

Registered Office / Urse Plant
Finolex Industries Limited
Gat No. 399, Village Urse, Tal.-Maval,
Dist. Pune 410 506, Maharashtra, India
CIN L40108PN1981PLC024153

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FIL/SEC/SEs/2022-23/011

18th May, 2022

The Manager – Listing Department National Stock Exchange of India Limited 5, Exchange Plaza Bandra-Kurla Complex Bandra (East), Mumbai 400051 Scrip Code: FINPIPE	The Manager – Listing Department BSE Limited Registered Office: Floor 25 P.J.Towers Dalal Street Mumbai 400 001 Scrip Code: 500940 / FINOLEXIND
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Sub: Outcome of the Board Meeting: Audited Financial Results for the quarter and financial year ended on 31st March, 2022

Ref: Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In terms of the subject referred regulations, kindly be noted that the Board of Directors of the Company at its meeting held on Wednesday, 18th May, 2022, has, *inter-alia*, approved and taken on record the Audited Financial Results (both Standalone & Consolidated) for the quarter and financial year ended 31st March, 2022 alongwith related segment-wise financial results, copy enclosed.

A copy of the following is also enclosed with respect to the above mentioned financial results:

- 'Standalone and Consolidated Audit Report' of the Statutory Auditors;
- A declaration in respect of Unmodified Opinion by the Statutory Auditors; and

The aforesaid board meeting commenced at 7.30 p.m. (IST) and concluded at 10.30 p.m. (IST)

You are requested to kindly take the above on your records.

Thanking you,

Yours truly,

For **Finolex Industries Limited**



Ashutosh Kulkarni
Company Secretary & Compliance Officer
M. No.: A18549

Encl.: As above

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FINOLEX INDUSTRIES LIMITED
 Registered Office: Gat No. 399, Village Urse,
 Taluka Maval, Dist. Pune - 410 506. CIN: L40108PN1981PLC024153

Statement of Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2022

Particulars	Rs. In Crores except Earnings Per Share				
	Standalone				
	31.03.2022 Audited	31.12.2021 Unaudited	31.03.2021 Audited	31.03.2022 Audited	31.03.2021 Audited
Income					
I Revenue from Operations	1,594.57	1,004.73	1,249.08	4,647.32	3,462.27
II Other income	24.76	19.37	13.54	83.16	72.48
III Total Income (I+II)	1,619.33	1,024.10	1,262.62	4,730.48	3,534.75
IV Expenses					
Cost of materials and components consumed	913.51	886.97	794.73	2,801.75	1,940.24
Purchase of stock-in-trade	4.27	3.34	3.32	14.71	10.00
Changes in inventories of finished goods, stock-in-trade and work-in-progress	190.48	(331.13)	(156.33)	32.60	(21.48)
Employee benefits expenses	58.26	44.87	59.33	190.84	166.80
Finance costs	8.06	0.85	1.84	14.09	7.27
Depreciation and amortisation expense	21.55	21.18	19.70	83.40	77.72
Other expenses	163.39	158.79	137.98	583.68	377.40
Total expenses (IV)	1,359.52	784.87	860.57	3,721.07	2,557.95
V Profit before tax before exceptional items (III-IV)	259.81	239.23	402.05	1,009.41	976.80
VI Exceptional item gain/(loss)	376.06	-	-	376.06	-
VII Profit before tax after exceptional items (V+VI)	635.87	239.23	402.05	1,385.47	976.80
VIII Tax Expense					
Current tax	129.00	61.50	103.00	321.00	247.00
Short/ (excess) provision of earlier year(s)	13.63	-	-	13.63	-
Deferred tax	(0.56)	(0.04)	1.72	(2.63)	1.78
Total Tax Expense	142.07	61.46	104.72	332.00	248.78
IX Profit for the period (VII-VIII)	493.80	177.77	297.33	1,053.47	728.02
X Other Comprehensive Income (OCI)					
A Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit plans Gain/(Loss)	1.87	(0.72)	(3.30)	(0.32)	0.31
Income tax effect on above	(0.47)	0.18	0.83	0.08	(0.08)
A(i) Re-measurement of defined benefit plans net off income tax	1.40	(0.54)	(2.47)	(0.24)	0.23
Equity instruments through OCI Gain/(Loss)	(339.36)	91.80	86.64	(14.27)	415.65
Income tax effect on above	0.01	-	(0.89)	0.11	(0.83)
A(ii) Equity Instruments through OCI net off income tax	(339.35)	91.80	85.75	(14.16)	414.82
Total Other Comprehensive Income [A(i)+A(ii)]	(337.95)	91.26	83.28	(14.40)	415.05
XI Total Comprehensive Income for the period (IX+X)	155.85	269.03	380.61	1,039.07	1,143.07
XII Earnings per equity share having nominal value per share of Rs.2 (Not annualised)					
Basic	7.96	2.86	4.79	16.98	11.73
Diluted	7.96	2.86	4.79	16.98	11.73



