

October 30<sup>th</sup>, 2021

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No.C/1, G Block,  
Bandra Kurla Complex (E),  
Mumbai-400051,

**Symbol: HITECH**

**Subject: Result Update Presentation**

Dear Sir/ Madam,

In reference to the above captioned subject, please find enclosed herewith Result update presentation with respect to the Un-Audited Standalone and Consolidated Financial Results for the Quarter and Half Year ended 30<sup>th</sup> September, 2021.

Kindly take the above information on record and oblige.

Thanks and Regards  
For **Hi-Tech Pipes Limited**

  
**Arun Kumar**  
**Company Secretary**



Encl: As above

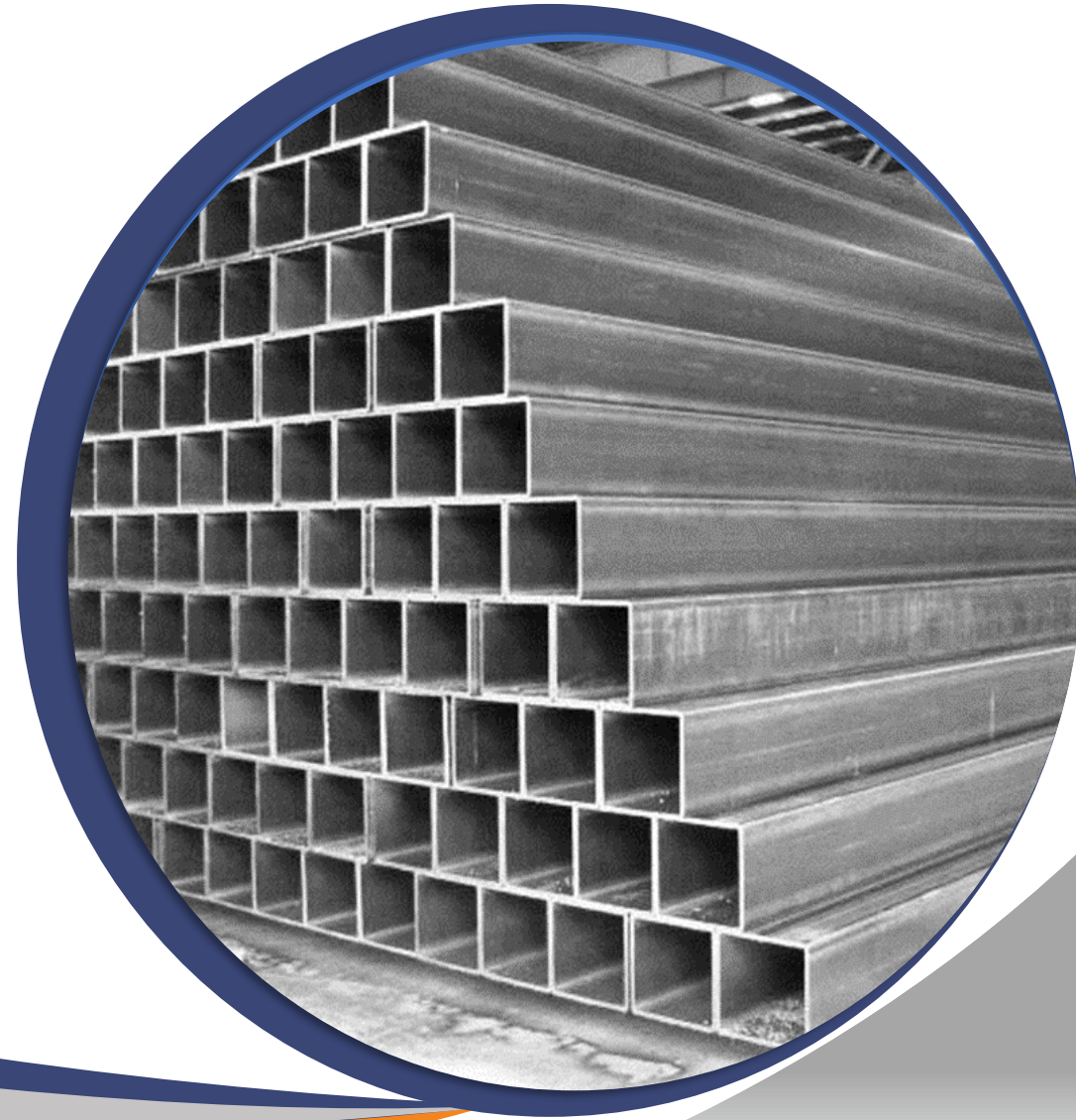


# Hi-Tech Pipes Limited

*Providing Innovative Solutions*

**Investor Presentation – Q2 FY22 &  
H1 FY22**

**OCT 2021**



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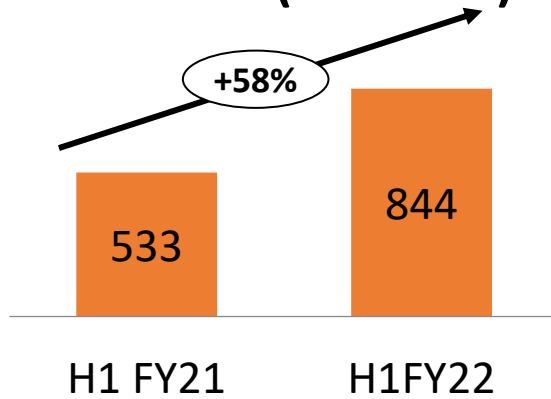
This presentation contains certain forward-looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company

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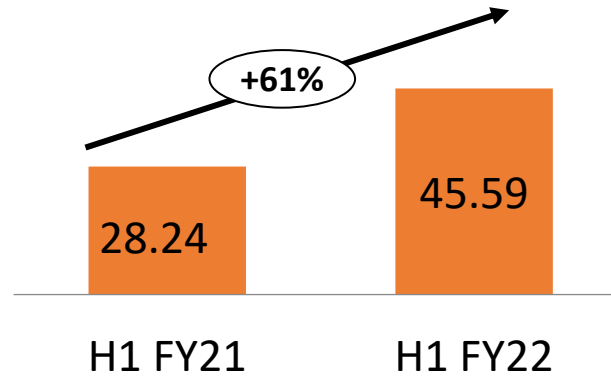
# **Q2 & H1 FY22 Highlights**

