

**Registered Office / Urse Plant**

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

Tel +91 2114 237251 / 237253  
Toll Free 1800 200 3466  
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Email investors@finolexind.com  
Web finolexwater.com



FIL/SEC/DT/SEs/2019-20/226

12<sup>th</sup> February, 2020

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: Un-audited Financial Results for the quarter and nine months ended on 31<sup>st</sup> December, 2019**

**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 12<sup>th</sup> February, 2020, has, *inter-alia*, approved and taken on record the Un-audited Financial Results (both Standalone & Consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2019 along with related segment-wise financial results, copy enclosed.

Please also find attached herewith a copy of the 'Limited Review Report' of the Statutory Auditors, on the said Un-audited Financial Results. A press release giving highlights of the said Financial Results, is also enclosed.

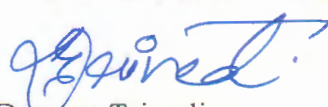
The aforesaid board meeting commenced at 12.30 p.m. and concluded at 3.15 p.m.

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

Thanking you,

Yours truly,

For **Finolex Industries Limited**

  
Devang Trivedi  
Company Secretary



Encl.: As above

**Corporate Office**

Finolex Industries Limited  
D-1 / 10, M.I.D.C.

Tel +91 20 27408200  
Fax +91 20 27489000

ISO 9001:2008 CERTIFIED  
Pipes Division, Ratnagiri

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**FINOLEX INDUSTRIES LIMITED**  
Registered Office: Gat No. 399, Village Urse,  
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**Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and Nine months ended December 31, 2019**

Particulars	Standalone					
	Quarter Ended			Nine months ended		Year Ended
	31.12.2019 Unaudited	30.09.2019 Unaudited	31.12.2018 Unaudited	31.12.2019 Unaudited	31.12.2018 Unaudited	31.03.2019 Audited
<b>Income</b>						
<b>I</b> Revenue from Operations	699.40	576.67	756.61	2,219.87	2,127.08	3,091.32
<b>II</b> Other income	6.73	17.42	3.32	29.86	29.32	41.56
<b>III Total Income (I+II)</b>	706.13	594.09	759.93	2,249.73	2,156.40	3,132.88
<b>IV Expenses</b>						
Cost of materials and components consumed	578.06	443.35	607.29	1,492.80	1,348.29	1,981.16
Purchase of stock-in-trade	2.99	2.77	2.79	10.08	6.86	11.08
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(155.81)	(96.47)	(122.60)	(61.15)	(76.20)	(71.33)
Employee benefits expense	33.60	33.84	31.88	101.84	93.30	130.61
Finance costs	1.77	0.23	1.71	2.88	9.92	12.27
Depreciation and amortisation expense	18.76	19.40	19.63	54.93	52.40	70.08
Other expenses	102.13	111.18	98.31	332.30	297.02	435.49
<b>Total expenses (IV)</b>	581.50	514.30	639.01	1,933.68	1,731.59	2,569.36
<b>V Profit before exceptional items and tax (III-IV)</b>	124.63	79.79	120.93	316.05	424.81	563.52
<b>VI</b> Exceptional items	-	-	-	-	27.90	27.90
<b>VII Profit before tax (V-VI)</b>	124.63	79.79	120.93	316.05	396.91	535.62
<b>VIII Share of profit/(loss) of an associate before tax</b>	-	-	-	-	-	-
<b>IX Profit before tax (VII+VIII)</b>	124.63	79.79	120.93	316.05	396.91	535.62
<b>X Tax Expense</b>						
Current tax	38.30	3.19	34.35	79.38	128.38	174.19
Short/ (excess) provision of earlier year(s)	-	-	-	-	-	-
Deferred tax	(6.99)	(26.07)	7.85	(31.82)	10.11	11.63
<b>Total Tax Expense</b>	31.31	(22.88)	42.20	47.56	138.49	185.82
<b>XI Profit for the period (IX-X)</b>	93.32	102.67	78.73	268.49	258.42	349.80
<b>XII Other Comprehensive Income (OCI)</b>						
<b>A</b> Items that will not be reclassified to profit or loss						
Re-measurement of defined benefit plans Gain/(Loss)	(0.21)	(0.28)	(0.94)	(2.92)	(2.09)	(4.73)
Income tax effect	0.05	(0.17)	0.33	0.73	0.73	1.65
<b>A(i)</b> Re-measurement of defined benefit plans net off income tax	(0.16)	(0.45)	(0.61)	(2.19)	(1.36)	(3.08)
Equity instruments through OCI Gain/(Loss)	(30.49)	(123.94)	(167.98)	(234.23)	(457.87)	(412.59)
Income tax effect	-	0.06	(33.76)	0.06	0.06	(20.67)
<b>A(ii)</b> Equity instruments through OCI net off income tax	(30.49)	(123.88)	(201.74)	(234.17)	(457.82)	(433.26)
<b>A(iii)</b> Share of other comprehensive income of associate accounted	-	-	-	-	-	-
<b>Total Other Comprehensive Income [A(i)+A(ii)+A(iii)]</b>	(30.65)	(124.33)	(202.36)	(236.36)	(459.18)	(436.34)
<b>XIII Total Comprehensive Income for the period (XI+XII)</b>	62.67	(21.66)	(123.63)	32.13	(200.76)	(86.54)
<b>XIV Earnings per equity share having nominal value per share of Rs.10 (not annualised)</b>						
Basic	7.52	8.27	6.34	21.64	20.82	28.19
Diluted	7.52	8.27	6.34	21.64	20.82	28.19