Corporate Office
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Notes -

1 Segment wise Revenue, Results and Capital employed

Rs. in Crores

Sr No	Particulars	Standalone				
		Quarter Ended		Year ended		
		31.03.2022 Audited	31.12.2021 Unaudited	31.03.2021 Audited	31.03.2022 Audited	31.03.2021 Audited
1	SEGMENT REVENUE					
	Revenue from each segment:					
a	PVC	1,044.40	636.25	920.24	2,962.10	2,273.31
b	PVC Pipes & Fittings	1,276.92	831.37	901.44	3,852.67	2,634.75
	Total	2,321.32	1,467.62	1,821.68	6,814.77	4,908.06
	Less: Inter segment Revenue	726.75	462.89	572.60	2,167.45	1,445.79
	Revenue from Operations	1,594.57	1,004.73	1,249.08	4,647.32	3,462.27
2	SEGMENT RESULTS					
	Profit / (Loss) before tax and interest from each segment:					
a	PVC	156.46	177.87	328.46	722.78	696.40
b	PVC Pipes & Fittings	94.20	54.96	69.49	250.24	251.19
	Total	250.66	232.83	397.95	973.02	947.59
	Less:					
I	Finance costs	8.06	0.85	1.84	14.09	7.27
II	Other un-allocable expenditure	7.49	5.88	7.58	32.50	21.32
	Add:					
III	Other un-allocable income	400.76	13.13	13.52	459.04	57.80
	Total Profit / (Loss) Before Tax	635.87	239.23	402.05	1,385.47	976.80
3	Capital employed : Segment Assets (-) Segment Liabilities					
a	PVC	1,019.16	1,209.02	975.96	1,019.16	975.96
b	PVC Pipes & Fittings	1,369.84	1,422.27	1,115.98	1,369.84	1,115.98
c	Unallocated	2,872.00	2,390.40	2,114.92	2,872.00	2,114.92
	Total Segment Assets	5,261.00	5,021.69	4,206.86	5,261.00	4,206.86
a	PVC	276.58	289.55	323.62	276.58	323.62
b	PVC Pipes & Fittings	139.00	115.06	90.68	139.00	90.68
c	Unallocated	981.66	909.14	719.68	981.66	719.68
	Total Segment Liabilities	1,397.24	1,313.75	1,133.98	1,397.24	1,133.98
a	PVC	742.58	919.47	652.34	742.58	652.34
b	PVC Pipes & Fittings	1,230.84	1,307.21	1,025.30	1,230.84	1,025.30
c	Unallocated	1,890.34	1,481.26	1,395.24	1,890.34	1,395.24
	Capital Employed	3,863.76	3,707.94	3,072.88	3,863.76	3,072.88



FINOLEX INDUSTRIES LIMITED
Registered Office: Gat No. 399, Village Urse,
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Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2022

