

PPFL/SE/2020-2021/56

June 25, 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 of the Company held on June 25, 2020

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Board of Directors of the Company at its meeting held today i.e June 25, 2020 have inter alia, considered and approved the following :

1. **Approved and adopted Audited Financial Results (standalone) of the Company for the quarter and year ended March 31, 2020.**

We enclose a copy of each of:

- i) Audited Financial Results (standalone) for the quarter and year ended March 31, 2020
- ii) Auditors Report
- iii) Declaration with respect to Audit Report with unmodified opinion to the aforesaid Audited Financial Result.
- iv) Press Release.

In accordance with SEBI circular dated 12 May 2020 read with circular dated 26 March 2020, granting relaxation from the provisions of Regulation 47 of the SEBI Listing Regulations, the above financial results will not be published in the newspapers. However, the same will be available on Company's website at www.princepipes.com

2. Changes in the Composition of the Board of Directors and Key Management Personnel:

On Basis of the recommendation of members of Nomination and Remuneration Committee and approved by the Board of Directors in the meeting held on June 25 2020, we hereby inform you that the following Directors and Key Managerial Personnel have been appointed on the Board of the Company:

- a) Approved the appointment of Mr. Rajendra Gogri, (DIN: 00061003) as a Non-Executive Independent Director (Additional) on the Board of the Company w.e.f June 25, 2020 to hold office up to the ensuing Annual General Meeting of the Company, subject to the ratification by the members at the ensuing Annual General Meeting of the Company for his appointment as Independent Director for a term of three years. The brief profile of Mr. Gogri is enclosed as **Annexure A**



- b) Approved the appointment of Mr. Satish Chavva, (DIN:03615175) as a Nominee Director (Additional) on the Board of the Company w.e.f June 25, 2020 to hold office up to the ensuing Annual General Meeting of the Company, subject to the ratification by the members at the ensuing Annual General Meeting of the Company for his appointment as Nominee Director.. The brief profile of Mr. Chavva is enclosed as **Annexure B**
- c) Approved the appointment of Mr. Shailesh K. Bhaskar (ACS: 36475) as Company Secretary and Compliance Officer of the Company w.e.f July 01, 2020. Upon such appointment, Mr. Shailesh K. Bhaskar will be considered as Key Managerial Personnel pursuant to the provisions of the Companies Act, 2013 and also Compliance Officer of the Company under Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The brief profile of Mr. Shailesh K. Bhaskar is enclosed as **Annexure C**

3. Impact of COVID- 19 pandemic on the Business:

Pursuant to SEBI Circular Ref. No. SEBI/HO/CFD/CMD1/CIR/P/2020/84, dated May 20, 2020, the Board of Directors has considered impact of COVID- 19 pandemic on the Business.

We attached herewith a detailed note considered by the Board of Directors on the above matter as per **Annexure D**

The Board Meeting commenced at 2:30 P.M. and concluded at 05:10 P.M.

We request you to kindly take note of the same.

Thanking you,

Yours faithfully,

For **PRINCE PIPES AND FITTINGS LIMITED**



Jayant Shamji Chheda
Chairman and Managing Director

Enclosed: as above



Independent Auditors' Report

To
The Board of Directors
Prince Pipes and Fittings Limited

Report on the Audit of Financial Results

Opinion

We have audited the accompanying financial results of Prince Pipes and Fittings Limited ("the Company") for the three months and year ended 31 March 2020 ("financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:

- i) are presented in accordance with the requirements of Regulation 33 of Listing Regulation in this regard; and
- ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principle generally accepted in India of the net profit and other comprehensive income and other financial information for the three months and year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standard on Auditing ("SA") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountant of India together with the ethical requirement that are relevant to our audit of the financial result under the provision of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial results.

Management's and Board of Directors' Responsibilities for the Financial Results.

These financial results have been prepared on the basis of the financial statements.

