

Prince Pipes & Fittings Ltd.

27th May 2026

Robust volume growth driven by channel restocking

In Q4 FY26, Prince Pipes and Fittings Ltd. (PPFL) delivered volume growth of ~23% on a YoY basis. However, revenue increased by ~18% on a YoY basis due to weaker realizations. The EBITDA margin for the quarter expanded by 527 bps on a YoY basis to 13%, led by the absence of inventory losses in the current quarter. PPFL enhanced its channel relationships and improved inventory movement by passing on complete inventory gains to its distribution channels. As a result, robust channel restocking was observed across three months of the quarter. In addition to this, the bathware segment, currently operating at a loss, is on track to achieve breakeven by Q2 FY27 or Q3 FY27.

PPFL demonstrated robust performance for the quarter

In Q4 FY26, PPFL delivered its highest-ever quarterly volume of 62,167 MT, registering ~23% volume growth on a YoY basis. The performance was supported by aggressive pricing strategies, improved retail penetration, stronger channel additions and demand generation across underpenetrated markets. Furthermore, PPFL benefited from continuous industry consolidation. The unorganized players are struggling amid rising PVC prices and difficulties in sourcing raw materials, creating an opportunity for organized players to gain sustainable market share.

Achieved strong margin expansion led by multiple factors

In Q4 FY26, PPFL reported an EBITDA margin of ~13%. This represents an expansion of 527 bps driven by: a) PVC prices rose within the quarter, resulting in no further booking of inventory losses, b) achieving record-high sales volume resulted in robust operating leverage, and c) improved product mix tilted towards CPVC & PPR.

PPFL guided a strong outlook for the FY27

For FY27, management expects to achieve a volume growth of ~12-15% on a YoY basis, along with an EBITDA margin range of ~11-13%. This performance is expected to be driven by continued traction in plumbing and drainage, rising contribution from CPVC, new product launches such as DECULO, deeper retail penetration and industry consolidation. However, it is important to note that quarterly fluctuations are likely, as demand in this industry is not a linear phenomenon.

View & Valuation

For FY26, PPFL delivered volume growth of ~8% on a YoY basis, but due to weaker realizations the revenue remained largely flat on a YoY basis. For FY27, on a conservative basis, we expect underlying volume growth of 10% with an EBITDA margin of ~11%. Therefore, based on our estimates, we maintain our BUY rating on Prince Pipes & Fittings Ltd., with a target price of Rs. 367 (~33x FY27E EPS).

BUY

CMP Rs. 267

TARGET Rs. 367 (+37.5%)

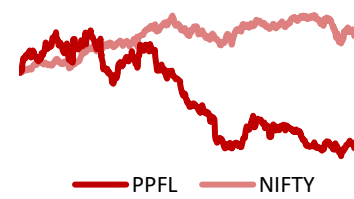
Company Data

Company Data	
Bloomberg Code	PRNCPIP IN
MCAP (Rs. Mn)	29,520
O/S Shares (Mn)	111
52w High/Low	388 / 205
Face Value (in Rs.)	10
Liquidity (3M) (Rs. Mn)	130

Shareholding Pattern %

	Mar-26	Dec-25	Sep-25
Promoters	61.0	60.9	60.9
FIIIs	3.6	3.5	3.7
DIIIs	15.5	15.6	16.0
Non-Institutional	20.0	19.9	19.4

PPFL vs Nifty



May, 23 May, 24 May, 25 May, 26

Source: Keynote Capitals Ltd.

Key Financial Data

(Rs. Mn)	FY25	FY26	FY27E
Revenue	25,239	25,983	29,153
EBITDA	1,618	2,316	3,061
Net Profit	431	732	1,219
Total Assets	23,194	24,238	24,807
ROCE (%)	2%	6%	7%
ROE (%)	3%	5%	7%

Source: Company, Keynote Capitals Ltd.

