

November 12, 2019

ELECTRONIC FILING THROUGH BSE LISTING CENTER

**The National Stock Exchange of India
Limited**

Exchange Plaza, 5th Floor
Plot No C/1, G Block
Bandra-Kurla Complex
Bandra (East)

MUMBAI – 400 051

Department of Corporate Services/Listing
BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,

MUMBAI – 400 001

NSE Symbol: APOLLOPIPE
SCRIP Code: 531761

**Sub: Intimation under Regulation 30 of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015 – Result
Presentation**

Dear Sir(s),

In reference to the captioned subject, please find enclosed herewith a copy of “Q2 FY20 Result Presentation”.

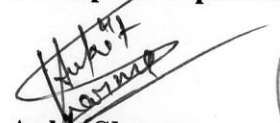
This presentation has also been uploaded on the official website of the Company.

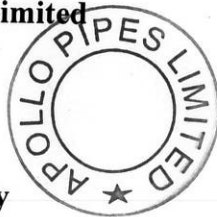
You are requested to kindly take the same on records.

Thanking you

With Due Regards

For Apollo Pipes Limited


Ankit Sharma
Company Secretary



Encl.: A/a



APOLLO PIPES LTD.

Q2 & H1 FY20 Result Presentation

November 12, 2019

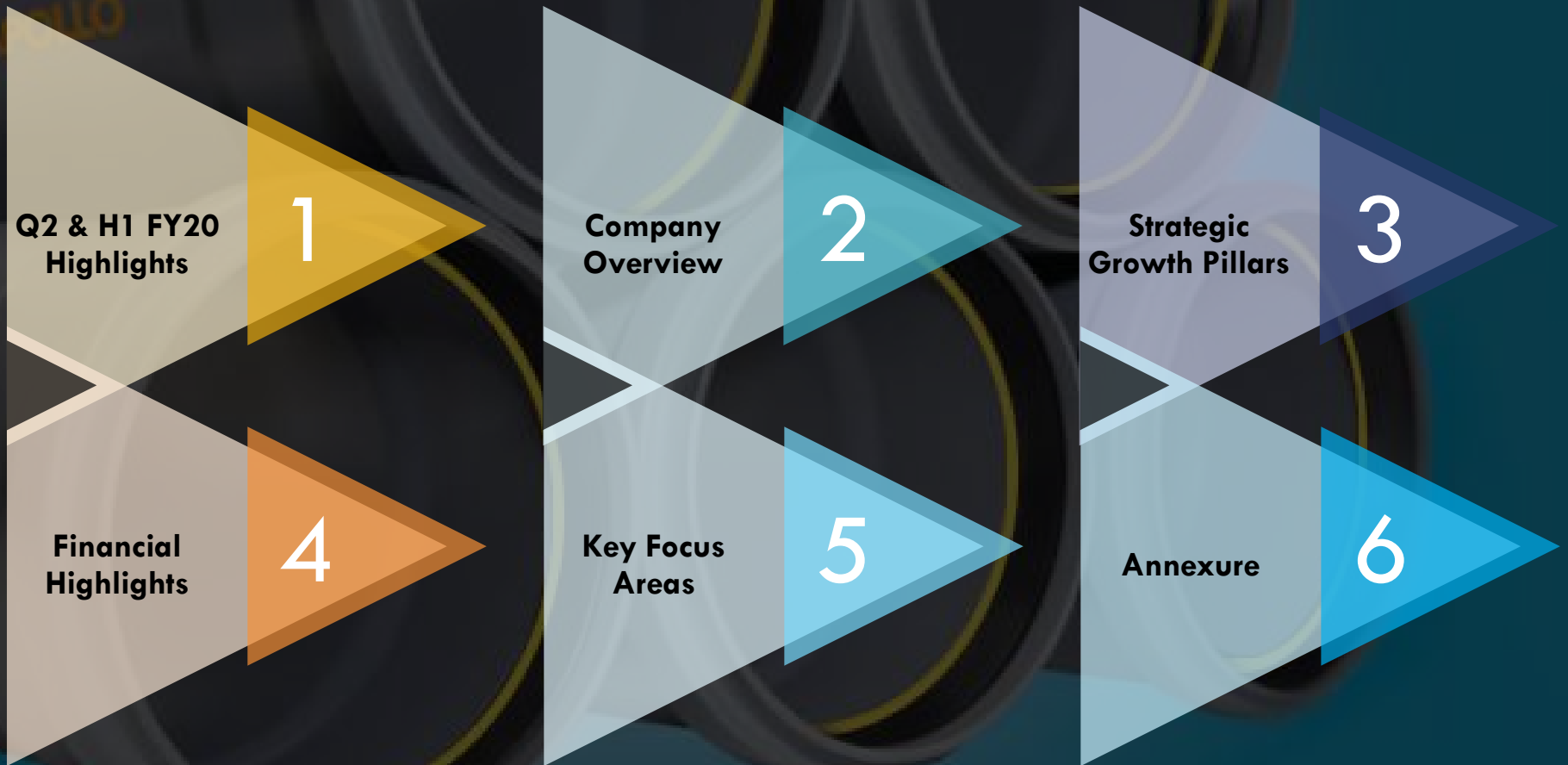


Safe Harbour

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Table of Content





Operational & Financial Highlights Q2 & H1 FY20

Q2 FY20 at a glance


10,306 MTPA

Volume
11% yoy increase


12.2 cr

EBITDA
18% yoy increase


5.8 cr

PAT
29% yoy increase


126 cr

Net Cash


75,000 MTPA

Capacity* as on 30th
September 2019


24.0(%)