Particulars	Rs. In Crores except Earnings Per Share				
	Quarter Ended		Consolidated		
	31.03.2022 Audited	31.12.2021 Unaudited	31.03.2021 Audited	31.03.2022 Audited	31.03.2021 Audited
Income					
I Revenue from Operations	1,594.57	1,004.73	1,249.08	4,647.32	3,462.27
II Other income	24.76	19.37	13.54	82.23	71.55
III Total Income (I+II)	1,619.33	1,024.10	1,262.62	4,729.55	3,533.82
IV Expenses					
Cost of materials and components consumed	913.51	886.97	794.73	2,801.75	1,940.24
Purchase of stock-in-trade	4.27	3.34	3.32	14.71	10.00
Changes in inventories of finished goods, stock-in-trade and work-in-progress	190.48	(331.13)	(156.33)	32.60	(21.48)
Employee benefits expenses	58.26	44.87	59.33	190.84	166.80
Finance costs	8.06	0.85	1.84	14.09	7.27
Depreciation and amortisation expense	21.55	21.18	19.70	83.40	77.72
Other expenses	163.39	158.79	137.98	583.68	377.40
Total expenses (IV)	1,359.52	784.87	860.57	3,721.07	2,557.95
V Profit before tax before exceptional items (III-IV)	259.81	239.23	402.05	1,008.48	975.87
VI Exceptional item gain/(loss)	376.06	-	-	376.06	-
VII Profit before tax after exceptional items (V+VI)	635.87	239.23	402.05	1,384.54	975.87
VIII Share of profit/(loss) of an associate	2.18	(0.70)	3.02	(1.47)	16.19
IX Profit before tax after exceptional items and share in profits/(loss) of associate (VII+VIII)	638.05	238.53	405.07	1,383.07	992.06
X Tax Expense					
Current tax	129.10	61.50	103.89	321.10	252.42
Short/ (excess) provision of earlier year(s)	13.63	-	(0.13)	13.63	(0.13)
Deferred tax	0.20	(0.40)	2.47	(3.00)	1.98
Total Tax Expense	142.93	61.10	106.23	331.73	254.27
XI Profit for the period (IX-X)	495.12	177.43	298.84	1,051.34	737.79
XII Other Comprehensive Income (OCI)					
A Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit plans Gain/(Loss)	1.87	(0.72)	(3.30)	(0.32)	0.31
Income tax effect on above	(0.47)	0.18	0.83	0.08	(0.08)
A(i) Re-measurement of defined benefit plans net off income tax	1.40	(0.54)	(2.47)	(0.24)	0.23
Equity instruments through OCI Gain/(Loss)	(339.36)	91.80	86.64	(14.27)	415.65
Income tax effect on above	0.01	-	(0.89)	0.11	(0.83)
A(ii) Equity instruments through OCI net off income tax	(339.35)	91.80	85.75	(14.16)	414.82
A(iii) Share of other comprehensive income (net of tax) of associate accounted for using the equity method	0.09	-	0.14	0.09	0.14
Total Other Comprehensive Income [A(i)+A(ii)+A(iii)]	(337.86)	91.26	83.42	(14.31)	415.19
XIII Total Comprehensive Income for the period (XI+XII)	157.26	268.69	382.26	1,037.03	1,152.98
XIV Earnings per equity share having nominal value per share of Rs.2 (Not annualised)					
Basic	7.98	2.86	4.82	16.94	11.89
Diluted	7.98	2.86	4.82	16.94	11.89

