

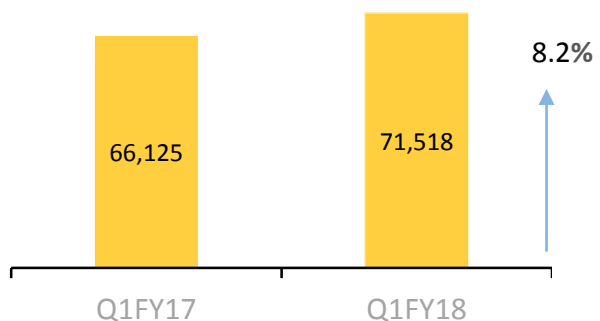


FINOLEX INDUSTRIES LIMITED

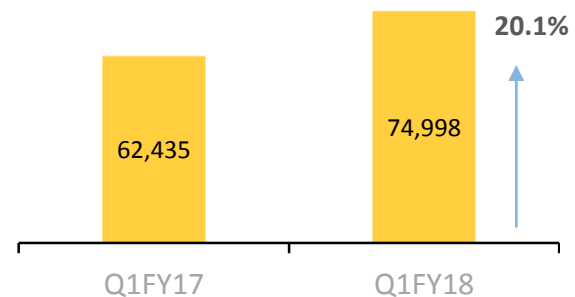
Q1FY18 RESULTS



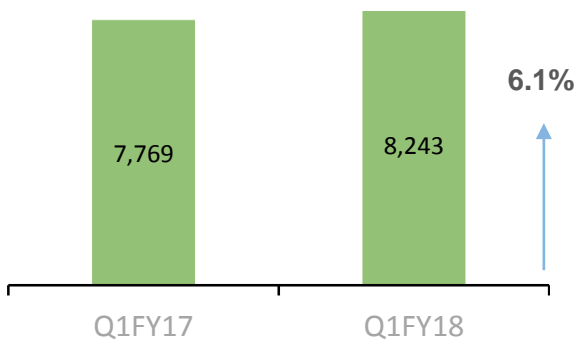
Q1FY18 Results Summary



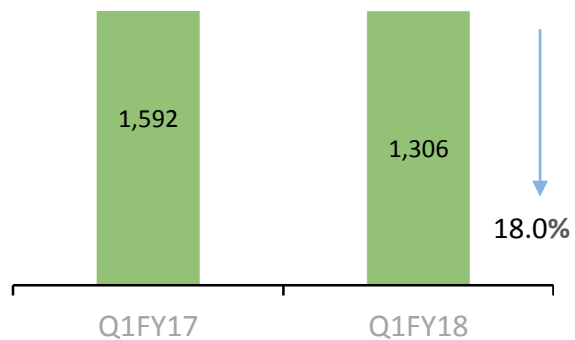
Volumes (MT) P & F #



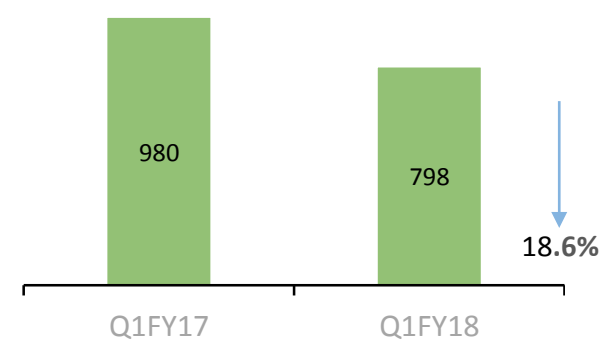
Volumes (MT) PVC resin*



Total Revenue (INR Mn)



EBITDA (INR Mn)



PAT (INR Mn)

Management Comment: During the quarter the volume of pipes and fittings was higher by 8.2% on YoY basis. However due to prevailing market conditions and impending GST regime, the sales realisation was lower resulting in subdued profit.

