



FINOLEX INDUSTRIES LIMITED

Q1 FY21 RESULTS



Q1FY21 vs Q1FY20 – Business Performance Highlights

Revenue

- Revenue registered a y-o-y decline of 40.4% to Rs. 5,621 mn

Volume

- PVC Resin volume registered a y-o-y decline of 42.1% to 45,435 MT..
- Pipe and Fittings volume registered a y-o-y decline of 42.3% to 52,911 MT.

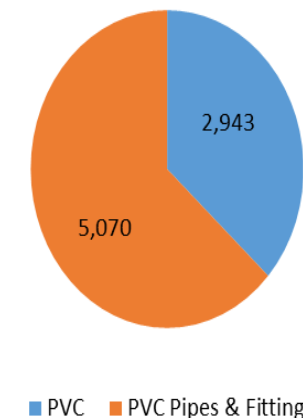
Operating Performance (EBIT)

- EBIT margins at 12.3% as compared to 11.3%.
- PVC Resin EBIT margin at 7.9% as compared to 7.7%.
- PVC Pipes and Fittings EBIT margin at 10.1% as compared to 8.5%.

PAT

- PAT lower by 24.0% at Rs.551 mn as against Rs 725 mn in Q1FY20.

Segment Revenue Rs. In mn

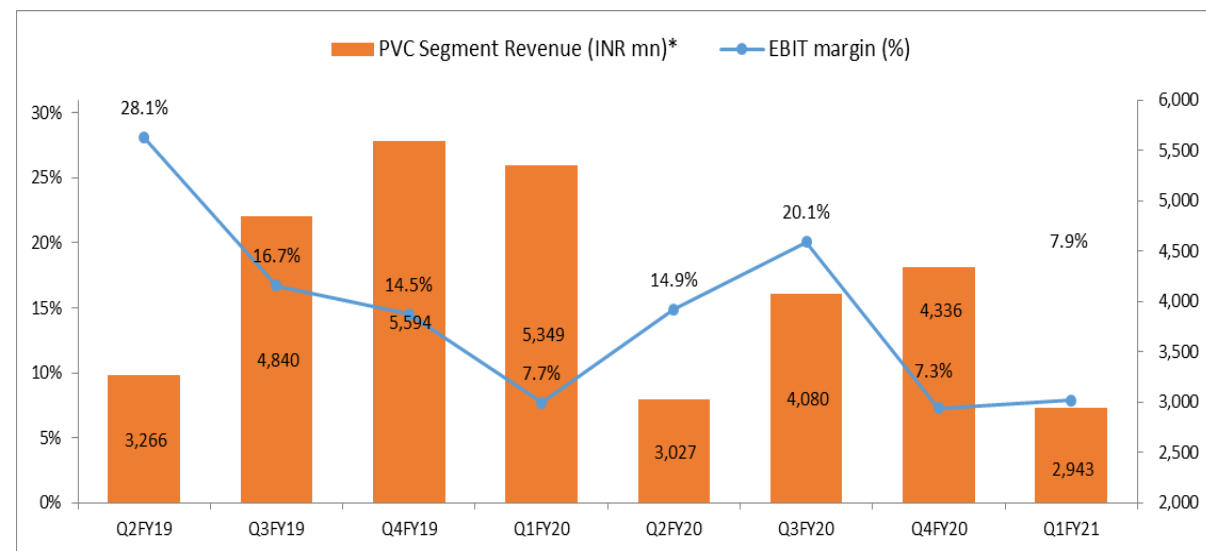
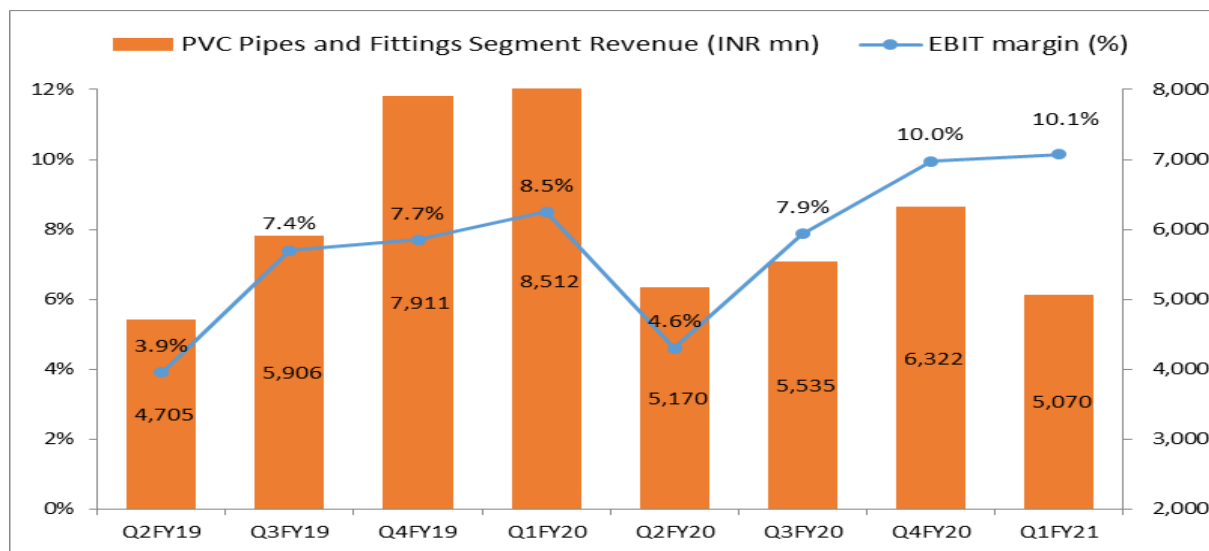
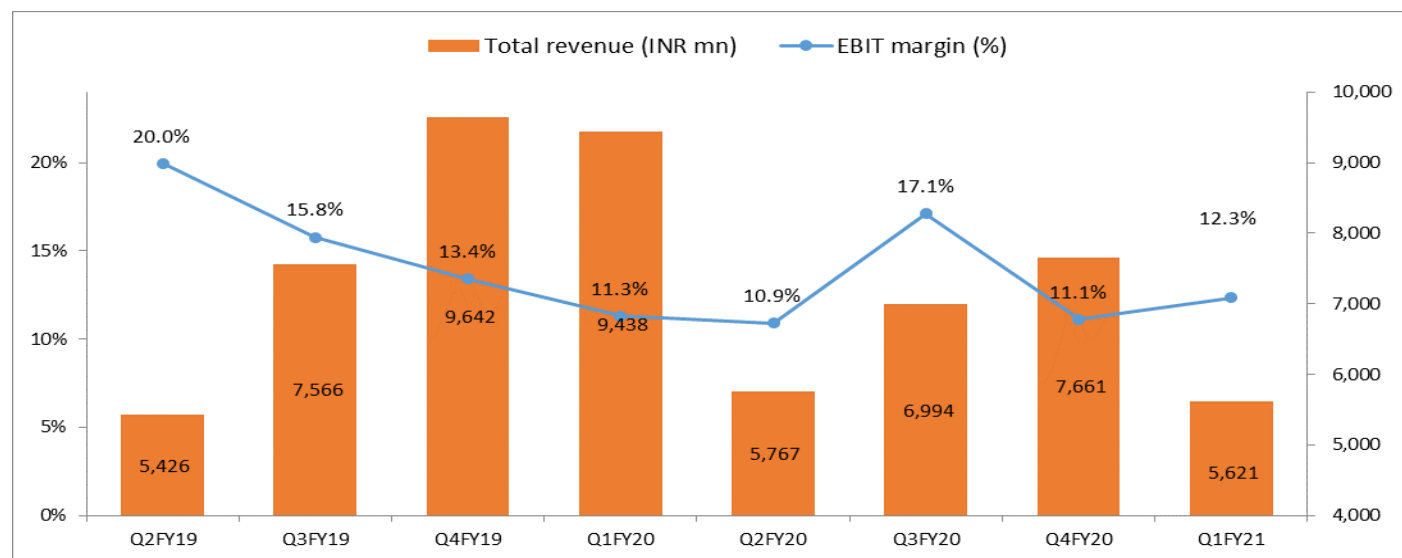