## KEY PERFORMANCE KINDICATOR – H1 FY22

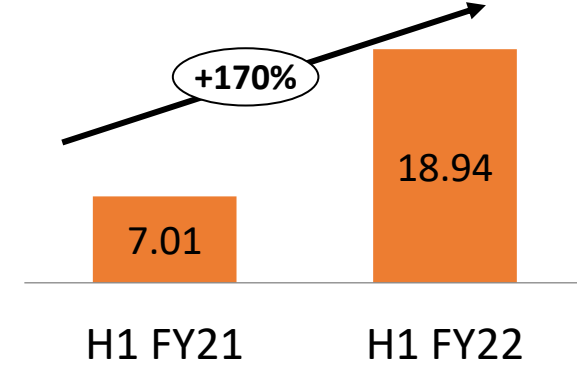
**Revenue (Rs. In Cr.)**



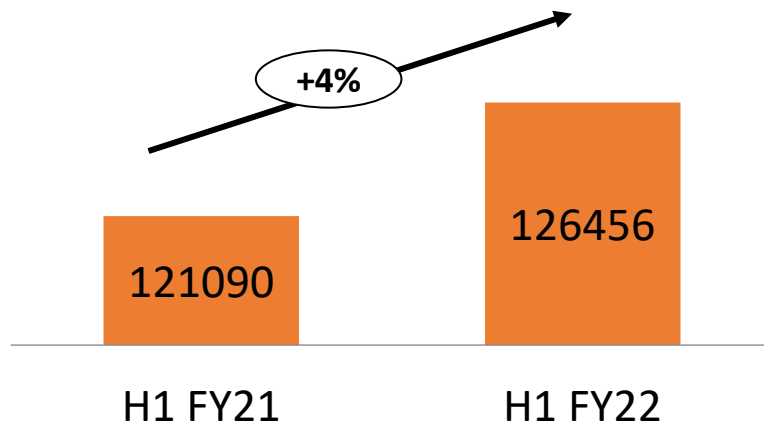
**EBITDA (RS. In Cr.)**



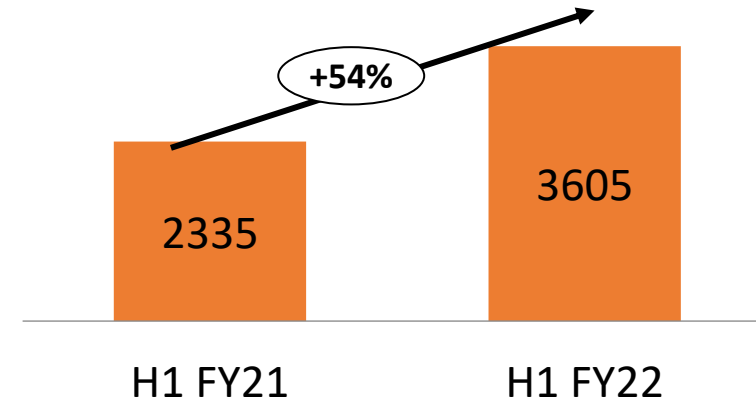
**PAT (Rs. In Cr.)**



**Sales Volume (MT)**

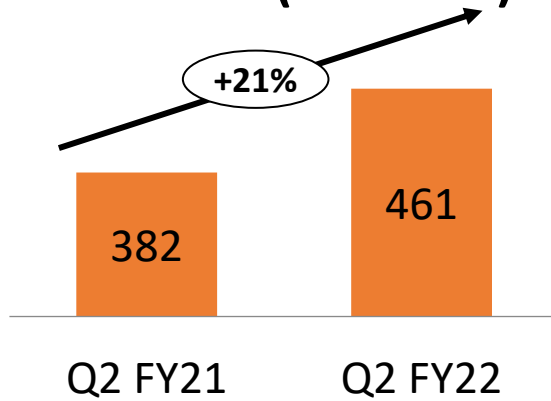


**EBITDA (PMT)**

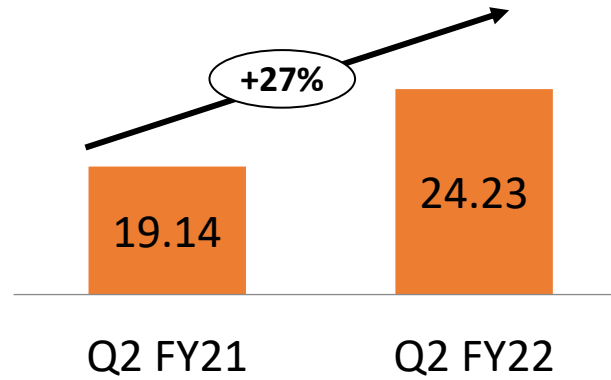


## KEY PERFORMANCE KINDICATOR – Q2 FY22

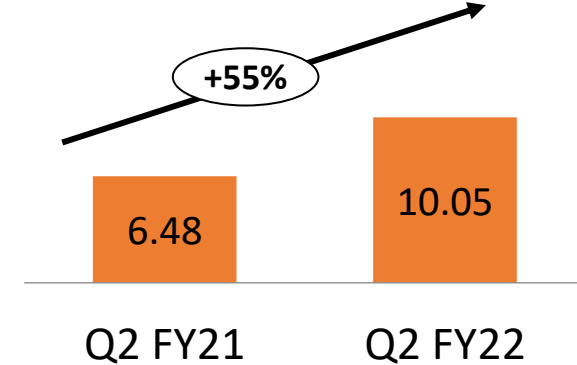
**Revenue (Rs. In Cr.)**



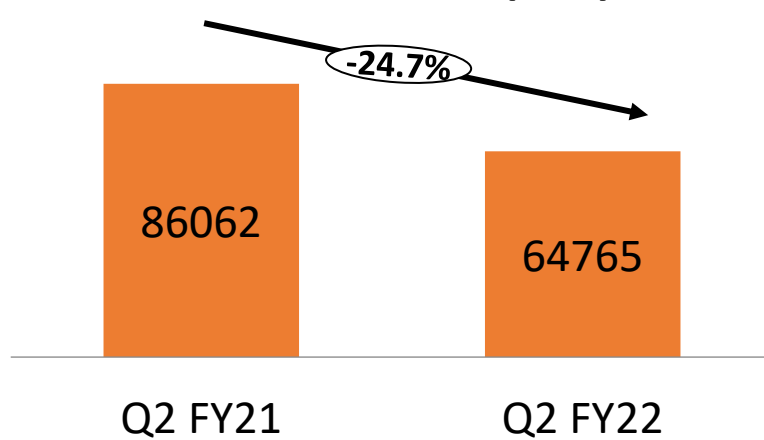
**EBITDA (RS. In Cr.)**



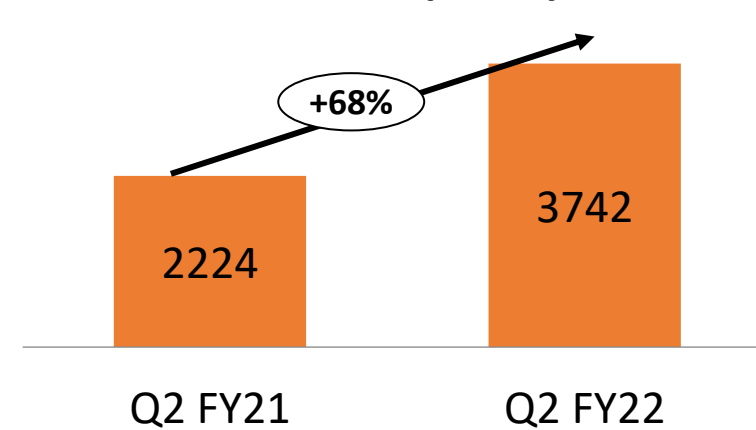
**PAT (Rs. In Cr.)**



**Sales Volume (MT)**



**EBITDA (PMT)**



# Consolidated Profit & Loss Statement – H1 & Q2 FY22

| Rs. (in Lakhs)                      | Q2 FY22         | Q2 FY21         | Y-o-Y %    | Q1 FY22         | Q-o-Q %      | H1 FY22         | H1 FY21         | Y-o-Y %      |
|-------------------------------------|-----------------|-----------------|------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>Total Income from Operations</b> | <b>46079.38</b> | <b>38155.35</b> | <b>21%</b> | <b>38326.08</b> | <b>20.2%</b> | <b>84405.46</b> | <b>53343.00</b> | <b>58.2%</b> |
| Raw Materials                       | 41483.05        | 34753.83        |            | 34660.26        |              | 76143.31        | 48036.76        |              |
| Employee Cost                       | 585.19          | 457.24          |            | 451.15          |              | 1036.34         | 776.72          |              |
| Other Cost                          | 1587.78         | 1030.04         |            | 1079.58         |              | 2667.36         | 1704.75         |              |
| <b>Total Expenditure</b>            | <b>43656.02</b> | <b>36241.11</b> |            | <b>36190.99</b> |              | <b>79847.01</b> | <b>50518.23</b> |              |
| <b>EBITDA</b>                       | <b>2423.36</b>  | <b>1914.24</b>  | <b>27%</b> | <b>2135.09</b>  | <b>14%</b>   | <b>4558.45</b>  | <b>2824.77</b>  | <b>61%</b>   |
| Other Income                        | 8.19            | 5.02            |            | 13.00           |              | 21.19           | 7.45            |              |
| Depreciation                        | 240.00          | 195.57          |            | 238.68          |              | 478.68          | 391.57          |              |
| Interest                            | 818.57          | 815.42          |            | 712.91          |              | 1531.48         | 1468.84         |              |
| <b>Profit Before Tax</b>            | <b>1372.98</b>  | <b>908.27</b>   | <b>51%</b> | <b>1196.50</b>  | <b>15%</b>   | <b>2569.48</b>  | <b>971.81</b>   | <b>164%</b>  |
| Tax                                 | 367.99          | 260.04          |            | 307.27          |              | 675.26          | 271.03          |              |
| <b>Profit After Tax</b>             | <b>1004.99</b>  | <b>648.23</b>   |            | <b>889.24</b>   |              | <b>1894.23</b>  | <b>700.78</b>   |              |
| <b>Other Comprehensive income</b>   | <b>0</b>        | <b>0</b>        |            | <b>0</b>        |              | <b>0</b>        | <b>0</b>        |              |
| <b>Total Comprehensive Income</b>   | <b>1004.99</b>  | <b>648.23</b>   | <b>55%</b> | <b>889.24</b>   | <b>13%</b>   | <b>1894.23</b>  | <b>700.78</b>   | <b>170%</b>  |
| <b>Basic EPS (in Rs. / share)</b>   | <b>8.41</b>     | <b>5.95</b>     |            | <b>7.82</b>     |              | <b>15.64</b>    | <b>6.46</b>     |              |

# Consolidated Balance Sheet

| Rs. in Lakhs                   | As on<br>30 <sup>th</sup> Sept– 21 | As on<br>31 <sup>st</sup> March– 21 |
|--------------------------------|------------------------------------|-------------------------------------|
| <b>Equity</b>                  | <b>23618.84</b>                    | <b>20519.33</b>                     |
| Equity Share Capital           | 1218.61                            | 1120.61                             |
| Other Equity                   | 22400.23                           | 19398.72                            |
| <b>Liabilities</b>             |                                    |                                     |
| <b>Non Current Liabilities</b> | <b>14335.12</b>                    | <b>13306.18</b>                     |
| <b>Financial Liabilities</b>   |                                    |                                     |
| Borrowing                      | 12400.60                           | 11617.26                            |
| Other Financial liabilities    | 62.79                              | 79.80                               |
| Provisions                     | 89.72                              | 89.72                               |
| Deferred Tax Liabilities (Net) | 1782.01                            | 1519.40                             |
| <b>Current Liabilities</b>     | <b>27700.22</b>                    | <b>26102.86</b>                     |
| <b>Financial Liabilities</b>   |                                    |                                     |
| Borrowings                     | 19156.41                           | 17892.54                            |
| Trade Payables                 | 4458.91                            | 4922.97                             |
| Other Financial Liabilities    | 2457.86                            | 2269.24                             |
| Other Current Liabilities      | 530.90                             | 317.85                              |
| Provisions                     | 471.70                             | 418.28                              |
| Current Tax Liabilities (Net)  | 624.45                             | 281.98                              |
| <b>Total</b>                   | <b>65654.17</b>                    | <b>59928.37</b>                     |

| Rs. in Lakhs                  | As on<br>30 <sup>th</sup> Sept– 21 | As on<br>31 <sup>st</sup> March– 21 |
|-------------------------------|------------------------------------|-------------------------------------|
| <b>Non-current Assets</b>     | <b>25969.54</b>                    | <b>24179.84</b>                     |
| Property, Plant and Equipment | 19968.95                           | 20248.95                            |
| Capital Work in Progress      | 5100.49                            | 2988.16                             |
| Other Intangible asset        | 2.00                               | 1.25                                |
| Investments                   | 0.03                               | 0.03                                |
| Loans                         | 379.93                             | 417.53                              |
| Other Non Current Assets      | 518.14                             | 523.92                              |
| <b>Current Assets</b>         | <b>39684.64</b>                    | <b>35748.53</b>                     |
| Inventories                   | 18270.77                           | 18847.07                            |
| <b>Financial Assets</b>       |                                    |                                     |
| Investments                   | 0.0                                | 0.0                                 |
| Trade Receivables             | 16584.92                           | 12060.58                            |
| Cash & Cash Equivalent        | 64.76                              | 63.40                               |
| Bank Balance other than above | 1632.22                            | 1629.25                             |
| Other Current Assets          | 3131.98                            | 3148.23                             |
| <b>Total Assets</b>           | <b>65654.17</b>                    | <b>59928.37</b>                     |



# H1 FY22 – Operational Highlights

Sales volumes increased by 4% to 1.26 lakh tonnes as compared to 1.21 lakh tonnes in H1FY21

Capacity Utilisation stood at 45% in Q2FY22, improved from 42% in Q1FY22

Sales Realization improved by 56% to Rs 66,750/tonne as against Rs 42,786/tonne in H1FY22

EBITDA/tonne improved to Rs 3,605 / tonne from Rs.2,335 / tonne in H1FY22

New Khopoli facility ramping up during the Year. The capacity utilization of this new facility is expected to increase further going forward

Share of value-added products stood at 23% of total sales as compared to 15% in H1FY22

The graphic features a large, light blue circle on the right side of the slide. A thick orange horizontal bar extends from the left edge of the slide, passing behind the circle. The circle has a thick orange border and contains the text "Company Overview" in bold black font. The orange bar has a small notch where it meets the circle.