P&F represents Pipes and Fittings

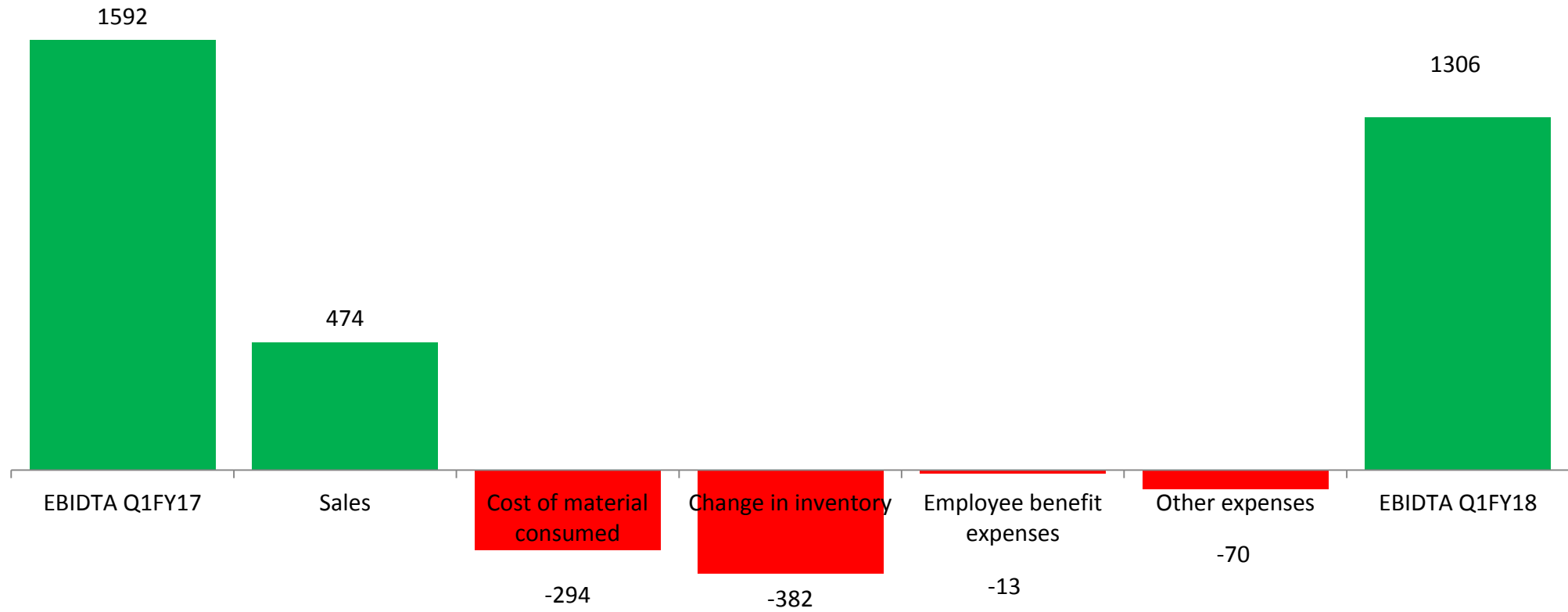
* Including inter segment transfer

Profit & Loss Account

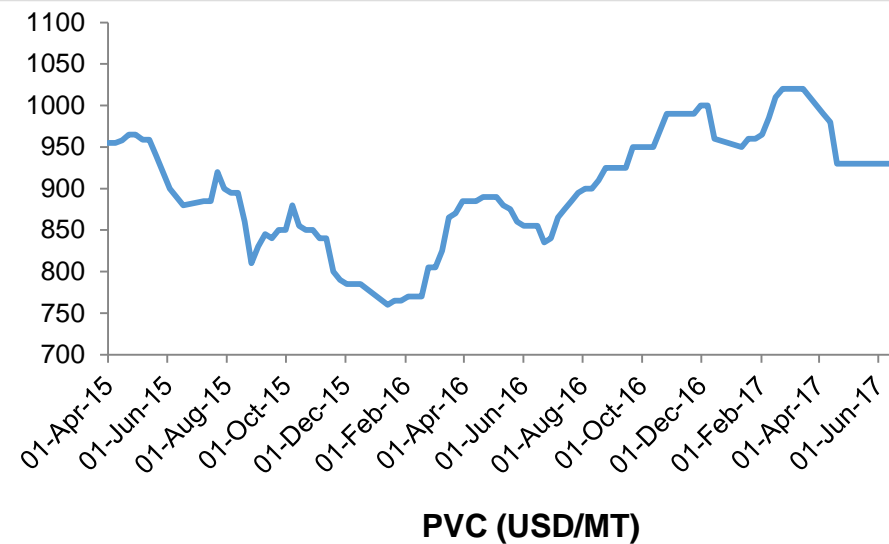
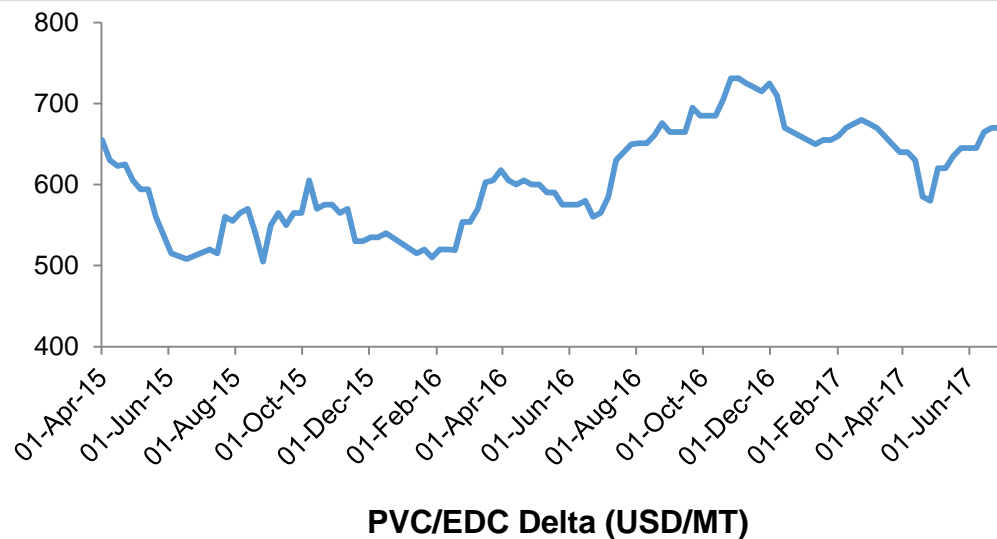
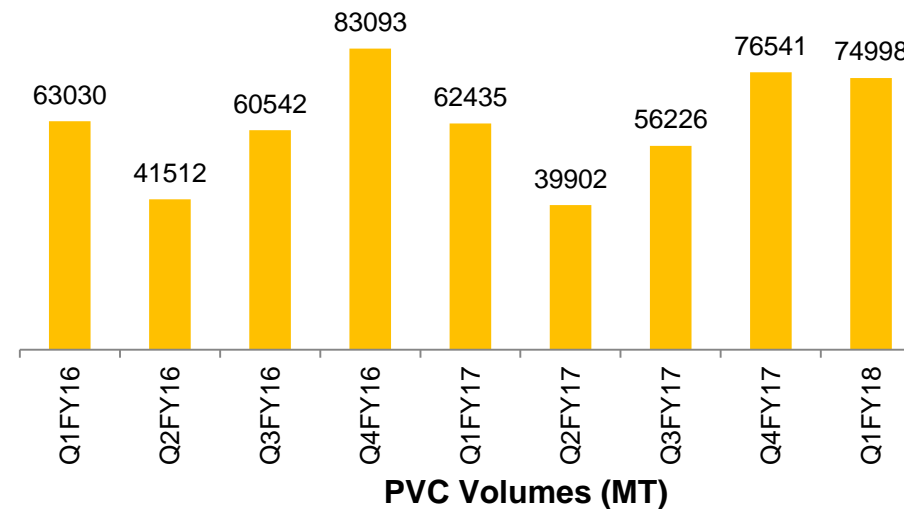
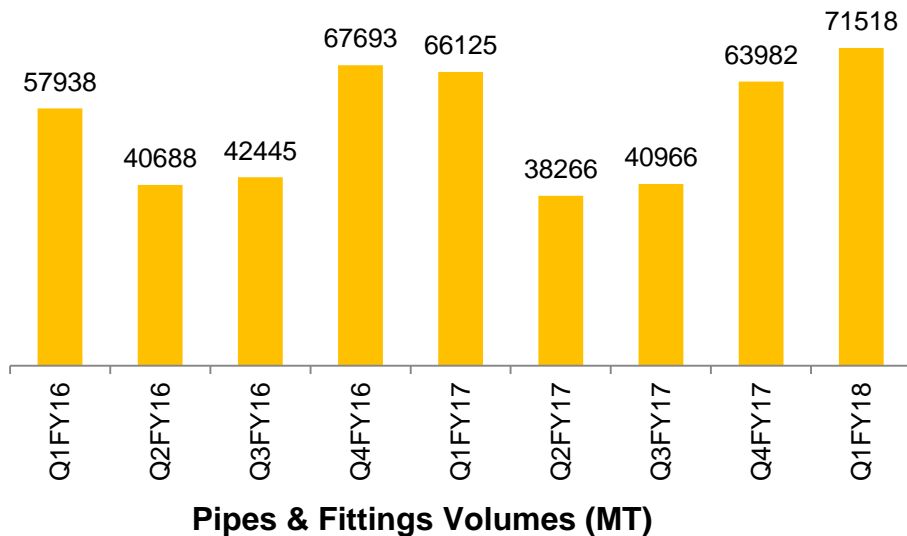
Particulars (INR Mn)	Q1FY18	Q1FY17
Total Income from operations	8,243	7,769
EBIDTA	1,306	1,592
EBIDTA margin (%)	15.84%	20.49%
Depreciation	145	133
EBIT	1,161	1,459
EBIT %	14.08%	18.78%
Other Income	38	32
Finance costs	30	50
PBT	1,170	1,441
PBT %	14.19%	18.55%
Tax	372	461
PAT	798	980
PAT %	9.68%	12.61%

