

FINANCIAL MODEL

PLANT VISIT

Rising Stars 2025

IMPORT
SUBSTITUTION

ORGANISED
V/S
UNORGANISED

MANAGEMENT MEET

EXPORT
OPPORTUNITY

FAST GROWING
BUSINESSES

INDUSTRY
POTENTIAL

CAPACITY
EXPANSION

PEER ANALYSIS

VALUATION MODEL



Current Price*	Rs. 88.2
Target Price	Rs. 120.0
Upside	36.1%

*Closing Price as on 20th August, 2025**STOCK DATA**

Industry Segment	Iron & Steel Products
BSE Code	543411
NSE Code	HITECH
Bloomberg Code	HITECH IN
52 Week High / Low (Rs.)	211/82
Face Value (Rs.)	1.0
Diluted Number of Shares (cr)	20.3
Market Cap. (Rs cr)	1,791
Avg. Yearly NSE Volume	15,20,020

SHAREHOLDING PATTERN (%)

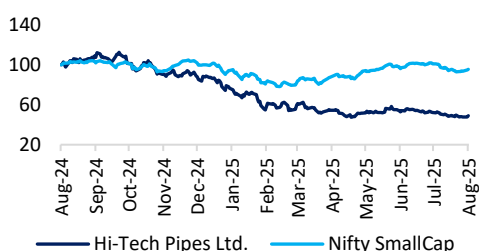
Particulars	Sep-24	Dec-24	Mar-25	Jun-25
Promoters	50.8	44.0	44.0	44.0
FII	9.3	9.8	9.0	1.7
DII	10.1	17.3	16.4	16.1
Public & Others	29.8	28.9	30.6	38.2
Total	100.0	100.0	100.0	100.0

RETURNS STATISTICS (%)

Particulars	1M	3M	6M	12M
Hi-Tech Pipes	(6.3)	(8.3)	(12.3)	(51.0)
Nifty Smallcap	(5.5)	2.5	16.2	(4.5)

Valuation and Return ratio

Y/E March	FY23A	FY24A	FY25A	FY26E	FY27E
P/E (x)	40.5	40.8	24.6	20.4	13.2
P/BV (x)	4.3	3.1	1.4	1.3	1.2
EV/EBITDA (x)	19.4	18.6	11.2	9.8	7.2
EV/Sales (x)	0.8	0.8	0.6	0.5	0.4
Mcap/Sales(x)	0.8	0.7	0.6	0.5	0.4
RoE (%)	9.0	7.6	5.8	6.5	9.2
RoCE (%)	14.0	10.7	9.8	10.1	13.0

Stock Performance (1-year)**Key Highlights of the 1QFY26 Result****Muted performance attributable to fluctuations in steel prices**

Hi-Tech Pipes Ltd. during the quarter reported Revenue/EBITDA/PAT of Rs 791.4 cr/Rs 41.0 cr/Rs 20.9 cr respectively. Revenue/EBITDA declined 8.7%/3.9% YoY respectively, while PAT was up 15.9% YoY. Sales volume for 1QFY26 increased marginally by 1.5% YoY to 1.24 lakh tonnes led by healthy order inflows from the Renewable energy space.

Incremental capacities to be commissioned by 2QFY26: The Sikandrabad and Sanand Unit-2 (Phase-2) facilities are currently in advanced stages of commissioning and are expected to come onstream by 2QFY26. Once commissioned, the total production capacity of the company will reach 1 MTPA from 0.75 MTPA currently. These plants are expected to close FY26 with 50% capacity utilization, thereby contributing 30,000 tonnes of volume in 3QFY26.

Volume, EBITDA/t & % Share of Value-added products (VAP) outlook: For FY26E/FY27E, we have revised our sales volume estimates downwards to 5.6/7.0 lakh TPA from 6.0/7.5 lakh TPA respectively, on the back of slowdown in Jal Jeevan Mission spending by the government. We expect blended EBITDA/t to increase to Rs 3,395/Rs 3,724 per tonne (vs Rs 3,639/Rs 3,852 per tonne previously) in FY26E/FY27E respectively from Rs 3,297/t in FY25 on the back of an increase in % share of value-added products to 42%+ in FY26 on a blended basis.