The Company's management and Board of Directors are responsible for the preparation and presentation of these financial result that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the accounting with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principle generally accepted in India and in compliance with Regulation 33 of Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls



that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial annual results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Management and Board of Director are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The figures for the three months ended 31 March 2020 are the balancing figures between the audited figures with respect to full financial year and the published unaudited year to date figures upto the third quarter of the current financial year which were subject to limited review by us.

The financial results for the comparative three months ended 31 March 2019 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: 20139585AAAAAQ2356

Place: Mumbai
Date: 25 June 2020



Prince Pipes and Fittings Limited

CIN NO : L26932GA1987PLC006287

Statement of Audited Financial Results for the Three Months and Year Ended 31.03.2020

Rs.in million

Particulars	Three Months Ended			Year Ended	
	31.03.2020 Audited (Refer Note 2)	31.12.2019 Unaudited	31.03.2019 Unaudited (Refer Note 2)	31.03.2020 Audited	31.03.2019 Audited
I REVENUE					
a Revenue from Operations	4,307.58	3,959.02	4,989.71	16,356.57	15,718.69
b Other Income	51.65	7.66	19.04	69.44	71.26
Total Revenue	4,359.23	3,966.68	5,008.75	16,426.01	15,789.95
II EXPENSES					
a Cost of Materials Consumed	3,117.74	2,614.64	3,255.17	11,672.24	10,728.59
b Purchase of Stock-in-Trade	112.15	195.17	115.05	484.88	340.84
c Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(235.90)	(140.20)	224.60	(892.75)	204.18
d Employee Benefit Expense	241.68	234.40	231.79	901.60	816.83
e Finance Cost	82.06	88.93	89.38	331.70	363.04
f Depreciation and Amortization Expenses	143.90	133.26	113.28	519.78	435.72
g Other Expenses	495.56	521.54	580.02	1,902.82	1,787.64
Total Expenses	3,957.19	3,647.74	4,609.29	14,920.27	14,676.84
III Profit before tax and exceptional items (I - II)	402.04	318.94	399.46	1,505.74	1,113.11
IV Tax expense					
Current tax	117.77	80.26	118.01	401.42	272.33
Deferred tax	1.48	3.17	(17.55)	(13.45)	8.19
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)	-	(7.30)	-	(7.30)	11.27
Total Tax Expense	119.25	76.13	100.46	380.67	291.79
V Profit for the period	282.79	242.81	299.00	1,125.07	821.32
VI Other Comprehensive Income					
a Items that will not be reclassified to Profit or Loss	(11.06)	-	(3.99)	(11.19)	(2.39)
b Income tax relating to items that will not be reclassified to profit or loss	2.61	-	0.79	2.65	0.74
c Items that will be reclassified to Profit or Loss	(0.21)	0.61	(3.87)	2.04	0.61
d Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total Other Comprehensive Income	(8.66)	0.61	(7.07)	(6.50)	(1.04)
Total Comprehensive Income for the period	274.13	243.42	291.93	1,118.57	820.28
VII EQUITY					
Equity Share Capital	1,100.26	1,100.26	900.16	1,100.26	900.16
Other Equity				7,276.50	3,088.97
VIII Earning per equity share in Rs. (Face Value per Share Rs 10 each) (Not Annualised)					
Basic (in Rs.)	2.96	2.67	3.32	11.77	9.12
Diluted (in Rs.)	2.96	2.67	3.32	11.77	9.12

Notes :

- The above results were reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on 25.06.2020 and have been audited by the statutory auditors of the Company.
- Figures for the year ended 31.03.2020 and 31.03.2019 represents the difference between the audited figures in respect to the full financial year and published figures of period ended 31.12.2019 (limited reviewed) and 31.12.2018 (unaudited).
- During the year ended 31.03.2020, 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.

