

**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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Toll Free 1800 200 3466  
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Email investors@finolexind.com  
Web finolexpipes.com



FIL/SEC/SEs/2022-23/064

21<sup>st</sup> October, 2022

The Manager – Listing Department  
National Stock Exchange of India Limited  
5, Exchange Plaza  
Bandra-Kurla Complex  
Bandra (East),  
Mumbai 400051  
Scrip Code: FINPIPE

The Manager – Listing Department  
BSE Limited  
Registered Office: Floor 25  
P.J.Towers  
Dalal Street  
Mumbai 400 001  
Scrip Code: 500940/FINOLEXIND

**Sub: Presentation on Unaudited Financial Results for the quarter and half year ended on 30<sup>th</sup> September, 2022**

**Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

In terms of the subject referred regulation, a presentation on unaudited Financial Results (both Standalone & Consolidated) along with the volume data and earning release of the Company for the quarter and half year ended 30<sup>th</sup> September, 2022, is enclosed.

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  
M. No.: A18549

Encl.: As above

**Corporate Office**  
Finolex Industries Limited  
D-1 / 10, M.I.D.C.  
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# FINOLEX INDUSTRIES

INVESTOR  
PRESENTATION  
Q2 FY 2022-23

# Sales volumes maintains growth trajectory; sharp price correction impacted earnings

## Q2 FY23

## H1 FY23

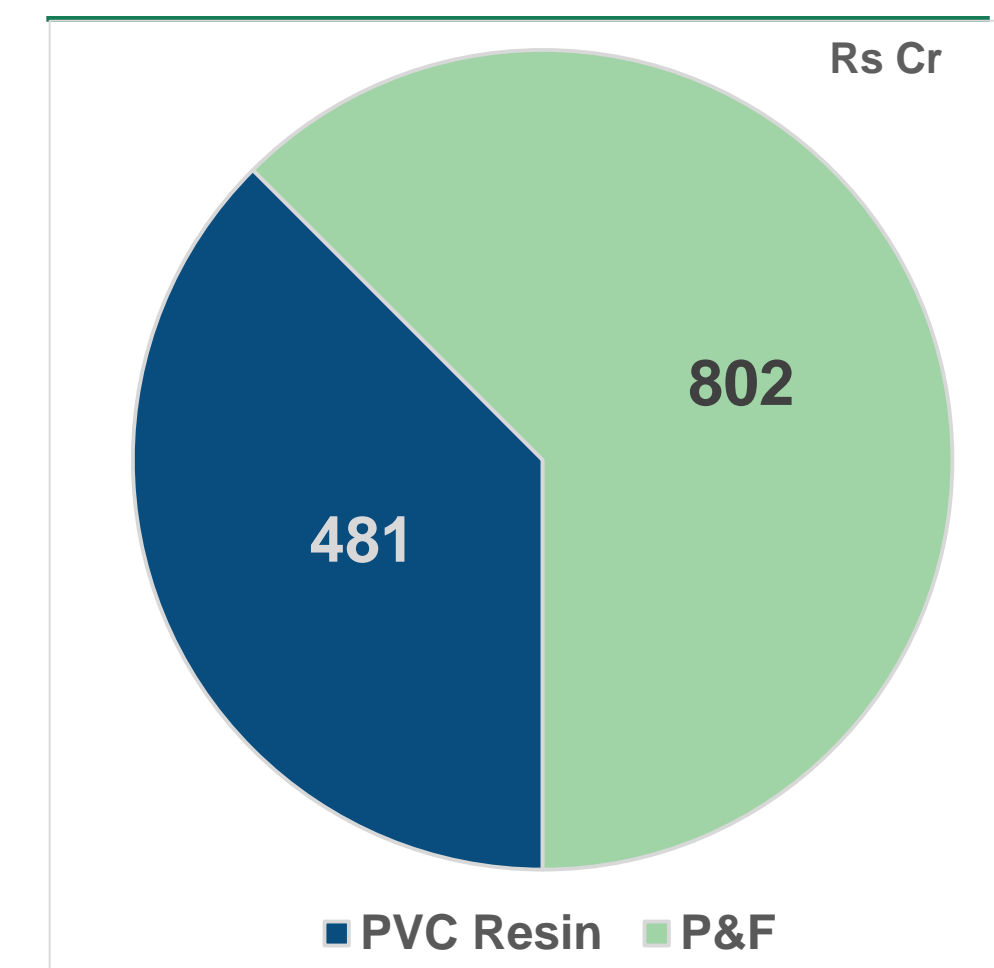
## Segment Revenue – Q2 FY23



**Sharp correction in prices impacted Revenues**

- Total revenue declined **13%** y-o-y to Rs. 941 Cr from Rs. 1,083 Cr

- Total revenue registered a y-o-y growth of 4% to Rs. 2,131 Cr



**Profit margins impacted by steep fall in product prices**

- Negative EBITDA of **Rs 143 cr** (vs. EBITDA of Rs. 300 Cr LY)
- Loss of **Rs 129 Cr** (vs PBT Rs 310 Cr LY)

