

PPFL/SE/2020-2021/125

November 03, 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: Presentation at Conference Call for Analyst and Investors

In continuation to our letter No. PPFL/SE/2020-21/121 dated October 29, 2020, please find enclosed presentation to be made for Conference Call Scheduled on Wednesday , November 04, 2020 at 16:00 hours IST.

Kindly take the same on record.

Thanking You.

Yours faithfully,

For PRINCE PIPES AND FITTINGS LIMITED



Shailesh K Bhaskar



Company Secretary & Compliance Officer

Encl. as above.

75% of households do not have drinking water on the premises *

By 2030, 40% of population will have no access to drinking water *

600 million Indians face high to extreme stress over water *

85% of rural households do not have access to piped water *

70% of India's water is contaminated *

6% of India's GDP will be lost because of the water crisis *

SWACHH BHARAT MISSION

To achieve universal sanitation coverage and to put focus on sanitation.
Budget - Rs. 12,294 cr.

AMRUT

Providing basic civic amenities like water supply, sewerage, urban transport, parks as to improve the quality of life.
Budget - Rs. 77,640 cr.

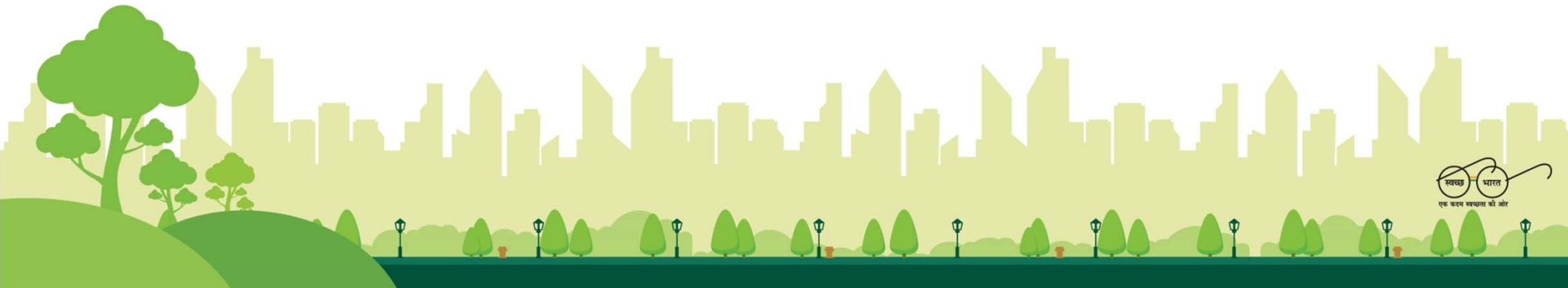
SMART CITY MISSION

To drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology.
Budget - Rs. 6,450 cr.



Clean Water.
Safe India.

*Jab **pipng systems** honge leak-free,
India banega disease-free.*





INVESTOR PRESENTATION

Q2&H1 FY 2021



Disclaimer



Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. 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. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Prince Pipes and Fittings Limited (PPFL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Industry
Overview



About Us



Key
Strengths



Strategic
Way Forward



Leadership
Profile



Financials



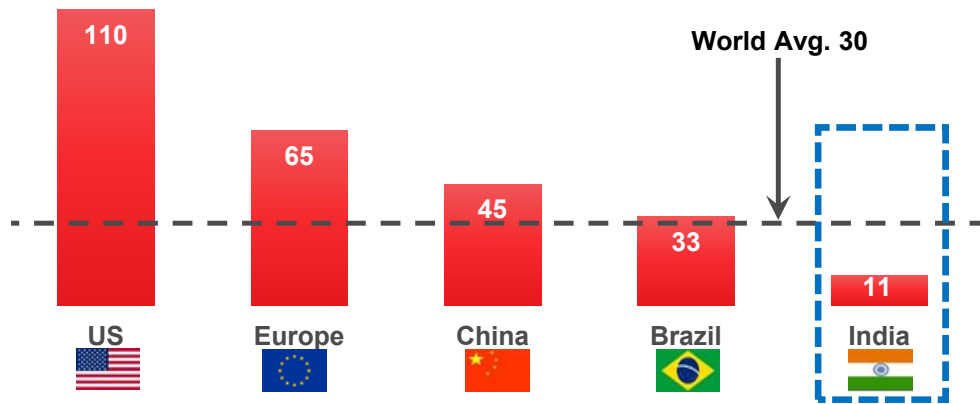
Outlook

Industry Overview



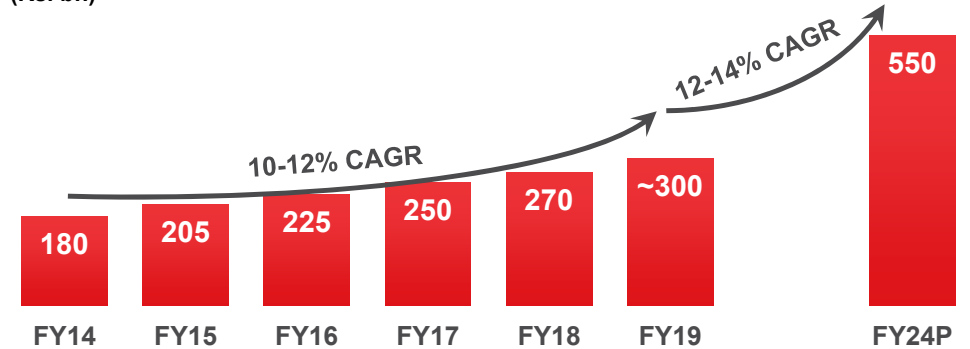
India's low Per Capita Plastic Consumption vs World Avg.

