

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

27-June-2020

**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 Audited Standalone and Consolidated Financial Results for the Quarter and Year ended 31<sup>st</sup> March, 2020.

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

**Hi-TECH  
PIPES  
LIMITED**

**FY  
2019-20**



# Forward Looking and cautionary statement

*Certain statements in this report concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risk and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within Steel industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for steel, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which the Company has made strategic investments, withdrawal of fiscal/governmental incentives, impact of regulatory measures, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the company.*





# Power of Five



Power of  
Positive  
Leadership



Power of  
Opportunity



Power of  
Return



Power of  
Trust



Power of  
Strong  
Brand



# Power of Positive Leadership

Chairman & Managing Director

Ajay Kumar Bansal

Strong Next Leadership

Anish Bansal, Director

Strong Team of Independent  
Directors

P.K. Saxena, xBanker

Vivek Goyal, FCA

Neerja Aggarwal, xBanker  
, Advocate

Strong Team of KMP's

Arvind Bansal, FCA-CFO

Arun Sharma, CS-CCO

# New Milestones

- **PAN India presence**
  - ✓ Direct marketing presence in over 17 States with more than 350 Distributors.
- **PAN India Manufacturing**
  - ✓ Four strategically located manufacturing plant with large scale manufacturing with high standards of quality assurance
- **Long Experience**
  - ✓ Incorporated in 1985 & having experience of more than 3 decades.
- **Wide Range of SKU's**
  - ✓ Having more than 550 SKU's to cater various needs of customers.
- **Dedicated Workforce**
  - ✓ Have dedicated workforce of more than 1100 persons.





# State-of-Art Manufacturing Facilities

- Manufacturing plant Sikandrabad, Uttar Pradesh (UP)
- Installed capacity of 2,55,000\* mtpa



- Manufacturing unit in Sanand (Gujarat)
- Installed capacity of 1,25,000 mtpa

- Manufacturing unit in Hindupur
- Installed capacity of 1,20,000 mtpa



# Journey So far ...



1988 - 96

- Started manufacturing MS pipes at Sikandrabad- Unit 1
- Started manufacturing Cold Rolled coils & strips

- Installation of Hot Dipped Galvanised Facility
- Started production of Highway Crash Barriers
- Started production of Hollow sections and Solar Mounting sections

2001 - 10



2012-16

- Unit 2 at Sikandrabad to manufacture steel tubes & hollow sections
- Started commercial production of Steel tubes & hollow section at State of Art Sanand (Gujarat) facility
- Listing in NSE-SME

- Commenced Operations at Hindupur(A.P.)
- Modernisation of Cold Rolling Mill at Sikandrabad Plant
- Commissioning ERW Pipe manufacturing at Hindupur
- 3<sup>rd</sup> Company to Migrate to NSE Main Board - May 2018

2017-18



2018 - 19

- Started Tube Mill 3 at Sanand.
- Installed Solar Project at Sanand and Hindupur facility
- Received Secondary Steel sector Award from Ministry of Steel
- Received Top Performer award from SAIL.