New capex lined up: For FY27, the company aims to increase its capacity by another 25%-30%, for which the ground work at the Sri City project in Chennai and Phase-3 of the Sanand unit-2 is already in progress. HITECH's long-term vision is to attain 2 MTPA of production capacity by FY29, which shall incorporate its plan to undertake a strategic foray into API-grade pipe manufacturing to cater to critical sectors such as Oil & Gas, Industrial pipelines and Water transmission.

Maintain BUY- Target Rs 120/-

We believe, Hi-Tech pipes has strong growth prospects in the structural steel tubes space given its (a) Capacity expansion from 0.6 MTPA in FY23, 0.8 MTPA in FY24 to 1 MTPA in FY26E, (b) Transition from generic products to value-added products, (c) Product portfolio enhancement on back of Solar torque tubes, color coated roofing sheets and (d) Healthy demand for structural steel tube over medium and long term. At the CMP of Rs 88.2, the stock is currently trading at a P/E of 20.4x/13.2x of its FY26E/FY27E EPS of Rs 4.3/Rs 6.7 respectively. We value the stock at P/E of 18x on FY27E EPS of Rs 6.7 to arrive at our TP of Rs 120.0, thus providing an upside potential of 36.1%.

Financial Summary (Rs cr)

Particulars	FY23A	FY24A	FY25A	FY26E	FY27E
Net Sales	2,385.8	2,699.3	3,067.6	3,553.4	4,494.9
Growth (%)	-	13.1%	13.6%	15.8%	26.5%
EBITDA	103.2	114.9	160.0	190.1	260.7
Growth (%)	-	11.3%	39.3%	18.8%	37.1%
Net Profit	44.2	43.9	72.9	87.8	135.7
Growth (%)	-	-0.6%	66.1%	20.3%	54.6%
EPS (Rs)	2.2	2.2	3.6	4.3	6.7
Growth (%)	-	-0.6%	66.1%	20.3%	54.6%
DPS (Rs)	0.0	0.0	0.0	-	-
Div. Yield (%)	0.0	0.0	0.0	-	-

Source: Company, SSL Research

1QFY26 Result

Figures in Rs. Cr.

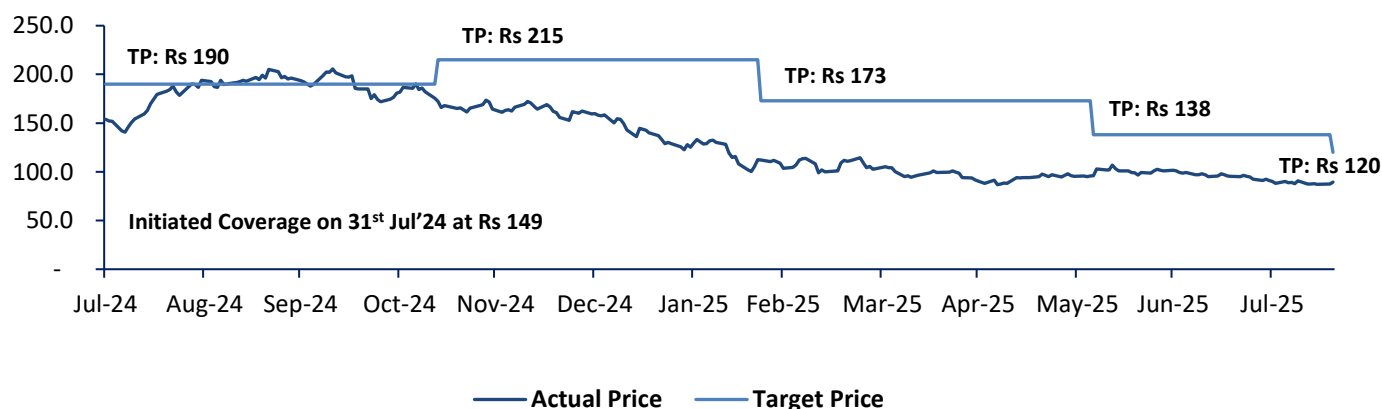
Quarter Ended	1QFY26	4QFY25	QoQ % Change	1QFY25	YoY % Change	Comments
Net Sales	791.4	733.7	7.9	867.0	(8.7)	Revenue saw a dip of 8.7% YoY despite stable volumes due to fluctuations in steel prices.
Other Income	0.9	0.0	8,360.0	0.5	75.9	
Total Income	792.3	733.8	8.0	867.5	(8.7)	
Total Operating Expenditure	750.3	698.8	7.4	824.3	(9.0)	
Material Cost	718.8	677.1	6.2	791.4	(9.2)	
As % of Sales	90.8	92.3	-	91.3	-	
Other Exp.	31.6	21.7	-	32.9	-	
As % of Sales	4.0	3.0	-	3.8	-	
EBITDA (Excl OI)	41.0	34.9	17.5	42.7	(3.9)	YoY decline in EBITDA due to steel price fluctuations.
EBITDA (Incl OI)	42.0	34.9	20.1	43.2	(2.9)	
Interest & Finance Cost	7.8	6.6	18.5	14.1	(44.4)	
PBDT	34.1	28.3	20.5	29.1	17.2	
Depreciation	6.2	4.3	45.0	5.1	20.3	
PBT	28.0	24.1	16.1	24.0	16.5	
Tax	7.0	6.4	9.3	5.9	18.5	
Net Profit	20.9	17.6	18.6	18.1	15.9	Highest ever quarterly PAT led by cost optimization and lower finance cost
Operating Margins (%)	5.2	4.8		4.9		
Net Profit Margins (%)	2.6	2.4		2.1		
Tax Rate (%)	25.2	26.8		24.8		
Equity (Rs cr)	20.3	20.3		15.8		
FV (Rs)	1.0	1.0		1.0		
EPS (Rs)	1.0	0.9		1.1		
Cash EPS (Rs)	1.3	1.1		1.5		

