

## Press Release

### **Prince Pipes and Fittings Limited EBIDTA growth at 24.5%; PAT growth at 37.8% for fiscal ended March 2020**

**Mumbai, June 25, 2020:** Prince Pipes and Fittings Limited (PPF), one of India's largest integrated piping solutions & multi polymer manufacturer having six strategically located plants across the country, today announced its audited financial results for the year ended 31<sup>st</sup> March 2020. The audited financial results were reviewed by the audit committee and approved by the Board of Directors in their meeting held on 25<sup>th</sup> June, 2020.

#### **Key Financial Highlights: FY20 vs FY19**

- Revenue from operations stood at ₹ **1,636** crore in FY20 as compared to ₹ 1,572 crore in FY19, growth at 4.1%
  - Sales volume growth 2.9% at 132,816 MT in FY20 as compared to 129,111 MT in FY19
  - EBIDTA grew by **24.5%** to ₹ **229 crore** in FY20 as compared to ₹ 184 crore in FY19, margins at **14.0%** vs 11.7%
  - PAT grew by **37.8%** to ₹ **113** crore in FY20 as compared to ₹ 82 crore in FY19
  - Debt to equity ratio at **0.31** as on March 31, 2020
- The Board of Directors of the Company at its meeting held on March 12, 2020 declared an interim dividend of Re 1 per equity share of Rs 10/- each for the year ended March 31, 2020

#### **Key Financial Highlights: Q4 FY20 vs Q4 FY19**

- Revenue from operations stood at ₹ 431 crore in FY20 as compared to ₹ 499 crore in FY19, de-growth at 13.6%, revenues got impacted owing to covid-19 lockdown in the month of March'20
- Sales volume at 33,140 MT in FY20 as compared to 39,641 MT in FY19
- EBIDTA at ₹ 58 crore in FY20 as compared to ₹ 58 crore in FY19, margins at 13.4% vs 11.7%
- PAT at ₹ 28 crore as compared to ₹ 30 crore
- Debtor days improved from 58 days in March'19 to 40 days in March'20

#### **Covid-19 Impact on March'20 sales**

Our performance in Q4 factors in the impact due to the lockdown driven by Covid-19 Pandemic which affected our sales figures in the month of March-2020. As evident from our performance for Q4 2019-20 in the months of January and February 2020 the company has reported a robust rate of 16% YOY growth in Value and 10% YOY growth in Volume. The de-growth is attributed to the lockdown impact of March 2020.



Particulars	Sales (In MT)			Sales (Rs. In Crore)		
	Q4 FY20	Q4 FY19	Change %	Q4 FY20	Q4 FY19	Change %
Jan & Feb	25,098	22,850	10%	324	280	16%
March	8,042	16,791	-52%	107	219	-51%
Total	33,140	39,641	-16%	431	499	-14%

### **Impact of One-Time Anti-Dumping Duty(ADD)**

The Ministry of Finance (Department of Revenue) issued notification on 26.08.2019 levying provisional anti-dumping duty under the Customs Tariff Act, 1975 on imports of Chlorinated Polyvinyl Chloride (CPVC). Accordingly, the Company has paid Rs. 7.65 crore as a **provisional** anti-dumping duty in the previous quarters. Based on the order of the government on the final anti-dumping duty, during the current quarter, the amount of provisional anti-dumping duty paid is accounted as actual expenses in the financial results. This duty is a one-time hit, since the Company has stopped importing from these countries. The adjusted EBIDTA without the duty hit from previous quarters is as follows-

Particulars (Rs. In in Crore)	Q4 FY 20 EBIDTA (cr)	Q4 FY20 EBIDTA%
EBIDTA <b>with</b> the impact of one-time Rs.7.65 crore anti-dumping duty	57.6	13.4%
EBIDTA <b>adjusted without</b> the impact of one-time Rs.7.65 crore anti-dumping duty	65.3	15.2%

Commenting on the results, **Mr. Parag Chheda, Executive Director of Prince Pipes and Fittings Limited, said** *“In these extraordinary times, I am extremely grateful to all our staff and team members of collaborating with each other and being supportive to ensure the safety and well-being of each individual. The team’s resilience reflected in our performance too and allowed us to continue operations efficiently post partial unlocking. We have been successfully catering to demand through strategic production planning.*

*The sale impact due to the lockdown in the second half of March’20 which led to an increase in inventory was liquidated over Apr-May’20. With improvement of supply we have been receiving scheduled deliveries of all contracted raw material from our suppliers. Our Value Added Products (VAP) delivered robust growth and increased contribution to overall sales. Amidst challenges, we chose progress and launched the Storefit water tanks segment as part of a pilot launch from Gujarat.*



*We are cognizant of the current situation and will continue to be agile, adapting and working to ensure sustainable growth for all our stakeholders.”*

**About the Company:**

PRINCE PIPES AND FITTINGS LTD. (“PPFL”) continuously aims at growing its product range to meet the needs of a growing India. We are committed towards constant innovations in plumbing, irrigation and sewerage technologies to meet the nation’s constantly increasing water demands. Prince Pipes constantly strives to pave the way for a future that provides clean water for everyone and everywhere from the smallest villages to the largest cities.

Water conservation is as important as leak-proof water transport. We also provide Borewell systems for groundwater extraction.

With a combined network of 1,408 distributors which includes 1,161 Prince Distributors and 267 Trubore Distributors, PPFL is constantly increasing its pan-India distributor base to ensure it is always close to its customers and ever ready to address their needs.

With its corporate office in Mumbai, PRINCE PIPES AND FITTINGS LTD. has its manufacturing plants at Athal (Silvassa), Dadra (Silvassa), Haridwar (Uttarakhand), Kolhapur (Maharashtra), Chennai (Tamil Nadu) and Jaipur (Rajasthan).

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