

+91-11-48440050

info@hitechpipes.in

www.hitechpipes.in

August 10th, 2022

To,

Manager,

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex-Bandra (E), Mumbai-400051

NSE Symbol: HITECH

Listing Department,

**BSE** Limited

Phiroze Jeejeebhoy Towers, Rotunda Building, Dalal Street, Fort Mumbai- 400001

Scrip Code: 543411

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 ended 30th June, 2022.

Kindly take the above information on record and oblige.

Thanks and Regards

For Hi-Tech Pipes Limited For HI-TECH PIPES LIMITED

Arun Gemnary Secretary Company Secretary

Encl: As above

Hi-Tech Pipes Limited CIN: L27202DL1985PLC019750



### HI-TECH PIPES LIMITED

Investor Presentation-Q1FY23
AUGUST 2022



## Safe Harbour



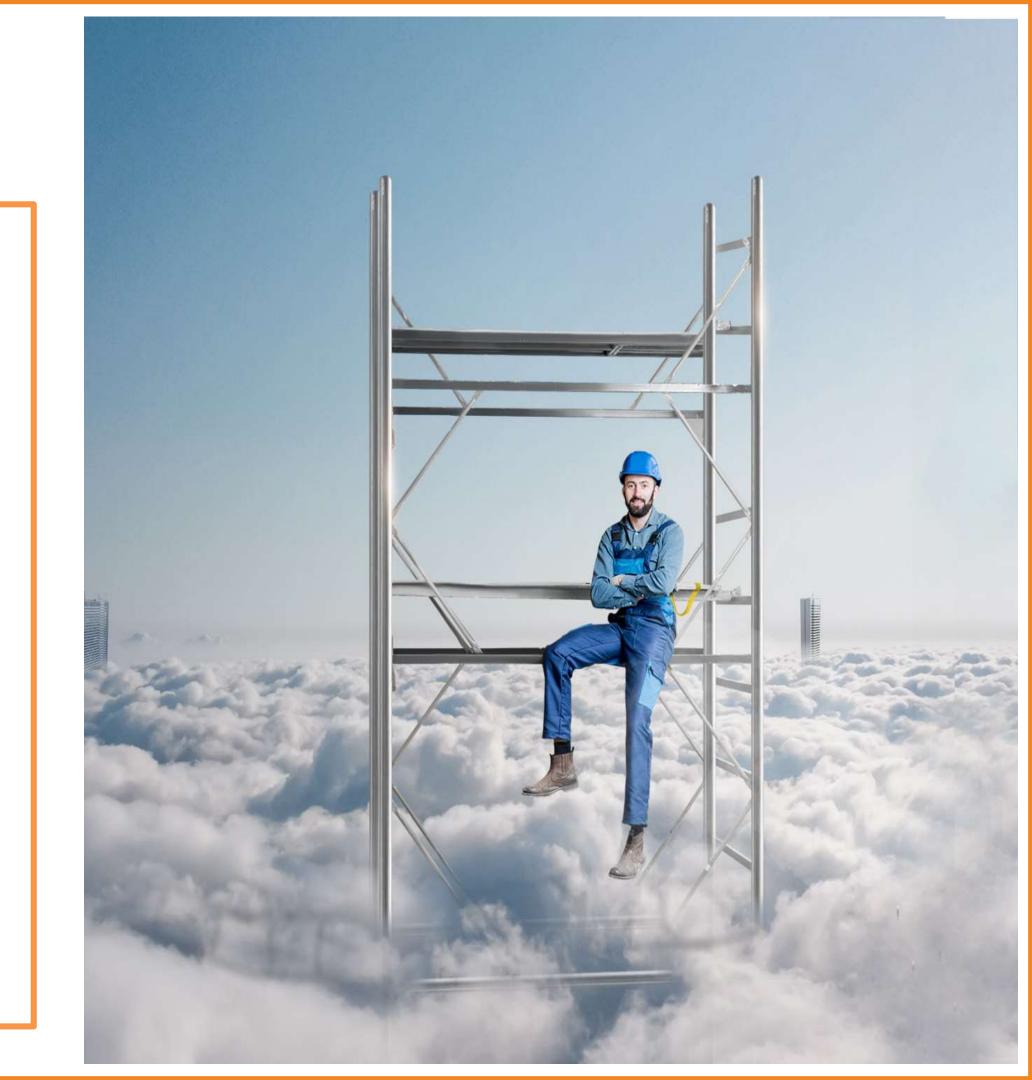
This presentation and the accompanying slides (the "Presentation"), which have been prepared by **Hi-Tech Pipes Ltd.** (**the "Company"**), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

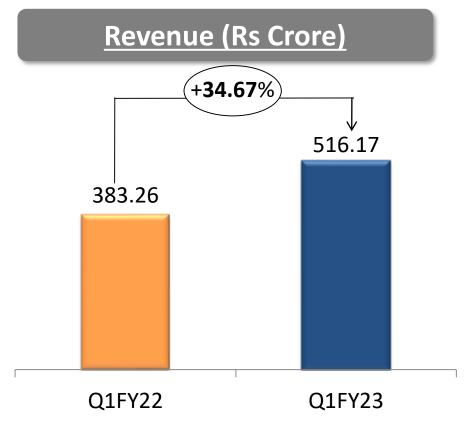
This presentation contains certain forward-looking statements concerning the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. The risks 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

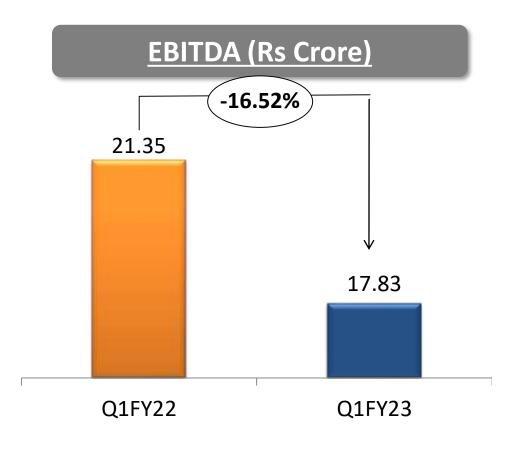
## CONTENTS

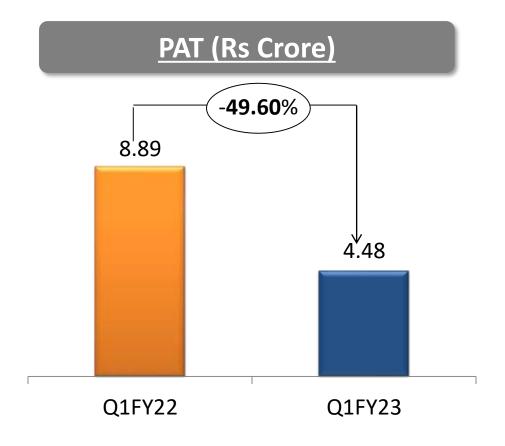
- Q1FY23 Highlights
- Financial Performance
- Operational Highlights
- Company Overview
- New Initiatives
- Strategic Focus & Future Prospects
- Historic Financial Performance
- Team Hi-Tech

