

Date: May 17, 2024

To,
Listing Department
The National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051

Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

NSE Symbol – **HARIOMPIPE**

BSE Scrip Code- **543517**

Dear Sir/Madam,

Sub: Disclosure as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With reference to the captioned subject we herewith enclose a copy of the Press/Media Release dated May 17, 2024 on the Audited Financial Results of the Company for the Quarter and Year ended March 31, 2024.

A copy of the said release is also being made available on the website of the Company at <https://www.hariompipes.com/press-release.php>.

Please take the above information on record.

Thanking You.

For **Hariom Pipe Industries Limited**

REKHA SINGH Digitally signed
by REKHA SINGH
Date: 2024.05.17
19:39:43 +05'30'
Rekha Singh
Company Secretary & Compliance Officer
M. No. A33986

Encl: a/a



May 17, 2024

Record FY24 Performance Drives Higher Profitability and Positive Operating Cash Flow

Hariom Pipe Industries Ltd. (HPIL), a leading premium manufacturer of steel pipes and tubes, announced its audited financial results for the quarter and financial year ending March 31, 2024, at its board meeting held on May 17, 2024.

FY24 Highlights

Operational

- Net production of 2,13,216 MT, up 77% YoY
- Net sales of 199,016 MT, up 82% YoY
- Value Added Products sales of 174,667 MT, up 114% YoY
- Commissioned GP/GC products plant at Telangana Unit

Financial

- Total Income of Rs. 1,15,838.47 Lakhs, up 80% YoY
- EBITDA of Rs.14,379.14 Lakhs, up 74% YoY
- PAT of Rs.5,679.95 Lakhs, up 23% YoY
- Operating Cash Flow turned positive at Rs.495.54 Lakhs, up 105% YoY
- RoCE of 18.8% in FY24 vs. 14.6% in FY23
- NWC to Sales days of 62, down from 129 in FY23

Q4 FY24 Highlights

Operational

- Net sales of 60,449 MT, up 46% YoY, up 24% QoQ
- Value Added Products sales of 49,259 MT, up 42% YoY, up 14% QoQ
- Commissioned CR Tandem Mill at Mahabubnagar plant, Telangana

Financial

- Total Income of Rs. 33,206.88 Lakhs, up 32% YoY, up 18% QoQ
- EBITDA of Rs. 4,318.71 Lakhs, up 37% YoY, up 25% QoQ
- PAT of Rs.1,676.93 Lakhs, down 3% YoY, up 71% QoQ

Commenting on HPIL's performance, Mr. Rupesh Kumar Gupta, Managing Director, stated: *"Our strategic initiatives have driven us to achieve our highest-ever sales volume, with annual revenue surpassing the ₹1,100 crore mark. The company demonstrated positive Operating Cash Flow, driven by increased profitability and efficient working capital management. Our ROCE has surged significantly, reflecting effective resource utilization and enhanced profitability. As we enter FY25, we are well-positioned to maintain our growth trajectory with a continued focus on improving cash flow. We remain dedicated to enhancing our value-added offerings to meet the evolving needs of a rising and aspirational India."*

Revenue from operations in Q4FY24 reached ₹33,206.88 lakhs, marking a 32% YoY increase due to record sales volume and Value-Added Product sales. EBITDA rose by 37% YoY to ₹4,318.71 lakhs, with EBITDA per MT at ₹7,144. Sequentially, revenue and EBITDA grew by 18% QoQ and 25% QoQ, respectively. The successful implementation of 2 MW solar power and the optimized utilization of our melting furnace and rolling unit through hot charging facilities, resulting in a

decrease in unit consumption, significantly reduced the company's power costs. PAT saw a 71% sequential increase, driven by improved operational performance.

HPIL achieved its best-ever performance in terms of revenue, volume, EBITDA, and PAT in FY24. Revenue from operations reached ₹1,15,838.47 lakhs, and EBITDA soared to ₹14,379.14 lakhs, representing 80% and 74% YoY increases, respectively. This performance was bolstered by higher production from an enhanced capacity of 701,232 MT, up from 533,232 MT at the end of FY23, a higher share of Value-Added Products, and improved efficiency. Our commitment to expanding our Value-Added Products share resulted in a record high of 92% for the year, compared to 80% in FY23. This led to a 23% YoY increase in PAT, reaching ₹5,679.95 lakhs.

Performance Highlights:

Positive Operating Cash Flow: The company's dedicated efforts to enhance cash flows resulted in a positive Operating Cash Flow for the year. Strategic initiatives such as the Galvanized Pipe Project in Mahabubnagar, efficient inventory management, and proactive measures to reduce debtor days, like channel finance and efficient collection methods, led to an Operating Cash Flow of ₹495.54 lakhs in FY24, compared to a usage of ₹10,056.84 lakhs in FY23. This highlights the company's commitment to financial stability and growth. Notably, debtor days were reduced by 10 days from 49 days in FY23 to 39 days in FY24.