Aashka Trivedi, Research Analyst
Aashka@keynotecapitals.net

Prince Pipes & Fittings Ltd | Quarterly Update

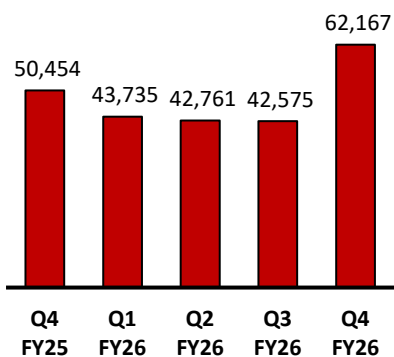
Q4 FY26 Result Update

Result Highlights (Rs. Mn)

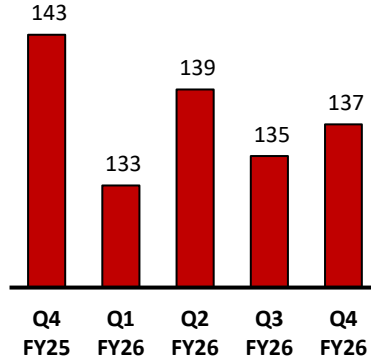
Particulars	Q4 FY26	Q4 FY25	Change % (Y-o-Y)	Q3 FY26	Change % (Q-o-Q)	FY26	FY25	Change % (Y-o-Y)
Revenue	8,501	7,197	18%	5,733	48%	25,983	25,239	3%
COGS	6,057	5,401	12%	4,300	41%	18,944	18,839	1%
Gross Profit	2,444	1,796	36%	1,433	71%	7,040	6,400	10%
Gross Profit %	29%	25%	380 Bps	25%	375 Bps	27%	25%	174 Bps
Employee Cost	508	464	10%	472	8%	1,842	1,742	6%
Other Operating Expense	840	784	7%	682	23%	2,881	3,040	-5%
EBITDA	1,096	548	100%	279	293%	2,316	1,618	44%
EBITDA %	13%	8%	527 Bps	5%	803 Bps	9%	6%	253 Bps
Depreciation	343	273	26%	336	2%	1,311	1,070	22%
EBIT	753	276	173%	-57	-	1,012	548	85%
EBIT%	9%	4%	503 Bps	-1%	985 Bps	4%	2%	172 Bps
Finance Cost	43	33	28%	-38	-	96	97	-1%
Other Income	46	57	-20%	19	136%	109	137	-21%
PBT	756	299	153%	0	-	1,018	588	73%
Exceptional Items	0	0	-	-20	-	-20	0	-
Tax	195	58	239%	4	-	266	157	69%
Profit for the period	561	242	132%	-24	-	732	431	70%
EPS	5.07	2.19	-	-0.21	-	6.62	3.90	-

Source: Company, Keynote Capitals Ltd.

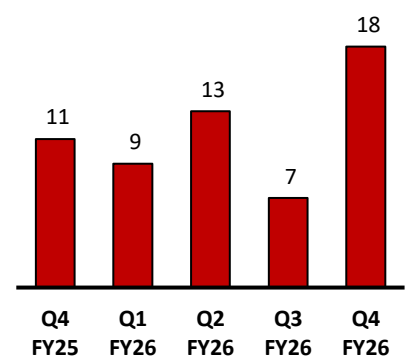
Sales Volume (In MT)



Realization Per Kg (In Rs)



EBITDA Per Kg (In Rs)



Source: Company, Keynote Capitals Ltd.

Q4 FY26 Conference Call Takeaways

General updates

- Following the sharp increase in polymer prices, PPFL passed on inventory gains to distributors and channel partners. This helped strengthen channel relationships, support faster inventory movement, and reduce inventory holding costs.
- In Q4 FY26, PPFL reported a 23% volume growth on a YoY basis, supported by aggressive pricing and passing on inventory gains to the channel. This enabled channel partners to remain competitive and move inventory faster.
- For FY27, management has guided for ~12-15% volume growth on a YoY basis along with EBITDA margins in the range of ~11-13%. While quarterly margins may vary due to inventory gains and losses, the full-year margin profile is expected to remain within the guided range.
- For FY27, capex will be in the range of ~Rs. 2-2.1 Bn. A large part of capex will be directed towards maintenance, improving storage and warehousing capabilities.

