

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/2021-22/015

25th June, 2021

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: Outcome of the Board Meeting: Audited Financial Results for the quarter and financial year ended on 31st March, 2021

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 note that the Board of Directors of the Company at its meeting held on Friday, 25th June, 2021, has, *inter-alia*, approved and taken on record the Audited Financial Results (both Standalone & Consolidated) for the quarter and financial year ended 31st March, 2021 along with 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 6.15 p.m. (IST) and concluded at 7.30 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
ACS No.: 18549



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 Financial Results for the quarter and year ended March 31, 2021

Rs. in Crores except Earnings Per Share

Particulars	Standalone				
	Quarter Ended		Year Ended		
	31.03.2021 Audited	31.12.2020 Unaudited	31.03.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
Income					
I Revenue from Operations	1,249.34	1,066.06	768.66	3,462.82	2,984.51
II Other income	13.54	18.16	0.98	72.48	30.84
III Total Income (I+II)	1,262.88	1,084.22	769.64	3,535.30	3,015.35
IV Expenses					
Cost of materials and components consumed	794.73	672.56	544.91	1,940.24	2,037.71
Purchase of stock-in-trade	3.32	2.90	3.76	10.00	13.84
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(156.33)	(89.12)	(47.73)	(21.48)	(108.88)
Employee benefits expenses	59.33	36.76	40.76	166.80	145.55
Finance costs	1.84	1.39	8.49	7.27	11.28
Depreciation and amortisation expense	19.70	19.85	18.88	77.72	73.81
Other expenses	138.24	96.70	123.43	377.95	448.85
Total expenses (IV)	860.83	741.04	692.50	2,558.50	2,622.16
V Profit before tax (III-IV)	402.05	343.18	77.14	976.80	393.19
VI Tax Expense					
Current tax	103.00	87.00	24.18	247.00	103.56
Short/ (excess) provision of earlier year(s)	-	-	-	-	-
Deferred tax	1.72	0.32	(2.75)	1.78	(34.57)
Total Tax Expense	104.72	87.32	21.43	248.78	68.99
VII Profit for the period (V-VI)	297.33	255.86	55.71	728.02	324.20
VIII Other Comprehensive Income (OCI)					
A Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit plans Gain/(Loss)	(3.30)	1.20	(0.46)	0.31	(3.38)
Income tax effect	0.83	(0.30)	0.12	(0.08)	0.85
A(i) Re-measurement of defined benefit plans net off income tax	(2.47)	0.90	(0.34)	0.23	(2.53)
Equity instruments through OCI Gain/(Loss)	86.64	152.73	(386.92)	415.65	(621.15)
Income tax effect	(0.89)	-	0.02	(0.83)	0.08
A(ii) Equity instruments through OCI net off income tax	85.75	152.73	(386.90)	414.82	(621.07)
Total Other Comprehensive Income [A(i)+A(ii)]	83.28	153.63	(387.24)	415.05	(623.60)
IX Total Comprehensive Income for the period (VII+VIII)	380.61	409.49	(331.53)	1,143.07	(299.40)
X Earnings per equity share having nominal value per share of Rs.2					
Basic	4.79	4.12	0.90	11.73	5.23
Diluted	4.79	4.12	0.90	11.73	5.23