ROCE Improves to 18.8%: The Return on Capital Employed (ROCE) saw a significant increase during the fiscal year, rising from 14.60% to 18.80% due to effective resource utilization. This improvement translated to an absolute figure of ₹3,671.86 lakhs, marking a 50% increase in earnings.

Value-Added Product Sales Drive Performance: Commenting on the Value-Added Product sales, Shailesh Gupta, Whole Time Director, stated, "*HPIL's FY24 performance was driven by a 114% YoY increase in Value-Added Product sales volume as the company successfully ramped up production of GP/GI. Value-Added Products accounted for 92% of total sales value compared to 80% in FY23.*"

Successful Ramp-Up of GP/GI Units: The new GP unit (capacity of 120,000 MTPA) and the enhanced MS pipe unit (capacity of 132,000 MTPA) in Telangana, along with the GP/GI plant in Tamil Nadu (capacity of 180,000 MTPA), were successfully ramped up during the year.

CR Tandem Mill Enhances Product Portfolio: A state-of-the-art Cold-Roll Tandem mill and an annealing furnace were commissioned at the Mahabubnagar Plant in Telangana during the quarter. The tandem mill, with its three cold rolling processes to reduce thickness variation and achieve high quality, produces pipes as thin as 0.4mm, which are in higher demand and command a premium. This addition brings new customers from industries such as fans, packaging strips, furniture, auto components, and pre-engineered building products to the company's portfolio.

Performance Summary

INR Lakhs unless stated otherwise					
Particulars	Q4FY24	Q4 FY23	Q3 FY24	FY24	FY23
Net Production (MT)	59,376	47,874	53,735	2,13,216	1,20,518
Net sales (MT)	60,449	41,285	48,843	1,99,016	1,09,085
Share of VAP (%) (in value terms)	88%	89%	88%	92%	80%
Total Income	33,206.88	25,162.58	28,199.32	1,15,838.47	64,446.03
EBITDA	4,318.71	3,148.30	3,459.43	14,379.14	8,263.15
Interest, net	993.62	451.26	1,116.55	3,256.32	1,038.04
Depreciation	965.88	340.89	963.25	3,386.58	942.45
Profit Before Tax	2,359.20	2,356.16	1,379.62	7,736.25	6,282.66
Taxes	682.27	631.11	398.35	2,056.30	1,661.86
Profit After Tax	1,676.93	1,725.04	981.28	5,679.95	4,620.80
EPS	6.01	6.77	3.55	20.34	18.30
Revenue per MT (INR)	54,744	60,918	57,326	57,944	59,010
Cost per MT (INR)	47,599	53,292	50,243	50,719	51,435
EBITDA per MT (INR)	7,144	7,626	7,083	7,225	7,575
EBITDA margin (%)	13.01%	12.51%	12.27%	12.41%	12.82%
PBT Margin (%)	7.10%	9.36%	4.89%	6.68%	9.75%
PAT Margin (%)	5.05%	6.86%	3.48%	4.90%	7.17%

Performance Summary (contd.)

Particulars	INR Lakhs unless stated otherwise	
	FY24	FY23
Profitability ratios		
Return on Capital Employed (ROCE)	18.8%	14.6%
Return on Equity (ROE)	12.2%	12.3%
Cash Flows		
Operating Cash Flow	495.54	(10,056.84)
Investing Cash Flow	(18,159.02)	(22,151.88)
Financing Cash Flow	7,437.18	42,605.74
Balance Sheet		
Net Working Capital	19,502.09	22,662.94
Total Debt	37,088.54	29,601.80
Total Outside Liabilities (TOL)	41,612.48	33,401.78
Net Worth	46,411.75	37,516.66
Cash and Equivalents	177.97	10,404.27
Ratios		
Current Ratio	1.68	2.12
Interest Coverage Ratio	3.38	7.05
Debt to Equity Ratio (D/E)	0.80	0.79
TOL / Net Worth	0.90	0.89

About Hariom Pipes Industries Limited

Hariom Pipes Industries Limited is a premium manufacturer of steel pipes and tubes with a stronghold in South India and a growing pan-India presence. The Company has three manufacturing facilities in Telangana, Andhra Pradesh, and Tamil Nadu. The cumulative capacity of the Company is 701,323 MTPA, including 437,000 MTPA for value-added products. The Company's products range from Mild Steel (MS) Billets, GP, GI Pipes and Tubes, Hot Rolled (HR) Coils, Cold Rolled (CR) Coils, Galvanized Coils and Scaffolding Systems, catering to infrastructure and industrial applications across multiple sectors.

For any further information, please contact:
Ms Rekha Singh
Company Secretary & Compliance Officer
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DISCLAIMER

Certain statements that are made in the Press Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in the economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. Hariom Pipes Industries Limited will not be in any way responsible for any action taken based on such statements and discussions; undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.