# **Company Overview**

# Hi-Tech Pipes at a Glance



# Hi-Tech Pipes | Capabilities Built So Far



## Built Core Strength

Installed Capacity  
**5,80,000 MTPA**

Diversified Presence  
**5 Plants across 4 states**

Business Experience  
**35+ years**

Employees  
**~1,100+**



## Strong Distribution

Dealers & Distributors  
**390+**

SKUs  
**550+**

Contractor Consumers  
**90+**

OEM Customers  
**150+**



## Product Innovation

Product Offerings  
**450+**

Products availability  
**Across 17 States**

Diversified Application  
**+10 Industries**

Value added Products  
**50+**



## Established Brands



## Strong Financial Performance

Net Sales  
**+20% CAGR\***

EBITDA  
**+15% CAGR\***

EPS  
**+23% CAGR\***

Net Worth  
**+28% CAGR\***

*\* 5 year CAGR from FY17-FY21*

# 35 Years of Consistent Growth and Innovation

## 1988-1996

- Commenced Manufacturing '**MS pipes**' at Sikanderabad unit-1
- Started manufacturing **Cold Rolled Coils**' and strips



## 2001-2010

- Installation of '**Hot-Dipped Galvanizing**' facility
- Commenced production of '**Metal Beam Crash Barriers**'
- Initiated production of '**Hollow Sections and Solar Mounting Sections**'

## 2012-2016

- Sikanderabad Unit –II facility commenced for manufacture '**Steel Tubes & Hollow Sections**'
- Started commercial production of '**Steel Tubes & Hollow Sections**' at the Sanand (Gujarat) Unit-III
- Listed on the **NSE-SME**



## 2017-2019

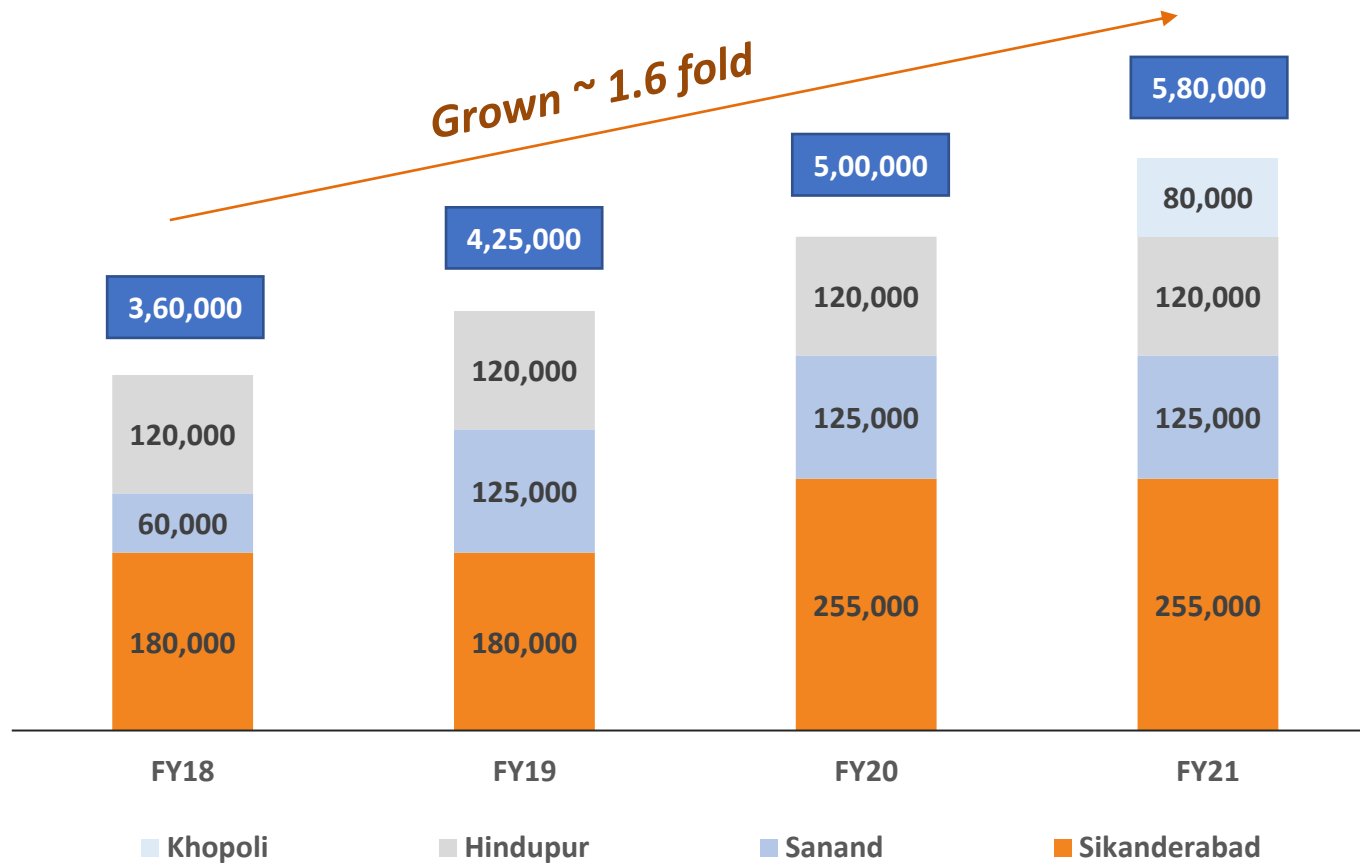
- Commenced operations at **Hindupur (Andhra Pradesh) Unit IV**
- Modernized the '**Cold Rolling Plant**' at Sikanderabad unit
- Started '**Tube Mill No. 3**' at Sanand
- Migrated to **NSE Main Board** in May 2018

## 2019-2021

- Started Colled Rolling expansion project for wider product of **HROp, CRCA, CRFH, GPGC**
- Commenced Khopoli, Maharashtra facility of **80,000 MTPA – Unit V**

# Continued Investment in Expanding Capacity

Enhancing Capacities Year-on-Year (Metric Tonnes per Annum)



One of the India's leading manufacturer of Steel Pipes with **presence in more than 5,000 retail stores**



Continuously enhancing manufacturing capabilities while **diversifying into various product categories**



Setting-up new manufacturing facilities at strategic location to **strengthen Pan-India presence**



Recently commenced a **new facility at Khopoli, Maharashtra** to cater Maharashtra and Goa region

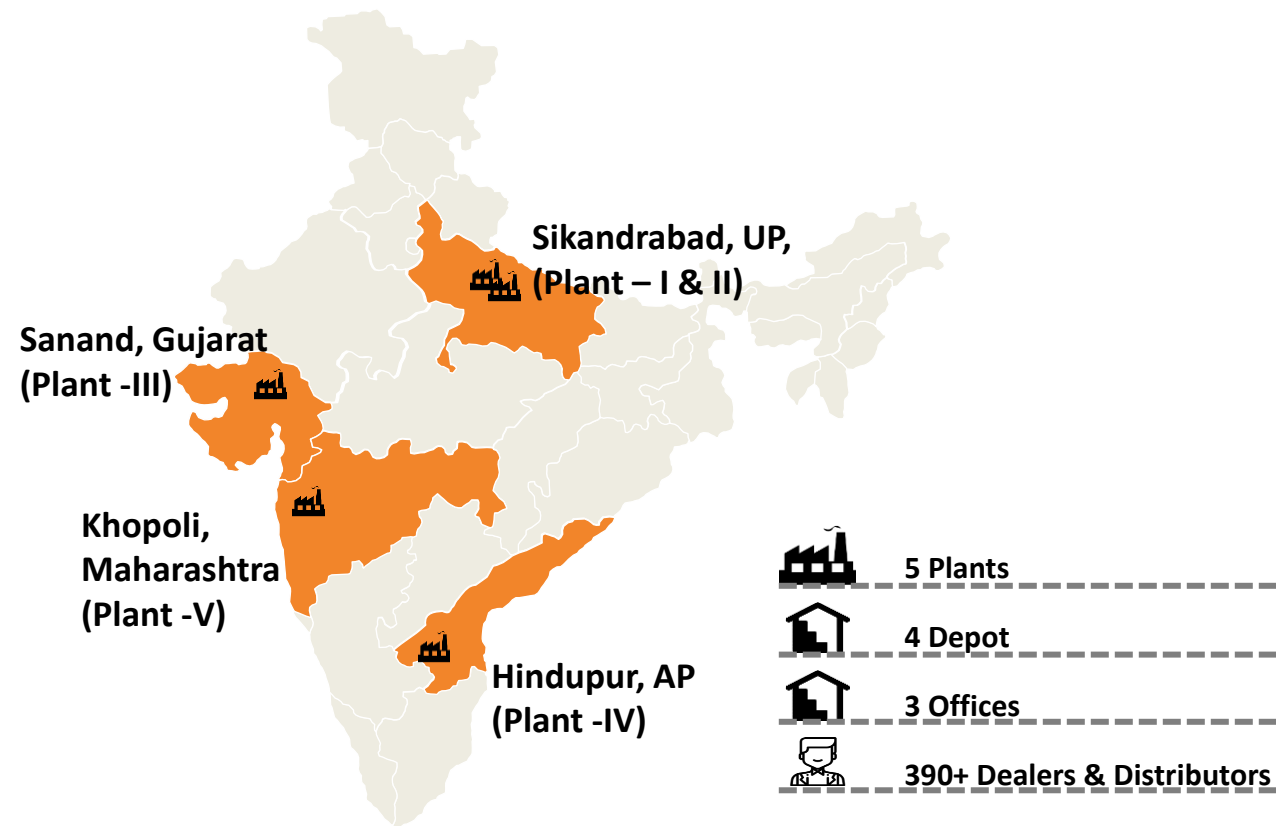


Offering a **range of piping solutions** to cater diverse needs of consumers / sectors

# Strategic Located plants with Pan-India Presence and Distribution



*Encompassing 580,000 MTPA of production ambience and a strong network of 390+ Dealers & Distributors Pan India*



| Plant Location       | Capacity (MTPA) | Product Portfolio   |
|----------------------|-----------------|---|
| Sikandrabad, UP      | 2,55,000        | MS Steel Pipes, Hollow Sections, GI Pipes, Cold Rolled Coils & Strips |
| Sanand, Gujarat      | 1,25,000        | MS Steel Pipes, Hollow Sections & GP Pipes                            |
| Hindupur, AP         | 1,20,000        | MS Steel Pipes, Hollow Sections & GI Pipes                            |
| Khopoli, Maharashtra | 80,000          | MS Steel Pipes & Hollow Sections, CR Pipes, GP pipes                  |
| Total                | 5,80,000        | Diversified Range   |