Notes -

1 Segment wise Revenue, Results and Capital employed

Sr No	Particulars	Consolidated				
		Quarter Ended		Year ended		
		31.03.2022 Audited	31.12.2021 Unaudited	31.03.2021 Audited	31.03.2022 Audited	31.03.2021 Audited
1	SEGMENT REVENUE					
	Revenue from each segment:					
a	PVC	1,044.40	636.25	920.24	2,962.10	2,273.31
b	PVC Pipes & Fittings	1,276.92	831.37	901.44	3,852.67	2,634.75
	Total	2,321.32	1,467.62	1,821.68	6,814.77	4,908.06
	Less: Inter segment Revenue	726.75	462.89	572.60	2,167.45	1,445.79
	Revenue from Operations	1,594.57	1,004.73	1,249.08	4,647.32	3,462.27
2	SEGMENT RESULTS					
	Profit / (Loss) before tax and interest from each segment:					
a	PVC	156.46	177.87	328.46	722.78	696.40
b	PVC Pipes & Fittings	94.20	54.96	69.49	250.24	251.19
	Total	250.66	232.83	397.95	973.02	947.59
	Less:					
I	Finance costs	8.06	0.85	1.84	14.09	7.27
II	Other un-allocable expenditure	7.49	5.88	7.58	32.50	21.32
	Add:					
III	Other un-allocable income	400.76	13.13	13.52	458.11	56.87
IV	Share of profit/(loss) of an associate	2.18	(0.70)	3.02	(1.47)	16.19
	Total Profit / (Loss) Before Tax	638.05	238.53	405.07	1,383.07	992.06
3	Capital employed : Segment Assets (-) Segment Liabilities					
a	PVC	1,019.16	1,209.02	975.96	1,019.16	975.96
b	PVC Pipes & Fittings	1,369.84	1,422.27	1,115.98	1,369.84	1,115.98
c	Unallocated	2,956.37	2,472.93	2,201.94	2,956.37	2,201.94
	Total Segment Assets	5,345.37	5,104.22	4,293.88	5,345.37	4,293.88
a	PVC	276.58	289.55	323.62	276.58	323.62
b	PVC Pipes & Fittings	139.00	115.06	90.68	139.00	90.68
c	Unallocated	1,001.98	929.03	740.62	1,001.98	740.62
	Total Segment Liabilities	1,417.56	1,333.64	1,154.92	1,417.56	1,154.93
a	PVC	742.58	919.47	652.34	742.58	652.34
b	PVC Pipes & Fittings	1,230.84	1,307.21	1,025.30	1,230.84	1,025.30
c	Unallocated	1,954.39	1,543.90	1,461.32	1,954.39	1,461.32
	Capital Employed	3,927.81	3,770.58	3,138.96	3,927.81	3,138.96