A.V. Patel

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Notes -

1 Segmentwise Revenue, Results and Capital employed

Rs. in Crores

Sr No	Particulars	Standalone				
		Quarter Ended		Year Ended		
		31.03.2021 Audited	31.12.2020 Unaudited	31.03.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
1	SEGMENT REVENUE					
	Revenue from each segment:					
a	PVC	920.24	691.15	436.15	2,273.31	1,677.69
b	PVC Pipes & Fittings	901.70	725.80	632.18	2,635.30	2,553.95
	Total	1,821.94	1,416.95	1,068.33	4,908.61	4,231.64
	Less: Inter segment revenue	572.60	350.89	299.67	1,445.79	1,247.13
	Revenue from Operations	1,249.34	1,066.06	768.66	3,462.82	2,984.51
2	SEGMENT RESULTS					
	Profit before tax and interest from each segment:					
a	PVC	328.46	245.63	31.35	696.40	199.59
b	PVC Pipes & Fittings	69.49	90.96	62.54	251.19	202.24
	Total	397.95	336.59	93.89	947.59	401.83
	Less:					
I	Finance costs	1.84	1.39	8.49	7.27	11.28
II	Other un-allocable expenditure	7.58	4.29	8.26	21.32	26.70
	Add:					
III	Other un-allocable income	13.52	12.27	-	57.80	29.34
	Total Profit Before Tax	402.05	343.18	77.14	976.80	393.19
3	Capital employed : Segment Assets (-) Segment Liabilities					
a	PVC	975.96	845.70	959.33	975.96	959.33
b	PVC Pipes & Fittings	1,115.98	1,060.75	1,022.21	1,115.98	1,022.21
c	Unallocated	2,114.92	1,954.84	833.77	2,114.92	833.77
	Total Segment Assets	4,206.86	3,861.29	2,815.31	4,206.86	2,815.31
a	PVC	323.62	305.36	178.05	323.62	178.05
b	PVC Pipes & Fittings	90.68	58.38	77.42	90.68	77.42
c	Unallocated	719.68	805.27	630.03	719.68	630.03
	Total Segment Liabilities	1,133.98	1,169.01	885.50	1,133.98	885.50
a	PVC	652.34	540.34	781.28	652.34	781.28
b	PVC Pipes & Fittings	1,025.30	1,002.37	944.79	1,025.30	944.79
c	Unallocated	1,395.24	1,149.57	203.74	1,395.24	203.74
	Capital Employed	3,072.88	2,692.28	1,929.81	3,072.88	1,929.81



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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, 2021

Rs. in Crores except Earnings Per Share

Particulars	Consolidated				
	Quarter Ended			Year Ended	
	31.03.2021 Audited	31.12.2020 Unaudited	31.03.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
Income					
I Revenue from Operations	1,249.34	1,066.06	768.66	3,462.82	2,984.51
II Other income	13.54	18.16	0.98	71.55	29.91
III Total Income (I+II)	1,262.88	1,084.22	769.64	3,534.37	3,014.42
IV Expenses					
Cost of materials and components consumed	794.73	672.56	544.91	1,940.24	2,037.71
Purchase of stock-in-trade	3.32	2.90	3.76	10.00	13.84
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(156.33)	(89.12)	(47.73)	(21.48)	(108.88)
Employee benefits expenses	59.33	36.76	40.76	166.80	145.55
Finance costs	1.84	1.39	8.49	7.27	11.28
Depreciation and amortisation expense	19.70	19.85	18.88	77.72	73.81
Other expenses	138.24	96.70	123.43	377.95	448.85
Total expenses (IV)	860.83	741.04	692.50	2,558.50	2,622.16
V Profit before tax (III-IV)	402.05	343.18	77.14	975.87	392.26
Share of profit/(loss) of an associate	3.02	5.78	11.60	16.19	25.56
V Profit before tax	405.07	348.96	88.73	992.06	417.82
VI Tax Expense					
Current tax	103.89	88.81	27.58	252.42	111.42
Short/ (excess) provision of earlier year(s)	(0.13)	-	-	(0.13)	(0.21)
Deferred tax	2.47	0.75	2.49	1.98	(26.04)
Total Tax Expense	106.23	89.56	30.07	254.27	85.17
VII Profit for the period (V-VI)	298.84	259.40	58.66	737.79	332.65
VIII Other Comprehensive Income (OCI)					
A Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit plans Gain/(Loss)	(3.30)	1.20	(0.46)	0.31	(3.38)
Income tax effect	0.83	(0.30)	0.12	(0.08)	0.85
A(i) Re-measurement of defined benefit plans net off income tax	(2.47)	0.90	(0.34)	0.23	(2.53)
Equity instruments through OCI Gain/(Loss)	86.64	152.73	(386.92)	415.65	(621.15)
Income tax effect	(0.89)	-	0.02	(0.83)	0.08
A(ii) Equity instruments through OCI net off income tax	85.75	152.73	(386.90)	414.82	(621.07)
A(iii) Share of other comprehensive income (net of tax) of associate accounted for using the equity method	0.14	-	0.22	0.14	0.22
Total Other Comprehensive Income [A(i)+A(ii)+A(iii)]	83.42	153.63	(387.02)	415.19	(623.38)
IX Total Comprehensive Income for the period (VII+VIII)	382.26	413.03	(328.36)	1,152.98	(290.73)
X Earnings per equity share having nominal value per share of Rs.2					
Basic	4.82	4.18	0.95	11.89	5.36
Diluted	4.82	4.18	0.95	11.89	5.36



