two, as I said, it will be coupled up with urbanized scheme, which is AMRUT. Please understand, recycled water, sewage, other schemes which are yet -- any growth, any developed economy will always go for those applications as well, those schemes as well.

I think we are there for the long haul. I don't think so that there's any reason to be unduly concerned about the viability of the project. There could be 1 quarter, 1, 2 quarter here and there. It can happen. It can happen in any business.

But so is the case here. But is there a fundamental shift happening on the ground? We don't believe that. So we have not even given a thought that what could be our plan B. We are very clear that this is the right investment, it is an investment which is to pay us back. It is going to be there for a sustainable time. And it is going to -- it is -- and it is with that conviction we have gone to Saudi, it is with that conviction, we are also exporting -- opening the market for exports.

So our conviction level has not gone down. And Sailesh, my request would be that do not see 1 or 2 quarter industry setback as something which will carry forward for a very long time. I don't think so fundamentally there is any major shift which has happened.

**Sailesh Raja:**

Sir, one last question. Sir, our compounded cash flow from operations, it has grown 16% over the last 6 years. So that is very commendable figure and very few companies and listed companies have reported such very strong CAGR in CFO, that is 16% actually. For the INR3,000 crores investment. Now with planned capex of INR5,500 crores of investments, so what kind of CFO CAGR that you are expecting in next 5, 6 years?

**Vipul Mathur:**

Sailesh, first let me just tell you that, a, we have crystallized the capex. I want to tell you that how does Welspun fundamentally operate. We have crystallized the capex. We have clearly articulated that to the market. We have clearly said that we will never ever let our net debt-to-EBITDA exceed 1, right? Even if you see for this particular quarter, we are hovering around 0.3 or something.

**Percy Birdy:**

Correct. We are actually net cash in a position. So that is the thing. But please go ahead, sir.

**Vipul Mathur:**

So I mean, we are -- it is under these guardrails, we will operate, Sailesh. So -- and of course, it is a factor of our operating cash flow, the free cash flow, what is the businesses I have. All these -- all the exercise diligence have been done. At a principle level, we are very clear that we have to manage our net debt, we will not exceed that.

We will have to manage our project cost and the time lines. So we are well -- clear guardrails have been established, and we will operate under those guardrails only. So I am not -- don't -- all what I'm trying to tell you, Sailesh, that there will be no surprises which will be coming up on the table.

**Percy Birdy:** Sailesh, if I may just add. The cash -- the capex is also spread over 2, 3 years. And combined with our strong operating cash flows from our businesses, we are very confident that our balance sheet will remain in a very strong position. And our guidance for net debt-to-EBITDA is also already put out in the public domain. And you can see the confidence that is getting mirrored in the CRISIL upgrade that also happened very recently.

**Moderator:** The next question is from the line of Raman from Sequent Investment.

**Raman:** Congratulations on excellent set of results. I just wanted to understand, is there any onetime profit in terms of like -- in terms of EBITDA margin? I mean in product mix?

**Vipul Mathur:** Percy, can you?

**Percy Birdy:** So Raman, in the stand-alone results, if you see, you will see the Nauyaan Shipyard sale impact coming in. So that will be there in the stand-alone. However, in consolidated numbers, there is no such exceptional item in this Q1. So the numbers that you are seeing, the EBITDA that you are seeing consolidated of INR560 crores that is largely business EBITDA, nothing exceptional.

**Raman:** So what was the -- how was the margin improved? Is it operational efficiency at play or the value -- the share of value-added products increased due to which EBITDA margin was higher?

**Percy Birdy:** Raman, I think that already got answered a while back. So the mix of the orders that we are having in this Q1, so India, exports, LSAW, U.S. coming in, all these things have obviously helped the margins, and we are very confident that this is sustainable.

**Raman:** Okay, sir. And my second question is with respect to the Sintex. So we are doing INR1,300 crores investment. I just wanted to -- with respect to OPVC pipe, I just wanted to understand this OPVC pipe segment, what is the product, and can you give any rough estimate of asset.

**Vipul Mathur:** Raman, I think so we talked about it in -- someone asked this question. I said, see, OPVC is a business in making. We have started the production. We already have an order breakthrough, we will be executing in the second quarter. We are seeing that the acceptability and acknowledgment across various states, which are coming out with massive distribution network projects in their state.

They are recognizing OPVC and they're incorporating into the specification. I think so these are some basic principle fundamental groundworks which are happening at this point in time, which is the bedrock for its growth. So right now, all what we are doing is to create a long-term story around OPVC on which we have gone with our fullest conviction.

**Raman:** Sir, I just wanted to understand the product. What's the difference between UPVC and OPVC and normal PVC?

**Vipul Mathur:** Gentlemen, this may not be the right forum, Raman, to explain you the technical differentiation between the products. I will encourage that you come and visit our plant, I extend a warm invitation to you, where under the same roof, you could see an HDPE pipe to the UPVC pipe to the CPVC pipe to the OPVC pipe. I think so one has to really understand the technicality and the superiority of this particular product.

We are -- this investment by Welspun is being done after a very detailed evaluation about the product suitability and the conviction about the product. So I think so it will be a very good idea Raman that -- I mean that more than the financial analysis, the technical analysis of this product is also being undertaken, and I request you to kindly come and join us at our plant one of these days.

**Moderator:** Ladies and gentlemen, we will take that as the last question. I now hand the conference over to Mr. Vipul Mathur for closing comments.

**Vipul Mathur:** Thank you very much, gentlemen, for joining us today for this Welspun Corp Q1 FY '26 con call. I believe that all the questions, what were being raised have been appropriately and adequately answered. But having said that, if you still have any other pending queries in your mind, I think so my team is already there to service that. Also, I would like to take this opportunity to tell you that the company is absolutely on a growth path.

We are very clear. We have very clearly articulated our strategy that what are we going to be in the next 24 months' time. We are also very clear that what are we going to be in the next 36 months' time and 48 months' time. Our investments, if you see, are coming on stream sequentially, and we'll see those incremental margins, profit, EBITDA and growth coming into a very sequential manner.

Friends, all what we are writing here is a story for the next 5 years with a very clear vision for 2030. I think so these are exciting times here great opportunities and at Welspun, we are completely poised to capitalize upon it. Having said that, we would like to maintain our global positioning in all the segments what we are, our customer centricity, which we are known for and our quality obsession, which has brought us here.

So I think so these fundamental principles with financial discipline, we are navigating this company to the next side. We have always been blessed with your trust. We believe that you will continue to have your faith and trust into us. And we assure you that you will not be disappointed. Thank you very much for joining today. Have a good day. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of Welspun Corp Limited and JM Financial Institutional Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.