



Q2FY20 Earnings Release

PAT up by 34.4 %	
Revenue	INR 5,767 mn
EBIDTA	INR 820 mn
PAT	INR 1,027 mn

Finolex Industries Limited, Pune, India, November 11, 2019:

Finolex Industries Limited (NSE:FINPIPE | BSE:500940), India's largest manufacturer of PVC Pipes & Fittings, at its Board Meeting held today announced unaudited financial results for the second quarter ended September 30, 2019.

Highlights

- Trends in Quarterly EBIT Margin – Overall and Key Segments

	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20
Overall EBIT Margin (%)	13.5%	21.3%	21.5%	20.0%	13.9%	13.4%	11.3%	10.9%
Segmentwise EBIT Margins								
PVC Segment (%)	18.9%	24.1%	24.5%	28.1%	16.7%	14.5%	7.7%	14.9%
PVC Pipes & Fittings (%)	5.7%	9.2%	8.2%	3.9%	7.4%	7.7%	8.5%	4.6%

- Total income from operations was at INR 5,767 mn for Q2FY20 up 6.3% against INR 5,426 mn in Q2FY19.
- The sales volume for PVC Pipes & Fittings was at 48,024 MT in Q2FY20 higher by 6.1 % against 45,272 MT in Q2FY19.
- EBITDA stood at INR 820 mn for Q2FY20 lower by 34.4 % against INR 1,250 mn for Q2FY19.
- Profit after tax was at INR 1,027mn for Q2FY20 higher by 34.4% against INR 764 mn for Q2FY19.

Management Comments

Mr. Prakash P. Chhabria
Executive Chairman

"In PVC segment, lower PVC/EDC delta due to lower PVC price and higher EDC price has reduced the margin on y-o-y basis, while on q-o-q basis, the margin has improved. In Pipes segment, the volume growth is only 6% due to heavy rains during this monsoon quarter. In spite of lower EBIT, PAT is higher due to revision in tax provisions in line with Taxation Laws Amendment

Profit and Loss Account Summary Table

Particulars (INR Mn)	Q2FY20	Q2FY19	Inc / Dec (%)
Total Income from operations	5,767	5,426	6.3%
EBIDTA	820	1,250	-34.4%
EBIDTA margin (%)	14.2%	23.0%	
Depreciation	194	166	
EBIT	626	1,084	-42.3%
EBIT %	10.9%	20.0%	
Other Income	174	123	
Finance costs	2	30	
Profit before exceptional items	798	1,177	
PBT %	13.8%	21.7%	
Exceptional items	-	-	
Profit after exceptional items	798	1,177	-32.2%
PBT %	13.8%	21.7%	
Tax	(229)	413	
PAT	1,027	764	34.4%
PAT %	17.8%	14.1%	

About Finolex Industries Limited

Finolex Industries Limited, headquartered in Pune, is the largest supplier of PVC Pipes & Fittings for the agriculture and non-agricultural sectors. Our state-of-the-art manufacturing plants at Pune and Ratnagiri in Maharashtra and Masar in Gujarat provide excellent resources to better serve our customers. Our own PVC Resin manufacturing facility in Ratnagiri, set in technical collaboration with Uhde GmbH, with Hoechst technology, provides a consistent supply of superior quality resin to our pipe manufacturing plants. This ensures we are able to deliver quality, superior products to our customers. Our open sea cryogenic jetty, the first of its kind in the Indian private sector, has been the hallmark of our



PVC Complex. We are the first Indian PVC Pipes manufacturer to have been awarded the ISO 9001:2008 Certification.

Our major strength lies in our skilled workforce. We recognize and attribute our operating excellence and success to our employees. We have a widespread presence throughout the country, with a wide network of over 18,000 retail outlets ably supported by dealers and sub-dealers. They work as our extended arm in bringing quality products to our customers. Our core values of quality, trust and integrity help us to build an unbreakable bond with both customers and stakeholders.

We believe in “Performance with Purpose” and are deeply concerned about society and our community. We have been actively working along with Mukul Madhav Foundation, our CSR partner, in contributing to the social and economic development of the underprivileged sectors of society in and around our plants in Ratnagiri, Pune and Masar. Our focus is on women and children in areas of education, healthcare, community development, environment and self-development.

For more information, visit www.finolexwater.com or follow us on Twitter @finolexwater

Contact Details

S. Krishnamoorthy, Finolex Industries Ltd. | sk@finolexind.com

Safe Harbor Statement – *Certain parts of this presentation describing estimates, objectives and projections may be a “forward looking statement” within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, cash flow projections, and our exposure to market risk as well as other risk. Finolex Industries does not undertake any obligation to update forward looking statements to reflect events or circumstances after the date thereof.*