Business was impacted by Lockdown on account of COVID-19 with significant decline in sales .
The decline in volumes was more than 40% in both PVC resin and PVC pipes segments. Though since June gradual relaxations have been witnessed in all regions, overall normalcy is yet to return.

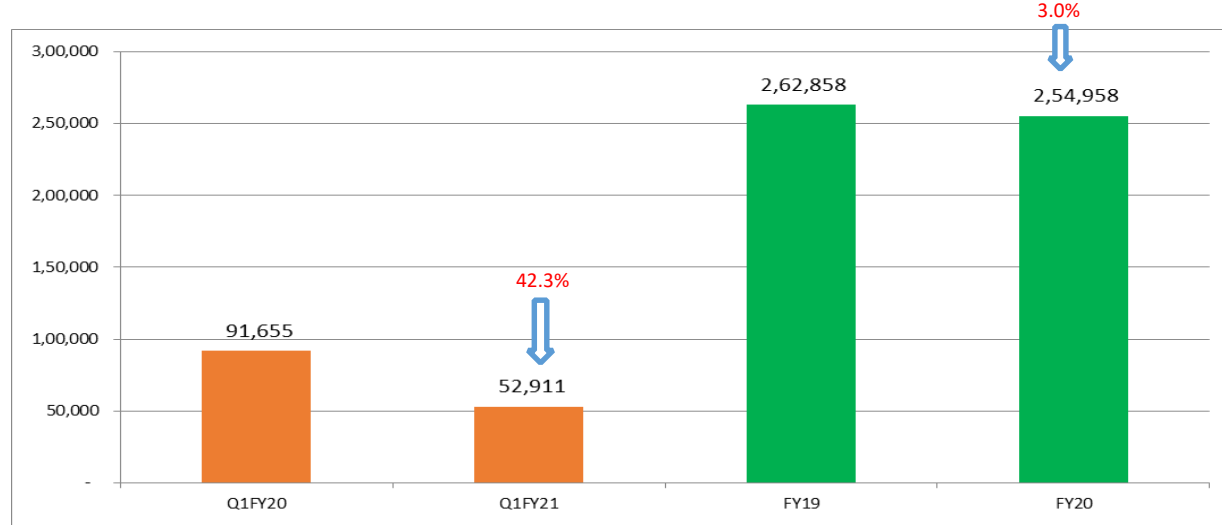
Profit & Loss Account – Q1FY2021

Particulars (INR Mn)	Q1FY21	Q1FY20	Inc / Dec (%)
Total Income from operations	5,621	9,438	-40.4%
EBITDA	882	1,236	-28.6%
EBITDA margin (%)	15.7%	13.1%	
Depreciation	188	168	
EBIT	694	1,068	-35.0%
EBIT %	12.3%	11.3%	
Other Income	83	57	
Finance costs	33	9	
Profit before exceptional items	745	1,116	
PBT %	13.2%	11.8%	
Exceptional items	-	-	
Profit after exceptional items	745	1,116	-33.3%
PBT %	13.2%	11.8%	
Tax	193	391	
PAT	551	725	-24.0%
PAT %	9.8%	7.7%	