Estimate Revision

Particulars (Rs. cr)	New Estimate		Old Estimate		% Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	3,553.4	4,494.9	3,866.3	4,947.9	(8.1)	(9.2)
EBITDA	190.1	260.7	216.5	287.0	(12.2)	(9.2)
EBITDA Margin (%)	5.4	5.8	5.6	5.8	(0.2) bps	-
PAT	87.8	135.7	107.5	155.3	(18.3)	(12.6)
EPS (Rs. Per share)	4.3	6.7	5.3	7.6	(18.9)	(11.8)

Source: SSL Research

Target Price History (Rs)



Financial Statements

Income Statement

Figures in Cr.

Particulars	FY23A	FY24A	FY25A	FY26E	FY27E
Revenue from Operations	2,386	2,699	3,068	3,553	4,495
<i>% YoY growth</i>	-	13.1%	13.6%	15.8%	26.5%
COGS (incl Stock Adj)	2,174	2,463	2,784	3,225	4,054
Gross Profit	212	237	284	329	440
Gross margins	8.9%	8.8%	9.3%	9.3%	9.8%
Employee Cost	26	31	33	36	45
Other Operating Expenses	82	90	91	103	135
EBITDA	103	115	160	190	261
<i>% YoY growth</i>	-	11.3%	39.3%	18.8%	37.1%
EBITDA margins	4.3%	4.3%	5.2%	5.4%	5.8%
Other Income	2	1	2	2	2
Depreciation	14	15	21	29	37
EBIT	92	101	141	163	226
Interest Expense	35	42	43	45	44
Exceptional Items	(7)	-	-	-	-
PBT	50	59	98	118	182
Tax	12	15	25	30	46
<i>Effective Tax Rate</i>	24.5%	25.1%	25.6%	25.5%	25.5%
PAT	38	44	73	88	136
<i>% YoY growth</i>	-	16.6%	66.1%	20.3%	54.6%
PAT margin (%)	1.6%	1.6%	2.4%	2.5%	3.0%
Minority Interest	-	-	-	-	-
Reported PAT After Minority Interest	38	44	73	88	136
<i>% YoY growth</i>	-	16.6%	66.1%	20.3%	54.6%
Adjusted PAT	44	44	73	88	136
<i>% YoY growth</i>	-	-0.6%	66.1%	20.3%	54.6%
Adj PAT margin (%)	1.9%	1.6%	2.4%	2.5%	3.0%
EPS (Rs)	1.9	2.2	3.6	4.3	6.7
<i>% YoY growth</i>	-	16.6%	66.1%	20.3%	54.6%
Adj. EPS (Rs)	2.2	2.2	3.6	4.3	6.7
<i>% YoY growth</i>	-	-0.6%	66.1%	20.3%	54.6%

Balance Sheet

Figures in Cr.