**FINOLEX INDUSTRIES LIMITED**  
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Notes -

**1 Unaudited Segmentwise Revenue, Results and Capital employed**

Sr No	Particulars	Standalone					
		Quarter Ended			Nine months ended		Year Ended
		31.12.2019 Unaudited	30.09.2019 Unaudited	31.12.2018 Unaudited	31.12.2019 Unaudited	31.12.2018 Unaudited	31.03.2019 Audited
<b>1</b>	<b>SEGMENT REVENUE</b>						
	Revenue from each segment:						
a	PVC	408.03	302.65	484.03	1,245.57	1,314.78	1,874.17
b	PVC Pipes & Fittings	553.51	517.04	590.62	1,921.76	1,783.68	2,574.80
	Total	961.54	819.69	1,074.65	3,167.33	3,098.46	4,448.97
	Less: Inter segment Revenue	262.14	243.02	318.04	947.46	971.38	1,357.65
	Revenue from Operations	699.40	576.67	756.61	2,219.87	2,127.08	3,091.32
<b>2</b>	<b>SEGMENT RESULTS</b>						
	Profit / (Loss) before tax and interest from each segment:						
a	PVC	81.82	45.13	80.88	168.26	296.23	377.28
b	PVC Pipes & Fittings	43.56	23.84	43.80	139.76	121.66	182.82
	Total	125.38	68.97	124.68	308.02	417.89	560.10
	Less:						
I	Finance costs	1.77	0.23	1.71	2.88	9.92	12.27
II	Other un-allocable expenditure	5.69	6.22	7.39	18.72	41.16	51.51
	Add:						
III	Other un-allocable income	6.71	17.27	5.34	29.63	30.09	39.29
IV	Share of profit/(loss) of an associate before tax	-	-	-	-	-	-
	Total Profit / (Loss) Before Tax	124.63	79.79	120.93	316.05	396.91	535.62
<b>3</b>	<b>Capital employed : Segment Assets (-) Segment</b>						
a	PVC	809.24	615.59	791.31	809.24	791.31	814.40
b	PVC Pipes & Fittings	1,053.18	993.52	985.68	1,053.18	985.68	963.22
c	Unallocated	1,459.68	1,300.43	1,577.58	1,459.68	1,577.58	1,496.18
	Total Segment Assets	3,322.10	2,909.54	3,354.56	3,322.10	3,354.56	3,273.80
a	PVC	174.30	90.89	145.56	174.30	145.56	209.76
b	PVC Pipes & Fittings	67.00	78.94	88.20	67.00	88.20	91.87
c	Unallocated	669.84	365.93	706.60	669.84	706.60	443.75
	Total Segment Liabilities	911.14	535.76	940.36	911.14	940.36	745.38
a	PVC	634.94	524.70	645.75	634.94	645.75	604.64
b	PVC Pipes & Fittings	986.18	914.58	897.48	986.18	897.48	871.35
c	Unallocated	789.84	934.50	870.98	789.84	870.98	1,052.43
	Capital Employed	2,410.96	2,373.78	2,414.20	2,410.96	2,414.20	2,528.42