PRINCE PIPES AND FITTINGS LIMITED

Mfg. & Exporters of UPVC, CPVC, PPR & HDPE Pipes, Fittings and Valves

Corp. Off.: The Ruby, 8th Floor; 29, Senapati Bapat Marg (Tulsi Pipe Road), Dadar (W), Mumbai - 400 028; Maharashtra, India.

T: 022-6602 2222 F: 022-6602 2220 E: info@princepipes.com W: www.princepipes.com

Regd. Off.: Plot No. 1, Honda Industrial Estate, Phase II, Honda Sattari, Honda - 403 530, Goa, India.

CIN: L26932GA1987PLC006287



- 4 During the year ended 31.03.2020, 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.
- 5 The Board of Directors of the Company at its meeting held on March 12, 2020 declared an interim dividend of Re. 1 per equity share of Rs. 10/- each for the year ended March 31, 2020
- 6 In view of the unprecedented COVID 19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the Company has taken into consideration external and internal information upto the date of approval of these financial results. In accordance with the Government's directive post partial lifting of the lockdown from 23.04.2020 and after receiving the necessary approvals from the respective government departments, vide our intimation letter on 05.05.2020, the Company resumed partial operations including dispatch of finished goods to our channel partners and gradually scaling up the utilization of manufacturing facilities across the nation. The Company has assessed its liquidity, assets, capital & financial resources, profitability, internal financial reporting and has concluded that there has been no material impact to its operations or its financial position.
- 7 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 in the previous quarter. Based on the order of the government on the final anti-dumping duty, during the current quarter, the amount of provisional anti-dumping duty paid is accounted as expenses in the financial results.
- 8 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 31.03.2019 and the year ended 31.03.2019 have not been adjusted. The effect of implementing this standard is as under :

Particulars	Rs.in million		
	Three Months Ended		Year Ended
	31.03.2020	31.12.19	31.03.2020
Depreciation and Amortisation expenses are higher by	3.98	3.98	15.92
Finance Costs are higher by	0.85	0.74	2.75
Rent and Maintenance Expenses are lower by	4.91	4.83	19.39

Particulars	Rs.in million
	01.04.2019
Right of Use Assets recognised as on 01.04.2019	62.37
Lease Liabilities recognised as on 01.04.2019	60.59
Net Impact on Retained Earnings as on 01.04.2019	1.78

- 9 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 year ended 31.03.2020.
- 10 The Company has commissioned a new manufacturing plant at Jobner, Rajasthan in September 2019. The installed capacity of the manufacturing plant at Rajasthan as on 31.03.2020 is 20,909 MT.
- 11 The Company is engaged in manufacturing and selling of PVC, CPVC, PPR and HDPE Pipes and Fittings primarily in India.



12 Statement of Assets & Liabilities:

Particulars	Rs.in million	
	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	4,809.25	3,595.08
Capital Work in Progress	75.33	615.10
Right-of-Use Assets	46.45	-
Goodwill	2.96	2.96
Other Intangible Assets	27.16	35.55
Financial Assets		
Investments	6.29	7.77
Loans	103.12	74.22
Other Financial Assets	86.78	86.78
Other Non-Current Assets	497.34	582.19
Total Non-Current Assets	5,654.68	4,999.65
Current Assets		
Inventories	3,445.18	2,010.56
Financial Assets		
Trade Receivables	1,797.08	2,503.61
Cash and Cash Equivalents	0.57	88.90
Other Balances with Banks	2,569.67	134.25
Loans	10.60	2.33
Other Financial Assets	74.72	1.32
Current tax Assets	-	2.18
Other Current Assets	549.62	595.91
Total Current Assets	8,447.44	5,339.06
Total Assets	14,102.12	10,338.71
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	1,100.26	900.16
Other Equity	7,276.50	3,088.97
Total Equity	8,376.76	3,989.13
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings	394.59	1,057.69
Lease Liabilities	28.14	-
Other Financial Liabilities	146.05	160.29
Provisions	112.63	78.16
Deferred Tax liabilities (Net)	133.09	149.20
Total Non-Current Liabilities	814.50	1,445.34
Current Liabilities		
Financial liabilities		
Borrowings	2,038.11	1,456.78
Lease Liabilities	15.82	-
Trade Payables	1,807.83	2,151.63
Other Financial Liabilities #	889.86	1,114.69
Provisions	20.90	16.47
Current tax Liabilities	50.71	-
Other Liabilities	87.63	164.67
Total Current Liabilities	4,910.86	4,904.24
Total Liabilities	5,725.36	6,349.58
Total Equity and Liabilities	14,102.12	10,338.71