ROCE in FY19


Listing on NSE

Shares of Apollo Pipes list on the
National Stock Exchange


**New
Products**

Launch of PVC taps, Faucets


32

Net WC days
Continuous focus on
improving WC cycle


28.8 cr

Operating cash flows


682

Distributors
Increased by 57
distributors in Q2 FY20


1,000+

Products

* Includes acquired 12,000 MTPA capacity unit of Kisan Mouldings in Bengaluru

Key Developments

Improving utilization levels at existing plants and brownfield expansions to enable healthy volume growth over the next two years

- The existing manufacturing facilities at Dadri and Ahmedabad continue to mark a steady operational progress. The Company's primary focus is to improve utilisation at its existing plants of Dadri, Ahmedabad and Bengaluru. The utilization levels at these plants are steadily improving and the Company expects it to improve to optimal levels in the quarters ahead
- The brownfield expansion at Dadri facility is on-track as the Company expects faster ramp-up in existing capacity given the stronger demand scenario in North
- In addition, the Company is also establishing a manufacturing line for its high-margin 'Fittings' product at the recently acquired facility in Bengaluru
- With better capacity utilisation levels and expanded capacities going on stream, the Company is looking forward to delivering a healthy 25%-30 CAGR over the next 3 years

Key Developments

Shares of Apollo Pipes list on the National Stock Exchange

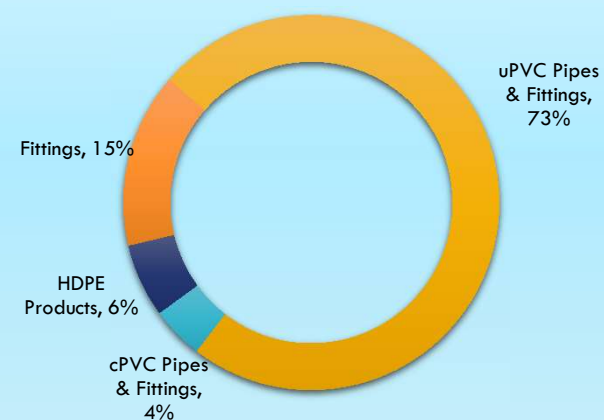
- Apollo Pipes Limited's shares have begun trading on the National Stock Exchange (NSE) effective at the open of markets on November 11, 2019
- The shares will trade on the NSE under the ticker symbol "APOLLOPIPE"
- The trading of Apollo's shares on the NSE will play a key role in increasing the stock visibility among investors, enabling an improvement in the investor base and reducing trading volatility

Key Financial & Operational Parameters

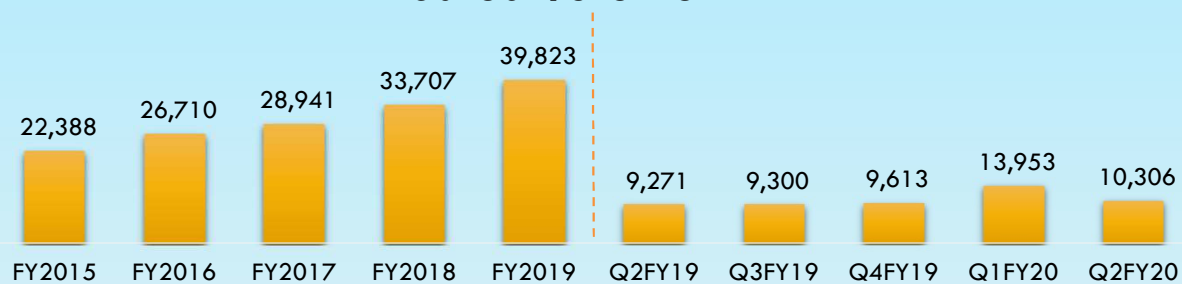
Product-wise Revenue Breakup

Particulars (Rs. crore)	Q2 FY20	Q2 FY19	Y-o-Y Shift	H1 FY20	H1 FY19	Y-o-Y Shift
uPVC Pipes	66.71	66.17	1%	155.52	147.41	6%
cPVC Pipes	5.80	3.18	83%	9.50	5.72	66%
HDPE Products	5.98	2.51	138%	13.33	7.96	67%
Fittings	16.23	10.83	50%	31.69	20.93	51%
Others	1.75	1.59	10%	3.77	3.35	13%
Total	96.47	84.28	14%	213.81	185.37	15%

Product Revenue (excluding Others segment) Break-up – H1FY20



Sales Volume MT



Abridged P&L Statement

Particulars (Rs. crore)	Q2 FY20	Q2 FY19	Y-o-Y Shift	H1 FY20	H1 FY19	Y-o-Y Shift
Net Revenue from Operations	96.5	84.3	14%	213.8	185.4	15%
Other Income	2.5	3.3	-25%	4.8	5.7	-15%
Total Income From Operations (Net)	98.9	87.5	13%	218.6	191.1	14%
Total Expenditure	86.7	77.2	12%	188.9	165.3	14%
Raw Material expenses	68.4	61.3	12%	153.8	134.8	14%
Employee benefits expense	6.5	4.3	52%	12.6	8.4	50%
Other expenses	11.8	11.7	1%	22.5	22.2	2%
EBITDA	12.2	10.3	18%	29.7	25.8	15%
<i>EBITDA margin (%)</i>	<i>12%</i>	<i>12%</i>	<i>+ 56 Bps</i>	<i>14%</i>	<i>13%</i>	<i>+ 11 Bps</i>
Finance Costs	1.2	1.3	-12%	2.4	2.3	7%
Depreciation and Amortization	3.0	2.4	25%	5.6	4.6	20%
PBT	8.0	6.5	22%	21.8	18.9	15%
Tax expense	2.2	2.0	8%	6.1	5.6	10%
PAT	5.8	4.5	29%	15.6	13.3	17%
<i>PAT margin (%)</i>	<i>6%</i>	<i>5%</i>	<i>+ 66 Bps</i>	<i>7%</i>	<i>7%</i>	<i>+ 13 Bps</i>
EPS Basic (Rs.)	4.43	7.49		11.92	12.06	