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**Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and Nine months ended December 31, 2019**

Rs. In Crores

Particulars	Consolidated					
	Quarter Ended		31.12.2018	Nine months ended		Year Ended
	31.12.2019 Unaudited	30.09.2019 Unaudited		31.12.2019 Unaudited	31.12.2018	
<b>Income</b>						
<b>I</b> Revenue from Operations	699.40	576.67	756.61	2,219.87	2,127.08	3,091.32
<b>II</b> Other income	6.73	16.49	2.16	28.93	28.16	40.40
<b>III</b> <b>Total Income (I+II)</b>	<b>706.13</b>	<b>593.16</b>	<b>758.77</b>	<b>2,248.80</b>	<b>2,155.24</b>	<b>3,131.72</b>
<b>IV</b> <b>Expenses</b>						
Cost of materials and components consumed	578.06	443.35	607.30	1,492.80	1,348.29	1,981.16
Purchase of stock-in-trade	2.99	2.77	2.79	10.08	6.86	11.08
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(155.81)	(96.47)	(122.60)	(61.15)	(76.20)	(71.33)
Employee benefits expense	33.60	33.84	31.88	101.84	93.30	130.61
Finance costs	1.77	0.23	1.71	2.88	9.92	12.27
Depreciation and amortisation expense	18.76	19.40	19.63	54.93	52.40	70.08
Other expenses	102.13	111.18	98.31	332.30	297.02	435.49
<b>Total expenses (IV)</b>	<b>581.50</b>	<b>514.30</b>	<b>639.01</b>	<b>1,933.68</b>	<b>1,731.59</b>	<b>2,569.36</b>
<b>V</b> <b>Profit before exceptional items and tax (III-IV)</b>	<b>124.63</b>	<b>78.86</b>	<b>119.76</b>	<b>315.12</b>	<b>423.65</b>	<b>562.36</b>
<b>VI</b> Exceptional items	-	-	-	-	27.90	27.90
<b>VII</b> <b>Profit before tax (V-VI)</b>	<b>124.63</b>	<b>78.86</b>	<b>119.76</b>	<b>315.12</b>	<b>395.75</b>	<b>534.46</b>
<b>VIII</b> <b>Share of profit/(loss) of an associate before tax</b>	<b>8.04</b>	<b>4.07</b>	<b>5.21</b>	<b>13.96</b>	<b>9.99</b>	<b>14.01</b>
<b>IX</b> <b>Profit before tax (VII+VIII)</b>	<b>132.67</b>	<b>82.93</b>	<b>124.97</b>	<b>329.08</b>	<b>405.74</b>	<b>548.47</b>
<b>X</b> <b>Tax Expense</b>						
Current tax	40.22	4.73	36.29	83.83	132.70	180.57
Short/ (excess) provision of earlier year(s)	(0.21)	-	(1.21)	(0.21)	(1.21)	(2.09)
Deferred tax	(5.88)	(24.07)	10.12	(28.53)	4.39	2.74
<b>Total Tax Expense</b>	<b>34.14</b>	<b>(19.34)</b>	<b>45.20</b>	<b>55.09</b>	<b>135.88</b>	<b>181.22</b>
<b>XI</b> <b>Profit for the period (IX-X)</b>	<b>98.53</b>	<b>102.27</b>	<b>79.77</b>	<b>273.99</b>	<b>269.86</b>	<b>367.25</b>
<b>XII</b> <b>Other Comprehensive Income (OCI)</b>						
<b>A</b> <b>Items that will not be reclassified to profit or loss</b>						
Re-measurement of defined benefit plans Gain/(Loss)	(0.21)	(0.28)	(0.94)	(2.92)	(2.09)	(4.73)
Income tax effect	0.05	(0.17)	0.33	0.73	0.73	1.65
<b>A(i)</b> <b>Re-measurement of defined benefit plans net off income tax</b>	<b>(0.16)</b>	<b>(0.45)</b>	<b>(0.61)</b>	<b>(2.19)</b>	<b>(1.36)</b>	<b>(3.08)</b>
Equity instruments through OCI Gain/(Loss)	(30.49)	(123.94)	(167.98)	(234.23)	(457.87)	(412.59)
Income tax effect	-	0.06	(33.76)	0.06	0.06	(20.67)
<b>A(ii)</b> <b>Equity instruments through OCI net off income tax</b>	<b>(30.49)</b>	<b>(123.88)</b>	<b>(201.74)</b>	<b>(234.17)</b>	<b>(457.82)</b>	<b>(433.26)</b>
<b>A(iii)</b> <b>Share of other comprehensive income of associate accounted</b>	-	-	-	-	-	0.01
<b>Total Other Comprehensive Income [A(i)+A(ii)+A(iii)]</b>	<b>(30.65)</b>	<b>(124.33)</b>	<b>(202.36)</b>	<b>(236.36)</b>	<b>(459.18)</b>	<b>(436.34)</b>
<b>XIII</b> <b>Total Comprehensive Income for the period (XI+XII)</b>	<b>67.88</b>	<b>(22.06)</b>	<b>(122.58)</b>	<b>37.63</b>	<b>(189.32)</b>	<b>(69.09)</b>
<b>XIV</b> <b>Earnings per equity share having nominal value per share of Rs.10 (not annualised)</b>						
Basic	7.94	8.24	6.43	22.08	21.75	29.59
Diluted	7.94	8.24	6.43	22.08	21.75	29.59