Includes Current Maturities of Long Term Borrowing Rs. 165.01 million (March 31, 2019: Rs. 454.65 million)



13 Statement of Cashflow:

Particulars	Rs.in million	
	Year Ended 31.03.2020	Year Ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax	1,505.74	1,113.11
Adjustments for:		
Depreciation and Amortisation Expenses	519.78	435.72
Provision for Gratuity and Leave Encashment	38.89	13.75
Interest paid	285.09	329.30
Provision for Doubtful Debts	16.96	4.93
Provision for Diminution in value of an asset	4.29	-
Bank Commission and Charges paid	45.19	30.99
Employee Stock Compensation for Option granted	6.02	9.41
Unrealised Foreign Exchange Difference	49.57	(33.00)
Mark to Market loss/ (gain) on Derivatives	(10.85)	6.03
Gain/Loss on fair valuation of Investments through Profit and loss	1.82	(0.69)
(Profit)/Loss on sale of Fixed Assets	13.52	(28.87)
Dividend Received	(0.09)	(0.05)
Operating Profit before Working Capital Changes	2,475.93	1,880.63
Adjustments for :		
Decrease/(Increase) in Inventories	(1,434.62)	404.61
Decrease/(Increase) in Trade Receivables	706.53	(109.68)
Decrease/(Increase) in Other financial / non-financial Assets	(2,491.23)	(185.12)
Increase/(Decrease) in Trade payable & other liabilities	(431.46)	501.04
Cash Generated from Operations	(1,174.85)	2,491.48
Taxes paid (net)	(371.81)	(305.05)
Net Cash Flow from Operating Activities (A)	(1,546.66)	2,186.43
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(1,206.73)	(917.98)
Sale of Property, Plant and Equipment	19.05	84.38
Capital Advances Paid	81.40	(217.03)
Purchase of Non-Current Investment	(1.04)	-
Dividend Received	0.09	0.05
Net Cash Flow from Investing Activities (B)	(1,107.23)	(1,050.59)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term/Short Term Borrowings (Net)	(371.41)	(688.97)
Dividend paid	(110.02)	-
Principal payment of lease	(16.64)	-
Interest on lease payment	(2.75)	-
Issue of equity shares	200.10	-
Securities Premium on issue of shares	3,193.81	-
Bank Commission and Charges paid	(45.19)	(30.99)
Interest paid excluding lease	(282.34)	(329.30)
Net Cash Flow from Financing Activities (C)	2,565.56	(1,049.26)
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(88.33)	86.59
Cash and Cash Equivalents at the beginning of the year	88.90	2.31
Cash and Cash Equivalents at the end of the year	0.57	88.90
Net Increase/(Decrease) in Cash & Cash Equivalents	(88.33)	86.59

14 The figures for the previous periods have been regrouped wherever necessary.

Mumbai
Date : 25.06.2020



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

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



June 25, 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: Declaration pursuant to Regulation 33 (3) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

In terms of the provisions of Regulation 33 (3) (d) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, we declare that Statutory Auditors of the Company have issued Audit Report with 'Unmodified Opinion' on the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020.

We request you to kindly take note of the same.