AY-2021

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Notes -

1 Segmentwise Revenue, Results and Capital employed

Rs. in Crores

Sr No	Particulars	Consolidated				
		Quarter Ended		Year Ended		
		31.03.2021 Audited	31.12.2020 Unaudited	31.03.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
1	SEGMENT REVENUE					
	Revenue from each segment:					
a	PVC	920.24	691.15	436.15	2,273.31	1,677.69
b	PVC Pipes & Fittings	901.70	725.80	632.18	2,635.30	2,553.95
	Total	1,821.94	1,416.95	1,068.33	4,908.61	4,231.64
	Less: Inter segment revenue	572.60	350.89	299.67	1,445.79	1,247.13
	Revenue from Operations	1,249.34	1,066.06	768.66	3,462.82	2,984.51
2	SEGMENT RESULTS					
	Profit before tax and interest from each segment:					
a	PVC	328.46	245.63	31.35	696.40	199.59
b	PVC Pipes & Fittings	69.49	90.96	62.54	251.19	202.24
	Total	397.95	336.59	93.89	947.59	401.83
	Less:					
I	Finance costs	1.84	1.39	8.49	7.27	11.28
II	Other un-allocable expenditure	7.58	4.29	8.26	21.32	26.70
	Add:					
III	Other un-allocable income	13.52	12.27	-	56.87	28.41
IV	Share of profit of an associate	3.02	5.78	11.60	16.19	25.56
	Total Profit Before Tax	405.07	348.96	88.74	992.06	417.82
3	Capital employed : Segment Assets (-) Segment Liabilities					
a	PVC	975.96	845.70	959.33	975.96	959.33
b	PVC Pipes & Fittings	1,115.98	1,060.75	1,022.21	1,115.98	1,022.21
c	Unallocated	2,201.94	2,039.72	909.80	2,201.94	909.80
	Total Segment Assets	4,293.88	3,946.17	2,891.34	4,293.88	2,891.34
a	PVC	323.62	305.36	178.05	323.62	178.05
b	PVC Pipes & Fittings	90.68	58.38	77.42	90.68	77.42
c	Unallocated	740.62	825.71	649.89	740.62	649.89
	Total Segment Liabilities	1,154.92	1,189.45	905.36	1,154.92	905.36
a	PVC	652.34	540.34	781.28	652.34	781.28
b	PVC Pipes & Fittings	1,025.30	1,002.37	944.79	1,025.30	944.79
c	Unallocated	1,461.32	1,214.01	259.91	1,461.32	259.91
	Capital Employed	3,138.96	2,756.72	1,985.98	3,138.96	1,985.98