EBITDA Bridge Chart

(INR Mn)



Business Scenario



Quarterly - Profit & Loss

Particulars (INR Mn)	Q2FY16	Q3FY16	Q4FY16	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18
Total income from operations *	5,341	6,251	9,260	7,769	5,234	6,656	10,164	8,243
EBIDTA	524	841	1,156	1,592	870	1,329	1,785	1,306
<i>EBIDTA margins (%)</i>	9.8%	13.5%	12.5%	20.5%	16.6%	19.9%	17.6%	15.8%
Depreciation	126	127	127	133	139	140	139	145
Other Income	114	30	198	32	89	29	94	38
Finance costs	164	81	45	50	33	59	11	30
PBT	592	663	1,181	1,441	788	1,158	1,729	1,170
<i>PBT margins (%)</i>	11.1%	10.6%	12.8%	18.5%	15.1%	17.4%	17.0%	14.2%
Tax	190	238	361	461	275	416	496	372
PAT	402	424	820	980	513	742	1,233	798
EPS	3.2	3.4	6.6	7.9	4.1	5.9	9.9	6.4

* Including excise duty

Quarterly segmental - Profit & Loss

Particulars (INR Mn)	Q2FY16	Q3FY16	Q4FY16	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18
Segmental revenues *								
PVC	2,802	3,884	4,979	4,336	2,759	4,379	6,069	5,285
PVC pipes & fittings	3,978	4,073	6,310	6,581	4,100	4,446	6,981	6,892
Power	299	357	355	388	321	378	361	382
Segmental profits								
PVC	198	462	548	890	552	933	1,147	951
% of Revenues	7.1%	11.9%	11.0%	20.5%	20.0%	21.3%	18.9%	18.0%
PVC pipes & fittings	279	315	536	568	252	303	590	290
% of Revenues	7.0%	7.7%	8.5%	8.6%	6.1%	6.8%	8.5%	4.2%
Power	42	61	92	129	58	86	56	50
% of Revenues	14.1%	17.1%	25.9%	33.3%	18.1%	22.8%	15.5%	13.1%
Capital employed								
PVC	5,660	5,649	5,660	5,214	5,056	6,354	5,623	5,660
PVC pipes & fittings	4,337	4,730	4,337	5,210	5,218	5,860	5,683	5,449
Power	2,527	2,500	2,527	2,674	2,374	2,375	2,170	2,328

*Including excise duty

Profit & Loss - Key Indicators

Profit & loss account (INR Mn)	FY12	FY13	FY14	FY15	FY16*	FY17*
Revenue from Operations (incl. excise duty)	23,219	24,334	27,867	28,271	28,431	29,876
Growth in sales (YoY %)	5.94%	4.80%	14.52%	1.44%	0.57%	5.08%
EBIDTA before exceptional items	2,313	3,587	3,966	2,111	4,044	5,630
EBIDTA margins before exceptional items (%)	9.96%	14.74%	14.23%	7.47%	14.22%	18.84%
EBIDTA after exceptional items	2,168	2,626	3,268	1,896	4,289	5,630
PBT	967	1,902	2,419	808	3,733	5,170
PBT Margin (%)	4.16%	7.82%	8.68%	2.86%	13.13%	17.30%
PAT	752	1,361	1,701	478	2,544	3,522
PAT Margin (%)	3.24%	5.59%	6.10%	1.69%	8.95%	11.79%