# Power of Opportunity – Favorable Macro Levers



Uddan - 100 New Airports in next 3-5 years



Nal Se Jal – 3.5 Lacs Crore spending by Government by 2024



Housing for All under PM scheme by 2022



Poly House – Future of Farming – High subsidy - exponential growth



Infrastructure - 100 Lacs crore investment in next 5 years



Solar Power – Future of Power Generation – exponential growth

# Moving Ahead Deeper Into Human Life

Home Appliances



Transformers & Motors



Furniture's



Automobiles



Fans



Bore well & Poly Houses



Railings & Windows

Metro Stations

Scaffoldings & Highways

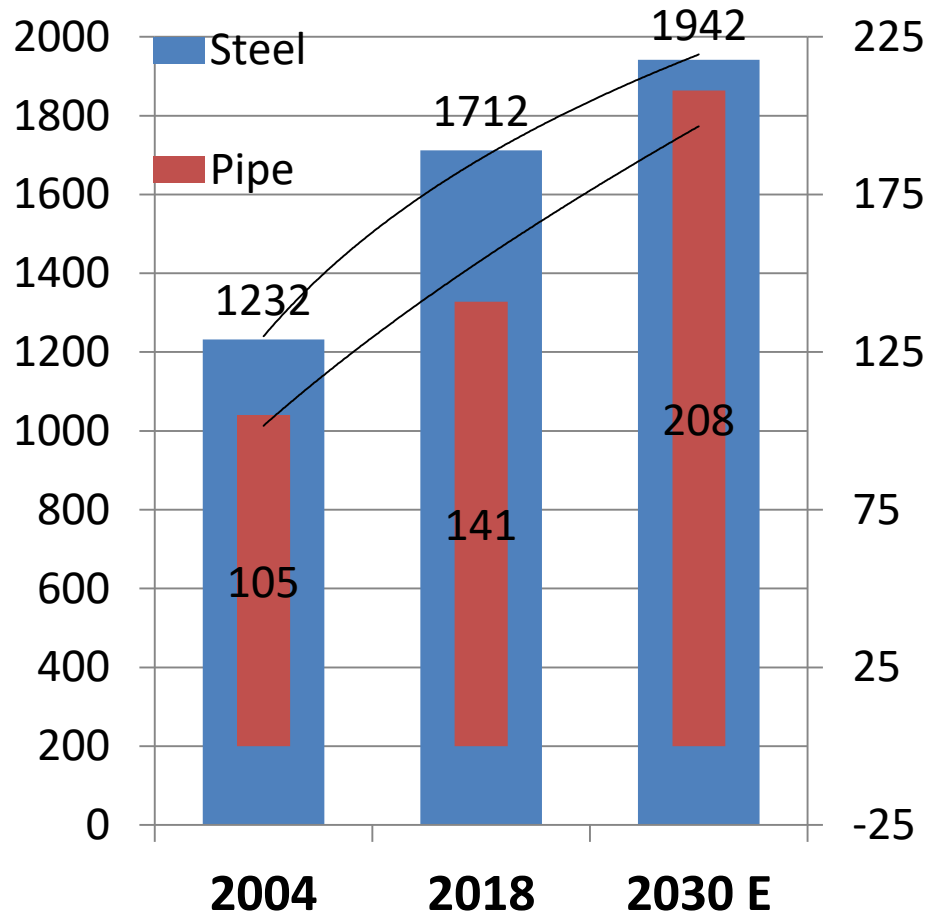
Airports & Prefab Sheds

Hi-TECH  
PIPES

Steel Pipes and Tubes

# Steel Pipe Industry – Yesterday, Today & Tomorrow

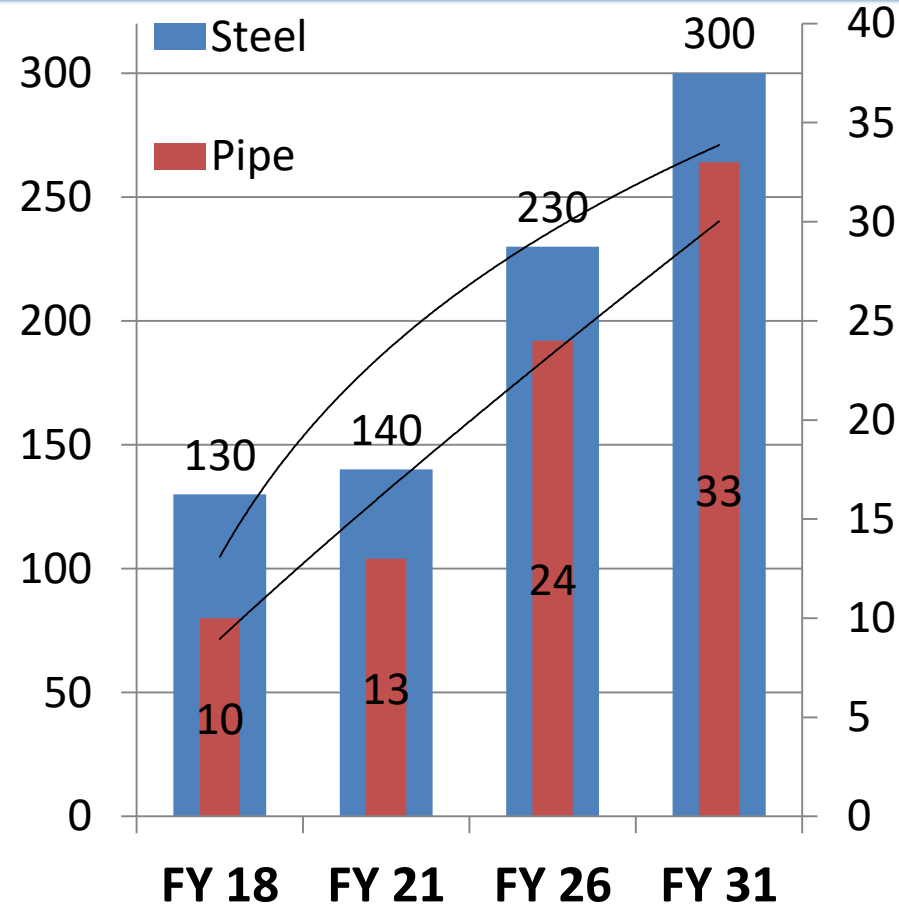
## Global Scenario



## Per Capita Consumption in Kg

	2004	2018	2030