A.Y. 2021

2 Statement of audited standalone and consolidated assets and liabilities as on March 31, 2021

Rs. in Crores

	Particulars	Standalone		Consolidated	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
A	ASSETS				
1	Non-current assets				
	a) Property, plant and equipment	1,001.29	1,015.29	1,001.29	1,015.29
	b) Capital work-in-progress	8.15	7.28	8.15	7.28
	c) Intangible assets	1.06	1.60	1.06	1.60
	d) Investments accounted using Equity method	-	-	94.52	83.52
	e) Financial assets				
	i) Investments	1,085.26	455.53	1,077.76	448.04
	ii) Loans	3.21	2.68	3.21	2.68
	iii) Other financial asset	30.18	8.66	30.18	8.66
	f) Income Tax assets (net)	31.93	42.34	31.93	42.34
	g) Other non-current assets	57.93	57.63	57.93	57.63
	Total non-current assets	2,219.01	1,591.01	2,306.03	1,667.04
2	Current assets				
	(a) Inventories	918.82	857.81	918.82	857.81
	(b) Financial assets				
	i) Investments	506.94	124.53	506.94	124.53
	ii) Trade receivables	147.98	73.17	147.98	73.17
	iii) Cash and cash equivalents	31.40	57.29	31.40	57.29
	iv) Other bank balances	304.86	35.92	304.86	35.92
	v) Loans	0.81	0.90	0.81	0.90
	vi) Other financial assets	10.95	6.87	10.95	6.87
	(c) Other current assets	66.09	67.81	66.09	67.81
	Total current assets	1,987.85	1,224.30	1,987.85	1,224.30
	Total assets	4,206.86	2,815.31	4,293.88	2,891.34
B	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity share capital	124.10	124.10	124.10	124.10
	(b) Other equity	2,948.78	1,805.71	3,014.86	1,861.88
	Total equity	3,072.88	1,929.81	3,138.96	1,985.98
2	LIABILITIES				
	Non current liabilities				
	(a) Financial liabilities	0.12	0.14	0.12	0.14
	(b) Provisions	13.43	26.72	13.43	26.72
	(c) Deferred tax liabilities (net)	118.51	115.82	139.45	135.68
	(d) Government grants	65.76	51.44	65.76	51.44
	Total non-current liabilities	197.82	194.12	218.76	213.98
3	Current liabilities				
	(a) Financial liabilities				
	i) Borrowings	203.85	282.67	203.85	282.67
	ii) Trade payables				
	a) total outstanding dues of Micro & Small Enterprises	24.42	1.18	24.42	1.18
	b) total outstanding dues of other trade payables	370.79	227.02	370.79	227.02
	iii) Other financial liabilities	249.20	135.90	249.20	135.90
	(b) Other current liabilities	50.22	35.36	50.22	35.36
	(c) Provisions	3.83	3.01	3.83	3.01
	(d) Current tax liability (net)	24.78	-	24.78	-
	(d) Government grants	9.07	6.24	9.07	6.24
	Total current liabilities	936.16	691.38	936.16	691.38
	Total liabilities	1,133.98	885.50	1,154.92	905.36
	Total equity and liabilities	4,206.86	2,815.31	4,293.88	2,891.34



AY. 2021

3 Statement of audited standalone and consolidated cash flow for the year ended March 31, 2021

Rs. in Crores

Sr No	Particulars	Standalone		Consolidated	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
I	Cash flows from operating activities				
	Profit before tax	976.80	393.19	992.06	417.82
	Adjustments to reconcile profit before tax to net cash flow:				
	Share of (Profit)/Loss from associate before tax	-	-	(16.19)	(25.56)
	Depreciation and amortisation expense	77.72	73.81	77.72	73.81
	Balances written off / (written back)	(0.93)	(1.57)	(0.93)	(1.57)
	Profit on sale of investments (net)	(7.22)	(8.92)	(7.22)	(8.92)
	(Gain)/loss on fair valuation of investments	(3.33)	2.73	(3.33)	2.73
	(Profit)/loss on sale of assets (net)	0.61	0.67	0.61	0.67
	Dividend income classified as investing cash flows	(13.14)	(10.92)	(12.21)	(9.99)
	Finance income classified as investing cash flows	(29.79)	(4.87)	(29.79)	(4.87)
	Exchange fluctuation (gain)/ loss - net	1.51	23.85	1.51	23.85
	Finance costs	7.27	9.49	7.27	9.49
	Operating profit before working capital changes	1,009.50	477.46	1,009.50	477.46
	Change in operating assets and liabilities				
	(Increase) / decrease in inventories	(61.01)	(237.35)	(61.01)	(237.35)
	(Increase) / decrease in trade receivables	(75.40)	1.14	(75.40)	1.14
	(Increase) / decrease in loans	(0.44)	(0.18)	(0.44)	(0.18)
	(Increase) / decrease in other financial assets	(21.52)	57.56	(21.52)	57.56
	(Increase) / decrease in other current assets	2.68	(26.49)	2.68	(26.49)
	Increase / (decrease) in trade payables	166.62	(79.45)	166.62	(79.45)
	Increase / (decrease) in provisions	(12.16)	3.37	(12.16)	3.37
	Increase / (decrease) in government grants	17.15	(6.25)	17.15	(6.25)
	Increase / (decrease) in other financial liabilities	112.51	48.94	112.51	48.94
	Increase / (decrease) in other current liabilities	14.86	(19.62)	14.86	(19.62)
	Cash generated from working capital changes	143.29	(258.33)	143.29	(258.33)
	Less - Income tax paid	(211.81)	(112.84)	(211.81)	(112.84)
	Net cash inflow from operating activities	940.98	106.29	940.98	106.29
II	Cashflow from investing activities				
	Proceeds from sale of property, plant and equipment	0.19	1.03	0.19	1.03
	Payment for purchase of property, plant and equipment	(64.91)	(61.29)	(64.91)	(61.29)
	Payment for purchase of long term investments	(213.92)	9.17	(213.92)	9.17
	Payment for purchase of investments (net)	(372.02)	98.83	(372.02)	98.83
	Dividend income	13.14	10.92	13.14	10.92
	(Increase) / decrease in other bank balances	(264.76)	(14.40)	(264.76)	(14.40)
	Interest income	25.71	4.87	25.71	4.87
	Net cash inflow/(outflow) from investing activities	(876.57)	49.13	(876.57)	49.13
III	Cashflow from financing activities				
	Finance costs	(7.69)	(10.56)	(7.69)	(10.56)
	Proceeds from borrowings	(78.43)	193.17	(78.43)	193.17
	Dividend paid	(4.18)	(287.28)	(4.18)	(287.28)
	Net cash inflow / (outflow) from financing activities	(90.30)	(104.67)	(90.30)	(104.67)
IV	Net increase / (decrease) in cash and cash equivalents at the end of the period (I+II+III)	(25.89)	50.77	(25.89)	50.77
V	Cash and cash equivalents at the beginning of the financial year	57.29	6.52	57.29	6.52
VI	Cash and cash equivalents at the end of the period (IV+V)	31.40	57.29	31.40	57.29