Plastic piping business

- The volume growth was broad-based across January, February and March, with all three months witnessing strong demand momentum. However, April saw destocking following the robust momentum in Q4 FY26, resulting in weak volumes for the month.
- CPVC continues to be a major growth driver, with its volume growth surpassing the overall growth of the Company. After launching its own CPVC brand, SmartFit Plus, PPFL has significantly increased its competitiveness in finished goods. This has led to improved acceptance in both retail and project segments.
- PPFL has retained some cost benefits from in-house CPVC compounding. However, most of these benefits have been passed on to the channel to gain market share.
- PPFL launched DECILO, a low-noise PP pipe solution made with mineral-filled polypropylene technology. It is designed to offer higher strength, durability, chemical resistance, lower noise, and improved flow performance.
- Despite the significant increase in construction costs for real estate developers, PPFL has not observed any substantial decline in demand so far. Plumbing pipes are a non-discretionary component of building construction, helping to maintain demand even during periods of cost pressure.
- PPFL's revenue mix comprises of 70% from the retail channel and projects contributing 30% of total revenue. The project business share has gradually increased over the past 18 to 24 months, rising from 25% to 30% currently.

Bathware segment

- PPFL completed the second phase of the asset purchase agreement with Klaus Waren Fixtures Ltd. for the Aquel brand. The acquisition includes land, building, machinery, manufacturing equipment, and related infrastructure at Bhuj, Gujarat.
- In Q4 FY26, Aquel recorded a revenue of ~Rs. 160 Mn, with a loss of ~Rs. 50 Mn.
- PPFL reiterated that Aquel aims to achieve breakeven by Q2 FY27 or Q3 FY27. The breakeven point is expected to be reached once quarterly revenue reaches ~Rs. 200-250 Mn.
- Aquel has now established a presence at over 200 retail touchpoints, with growing penetration in tier 2 and 3 markets.

Financial Statement Analysis

Income Statement

Y/E Mar, Rs. Mn	FY24	FY25	FY26	FY27E	FY28E
Net Sales	25,687	25,239	25,983	29,153	32,115
Growth %		-2%	3%	12%	10%
Raw Material Expenses	18,193	18,839	18,944	20,990	23,123
Employee Expenses	1,477	1,668	1,842	1,895	2,087
Other Expenses	2,943	3,114	2,881	3,207	3,533
EBITDA	3,074	1,618	2,316	3,061	3,372
Growth %		-47%	43%	32%	10%
Margin%	12%	6%	9%	11%	11%
Depreciation	912	1,070	1,311	1,459	1,605
EBIT	2,162	548	1,005	1,602	1,767
Growth %		-75%	83%	59%	10%
Margin%	8%	2%	4%	5%	6%
Interest Paid	65	97	96	66	54
Other Income & exceptional	340	137	88	114	120
PBT	2,438	588	997	1,650	1,833
Tax	613	157	266	430	478
Share of Associates	0	0	0	0	0
Net Profit	1,825	431	732	1,219	1,355
Growth %		-76%	70%	67%	11%
Shares (Mn)	110.5	110.5	110.5	110.5	110.5
EPS	17	4	7	11	12