Steel	276	835	756
Pipe	21	90	103

## INDIA - Scenario



## Per Capita Consumption in Kg

	FY 18	FY 26	FY 31
Steel	69	100	158
Pipe	6	10	19

Figures are in Million Metric Tons

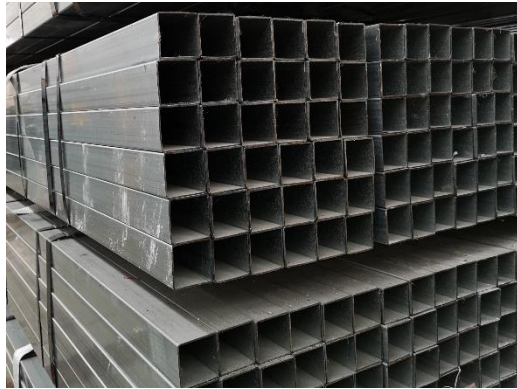


# Power of Strong Brand



# Consistent New Product Introductions

**2012: Hollow Pipes**



**2016: GP Pipes**



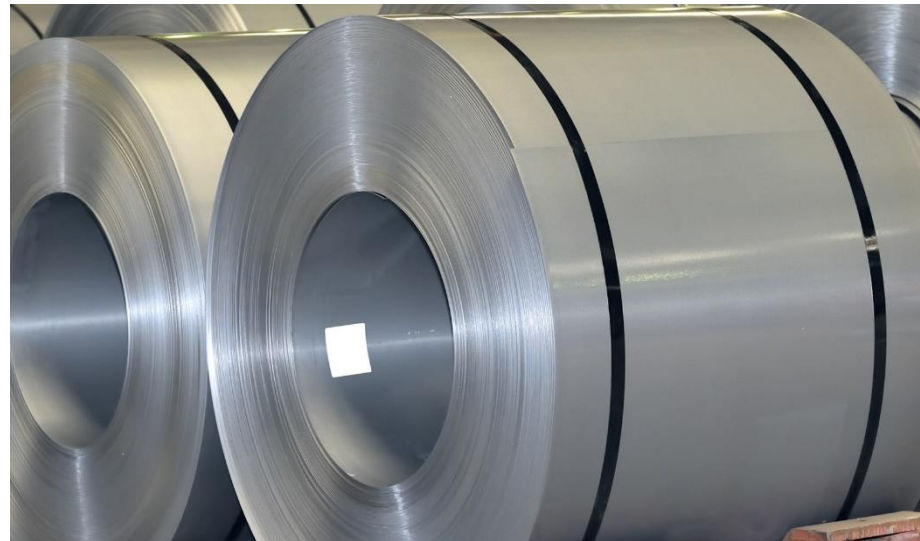
**2017 : GI Pipes in South**



**2015: Metal Beam Crash Guard**

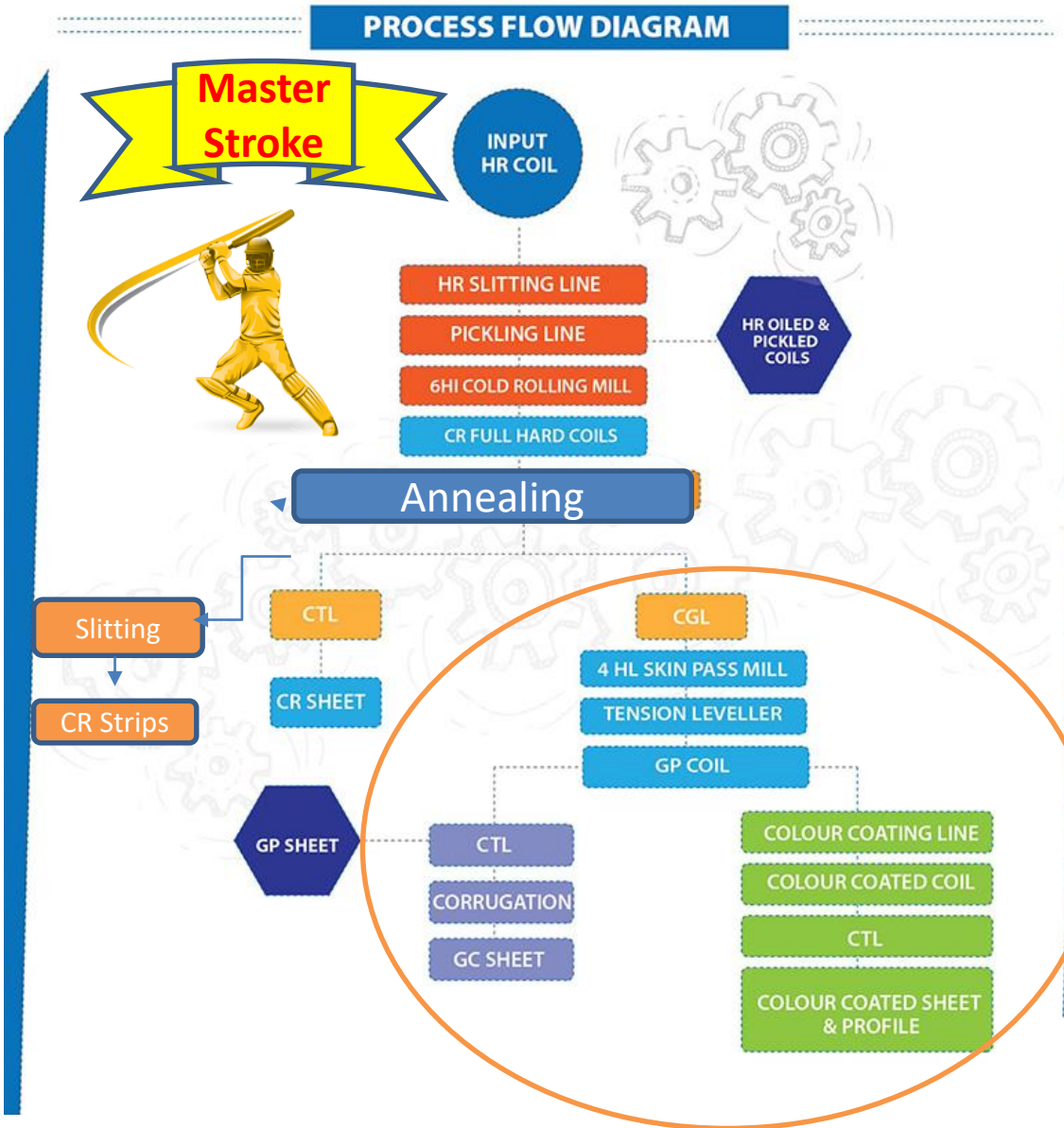


**2019 : CR Coils 1250mm**

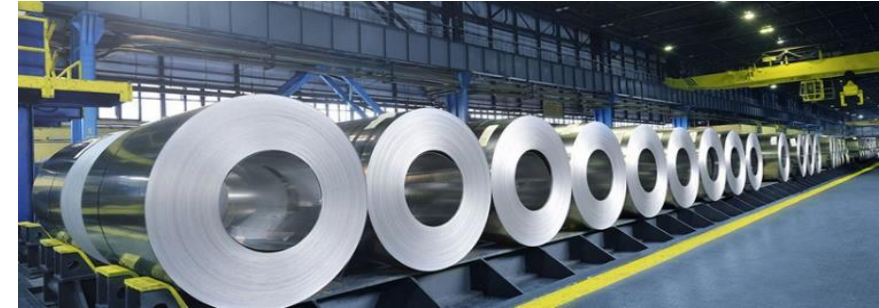
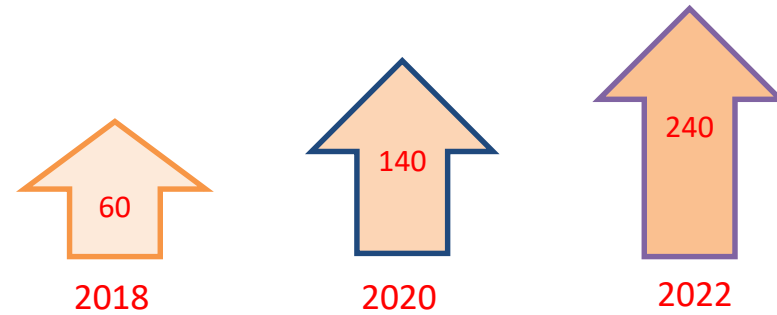


# New Mill for Cold Rolled Coils & Strips

## PROCESS FLOW DIAGRAM



Installed Capacity  
( mt ' 000 )



Vision  
to add  
capacity for  
Value Added  
Process &  
Products



# Cold Rolled Coils & Strips

Strong Network of Distributors & Dealers in North India

Installation of latest CR Mill with AGC system from USA with 1250mm

Potential for production of high margin products

High quality products suitable for Automobiles, White goods, Panels, GE etc

Emerging player in the segment offering high quality products

Potential to increase capacity alongwith high value added products

# Distributors - Retailers - Fabricators Meetings

@ Davangere, Karnatka



Customer's Meet @ Bangalore



Customer's Meet @ Salem





# Poly House Conference & Fair Participation

Customer's Meet @ Daman



Poly House Fabricator's Meet  
@ Bangalore



Participated in National Horticulture Fair





# Advertisement & Publicity



# Power of Trust

## Testimonial

“We are not buying just  
Hi-Tech Pipes,  
we are entering  
into a dynamic market  
called  
Indian Pipe Industry  
which is  
Booming”