Note – Maps not to scale. All data, information, and maps are provided “as is” without warranty or any representation of accuracy, timeliness or completeness

# Well Established Branded product Portfolio & User Industries

**Hi-TECH**  
PIPES



Agriculture and  
Water Management



Agriculture and  
Poly Houses



Commercial Buildings  
and Housing Projects



Infrastructure, Airports,  
Metro Stations



Railing, Fencing, Road  
Signs, Cladding, Furniture  
& Containers, Solar  
Mounting Structure, Roof  
Top Sheds



Railing, Fencing, Road  
Signs, Cladding,  
Furniture & Containers



Poles & Railings,  
Scaffolding, Casing  
Columns, Telecom Tower



Housing, Automobile,  
Capital Goods, White Goods



Highways, Flyovers, Mines,  
Test Sites, Airports



Civil Construction





- Corrugated Galvanized Iron or Steel sheets are a lightweight roofing material made of thin sheets, stiffened by corrugations
- Corrugations, such as metal sheets are fragile and highly deformable.
- The steel used is mild steel for forming, which is galvanized to increase the durability of the metal sheets and consequently allowing them to better withstand the weather

- Coated Steel Sheet has been used extensively by the construction industry throughout the world nearly two centuries, because of its excellent corrosion resistances
- It has become the preferred material for a wide range of construction uses, particularly roofing and cladding
- Coated Steel Sheet is a unique building material. It combines the strength of steel with the excellent corrosion protection of zinc/aluminium alloy coatings, it can be punched, roll-formed and joined into a limitless number of structural and decorative building products.

# Board of Directors



**Mr. Ajay Kumar Bansal**

Chairman & Managing Director

- An Industry stalwart with over 36 years of experience in the steel industry
- Chairman of the FII (Steel tube Panel); Represented industry at various National & International forums
- Played an instrumental role in the Company's expansion over the years



**Mr. Anish Bansal**

Whole-Time Director

- B.Sc. (Economics) in Banking & Finance from the Cardiff University, England, with over 15 years of experience in Business Development & Administration
- His area of expertise includes corporate finance, strategy, marketing, product development, project implementation, international trade and finance along with other corporate matters



**Mr. P.K. Saxena**

Non-Executive Independent Director

- Master's in physics and finance and is also a Certified Associate of Indian Institute of Bankers (CAIIB)
- Has significant experience in the field of Operational Control, Credit Management, Business Analysis, Pre/Post Sanction Follow up, Data Analytics, Foreign Exchange loan syndication, NPA recovery management, monitoring etc.



**Mr. Vivek Goyal**

Non-Executive Independent Director

- Has a Masters degree in Finance and Control, and is a member of the Institute of the Chartered Accountants of India (ICAI)
- Over two decades of experience in handling large and mid-size clients across several industries in the field of Audit, Taxation, Corporate Finance, Corporate Advisory, Risk Management, Corporate Governance, M&A and restructuring initiatives.



**Mrs. Neerja Kumar**

Non-Executive Independent Director

- Did M.Sc., M.Phil. (Botany). Retired as General Manager-(MSME) Punjab National Bank
- Having almost four decades of experience in PNB Bank in various discipline.
- Worked as, Deputy General Manager in Mumbai handling HR, Planning and development, Credit, Inspection and audit.



**Mr. Mukesh Kumar Garg**

Non-Executive Independent Director

- Had joined Indian Railway as an IRSE Officer in July 1984 and retired from Railway on 30th June 2019. Worked at several posts over Northern and North Central Railway
- Having a vast experience of planning of works, handling of large tenders, Contract Management and execution, both for maintenance works as well as Railway Construction Projects

# Long Standing Relationships with Marquee Clientele

**Hi-TECH**  
PIPES

## Marquee Clients



## Marquee Projects which used Hi-Tech Products



Crash Barrier at  
Yamuna Expressway



Curtain Walling Structure at  
Mumbai Int'l Airport



Toll Plaza at  
Bandra-Worli Sea Link



Fire Fighting Pipes at  
Seven Hills Hospital



Grandstand Roofing at  
Buddh Int'l Circuit

# Quality Certifications and Client Awards



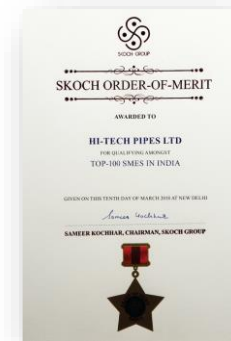
**DNV  
BUSINESS  
ASSURANCE  
CERTIFICATE**



**CERTIFICATE  
OF  
RECOGNITION  
MINISTRY OF  
COMMERCE  
INDUSTRY**



**EXEMPLARY  
GROWTH &  
INNOVATION  
AWARD  
SUPER SME**



**AMONG TOP  
100 SMES  
SKOCH  
GROUP**



**BEST  
COMPANY OF  
THE YEAR  
AWARD  
IBC  
CORPORATION,  
USA**



**PERFORMANCE  
EXCELLENCE AWARD  
MINISTRY OF STEEL,  
GOVERNMENT OF  
INDIA**



**TOP  
PERFORMER  
AWARD  
FROM SAIL**



# **Recent Developments**



# New Value-Added Products addition in Portfolio



*A new product line viz. CR Sheet (used for fabrication of Steel Furniture) has been developed and Special Annealing Furnaces has been installed at Sikanderabad (UP) manufacturing facility*

*The demand for this product has been encouraging and well accepted by customers*



*With commissioning of new Khopoli (Maharashtra) Facility, share of value-added products to increase.*

*The facility will be manufacturing MS and GP Steel Hollow Sections*

***New Value-Added products like “Galvanized Colour Coated Roofing Sheets” are under development process***

***The company has successfully registered its products in the prestigious High Speed Bullet Train Project (Ahmedabad to Mumbai). Substantial demand is expected from this project in the coming period. Moreover, the company has also started supplying Jumbo MS Hollow Sections (Hi-Tech Bahubali) to the various prestigious projects***

***The company has won various Government Tenders under the “Jal Jivan Mission” Projects of the various State Governments***

# Capacity expansion at Khopoli (Maharashtra)



*Khopoli (Maharashtra) facility with installed capacity of 80,000 tonnes per annum has been successfully commissioned and commercial productions started in Q4/FY21*



*New Continuous Pickling line with capacity of 2.5 lakh tons and Two New CR Slitting Lines wider width with Capacity of 1 lakh tonnes per annum has been successfully commissioned started at Sikanderabad (UP) facility.*

***These projects will help to produce superior quality value added products***

***Company's total capacity stands at 5.8 lac tonnes and can be expanded by about 20% more through brownfield route and debottlenecking***

# Cost Optimisation through adding Solar Power Capacities



*The company has commissioned Roof Top Solar Projects under Opex Model at its Sikanderabad (UP) and Khopoli (Maharashtra) facilities*

*With this, the total Roof Top Solar Power Generation installed capacity has increased to 3,300 KW*

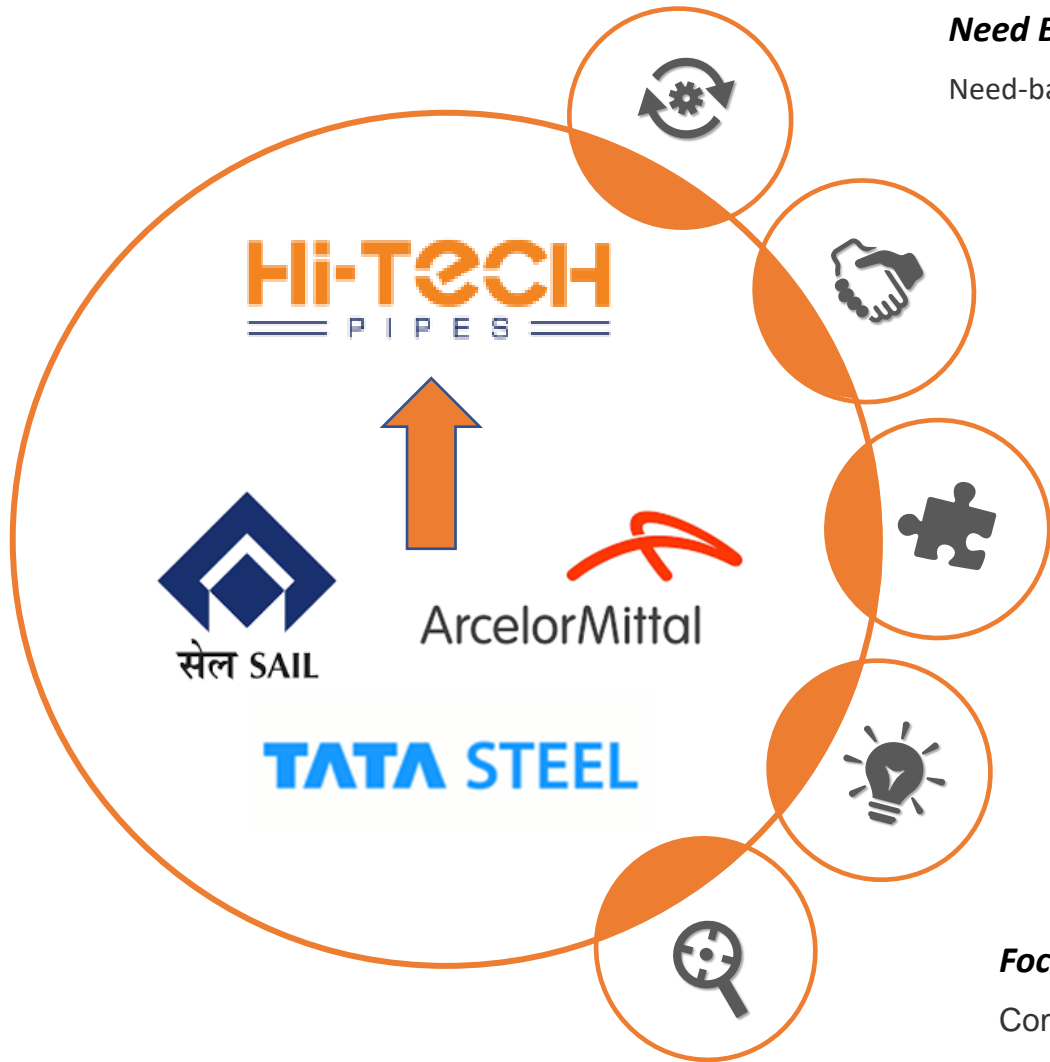
*The increase in solar power capacity would help in saving power & fuel cost, which is a significant part of total operating cost*





**Strategic Focus**

# Efficient sourcing of Raw Materials



## ***Need Based Approach***

Need-based approach to source raw materials

## ***Strong Relationship***

With large suppliers like SAIL, Tata Steel and ArcelorMittal

## ***Stable and Sustainable Supply***

Work closely with suppliers to ensure stable, high-quality and sustainable supply

## ***Environment Responsibility***

Engagement with suppliers to better understand the ethical and environmental impact associated with the materials

## ***Focus remains on High Quality Products***

Committed to produce high quality piping solutions

# Capacity Utilisation Improvement and Cost Optimisation



## Improvement in Capacity Utilisation

Strong demand for steel pipes & tubes and structural steel products expected to continue

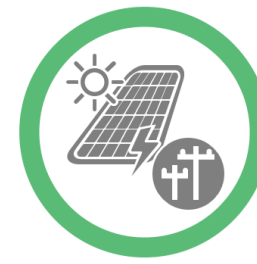
With the new Khopoli capacity ramping up well, the utilization would improve on existing 5.8 lac tonnes



## Better Utilisation to drive operating leverage

With the improvement in capacity utilization and thus increase in sales volumes, the fixed cost would come down on per tonne basis

This would eventually help in expansion of EBITDA/tonne going ahead



## Cost Optimisation Measures

With the two newly commissioned projects, the company's total Roof Top Solar Project capacity has been increased to 3300 KW

The increase in solar power capacity would help the company in significant cost savings.