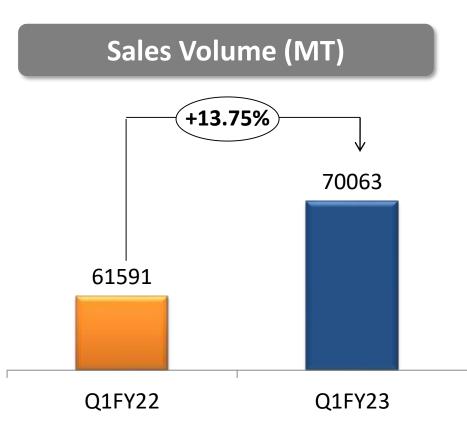


### Q1FY23 Highlights

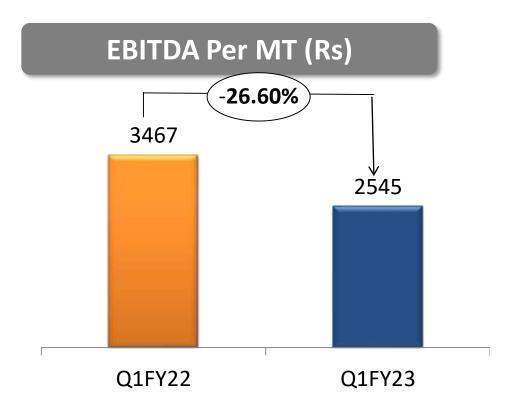












### FINANCIAL PERFORMANCE-Profitability Highlights – Q1 & FY23

Particulars (Rs crore)	Consolidated Stand			Standalone	ndalone	
	Q1 FY23	Q1 FY22	Y-o-Y %	Q1 FY23	Q1 FY22	Y-o-Y %
Total Income from Operations	516.17	383.26	34.67%	407.19	304.78	33.60%
Raw Materials	476.43	346.60	37.45%	377.05	278	35.62%
Employee Cost	5.62	4.51	24.61%	3.99	3.14	27.07%
Other Cost	16.29	10.79	50.97%	13.09	8.61	52.03%
EBITDA	17.83	21.36	-16.52%	13.06	15.03	-13.10%
EBITDA Margin	0.03	0.06	-48%	0.03	0.05	-39%
Other Income	0.56	0.13	330.76%	0.56	0.13	330.76%
Depreciation	2.45	2.38	2.94%	1.82	1.78	2.24%
Interest	9.90	7.12	39.04%	7.10	4.70	51.06%
Profit Before Tax	6.03	11.96	-49.58%	4.70	8.68	-45.85%
Tax	1.55	3.07	-49.51%	1.20	2.17	-44.70%
Profit After Tax	4.48	8.89	-49.60%	3.50	6.51	-46.23%
Basic EPS ( in Rs.)	3.65	7.82	-53.32%	2.86	5.73	-50.08%

### **OPERATIONAL HIGHLIGHTS**

Sales volumes increased by 14% to 70063 tonnes as compared to 61591 tonnes in Q1FY22

Sales Realisation improved by 18% to Rs 73794/tonne as against Rs 62227/tonne in Q1FY22

EBITDA/tonne reduced to Rs 2545/ tonne from Rs 3467/ tonne in Q1FY22

Net WC Days reduced to 64 from 67 days in Q4FY22

Credit Rating of Company has upgraded to "A" for Long Term facilities and to "A1" for Short Term facilities.

### **COMPANY OVERVIEW**

### Consistent Growth and Innovation Over the 35 Years



#### 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'



- 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**



- Commenced operations at Hindupur (Andhra Pradesh) Unit IV
- Modernized the 'Cold Rolling Plant' at Sikandrabad 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**

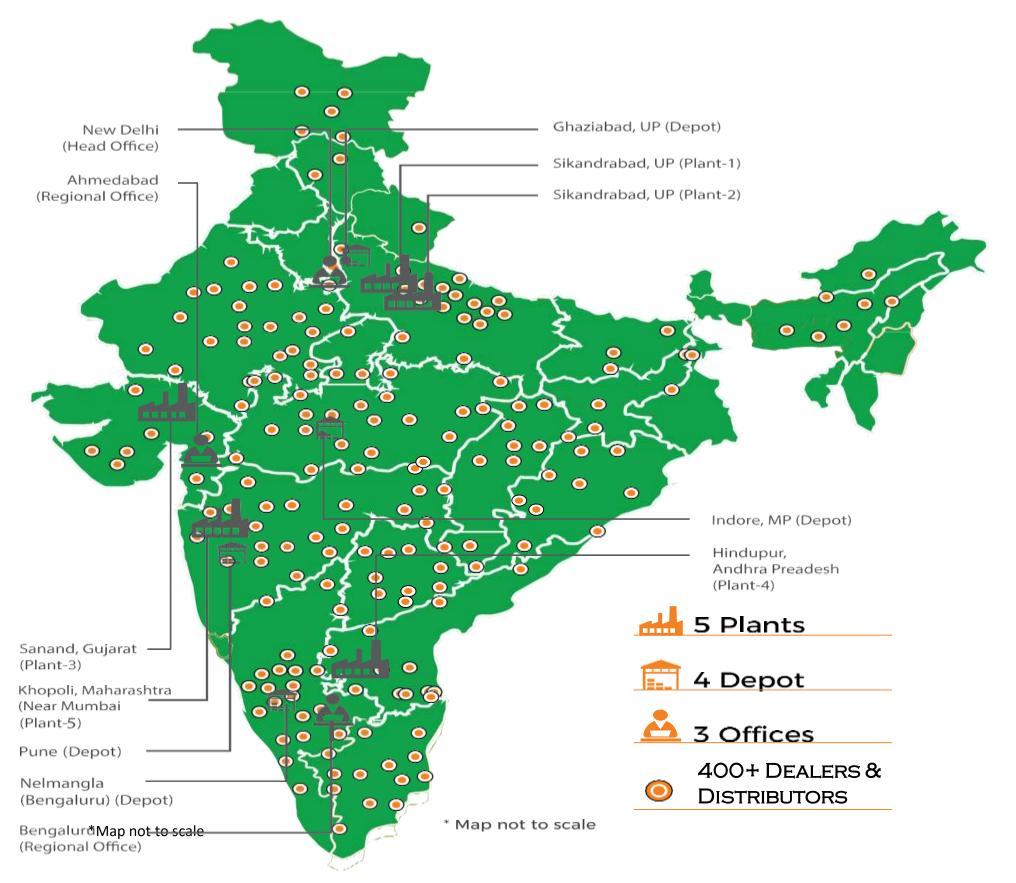


#### 2021-2022

- **Started Continuous Galvanizing Line** at Sikandarabad Unit
- Listing of Company at **Bombay stock** Exchange.