Thanking you,

Yours faithfully,

For **PRINCE PIPES AND FITTINGS LIMITED**


Shyam Sharda
Chief Financial Officer



Press Release

Prince Pipes and Fittings Limited EBIDTA growth at 24.5%; PAT growth at 37.8% for fiscal ended March 2020

Mumbai, June 25, 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 audited financial results for the year ended 31st March 2020. The audited financial results were reviewed by the audit committee and approved by the Board of Directors in their meeting held on 25th June, 2020.

Key Financial Highlights: FY20 vs FY19

- Revenue from operations stood at ₹ **1,636** crore in FY20 as compared to ₹ 1,572 crore in FY19, growth at 4.1%
 - Sales volume growth 2.9% at 132,816 MT in FY20 as compared to 129,111 MT in FY19
 - EBIDTA grew by **24.5%** to ₹ **229 crore** in FY20 as compared to ₹ 184 crore in FY19, margins at **14.0%** vs 11.7%
 - PAT grew by **37.8%** to ₹ **113** crore in FY20 as compared to ₹ 82 crore in FY19
 - Debt to equity ratio at **0.31** as on March 31, 2020
- The Board of Directors of the Company at its meeting held on March 12, 2020 declared an interim dividend of Re 1 per equity share of Rs 10/- each for the year ended March 31, 2020

Key Financial Highlights: Q4 FY20 vs Q4 FY19

- Revenue from operations stood at ₹ 431 crore in FY20 as compared to ₹ 499 crore in FY19, de-growth at 13.6%, revenues got impacted owing to covid-19 lockdown in the month of March'20
- Sales volume at 33,140 MT in FY20 as compared to 39,641 MT in FY19
- EBIDTA at ₹ 58 crore in FY20 as compared to ₹ 58 crore in FY19, margins at 13.4% vs 11.7%
- PAT at ₹ 28 crore as compared to ₹ 30 crore
- Debtor days improved from 58 days in March'19 to 40 days in March'20

Covid-19 Impact on March'20 sales

Our performance in Q4 factors in the impact due to the lockdown driven by Covid-19 Pandemic which affected our sales figures in the month of March-2020. As evident from our performance for Q4 2019-20 in the months of January and February 2020 the company has reported a robust rate of 16% YOY growth in Value and 10% YOY growth in Volume. The de-growth is attributed to the lockdown impact of March 2020.



Particulars	Sales (In MT)			Sales (Rs. In Crore)		
	Q4 FY20	Q4 FY19	Change %	Q4 FY20	Q4 FY19	Change %
Jan & Feb	25,098	22,850	10%	324	280	16%
March	8,042	16,791	-52%	107	219	-51%
Total	33,140	39,641	-16%	431	499	-14%

Impact of One-Time Anti-Dumping Duty(ADD)

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 (CPVC). Accordingly, the Company has paid Rs. 7.65 crore as a **provisional** anti-dumping duty in the previous quarters. Based on the order of the government on the final anti-dumping duty, during the current quarter, the amount of provisional anti-dumping duty paid is accounted as actual expenses in the financial results. This duty is a one-time hit, since the Company has stopped importing from these countries. The adjusted EBIDTA without the duty hit from previous quarters is as follows-

Particulars (Rs. In in Crore)	Q4 FY 20 EBIDTA (cr)	Q4 FY20 EBIDTA%
EBIDTA with the impact of one-time Rs.7.65 crore anti-dumping duty	57.6	13.4%
EBIDTA adjusted without the impact of one-time Rs.7.65 crore anti-dumping duty	65.3	15.2%

Commenting on the results, **Mr. Parag Chheda, Executive Director of Prince Pipes and Fittings Limited, said** *“In these extraordinary times, I am extremely grateful to all our staff and team members of collaborating with each other and being supportive to ensure the safety and well-being of each individual. The team’s resilience reflected in our performance too and allowed us to continue operations efficiently post partial unlocking. We have been successfully catering to demand through strategic production planning.*

The sale impact due to the lockdown in the second half of March’20 which led to an increase in inventory was liquidated over Apr-May’20. With improvement of supply we have been receiving scheduled deliveries of all contracted raw material from our suppliers. Our Value Added Products (VAP) delivered robust growth and increased contribution to overall sales. Amidst challenges, we chose progress and launched the Storefit water tanks segment as part of a pilot launch from Gujarat.