Abridged Balance Sheet

EQUITY AND LIABILITIES (Rs. Crore)	As at 30th September 2019 (Unaudited)	As at 31st March 2019 (Audited)	ASSETS (Rs. Crore)	As at 30th September 2019 (Unaudited)	As at 31st March 2019 (Audited)
(a) Share capital	13.1	11.0	Tangible assets	112.8	92.8
(b) Other equity	280.5	115.5	Capital work-in-progress	7.8	0.2
Total Shareholders Fund	293.6	126.6	Intangible assets	1.2	-
			Intangible assets-Under Development	0.9	1.2
Non-current liabilities			Total Non-current assets	121.5	94.2
Financial liabilities:			Goodwill on Consolidation	20.9	20.9
(a) Borrowings	19.8	173.2	Financial assets		
(b) Other financial liabilities	-	-	(a) Investments	0.3	0.2
Provisions	0.1	0.0	(b) Other financial assets	1.9	1.7
Deferred tax liabilities (net)	3.3	2.5	Other non-current assets	9.4	1.0
Other non current liabilities	-	-	Total Financial assets	11.6	2.9
Total Non-current liabilities	23.3	175.7	Inventories	41.7	45.5
			Financial assets:	-	-
Current liabilities			(a) Investments	0.1	0.3
Financial liabilities:			(b) Trade receivables	50.5	52.2
(a) Borrowings	5.8	62.1	(c) Cash and cash equivalents	0.1	0.2
(b) Trade payables	50.7	20.2	(d) Bank balance other than (c) above	125.5	142.5
(c) Other financial liabilities	18.5	13.8	(e) Loans	0.3	10.3
Current tax liabilities (net)	1.9	0.6	(f) Other financial assets	6.7	9.2
Other current liabilities	3.5	0.9	Other current assets	19.3	22.3
Provisions	0.9	0.6	Total Current assets	244.1	282.4
Total Current Liabilities	81.1	98.2	TOTAL - ASSETS	398.0	400.4
Total Liabilities	398.0	400.4			

Financial Overview and Discussion (YoY)

Income From Operations during H1FY20 stood at Rs. 213.8 crore, higher by 15% Y-o-Y; Income from Operations in Q2 was higher by 14%, stood at Rs. 96.5 crore as against Rs. 84.3 crore in Q2FY19

- The Company delivered a stable operational and financial performance during Q2 & H1 FY20 despite facing external challenges such as muted demand sentiments in the domestic market and impact of heavy monsoons & flooding in key geographies
- Steady sales volume growth of 16% in H1FY20 and a 11% growth in Q2FY20 was driven by a healthy contribution from the cPVC, HDPE pipe and value-added product segment of Fittings
- The Company is witnessing a steady uptick in demand across all its product categories and remains confident of delivering and maintaining a solid sales momentum, going ahead

EBITDA during H1FY20 at Rs. 29.7 crore, higher by 15%; EBITDA during Q2FY20 stood at Rs. 12.2 crore, up by 18%

- EBITDA Margins for H1FY20 and Q2 FY20 improved to 14% and 12%, respectively
- Improved contribution from the high-margin fittings segment further resulted in a better gross margin performance

PAT for H1FY20 stood at Rs. 15.6 crore, higher by 17% and in Q2FY20 it stood at Rs. 5.8 crore, up by 29%.

- Depreciation costs increased to Rs. 5.6 crore in H1 FY20 on account of increased commissioning of new capacities
- PAT margin stood at 6% in Q2FY20, higher by 66 bps YoY, while in H1 FY20, PAT margins stood steady at 7%