(In Kg)



Domestic Plastic Pipes & Fittings Market Size

(Rs. bn)



Big getting Bigger

Market consolidation to further accelerate post Covid-19



Government Initiatives like



GST, Demonetisation



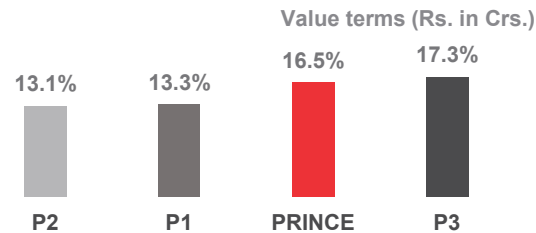
BIS Strict implementation of Quality norms



Multiple Fringe National & Regional players facing major balance sheet constraints



Major market share up for grabs



PRINCE gains market share over the last 7 years compared to its peers



Prince Pipes is amongst the Front Runner Beneficiary



Pan India manufacturing and distribution network focusing on Service + Scale + Range



Building a strong brand equity and positioning by consciously investing into brand building through various ATL, digital, BTL initiatives



Scaling up of manufacturing footprints with two additional greenfield plants



Demonstrated ability to grow with an expanding market share over last 7 Years

About Us



Promoted by Chheda Family

Amongst Top 5 Processor in Piping Industry

More than 3 decades of Operations

Strategic located Manufacturing units

Largest Range of SKU's

Industry's Most Trusted Brand



Over **3 decades of experience** in manufacturing multi polymer piping systems

UPVC, CPVC, PPR and HDPE polymers being processed across our **6 manufacturing facilities**

Products sold through our 2 brands **Prince** and **Trubore**



A wide range of 7,167 SKU's finding application across Plumbing, Sewage, Irrigation, Industrial and Underground Drainage



Pan India distribution network our biggest strength – through 1,408 Channel Partners

Further more we have 11 warehouses to focus on **efficient supply & timely service**



6 State of the Art Manufacturing facilities located at Haridwar, Jaipur, Athal, Dadra, Chennai, Kolhapur

Our 7th State of the Art plant to come up in Telangana from IPO proceeds

Strategic Distribution & Factory Network



1

Upcoming Plant

6

Manufacturing Plants

11

Depots

1408

Channel Partners

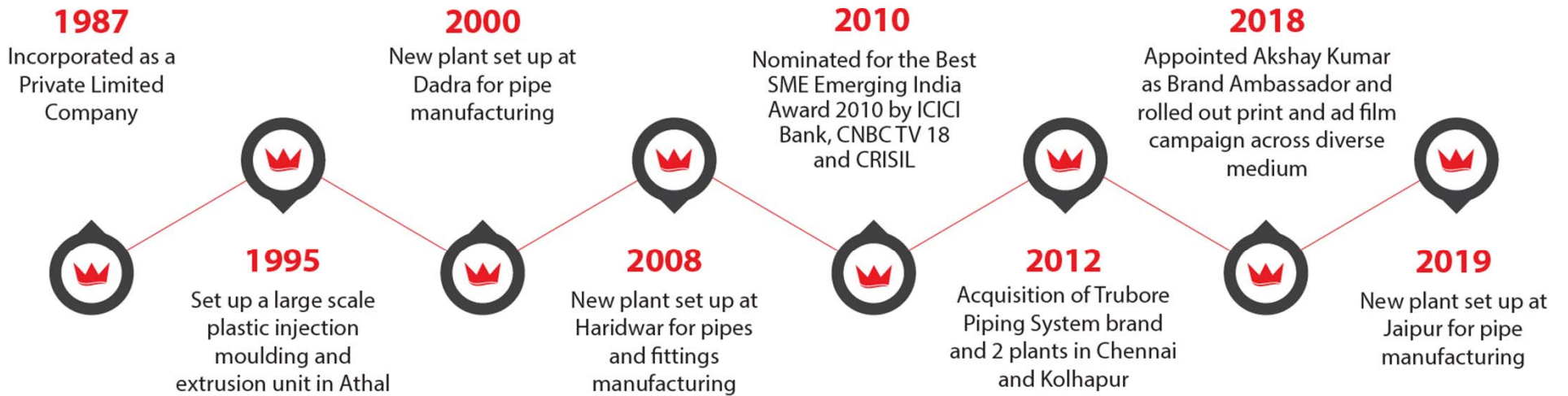
Strategic Manufacturing locations Pan India

- Freight is a significant part of our Cost structure
- Plants located near raw material sources/ports and principal markets to improve cost efficiencies

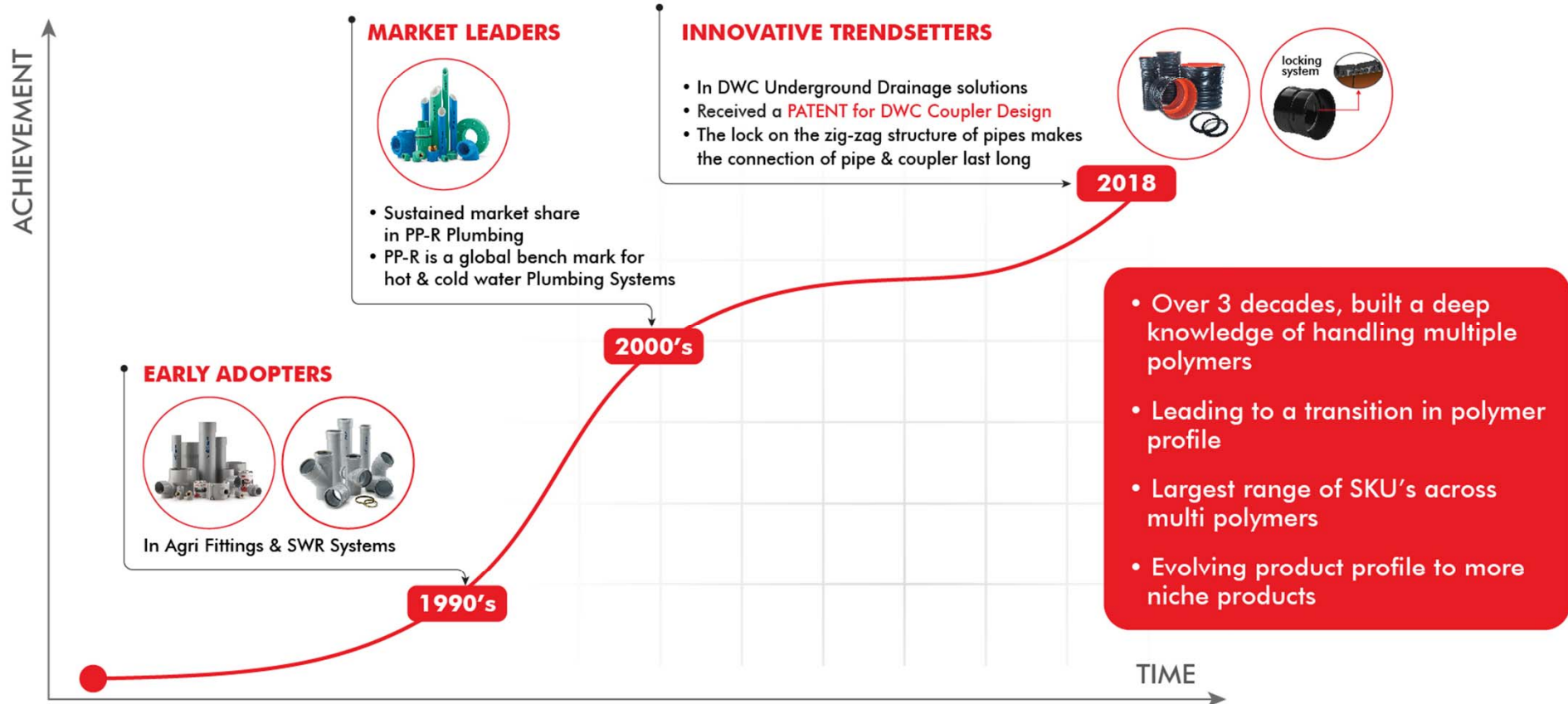
Unique outsourcing Strategy for East India