### ...with Strategic Locations for a Pan-India Presence and Distribution

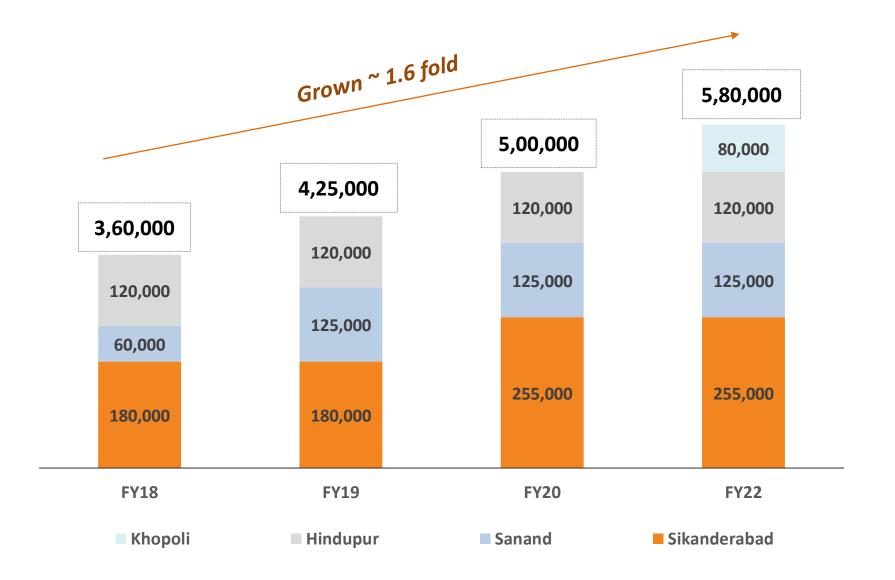
Encompassing 580,000 MTPA of production ambience and a strong network of 400+ Dealers & Distributors Pan India



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

### Continued Investment in Building Competencies to Cater to Demand...

# 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 Continuous Galvanising Line (CGL) at Sikanderabad, U.P.** 



Range of **diversified product portfolio** in pipes and strips as per the need of customer.

### **Our Manufacturing Facilities**



Hindupur, Andhra Pradesh



Khopoli, Maharashtra



Sanand, Gujarat



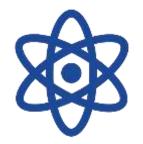
Sikandrabad, Uttar Pradesh Unit-1



Sikandrabad, Uttar Pradesh Unit-2



## 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** 

~1,150+



**Strong Distribution** 

**Dealers & Distributors** 

400+

SKUs

590+

**Contractor Consumers** 

100+

**OEM Customers** 

160+



**Product Innovation** 

**Strong Brands** 

12

Products availability

**Across 17 States** 

**Credit Ratings** 

**A- Long Term** 

**A1- Short Term** 

Value added Products

50+



**Strong Financial Performance** 

**Net Sales** 

+16% CAGR\*

EBITDA

+13% CAGR\*

PAT

+17% CAGR\*

Net Worth

+22% CAGR\*

<sup>\* 5</sup> year CAGR from FY18-FY22

### Widening and Deepening the Product Range for Diversified Applications



... Making Hi-Tech a One-Stop Shop for a wide range of sectors

Poly Houses Borewell

Railings & Windows

Metro Stations Scaffolding, Highways Airports, Prefab Sheds

8

Coils

Rolled

Cold

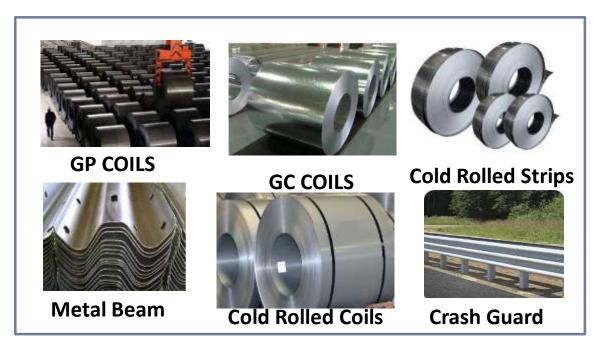
**Tubes** 

and

**Pipes** 

Steel

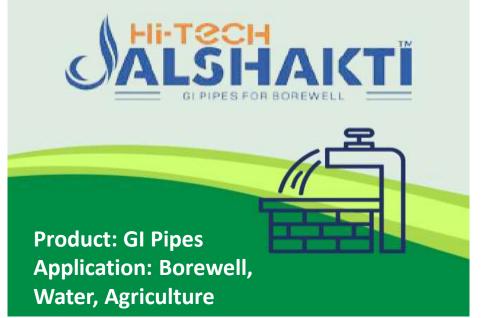
**Coated Products** 



Emerged as a holistic pipe solution provider with 590+ SKUs....