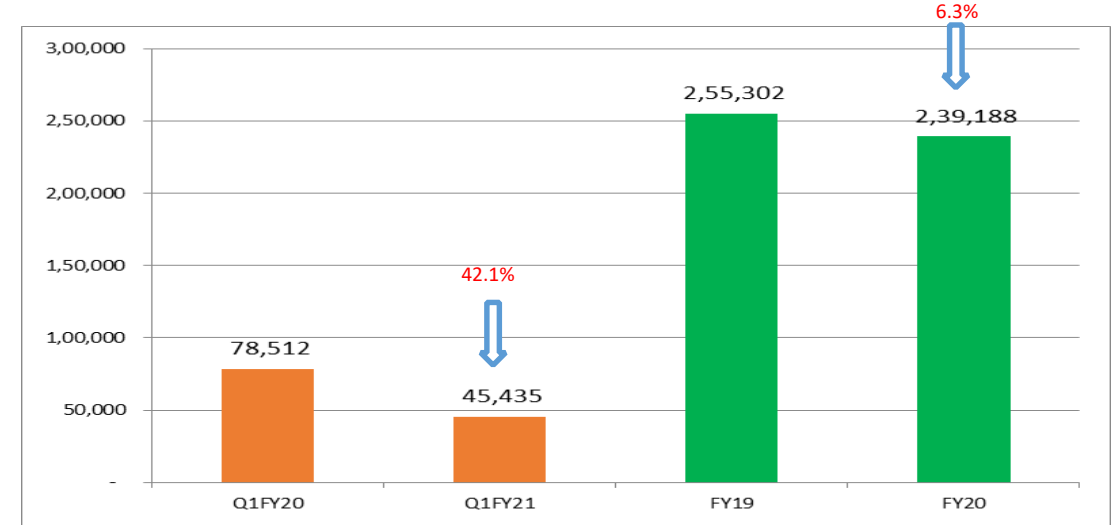
Business Performance – Q1FY2021



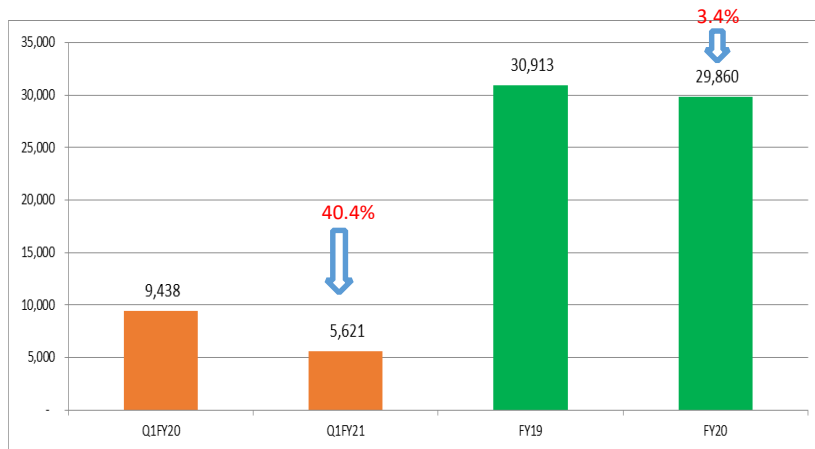
Q1FY21 Results Summary



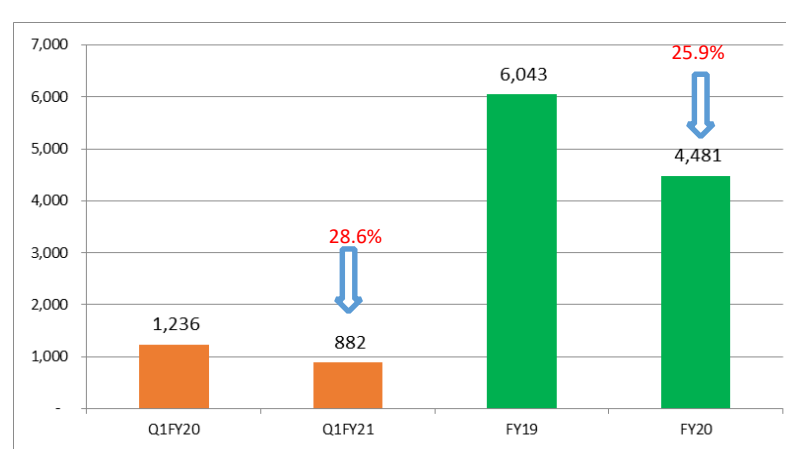
Volumes (MT) Pipes & Fittings



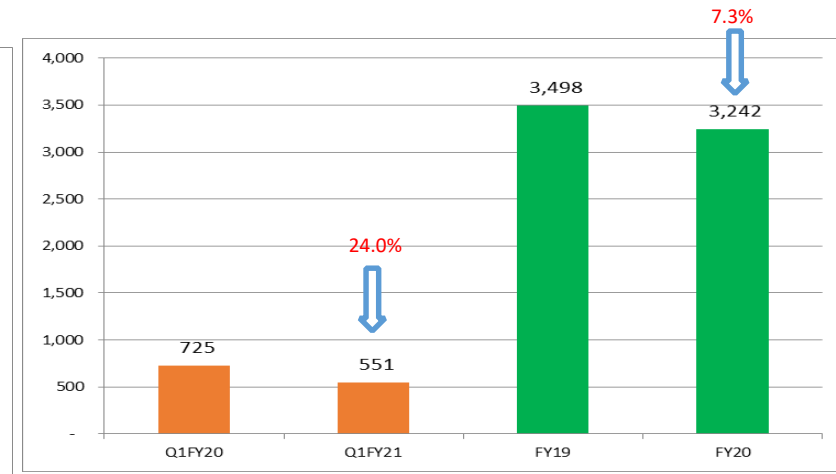
Volumes (MT) PVC Resin *



Revenue (INR Mn)



EBITDA (INR Mn)

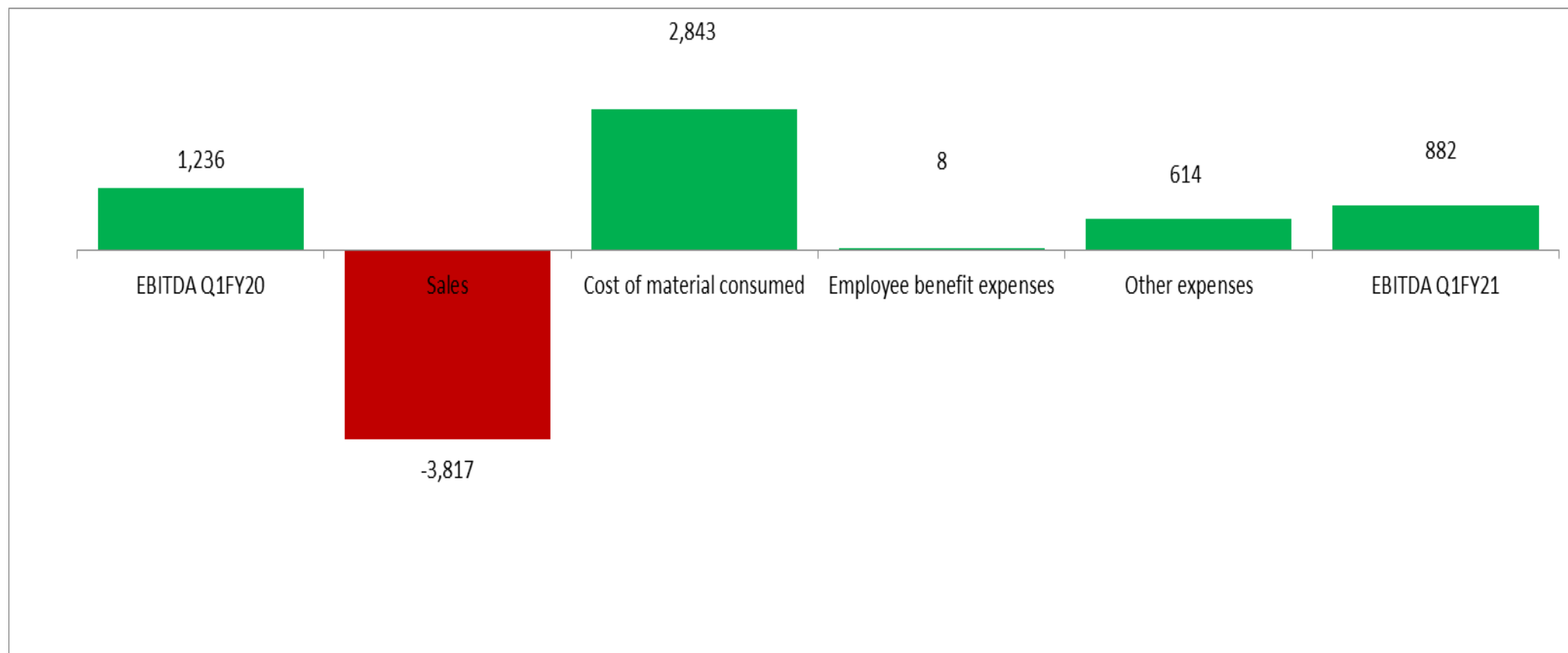


PAT (INR Mn)