We are cognizant of the current situation and will continue to be agile, adapting and working to ensure sustainable growth for all our stakeholders.”

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).

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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.

Annexure – A

Particulars	Information
Reason for change viz. appointment, resignation, removal , death or otherwise	Appointment of Mr. Rajendra Gogri (DIN: 00061003) as a Non-Executive Independent Director (Additional) on the Board of the Company
Date of Appointment/cessation(as applicable) & term of appointment	Appointment as a Non Executive Independent Director (Additional) on the Board of the Company w.e.f 25 th June, 2020 to hold office up to the ensuing Annual General Meeting of the Company, subject to the ratification by the members at the ensuing Annual General Meeting of the Company for his appointment as Independent Director for a term of three years
Brief profile (in case of the appointment)	<p>“Mr. Rajendra Gogri has been an integral part of Aarti Industries Limited (AIL) since its inception. Through the decades, he has worked ceaselessly with Mr. Chandrakant Gogri, the Founder Chairman of AIL, to help the company achieve its present stature. He was appointed as the Managing Director of AIL in 1993 and eventually reached the helm in 2012 when he took on the role of Chairman and Managing Director.</p> <p>He holds a Master’s degree in Chemical Engineering from Iowa University, USA, and is a rank holder from UDCT Institute, Mumbai. In addition to his technical expertise, he is adept at handling financial and commercial matters as well.</p> <p>Mr. Gogri has been awarded the prestigious ‘Distinguished Alumnus Award’ from UDCT in 1995 for excellent performance as an ‘Entrepreneur in Chemical Industry’. He was recently honoured with the ‘Hurun Most Respected Entrepreneur of the Year – India’ award in the year 2019. In the same year, he was also presented by Indian Chemical Council with the ‘Lala Shriram National Award’ for the leadership in the chemical industry.”</p>
Disclosure of relationships between directors (in case of appointment of a director)	He is not related to any Directors of the Company



Annexure – B

Particulars	Information
Reason for change viz. appointment, resignation, removal , death or otherwise	Appointment of Mr. Satish Chavva (DIN: 03615175) as a Nominee Director (Additional) on the Board of the Company
Date of Appointment/cessation(as applicable) & term of appointment	Appointment as a Nominee Director (Additional) on the Board of the Company w.e.f 25 th June, 2020 to hold office up to the ensuing Annual General Meeting of the Company, subject to the ratification by the members at the ensuing Annual General Meeting of the Company for his appointment as Nominee Director.
Brief profile (in case of the appointment)	<p>“Mr. Satish Chavva has over 20 years of experience including 14 years in Private Equity. Currently he is associated with Oman India Joint Investment Fund as a Director – Investment.</p> <p>Prior, he was an Investment Director at TRG (The Rohatyn Group) and earlier with CVCI (Citi Venture Capital International) working at their London and Mumbai offices. In that role, Mr. Chavva has been actively involved through the various stages of investment cycle – originating and evaluating opportunities, monitoring and exiting the investment.</p> <p>He served on the boards of YOU Broadband, Sansera Engineering and SkyVision. He currently is on the board of Stanley Lifestyles Limited and Annapurna Finance Pvt Limited. Prior to working in private equity, he worked as an Investment Banker with Citigroup in London. He has also worked with IBM in London and Trilogy in Austin (Texas). He has an MBA from INSEAD, MS from University of Texas at Austin and B.Tech from Indian Institute of Technology Bombay.”</p>
Disclosure of relationships between directors (in case of appointment of a director)	He is not related to any Directors of the Company



