

FOR IMMEDIATE RELEASE

Finolex Pipes reports strong YOY profit improvement backed by improved operating matrices

Pune, 21 Oct 2023: Finolex Industries Limited (NSE: FINPIPE|BSE:500940) at its Board Meeting held today announced unaudited financial results for the second quarter ended Sept 30, 2023.

Key Financial Highlights (Standalone): (INR- Cr)

Rs. In Crores	Q2 FY24	Q2 FY23	% Change	H1 FY24	H1 FY23	% Change
Total Income from operations	883.15	941.13	(6.16%)	2,062.32	2,130.94	(3.22%)
EBITDA gain/(loss)	102.98	(142.67)	NA	255.45	(16.76)	NA
EBITDA %	11.66%	(15.16%)		12.39%	(0.79%)	
Depreciation	27.38	21.56		61.77	42.90	
Profit/ (loss) before interest & tax	75.60	(164.23)	NA	193.68	(59.66)	NA
EBIT %	8.56%	(17.45%)		9.39%	(2.80%)	
Finance costs	12.46	4.31		21.48	15.64	
Other Income	62.51	39.29		102.77	64.36	
Profit/(loss) before tax	125.65	(129.25)	NA	274.97	(10.94)	NA
PBT %	14.23%	(13.73%)		13.33%	(0.51%)	
Tax	31.87	(35.33)		70.31	(17.11)	
Profit/(loss) after tax	93.78	(93.92)	NA	204.66	6.17	NA
PAT %	10.62%	(9.98%)		9.92%	0.29%	

Sales volume in MT

PVC Resin (External)	2,546	14,495	(82.43%)	5,025	18,713	(73.15%)
PVC Resin (Including inter Segment)	37,516	54,063	(30.61%)	83,590	1,16,809	(28.44%)
Pipes and Fittings	62,914	59,218	6.24%	1,55,095	1,31,178	18.23%

Q2 FY24 Highlights:

- Total income from operations was Rs 883.15 Cr for Q2FY24 – down 6.16% against Rs 941.13 Cr in Q2FY23.
- Volume in Pipes & Fittings segment increased by 6.24% to 62,914 MT in Q2FY24 against 59,218 MT in Q2FY23.
- Volume in PVC Resin segment was down 30.61% to 37,516 MT in Q2FY24 against 54,063 MT in Q2FY23.

- EBITDA stood at Rs 102.98 Cr for Q2FY24 against the EBITDA loss of Rs 142.67 Cr for Q2FY23.
- PAT stood at 93.78 Cr in Q2FY24 against the loss of Rs 93.92 Cr in Q2FY23.

H2 FY24 Highlights:

- Total income from operations was Rs 2,062.32 Cr for H1FY24 – down 3.22% against Rs 2,130.94 Cr in H1FY23.
- Volume in Pipes & Fittings segment grew 18.23% to 1,55,095 MT in H1FY23 against 1,31,178 MT in H1FY23
- Volume in Resin segment decreased by 28.44% to 83,590 MT in H1FY24 against 1,16,809 MT in H1FY23
- EBITDA for 1HFY24 stood at Rs 255.45 Cr for H1FY24 against EBITDA loss of Rs 16.76 Cr for H1FY23.
- Profit after tax was increased to Rs 204.66 Cr in H1FY24 compared to Rs 6.17 Cr in H1FY23.

Commenting on the quarterly results, Mr. Prakash P. Chhabria, Executive Chairman, Finolex Industries Limited said, *“Indian economy is displaying continued consumption led growth in both the rural and the urban segments of the country. The pipes and fittings segment which plays an important role in contributing to economic growth has been growing strong on a year-on-year basis. The global PVC prices are near historic lows, which might bolster pipes and fittings demand once prices stabilise.”*

This is Finolex:

We are India's most trusted PVC pipes and fittings manufacturer. Over the last 40 years, we have impacted the sanitation-plumbing and agricultural sectors with prudent investments across our value chain. Right from the sourcing of quality raw materials and resin production, to manufacturing, storage, transport, sales, marketing and even further downstream to include customer engagement

To stay focused on making superior quality pipes and fittings, and nothing else but that, for forty years, is no mean feat. Aligning every decision, every action, every resource towards delivering quality pipes and fittings. To choose to do just this one thing, and do it well. So that once our customers install our pipes, they completely forget about us. We take great pride in this dependable quality that has not only earned us ISO 9001:2015 certifications across plants, but also earned us the sincere affection of farmers, plumbers, homeowners, partners, associates and shareholders. They have all come to expect the world from us. Because that's exactly what we expect from ourselves.

When we choose to diversify, it's upstream with an open sea jetty to manage our raw materials, and downstream into last mile fulfillment. When we evolve, it has to be in our understanding of customer expectations and finding better machines and processes to meet those expectations. When we choose to expand, it is into newer markets, delivering our pipes and fittings to newer customers. And when we measure our growth, it is in reputation. The effect of which reflects in our bottom line - growing manifold in the last decade.

This quality focus is not just restricted to our products, but defines every aspect of our functioning. Whether quality support for our dealers, vendors and suppliers. Quality opportunities to our employees. Superior quality of life, education and health of the people we serve through our various social responsibility initiatives.

Over the last forty years, we have steadily added depth to our company, instead of spreading ourselves wide and thin. Consistently delivering the exact same products that fulfil the exact same promise. Every time. That's what makes us a strong brand, with a strong network, and even stronger goodwill. We are Finolex Industries Limited.

Partners in Compassion:

Mukul Madhav Foundation (MMF), our CSR partner, is a registered charitable trust under the Bombay Charitable Act 1950. It has dedicated itself to uplifting underprivileged and vulnerable communities with opportunities that pave their path to success. Empowering them with educational facilities, hospitals, healthcare, sanitation and environmental support, social welfare and so much more. Creating a foundation for individuals, their communities and their environment to thrive. MMF also supports existing infrastructure and initiatives by helping them upgrade. We don't simply donate funds, we endow dignity.