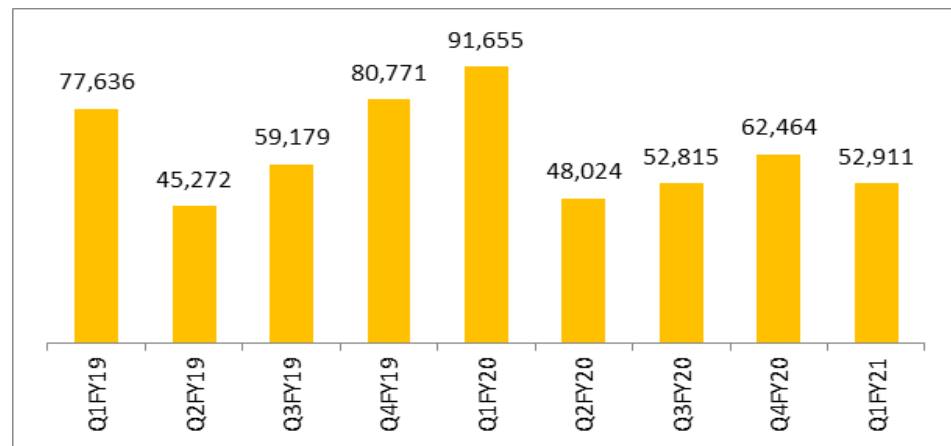
* Including inter segment transfer

EBITDA Bridge Chart Q1FY21

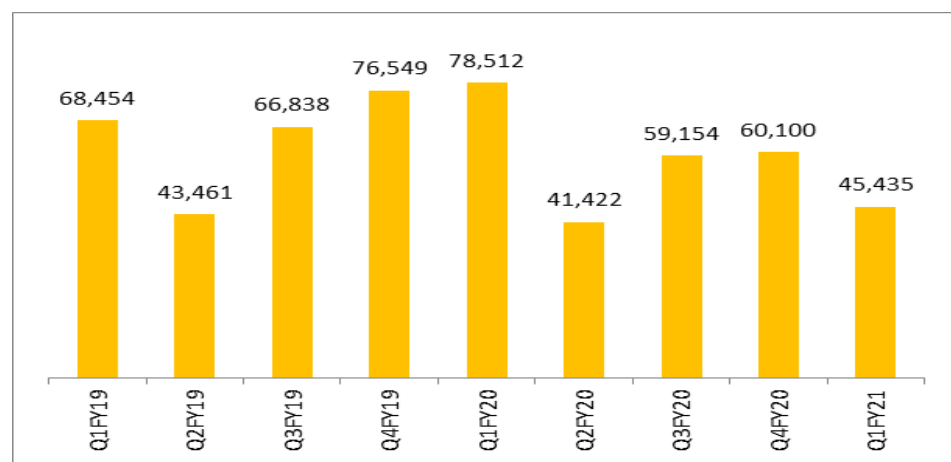
(INR Mn)



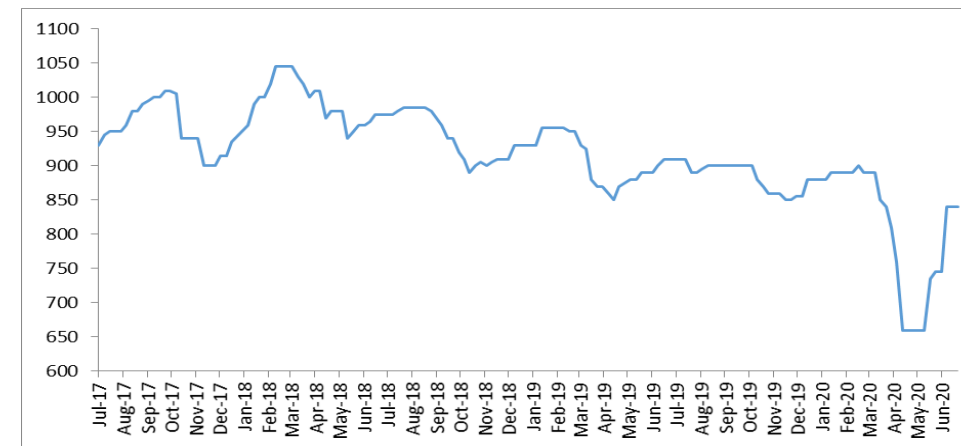
Business Performance Trends



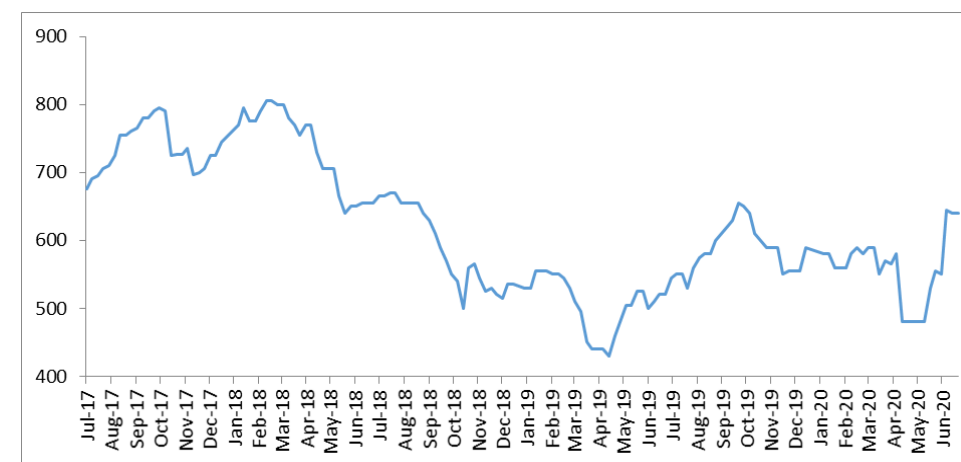
Pipes & Fittings Volumes (MT)



PVC Volumes (MT)



PVC (USD/MT)



PVC/EDC Delta (USD/MT) *

Quarterly - Profit & Loss

Particulars (INR Mn)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21
Total income from operations	8,278	5,426	7,566	9,642	9,438	5,767	6,994	7,661	5,621
EBIDTA	1,939	1,250	1,389	1,465	1,236	820	1,384	1,041	882
<i>EBIDTA margins (%)</i>	23.4%	23.0%	18.4%	15.2%	13.1%	14.2%	19.8%	13.6%	15.7%
Depreciation	162	166	196	177	168	194	188	189	188
Other Income	137	123	33	122	57	174	67	10	83
Finance costs	52	30	17	24	9	2	18	90	33
PBT before exceptional items	1,862	1,177	1,209	1,387	1,116	798	1,246	771	745
<i>PBT margins (%)</i>	22.5%	21.7%	16.0%	14.4%	11.8%	13.8%	17.8%	10.1%	13.2%
Exceptional items	279	-	-	-	-	-	-	-	-
PBT after exceptional items	1,583	1,177	1,209	1,387	1,116	798	1,246	771	745
Tax	550	413	422	473	391	(229)	313	214	193
PAT	1,033	764	787	914	725	1,027	933	557	551
EPS	8.3	6.2	6.3	7.4	5.8	8.3	7.5	4.5	4.4

Quarterly segmental - Profit & Loss

Particulars (INR Mn)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21
Segmental revenues									
PVC	5,042	3,266	4,840	5,594	5,349	3,027	4,080	4,336	2,943
PVC pipes & fittings	7,225	4,705	5,906	7,911	8,512	5,170	5,535	6,322	5,070
Segmental profits									
PVC	1,236	918	809	810	413	451	818	315	232
% of Revenues	24.5%	28.1%	16.7%	14.5%	7.7%	14.9%	20.1%	7.3%	7.9%
PVC pipes & fittings	596	183	438	612	724	238	436	629	514
% of Revenues	8.2%	3.9%	7.4%	7.7%	8.5%	4.6%	7.9%	10.0%	10.1%
Capital employed									
PVC	7,292	5,872	6,457	6,046	6,063	5,247	6,349	7,813	7,121
PVC pipes & fittings	7,500	8,390	8,975	8,713	8,278	9,146	9,862	9,448	8,064

Captive Power Plant as a separate segment is no longer material compared to the Company's overall operations and the management does not analyse its performance separately. Therefore as per Ind AS 108 "Operating Segments", the Company has decided to disclose only two segments i.e. PVC resin and PVC pipes & fittings