Distributor

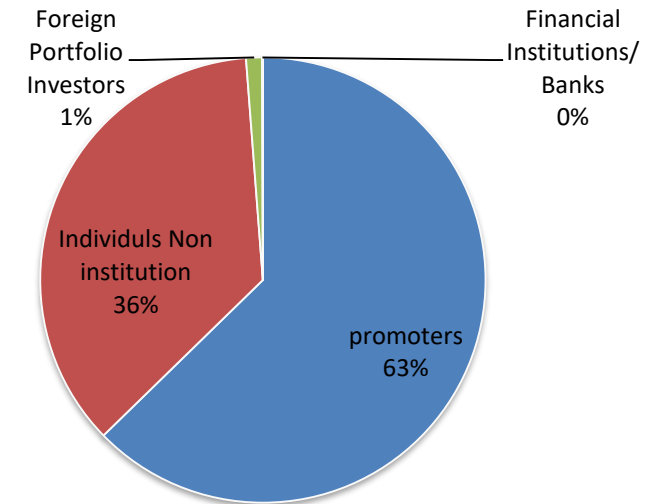




# Corporate & Shareholder's Governance

- Promoters- single business focus
- Transparent and detailed communication to shareholders
- Committed to high standards of corporate and shareholder governance
- Well experienced professional board of Independent Directors
- Track record of dividend paying company since last 5 years.

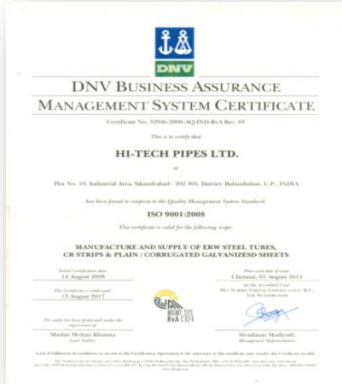
**Shareholding Pattern  
As on 31.03.2020**





# Awards & Certificates

## 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 MINISRY OF STEEL, GOVERNMENT OF INDIA



## TOP PERFORMER AWARD FROM SAIL



# Our Esteemed Customers



AIRPORTS AUTHORITY OF INDIA





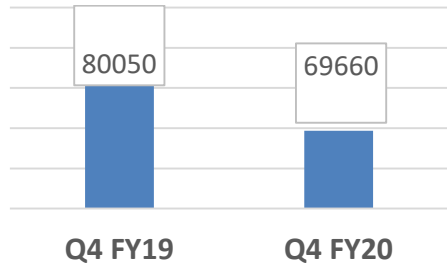




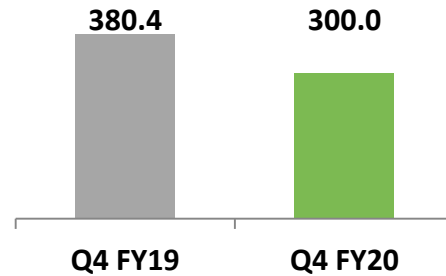
# FINANCIALS

# Consolidated P&L Highlights

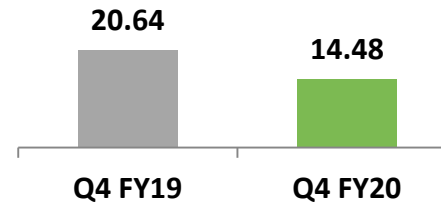
Sales Volume (MT)



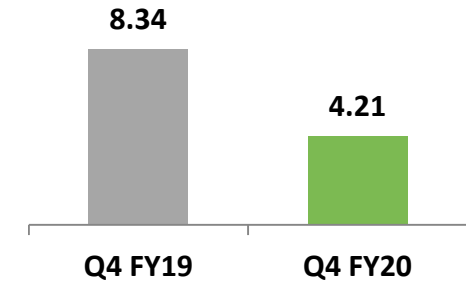
Net Revenues (Rs. Crore)



EBITDA (Rs. Crore)



PAT (Rs. Crore)