2 Statement of Audited Standalone and Consolidated Assets and Liabilities as on March 31, 2022

Rs. in Crores

	Particulars	Standalone		Consolidated	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
A	ASSETS				
1	Non-current assets				
	(a) Property, plant and equipment	992.33	1,001.29	992.33	1,001.29
	(b) Capital work-in-progress	9.46	8.15	9.46	8.15
	(c) Other Intangible assets	0.90	1.06	0.90	1.06
	(d) Investments accounted using Equity method	-	-	91.86	94.52
	(e) Financial assets				
	i) Investments	1,080.77	1,085.26	1,073.28	1,077.76
	ii) Loans	13.48	0.05	13.48	0.05
	iii) Other financial asset	38.16	32.34	38.16	32.34
	(f) Tax assets (Net)	25.60	31.93	25.60	31.93
	(g) Other non-current assets	54.34	57.93	54.34	57.93
	Total non-current assets	2,215.04	2,218.01	2,299.41	2,305.03
2	Current assets				
	(a) Inventories	1,015.47	918.82	1,015.47	918.82
	(b) Financial assets				
	i) Investments	1,552.52	506.94	1,552.52	506.94
	ii) Trade receivables	334.46	147.98	334.46	147.98
	iii) Cash and cash equivalents	23.55	31.40	23.55	31.40
	iv) Bank balances other than (iii) above	57.49	304.86	57.49	304.86
	v) Loans	8.70	0.34	8.70	0.34
	vi) Other financial assets	13.00	11.35	13.00	11.35
	(c) Other current assets	40.77	67.16	40.77	67.16
	Total current assets	3,045.96	1,988.85	3,045.96	1,988.85
	Total assets	5,261.00	4,206.86	5,345.37	4,293.88
B	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity share capital	124.10	124.10	124.10	124.10
	(b) Other equity	3,739.66	2,948.78	3,803.71	3,014.86
	Total equity	3,863.76	3,072.88	3,927.81	3,138.96
2	LIABILITIES				
	Non current liabilities				
	(a) Financial liabilities				
	i) Other financial liabilities	0.14	0.12	0.14	0.12
	(b) Provisions	15.50	13.43	15.50	13.43
	(c) Deferred tax liabilities (net)	115.70	118.51	136.02	139.45
	(d) Government grants	67.05	65.76	67.05	65.76
	Total non-current liabilities	198.39	197.82	218.71	218.76
3	Current liabilities				
	(a) Financial liabilities				
	i) Borrowings	278.03	203.85	278.03	203.85
	ii) Trade payables				
	a) total outstanding dues of Micro & Small Enterprises	8.05	24.42	8.05	24.42
	b) total outstanding dues of creditors other than Micro & Small Enterprises	455.03	411.37	455.03	411.37
	iii) Other financial liabilities	275.22	208.62	275.22	208.62
	(b) Other current liabilities	150.08	50.22	150.08	50.22
	(c) Provisions	4.21	3.83	4.21	3.83
	(d) Current tax liabilities (net)	17.50	24.78	17.50	24.78
	(e) Government grants	10.73	9.07	10.73	9.07
	Total current liabilities	1,198.85	936.16	1,198.85	936.16
	Total liabilities	1,397.24	1,133.98	1,417.56	1,154.92
	Total equity and liabilities	5,261.00	4,206.86	5,345.37	4,293.88



3 Statement of Audited Standalone and Consolidated Cash flow for the year ended March 31, 2022

Rs. in Crores

Sr No	Particulars	Standalone		Consolidated	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
I	Cash flows from operating activities				
	Profit before tax	1,385.47	976.80	1,383.07	992.06
	Adjustments to reconcile profit before tax to net cash flow:				
	Share of (Profit)/Loss from associate before tax	-	-	1.47	(16.19)
	Depreciation and amortisation expense	83.40	77.72	83.40	77.72
	Balances written off / (written back)	1.37	(0.93)	1.37	(0.93)
	Profit on sale of investments (net)	(8.15)	(7.22)	(8.15)	(7.22)
	(Gain)/loss on fair valuation of investments	(8.90)	(3.33)	(8.90)	(3.33)
	(Profit)/loss on sale/discard of assets (net)	0.87	0.61	0.87	0.61
	Dividend income	(13.14)	(13.14)	(12.21)	(12.21)
	Exceptional item	(376.06)	-	(376.06)	-
	Unwinding of government grant income	(10.73)	(9.07)	(10.73)	(9.07)
	Interest income	(36.57)	(29.79)	(36.57)	(29.79)
	Unrealised exchange fluctuation (gain)/ loss - net	1.50	1.51	1.50	1.51
	Finance costs	14.09	7.27	14.09	7.27
	Operating profit before working capital changes	1,033.15	1,000.42	1,033.15	1,000.42
	Change in operating assets and liabilities				
	(Increase) / decrease in inventories	(96.66)	(61.01)	(96.66)	(61.01)
	(Increase) / decrease in trade receivables	(186.48)	(75.40)	(186.48)	(75.40)
	(Increase) / decrease in loans	(21.79)	(0.44)	(21.79)	(0.44)
	(Increase) / decrease in other financial assets	(10.37)	0.00	(10.37)	0.00
	(Increase) / decrease in other current assets	33.15	2.68	33.15	2.68
	(Increase)/ decrease in government grants (net)	11.89	(12.45)	11.89	(12.45)
	Increase / (decrease) in trade payables	27.21	166.62	27.21	166.62
	Increase / (decrease) in provisions	2.13	(12.16)	2.13	(12.16)
	Increase / (decrease) in other financial liabilities	65.49	129.66	65.49	129.66
	Increase / (decrease) in other current liabilities	99.85	14.86	99.85	14.86
	Cash generated from working capital changes	(75.58)	152.38	(75.58)	152.38
	Less - Income tax paid	(335.58)	(211.81)	(335.58)	(211.81)
	Net cash inflow from operating activities	621.99	940.98	621.99	940.98
II	Cash flow from investing activities				
	Proceeds from sale of property, plant and equipment(net)	380.63	0.19	380.63	0.19
	Payment for purchase of property, plant and equipment	(84.41)	(64.91)	(84.41)	(64.91)
	Net proceeds from purchase/sale of investments	(1,038.33)	(585.94)	(1,038.33)	(585.94)
	Dividend income received	13.14	13.14	13.14	13.14
	Investments in fixed deposits and bank balances	247.37	(264.76)	247.37	(264.76)
	Interest income received	41.26	25.71	41.26	25.71
	Net cash inflow/(outflow) from investing activities	(440.34)	(876.57)	(440.34)	(876.57)
III	Cash flow from financing activities				
	Finance costs	(14.08)	(7.69)	(14.08)	(7.69)
	Proceeds / (repayment) of borrowings (net)	72.77	(78.43)	72.77	(78.43)
	Dividend paid	(248.19)	(4.18)	(248.19)	(4.18)
	Net cash inflow / (outflow) from financing activities	(189.50)	(90.30)	(189.50)	(90.30)
IV	Net increase / (decrease) in cash and cash equivalents at the end of the period (I+II+III)	(7.85)	(25.89)	(7.85)	(25.89)
V	Cash and cash equivalents at the beginning of the financial year	31.40	57.29	31.40	57.29
VI	Cash and cash equivalents at the end of the period (IV+V)	23.55	31.40	23.55	31.40