# Focus on new value-added products, Strengthening Distribution Network



## Expanding Value-Added Products



- Focus on **expanding share of value-added products**
- With recent capacity expansions, strengthening our base in the Western & Southern market where there is a higher demand for value-added galvanized pipes
- **New value-added products** like “Color Coded Roofing Sheets” are under development process

## Building Brand Identity



- Continue to expand the Brand Portfolio to establish **strong product recall value** which will enable in gaining further market share

## Strengthening Distribution Network



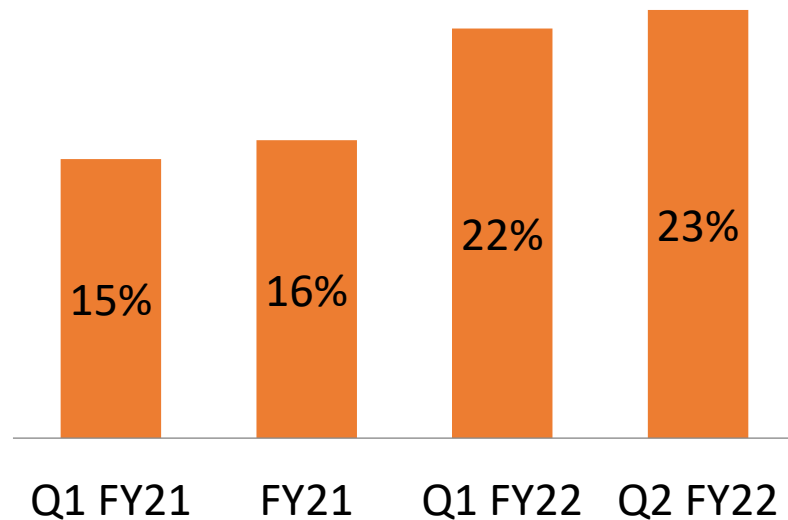
- Focus on enhancing the distribution network to help **marketing of wide-range of product portfolio** and improving after sales service
- Network comprises more than 390 distributors and dealers, and 590+ SKUs spread across India

## Customer Centric Approach



- Continue to be an application based, **One-Stop Solution provider** with a wide-range of value-added and customized products

## Share of Value Added Products



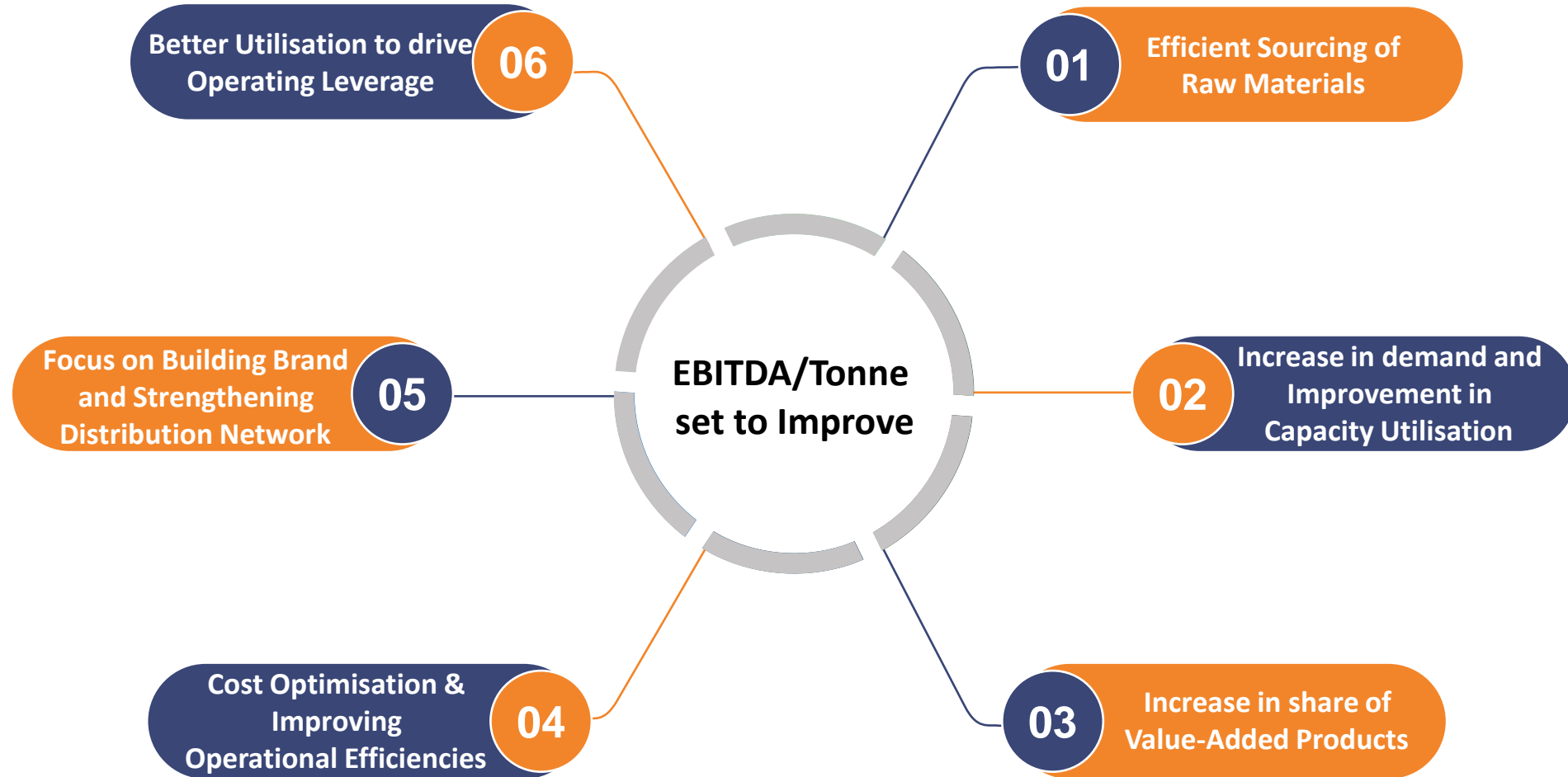
Share of Value-Added Products increased to 23% of the total sales in H1FY22

Demand for value-added Products like Galvanised Pipes, Pre-Galvanised Pipes, Metal Beam Crash Guard have been picking up

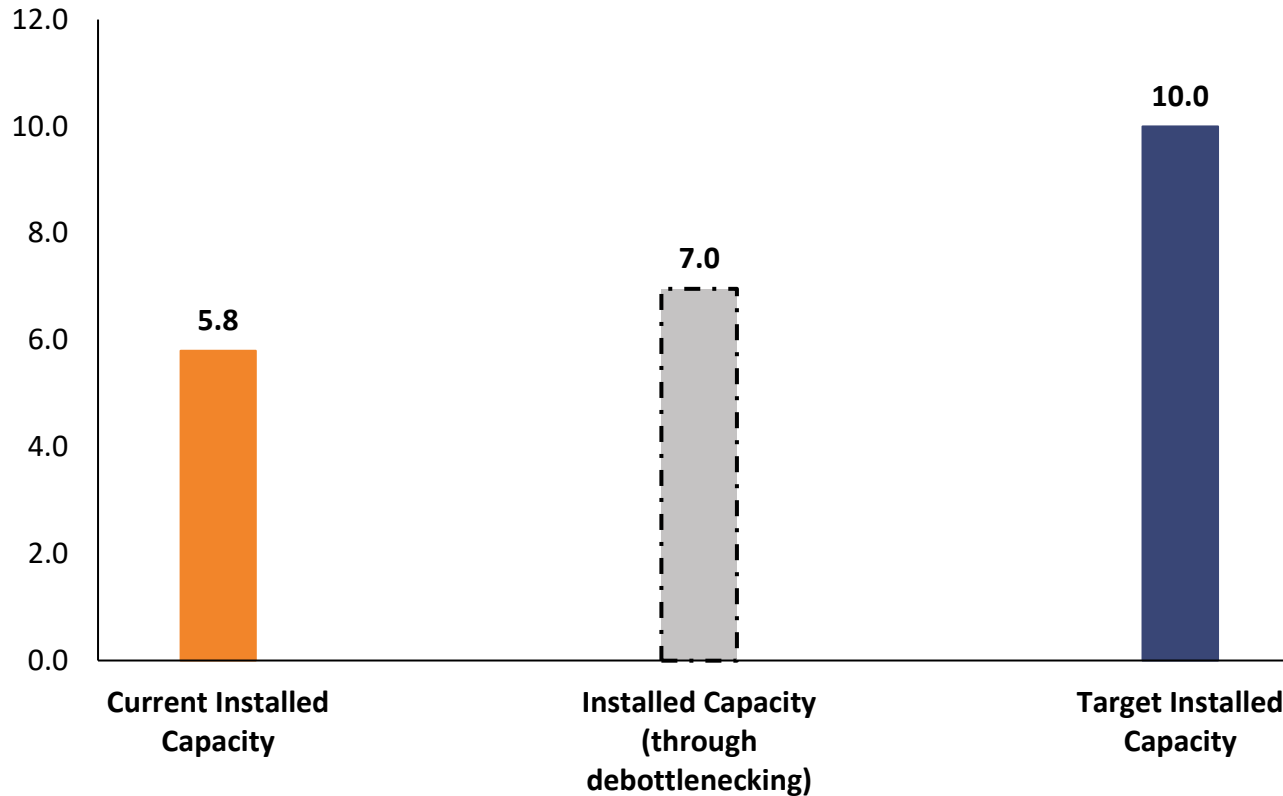
Our target is to increase share of Value-Added Products to 25-30% of the total sales by FY23E

Higher proportion of Value Added Products will drive increase in EBITDA/tonne and operating margins

# EBITDA/tonne Set to Improve



# Expansion Plan – Target to Reach Capacity of 1 Million Tonnes



**Company's total capacity stands at 5.8 lac tonnes and can be expanded by about 20% more through brownfield route and debottlenecking to reach 7.0 lac tonnes**

**Company's target is to reach 10 lac tonnes installed capacity and the capital expenditure requirements will be met through internal accruals**

**The further addition of capacities will be strategically located considering the sourcing of raw materials and consumption centres**

A large orange graphic resembling a gear or a stylized letter 'C' is positioned on the right side of the slide. It features a thick orange border with four inward-pointing teeth. Inside the central white circle of this graphic, the text 'Industry Overview & Demand Drivers' is written in a bold, black, sans-serif font.