Balance Sheet

Y/E Mar, Rs. Mn	FY24	FY25	FY26	FY27E	FY28E
Cash, Cash equivalents & Bank	777	831	1,283	527	1,399
Current Investments	379	267	1,481	1,481	1,481
Debtors	5,849	4,229	3,633	4,081	4,175
Inventory	4,379	6,095	4,953	5,248	5,781
Short Term Loans & Advances	4	4	3	3	3
Other Current Assets	1,077	1,431	1,721	1,721	1,721
Total Current Assets	12,465	12,857	13,075	13,062	14,560
Net Block & CWIP	8,328	9,803	10,900	11,482	11,482
Long Term Investments	3	3	3	3	3
Other Non-current Assets	436	531	261	261	261
Total Assets	21,232	23,194	24,238	24,807	26,306
Creditors	2,491	2,611	3,922	3,618	4,121
Provision	26	35	41	41	41
Short Term Borrowings	955	1,757	775	650	525
Other Current Liabilities	1,659	1,667	1,924	1,924	1,924
Total Current Liabilities	5,132	6,070	6,662	6,233	6,611
Long Term Debt	189	884	625	500	375
Deffered Tax Liabilities	191	193	237	237	237
Other Long Term Liabilities	277	282	269	269	269
Total Non Current Liabilities	656	1,359	1,132	1,007	882
Paid-up Capital	1,106	1,106	1,106	1,106	1,106
Reserves & Surplus	14,338	14,659	15,339	16,461	17,707
Shareholders' Equity	15,444	15,764	16,445	17,567	18,813
Non Controlling Interest	0	0	0	0	0
Total Equity & Liabilities	21,232	23,194	24,238	24,807	26,306

Cash Flow Statement

Y/E Mar, Rs. Mn	FY24	FY25	FY26	FY27E	FY28E
Pre-tax profit	2,438	588	1,018	1,650	1,833
Adjustments	775	1,204	1,499	1,412	1,539
Change in Working Capital	-2,151	-322	2,782	-932	-4
Total Tax Paid	-733	-281	-34	-430	-478
Cash flow from operating Activities	329	1,189	5,265	1,699	2,890
Net Capital Expenditure	-1,908	-2,554	-2,100	-2,041	-1,606
Change in investments	586	146	-1,169	0	0
Other investing activities	65	61	18	0	0
Cash flow from investing activities	-1,258	-2,347	-3,251	-2,041	-1,606
Equity raised / (repaid)	0	0	0	0	0
Debt raised / (repaid)	560	1,497	-1,242	-250	-250
Dividend (incl. tax)	0	-111	-55	-98	-108
Other financing activities	-85	-189	-236	-66	-54
Cash flow from financing activities	475	1,198	-1,533	-414	-412
Net Change in cash	-453	41	481	-756	872

Key Ratios

Particulars	FY24	FY25	FY26	FY27E	FY28E
Per Share Data					
EPS	17	4	7	11	12
Growth %		-76%	70%	67%	11%
Book Value Per Share	140	143	149	159	170
Return Ratios					
Return on Assets (%)	9%	2%	3%	5%	5%
Return on Equity (%)	13%	3%	5%	7%	7%
Return on Capital Employed (%)	10%	2%	6%	7%	7%
Turnover Ratios					
Asset Turnover (x)	1.3	1.1	1.1	1.2	1.3
Sales / Gross Block (x)	2.3	1.9	1.6	1.6	1.6
Working Capital / Sales (x)	27%	28%	25%	23%	23%
Receivable Days	71	73	55	48	47
Inventory Days	87	101	106	89	87
Payable Days	57	45	67	65	58
Working Capital Days	101	129	95	72	76
Liquidity Ratios					
Current Ratio (x)	2.4	2.1	2.0	2.1	2.2
Interest Coverage Ratio (x)	35.7	7.1	11.6	25.8	35.0
Total Debt to Equity	0.1	0.2	0.1	0.1	0.0
Net Debt to Equity	0.0	0.1	0.0	0.0	0.0
Valuation					
PE (x)	33.7	62.8	40.8	24.5	22.0
Earnings Yield (%)	3%	2%	2%	4%	5%
Price to Sales (x)	2.4	1.1	1.1	1.0	0.9
Price to Book (x)	4.4	4.0	1.7	1.8	1.7
EV/EBITDA (x)	23.7	20.1	17.9	13.0	9.8
EV/Sales (x)	2.2	2.4	1.1	1.2	1.0

Source: Company, Keynote Capitals Ltd. estimates

KEYNOTE Rating History

Date	Rating	Market Price at recommendation	Upside/Downside
4 th July 2025	BUY	367	+35.5%
13 th August 2025	BUY	300	+27.6%
13 th November 2025	BUY	318	+19.3%
19 th February 2026	BUY	267	+61.0%
27 th May 2026	BUY	267	+37.5%