Notes contd.....

- 4 The above results have been reviewed by the audit committee and approved by the Board at their respective meetings held on May 18, 2022.
- 5 The quarterly standalone and consolidated financial results for the period ended March 31, 2022 are the balancing figures between the audited figures in respect of the year ended March 31, 2022 and the published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6 The Company has consolidated its associate, Finolex Plasjon Industries Private Limited in which it holds 46.35% using equity method as per Ind AS 28 - 'Investment in Associates and Joint Ventures'. The Company has not consolidated an immaterial associate, Pawas Port Limited, in which the Company holds 49.99% equity shares (Rs. 0.05 crores) and has not started operations.
- 7 The above statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 8 The Board of Directors at their meeting held on February 1, 2021 had approved the subdivision of each equity share of face value of Rs 10/- fully paid up into 5 equity shares of face value of Rs. 2/- each fully paid up. The same were approved by the members on March 26, 2021 through postal ballot and e-voting. The effective date for the subdivision was April 16, 2021. Consequently, the split of equity shares had been effected from April 16, 2021. Accordingly, equity shares and earnings per share have been adjusted for the share split in accordance with Ind-AS 33 "Earnings per Share" for all previous periods.
- 9 The Board of Directors have proposed on May 18, 2022, a Final Dividend of Rs. 2/- per equity share and a Special Dividend of Rs. 2/- per equity share for financial year 2021-22.
- 10 Consequent to the approval of the Board of Directors at their meeting held on September 15, 2021, the Company has transferred leasehold rights of approx. 34.88 acres of land (out of approx. 70 acres) during the quarter post completion of necessary regulatory approvals and formalities. The Company has accordingly, recognised Rs 376.06 crores net gain, disclosed as exceptional item during this quarter.
- 11 Previous periods' figures have been re-grouped wherever necessary, to conform to the current period's classification.