Profit & Loss - Key Indicators

Profit & loss account (INR Mn)	FY13	FY14	FY15	FY16*	FY17*	FY18*	FY19*	FY20*
Revenue from Operations (excl. duties and taxes)	21,448	24,531	24,762	24,819	26,024	27,378	30,913	29,860
Growth in sales (YoY %)	2.1%	14.4%	0.9%	0.2%	4.9%	5.2%	12.9%	-3.4%
EBIDTA before exceptional items	3,587	3,966	2,111	4,044	5,630	4,839	6,043	4,481
EBIDTA margins before exceptional items (%)	16.7%	16.2%	8.5%	16.3%	21.6%	17.7%	19.5%	15.0%
EBIDTA after exceptional items	2,627	3,268	1,896	4,289	5,630	4,839	5,764	4,481
PBT	1,902	2,419	808	3,733	5,170	4,388	5,356	3,932
PBT Margin (%)	8.9%	9.9%	3.3%	15.0%	19.9%	16.0%	17.3%	13.2%
PAT	1,361	1,701	478	2,544	3,522	2,985	3,498	3,242
PAT Margin (%)	6.3%	6.9%	1.9%	10.3%	13.5%	10.9%	11.3%	10.9%

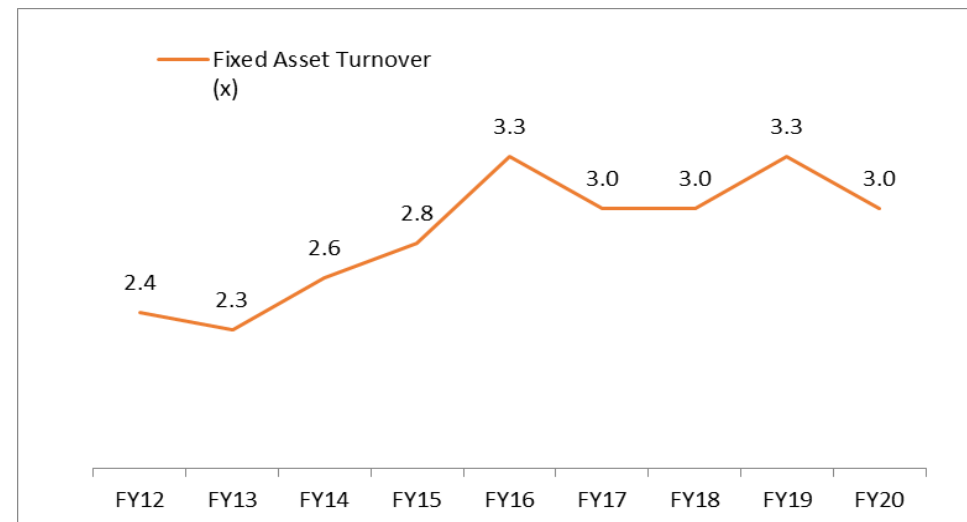
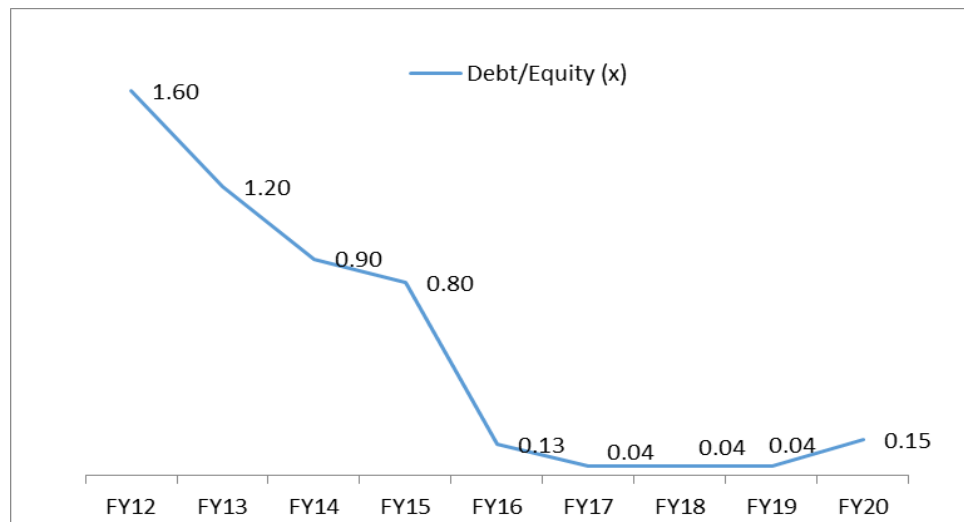
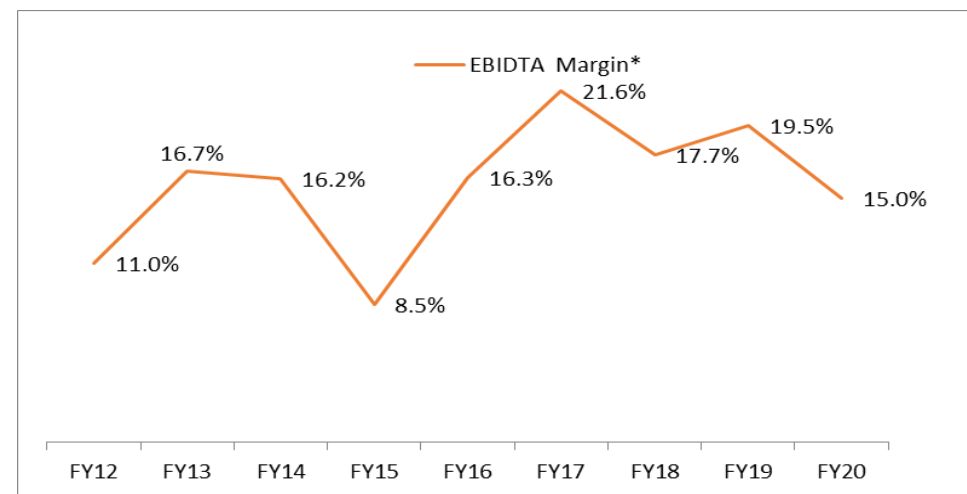
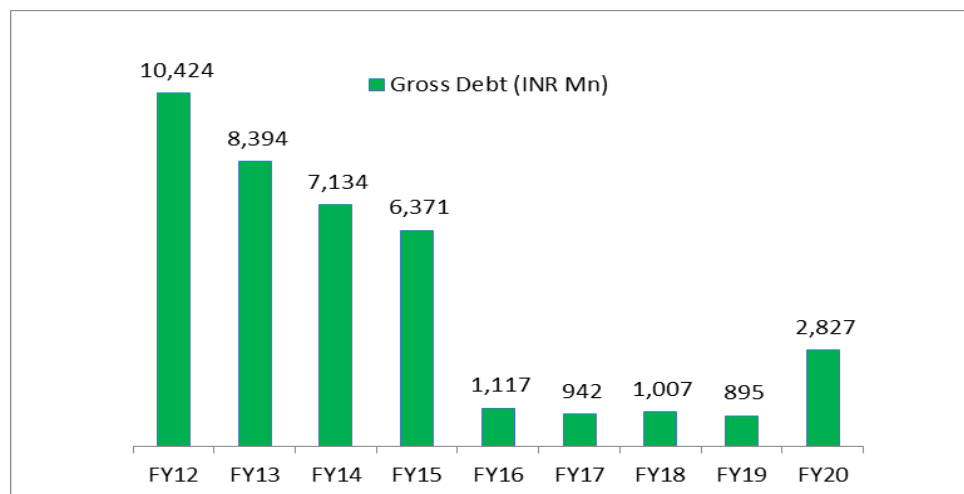
*Figures as per IndAS

