

PPFL/SE/2019-2020/8

February 11, 2020

To,

**BSE Limited**  
25th Floor, P.J Towers,  
Dalal Street, Mumbai-400001

**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai -400051

**Scrip Code: 542907**

**Scrip Code: PRINCEPIPE**

Dear Sir/Madam,

**Sub: Outcome of Board Meeting - Unaudited Financial Results for the quarter and nine months ended December 31, 2019.**

Further to our letter bearing no PPFL/SE/2019-2020/4 dated February 1, 2020, we would like to inform you that the Board of Directors of the Company at their meeting held today have inter alia approved the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2019.

In terms of the above, we are enclosing herewith the following:

1. Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2019 along with the Limited Review Report issued by the Statutory Auditors of the Company.
2. Press Release on Financial Results of the Company for the above period.

The Board Meeting commenced at 2.30 P.M. and concluded at 5.00 P.M.

We request you to kindly take note of the same.

Thanking you,

Yours faithfully,

For **PRINCE PIPES AND FITTINGS LIMITED**

  
**Pravin Jogani**

**Company Secretary and Compliance Officer**

Enclosed: as above



**Prince Pipes and Fittings Limited**  
CIN NO : L26932GA1987PLC006287

**Statement of Unaudited Financial Results for the Three Months and Nine Months Ended 31.12.2019**

₹ in million

Particulars	Three Months Ended			Nine Months Ended		Year Ended
	31.12.2019 Unaudited	30.09.2019 Unaudited	31.12.2018 Unaudited (Refer Note 2)	31.12.2019 Unaudited	31.12.2018 Unaudited (Refer Note 2)	31.03.2019 Audited
<b>I REVENUE</b>						
a Revenue from Operations	3,959.02	4,292.31	3,609.70	12,048.99	10,728.99	15,718.69
b Other Income	7.66	5.86	39.59	17.78	52.23	71.26
<b>Total Revenue</b>	<b>3,966.68</b>	<b>4,298.17</b>	<b>3,649.29</b>	<b>12,066.77</b>	<b>10,781.22</b>	<b>15,789.95</b>
<b>II EXPENSES</b>						
a Cost of Materials Consumed	2,614.64	3,149.93	2,434.92	8,554.50	7,473.42	10,728.59
b Purchase of Stock-in-Trade	195.17	114.93	111.45	372.73	225.79	340.84
c Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(140.20)	(353.14)	50.87	(656.86)	(20.42)	204.18
d Employee Benefit Expense	223.03	209.73	189.90	630.60	560.03	783.31
e Finance Cost	88.93	85.64	91.63	249.64	273.67	363.04
f Depreciation and Amortization Expenses	133.26	124.39	108.98	375.88	322.45	435.72
g Other Expenses	532.90	520.00	390.33	1,436.58	1,232.65	1,821.17
<b>Total Expenses</b>	<b>3,647.73</b>	<b>3,851.48</b>	<b>3,378.08</b>	<b>10,963.07</b>	<b>10,067.59</b>	<b>14,676.85</b>
<b>III Profit before tax (I - II)</b>	<b>318.95</b>	<b>446.69</b>	<b>271.21</b>	<b>1,103.70</b>	<b>713.63</b>	<b>1,113.10</b>
<b>IV Tax expense (Refer Note 7)</b>						
Current tax	80.26	109.21	58.87	283.65	154.32	272.33
Deferred tax	3.17	3.36	32.97	(14.94)	25.74	8.19
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)	(7.30)	-	6.98	(7.30)	11.27	11.27
<b>Total Tax Expense</b>	<b>76.13</b>	<b>112.57</b>	<b>98.82</b>	<b>261.41</b>	<b>191.33</b>	<b>291.79</b>
<b>V Profit for the period</b>	<b>242.82</b>	<b>334.12</b>	<b>172.39</b>	<b>842.29</b>	<b>522.30</b>	<b>821.31</b>
<b>VI Other Comprehensive Income</b>						
a Items that will not be reclassified to Profit or Loss	-	(1.09)	2.07	(0.13)	1.60	(2.39)
b Income tax relating to items that will not be reclassified to profit or loss	-	0.27	(0.22)	0.03	(0.06)	0.74
c Items that will be reclassified to Profit or Loss	0.61	-	5.20	2.25	4.48	0.61
d Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>Total Other Comprehensive Income</b>	<b>0.61</b>	<b>(0.82)</b>	<b>7.05</b>	<b>2.15</b>	<b>6.02</b>	<b>(1.04)</b>
<b>Total Comprehensive Income for the period</b>	<b>243.43</b>	<b>333.31</b>	<b>179.44</b>	<b>844.44</b>	<b>528.32</b>	<b>820.27</b>
<b>VII EQUITY</b>						
Equity Share Capital	1,100.26	900.16	900.16	1,100.26	900.16	900.16
Other Equity						3,088.97
<b>VIII Earning per equity share in ₹ (Face Value per Share Rs 10 each) (Not Annualised)</b>						
Basic (in ₹)	2.67	3.71	1.92	9.27	5.80	9.12
Diluted (in ₹)	2.67	3.71	1.92	9.27	5.80	9.12

