

October 30th, 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: Media Release

Dear Sir/ Madam,

In reference to the above captioned subject, please find enclosed herewith Media Release with respect to the Un-Audited Standalone and Consolidated Financial Results for the Quarter and Half Year ended 30th 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



Revenue growth of 58% in H1 FY22, led by higher sales volumes

EBITDA up 61% as margins improved; PAT increased 170%

October 30th, 2021, New Delhi: Hi-Tech Pipes Limited (NSE: HITECH), one of the leading steel processing companies in India, reported its financial results for the quarter and Half Year ended 30th September, 2021.

Key Consolidated Financial and Operational Highlights for Q2FY22:

- Revenue from operations was up 21% to Rs. 461 Crore as compared to Rs. 382 Crore in Q2FY21; led by higher sales volume and better sales realisation.
- EBITDA was up 27% to Rs. 24.23 Crore as compared to Rs. 19.14 Crore in Q1FY21; led by improvement in operating margins
- EBITDA/ton at Rs.3742 in Q2FY22 vs. Rs.2224 in Q2FY21; improved by 68% YoY; on account of better sales realisations, increased sale of value added products on YoY basis and inventory gain due to increase in raw material prices.

H1 FY22-

- Revenue from operations was up 58% to Rs. 844 Crore as compared to Rs. 533 Crore in H1 FY21; led by higher sales volume and better sales realisation.
- Total sales volumes increased by 4% to 1.26 lac tonnes as compared to 1.21 lac tonnes in H1 FY21; led by better demand for steel tubes and structural steel products
- EBITDA was up 61% to Rs. 45.59 Crore as compared to Rs. 28.28 Crore in H1 FY21; led by improvement in operating margins and inventory gain due to increase in raw material prices.
- EBITDA/ton at Rs.3605 in H1 FY22 vs. Rs 2335 in H1 FY21; improved by 54% YoY; on account of better sales realisations on YoY basis
- Current Ratio has improved from 1.37x in FY 21 to 1.43x in H1 FY 22.
- Interest Coverage has improved from 1.96x in FY 21 to 2.68x in H1 FY22
- Debt Equity Ratio has improved from 1.45x in FY 21 to 1.34x in H1 FY22
- Return on Capital Employed has improved from 13% in FY 21 to 15.50% in H1 FY22
- Return on Equity has improved from 12% in FY 21 to 17.20% in H1 FY22.
- New Working Capital Days has improved from 71 days in FY 21 to 66 days in H1 FY22.
- Return on Equity has improved from 12% in FY 21 to 17.20% in H1 FY22.



Key Operational Highlights:

1. Commercial Production of Continuous Galvanising Line and Galvanised Corrugated Roofing Sheets

- The Company has started commercial production of CGL (Continuous Galvanizing Line) and **Galvanized Corrugated Roofing Sheets**.
- This value-added product is of superior qualities and is available in multiple sizes as per customer's requirement. The product comprises of various features such as Adequate Hardness for Roofing, Uniform Zinc Coating, Adequate Chromating, Perfect Overlapping, Excellent Zinc Adherence, High Tensile Strength and Assured Thickness.
- With the high durability, the product finds applications in Industrial Roofing, Garages, Garden Building, Construction & Backyard and Household Rooftops.
- The company is in process of adding more value-added products in its products portfolio and increase its share of value-added products in the total sales. The launch of this product will enable the company to penetrate in the Indian Roofing Industry and expected to contribute to the company's topline meaningfully in the coming period.
- With this new product addition, the company has a well-established portfolio of eleven products and cater to industries like Automobile, Capital Goods, Consumer Goods, Agriculture, Water Management, Commercial Buildings, Housing, Airports, Metros, Roads & Highways, Roofing etc.

Details of the new facility set up:

- Fresh Installed capacity of value added products :60,000 mtpa.
- Period within which the proposed capacity is to be added : 01-11-2021
- Investment : Rs.15.00 Crores (Approx.)
- Mode of Financing : Rs.6.00 Cr Debt & Rest is from Internal Accruals



2. **BSE Listing (In-principle approval)**

The board took great pleasure to inform that the company has received in-principle approval from BSE Limited to list its share on the main board of BSE. Now the shares of the company will be listed on both the recognized stock exchanges of India i.e. NSE & BSE. This will help in improving the stock liquidity in the Stock Market and also allow the investors to choose from different exchanges in which to buy or sell the shares of company.

Commenting on the development, Mr. Ajay Kumar Bansal, Managing Director, Hi-Tech Pipes Ltd. said,

“We feel so elated with the commencement of commercial production of CGL (Continuous Galvanizing Line) and **Galvanized Corrugated Roofing Sheets**. Launch of **Hi-Tech - Galvanised Corrugated Roofing Sheets** will further expanding our portfolio of value-added products. In the recent quarter Q2FY22, our share of value-added products improved to 23% as compared to 15% during Q2FY21. We remain committed to further increase this share to 25-30% by FY23E. Our superior distribution network across the country ensures excellent reach and regular supply of these products.

The demand for premium structural steel products has been very strong. Our focus remains on improving our product mix through addition of superior products like these, improving operational efficiencies, increasing capacity utilisations of our plants and sales volumes. These factors will expand our operating margins and increase our profitability in the coming period.

Our operational performance during H1FY22 has been significantly better as compared to the last year led by better industry demand and pricing.”

About Hi-Tech Pipes Limited:

One of India’s leading steel processing companies, providing world class innovative products for nearly three decades with a strong presence in steel pipes, hollow sections, tubes, cold rolled coils & strips, road crash barriers, solar mounting structures and a variety of other galvanised products. The Company operates state-of-the-art integrated manufacturing facilities at Sikandrabad (UP), Sanand (Gujarat), Hindupur (AP) - near Bangalore, and Khopoli (Maharashtra), with an installed capacity of almost 5,80,000 MTPA, on a consolidated basis. The Company has direct marketing presence in over 17 states with more than 300 distributors across India.



For more details, please visit: www.hitechpipes.in

Mr. Arvind Bansal
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HI- Tech Pipes Ltd.
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DISCLAIMER: *Certain statements in this document that are not historical facts are forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Hi-tech Pipes Ltd. Shall not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*