Management's Message

Mr. Sameer Gupta,
Managing Director



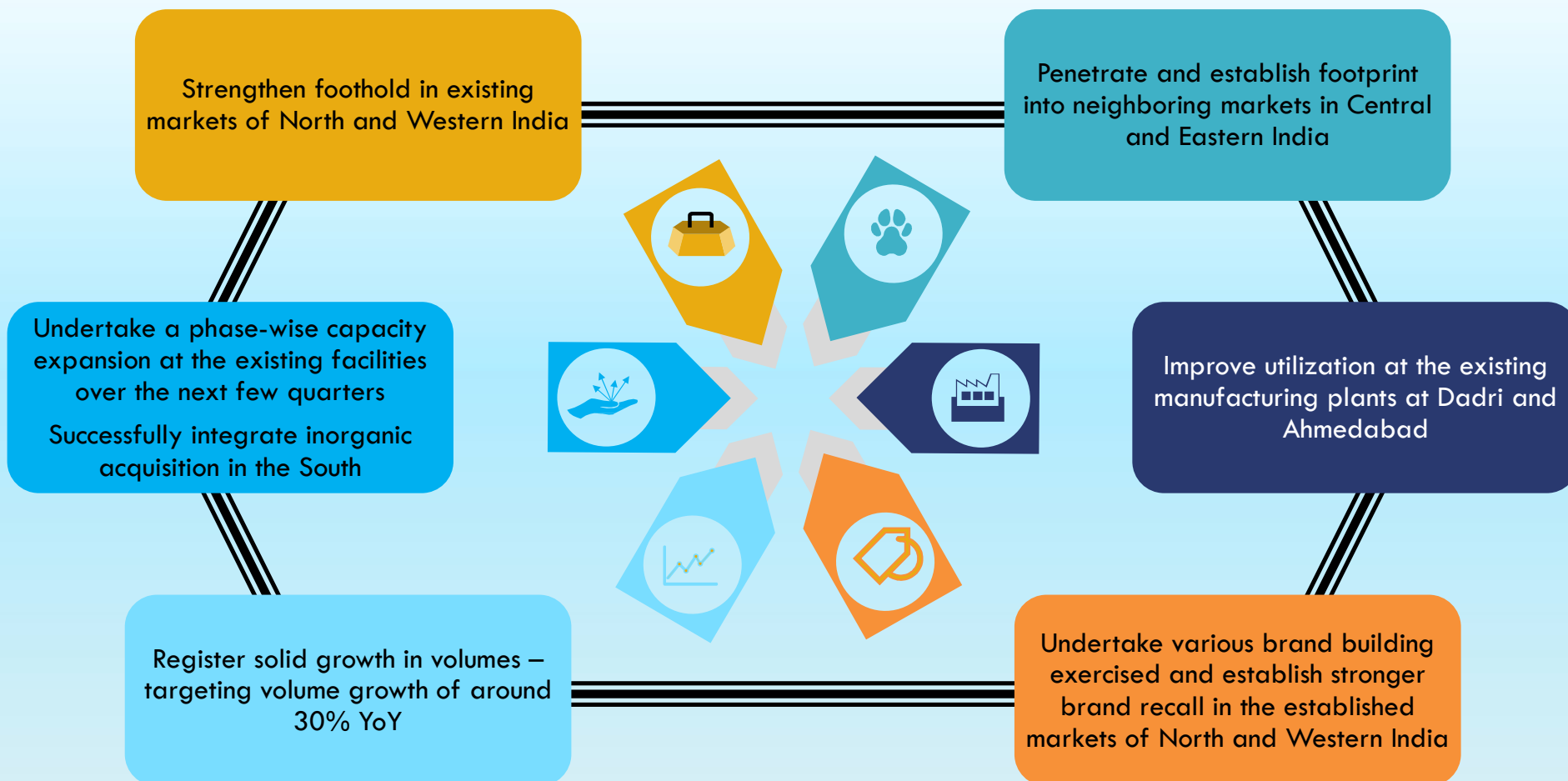
Commenting on the
Company's performance for
Q2 & H1 FY2020

"We have delivered a steady operational and financial performance during the quarter despite facing external challenges such as muted demand sentiments in the domestic market and impact of heavy monsoons & flooding in key geographies. During the quarter, our sales volume grew by 10% to 10,306 MTPA, driven by a healthy contribution from the cPVC, HDPE pipe and value-added product segment of Fittings. Improved contribution from the high-margin fittings segment further resulted in a better gross margin performance.

From an operational standpoint, our existing manufacturing facilities at Dadri and Ahmedabad continue to mark a stable operating progress. The utilization levels at these plants are steadily increasing and we remain confident of further improving it to the optimal levels in the quarters ahead. I am also happy to share that integration of the recently acquired plant at Bengaluru is progressing well. We are constantly working towards strengthening our dealer & distribution system and building on our brand presence to capture a higher market share and solidify business operations in the existing and newer geographies. We are also progressing well on our brownfield expansion plans at the three plants of Dadri, Ahmedabad and Bengaluru. However, our primary focus remains on improving utilization at these plants to optimal levels first.

Overall, the Company has delivered a healthy performance during the first half of the fiscal. The various pro-growth initiatives undertaken by the Government, especially in the irrigation, sanitation and housing segments, we believe, should lead to better demand and consumption of PVC pipes in the domestic market. Further, the announced 'Nal Se Jal' government scheme will also boost demand on a longer term basis. We have already registered with state boards of Rajasthan, Haryana, Uttar Pradesh and Madhya Pradesh and are registering with the other key states to capture and build on this vast opportunity. Overall, we remain confident of delivering a sales volume growth of 25-30% CAGR over the next 3 years."

Outlook for FY20





Company Overview

Growth Map

Figures in Rs. crore

Particulars	FY2015	FY2016	FY2017	FY2018	FY2019	CAGR
Revenues	90	209	243	301	374	43%
EBITDA	8	24	32	41	51	59%
PAT	12*	10	16	22	24	19%
Available Capacity MTPA (~)	35,000	52,000	53,000	60,000	63,000	16%
Sales Volume (MTPA)	22,388	26,710	28,941	33,707	39,823	15%

- *Includes Tax-free LTCC of Rs.9 crore. Business PAT is Rs. 5 crore.

Key Strengths



Product Portfolio - Diversified Basket of 1,000+ Products



uPVC PIPING SYSTEM



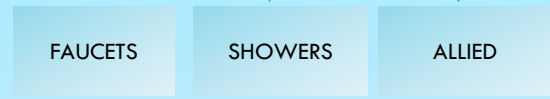
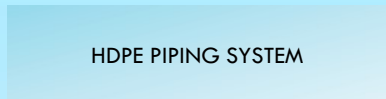
cPVC PIPING SYSTEM



HDPE PRODUCTS



**PLASTIC TAPS/
FAUCETS/SHOWERS**



- PLB DUCTS
- IRRIGATION PIPES
- SPRINKLER PIPES



- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ uPVC PIPES ▪ uPVC RING FIT PIPES ▪ uPVC COLUMN PIPES ▪ uPVC RIBBED SCREEN PIPES | <ul style="list-style-type: none"> ▪ uPVC PLUMBING PIPING SYSTEM ▪ uPVC AGRI FITTINGS ▪ SWR PIPES AND FITTINGS |
|--|---|

Product Application across Sectors

Agriculture Segment

- Casing pipes
- Drip irrigation &
- Sprinkler system



Water Management Segment

- Hot & cold potable water distribution & transportation
- Residential, commercial installations



