



SRIKALAHASTHI PIPES LIMITED

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, A.P.,
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SPL/SECY/SE/2020-21

November 17, 2021

The Manager-Dept. of Corporate Services

Bombay Stock Exchange Limited

Regd. Off: Floor 25, P.J.Towers

Dalal Street

Mumbai – 400 001

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The Manager-Dept. of Corporate Services

National Stock Exchange of India Ltd.

Exchange Plaza, Bandra Kurla Complex, Bandra (E)

Mumbai – 400 051

Fax: 022-26598237/38

Dear Sir,

Sub: Analyst Meet/Conference call presentation.

Further to our letter dated 16th November, 2021 intimating the schedule of Conference Call with Analysts and Institutional Investors, we are enclosing herewith detailed presentation made in this regard covering Q2/FY22 performance of the Company.

This may be treated as disclosure under 30(6) read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,

For **SRIKALAHASTHI PIPES LIMITED**

G. KODANDA PANI
Company Secretary



SRIKALAHASTHI PIPES

Earnings Presentation | H1/Q2-FY22

Overview

- Srikalahasthi Pipes Ltd. (SPL) was incorporated in 1991, the company entered into a strategic alliance with Electrosteel Group in 2002, India's leading DI Pipe manufacturer.
- The company has adopted its name from the area of its manufacturing facility, which is located in Rachagunneri, Srikalahasthi Mandal, Tirupati
- The company got Listed on BSE in 1994 and in NSE in 2007 and has a current market capitalization of approximately INR 10.0 Bn as on 30th September, 2021.

Business Mix

- **DI Pipes** : Capacity – 4,00,000 TPA
- **Pig Iron** : Capacity – 4,00,000 TPA
- **Coke** : Capacity - 270,000 TPA
- **Cement** : 90,000 TPA
- **Power** : 2 Captive Power Plants with a total capacity of 19.5 MW

FY21 Financials

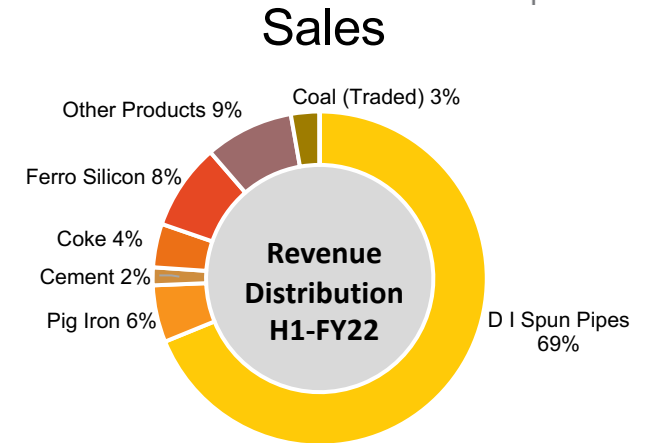
Total Income- **INR 15,589 Mn**
EBITDA - **INR 2,372 Mn**
EBITDA Margin – **15.22%**
Net Profit - **INR 1,036 Mn**

Clients

- SPL supplies DI pipes to various Water Boards, Municipal Corporations and Turnkey Contractors across the country for their Water Infrastructure Projects which are the thrust area of the Govt. of India.
- Some of the Marquee clients include: Larsen & Toubro, Nagarjuna Construction Corporation, Indian Hume Pipes Ltd, VA Tech Wabag Ltd, Sriram EPC Ltd etc.

Company Overview

- ❖ Sri Kalahasthi Pipes Limited “SPL” was established in 1991 to manufacture Pig Iron.
- ❖ SPL’s plant is located at Rachagunneri, Sri Kalahasthi, Chittoor District, Andhra Pradesh near Tirupati and its key products include DI Pipes, Coke, Pig Iron, Cement.
- ❖ SPL is categorized as Public Utility Services Company by Govt. of Andhra Pradesh
- ❖ The company has a fully backward integrated manufacturing facility which includes a sinter plant, coke oven plant, power plant and a Sewage Treatment facilities in the same complex spread over 330 acres, giving the company a significant competitive advantage.
- ❖ In March 2002, India’s leading DI Pipes manufacturer, Electrosteel Castings Ltd (ECL), entered into a strategic alliance with SPL.
- ❖ ECL is India’s largest and one of the few manufacturers in the world to make Ductile Iron (DI) Pipes, DI Fittings and CI Pipes, having its facilities in Khardah & Haldia in West Bengal and Elavur in Tamil Nadu.
- ❖ SPL is one of the top players in the DI pipe industry in India, and commands around 13% market share across India and around 70% in South which it primarily caters to.
- ❖ Together the Electrosteel group commands around 40% market share of the Indian DI Pipes Market.