Margin as % of Net Revenue

5.4%

4.8%

2.19%

1.40%

269100

283200

FY19

FY20

1360

1210

FY19

FY20

74.95

59.23

FY19

FY20

27.53

20.39

FY19

FY20

Margin as % of Net Revenue

5.51%

4.9%

2.02%

1.69%



# Consolidated Qtrly & year ended P&L Highlights

Rs. in Cr	Q4 FY20	Q4 FY19	Y-o-Y %	Q3 FY20	Q-o-Q %	FY20	FY19	Y-o-Y %
<b>Total Income from Operations</b>	<b>299.78</b>	<b>380.4</b>	<b>(21.2%)</b>	<b>311.0</b>	<b>(3.6 %)</b>	<b>1209.6</b>	<b>1360.4</b>	<b>(11 %)</b>
Raw Materials	271.95	346.32		280.75		1095.5	1236.4	
Employee Cost	5.32	3.15		4.08		17.78	13.7	
Other Cost	8.03	10.29		11.04		37.15	35.6	
<b>Total Expenditure</b>	<b>285.3</b>	<b>359.76</b>		<b>295.87</b>		<b>1150.3</b>	<b>1285.7</b>	
<b>EBITDA</b>	<b>14.48</b>	<b>20.64</b>	<b>(29.8%)</b>	<b>15.1</b>	<b>(4.1%)</b>	<b>59.3</b>	<b>74.8</b>	<b>(20.7%)</b>
Other Income	0.93	1.0		0		1.25	1.4	
Depreciation	2.04	1.29		1.51		6.57	5.3	
Interest	8.60	7.48		7.42		30.04	29.8	
<b>Profit Before Tax</b>	<b>4.77</b>	<b>12.87</b>	<b>(62.9%)</b>	<b>6.2</b>	<b>(23%)</b>	<b>23.9</b>	<b>41.1</b>	<b>(41.9%)</b>
Tax	0.56	4.53		1.5		3.5	13.6	
<b>Profit After Tax</b>	<b>4.21</b>	<b>8.34</b>		<b>4.7</b>		<b>20.4</b>	<b>27.5</b>	
<b>Other Comprehensive income</b>	<b>0</b>	<b>0</b>		<b>0</b>		<b>0</b>	<b>0.2</b>	
<b>Total Comprehensive Income</b>	<b>4.21</b>	<b>8.34</b>	<b>(49.5%)</b>	<b>4.7</b>	<b>(10.4%)</b>	<b>20.4</b>	<b>27.5</b>	<b>(25.8%)</b>
<b>Basic EPS (in Rs.)</b>	<b>3.85</b>	<b>7.79</b>		<b>4.28</b>		<b>18.9</b>	<b>25.8</b>	

# Consolidated Balance Sheet

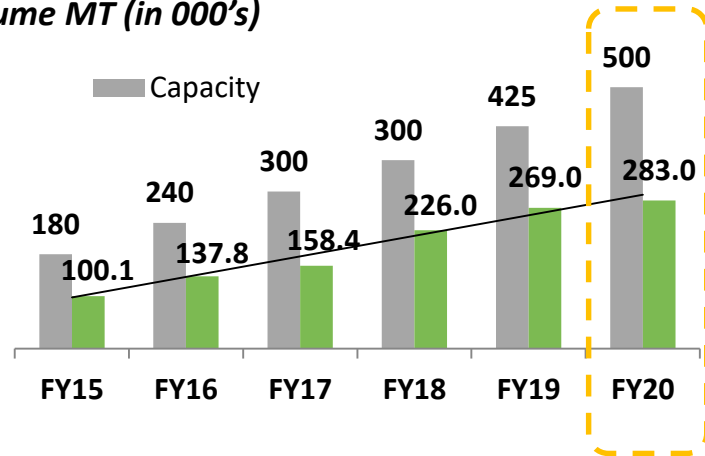
Rs. in Cr	As on 31 <sup>st</sup> Mar – 20	As on 31 <sup>st</sup> Mar – 19
<b>Equity</b>	<b>173.60</b>	<b>146.7</b>
Equity Share Capital	10.93	10.7
Other Equity	162.6	136.1
<b>Liabilities</b>		
<b>Non Current Liabilities</b>	<b>102.65</b>	<b>84.7</b>
<b>Financial Liabilities</b>		
Borrowing	88.97	71.7
Other Financial liabilities	0.82	1.0
Provisions	0.97	0.6
Deferred Tax Liabilities (Net)	11.89	11.4
<b>Current Liabilities</b>	<b>291.5</b>	<b>273.7</b>
<b>Financial Liabilities</b>		
Borrowings	206.5	186.5
Trade Payables	56.06	59.1
Other Financial Liabilities	17.33	14.8
Other Current Liabilities	5.40	5.1
Provisions	5.40	3.8
Current Tax Liabilities (Net)	8.11	4.3
<b>Total</b>	<b>567.75</b>	<b>505.1</b>

Rs. in Cr	As on 31 <sup>st</sup> Mar – 20	As on 31 <sup>st</sup> Mar – 19
<b>Non-current Assets</b>	<b>209.02</b>	<b>177.4</b>
Property, Plant and Equipment	172.97	169.1
Capital Work in Progress	29.40	3.7
Other Intangible asset	0.05	0.1
Investments	0.0	0.0
Loans	3.61	2.9
Other Non Current Assets	2.99	1.6
<b>Current Assets</b>	<b>358.73</b>	<b>327.8</b>
Inventories	178.77	151.2
<b>Financial Assets</b>		
Investments	0.0	0.0
Trade Receivables	137.3	137.4
Cash & Cash Equivalent	0.72	0.8
Bank Balance other than above	18.05	15.2
Other Current Assets	23.9	23.2
<b>Total Assets</b>	<b>567.75</b>	<b>505.1</b>