**Apollo
Pipes - key
focus area**

Oil & Gas Segment

- Conveying edible oils and chemicals & corrosive fluids



Construction Segment

- Bore well pipes
- Sanitation & Sewage pipes
- Plumbing Pipes



Telecom Ducting Segment



Aiming Pan-India Distribution Presence

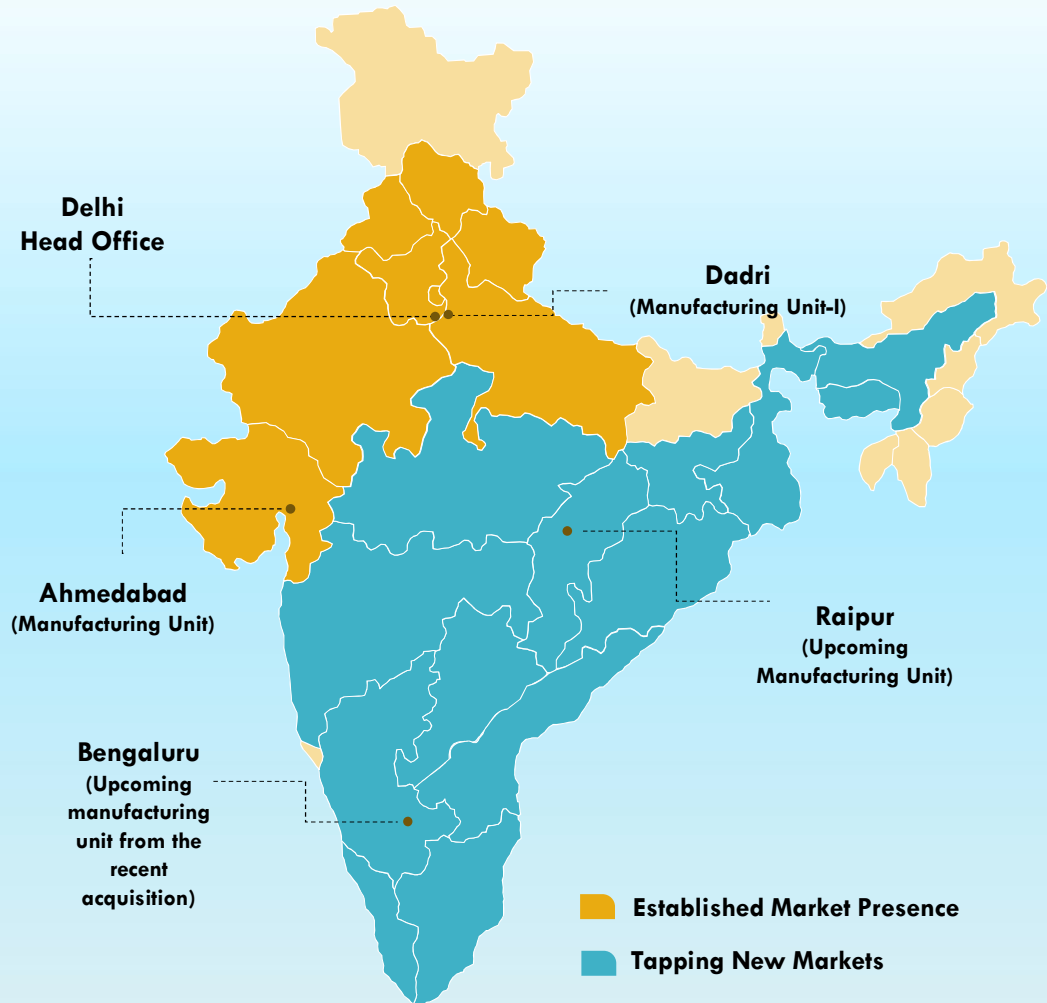
Enjoys a dominant and leading presence in North India

Tapping newer markets to reduce inventory cost for Distributors & Dealers

Extensive distribution network significantly reduces delivery time to 48 hours (from 10-12 days)

150+ Distributors

450+ Dealers



Manufacturing Facilities

Close-to-demand
distribution
network catering
to key markets of
North, West,
Central and South
India

Best in class
Manufacturing
Facility, with
advanced
equipment &
practices

All major
certifications/
accreditations



In-house
manufacturing
offers incremental
contribution to
volumes and
delivery
capabilities



Product Development & Handling

**In-house CPVC
Compounding
for Pipes &
Fittings.**

**In-house
development of
extrusion moulds
for better
efficiency**

**Strong Technical
know how
among Employee
base**

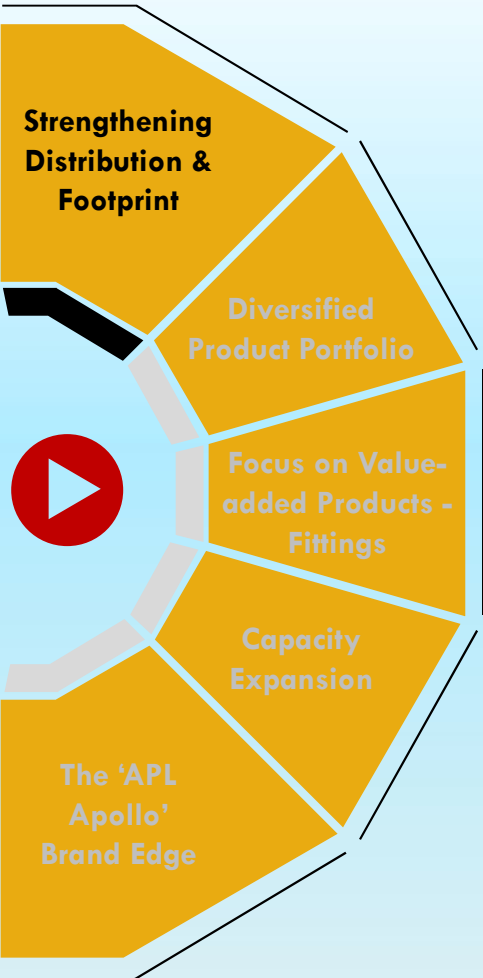
**Solid experience
of manufacturing
pipes with set
specifications**