Balance sheet - Key Indicators

Balance Sheet (INR Mn)	FY13	FY14	FY15	FY16*	FY17*	FY18*	FY19*	FY20*
Equity and liabilities								
Share capital	1,241	1,241	1,241	1,241	1,241	1,241	1,241	1,241
Reserves and surplus	5,971	6,656	6,633	14,458	21,673	26,405	24,043	18,057
Long term borrowings	1,397	2,322	1,837	-	-	-	-	-
Short term borrowings (incl. loans repayable in one year)	6,997	4,812	4,534	1,117	942	1,007	895	2,827
Total borrowings	8,394	7,134	6,371	1,117	942	1,007	895	2,827
Assets								
Fixed assets (Net block)	8,795	9,052	8,678	8,496	8,551	8,842	9,509	10,169
Capital WIP	506	325	104	66	217	903	902	73
Non current investments	1,274	1,274	1,246	6,485	11,656	14,896	10,769	4,555
Current investments	2,322	941	551	1,687	566	656	2,261	1,291

*Figures as per IndAS

Trend in Key Ratios



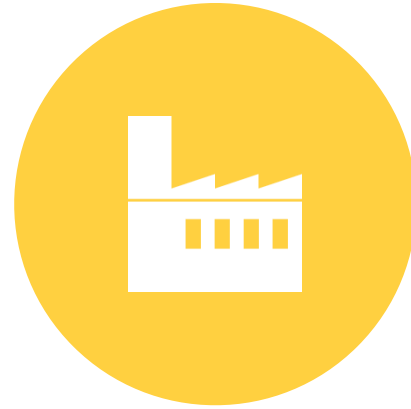
*Standalone EBITDA Margin (EBITDA before Exceptional item and other income)

Key Strategies



EXPANDING FOOTPRINT

Expand distribution network in all geographies with higher focus in the northern and eastern regions



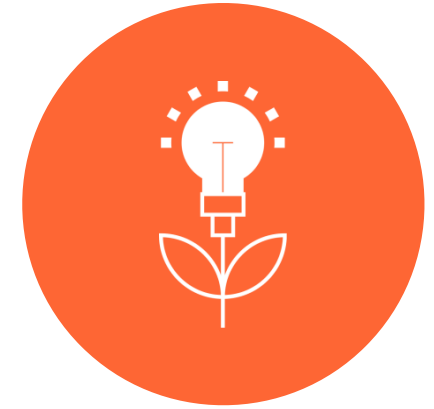
CAPACITY EXPANSION

Increase installed capacities of PVC pipes and fittings in order to capture expected increase in demand.



CASH-N-CARRY

Follow Cash-n-carry model to keep the balance sheet light.



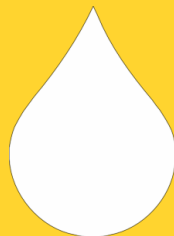
BRANDING

Promote brand and quality consciousness amongst consumer.

Budget 2020/Stimulus Package: Agriculture sector ... continues to be thrust area



- A budget allocation of ₹2.83 lakh crore for the sector comprising agriculture and allied activities.
- Doubling farmers incomes by 2022.
- Agri-credit availability set at ₹15 lakh crore for FY 2020-21
- Warehousing in line with Warehouse Development and Regulatory Authority (WDRA) norms. Viability gap funding for creation of efficient warehouses on PPP mode.



- “Nal se Jal” by 2024
- Rs. 3.60 lakh crore approved for **Jal Jeevan Mission**:
- Rs. 11,500 crore for the year FY 2020-21.
- Augmenting local water sources, recharging existing sources, and promoting water harvesting and de-salination.
- Cities with million-plus population to be encouraged to achieve the above objective during the current financial year itself.



- Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)
- Measures for organic, natural, and integrated farming: **Jaivik Kheti** Portal – online national organic products market to be strengthened.
- **Zero-Budget Natural Farming** to be included.
- NABARD Re-finance Scheme to be further expanded.
- NABARD to map and geo-tag agri-warehouses, cold storages, reefer van facilities, etc.



- Financing on Negotiable Warehousing Receipts (e-NWR) to be integrated with e-NAM.
- **Deen Dayal Antyodaya Yojana** – 0.5 crore households mobilized with 58 lakh SHGs for poverty alleviation.
- **PM-KUSUM** to be expanded: 20 lakh farmers to be provided for setting up stand-alone solar pumps.

Budget 2020/Stimulus Package: Non - Agriculture sector i.e. Housing and Infrastructure ... also continues to be thrust area



- “Housing for All” by 2022
- Project Atal Mission for Rejuvenation & Urban Transformation (AMRUT)
- Additional deduction up to Rs. 1.5 lakhs for interest paid on loans taken for an affordable house extended till 31st March, 2021.
- Tax holiday provided to developers of affordable housing to be extended by a year.
- Date of approval of affordable housing projects for availing tax holiday on profits earned by developers extended till 31st March, 2021.



- Deen Dayal Antyodaya Yojana – 0.5 crore households mobilized with 58 lakh SHGs for poverty alleviation.
- Rs. 69,000 crore allocated for overall Healthcare sector.
- Rs. 6400 crore (out of Rs. 69,000 crore) for PM Jan Arogya Yojana (PMJAY):
- More than 20,000 hospitals already empaneled under PM Jan Arogya Yojana (PMJAY).
- Viability Gap Funding window proposed for setting up hospitals in the PPP mode.
- Jan Aushadhi Kendra Scheme to offer 2000 medicines and 300 surgicals in all districts by 2024



