



Press Release

Q3 FY23 Volume growth at 35% YoY EBITDA Margins at 9.8%

Mumbai, February 07, 2023: Prince Pipes and Fittings Limited (PPFL), one of India's largest integrated piping solutions & multi polymer manufacturers with 7 strategically located manufacturing units across the country, today announced its un-audited financial results for the quarter ended 31st December 2022. The un-audited financial results were reviewed by the audit committee and approved by the Board of Directors in their meeting held on February 07, 2023.

Key Financial Highlights: Q3 FY23 compared to Q3 FY22

Rs. in Crore	Q3 FY23	Q3 FY22	Growth%	9M FY23	9M FY22	Growth%
Revenue	706	664	6	1,946	1,756	11
Volume MT	43,693	32,435	35	113,400	93,747	21

- **Revenue growth of 6% YoY** on account of healthy volume growth across Plumbing, Agriculture and SWR
- **EBITDA at ₹ 69 crores** as compared to ₹ 111 crores, margin at **9.8%**
- **PAT at ₹ 35 crores** as compared to ₹ 67 crores
- **Improvement in Net Working capital days – 44 days** as of December 2022
 - Strong cash conversion as Receivables at **48 days** and Inventory at **61 days**
 - Net Cash position ~ **₹ 158 crores** as of December end
- Company continues to remain **long term debt free** during the quarter

Key Business and Operating Highlights:

- **Expansion of new product verticals with the launch of Modern Plumbing division –**
 - Initiative is a part of the Company's growth strategy to bring innovative, global products to the Indian markets
 - Prince Pipes now offers a world class range of technology-led drainage and piping solutions, under the Modern Plumbing vertical
 - Brings to India the absolute best – high-performing, user-friendly products with superior German technology:



- Launched **Prince-Skolan Safe** - a premium Polypropylene (PP) Silent Drainage System
- **Prince-Hauraton** - a modern range of Surface Drainage solutions



- **Resilient performance during the quarter led by strong volume growth on account of restocking by dealers and positive demand momentum from end customers**
 - After a steep correction of ~ ₹ 66 per kg from April 22 till November 22, PVC prices have recovered by ~ ₹ 13 per kg in December
 - Upward trend of PVC prices in December led to channel re-stocking
 - Affordable PVC rates improved demand scenario across Housing, Agriculture, and Infrastructure
 - PVC prices now in affordable range, which augurs well for medium term demand scenario as stronger demand visibility continues
- **Continued approach maintained in brand expansion** through product premiumization initiatives & B2B and B2C contact programs and events across India
- **Improvement in Net Working capital days** – 44 days as of December 2022, (68 days in September 2022)
- **Awards & Certifications:**
 - **Mr. Jayant Chheda, CMD** bestowed with **Lifetime Achievement Award** by Modern Plastics India
 - **PPFL's Haridwar Plant** won the **IMexl Commitment prize** by Kaizen Hansei for effort towards building a sustainable, world class organization
 - Awarded **Certificate of Merit in Believers category** Sustainability 4.0 Awards by **Frost & Sullivan**
 - Ranked in **Business Today's 500 Most Valuable Companies list**



Commenting on the results, Mr. Parag Chheda, Joint Managing Director, Prince Pipes and Fittings Limited, said, *“Our volume performance this quarter has been very heartening as we continued to face pressure on PVC prices until November, which started showing upward trend in December, leading to improvement in sentiment and re-stocking in the distributor channel. This stability supported by underlining demand momentum from real estate, agriculture, and infrastructure sectors, provided strong growth impetus. I am happy to share that we achieved a very strong 35% volume growth for Q3. Our focus continues to be on innovation and market expansion as we launched two key products with superior German technology in Modern Plumbing division which marks the start of the next chapter of our growth. We understand India’s evolving needs and with the launch of a premium line of products, we are bringing home the finest in manufacturing, design and end-to-end solutions to offer high-performance drainage & piping solutions to builders, homeowners, and consultants across the nation.*

The Union Budget 2023-24 is a well-balanced Budget that has finely pushed up the capex spending without compromising on fiscal discipline. It continues to maintain thrust on the real estate, infrastructure, agriculture, social infrastructure sectors and key themes of inclusive development, green growth, sanitation, health, drinking water connections - which are measures to ensure comprehensive economic growth. PM Jal Jeevan Mission - budgeted allocation of INR 700bn and PM Awas Yojana allocation of INR 790bn are initiatives that augur well for the building materials industry.

On an overall basis, we continue to be bullish on the medium to long term prospects of the industry particularly with the Government’s strong intent of ushering in greater development and faster progress in the areas of sanitation, water availability and agriculture. We believe that industry potential along with the growing depth of our product portfolio, effective marketing strategies and alignment to our ESG goals, will support us in leveraging exciting opportunities over the coming years.”

About the Company:

Prince Pipes and Fittings Limited (PPFL) (NSE: PRINCEPIPE | BSE: 542907) is one of India’s largest integrated piping solutions & multi polymer manufacturers, based in Mumbai, Maharashtra. Incorporated in 1987, Prince is one of the fastest growing companies in the Indian pipes and fittings industry. Over 3 decades, the company has been engaged in the manufacturing of polymer piping solutions in four types of polymers - CPVC, UPVC, HDPE, PPR. In August 2020, the Company announced its association with Lubrizol - inventors and largest manufacturers of CPVC compounds worldwide, headquartered in the United States; and thereafter launched Prince Flowguard Plus CPVC plumbing systems. In January 2023, the company was included in the Business Today’s 500 Most Valuable Companies list.

With a network of more than 1,500 distributors, PPFL is steadily increasing pan-India distributor base to ensure stronger customer proximity to respond faster to their needs. Prince Pipes and Fittings Limited has 7 state-of-the-art manufacturing units located across the country at Haridwar (Uttarakhand), Athal (Dadra and Nagar Haveli), Dadra (Dadra and Nagar Haveli), Kolhapur (Maharashtra), Chennai (Tamil Nadu), Jobner (Rajasthan) and Sangareddy (Telangana).

For more information: visit www.princepipes.com or follow us on Twitter [@Prince_Pipes](https://twitter.com/Prince_Pipes)



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