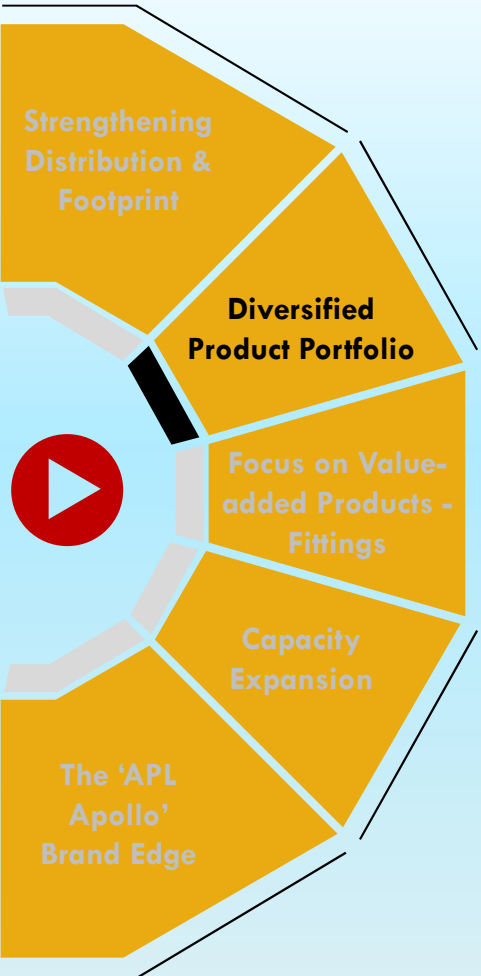
STRATEGIC GROWTH PILLARS

Scale-up distribution network across India to augment presence and improve market penetration



- Establishing a solid presence in key markets
- Strong presence in North India – extending market reach in other parts of India.
- Growing outreach offer a series of benefits such as multiple touch points, business scale, brand reach and elevation of business capabilities
 - Adopted cash-n-carry model, which helps optimize receivables and guarantee actual cash receipts

Diversified Product Portfolio with total offerings at 1,000+, aiming to achieve 2,000+ products to the basket



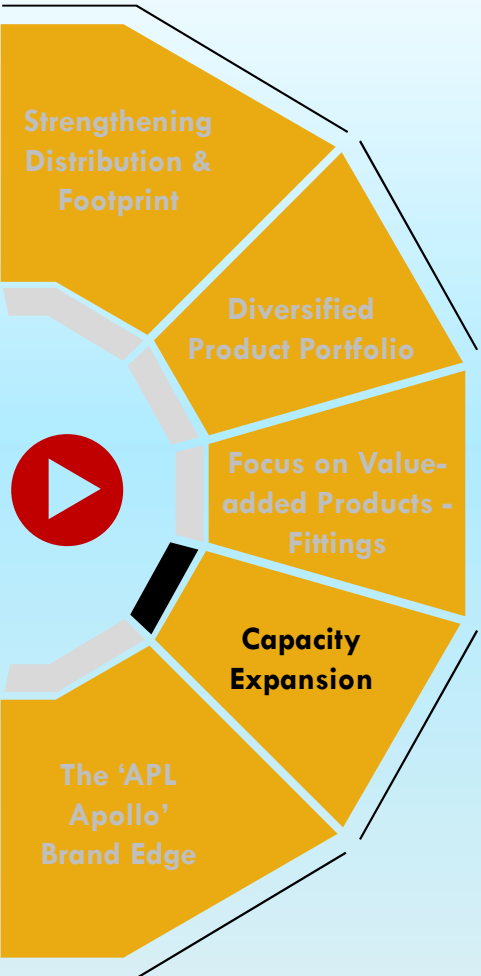
- Range of products manufactured at the technologically-advanced manufacturing facility at Dadri and Ahmedabad
- Emphasis on innovation: One of the first companies to launch “Super Lock System” pipes in the country
 - Awarded 10 year patent for the innovative product
- Offers the widest range of pipe sizes in the domestic industry. (1/2” to 16”)
- Enhancing product offerings across the value added chain to drive growth
- Launched ‘Plastic Faucets, Taps and Showers’ in the domestic market – to drive higher brand visibility through New Products

Sharp focus on Value-Added Products: Fittings – to help strengthen the value chain



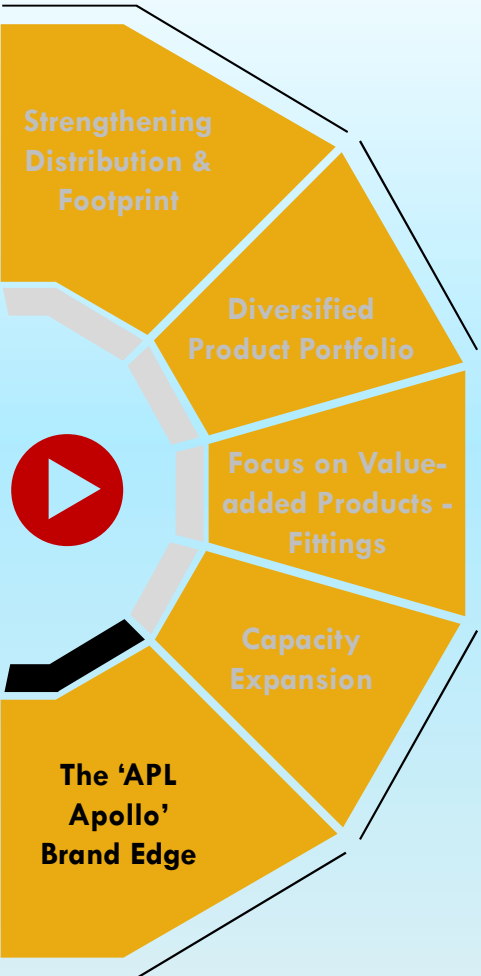
- Focused approach towards Fittings across uPVC and cPVC that offer significantly higher margins
- High-growth segment – rapidly gaining market share
- Focus on increasing revenue contribution from fittings & tap segment from 13% in FY19 to 16% by FY20
- Capacity expansion planned to cater growing demand