AY. 2020

Notes contd.....

- 4 The above results have been reviewed by the audit committee and approved by the Board at their respective meetings held on June 25, 2021.
- 5 The quarterly standalone and consolidated financial results for the period ended March 31, 2021 are the balancing figures between the audited figures in respect of the year ended March 31, 2021 and the published year-to-date figures up to December 31, 2020, 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's factories which had to suspend operations temporarily from the March 23, 2020, due to Government's directives relating to the Novel Corona Virus causing Covid 19, resumed operations in a phased manner at different plants from April 29, 2020 onwards in accordance with the guidelines and norms prescribed by the Government authorities.

The Company has evaluated the impact of Covid 19 on the operations of the Company, inventories, investments, property, plant & equipment, current borrowings and trade payables. The management has considered the possible effects, if any, on the carrying amounts of these assets and liabilities up to the date of approval of these financial statements. Based on the information from the internal and external sources; the management estimates to recover the carrying amount of these assets and currently does not anticipate any material impairment.
- 7 The company has consolidated its associate, Finolex Plasson 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 commenced operations.
- 8 The Board of Directors have proposed on June, 25 2021, a Final Dividend of Rs. 2/- per equity share (subject to tax) and a Special Dividend of Rs. 2/- per equity share (subject to tax) for financial year 2020-21.
- 9 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.
- 10 The Board of Directors at their Meeting held on February 1, 2021 approved the sub-division 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 has been 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 of equity shares has been effected from April 16, 2021. Accordingly, equity shares and earning per shares have been adjusted for share split in accordance with IND AS 33 'Earning Per Share' read with Ind AS 10 'Events after Reporting Period'.
- 11 Previous periods' figures have been re-grouped wherever necessary, to conform to the current period's classification.

Pune
June 25, 2021



Anil Whabi

Anil Whabi
Director (Finance) & CFO



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, 2021 ("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, 2021.

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.



P G BHAGWAT LLP

Chartered Accountants

LLPIN: AAT - 9949

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

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Other Matters

The quarterly standalone financial results for the period ended March 31, 2021 are the derived figures between the audited figures in respect of the year ended March 31, 2021 and the published year-to-date figures up to December 31, 2020, 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: **21117695AADACQ7244**

Pune

Date: 25th June, 2021



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, 2021 ('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, 2021.

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.



P G BHAGWAT LLP

Chartered Accountants

LLPIN: AAT - 9949

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.



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

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.

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, 2021 are the derived figures between the audited figures in respect of the year ended March 31, 2021 and the published year-to-date figures up to December 31, 2020, 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: 21117695AAAACR5917

Pune

Date: 25th June, 2021



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FIL/SEC/SEs/2021-22/016

25th June, 2021

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 (LLP Registration No. AAT-9949) 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, 2021.

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

Thanking you,

Yours truly,

For **Finolex Industries Limited**


Anil Whabi
Director – Finance & CFO
DIN - 00142052