Source: Company, Keynote Capitals Ltd. estimates

Rating Methodology

Rating	Criteria
BUY	Expected positive return of > 10% over 1-year horizon
NEUTRAL	Expected positive return of > 0% to < 10% over 1-year horizon
REDUCE	Expected return of < 0% to -10% over 1-year horizon
SELL	Expected to fall by >10% over 1-year horizon
NOT RATED (NR)/UNDER REVIEW (UR)/COVERAGE SUSPENDED (CS)	Not covered by Keynote Capitals Ltd/Rating & Fair value under Review/Keynote Capitals Ltd has suspended coverage

Disclosures and Disclaimers

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Keynote Capitals Ltd. (KCL) is a SEBI Registered Research Analyst having registration no. INH000007997. KCL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. Details of associate entities of Keynote Capitals Limited are available on the website at <https://www.keynotecapitals.com/associate-entities/>

KCL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of KCL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

KCL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that KCL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Details of pending Enquiry Proceedings of KCL are available on the website at <https://www.keynotecapitals.com/pending-enquiry-proceedings/>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of KCL or its associates maintains arm's length distance with Research Team as all the activities are segregated from KCL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject KCL & its group companies to registration or licensing requirements within such jurisdictions. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

Specific Disclosure of Interest statement for subjected Scrip in this document:

Financial Interest of Research Entity [KCL] and its associates; Research Analyst and its Relatives	YES
Any other material conflict of interest at the time of publishing the research report by Research Entity [KCL] and its associates; Research Analyst and its Relatives	NO
Receipt of compensation by KCL or its Associate Companies from the subject company covered for in the last twelve months; Managing/co-managing public offering of securities in the last twelve months; Receipt of compensation towards Investment banking/merchant banking/brokerage services in the last twelve months; Products or services other than those above in connection with research report in the last twelve months; Compensation or other benefits from the subject company or third party in connection with the research report in the last twelve months.	NO
Whether covering analyst has served as an officer, director or employee of the subject company covered	NO
Whether the KCL and its associates has been engaged in market making activity of the Subject Company	NO
Whether the Research Entity [KCL] and its associates; Research Analyst and its Relatives, have actual/beneficial ownership of 1% or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance.	NO

The associates of KCL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company
- received compensation/other benefits from the subject company in the past 12 months
- other potential conflict of interests with respect to any recommendation and other related information and opinions.; however, the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of KCL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

The associates of KCL has not received any compensation or other benefits from third party in connection with the research report.

Above disclosures includes beneficial holdings lying in demat account of KCL which are opened for proprietary investments only. While calculating beneficial holdings, it does not consider demat accounts which are opened in name of KCL for other purposes (i.e. holding client securities, collaterals, error trades etc.). KCL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by KCL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of KCL. The report is based on the facts, figures and information that are believed to be true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. KCL will not treat recipients as customers by virtue of their receiving this report

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative product as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. KCL, its associates, their directors and the employees may from time to time, effect or have affected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. KCL, its associates, their directors and the employees may from time to time invest in any discretionary PMS/AIF Fund and those respective PMS/AIF Funds may affect or have effected any transaction in for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of KCL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject KCL to any registration or licensing requirement within such jurisdiction.

The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt KCL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold KCL or any of its affiliates or employees responsible for any such misuse and further agrees to hold KCL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Keynote Capitals Limited (CIN: U67120MH1995PLC088172)

Compliance Officer: Mr. Jairaj Nair; Tel: 022-68266000; email id: jairaj@keynoteindia.net

Registered Office: 9th Floor, The Ruby, Senapati Bapat Marg, Dadar West, Mumbai – 400028, Maharashtra. Tel: 022 – 68266000.

SEBI Regn. Nos.: BSE / NSE (CASH / F&O / CD): INZ000241530; DP: CDSL- IN-DP-238-2016; Research Analyst: INH000007997

For any complaints email at kcl@keynoteindia.net

General Disclaimer: Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.keynotecapitals.com; Investment in securities market are subject to market risks, read all the related documents carefully before investing.