**Notes :**

- The above results were reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on 11.02.2020 and have been reviewed by the statutory auditors of the Company.
- The financial results for the corresponding three months ended 31.12.2018 and nine months ended 31.12.2018 are based on management certified unaudited financial information and have not been subject to review.
- During the three months ended 31.12.2019, the Company had completed the Initial Public Offer (IPO) of its equity shares comprising a fresh issue of 1,40,44,943 equity shares having a face value of Rs. 10 each at an offer price of Rs. 178 per share aggregating to Rs. 2,500 million and an offer for sale of 1,40,44,942 equity shares by existing shareholders aggregating to Rs. 2,500 million. Pursuant to the IPO, the Equity shares of the Company have got listed on BSE limited and NSE limited on 30.12.2019.
- During the three months ended 31.12.2019, the Company had undertaken a private placement of 5,96,500 Compulsorily convertible preference shares (CCPS) having a face value of Rs. 100 each at a premium of Rs. 1,680 each aggregating to Rs. 1,061.77 million. The same have been converted into 59,65,000 equity shares of Rs. 10 each at a premium of Rs. 168 each on 09.12.2019.
- 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. Accordingly, the Company has paid Rs. 76.48 million as an provisional anti-dumping duty. Based on the legal advice, pending order of the government on the final anti-dumping duty, the amount of provisional anti-dumping duty paid is accounted as recoverable from government authorities in books of accounts.



6. The Company has adopted Indian Accounting Standard 116 - Leases (Standard), with effect from 01.04.2019 using the modified retrospective method under the transitional provisions of the Standard and has taken the cumulative adjustments to retained earnings as on 01.04.2019, which is the date of first application of the standard. Accordingly, the financial results for the period ended 31.12.2018 and the year ended 31.03.2019 have not been adjusted.  
Pursuant to above, finance cost and depreciation is higher by Rs 4.72 million, Rs 3.39 million and Rs 13.84 million and other expenses are lower by Rs 4.83 million, Rs 4.83 million and Rs 14.48 million for the three months ended 31.12.2019, 30.09.2019 and nine months ended 31.12.2019 respectively.
7. The Government of India, on 20.09.2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides an option to the Company for paying income tax at reduced rates subject to compliance of the conditions stipulated therein. Pursuant to election of above option, the Company has reversed deferred tax liabilities amounting to Rs. 49.94 million due to reduction in effective income tax rate from 34.944% to 25.168% during the three months ended 30.06.2019 and nine months ended 31.12.2019.
8. During the three months ended 30.09.2019, the Company has commissioned a new manufacturing plant at Jobner, Rajasthan. The installed capacity of the manufacturing plant at Rajasthan as on 31.12.2019 is 17,021 MT.
9. The Company is engaged in manufacturing and selling of PVC Pipes and Fittings primarily in India.
10. The figures for the previous periods have been regrouped wherever necessary.