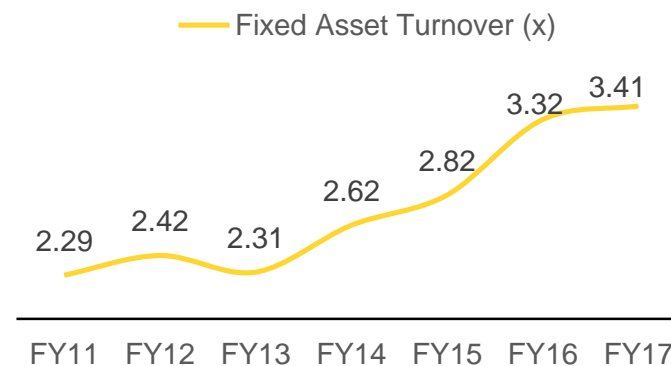
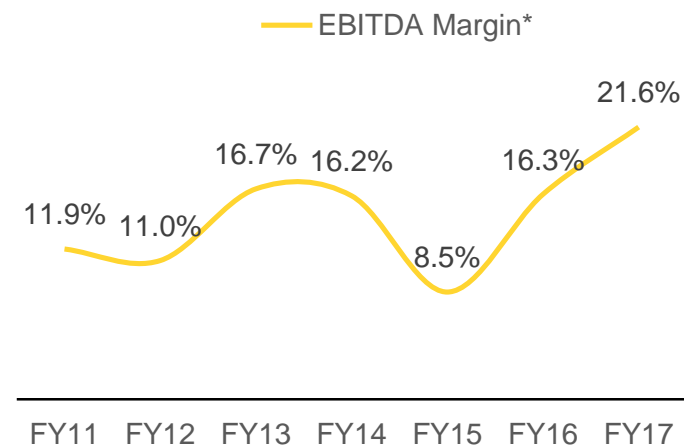
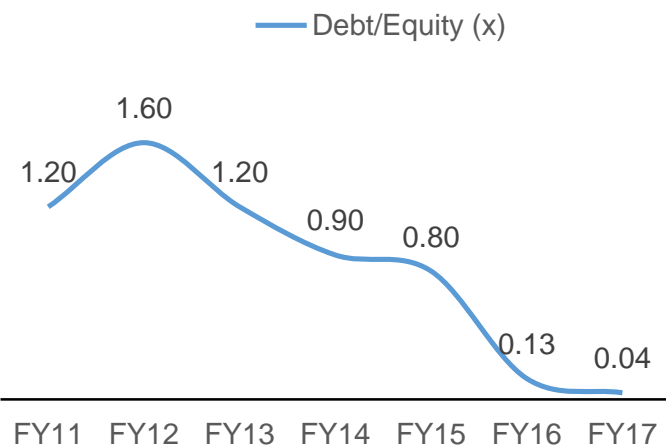
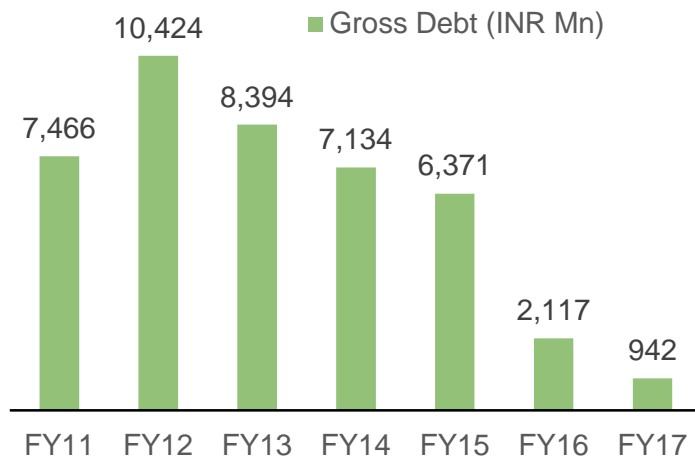
*Figures as per IndAS

Balance sheet - Key Indicators

Balance Sheet (INR Mn)	FY12	FY13	FY14	FY15	FY16*	FY17*
Equity and liabilities						
Share capital	1,241	1,241	1,241	1,241	1,241	1,241
Reserves and surplus	5,381	5,971	6,656	6,633	14,458	21,673
Long term borrowings	1,896	1,397	2,322	1,837	-	-
Short term borrowings (incl. loans repayable in one year)	8,528	6,997	4,812	4,534	1,117	942
Total borrowings	10,424	8,394	7,134	6,371	1,117	942
Assets						
Fixed assets (Net block)	7,840	8,795	9,052	8,678	8,496	8,551
Capital WIP	854	506	325	104	66	217
Non current investments	1,221	1,274	1,274	1,246	6,485	11,656
Current investments	3,711	2,322	941	551	1,687	566

*Figures as per IndAS

Key Ratios



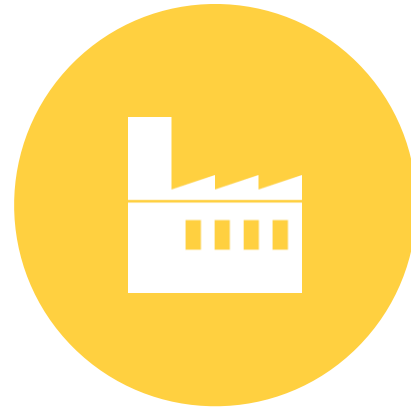
*Standalone EBITDA Margin (EBITDA before Exceptional item and other income)

Key Strategies



EXPANDING FOOTPRINT

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



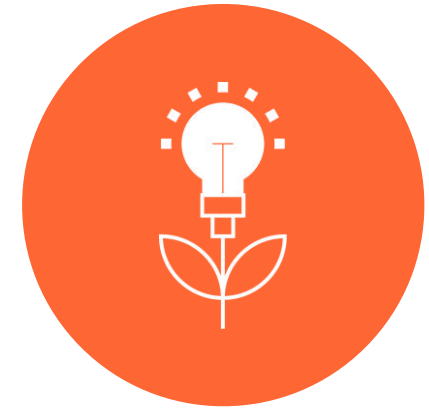
CAPACITY EXPANSION

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.