Electrosteel Group Structure

Electrosteel Castings Ltd.

Sri Kalahasthi Pipes Ltd
(41%)

H1/Q2-FY22 Key Financial & Operational Highlights

Q2-FY22 Financial Performance

INR 4,480 Mn Total Income*	INR 696 Mn EBITDA	15.54% EBITDA Margin
INR 358 Mn PAT	7.99% PAT Margin	INR 7.67/share EPS

H1-FY22 Financial Performance

INR 8,945 Mn Total Income*	INR 1,468 Mn EBITDA	16.41% EBITDA Margin
INR 790 Mn PAT	8.83% PAT Margin	INR 16.92 /share EPS

Q2-FY22 Operational Performance

- The production for the Ductile Iron Pipes for the quarter was 51,627 tonnes as against the production of 46,146 tonnes during the corresponding quarter of the previous year.
- During the quarter under review, the plant was shut down for 18 days for installation and commissioning of the new Blast Furnace.
- New Blast Furnace of 450 M3 capacity, has been commissioned along with additional facilities in Ductile Iron Pipes Plant on 12th August, 2021 and the production of new Blast Furnace is stabilized.
- Upon commissioning of new Blast Furnace, the capacity of DI Pipe Plant has been increased to 4,00,000 TPA.
- The second phase of increasing the D I Pipes capacity to 5 lakh tonnes per annum is under way.

Quarterly Profit & Loss Statement (Ind AS)

Particulars (INR Mn)	Q2-FY22	Q2-FY21	Y-o-Y	Q1-FY22	Q-o-Q
Total Income*	4,480	4,137	8.3%	4,465	0.3%
Expenditure	3,784	3,555	6.4%	3,692	2.5%
EBITDA	696	582	19.6%	773	(10.0)%
EBITDA margin (%)	15.54%	14.07%	147 bps	17.31%	(177) Bps
Depreciation	129	115	12.2%	116	11.2%
Finance Cost	83	122	-32.0%	85	(2.4)%
PBT	484	345	40.3%	572	(15.4)%
Tax	126	95	32.6%	140	(10.0)%
PAT	358	250	43.2%	432	(17.1)%
PAT margin (%)	7.99%	6.04%	195 bps	9.68%	(169) Bps
Other Comprehensive Income (net of Tax)	-	(1)	NA	-	NA
Total Comprehensive income	358	249	43.8%	432	(17.1)%
EPS (INR)	7.67	5.35	43.4%	9.25	(17.1)%

*Includes Other Income

H1-FY22 Profit & Loss Statement (Ind AS)

Particulars (INR Mn)	H1-FY22	H1-FY21	Y-o-Y
Total Income*	8,945	6,333	41.2%
Expenditure	7477	5,613	33.2%
EBITDA	1,468	720	103.9%
EBITDA margin (%)	16.41%	11.37%	504 bps
Depreciation	245	229	7.0%
Finance Cost	167	250	(33.2)%
PBT	1,056	241	NA
Tax	266	70	NA
PAT	790	171	NA
PAT margin (%)	8.83%	2.70%	613 bps
Other Comprehensive Income (net of Tax)	(1)	(1)	NA
Total Comprehensive income	789	170	NA
EPS (INR)	16.92	3.66	NA

*Includes Other Income

Historical Profit & Loss Statement (Ind AS)

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
Total Income*	16,095	17,266	15,589	8,945
Expenditure	13,720	14,027	13,217	7,477
EBITDA	2,375	3,239	2,372	1,468
EBITDA margin (%)	14.76%	18.76%	15.22%	16.41%
Depreciation	370	412	462	245
Finance Cost	405	462	456	167
PBT	1,600	2,365	1,454	1,056
Tax	425	488	418	266
PAT	1,175	1,877	1,036	790
PAT margin (%)	7.30%	10.87%	6.65%	8.83%
Other Comprehensive Income (net of Tax)	(1)	(2)	(1)	(1)
Total Comprehensive income	1,174	1,875	1,035	789
EPS (INR)	25.17	40.19	22.20	16.92