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Notes -

**1 Unaudited Segmentwise Revenue, Results and Capital employed**

Rs. in Crores

Sr No	Particulars	Consolidated					
		Quarter Ended			Nine months ended		Year Ended
		31.12.2019 Unaudited	30.09.2019 Unaudited	31.12.2018	31.12.2019 Unaudited	31.12.2018	31.03.2019 Audited
<b>1</b>	<b>SEGMENT REVENUE</b>						
	Revenue from each segment:						
a	PVC	408.03	302.65	484.03	1,245.57	1,314.78	1,874.17
b	PVC Pipes & Fittings	553.51	517.04	590.62	1,921.76	1,783.68	2,574.80
	Total	961.54	819.69	1,074.65	3,167.33	3,098.46	4,448.97
	Less: Inter segment Revenue	262.14	243.02	318.04	947.46	971.38	1,357.65
	Revenue from Operations	699.40	576.67	756.61	2,219.87	2,127.08	3,091.32
<b>2</b>	<b>SEGMENT RESULTS</b>						
	Profit / (Loss) before tax and interest from each segment:						
a	PVC	81.82	45.13	80.88	168.26	296.23	377.28
b	PVC Pipes & Fittings	43.56	23.84	43.80	139.76	121.66	182.82
	Total	125.38	68.97	124.68	308.02	417.89	560.10
	Less:						
I	Finance costs	1.77	0.23	1.71	2.88	9.92	12.27
II	Other un-allocable expenditure	5.69	6.22	7.39	18.72	41.16	51.51
	Add:						
III	Other un-allocable income	6.71	16.34	4.18	28.69	28.93	38.13
IV	Share of profit/(loss) of an associate before tax	8.04	4.07	5.21	13.96	9.99	14.01
	Total Profit / (Loss) Before Tax	132.67	82.93	124.98	329.08	405.74	548.47
<b>3</b>	<b>Capital employed : Segment Assets (-) Segment</b>						
a	PVC	809.24	615.59	791.31	809.24	791.31	814.40
b	PVC Pipes & Fittings	1,053.18	993.52	985.68	1,053.18	985.68	963.22
c	Unallocated	1,527.09	1,361.75	1,642.18	1,527.09	1,642.18	1,555.10
	Total Segment Assets	3,389.51	2,970.86	3,419.17	3,389.51	3,419.17	3,332.73
a	PVC	174.30	90.89	145.56	174.30	145.56	209.76
b	PVC Pipes & Fittings	67.00	78.94	88.20	67.00	88.20	91.87
c	Unallocated	684.28	379.30	721.94	684.28	721.94	454.89
	Total Segment Liabilities	925.58	549.13	955.70	925.58	955.70	756.52
a	PVC	634.94	524.70	645.75	634.94	645.75	604.64
b	PVC Pipes & Fittings	986.18	914.58	897.48	986.18	897.48	871.35
c	Unallocated	842.81	982.45	920.24	842.81	920.24	1,100.22
	Capital Employed	2,463.93	2,421.73	2,463.46	2,463.93	2,463.46	2,576.21