### **Application Based Product Portfolio**



















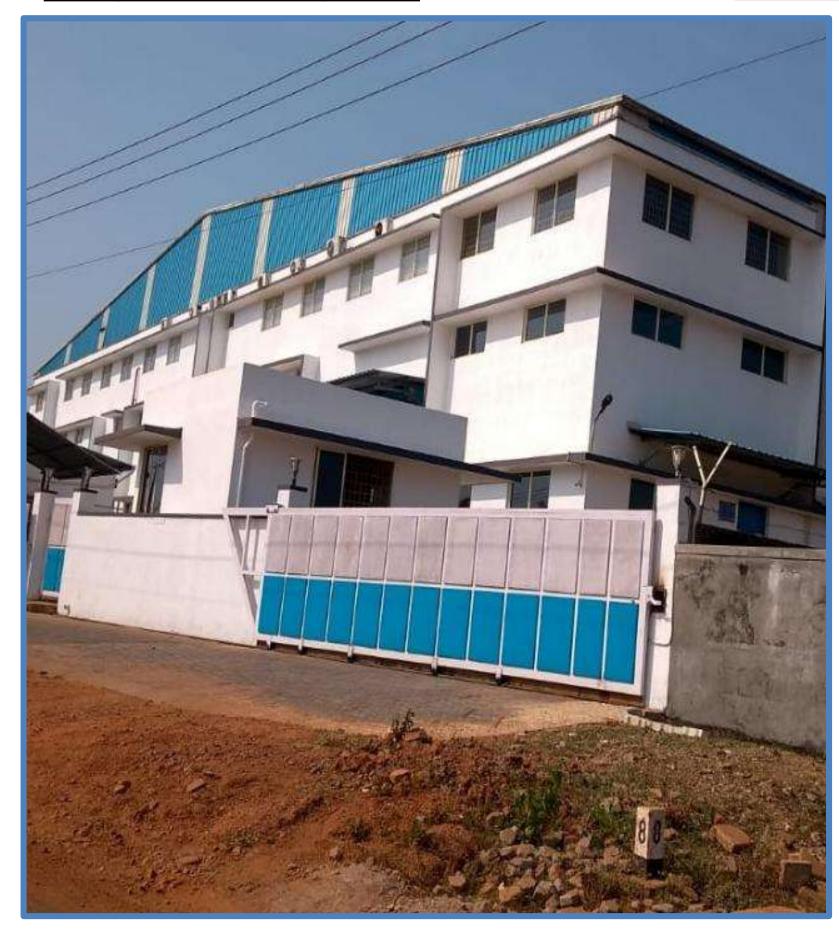






### **Khopoli Plant Update**

### **NEW INITIATIVES**





The Company has started Commercial Production of ERW & GP Pipes in its Khopoli Facility, Maharashtra in Q4FY21

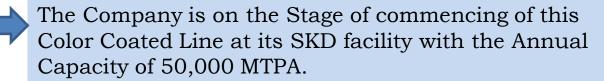
The Company is targeting the Maharashtra & Goa markets as these markets have highest utilization rate of GP Pipes. With the help of this facility the company is gradually increasing its market share in the Western Market

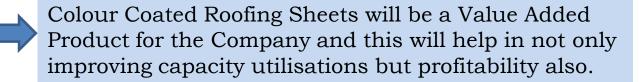
Company's GP Pipes are well accepted in the market and Company is getting good response from the Customers.

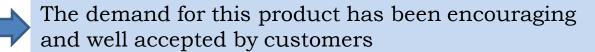
### **Update on Colour Coated Sheet**



### **KEY FEATURES:**







It has become the preferred material for a wide range of construction uses, particularly roofing and cladding

Applications: Rooftops, Wall Claddings, White Goods, Domestic, Industrial Sheds, Infrastructure, Bus Body, Metros,, Railway Stations, Hilly Areas

Trial Production will be started in this month.

### Hi-Tech Pipes- Large Dia Pipe Mill, Makhiyav



The Company is commissioning the Large Dia Pipes Project at its strategic location of Makhiyav, Sanand.



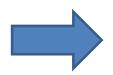
Green Field setup at Makhiyav, Sanand, Ahmedabad mainly to Cater West India and Export Market.



Entry into Large Dia segment within (8 to 16 inches) round pipes for Water, Infrastructure, Oil & Gas Segment.



With addition of this facility of 60,000 MT P.A. Capacity, Company shall be able to enlarge its product basket from ½ to 16 inches.



These specialised pipes are in high demand and also contribute more margins which shall increase the overall EBIDTA per ton of the Company.

### Social Media Campaign Update- "WE ARE SOCIAL NOW"

ACTIVE LINKS OF SOCIAL MEDIA PLATFORMS OF HI-TECH PIPES					
	https://instagram.com/hitechpipesofficial ?igshid=YmMyMTA2M2Y=				
	https://www.facebook.com/hitechpi pesindia/				
	https://youtube.com/channel/UCg3l YD8G4gvBuQGD1wkesDw				
in	https://www.linkedin.com/company/hi-tech-pipes-official/				
	https://twitter.com/hitech_pipes?t=dwL5d4cpJdJxX9GZXEyA-A&s=08				

We all know the power of Social Media, The company is aggressively using this strong tool towards the company's growth and Brand Building.

All the products as well as the updates w.r.t. the facilities are also introduced through this platform.

The Company is getting good response of its Social Media Product Promotion and very optimistic that it will create a niche in the market for its products and brands

17

### **Strategic Focus & Future Prospects**

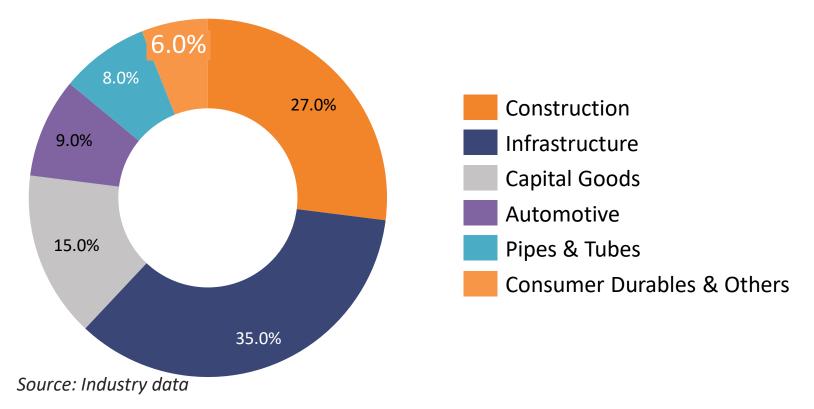
#### **Huge Opportunity in the Indian Steel Pipes & Tubes Industry**

#### **Indian Steel Pipes & Tubes**

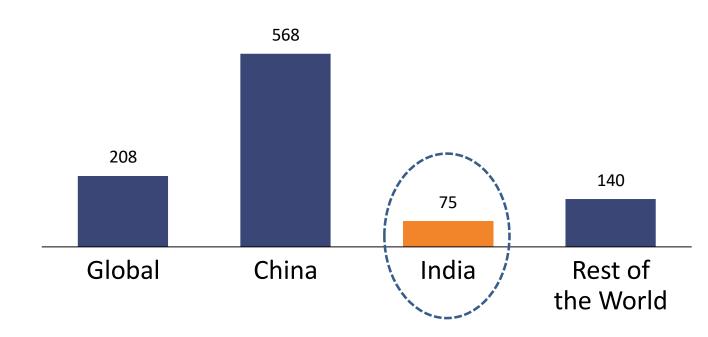
- Market Size: ~Rs 500 billion (~8% of total domestic steel market)
- Total Domestic Consumption: ~8.5 million tonnes (FY21)
- Growth Rate last 5 years: 6-7% CAGR
- **Growth Rate expected next 5 years**: 8-9% CAGR
- **Demand Drivers:** Water transportation, Oil & Gas pipeline, Infrastructure, Agriculture

& Irrigation, Housing etc.