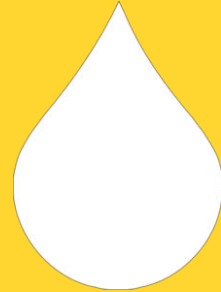
BRANDING

Promote brand and quality consciousness amongst consumer.

Opportunities – Agriculture sector



Total allocation for Rural, Agriculture sector is Rs.1,87,223 crores. MGNREGA allocation has also increased to its highest level at Rs.48,000 Cr this year. The Long Term Irrigation Fund (LTIF) set up in NABARD under Pradhan Mantri Krishi Sinchai Yojana, for financing and fast tracking the implementation of incomplete major and medium irrigation projects has been allocated an additional corpus of Rs. 20,000 Cr, thus doubling the corpus to Rs. 40,000 Cr



Pradhan Mantri Krishi Sinchai Yojana would allow maximising the reach of irrigation across the country, thus enhancing the ambit of area covered under the irrigation projects.



The coverage provided under the Fasal Bima Yojna Scheme has increased to 40% in the current year and 50% in 2018-19 to protect farmers from any accidental damage.



Over the next few months 3 crore Kisan credit cards will be converted to RuPay cards which shall enable farmers to buy/sell agricultural produce directly through the card and there will be no need to rush to banks.

Opportunities - Non - Agriculture sector



Surplus liquidity post demonetisation, government initiates to provide houses in rural and urban areas which may have a fresh demand for pipes. Affordable housing to be given infrastructure status. Proposal to complete construction of one crore houses by 2019. Boost in housing due to refinancing by NHB.



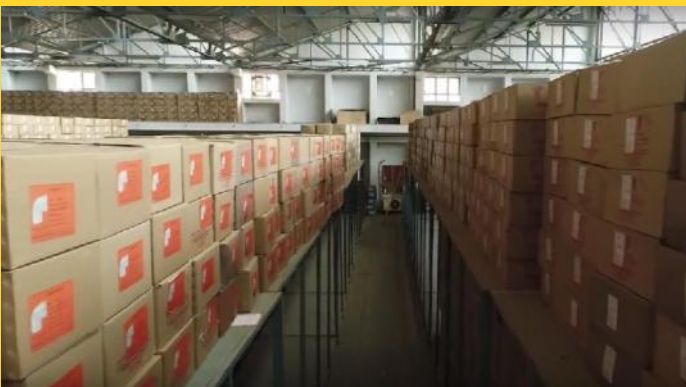
During the year, the Company tied-up with the American company Lubrizol Corporation, inventors and the largest manufacturers of the CPVC compound worldwide. The tie-up will strengthen the Company's track record of providing superior products for the domestic market. The products have been highly appreciated and has brought renewed interest among the existing and new dealers.