**Notes contd.....**

- 2 The above results have been reviewed by audit committee and approved by the Board at their respective meetings held on February 12, 2020. The Limited review of the financial results for the quarter and nine months ended December 31, 2019, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended has been carried out by the statutory auditors.
- 3 Exceptional item represents settlement of derivative claims against the Company disclosed as contingent liability as at March 31, 2018. There are no more claims or liabilities on account of derivatives.
- 4 From the current financial year 2019-20 the Company as per the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. April 1, 2019, has started consolidating on a quarterly basis its associate company, 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". Consequently the respective comparative periods have also been consolidated, approved by the Board but are not reviewed by auditors.
- 5 The Company is in the business of manufacture of PVC resin and PVC pipes & fittings. The disclosure of financial information in respect of its 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. Accordingly, the figures of respective previous periods have been regrouped.
- 6 Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases", opting the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. However there are no material contracts and consequently there was no material transitional impact on the financial results of the Company.
- 7 Tax expenses (Income Tax and Deferred Tax) for the quarter and nine months ended December 31, 2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. Therefore, effective tax rate of current quarter and nine months are not comparable to corresponding period of the previous year.
- 8 The management of the Company has decided to present its financial results in crores with effect from quarter ended June 30, 2019 as against the earlier presentation in lakhs.
- 9 Previous periods' figures have been re-grouped wherever necessary, to conform to the current period's classification.

Pune  
February 12, 2020



By order of the Board of Directors  
For Finolex Industries Limited

Prakash P. Chhabria  
Executive Chairman  
DIN 00016017

**M/S P. G. BHAGWAT**  
CHARTERED ACCOUNTANTS

**HEAD OFFICE**  
Suites 101-102, 'Orchard'  
Dr. Pai Marg, Baner, Pune – 45  
Tel (O): 020 – 27290771/1772/1773  
Email: pgbpgbhagwatca.com  
Web: www.pgbhagwatca.com

## REVIEW REPORT

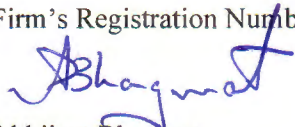
To  
The Board of Directors  
Finolex Industries Limited  
Gat 399, Urse, Maval,  
Pune – 410506,  
Maharashtra, India

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Finolex Industries Limited for the quarter and nine months ended December 31, 2019 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **M/s P.G.Bhagwat**  
Chartered Accountants  
Firm's Registration Number: 101118W

  
Abhijeet Bhagwat

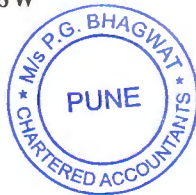
Partner

Membership Number: 136835

Pune

February 12, 2020

UDIN: 20136835AAAAAN9798



**M/S P. G. BHAGWAT**  
CHARTERED ACCOUNTANTS

**HEAD OFFICE**  
Suites 101-102, 'Orchard'  
Dr. Pai Marg, Baner, Pune – 45  
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## **Independent Auditor's Review Report**

**on consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
Finolex Industries Limited  
Gat 399, Urse, Maval,  
Pune – 410506,  
Maharashtra, India

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Finolex Industries Limited ("the Company"/FIL) and its share of the net profit after tax and the total comprehensive income of its associate for the quarter and nine months ended December 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended December 31, 2018 and corresponding nine months ended December 31, 2018, as reported in the Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

**Branches:** Mumbai | Kolhapur | Belgaum | Hubli | Dharwad



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**Independent Auditor's Review Report - continued**

**on consolidated unaudited quarterly and year to date financial results of FIL Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

4. The Statement includes the results of the following entity: Finolex Plasson Industries Private Limited (Associate of the Company consolidated on equity method as per Ind AS 28 'Investment in Associates and Joint Ventures'.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **M/s P.G.Bhagwat**  
Chartered Accountants  
Firm's Registration Number: 101118W



Abhijeet Bhagwat

Partner

Membership Number: 136835

Pune

February 12, 2020

UDIN: 20136835AAAAO1266





## Finolex Industries Q3FY20 Net Profit stood at Rs. 933 mn up 18.5% yoy 9MFY20 profit stood at Rs.2,685 mn up 3.9% yoy

**Pune, February 12, 2020:** 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 third quarter ended December 31, 2019.