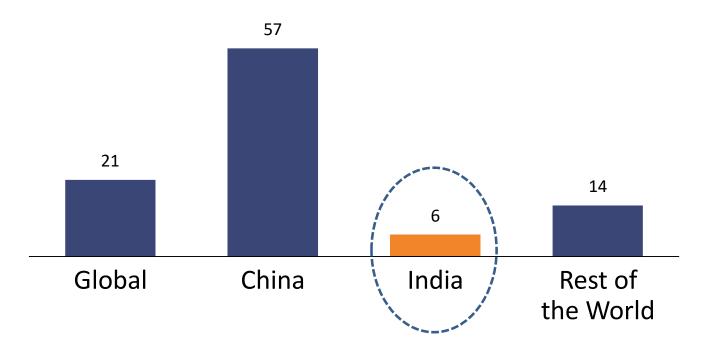
#### **Sector wise Consumption Break-Up**



#### Per Capita Consumption (Kgs) - Steel



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



### Huge demand from various sectors aided by Government Schemes



#### **Infrastructure & Housing**

- Urban development program Smart cities, Amrut Scheme, Hriday, National Infrastructure Pipeline (NIP)
- Growing vertical mode of development increased spending on Skyscrapers
- Increasing Warehousing demand 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)



#### **Airports**

• 'Udan' Scheme: GOI plans to open 100 Airports by 2025 with an investment of Rs. 1 trillion



#### **Railways Infrastructure**

Investment of ~ Rs. 50 Lakh Crores by 2030 for redevelopment of ~400 stations and build 4 new freight corridors



#### **Water Supply**

• 'Nal se Jal' scheme to offer piped water to every rural house by 2024 with outlay of Rs 3.5 lac crore



#### Agriculture

- Micro Irrigation target to reach 100 lakh hectares in 5 five years
- **Poly House** Future of Farming High Subsidy



#### Oil & Gas

- 4 mn mt of estimated demand for pipes
- City Gas Distribution
- One Nation, One Gas Grid- Expanded by 17,000 KM to 34,500 km by 2025



#### Solar

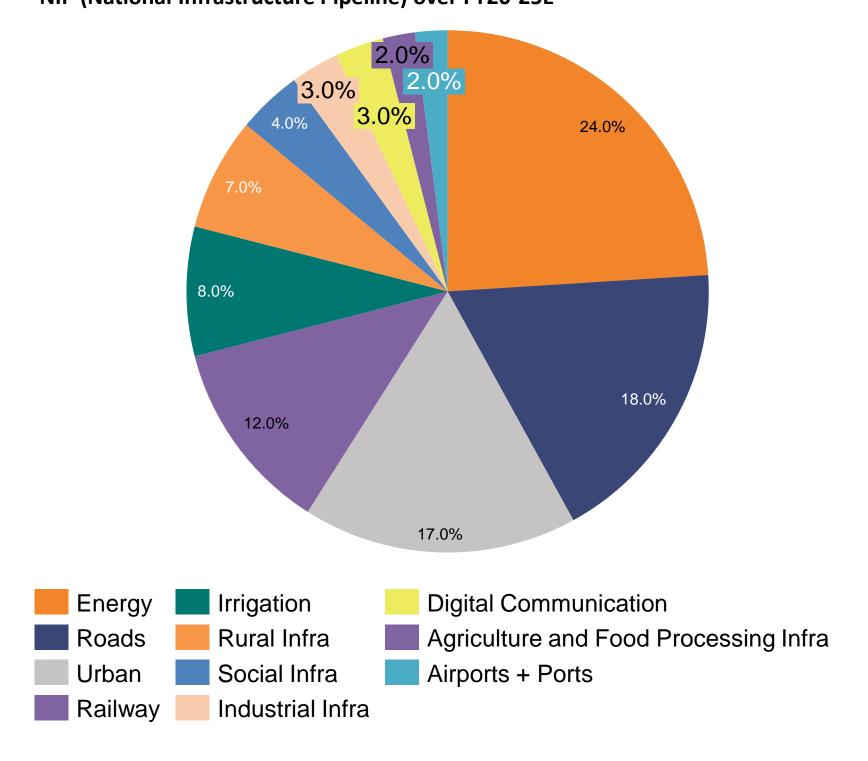
■ Future of Power Generation – exponential growth

Source: Industry data

### 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

### 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**



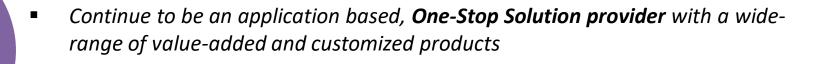
Continue to expand the Brand Portfolio to establish strong product recall **value** which will enable in gaining further market share