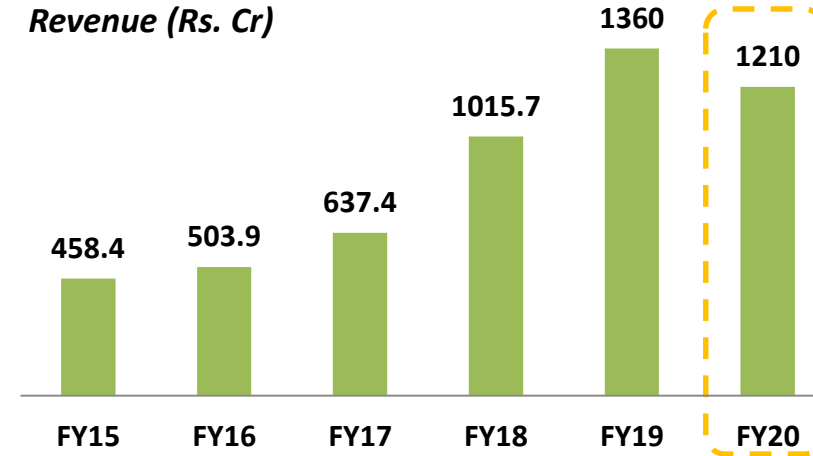


# Consolidated Financial Highlights

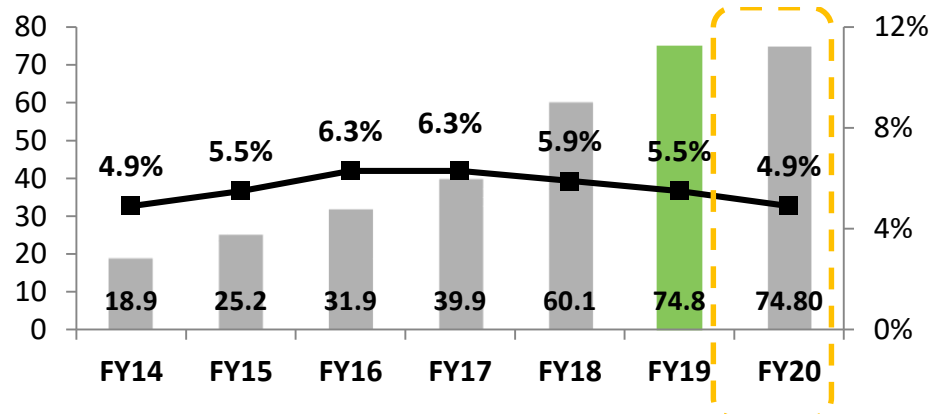
Volume MT (in 000's)



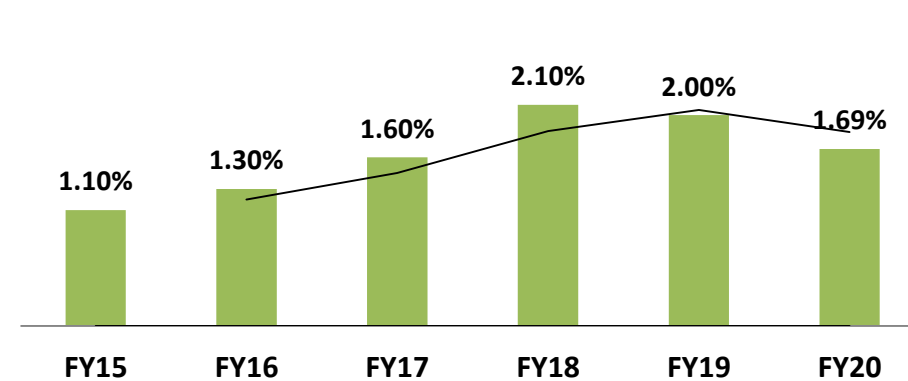
Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)

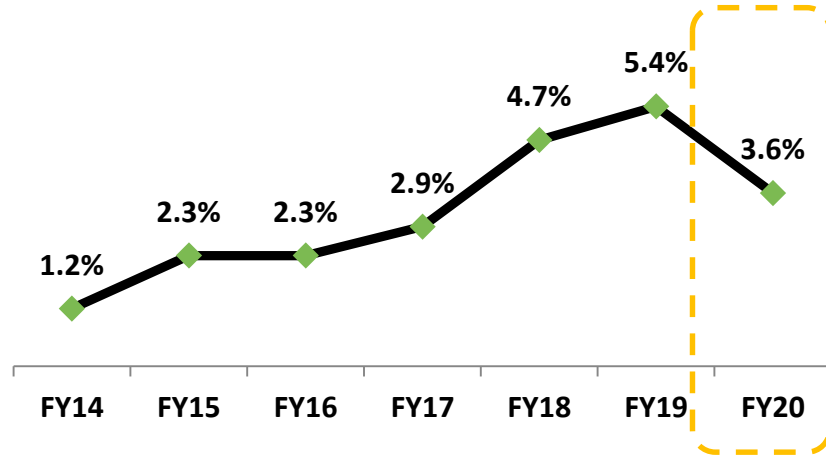


PAT (Rs. Cr) / Margin (%)