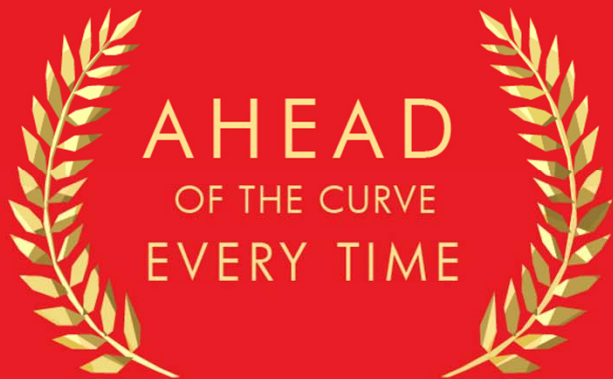
- Hajipur (Bihar) commenced from 2014
- Balasore (Odisha) commenced from 2019

Our Journey



Continuous Innovation through Thought Leadership





- **First** to move into Northern markets with a manufacturing plant at Haridwar.
- **First** among peers to demonstrate a risk appetite for inorganic growth.
- Acquired two manufacturing plants of Fairfax backed Chemplast Sanmar located at Kolhapur and Chennai, along with Trubore brand.
- **Early movers** in East with a unique asset light model.
- Strategically positioned in Bihar and Odisha, catering to the demand of the Eastern region.

Quality & Reliability – Our Cornerstones



2014

CMD Shri Jayant S. Chheda received lifetime achievement award at Vinyl India



2016

MR. PARAG CHHEDA JMD Prince Pipes & Fittings Pvt. Ltd., was awarded the INSPIRING BUSINESS LEADERS INDIA award at THE ECONOMIC TIMES SUMMIT.



2010

Award for outstanding quality contribution in the pipe sector - EPC World Awards

VINYL INDIA

2015

- Indian Manufacturing Excellence Award by Frost & Sullivan
- National Awards for Excellence in Learning & Development



2017

Awarded for Excellence in Building & Construction (Plumbing) - Economic Times Polymers Award

Scaling through Jaipur Plant



**JAIPUR
PLANT**



- Production at Jaipur plant commenced in Sept, 2019 – Installed capacity of ~40kT in next 2-3 year horizon
- Being first mover in North India since 2008 with Haridwar
 - Strong first mover advantage and unparalleled brand equity in northern India
- Jaipur plant- Further improve service to Northern markets as we scale up operations to fortify our market share by efficient supplies and timely service

~40 kT
Installed Capacity

Scaling through Telangana Plant



Upcoming integrated manufacturing Pipe and Fitting facility in Telangana

To bolster our endeavour in scaling up our distribution reach and market penetration in Southern India



2012 Acquired Chennai & Kolhapur from Chemplast Sanmar Inorganic growth strategy for South India

2020 Way Forward Organic & Integrated Strategy

Approx. 50 kT

Expected Installed Capacity*

Key Advantages



Larger tracts of land being brought under irrigation



Government projects like, affordable housing and water for all an added advantage



Strategically located in the southern market with easy availability of skilled manpower, progressive well managed state, ease of doing business, excellent infrastructure

Brand Play - Winning In Many Indias



WHY AKSHAY?

- Need to establish stronger bond with end consumer due to blurred lines between B2B and B2C segments
- Average Indian consumer's involvement in decision making has significantly increased
- Associate brand with a personality that matches the brand's energy and persona as well as someone who is popular among masses.
- Leveraging an already strong brand equity through a Pan India integrated mktg campaign

COMMON TRAITS OF AKSHAY AND PRINCE



FITNESS ICON

Committed towards
Quality assurance

MASS APPEAL

Pan-India presence

VERSATILE ACTOR

Wide product portfolio

WELL ESTABLISHED

Experience of more than
3 decades

KNOWN PHILANTHROPIST

Crafting its CSR strategies
towards societal sustainability

Pan India-Influencer & Channel Engagement Activities



DEALER MEETS

PRINCE
PIPING SYSTEMS
PARIVAAR



Digha - WB



Bengaluru - KA



Balasore - OD



Siliguri - WB

PLUMBER MEETS

PRINCE
PIPING SYSTEMS
MITRA



Himmatnagar - GJ



Dhanbad - JH



Plant Visit @ HARIDWAR PLANT



Vashi, MUMBAI

The Parivaar & Mitra Meets are conducted to build confidence, influence community and resolve the issues, queries regarding the product and service, introduce them to our new products, features, benefits and applications of the products respectively.