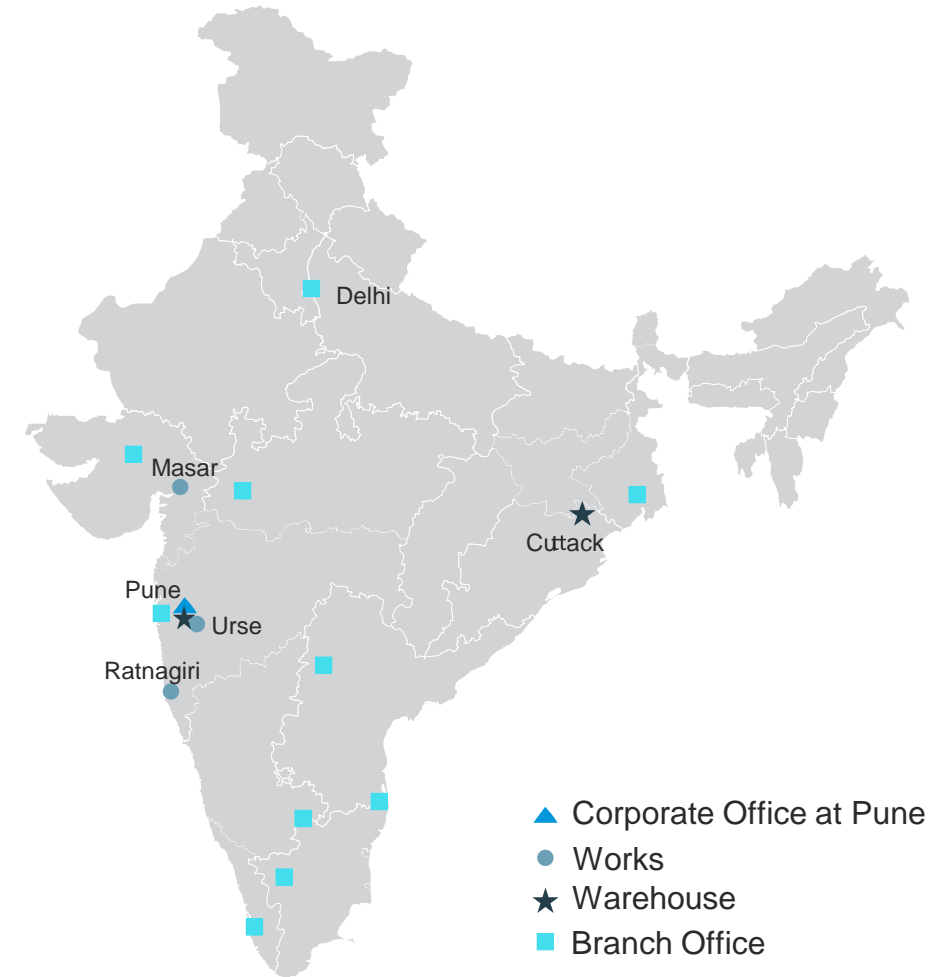
- Rs.12, 300 crore allocation for **Swachh Bharat Mission** in 2020-21:
- Commitment to **ODF-Plus** in order to sustain ODF behavior.
- Emphasis on liquid and grey water management.
- Focus also on Solid-waste collection, source segregation, and processing.

Distribution Reach

- FIL is on track in terms of expanding its scale of operations by increasing production capacity and distribution reach
- Wide network of 18,000 retail touch points



Offices, Works and Warehouses





Agriculture & Rural Development

- Focussed on creating opportunities for farmers and supporting them to become financially independent
- Projects Undertaken : Seed Distribution and Training on better farming techniques & marketing
- Benefitted 312 widowed women Farmer across 2 blocks in Osmanabad.

Armed Forces & Veteran Support

- Supported army widows with grocery essentials
- On International Widows day observed on June 23rd 60 Army Widows have been supported in Kashmir
- 20 widows of brave-hearts who died in Galwan Valley have been supported with Financial Aid

Disaster Relief after Three natural Calamities

- Actively supporting those affected by natural calamities with immediate relief and rehabilitation
- Cyclone Amphan (West Bengal) -Sundarban Region 450 families
- Cyclone Nisarga (Maharashtra) -405 families
- Assam Floods - 2,000 families



Ensuring Environmental Sustainability

- Water conservation projects in Katfal in Solapur and Khed Shivapur in Pune benefitting 10,000 individuals
- 3,195 Trees Planted in Pune and Masar
- Water supply to Bhatye & Phansop villages during summer season

Eradication Of Hunger

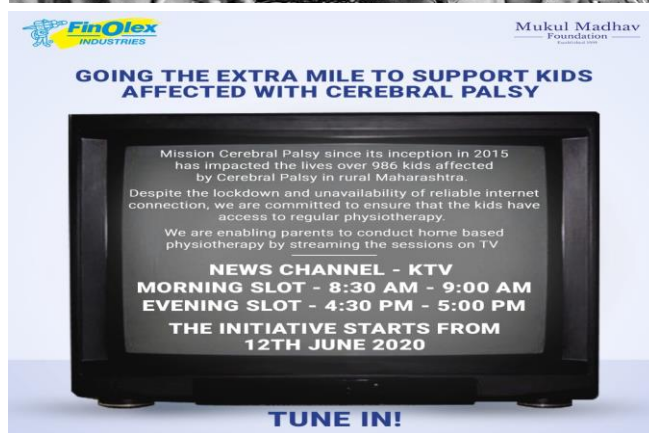
- MMF has been providing hygienic meals to 100 homeless across Pune on a daily basis
- Distribution of grocery essentials
- Midday Meals across low income schools
- Supporting various non profit institutions with cooked meals

Gender Equality

- Supported 50 women with Menstrual Hygiene kits in collaboration with FICCI FLO Uttarakhand and AAN Trust
- Distributions of Sanitary Napkins & Towels for the welfare of the ~9,000 girls in the society
- 165 grocery kits were provided to the transgender community in Pune

CSR Activities in Q1 FY 2020-21 – some snapshots

'Impact Across India & Across CSR Mandated Areas'



Promotion Of Education

- 2,511 Students supported with educational assistance
- First batch of 10th graders in MMV created a grand success. Lowest Score 65% and Highest Score 92%.
- Alongside this 6 Hearing Impaired students who were supported for Cochlear Implant and Speech Therapy passed with good score. Mast. Pushkar from Sri Venkateshwara School also excelled with 90% whom we supported.

Preventive Health Care & Support to Differently Aabled

- With major focus in healthcare, we have been striving to make quality and affordable healthcare accessible to all
- Mission Cerebral Palsy 110 kids online therapy
- Infrastructural Support to Hospitals
- Support to Differently Aabled - 1,529 peoples with disabilities supported.