- Negative EBITDA of **Rs 17 Cr** (vs. EBITDA of Rs. 511 Cr LY)
- Loss of **Rs 11 cr** (vs PBT Rs 510 Cr LY)

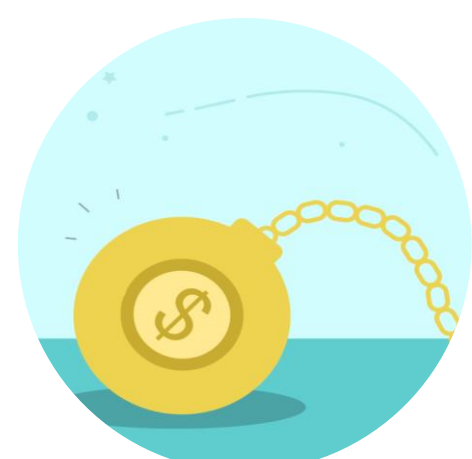
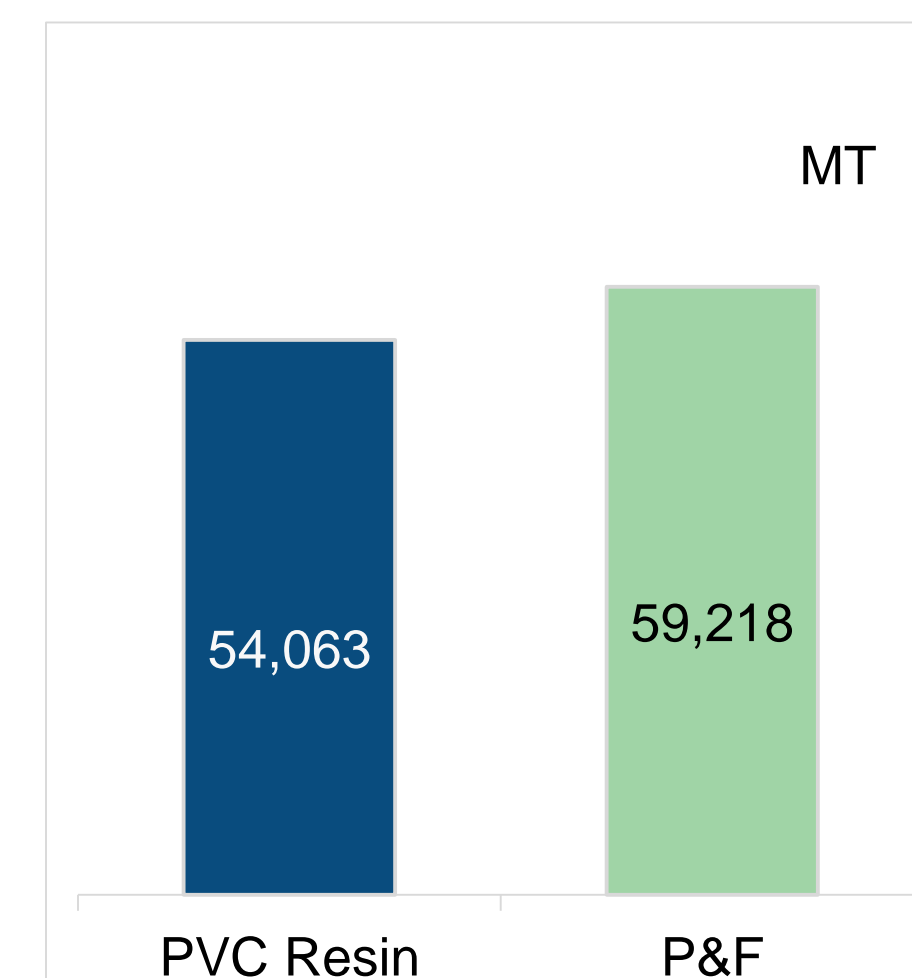
## Segment Volume – Q2 FY23



**Volumes maintains its growth path**

- PVC Pipes & Fittings volume grew 7% to 59,218 MT.
- PVC Resin volume registered a y-o-y growth of 4% to 54,063 MT

- PVC Pipes and Fittings volume registered a y-o-y growth of 18% to 1,31,178 MT.
- PVC Resin volume registered a y-o-y growth of 14% to 1,16,809 MT



**Strong liquidity and healthy balance sheet**

- Net Cash flow during the quarter (including short term debt repayment) **Rs -470 Cr**

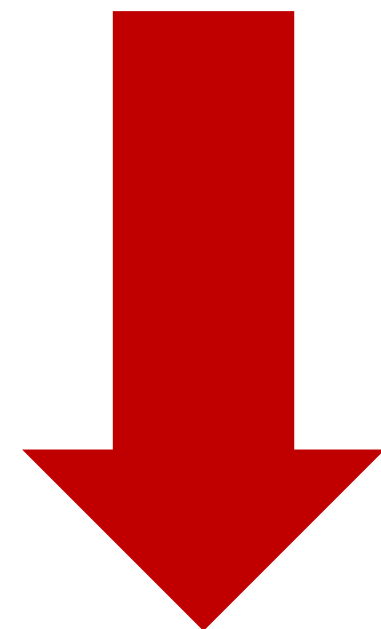
- Free cash of Rs 1,318 cr as on 30 Sep 22