Pan India Presence and Strategy



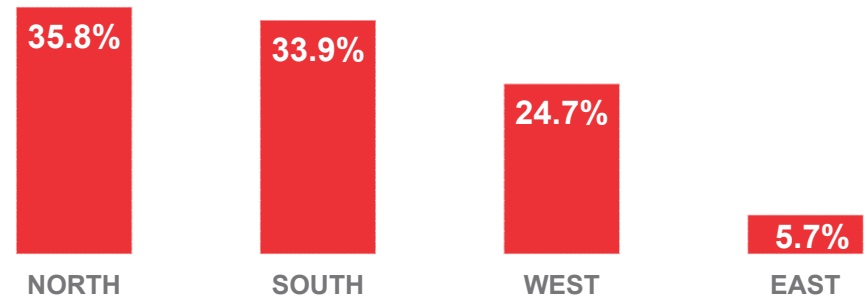
- First mover in 2008 with Haridwar plant
- To scale brand equity in North
- Next frontier of growth
- Asset light model through outsourcing
- Acquired Chennai plant and Trubore brand
- Setting up of an integrated plant in Telangana

- 3 Plants across different states to capture rapid urbanization for efficient supply & Service

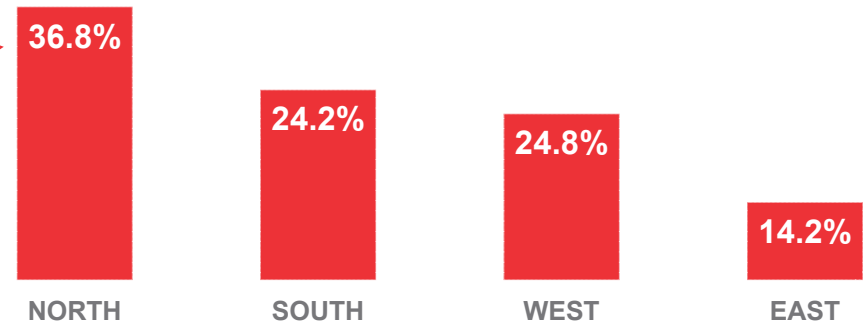
NORTH
WEST
EAST
SOUTH

1408 Channel Partners

FY15 Sales Profile Geographical spread



FY20 Sales Profile Geographical spread



Multi Polymer Product Basket



Plumbing Solutions Portfolio

Irrigation Solutions



SMARTFIT[®] CPVC
Plumbing Systems



EASYFIT[®] UPVC
Plumbing Systems



GREENFIT[®] PP-R
Plumbing & Industrial Piping Systems



RAINFIT[®] UPVC
Roofwater Systems



AQUAFIT[®] UPVC
Pressure & Non Pressure Agri Pipes & Fittings



SAFEFIT[®] UPVC
Borewell Systems

Sewage & Underground Drainage Portfolio

Wide Range of Pipes & Fittings SKUs



ULTRAFIT[®] UPVC
SWR Systems
With World Class Seals



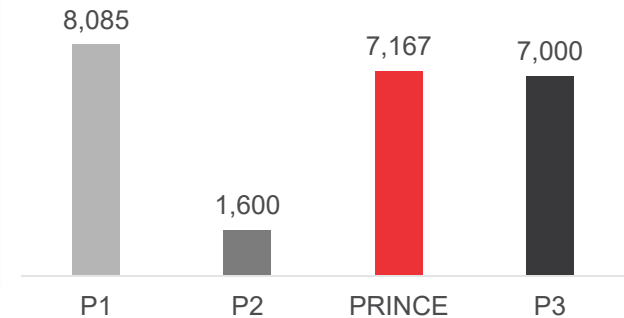
SILENTFIT[®] UPVC
Low Noise SWR Systems



FOAMFIT[®] UPVC
Underground Drainage Piping Systems



CORFIT[®] HDPE
Underground Double Wall Corrugated Pipes



Execution capability with thrust on margin



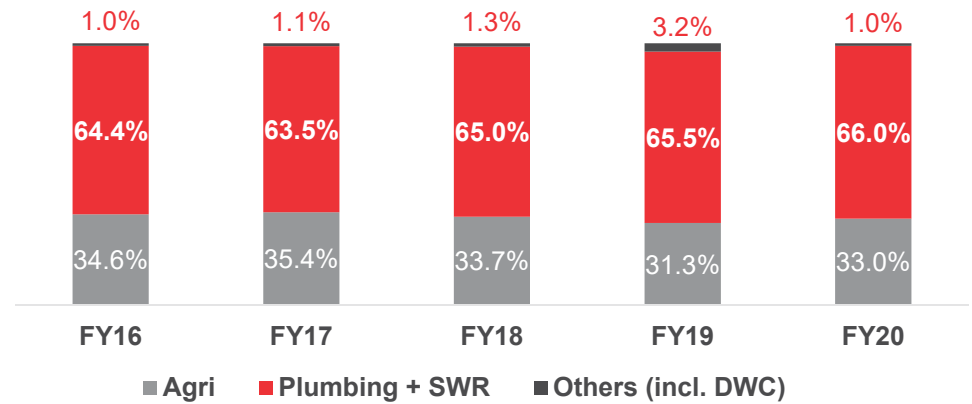
Margin Levers

 Product Mix Improvement

 Brand Monetization

 Favourable Operating Leverage due to volume growth

.....due to improvement in product-mix with rising share of Plumbing/SWR pipes



Margin gains due to product mix change
Higher growth in Plumbing and Drainage Segment v/s Rest of the Portfolio

STRATEGIC WAY FORWARD



A Lubrizol:
Partnership to transform plumbing products

B Tooling Holland BV:
Technical tie-up to bolster manufacturing best practices

C Solar Energy:
Triple bottom-line goals achievement

D StoreFit:
Seizing the opportunity

THE PARTNERSHIP THAT'S GOING TO CHANGE PLUMBING FOREVER



A



The Inventors World's Largest Manufacturers of CPVC Compounds

India's Leading Pipes and Fittings Brand



A Technology

A Product



1ST FIRST CHOICE GLOBALLY FOR POTABLE WATER APPLICATIONS

50 YEARS OF LIFE SPAN

A COMBINATION CHANGING THE WAY LOOKING AT PLUMBING FOREVER

WORLD'S MOST PREFERRED RANGE OF CPVC PIPES AND FITTINGS

EXTREME TEMPERATURE RESISTANCE

WORLD-CLASS PRODUCT NOW COMES WITH 30 YEARS OF TRUST

Why PRINCE FLOWGUARD® PLUS?