Capacity Expansion to aid long-term growth plan – to achieve 90,000 MTPA by March 2020



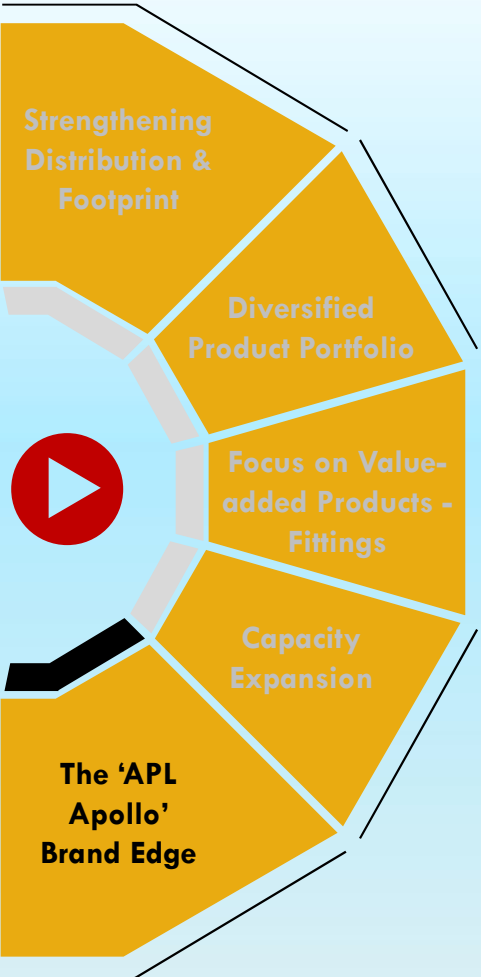
- Total available capacity of 63,000 MTPA
- Undertaking a phase-wise capacity expansion at the existing facilities of Dadri and Ahmedabad over the next few quarters
 - Focus in the near term more towards catering to demand in the newer markets through the already established facilities
- In the longer term, the Company will be establishing Greenfield facility in Raipur
 - Upcoming unit to facilitate higher production and reduce logistics costs
- The Company is also evaluating in-organic opportunities to expand its reach, presence in new markets, and capacities
- Targeting a total installed capacity of 90,000 MTPA by March 2020

Efficiently leverage the 'APL Apollo' brand reach and recall to drive higher growth



- The 'APL Apollo' brand has covered several milestones in its journey since inception
- Brand synonymous with quality and reliability of operations
- Strong brand recall amongst several distributors and customers
- The Company's association with the brand, its diverse product range and offerings across sectors ups the ante in terms of reach and competitiveness of the Company
- Undertaking various brand building and brand awareness initiatives to further strengthen Brand reach
 - APL Apollo group launched a branding campaign supporting Delhi Capitals for IPL, India's biggest sports event and giant platform on the television, thereby enabling maximum reach and generating mass connect and visibility

Efficiently leverage the 'APL Apollo' brand reach and recall to drive higher growth



Branding Activities – Sports sponsorship

IPL TVC – Principal sponsor of Delhi Capitals

Principal Sponsor of Pro Kabbaddi League

Branding sponsor of 'India vs West Indies' cricket series



Key Focus

Key Focus Areas

Continuous Branding Activities – To leverage on **Brand 'APL Apollo'**

Diversifying brand presence – Catering to Central, Western & Southern India through established facilities located in Ahmedabad & Dadri

New Product launches – Targeting a basket of **2,000+ products** with immaculate features and utility of products

Cost Efficiency – Well-penetrated distribution network to reduce logistic costs at all levels of operations

Tapping Macro-Growth Opportunities – Across sectors – Agriculture, Urban Infrastructure, Transportation

