

May 2, 2020

**The National Stock Exchange of India Limited**  
Exchange Plaza”, 5<sup>th</sup> 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**

Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Press Release**

In reference to the captioned subject, please find enclosed herewith Press Release being made by the Company today titled "FY2020".

You are requested to kindly take the same on records.

Yours Truly

**For Apollo Pipes Limited**

  
**(Ankit Sharma)**  
**Company Secretary**



**Encl: a/a**

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**APOLLO PIPES LIMITED**

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Corporate Office : A-140, Sector-136, Noida-201301 (U.P.), India  
Manufacturing Unit : Dadri (U.P.), Ahmedabad (Gujarat), Bangalore (Karnataka), India  
Tel: 0120-2973411 | Toll Free No. : 1800-121-3737 | Email: info@apollopipes.com  
Website : www.apollopipes.com | CIN : L65999DL1985PLC022723



# Apollo Pipes Limited

A- 140, Sector 136. Noida, Uttar Pradesh- 201301

## FY2020

**Sales volume higher by 12% Y-o-Y to 44,692 MTPA**

**EBITDA increases by 18% Y-o-Y to Rs. 46.4 crore**

**PAT higher by 19% to Rs. 28.5 crore**

**Noida, May 2, 2020:** Apollo Pipes Limited, among the top 10 leading piping solution providing Company in India, announced its financial results for the quarter and full year ended March 31, 2020.

## Financial Performance Highlights

### Performance Review for Q4 FY20 vs. Q4 FY19

- Sales Volume greater by 1% to 9,721 tons from 9,613 tons
- Net Revenues higher by 5% to Rs. 94.1 crore compared to Rs. 89.4 crore
- EBITDA down by 1%, at Rs. 10.5 crore compared to Rs. 10.6 crore
- Net Profit after Tax up by 17% to Rs. 6.2 crore compared to Rs. 5.3 crore

### Performance Review for FY20 vs. FY19

- Sales Volume greater by 12% to 44,692 tons from 39,823 tons
- Net Revenues higher by 13% to Rs. 408.0 crore compared to Rs. 361.8 crore
- EBITDA increases by 18%, at Rs. 46.4 crore compared to Rs. 39.2 crore
- Net Profit after Tax up by 19% to Rs. 28.5 crore compared to Rs. 23.9 crore

## Management's Message

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**Commenting on the Company's performance for Q4 & FY2020, Mr. Sameer Gupta, Managing Director, Apollo Pipes said,**

*"We are currently facing an unparalleled disruption due to the COVID-19 pandemic. Interrupted supply chains, halted production and lock-downs across India have significantly impacted our ability to conduct business. Our primary focus during these challenging times was towards undertaking all necessary measures to ensure safety and well-being of our employees, business partners, communities and to safeguard the interests of our customers and distributors to the best possible extent.*

*In the months of January and February, we witnessed healthy demand across our product categories and reported a steady growth in volumes. However, a country-wide lockdown from mid-March onwards disrupted movement of goods, distribution, production and impacted demand. On the operational front, in line with Government directives, we have recently resumed production at our manufacturing facilities at Dadri, Ahmedabad and Tumkur albeit at a lower utilization level. Our primary focus here is towards maintaining the highest standards of hygiene and social distancing norms for the safety of our employees at our plants. Our teams are also actively in contact with all our distributors in order to ensure streamlined deliveries and supplies.*

*In the near-term, our focus is towards synchronizing the ramp-up in production capacities and stabilizing supply chains, once the macro-situation normalizes. We have also instituted many cost rationalization initiatives and optimum working capital measures to conserve cash flows and ensure steady profitability during this challenging period. We believe there should be a gradual bounce back in consumer sentiment driven by steady restoration of the economy and normalcy in daily day-to-day activities. As an organization, Apollo Pipes remains solid with a strong cash position. Over the longer term, our growth strategy continues to be towards driving volumes by ramping-up utilization at new and existing facilities, increasing contribution from value-added products, and improving our distribution network to emerge as a PAN-India player."*

## Key Developments

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- **Steady volume growth of 12% YoY in FY20**

- Despite a challenging environment, Apollo Pipes reported steady volumes at 9,721 MTPA in Q4 FY20 as against 9,613 MTPA in Q4FY19
  - Volumes for the quarter, especially in the month of March were impacted due to the plant closures and suspension of logistics activities caused by the COVID-19 outbreak
- In FY20, volumes stood at 44,692 MTPA, delivering a steady growth of 12% YoY
- The Company expects to gradually ramp up manufacturing capacities and enhance plant efficiencies, once the current situation stabilizes
- While the demand outlook over the long-term is expected to remain robust, the Company is still assessing the likely impact on FY21 performance owing to the broad-based disruption in a seasonally important quarter

- **Expiry of Warrants allotted to Promoters and Promoter group**

- The Company had allotted 2,485,000 fully convertible warrants, in addition to 950,000 equity shares, on preferential basis to Promoters and promoter group in October 2018 at a price of ₹590 per share, which were to be converted into equity within 18 months from the date of allotment
- The promoters during this 18-month period exercised 1,125,000 equity shares. Post conversion of these warrants, the promoter shareholding of the Company increased to 47.11%
- However, given the current macro-environment, the promoters believe it is prudent to not undertake any further investments owing to the following reasons:
  - The Company currently holds a strong cash balance and is more than adequately funded for existing growth plans
  - Given the unprecedented situation, focus now primarily is on improving its utilization levels at the existing and new capacities scheduled to be commissioned in the coming fiscal
  - To avoid further equity dilution without commensurate growth opportunities in the current environment

- Accordingly, the promoter group has decided to not exercise their right to convert the remaining warrants into equity shares and 1,360,000 warrants allotted in their favour now stand lapsed
- Overall, the promoter group remains committed towards the business operations and are confident in its growth outlook
- **Resumption of manufacturing activities across facilities**
  - In light of the Covid-19 pandemic and in compliance with government advisories and directives issued in this regard, the Company had temporarily suspended manufacturing operations at its facilities across India from March 22, 2020 till April 23, 2020. The Company, however, pursuant to requisite approvals from the concerned Government Authorities, recently resumed manufacturing operations at its facilities at Dadri, Ahmedabad and Tumkur from April 24, 2020 onwards
  - While the units are currently operating at low capacity due to social distancing restrictions and labour unavailability, the Company is taking utmost precaution and is deploying highest safety standards as advised by the Government Authorities at its manufacturing and supply chain locations
  - The Company will be ramping-up capacity at its manufacturing plants in a phased manner as per the approvals received from the regional District Authorities
    - Apollo Pipes is in the process of expanding capacity at its current manufacturing facility at Dadri. Once the situation normalizes, the Company will be integrating and installing additional new plant machineries at its facility in Dadri, which will enable healthy improvement in volume contribution, going forward
  - Currently, the Company's offices across India continue to be shut and Work from Home policy continues to be enforced for the employees
  - The Company is closely monitoring the situation and will take all necessary measures as directed by the Central and State Governments and authorities, from time to time to ensure safety of its employees, business partners, communities, and to overall safeguard the interests of all stakeholders to the best possible extent

## About the Company

Apollo Pipes (BSE: 531761; NSE: APOLLOPIPE), 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 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 84,000 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 more information about us, please visit [www.apollopipes.com](http://www.apollopipes.com) or contact:**

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**DISCLAIMER:**

*Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Apollo Pipes Limited 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.*