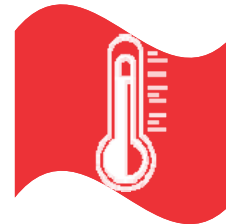
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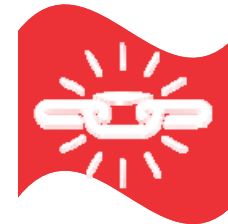
Manufactured from
Lubrizol's NSF
approved compound



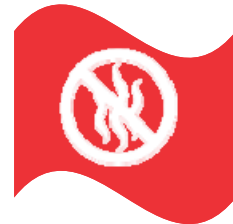
50 years of life



Suitable for use up to
93°C



High tensile and
impact strength



Freedom from toxicity,
odours and tastes

THE 'PLUS' in FLOWGUARD®



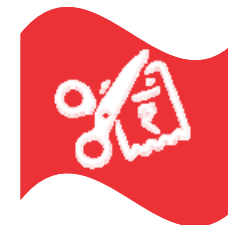
Low thermal
expansion



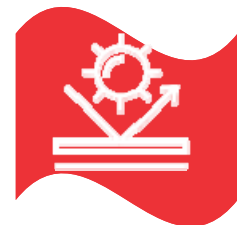
Light in weight



Quick and easy to
install



Low transportation
and handling cost



UV resistant



CHOOSE BETTER.

CHOOSE PRINCE FLOWGUARD® PLUS.



50+ Years of Proven Technology

World's first CPVC

Highest numbers of project in the World and India

Regular upgradation of Compounds & Technical Services

Finished compound for consistent quality

Lubrizol takes equal responsibility for Training & Education

A quality assurance program to be followed by the licensee



FLOWGUARD® PLUS: Branding



A



TECHNICAL COLLABORATION WITH GLOBAL LEADERS TOOLING HOLLAND



B



Global leaders in
Mould Manufacturing



Researcher &
Innovator

INNOVATING TO THE NEXT LEVEL PRINCE PIPES TIES UP WITH TOOLING HOLLAND BV



Rich Experience in
Mould Making



Pioneers in many
critical Technologies



Good potential in Tool
Room and Project

Bringing Global Best Practices to INDIA via synergy



B

- ▶ Great impetus to Prince Pipes' growth plans
- ▶ Building & offering superior products, aligned to global standards and at competitive costs
- ▶ Prince Pipes enable to sharpen competitive edge
- ▶ Own technical know-how upgradation with productivity improvements



TRIPLE BOTTOM LINE: Focus on Clean Energy & Environment



C



<p>Solar Energy Equal To</p>	<p>2.7M Pounds Coal Burned/Year</p>
	<p>40K Trees Seedlings, Grown for a Decade</p>



Product Portfolio Diversification - STOREFIT



D



Experience in Plastics and Building Material



Pan India Network of Manufacturing and Marketing



Disruption in Tank Segment

So, it's the perfect time for a National Brand like PRINCE to Enter



Way Forward - STOREFIT

PRINCE
PIPING SYSTEMS

Clean Water.
Safe India.

D

Launched Range of
Tanks under the Brand

PRINCE
STOREFITTM
Paani Ka Bank

The quality you love in Prince Pipes, now in a water tank!

INTRODUCING

PRINCE
STOREFITTM
Paani Ka Bank

Currently launching in Gujarat

PAANI KA BANK
SEAL OF TRUST

5
YEAR
WARRANTY

30 Years

Leveraging experience in Plastics & Building materials

Strong Pan India Presence

Advantage of Multi-Locations Manufacturing & Marketing

Robust Distribution Infrastructure

Efficient Selling with Minimal additional Cost

#Brand

An opportunity for a National brand like Prince post disruption in tank segment

Strategic Launch - STOREFIT

D



Pilot Launch in Gujarat Market
Will Gradually move to other markets

Wide Range of Sizes (Ltr.)

500 750 1000 1500 2000 3000



Gradually expand range and markets post response from the launch



Covid Readiness - Hands Free Sanitiser - SANIFIT



Introduced Hand Sanitizers



Hands-Free



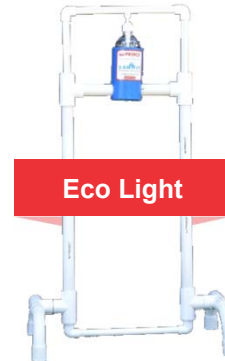
Pedal Pushing



Extensively Tested for Durability and Effective usage



Eco Heavy



Eco Light



Eco Compact

Hands-Free units Designed & Manufactured



Order Received from
The Defense Establishment

Shipped the First Batch to
their Southern Facility



Product in process of
evaluation by the largest
FMCG Company's

Shortly would supply a
large quantity towards their
rural outreach program

Advantages over Metal Dispensing



Maintenance Free



Easy To Store



Light Weight



Corrosion Free



Assemble-Dismantle



Superior Finishing



Easy To Transport



Ease in Refilling

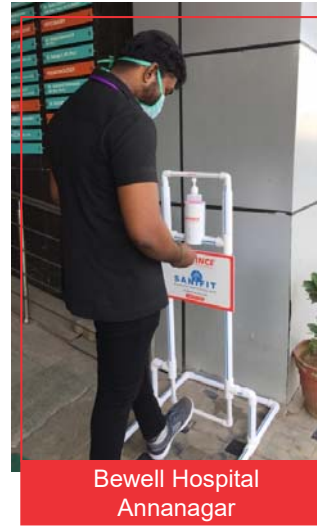
Social Awareness & Impact - SANIFIT



CSR INITIATIVES



DM Office
Haridwar



Bewell Hospital
Annanagar



Chandgad Police Station
Kolhapur



ATS Units
Mumbai



Police Station
Silvassa



Kauvery Hospital
Alwarpet

Board of Directors



Directors

Work Experience

Background



Mr. Jayant S. Chheda
Founder, Chairman and MD
Exp. : 40+ Years

- Associated with the company since incorporation
- Awarded the Lifetime Achievement Award' at the Vinyl India Conference, 2014



Mr. Parag J. Chheda
Executive Director
Exp. : 25+ Years

- Associated with company since 1996, holds an associate degree in business administration from Oakland Community College
- Felicitated with the 'Inspiring Business Leader Award – 2016' at the Economic Times Summit