#### **Strengthening Distribution Network**

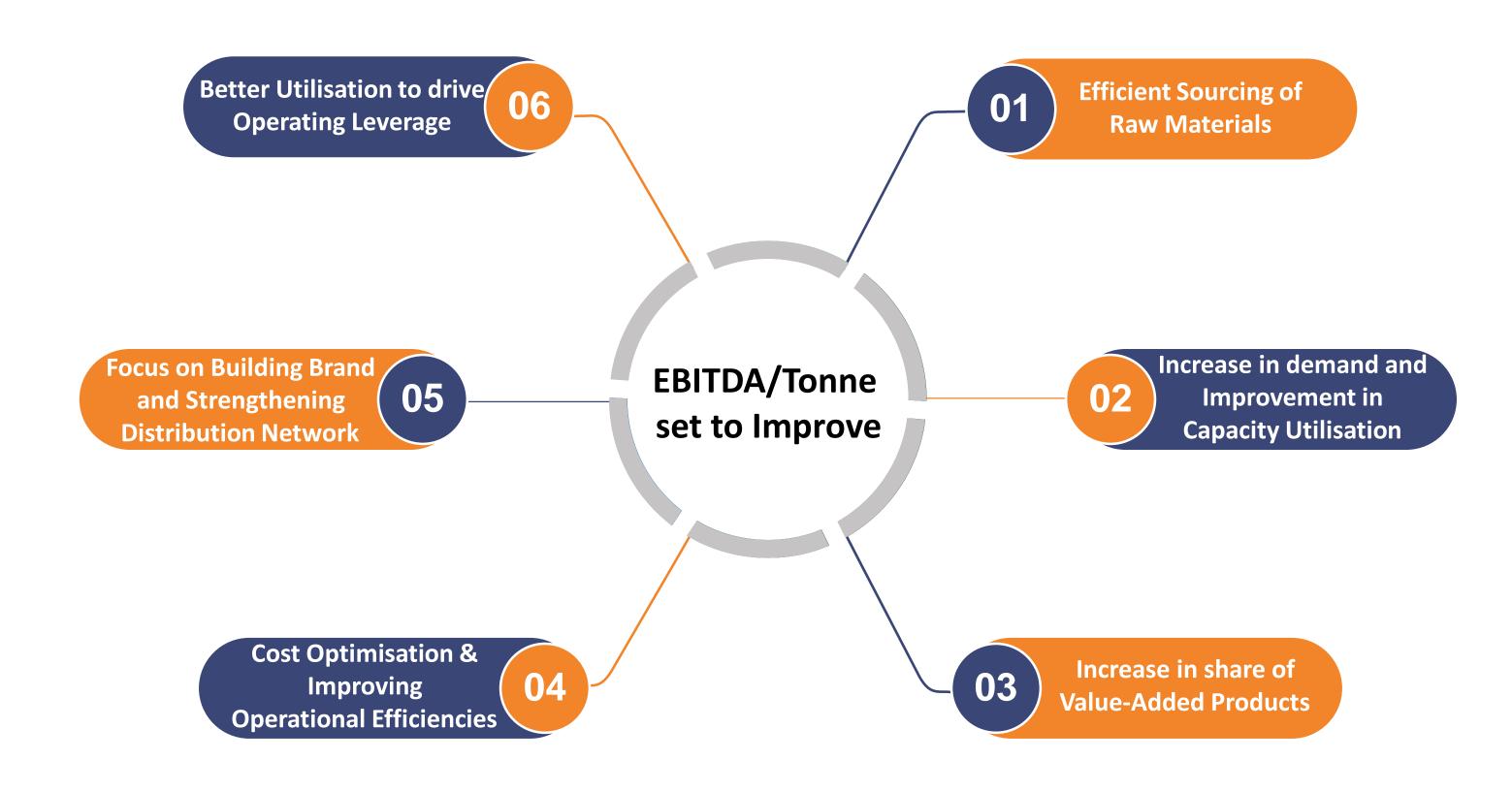


- Focus on enhancing the distribution network to help marketing of wide-rage of product portfolio and improving after sales service
- Network comprises more than 390 distributors and dealers, and 590+ SKUs spread across India