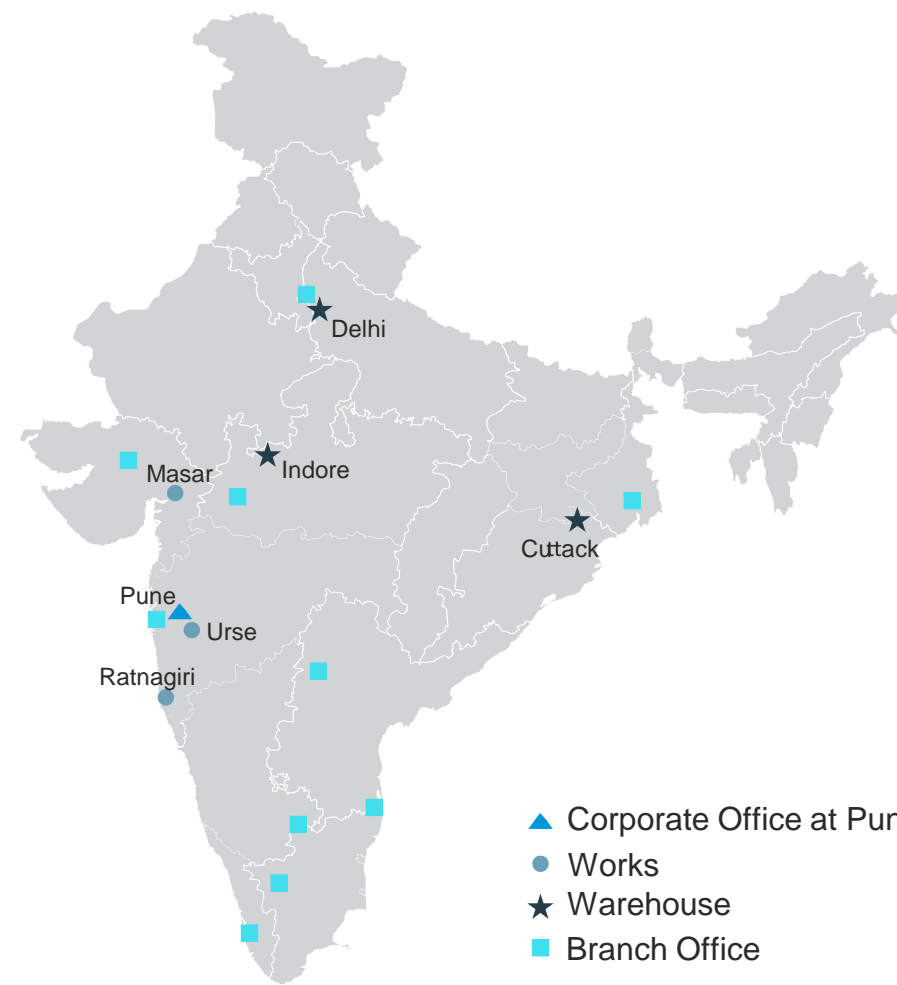
Swachh Bharat Mission (Gramin) has made tremendous progress in promoting safe sanitation. Sanitation coverage in rural India has gone up from 42% in October 2014 to 64%. Villages with sanitation coverage are now being given priority for piped water supply.

Distribution reach

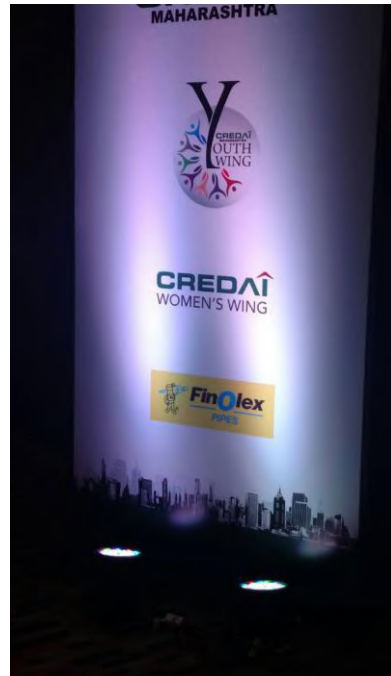
- FIL is on track in terms of expanding its scale of operations by increasing production capacity and distribution reach
- Wide network of 18,000 retail touch points



Offices, Works and Warehouses



Branding & advertisements – some snapshots



Finolex Industries participated in in 'Vinyl India Exhibition' as Platinum Partner, Mumbai

Finolex Industries participated in a conference organized by RERA, Pune

Finolex Industries participated in in CREDAI - Game Changer event in Ahmedabad, Gujarat

TV branding in Champions Trophy-Finolex Industries Ltd. tied up with Star Sports Network for branding during the match- L bands and Squeeze-ups.

Branding & advertisements – some snapshots



Finolex Pipes branding at Jagannath Rath Yatra, Odissa

Finolex Pipes branding at Pandharpur Waari

Corporate Social Responsibility – some snapshots



59 Bedded NICU Ward Inauguration- Finolex Industries Ltd. along with Mukul Madhav Foundation and Shreemant Dagdusheth Halwai Trust donated towards NICU at Sassoon Hospital, Pune.

Finolex pipes and Mukul Madhav Foundation inaugurated our 5th Rehabilitation / Physiotherapy Center at the Finolex Colony, Ratnagiri. The facility was established after the growing success of the work done by us in the area of Cerebral Palsy within Satara district.

Ratnagiri Paryatan Mahotsav- Finolex Pipes supported the event as a goodwill gesture.

Corporate Social Responsibility – some snapshots



IPL Meet and Greet-1: The event held at Sassoon Hospital, Pune was graced by Rahul Tripathy, Ajinkya Rahane and Ben Stokes. A Q/A session was arranged with the players and the staff of Sassoon General Hospital

IPL Meet and Greet-2: The event held at J W Marriott was graced by Jaydev Undadkat, Faf Du Plessis and Steve Smith, who interacted with 30 kids from Apang Kalyankari Sanstha.