Particulars	FY23A	FY24A	FY25A	FY26E	FY27E
Assets					
Net Block	287	354	392	636	787
Capital WIP	36	62	194	120	83
Intangible Assets (incl. under development)	1	1	0	0	0
Other Noncurrent Assets	41	46	126	126	126
Current Assets					
Current Investment	-	-	-	-	-
Inventories	307	347	384	395	443
Trade receivables	186	280	303	320	369
Cash and Bank Balances	21	26	183	188	176
Short-term loans and advances	-	-	-	-	-
Other Current Assets	38	63	174	174	174
Total Current Assets	551	716	1,044	1,077	1,163
Current Liabilities & Provisions					
Trade payables	174	157	250	276	340
Other current liabilities	53	46	29	32	39
Short-term provisions	10	4	6	7	8
Total Current Liabilities	237	206	284	315	388
Net Current Assets	315	509	760	762	775
Total Assets	679	972	1,471	1,645	1,771
Liabilities					
Share Capital	13	15	20	20	20
Reserves and Surplus	405	561	1,237	1,325	1,461
Total Shareholders' Funds	418	576	1,257	1,345	1,481
Minority Interest	-	-	-	-	-
Total Debt	235	366	179	264	254
Long Term Provisions	1	1	2	2	3
Other Long-Term Liabilities	2	2	4	4	4
Net Deferred Tax Liability	22	26	30	30	30
Total Liabilities	679	972	1,471	1,645	1,771

Cash Flow

Figures in Cr.

Particulars	FY23A	FY24A	FY25A	FY26E	FY27E
PBT	56	59	98	118	182
Depreciation & Amortization	14	15	21	29	37
Other Adjustments	34	41	41	45	44
(Inc) / Dec in Working Capital	45	(199)	(72)	3	(24)
Taxes	(15)	(11)	(19)	(30)	(46)
Cash from Ops.	134	(95)	70	165	193
Capital Expenditure & investments	(99)	(154)	(390)	(200)	(150)
Cash from Investing	(99)	(154)	(390)	(200)	(150)
Issue of Share capital	122	115	609	-	-
Net Borrowings	(129)	156	(187)	85	(10)
Others	(26)	(21)	(68)	(45)	(44)
Issuance of Dividend	(1)	(0)	(0)	-	-
Cash from Financing	(34)	249	354	40	(54)
Extraordinary receipts/payment	-	-	-	-	-
Net Change in Cash	1	0	33	5	(12)
BF Cash	1	2	2	36	41
Forex & Others	-	-	-	-	-
Other Bank Balances	19	24	147	147	147
Cash and cash equivalents	21	26	183	188	176
Free Cash Flow	64	(204)	(120)	(35)	43

Key Ratios

Particulars	FY23A	FY24A	FY25A	FY26E	FY27E
Profitability Ratios (%)					
Gross Margin	8.9	8.8	9.3	9.3	9.8
EBITDA Margin	4.3	4.3	5.2	5.4	5.8
EBIT Margin	3.8	3.7	4.6	4.6	5.0
Net Profit Margin	1.9	1.6	2.4	2.5	3.0
Return Ratios (%)					
RoE	10.6	7.6	5.8	6.5	9.2
RoCE	14.0	10.7	9.8	10.1	13.0
Per share data (Rs)					
EPS	2.2	2.2	3.6	4.3	6.7
Diluted EPS	2.2	2.2	3.6	4.3	6.7
CEPS	2.9	2.9	4.6	5.8	8.5
DPS	0.0	0.0	0.0	-	-
BVPS	20.6	28.4	61.9	66.2	72.9
Leverage Ratios (x)					
Gross Debt/Equity	0.6	0.6	0.1	0.2	0.2
Net Debt/Equity	0.5	0.6	0.0	0.1	0.1
Interest Coverage Ratio	2.6	2.4	3.3	3.6	5.1
Liquidity Ratios					
Current Ratio (x)	1.5	1.5	2.4	1.9	1.9
Quick Ratio (x)	0.6	0.8	1.5	1.2	1.1
Avg. Days Sales Outstanding	27	31	35	32	28
Avg. Days Inventory Outstanding	48	48	48	44	38
Avg. Days Payables	19	22	24	27	25
Turnover Ratio (x)					
Fixed asset turnover	7.7	7.1	6.8	5.7	5.3
Valuation Ratios (x)					
P/E	40.5	40.8	24.6	20.4	13.2
P/CEPS	14.2	13.9	5.3	3.5	1.6
PEG	-	-	0.4	1.0	0.2
P/B	4.3	3.1	1.4	1.3	1.2
EV/EBIDTA	19.4	18.6	11.2	9.8	7.2
EV/ Net sales	0.8	0.8	0.6	0.5	0.4
Op Cash Flow/EBITDA	1.3	-	0.4	0.9	0.7
Dividend Payout (%)	0.9	0.9	0.7	-	-
Dividend Yield (%)	0.0	0.0	0.0	-	-
FCF Yield (%)	0.0	-	-	-	0.0