Pune
May 18, 2022



By order of the Board of Directors
For Finolex Industries Limited

A. V. Whabi

Anil Whabi
Director

DIN 00142052



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

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Independent Auditor's Report on the Quarterly and Annual Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Finolex Industries Limited

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone quarterly and annual financial results of Finolex Industries Limited (the "Company") for the quarter and year ended March 31, 2022 ('standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations 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 principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Management's Responsibilities for the Standalone Financial Results

These quarterly and annual financial results have been prepared on the basis of the standalone financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone 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 financial 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 standalone 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 made by the Board of Directors.
- Conclude on the appropriateness of the 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 standalone 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 standalone financial results, including the disclosures, and whether the standalone 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.



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

Other Matters

The quarterly standalone financial results for the period ended March 31, 2022 are the derived figures between the audited figures in respect of the year ended March 31, 2022 and the published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number- 101118W/W100682



Nachiket Deo

Partner

Membership Number: 117695

UDIN: 22117695AJF1SD8457

Pune

Date: 18th May, 2022



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

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Independent Auditor's Report on the Quarterly and Annual Audited Consolidated Financial Results of the Company and its Associate Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Finolex Industries Limited

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated quarterly and annual financial results of Finolex Industries Limited (the "Company") and its Associate for the quarter and year ended March 31, 2022 ('Consolidated financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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

- i. include the quarterly and annual share of the profit of its Associate Company, Finolex Plasson Industries Private Limited, consolidated using equity method.
- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company and its Associate for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Company and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the



Consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

These quarterly and annual financial results have been prepared on the basis of the Consolidated financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these Consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 Consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial results, the Board of Directors of the Company and its Associate are responsible for assessing the ability of the Company and its Associate 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 and its Associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and its Associate are responsible for overseeing the financial reporting process of the Company and its Associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated financial results as a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated 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 Consolidated 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 financial 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 Consolidated 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 made by the Board of Directors.
- Conclude on the appropriateness of the 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 and its Associate'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 Consolidated 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 and its Associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial results, including the disclosures, and whether the Consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the Company and its Associate to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.

We communicate with those charged with governance of the Company and its Associate included in the consolidated financial results of which we are the independent auditors 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.



P G BHAGWAT LLP

Chartered Accountants

LLPIN: AAT - 9949

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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, if and to the extent applicable.

Other Matters

The management of the Company has not consolidated an immaterial Associate which has not commenced operations in which it holds 49.99% equity shares amounting to Rs.0.05 crores.

The quarterly Consolidated financial results for the period ended March 31, 2022 are the derived figures between the audited figures in respect of the year ended March 31, 2022 and the published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our audit opinion is not modified in respect of these matters.

For **P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number- 101118W/W100682



Nachiket Deo

Partner

Membership Number: 117695

UDIN: 22117695AJFITH8540

Pune

Date: 18th May, 2022



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FIL/SEC/SEs/2022-23/012

18th May, 2022

The Manager – Listing Department National Stock Exchange of India Limited 5, Exchange Plaza Bandra-Kurla Complex Bandra (East), Mumbai 400051	The Manager – Listing Department BSE Limited Registered Office: Floor 25 P.J.Towers Dalal Street Mumbai 400 001
Scrip Code: FINPIPE	Scrip Code: 500940 / FINOLEXIND

Sub: Declaration in respect of Unmodified Opinion by the Statutory Auditors

Ref: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In terms of the subject referred regulations, we hereby confirm and declare that the Statutory Auditors of the Company, M/s. P. G. Bhagwat, LLP, Chartered Accountants (Firm Registration No. 101118W/W100682) have issued an Audit Report with an Unmodified Opinion on the Standalone and Consolidated Audited Financial Results of the Company, for the financial year ended 31st March, 2022.

You are requested to kindly take the same on your records.

Thanking you,

Yours truly,

For **Finolex Industries Limited**

Ax. Whabi

Anil Whabi
Director – Finance & CFO
DIN - 00142052