#### **Customer Centric Approach**

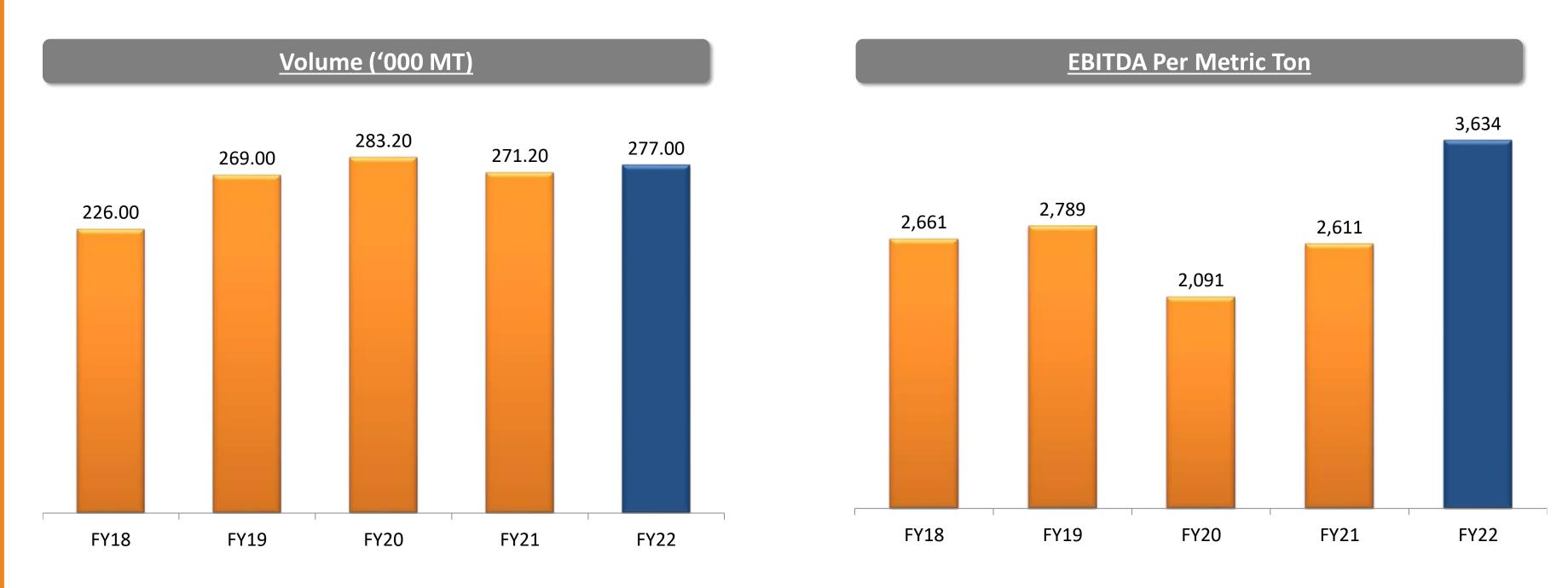


### **EBITDA/tonne Set to Improve**



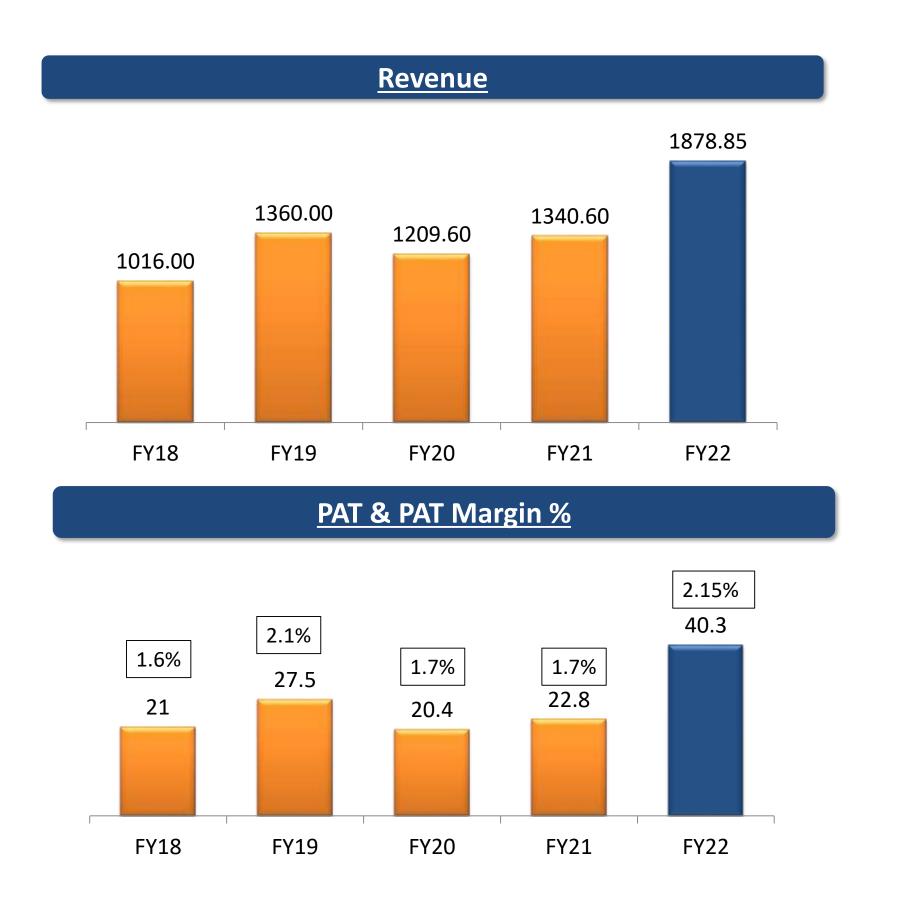
### **HISTORIC FINANCIAL PERFORMANCE**

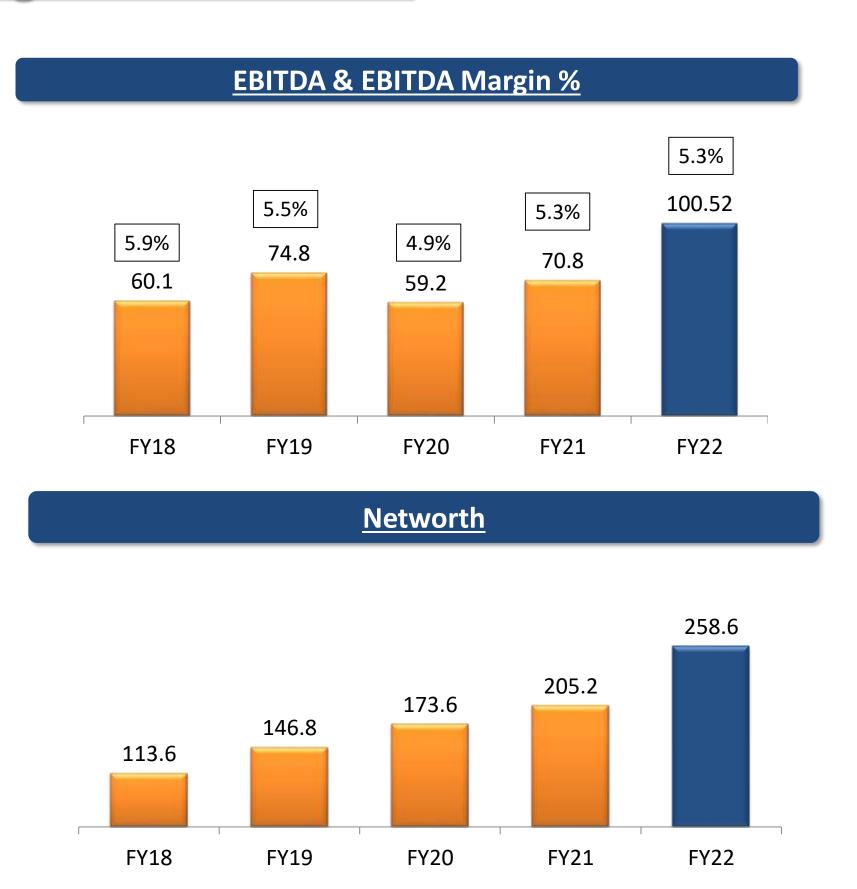
### **Key Performance Highlights**



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

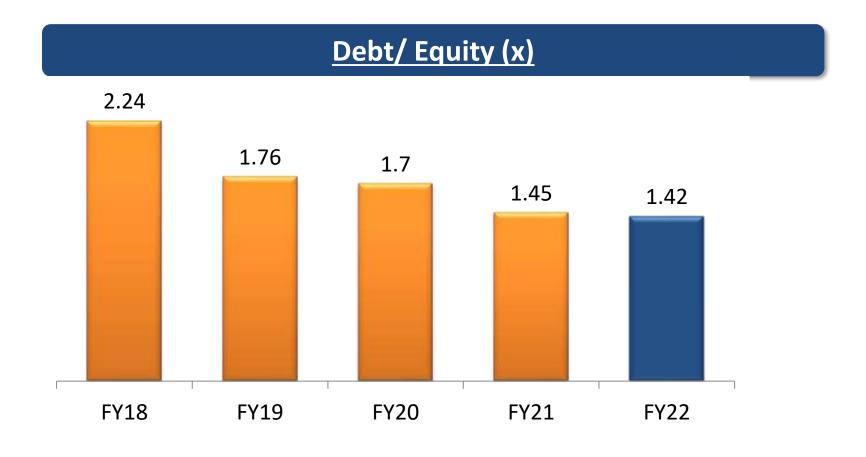
### **Key Performance Highlights Continued.....**