For and on behalf of the Board  
Prince Pipes and Fittings Limited



Jayant S. Chheda  
Managing Director  
(DIN No : 00013206)



Mumbai  
Date : 11.02.2020

# Khimji Kunverji & Co LLP

Chartered Accountants

## Limited Review Report

To,  
The Board of Directors  
**Prince Pipes and Fittings Limited**

We have reviewed the accompanying statement of unaudited financial results of Prince Pipes and Fittings Limited ("the Company") for the quarter ended December 31, 2019 and for the year-to-date period from April 01, 2019 to December 31, 2019 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on February 11, 2020. Our responsibility is to issue a report on this statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountant of India (ICAI). This standard require that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

The financial results for the comparative quarter ended December 31, 2018 and for the year-to-date period from April 01, 2018 to December 31, 2018 were not reviewed or audited by any auditors and are based on management certified unaudited financial information.

**For Khimji Kunverji & Co LLP**  
(formerly Khimji Kunverji & Co)  
Chartered Accountants  
FRN-105146W/W100621



Kamlesh R Jagetia  
Partner (F-139585)  
ICAI UDIN: 20139585AAAAAE8474



Place: Mumbai  
Date: February 11, 2020

**Press Release**

**Prince Pipes and Fittings Limited revenue growth at 12%; PAT up by 61% for the nine months year ended December 2019**

**Mumbai, February 11, 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 un-audited financial results for the quarter ended 31<sup>st</sup> December 2019. The un-audited financial results were reviewed by the audit committee and approved by the Board of Directors in their meeting held on 11<sup>th</sup> February 2020.

**Key Financial Highlights: 9M FY20 vs 9M FY19**

- Revenue from operations stood at ₹ 1,204.9 crore as compared to ₹ 1,072.9 crore, growth at 12%
- EBIDTA grew by 36% to ₹ 171.1 crore as compared to ₹ 125.8 crore, margins at 14.2% vs 11.7%, up by 250 bps
- PAT grew by 61% to ₹ 84.2 crore as compared to ₹ 52.2 crore
- Debt to equity ratio at 0.37x as on December 31, 2019

**Key Financial Highlights: Q3 FY20 vs Q3 FY19**

- Revenue from operations stood at ₹ 395.9 crore as compared to ₹ 360.9 crore, growth at 10%
- EBIDTA grew by 23% to ₹ 53.3 crore as compared to ₹ 43.2 crore, margins at 13.5% vs 12.0%, up by 150 bps
- PAT grew by 41% to ₹ 24.3 crore as compared to ₹ 17.2 crore

Commenting on the results, **Mr. Parag Chheda, Executive Director of Prince Pipes and Fittings Limited, said** "It gives me immense pleasure to share our Q3 FY20 results post our listing on December 30, 2019. We have delivered an inline performance in terms of our volume growth and margins. Various initiatives undertaken earlier has helped us sharpen our focus towards expanding our market reach, improving our market penetration and optimizing our product mix. We constantly look to launch newer products across our range to deliver effective solutions as well as significant value proposition to our end users. It is our endeavor to grow sustainably thereby creating value for all our shareholders."



**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).

**For further information, please contact:**

Shyam Sharda  
CFO  
Prince Pipes and Fittings Limited  
Email: CFO@princepipes.com

Rabindra Basu  
Investor Relations  
Prince Pipes and Fittings Limited  
Email: investor@princepipes.com

---

**Cautionary Statement:** Except for historical information, all of the statements, expectations and assumptions, including expectations and assumptions, contained in this presentation may be forward-looking statements that involve a number of risks and uncertainties. Although PPFL attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. Other important factors which could cause these statements to differ materially including economic conditions, Government policies, dependence on partnerships, retention of key personnel, technological advances that may make our service offerings less competitive; PPFL does not undertake to update any forward-looking statements that may be made from time to time.