Capacity Upgradation – Continuous upgradation of existing facilities

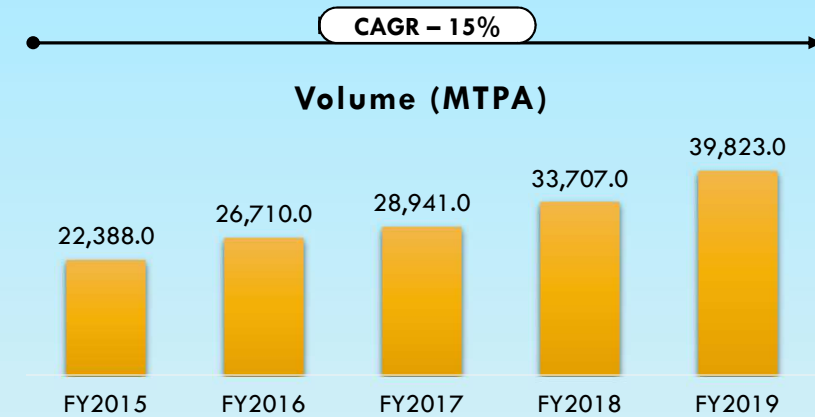
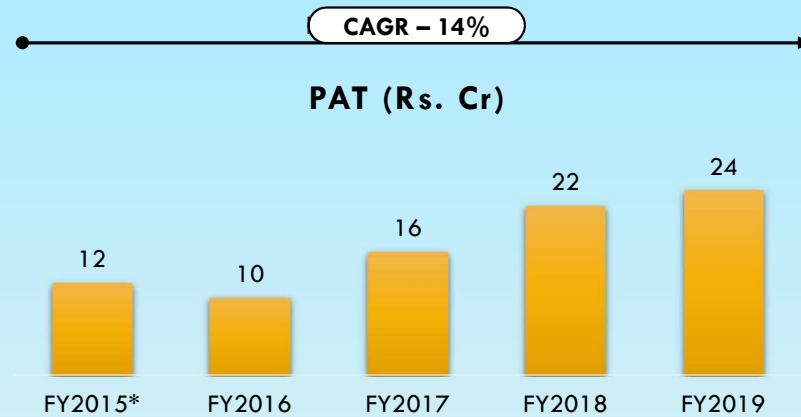
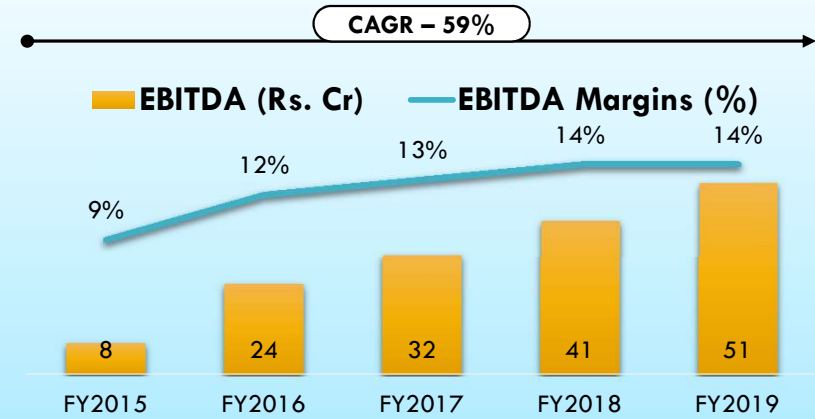
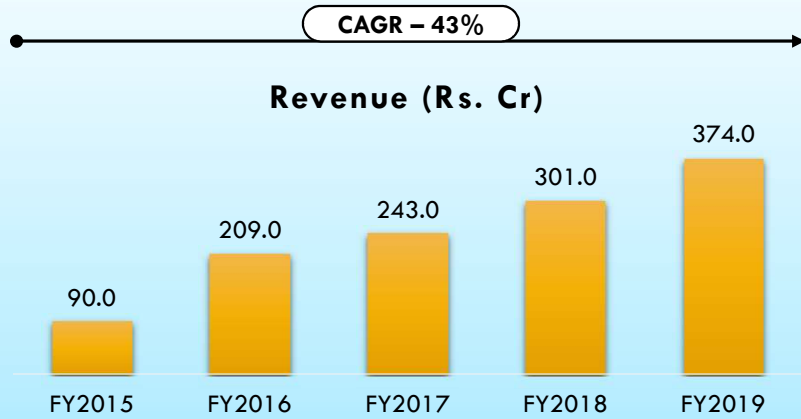
Premium Quality – To deliver product quality synonymous with the 'APL Apollo' brand

Streamlined Operations – To ensure smooth project realization through an extensive and Pan-India distributor network



Financial Highlights

Financial Trend



5-year Financial Track-record

Particulars	FY2015	FY2016	FY2017	FY2018	FY2019
Net Worth (Rs. Cr)	45.0	55.0	91.4	113.3	229.8
Cash and cash equivalents	2.9	2.0	8.0	0.1	0.1
Capex for the year (Rs. Cr)	24.0	12.2	9.1	17.1	48.2
Inventory (Rs. Cr)	24.9	13.7	22.7	44.3	52.3
Inventory Days	101.5	24.0	34.3	55.2	52.7
Debtors (Rs. Cr)	19.7	29.5	34.2	38.5	35.8
Debtor Days	69.9	45.0	45.1	41.7	31.4
Creditor (Rs. Cr)	9.1	8.8	18.9	39.0	36.1
Creditor Days	37.2	15.4	28.6	48.6	36.4
Net Working Capital (Rs. Cr)	35.5	34.4	38.0	43.9	51.9
Net Working Capital Days	134.1	53.6	50.1	48.4	47.7
Dividend Per Share (Rs)	0	0	0	0	1
Dividend Payout Ratio	0%	0%	0%	0%	10%



Annexure

About Us

Apollo Pipes (BSE: 531761), is among the top 10 leading piping solution providing Company in India. Headquartered in Delhi, the Company enjoys strong brand equity in the domestic markets. With more than 3 decades of experience in the Indian Pipe Market, Apollo Pipes holds a strong reputation for high quality products and a an extensive distribution network.

Equipped with state-of-the-art infrastructure, the Company operates large manufacturing facilities at Dadri – UP, Ahmedabad – Gujarat and Tumkur – Karnataka, with a total capacity of 75,000 MTPA. The multiple and efficient product profile includes over 1,000 product varieties of cPVC, uPVC, and HDPE pipes, PVC taps and fittings of the highest quality. The products cater to an array of industrial applications such as Agriculture, Water Management, Construction, Infrastructure, and Telecom ducting segments. The Company's extensive distribution network spreads across 450 dealers / retailers and over 150 distributors.

For further information, please contact:

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shikha@cdr-india.com



Thank You