### Key Financial Highlights: (Y-O-Y)

₹ In Millions	Q3 FY20	Q3 FY19	Growth (%)	9M FY20	9M FY19	Growth (%)
Net Revenue	6,994	7,566	-7.6%	22,199	21,271	4.4%
EBITDA	1,384	1,389	-0.4%	3,440	4,578	-24.9%
PAT	933	787	18.5%	2,685	2,584	3.9%

### Q3FY20 highlights:

- **Highest ever PBT (Rs.1,246 Mn) and PAT (Rs.933 Mn) realized in Q3 of any year**
- Total income from operations was at INR 6,994 mn for Q3FY20 down 7.6% against INR 7,566 mn in Q3FY19.
- Volumes registered a decline of about 11% in PVC resin and Pipes & Fittings segments. The main reason for the decline in volumes was extended monsoon season with cyclones thereafter.
- EBITDA stood at INR 1,384 mn for Q3FY20 down by 0.4% against INR 1,389 mn for Q3FY19.
- Profit after tax was at INR 933 mn for Q3FY20 up 18.5% against INR 787 mn for Q3FY19

### 9MFY20 highlights

- Total income from operations was at INR 22,199 mn for 9MFY20 up 4.4 % against INR 21,271 mn in 9MFY19.
- After healthy volume growth of 18% in Q1, the volumes in Q2 and Q3 have declined due to heavy and extended monsoon and cyclones thereafter.
- EBITDA stood at INR 3,440 mn for 9MFY20 down by 24.9% against INR 4,578 mn for 9MFY19.
- Profit after tax was at INR 2,685 mn for 9MFY20 up 3.9% against INR 2,584 mn for 9MFY19

**Speaking on the performance, Mr. Prakash P. Chhabria Executive Chairman, said,** *"The global and Indian economy has witnessed volatile market conditions in the past few quarters which has impacted various sectors. However, I am pleased to announce that we have delivered another quarter of decent performance."*

*“The proposed Union Budget FY20-21 which focused on growth and welfare of farmers, and rural economy is expected to add impetus to our performance in the coming quarters. Our focus is on implementing strategies to expand our footprint while serving our existing base.”*

**Profit and Loss Account Summary Table:**

Particulars (INR Mn)	Q3FY20	Q3FY19	Inc / Dec (%)
Total Income from operations	6,994	7,566	(-7.6%)
EBIDTA	1,384	1,389	(-0.4%)
EBIDTA Margin (%)	19.8%	18.4%	
Depreciation	188	196	
EBIT	1197	1,193	0.3%
EBIT (%)	17.1%	15.8%	
Other income	67	33	
Finance Cost	18	17	
PBT	1,246	1,209	3.1%
PBT (%)	17.8%	16.0%	
Tax	313	422	
PAT	933	787	18.5%
PAT (%)	13.3%	10.4%	

**About Finolex Industries:**

Finolex Industries Limited, headquartered in Pune, is India’s largest manufacturer of PVC Pipes & Fittings. 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. We have our own PVC resin manufacturing facility in Ratnagiri, set up in technical collaboration with Uhde GmbH, with Hoechst technology, which provides a consistent supply of superior quality resin to our pipe manufacturing plants. 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 dealers, sub dealers and retailers who work as our extended arm in bringing our 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. As responsible corporate citizen, we contribute towards improving the quality of life of the community at large under our various CSR initiatives. Our founder late Shri Pralhad P. Chhabria was a great advocate for spreading hope to those who feel they don’t have the right to be hopeful. He always said, “We need to go out and look for opportunities to help those less fortunate than ourselves, even if that service demands sacrifice.”

**For more information:** visit [www.finolexpipes.com](http://www.finolexpipes.com) or follow us on Twitter @FinolexPipe