Other Highlights

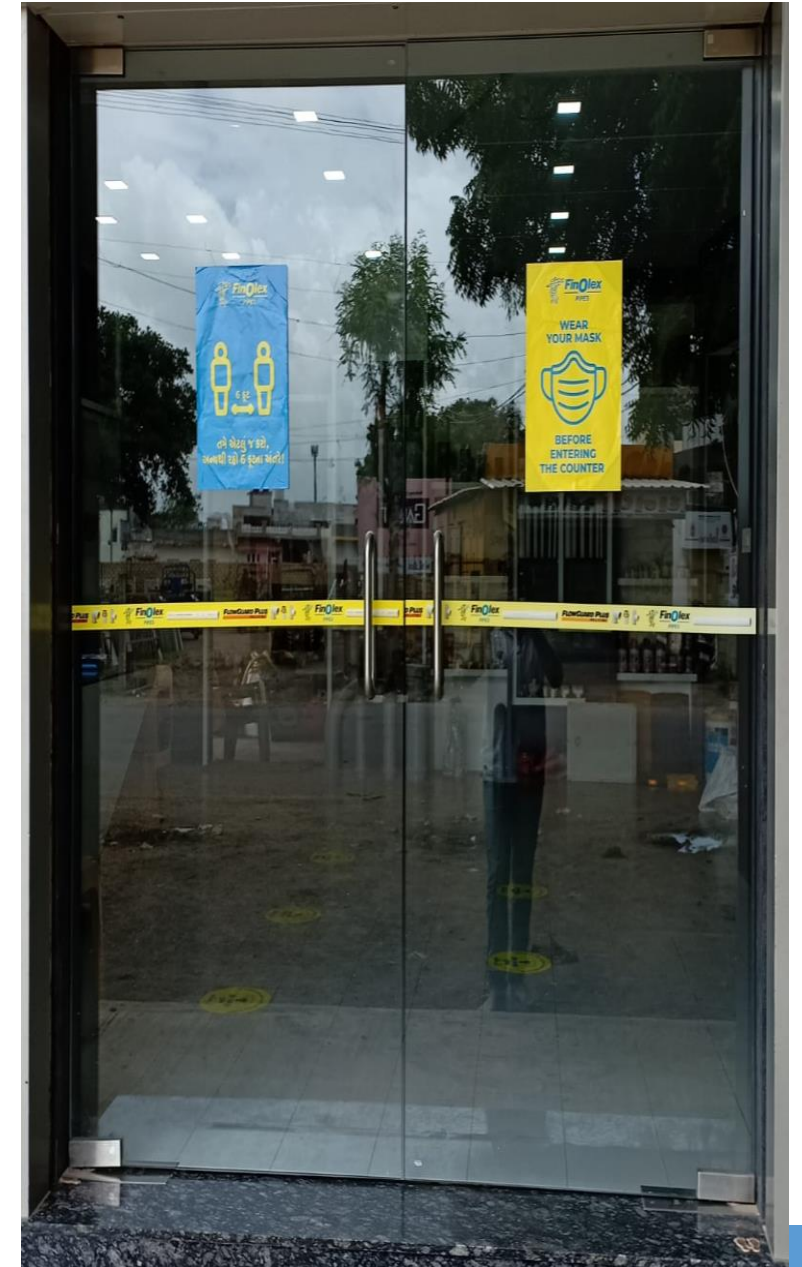
- Support to Frontline Warriors with Warrior Kits
- Promotion Of Vocational Skills - 1,563 Individuals Supported
- Support to Primary Health Centers (PHCs) & ASHA ANM workers in Satara
- Communities living around the Finolex Factories at Urse, on the Mumbai Pune Express Highway and in Ratnagiri were provided with grocery kits



For last five months FIL & MMF have been working relentlessly to support the various needs for Groceries, PPE kits, Healthcare, Safety kits that has arisen from this pandemic across India.

- | | | | |
|-------------------------|---------------------------|-----------------------|-----------------------|
| - Groceries Kits 40,695 | - Medical Equipments 112 | - Warrior Kits -1,765 | - Temperature Guns 10 |
| - Meals 20,100 | - Sanitizers 1,153 Litres | - PPE Kits 2,429 | - Face shields 802 |
| - Eggs 1.40 lacs | - Masks 32,444 | - Gloves 2,010 | |







Trade Channel & Consumer Engagement

Online Live Concerts/ Events – 'Kailash Kher' & 'Chhoti Si Asha'



Mukul Madhav
Foundation
Established 1999

SOULFUL MEHFIL WITH *Kailash Kher*

Padmashri Awardee
Spiritual Singer, Lyricist & Music Composer

LIVE in concert performing for you & your loved ones
Tune in to Facebook Live on the
Finolex Pipes or Mukul Madhav Foundation Page

27TH JUNE | 7PM ONWARDS



chhoti si asha

Fundraiser for Future of our Children
Initiative by Rotary India | Wizcraft International

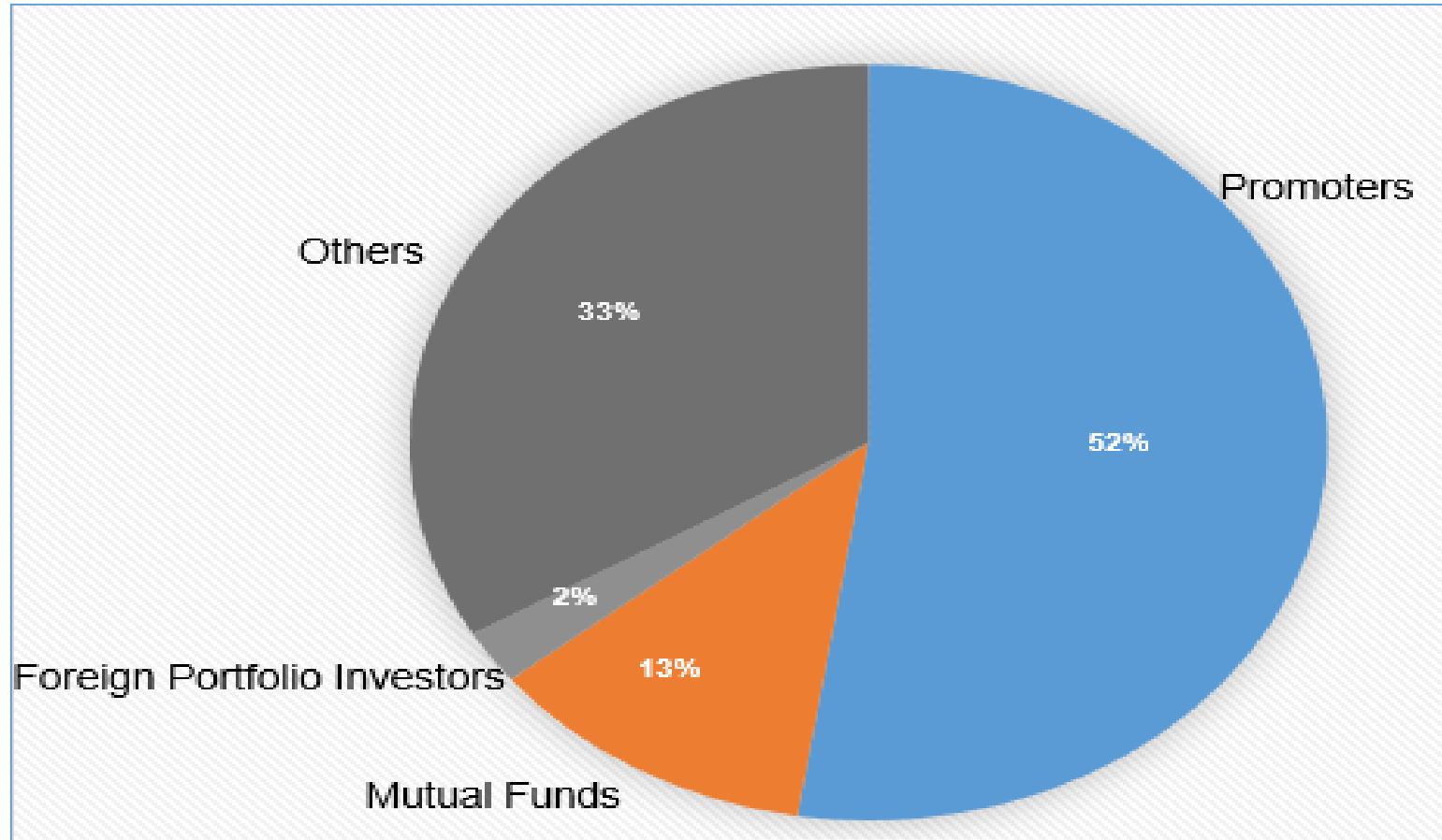
Supported by



Partnered by



Shareholding Pattern as on June 30, 2020





Agri Pipes and Fittings



Column Pipes



Casing Pipes



ASTM Pipes and Fittings



CPVC Pipes and Fittings








Sewerage Pipes



Solvent Cement

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