Accolades and awards



Recently Awarded with The Supply Chain Enterprise Icon of the Year - 2017” by Global Logistics Excellence Awards

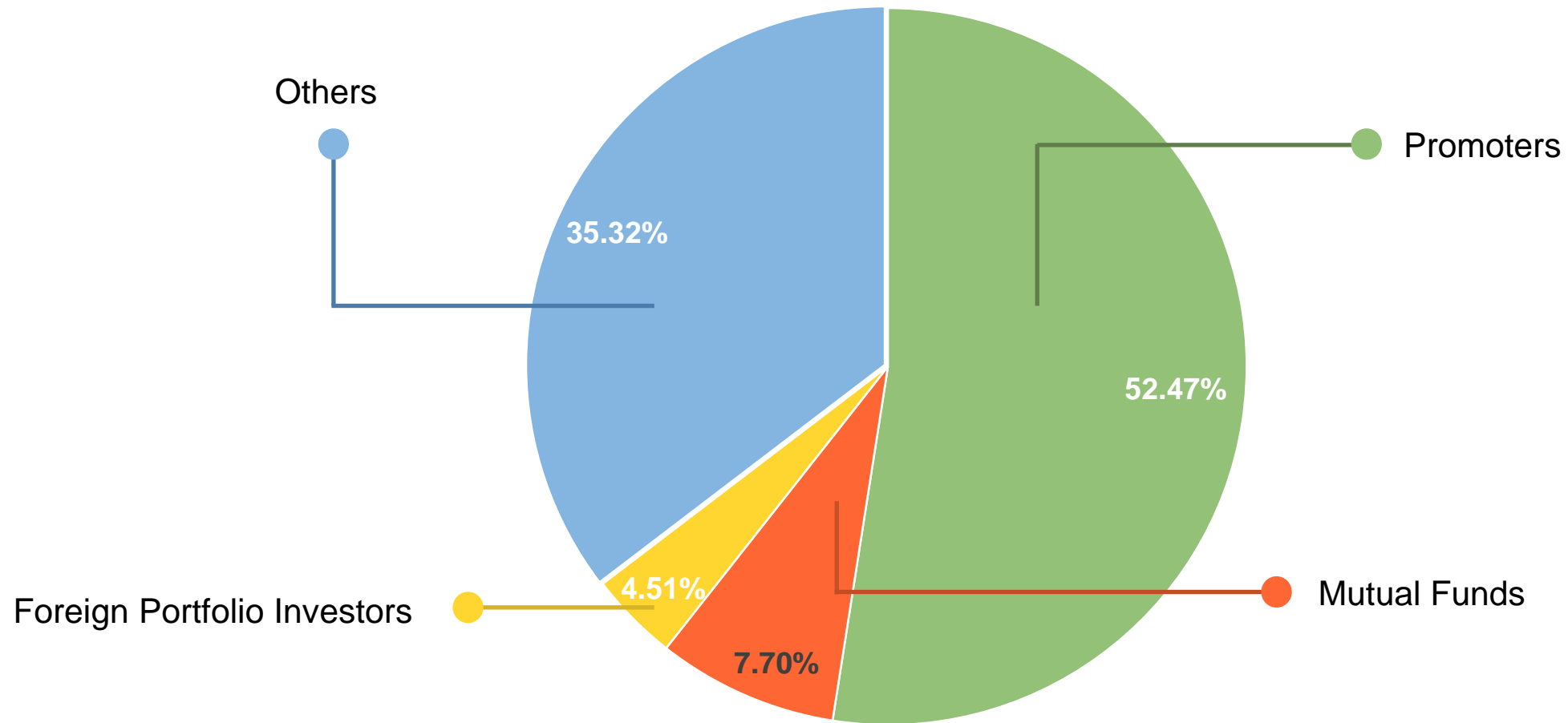
The National Record certificate by The Limca Book of Records for conducting the largest number of plumbers meets organised simultaneously across 26 states and 58 cities on 11 March, 2016.

Global CSR Excellence & Leadership Award at the 5th edition of Blue Dart World CSR day initiative

India’s most Trusted Brand in the category “Manufacturing - Pipes” awarded by Brand Trust Report 2015

Best Safety Practices Award - 2015 by National Safety council Maharashtra Chapter & Directorate of Industrial Safety & Health, Maharashtra State

Shareholding Pattern as on June 30, 2017





Agri Pipes and Fittings



Column Pipes



Casing Pipes



ASTM Pipes and Fittings



CPVC Pipes and Fittings




Sewerage Pipes



Solvent Cement


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