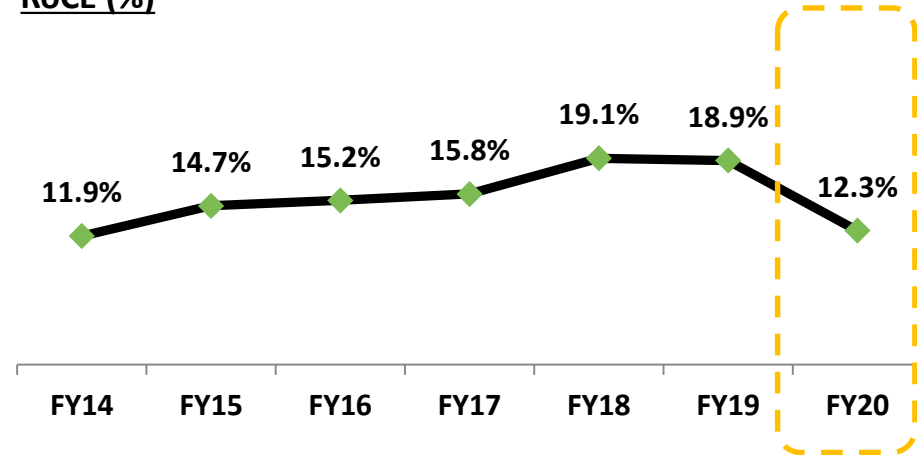


# Consolidated Financial Ratios

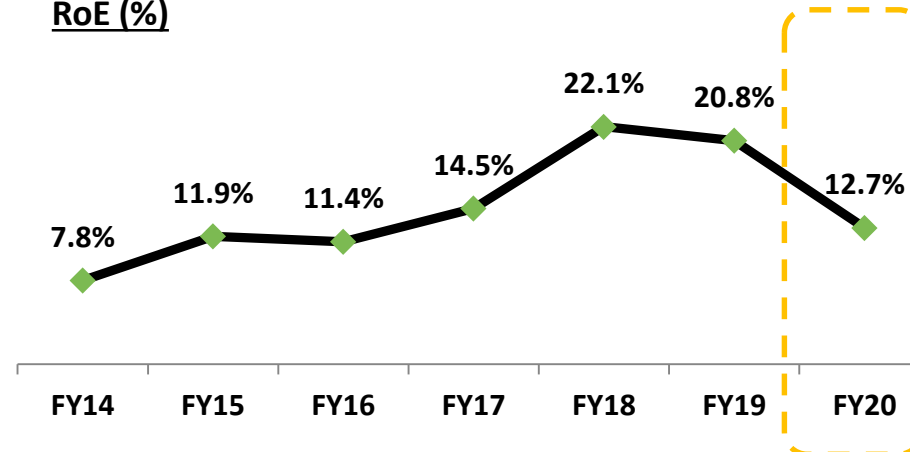
ROA (%)



RoCE (%)



RoE (%)



# Consolidated Annual P&L Highlights

Rs. in Cr	FY20	FY19	Y-o-Y %
<b>Sales Volume ( in MT )</b>	<b>283200</b>	<b>269100</b>	<b>5.25 %</b>
<b>Total Income from Operations</b>	<b>1209.6</b>	<b>1360.4</b>	<b>-11.08 %</b>
Raw Materials	1095.47	1236.4	
Employee Cost	17.8	13.7	
Other Cost	37.15	35.6	
<b>Total Expenditure</b>	<b>1150.42</b>	<b>1285.7</b>	
<b>EBITDA</b>	<b>59.2</b>	<b>74.8</b>	<b>-20.86 %</b>
Other Income	1.3	1.4	
Depreciation	6.5	5.3	
Interest	30.0	29.9	
<b>Profit Before Tax</b>	<b>23.8</b>	<b>40.9</b>	<b>-41.8 %</b>
Tax	3.4	13.6	
<b>Profit After Tax</b>	<b>20.4</b>	<b>27.3</b>	
<b>Other Comprehensive Income</b>	<b>0</b>	<b>0.2</b>	
<b>Total Comprehensive Income</b>	<b>20.4</b>	<b>27.5</b>	<b>-27.13 %</b>
<b>Basic EPS ( in Rs.)</b>	<b>18.9</b>	<b>25.8</b>	



# Covid- 19

*Q4-FY 20 has been impacted by outbreak of Covid 19 Corona Virus. The outbreak of COVID-19 globally and resultant lockdown in many countries, including from 22th March 2020 in India, has had impact on the business of the Company. Consequently lower production for its steel products has impacted the margins.*

*The lock down of COVID-19 is also continuing in FY 2020-21 and the Company is continuing its operations in all major business units with current lower production. Management is expecting that demand for products will improve on stabilization of COVID-19, post removal of lock down in Quarter 3 & onwards. Management has assessed the potential impact of COVID 19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/ on useful life of the assets/ on financial position etc. though there may be lower revenues and margins in the near term.”*