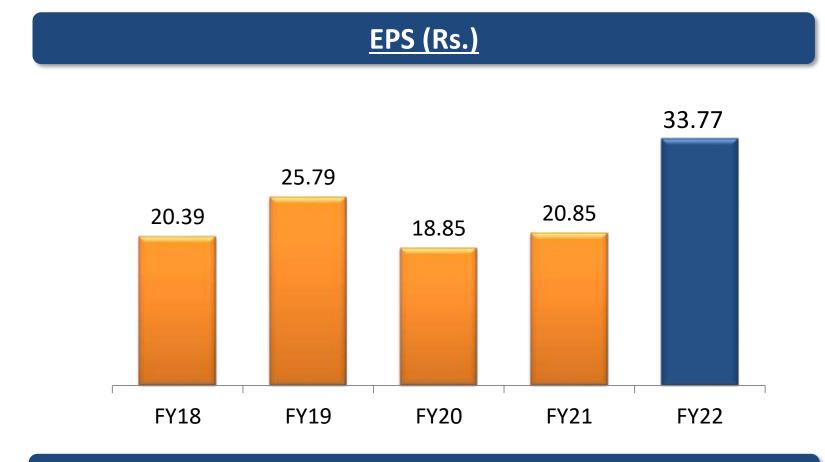
In Rs. Crore

### **Key Financial Ratios**

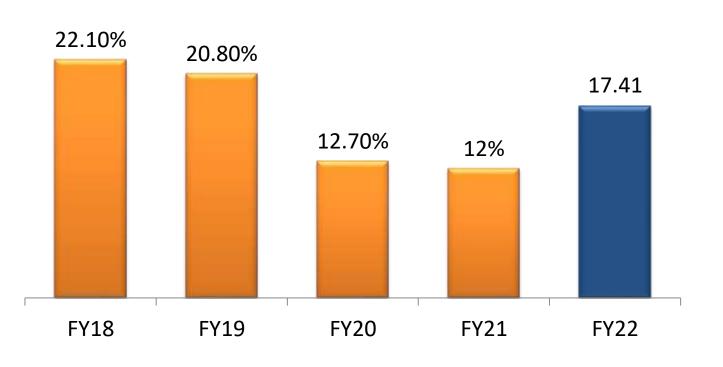








#### **Return on Equity %**



### **Consolidated P&L – Last 5 Years**

Particulars (Rs crore)	FY18	FY19	FY20	FY21	FY22
Total Income from Operations	1,015.7	1,360.4	1,209.6	1,340.6	1878.84
Raw Materials	913.3	1,236.4	1,095.4	1,210.2	1699.28
Employee Cost	12.1	13.7	17.8	18.8	21.98
Other Cost	30.1	35.6	37.2	40.8	57.07
EBITDA	60.1	74.8	59.2	70.8	100.52
EBITDA Margin	5.92%	5.50%	4.90%	5.28%	5.00%
Other Income	1.3	1.4	1.2	0.8	0.93
Depreciation	4.0	5.3	6.6	8.3	9.66
Interest	27.4	29.9	30.0	32.3	36.47
Profit Before Tax	30.0	41.0	23.9	31.0	55.32
Tax	9.0	13.6	3.5	8.2	15.00
Profit After Tax	21.0	27.5	20.4	22.8	40.32
Basic EPS ( in Rs.)	20.39	25.79	18.85	20.85	33.77

### **Historical Consolidated Balance Sheet**

Particulars (Rs crore)	Mar-19	Mar-20	Mar-21	Mar-22
Equity	146.8	173.6	205.2	258.61
Equity Share Capital	10.7	10.9	11.2	12.27
Other Equity	136.1	162.7	194.0	246.34
Non Current Liabilities	84.7	102.7	133.1	167.23
Financial Liabilities				
Borrowing	71.7	89.0	116.2	146.87
Other Financial liabilities	0.9	0.82	0.8	1.05
Provisions	0.6	1.0	0.9	0.96
Deferred Tax Liabilities (Net)	11.4	11.9	15.2	18.35
Current Liabilities	273.7	291.5	261.0	343.47
Financial Liabilities				
Borrowings	186.5	206.5	178.9	217.62
Trade Payables	59.1	56.1	49.2	79.66
Other Financial Liabilities	14.8	17.3	22.7	29.89
Other Current Liabilities	5.1	5.4	3.2	3.13
Provisions	3.8	5.4	4.2	4.09
Current Tax Liabilities (Net)	4.3	0.8	2.8	9.08
Total	505.2	567.8	599.3	769.32

Particulars (Rs crore)	Mar-19	Mar-20	Mar-21	Mar-22
Non-current Assets	177.4	209.0	241.8	278.95
Property, Plant and Equipment	169.1	173.0	202.5	238.95
Capital Work in Progress	3.7	29.4	29.9	28.97
Other Intangible asset	0.1	0.0	0.0	0.02
Financial Assets				
Loans	2.9	3.6	4.2	4.38
Other Non Current Assets	1.6	3.0	5.3	6.63
Current Assets	327.8	358.7	357.5	490.37
Inventories	151.2	178.8	188.5	259.41
Debtors	137.4	137.3	120.6	167.41
Cash & Cash Equivalent	0.8	0.7	0.6	0.90
Bank Balance	15.2	18.0	16.3	16.17
Other Current Assets	23.2	23.9	31.5	46.48
Total Assets	505.2	567.8	599.3	769.32

### Team HI-TECH: Board of Directors and KMPs...

#### Mr. Ajay Kumar Bansal Chairman & Managing Director

- An Industry stalwart with over 37 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 graduate from the Cardiff University, England, with over 13 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
Member-CAIIB



Mr. Vivek Goyal
Non-Executive
Independent Director
Practicing CA



Mr. Mukesh Kumar Garg
Non-Executive
Independent Director
Ex-Railway IRSE Officer



Mrs. Neerja Kumar
Non-Executive
Independent Director
Ex-Banker



Mr. R N Maloo ED & Group CFO

A Rank Holder Chartered Accountant with over 33 years of experience in the Steel Pipes, Textiles, FMCG, Real Estate and Manufacturing Sector.



Mr. Arun Sharma CS & Compliance Officer

A Qualified Company Secretary with over 7 years of experience and handles all the duties related to the Company's Secretarial work along with ensuring fulfillment of various compliances.

### ...Leading to Long Standing Relationships with Marquee Clientele...



































**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** 

### ... Validated by Quality Certifications and Client Awards



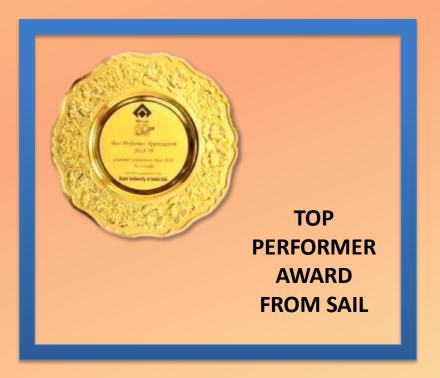
















# Thank You

For Further Information, Please Contact:

Mr. R N Maloo, ED & GCFO

rnmaloo@hitechpipes.in

For more details please visit <a href="https://www.hitechpipes.in">www.hitechpipes.in</a>