Mr. Vipul J. Chheda
Executive Director
Exp. 22+ years

- Associated with company since 1997



Rajesh R. Pai
Nominee Director
MD & Founder of GEF Capital Partners
Exp. : 20+ Years

- MBA from University of Chicago - BOOTH
- MD at CID Capital or growth equity investment firm investing growth and expansion stage capital in the US
- Consulting & Operational capacity at American Management System, British Telecom and AT&T

Independent & Nominee Directors



Directors Work Experience

Directorship & Past Affiliation

Background



Mr. Ramesh Chandak
Independent Director
Exp. : 40+ Years

KEC INTERNATIONAL LTD., PARAG MILK FOODS LTD., RR GLOBAL

- Directorship in multiple corporates and Chartered Accountant



Mr. Mohinder Pal Bansal
Independent Director
Exp. : 30+ Years

ALLCARGO LOGISTICS LTD., NAVNEET EDUCATION LTD.,

- Directorship in multiple corporates and Chartered Accountant



Mrs. Uma Mandavgane
Independent Director
Exp. 22+ years

ZEE MEDIA CORPORATION LTD.,

- Directorship in multiple corporates and experience in industry and consulting



Mr. Dilip Deshpande
Additional Independent Director
Exp. : 45+ Years

FINOLEX INDUSTRIES LTD.,- PAST AFFILIATION

- Directorship in multiple corporates and experience in industry and professional coaching to executives



Mr. Rajendra Gogri
Additional Independent Director
Exp. : 36+ Years

AARTI INDUSTRIES LTD.,- CMD

- Chairman & Managing Director of Aarti Industries Ltd., adept at handling financial and commercial matters



Mr. Satish Chavva
Additional Nominee Director
Exp. : 20+ Years

OMAN INDIA JOINT INVESTMENT FUND

- Rich experience in private equity and investment banking

Strong Core Professional Team



CXO Work Experience

Past Affiliations

Background



Mr. Shyam Sharda
Chief Financial Officer
 Age : 48 Years; Exp. : 22+ Years

UNITED PHOSPHOROUS LTD, S. KUMARS LTD.,

- CA in Accounts & Finance Management – ICAI
- ICWA in Costing & Finance – ICWAI (Intern)



Mr. Vininder Singh Baweja
Chief Operations Officer
 Age : 41 Years; Exp. : 15+ Years

HINDUSTAN UNILEVER LTD., VOLVO EICHER

- MBA in Marketing & IT – IIT Rorkee
- B. Tech in Electronics – Punjab Technical University



Mr. Ashok Mehra
Vice President– Sales & Marketing - Prince
 Age : 53 Years; Exp. 30+ years

JAQAUR P. LTD., PIDILITE INDUSTRIES LTD.

- B.E in Mechanical – KJ Somaiya
- MMM - NMIMS



Mr. Hemant Kumar
GM – Marketing & New Product Development
 Age : 61 Years; Exp. : 35+ Years

PIDILITE INDUSTRIES LTD.,

- B.Sc. in Chemistry – Pune University
- PGDBM in Marketing - IGNOU



Mr. Umesh Pillai
National Head Sales & Marketing - Trubore
 Age : 43 Years; Exp. : 21+ Years

ASIAN PAINTS LTD., GODREJ & BOYCE

- B.E in Electricals – VCE Orissa
- MBA in Marketing - NMIMS



Mr. Prakash Hegde
Vice President & Chief Human Resources Officer
 Age : 51 Years; Exp. : 30+ Years

TBZ LTD., BHARAT GEARS LTD.

- MSW in Personal Management & Labour Welfare – Siber Kolhapur
- EPHRM in HRM – IIM Lucknow
- EMBA - XLRI

Key Highlights Q2 & H1 FY21



- For Q2FY21, **revenue** at **Rs. 459 crore** compared to Rs. 429 crore in Q2FY20, **grew by 7%**
- For H1FY21, **revenue** at **Rs. 761 crore** compared to Rs. 809 crore in H1FY20, **contracted by 6%**
- Sales volume increased by 3% at 35,142 MT in Q2FY21 as compared to 34,213 MT in Q2FY20
- Sales volume reduced by 11% at 60,132 MT in H1FY21 as compared to 67,901 MT in H1FY20
- For Q2FY21, **EBITDA** at **Rs. 80 crore** compared to Rs. 65 crore in Q2FY20, grew by **23%**
- **EBITDA margin** for Q2FY21 at **17.5%** compared to 15.2% in Q2FY20, **a 230 bps expansion**
- For Q2FY21, **PAT** at **Rs. 47 crore** compared to Rs. 33 crore in Q2FY20, grew by **42%**
- Net debt to equity ratio at **0.1x** excluding Bank Balances other than Cash and Cash Equivalents as on September 30, 2020

Financial Matrix - P&L Q2 FY21



₹ in Crore

Particulars	Q2FY21	Q2FY20	Growth % Y-O-Y
Revenue from Operation	459	429	7%
EBIDTA	80	65	23%
EBITDA margin %	17.5%	15.2%	230 bps
Other Income	3	0.6	4x
Depreciation	15	12	25%
Finance Cost	5	9	-44%
PBT	63	45	40%
PBT margin %	13.7%	10.4%	330 bps
TAX	16	11	46%
PAT	47	33	42%

Financial Matrix - P&L H1 FY21



₹ in Crore

Particulars	H1FY21	H1FY20	Growth % Y-O-Y
Revenue from Operation	761	809	-6%
EBIDTA	112	118	-5%
EBITDA margin %	14.7%	14.6%	10 bps
Other Income	8	1	7x
Depreciation	29	24	21%
Finance Cost	12	16	-25%
PBT	79	78	1%
PBT margin %	10.4%	9.7%	70 bps
TAX	21	19	11%
PAT	58	60	-3%

Key Balance Sheet Details



₹ in Crore

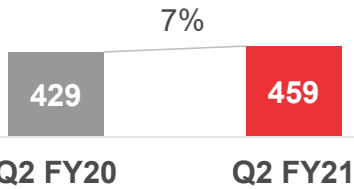
Key Balance Sheet Details	30-Sep-20	31-Mar-20	31-Dec-19	30-Sep-19
Net worth	895.4	837.7	821.7	459.5
Long Term Debt (Including Current Maturity)	42.2	56.0	108.3	150.7
Short Term Debt	143.7	203.8	194.4	171.7
Total debt	185.9	260.9	302.7	322.4
Cash and cash equivalents	80.3	0.1	79.0	7.9
Other Balances with banks	226.5	256.9	237.5	16.0
Fixed Assets(including CWIP)	480.5	496.1	486.2	463.3
Receivables	169.0	179.7	162.3	166.2
Payables	140.1	180.8	180.2	197.1
Inventories	255.0	344.5	324.3	288.2