Our recent Rising Star recommendations and price performance

Sr.No.	Company Name	NSE Symbol	Initiated Date	Initiated Price	CMP*	Return (%) since initiated date	Latest rec. Date	Latest Target	High price since Initiation	Return (%) based on High price since initiation
1	APL Apollo Tubes Ltd.	APLAPOLLO	25-Apr-23	1,219.0	1,629.0	33.6	12-May-25	1,946.0	1,936.0	58.8
2	Stylam Industries Ltd.	STYLAMIND	27-Apr-23	1,150.0	1,644.0	43.0	11-Feb-25	2,224.0	2,735.0	137.8
3	Star Cement Ltd.	STARCEMENT	05-May-23	123.2	289.3	134.8	14-Aug-25	320.0	300.0	143.5
4	JK Lakshmi Cement Ltd.	JKLAKSHMI	24-May-23	705.0	940.1	33.3	08-Aug-25	1,040.0	1,021.2	44.9
5	Dhanuka Agritech Ltd.	DHANUKA	29-May-23	711.0	1,605.2	125.8	14-Aug-25	1,973.0	1,975.0	177.8
6	SJS Enterprises Ltd.	SJS	05-Oct-23	680.0	1,359.8	100.0	14-May-25	1,307.0	1,383.5	103.5
7	KPI Green Energy Ltd.	KPIGREEN	17-Nov-23	259.6	521.0	100.7	20-May-25	624.0	745.3	187.1
8	Syrma SGS Technology Ltd.	SYRMA	06-Dec-23	590.0	719.5	21.9	04-Aug-25	880.0	781.0	32.4
9	Senco Gold Ltd.	SENCO	11-Dec-23	360.8	375.0	3.9	18-Aug-25	431.0	772.0	114.0
10	Hi-Tech Pipes Ltd.	HITECH	31-Jul-24	149.0	88.3	-40.7	21-Aug-25	120.0	210.9	41.5
11	Aditya Birla Capital Ltd.	ABCAPITAL	22-Aug-24	222.2	283.0	27.4	05-Aug-25	322.0	289.6	30.3
12	Lumax Auto Technologies Ltd.	LUMAXTECH	27-Dec-24	625.8	1,156.5	84.8	13-Aug-25	1,220.0	1,254.0	100.4
13	Goodluck India Ltd	GOODLUCK	19-Mar-25	660.0	1,100.0	66.7	23-Jul-25	1,338.0	1,189.0	80.2
14	Man Industries (India) Ltd.	MANINDS	05-Aug-25	448.0	415.0	-7.4	05-Aug-25	660.0	456.0	1.8

*Closing Price as on 20th August, 2025

Moved to Soft Coverage

Sr.No.	Company Name	NSE Symbol	Initiated Date	Initiated Price	Close price	Return (%) since initiated date	High Price Since Initiation	Return (%) based on High price since initiation	Comments
1	Satin Creditcare Network Ltd.	SATIN	10-Jan-24	259.0	198.0	(23.6)	284.0	9.7	Exited on 27 th Sep'24 due to Microfinance industry under stress.
2	Zen Technologies Ltd.	ZENTEC	12-Jul-23	520.0	1,473.0	183.3	2,627.0	405.2	Booked profit on 24th March,2025. The stock has run ahead of fundamentals. We will monitor the order inflow outlook in near term to take fresh call on the stock.

SBICAP Securities Limited

(CIN): U65999MH2005PLC155485

SEBI Registration No.: Stock Broker: INZ000200032 | DP Registration No.: IN-DP-314-2017

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