*Includes Other Income

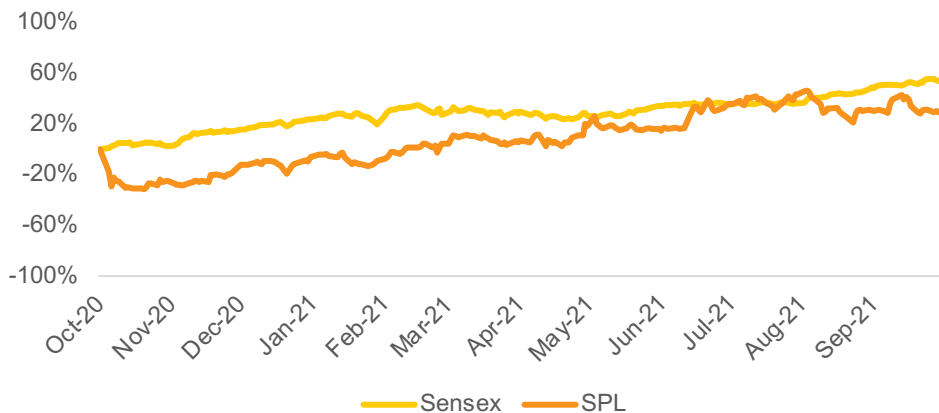
Historical Balance Sheet (Ind AS)

ASSETS (INR Mn)	FY20	FY21	H1-FY22
Non - Current Assets			
Property, Plant and Equipment	9,266	9,258	10,634
Capital Work-In-Progress	404	1,724	635
Intangible Assets	5	3	3
Financial Assets			
a. Loans	105	110	-
b. Other Financial Assets	1	3	144
Other Non-Current Assets	65	20	23
Non Current Tax Assets	57	64	64
Total Non-Current Assets	9,903	11,182	11,503
Current Assets			
Inventories	3,328	3,057	5,006
Financial Assets			
a. Investments	-	1,566	103
b. Trade Receivables	5,417	2,258	2,774
c. Cash & Cash Equivalents	80	1,158	892
d. Bank Balances other than (c.)	3,550	2,470	2,280
e. Loans	489	194	954
f. Other Financial Assets	306	232	639
Other Current Assets	716	1,101	1,830
Total Current Assets	13,886	12,036	14,478
Total Assets	23,789	23,218	25,981

EQUITY & LIABILITY (INR Mn)	FY20	FY21	H1-FY22
Equity			
Equity Share Capital	467	467	467
Other Equity	13,694	14,403	14,912
Total Equity	14,161	14,870	15,379
Non-Current Liabilities			
a. Financial Liabilities			
i. Borrowings	1,181	1,225	1,500
ii. Lease Liabilities	195	195	185
b. Provisions	77	83	101
c. Deferred Tax Liability (Net)	1,327	1,368	1,382
d. Other Non-Current Liabilities	40	37	36
Total Non-Current Liabilities	2,820	2,908	3,204
Current Liabilities			
Financial Liabilities			
a. Borrowings	3,712	1,583	2,775
b. Lease Liabilities	-	17	19
c. Op. Buyer's Credit/ Supplier's Credit	827	1,804	2,246
d. Trade Payables	1,274	1,103	1,513
e. Other Financial Liabilities	539	345	293
Other Liabilities	378	492	429
Provisions	60	56	63
Current tax Liabilities	18	40	60
Total Current Liabilities	6,808	5,440	7,398
Total Liabilities	9,628	8,349	10,602
Total Equities & Liabilities	23,789	23,218	25,981

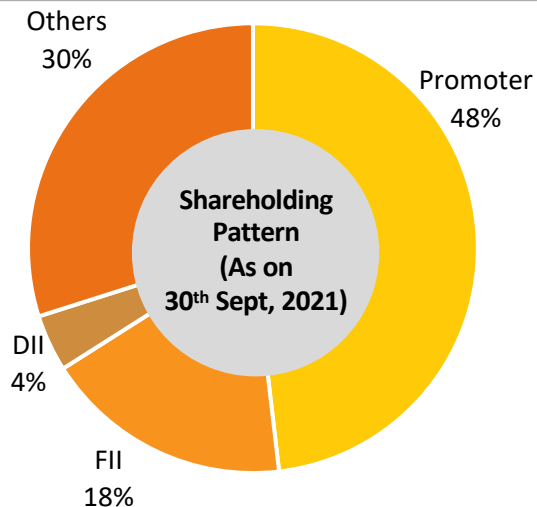
Capital Market Information

Share Price Data as on 30th Sept, 2021



Price Data (As of 30th September, 2021)

	INR
Face Value	10.0
Market Price	208.8
52 Week H/L	247.95 / 109.50
Market Cap (INR Mn)	9,750.6
Equity Shares Outstanding (Mn)	46.7
1 Year Avg. Trading Volume ('000)	220.1
1 Year Avg. Net Turnover ('000)	39.2



Key Financial Ratios (As of 30th September, 2021)

Net worth (INR Mn)	15,379
Net Debt to Equity (x)	0.04
ROE (%)	5.14
RoCE (%)	6.22

Disclaimer

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THANK YOU



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