Q2 & H1 FY20 Financial Highlights

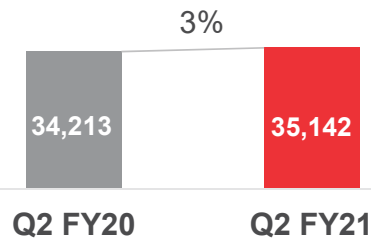


■ Q2 FY20 ■ Q2 FY21

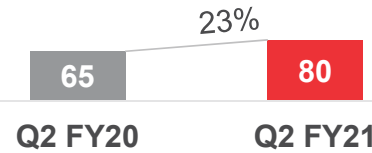
Revenue (₹ in Crs.)



Sales Volume (MT)

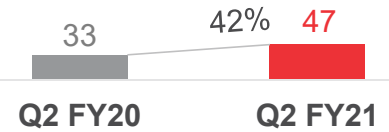


EBITDA (₹ in Crs.)



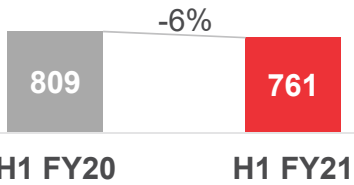
■ Q1 FY20 ■ Q1 FY21

PAT (₹ in Crs.)

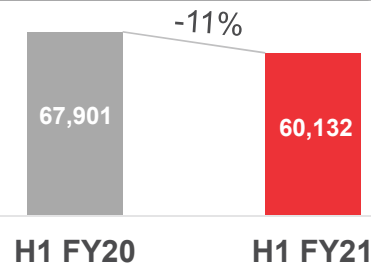


■ H1 FY20 ■ H1 FY21

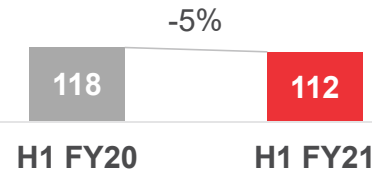
Revenue (₹ in Crs.)



Sales Volume (MT)

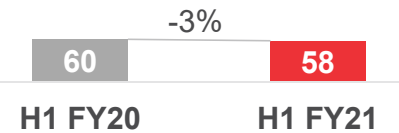


EBITDA (₹ in Crs.)

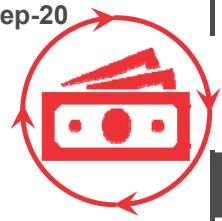
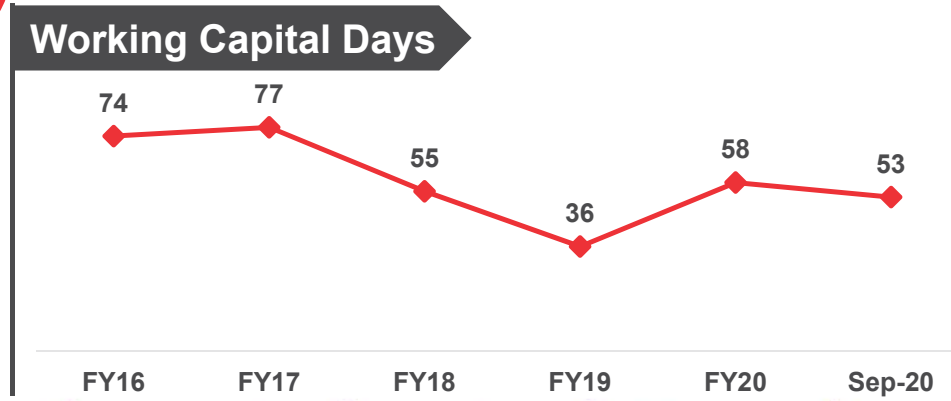
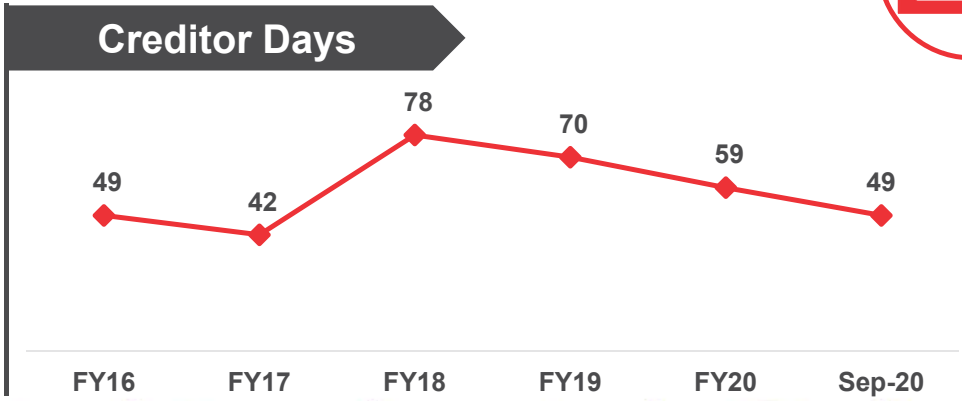
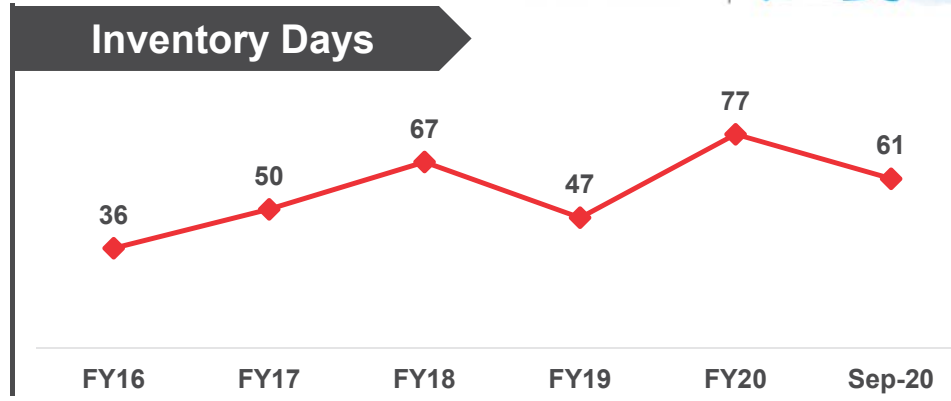
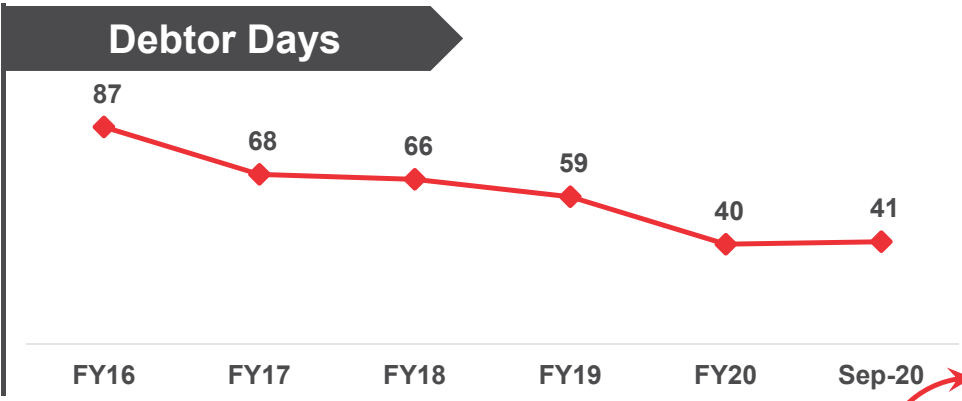