# **Industry Overview & Demand Drivers**

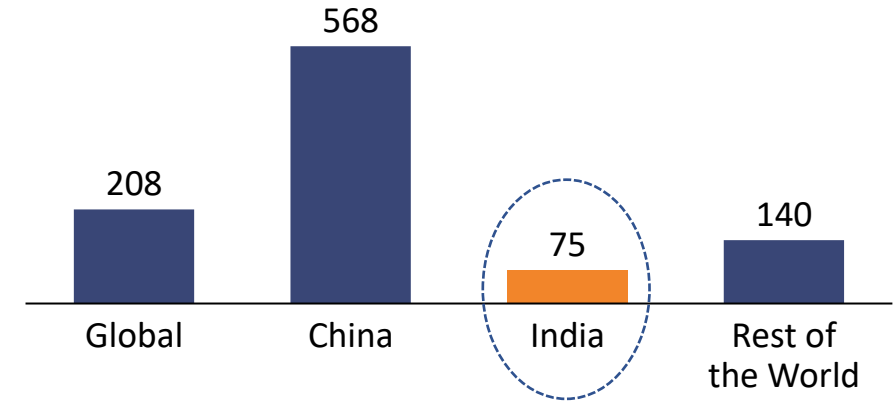


# Huge Opportunity in the Indian Steel Pipes & Tubes Industry

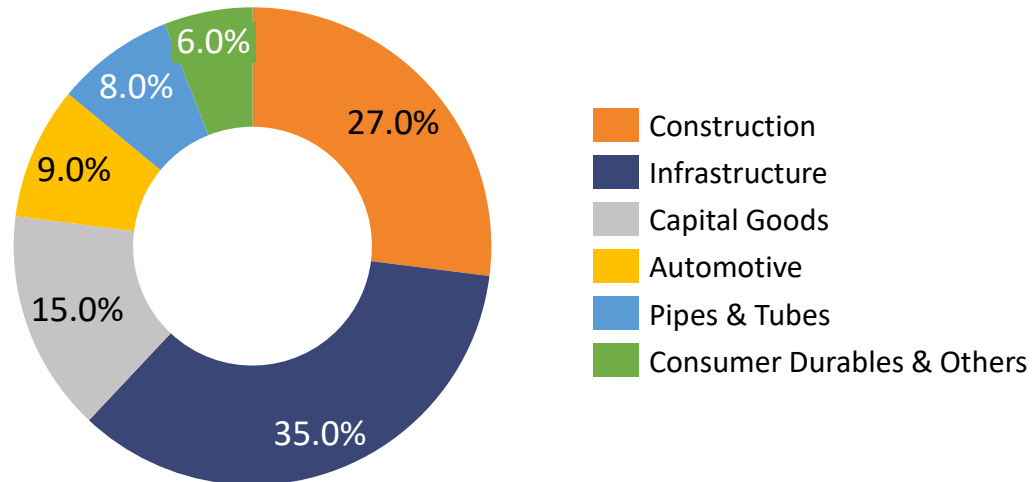
## Indian Steel Pipes & Tubes Industry

- **Market Size:** ~Rs 500 billion (~8% of total domestic steel market)
- **Total Domestic Consumption:** ~8.5 million tonnes (FY21)
- **Growth Rate last 5 years:** 6-7% CAGR
- **Growth Rate expected next 5 years:** 8-9% CAGR
- **Demand Drivers:** Water transportation, Oil & Gas pipeline, Infrastructure, Agriculture & Irrigation, Housing etc.

## Per Capita Consumption (Kgs) - Steel

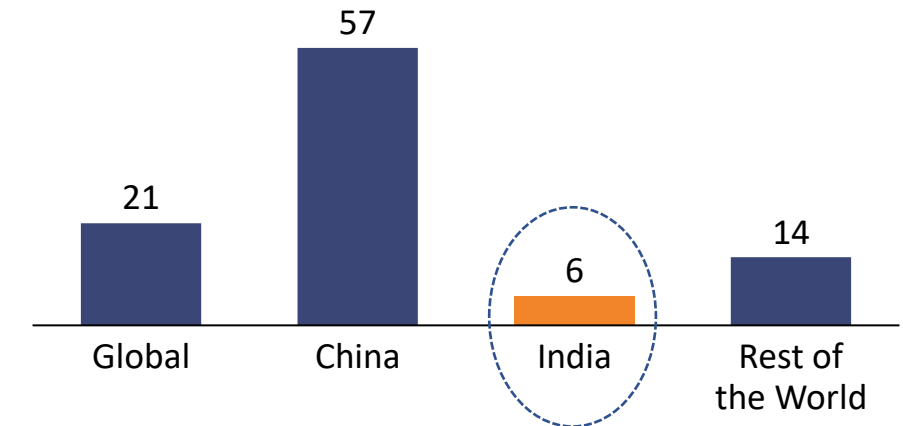


## Sector wise Consumption Break-Up



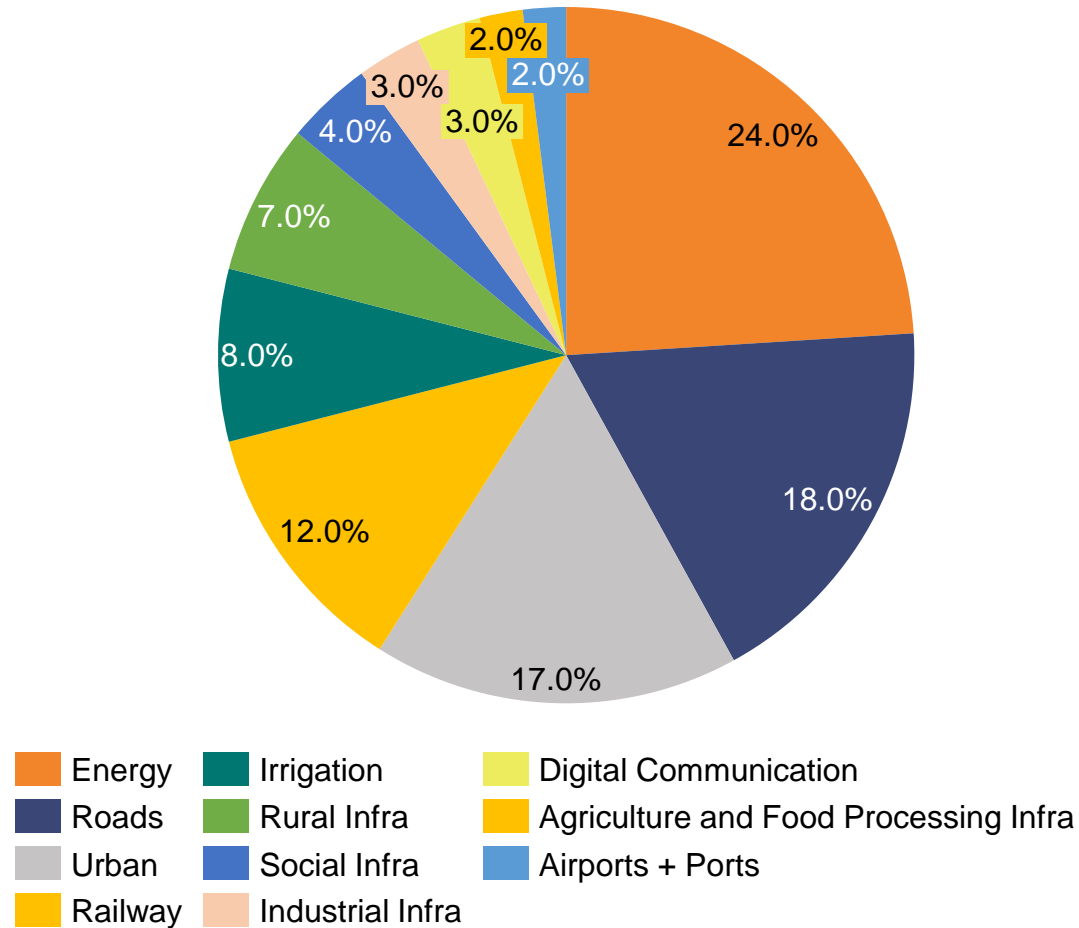
Source: Industry data

## Per Capita Consumption (Kgs) – Steel Pipes & Tubes



# Big Push on demand recovery backed by Government Capex revival

Indian government to incur capex of Rs 111 lakh crore for infrastructure development under NIP (National Infrastructure Pipeline) over FY20-25E



- 24% of this will go towards **Energy sector**, a big demand driver of steel pipes and tubes
- More than **60% of the total capex will go towards roads, urban infrastructure, railways, irrigation, and rural infrastructure**; these sectors are major consumer of steel
  - **Smart cities, Amrut, Hriday** are the key Urban development programs
  - **Increasing Warehousing demand** is expected due to rapid digital transformation
  - **Rapid Urbanization in Tier II & III cities** – rising construction of G+20 structures, Green building norms & Rural Housing scheme (PMAY-G)
- The **Government schemes** such as Housing for All” by 2022, “Nal se Jal” by 2024 (with outlay of Rs 3.5 lac crore), project AMRUT & Swachh Bharat Mission, National Rural Drinking Water Programme
- Under the ‘Udan’ Scheme, GOI plans to open **100 Airports by 2025** with an investment of Rs. 1 trillion
- Investment of ~ Rs. 50 Lakh Crores by 2030 for redevelopment of **~400 stations and build 4 new freight corridors**
- **Replacement of Ageing Pipes** - India’s traditional piping system used in the cities and buildings are getting older and corroded, reducing its stability. Therefore, in near future there is expected to be a great overhaul of the entire piping system