Annexure – C

Particulars	Information
Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment of Mr. Shailesh K. Bhaskar (ACS: 36475) as a Company Secretary and Compliance Officer of the Company.
Date of Appointment/cessation(as applicable) & term of appointment	Appointment as Company Secretary and Compliance Officer, Whole time Key Managerial Personnel of the Company w.e.f July 01, 2020.
Brief profile (in case of the appointment)	Mr. Shailesh K. Bhaskar has a bachelor's degree in law and commerce from University of Mumbai. He is also a qualified Company Secretary and an Associate Member of the Institute of Company Secretaries of India (ACS 36475). He has approximately 14 years of experience, including ten years of experience in the field of secretarial and compliance functions and five years of experience in the field of accounts and finance.
Disclosure of relationships between directors (in case of appointment of a director)	Not Applicable



Impact on Covid 19 on business

In March 2020, the government imposed a temporary lockdown as a pre-cautionary measure to restrict the spread of the pandemic in India. This had an adverse impact on revenues for the month of March 2020 and April 2020 due to temporary shutdown of operations for approximately 30 days.

Ability to ensure smooth functioning of operations

The company has taken various steps to support its various stakeholders and maintain operations. The Company has put in place an effective work from home policy for our corporate office and branch offices across the country as per government guidelines to ensure operations function smoothly. In accordance with the Government's directive post partial lifting of the lockdown from April 23, 2020 and after receiving the necessary approvals from the respective government departments, vide our intimation letter on May 5, 2020, the Company resumed partial operations including dispatch of finished goods to our channel partners and gradually scaling up the utilization of manufacturing facilities across the nation. The necessary precautions and safety measures are put in place to maintain social distancing. To maintain strict social distancing an SOP has been created for employees/external parties and is adhered to diligently across locations. Subject to state government guidelines, we have started partial operations at our head office in Mumbai with the minimum strength as laid down by the state government.

Estimation of the future impact of COVID-19

The agriculture segment has been witnessing strong demand over Quarter 1 of the current fiscal, while housing segment is witnessing a gradual recovery. We have successfully been catering to demand through strategic production planning. The supply chain which was impacted by the lockdown, has improved post the partial lifting of the lockdown. We have been receiving scheduled deliveries of all contracted raw material from our suppliers. We have successfully been able to pass the raw material price alterations to our channel.

Details of impact of COVID19 on capital and financial resources, profitability, liquidity position, ability to serve debt and other financing operations, assets and internal financial reporting and control

The Company is comfortable on its liquidity and debtor position and has undertaken enough precautionary measures to ensure this position is maintained through these challenging conditions. Debtor collections have been improving since May'20



As a pre-cautionary measure, the Company had availed the Moratorium 1.0 offered by the Government. Due to the improvement in cash-flows in May'20, the Company has already pre-paid a very significant part of the deferred payments availed in Moratorium 1.0. By the end of June'20, the Company will completely pay-off the debt obligations that had been deferred through Moratorium 1.0. The Company had no need to avail Moratorium 2.0 due to improvement in the current liquidity position. Furthermore, the Company has not resorted to salary cuts nor is it planning any layoffs. However, the Company as a precautionary measure deferred part of salaries for the month of March – May'20 with minimum impact to the junior staff. Deferment of March & April'20 has been cleared and balance will be cleared in July'20. Improved liquidity has helped in early clearance of deferment.

The Company has assessed its liquidity, assets, capital & financial resources, profitability, internal financial reporting and has concluded that there has been no material impact to its operations or its financial position. Further, the Company has additional support from the banks in the form of under-utilized limits in case of need.

Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the business

The company is well placed to fulfill its obligations existing contracts/agreements. We do not see foresee any contracts/agreements which will have significant impact on business in case of non fulfilment of obligation by any party.

The Company continues to closely assess the situation and will intimate stock exchanges and other relevant stakeholders should there be any material impact in the future.

For Prince Pipes and Fittings Limited



Jayant Shamji Chheda
Chairman and Managing Director