■ H1 FY20 ■ H1 FY21

PAT (₹ in Crs.)



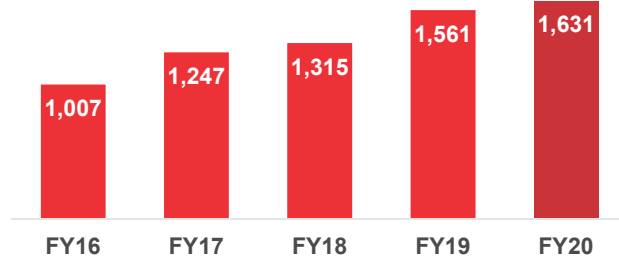
Improvement of Cash Conversion Cycle H1FY21



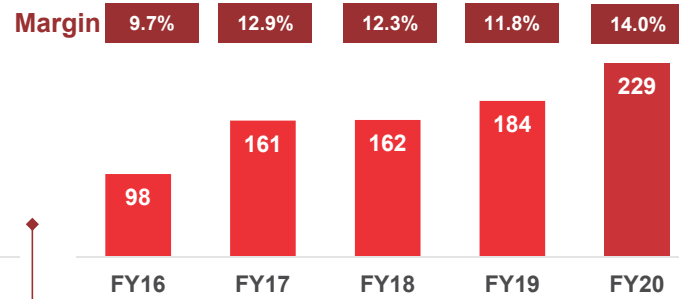
Annual Financial Track Record



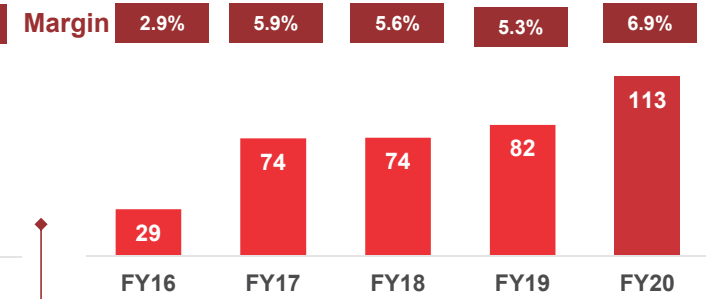
Net Revenue from Products



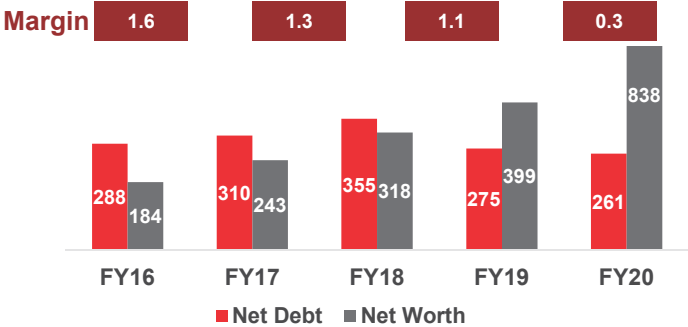
EBITDA & EBITDA Margin



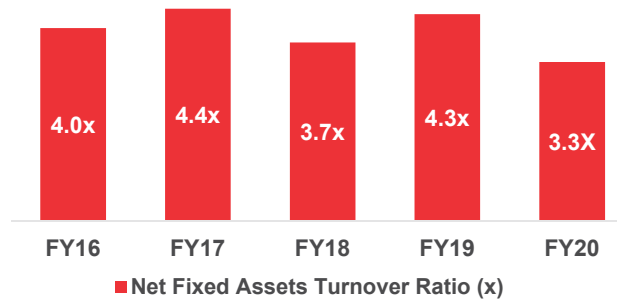
PAT & PAT Margin



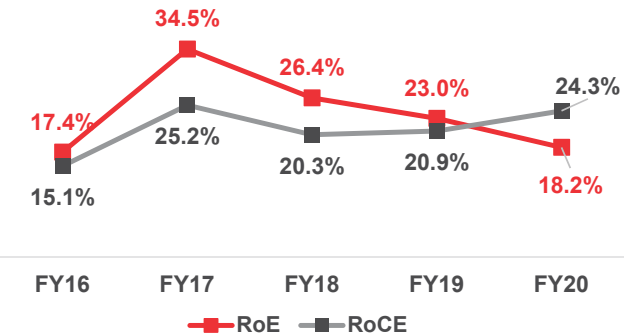
Net Debt & Net Worth



Net Fixed Assets Turnover Ratio (x)



RoE% & RoCE%



Thank You!

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