# Revival in Private Capex to drive demand of steel products

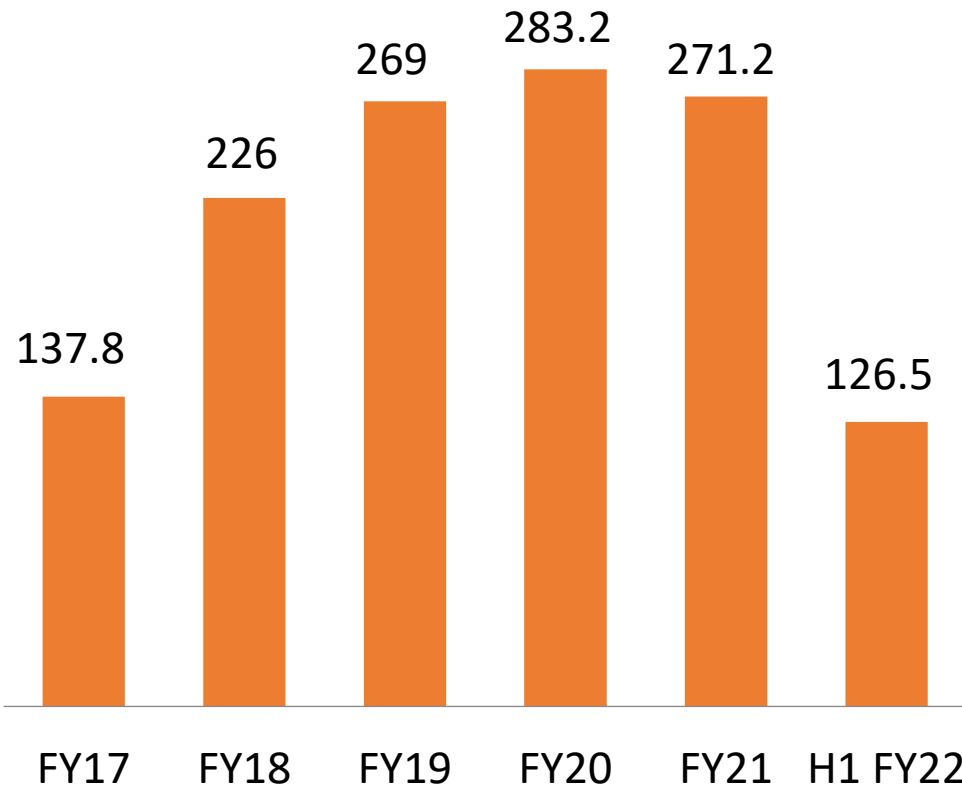
- Considerable improvement in external balance position (including Current Account Deficit turning surplus in FY21 at 0.9% of GDP and steep rise in RBI's forex buffer at USD 610 bn)
- Favorable financial conditions have enabled fund raising by many sectors
- Deleveraging of corporate balance sheets, reflected in the sharp decline in debt/equity ratio of the non-financial sector
- Higher capital base of banks, lower NPAs (Non-Performing Assets) and deleveraged corporate balance sheets are necessary buffer for private capex revival and ability of banks to fund it
- Revival in Corporate Capex is expected to drive demand for steel pipes & tubes and other structural steel products going ahead

The graphic features a large, thick orange horizontal bar on the left side. To its right is a large white circle with a thick orange border. The words "Annual Financials" are centered within this circle in a bold, black, sans-serif font. The orange bar and circle border have a slightly irregular, hand-drawn appearance.

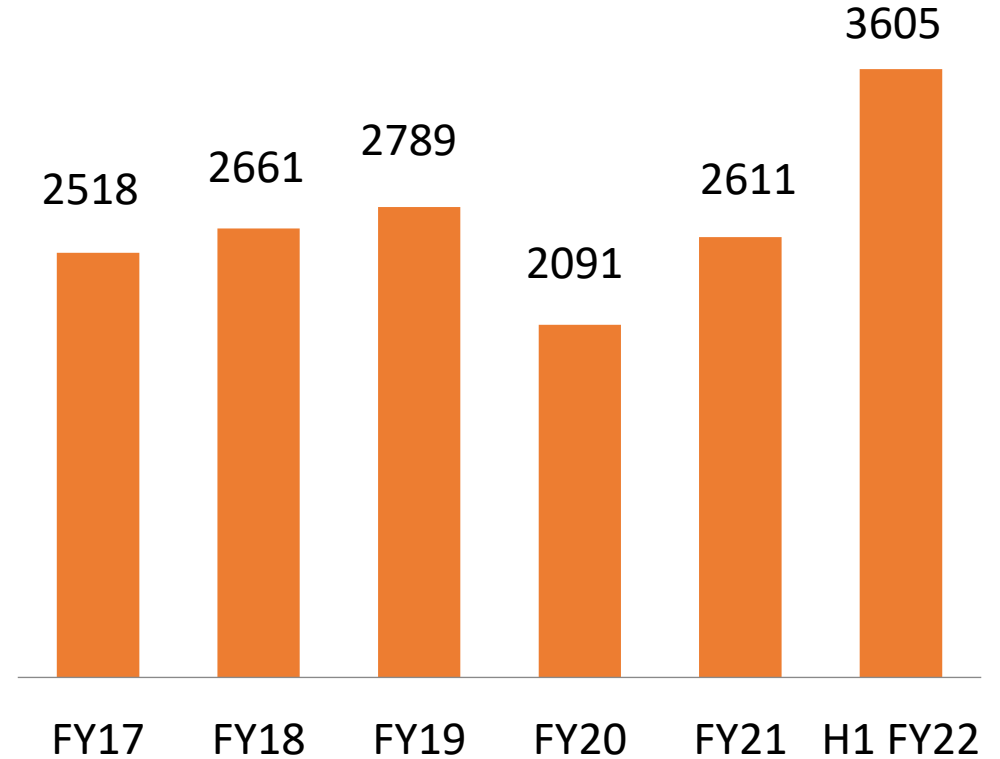
# **Annual Financials**

# Key Performance Highlights

**Volume ('000 MT)**



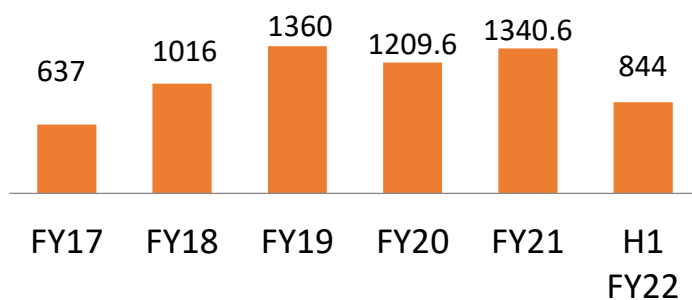
**EBITDA per Metric Ton**



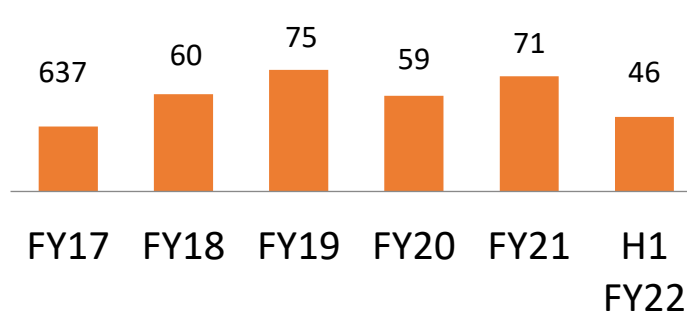
*EBITDA/ton improved sharply in FY22 led by improvement in sales realization;  
Increase in contribution from Value Added Products leading to better realizations*

# Performance Highlights

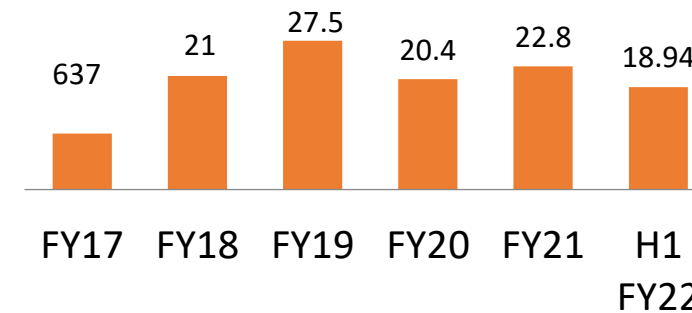
**Revenue (Rs. In Cr.)**



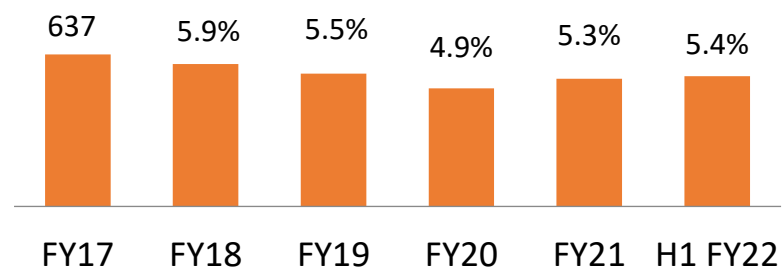
**EBITDA (Rs. In Cr.)**



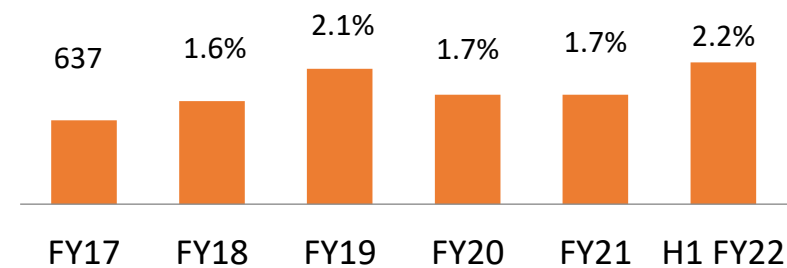
**PAT (Rs. In Cr.)**



**EBITDA (%)**

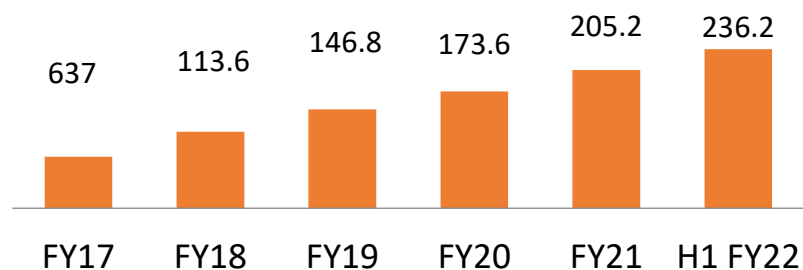


**PAT (%)**

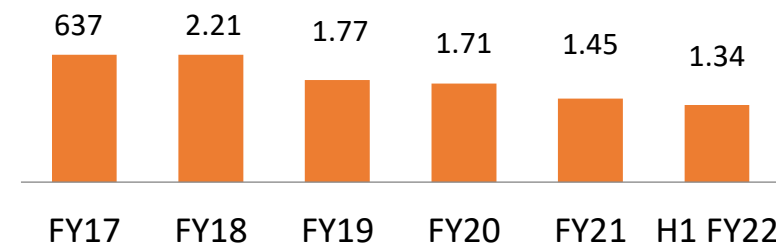


# Performance Highlights

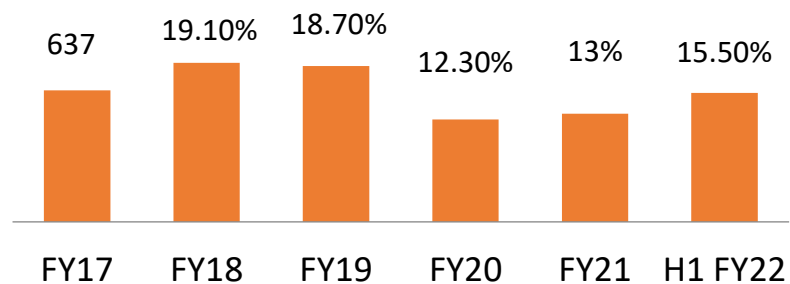
### Networth (Rs. In Cr.)



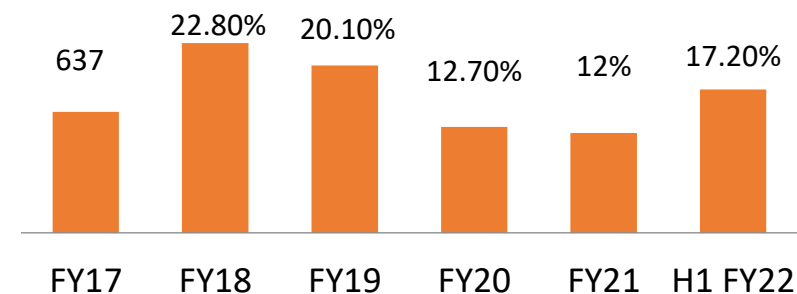
### Debt/ Equity (X)



### ROCE (%)



### ROE (%)



# Raising Funds through equity to strengthen the balance sheet

- Company issued and allotted 13.70 lakh fully convertible warrants at a price of Rs 164 per warrant aggregating up-to Rs 22.468 Crores to the persons belonging to promoter, promoter group and non-promoter group category
- Of the total 13.70 lakh warrants, 4.50 lakh warrants are allotted to promoters and the balance 9.20 lakh warrants to non-promoter group
- The fund raising through equity has strengthened the balance sheet and the funds would be utilized for working capital requirements and capital expenditure
- 12.60 lakh warrants has been converted into equity shares till date aggregating to Rs 20.66 crore. Of the 12.60 lakh equity shares converted, 4.00 lakh equity shares allocated to promoters and 8.60 lakh equity shares to non-promoter group
- 1.10 lakh warrants are pending for conversion as on date
- Post conversion, the total no. of equity shares stands at 1,21,86,100 as of October 30<sup>th</sup> 2021 and equity share capital increased to Rs 12.186 crores

| Number of Equity Shares | As on March 31, 2021 | % of Total  | Increase in Equity Shares (Converted) | As on October 30th, 2021 | % of Total  |
|-------------------------|----------------------|-------------|---------------------------------------|--------------------------|-------------|
| Promoters               | 70,01,883            | 62.5%       | 2,50,000                              | 72,51,883                | 59.51%      |
| Non Promoter            | 42,04,217            | 37.5%       | 7,30,000                              | 49,34,217                | 40.49%      |
| <b>Total</b>            | <b>1,12,06,100</b>   | <b>100%</b> | <b>9,80,000</b>                       | <b>1,21,86,100</b>       | <b>100%</b> |



# Consolidated P&L – Last 5 Years

| Particulars (Rs crore)              | FY17         | FY18           | FY19           | FY20           | FY21           |
|-------------------------------------|--------------|----------------|----------------|----------------|----------------|
| <b>Total Income from Operations</b> | <b>637.4</b> | <b>1,015.7</b> | <b>1,360.4</b> | <b>1,209.6</b> | <b>1,340.6</b> |
| Raw Materials                       | 562.7        | 913.3          | 1,236.4        | 1,095.4        | <b>1,210.2</b> |
| Employee Cost                       | 10.6         | 12.1           | 13.7           | 17.8           | <b>18.8</b>    |
| Other Cost                          | 24.3         | 30.1           | 35.6           | 37.2           | <b>40.8</b>    |
| <b>EBITDA</b>                       | <b>39.9</b>  | <b>60.1</b>    | <b>74.8</b>    | <b>59.2</b>    | <b>70.8</b>    |
| <b>EBITDA Margin</b>                | <b>6.26%</b> | <b>5.92%</b>   | <b>5.50%</b>   | <b>4.90%</b>   | <b>5.28%</b>   |
| Other Income                        | 2.4          | 1.3            | 1.4            | 1.2            | <b>0.8</b>     |
| Depreciation                        | 6.9          | 4.0            | 5.3            | 6.6            | <b>8.3</b>     |
| Interest                            | 20.4         | 27.4           | 29.9           | 30.0           | <b>32.3</b>    |
| Profit Before Tax                   | 14.9         | 30.0           | 41.0           | 23.9           | <b>31.0</b>    |
| Tax                                 | 4.5          | 9.0            | 13.6           | 3.5            | <b>8.2</b>     |
| <b>Profit After Tax</b>             | <b>10.4</b>  | <b>21.0</b>    | <b>27.5</b>    | <b>20.4</b>    | <b>22.8</b>    |
| <b>Basic EPS ( in Rs.)</b>          | <b>10.08</b> | <b>20.39</b>   | <b>25.79</b>   | <b>18.85</b>   | <b>20.85</b>   |

# Historical Consolidated Balance Sheet

| Particulars (Rs crore)         | Mar-18       | Mar-19       | Mar-20       | Mar-21       |
|--------------------------------|--------------|--------------|--------------|--------------|
| <b>Equity</b>                  | <b>113.6</b> | <b>146.8</b> | <b>173.6</b> | <b>205.2</b> |
| Equity Share Capital           | 10.5         | 10.7         | 10.9         | <b>11.2</b>  |
| Other Equity                   | 103.1        | 136.1        | 162.7        | <b>194.0</b> |
| <b>Non Current Liabilities</b> | <b>83.8</b>  | <b>84.7</b>  | <b>102.7</b> | <b>133.1</b> |
| Financial Liabilities          |              |              |              |              |
| Borrowing                      | 70.4         | 71.7         | 89.0         | <b>116.2</b> |
| Other Financial liabilities    | 6.4          | 0.9          | 0.82         | <b>0.8</b>   |
| Provisions                     | 0.6          | 0.6          | 1.0          | <b>0.9</b>   |
| Deferred Tax Liabilities (Net) | 6.4          | 11.4         | 11.9         | <b>15.2</b>  |
| <b>Current Liabilities</b>     | <b>251.2</b> | <b>273.7</b> | <b>291.5</b> | <b>261.0</b> |
| Financial Liabilities          |              |              |              |              |
| Borrowings                     | 172.1        | 186.5        | 206.5        | <b>178.9</b> |
| Trade Payables                 | 45.4         | 59.1         | 56.1         | <b>49.2</b>  |
| Other Financial Liabilities    | 13.1         | 14.8         | 17.3         | <b>22.7</b>  |
| Other Current Liabilities      | 16.0         | 5.1          | 5.4          | <b>3.2</b>   |
| Provisions                     | 1.2          | 3.8          | 5.4          | <b>4.2</b>   |
| Current Tax Liabilities (Net)  | 3.3          | 4.3          | 0.8          | <b>2.8</b>   |
| <b>Total</b>                   | <b>448.6</b> | <b>505.2</b> | <b>567.8</b> | <b>599.3</b> |

| Particulars (Rs crore)        | Mar-18       | Mar-19       | Mar-20       | Mar-21       |
|-------------------------------|--------------|--------------|--------------|--------------|
| <b>Non-current Assets</b>     | <b>149.4</b> | <b>177.4</b> | <b>209.0</b> | <b>241.8</b> |
| Property, Plant and Equipment | 123.9        | 169.1        | 173.0        | <b>202.5</b> |
| Capital Work in Progress      | 17.4         | 3.7          | 29.4         | <b>29.9</b>  |
| Other Intangible asset        | 0.1          | 0.1          | 0.0          | <b>0.0</b>   |
| Financial Assets              |              |              |              |              |
| Loans                         | 2.7          | 2.9          | 3.6          | <b>4.2</b>   |
| Other Non Current Assets      | 5.3          | 1.6          | 3.0          | <b>5.3</b>   |
| <b>Current Assets</b>         | <b>299.2</b> | <b>327.8</b> | <b>358.7</b> | <b>357.5</b> |
| Inventories                   | 154.3        | 151.2        | 178.8        | <b>188.5</b> |
| Debtors                       | 103.9        | 137.4        | 137.3        | 120.6        |
| Cash & Cash Equivalent        | 0.9          | 0.8          | 0.7          | <b>0.6</b>   |
| Bank Balance                  | 11.9         | 15.2         | 18.0         | <b>16.3</b>  |
| Other Current Assets          | 28.1         | 23.2         | 23.9         | <b>31.5</b>  |
| <b>Total Assets</b>           | <b>448.6</b> | <b>505.2</b> | <b>567.8</b> | <b>599.3</b> |

*For more details, please contact:*

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