# Segment Performance – Key highlights Q2 FY23

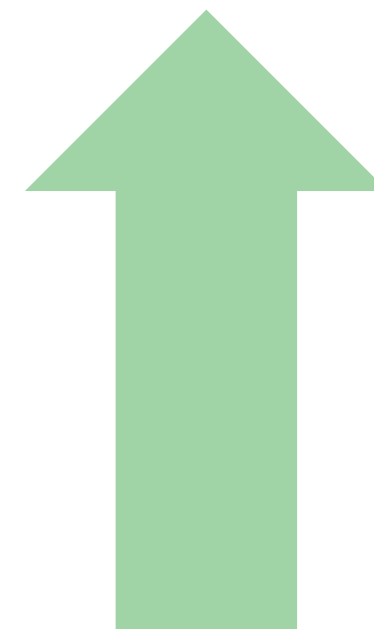
Pipes and Fittings

**801.73 Cr**  
**(11%) y-o-y**



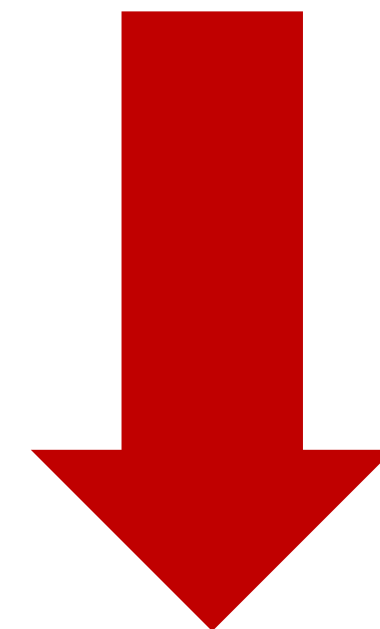
Revenue

**59,218 MT**  
**7% y-o-y**



Volume

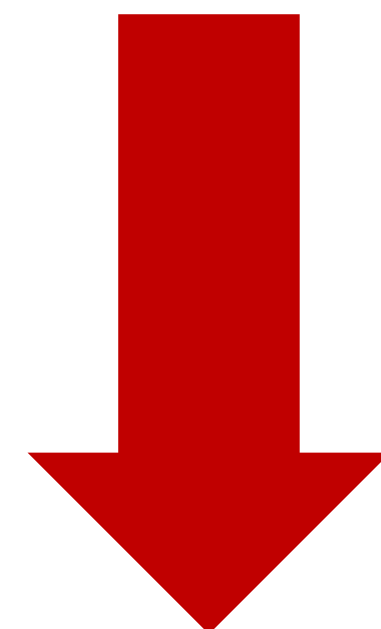
**(47.63) Cr**  
**(183%) y-o-y**



EBIT

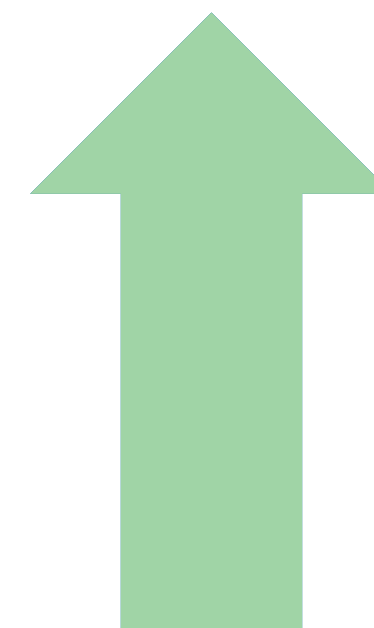
Resin

**481.07 Cr**  
**(27%) y-o-y**



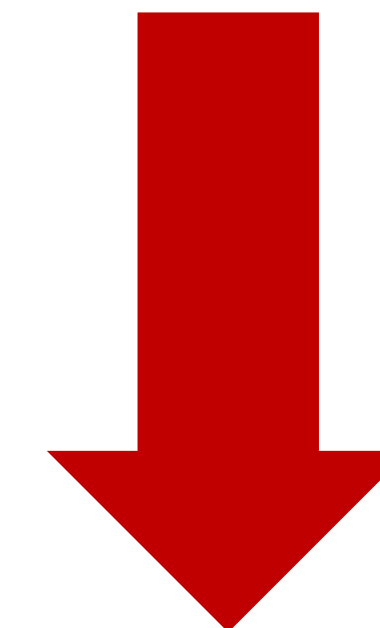
Revenue

**54,063 MT**  
**4% y-o-y**



Volume

**(110.68) Cr**  
**(148%) y-o-y**

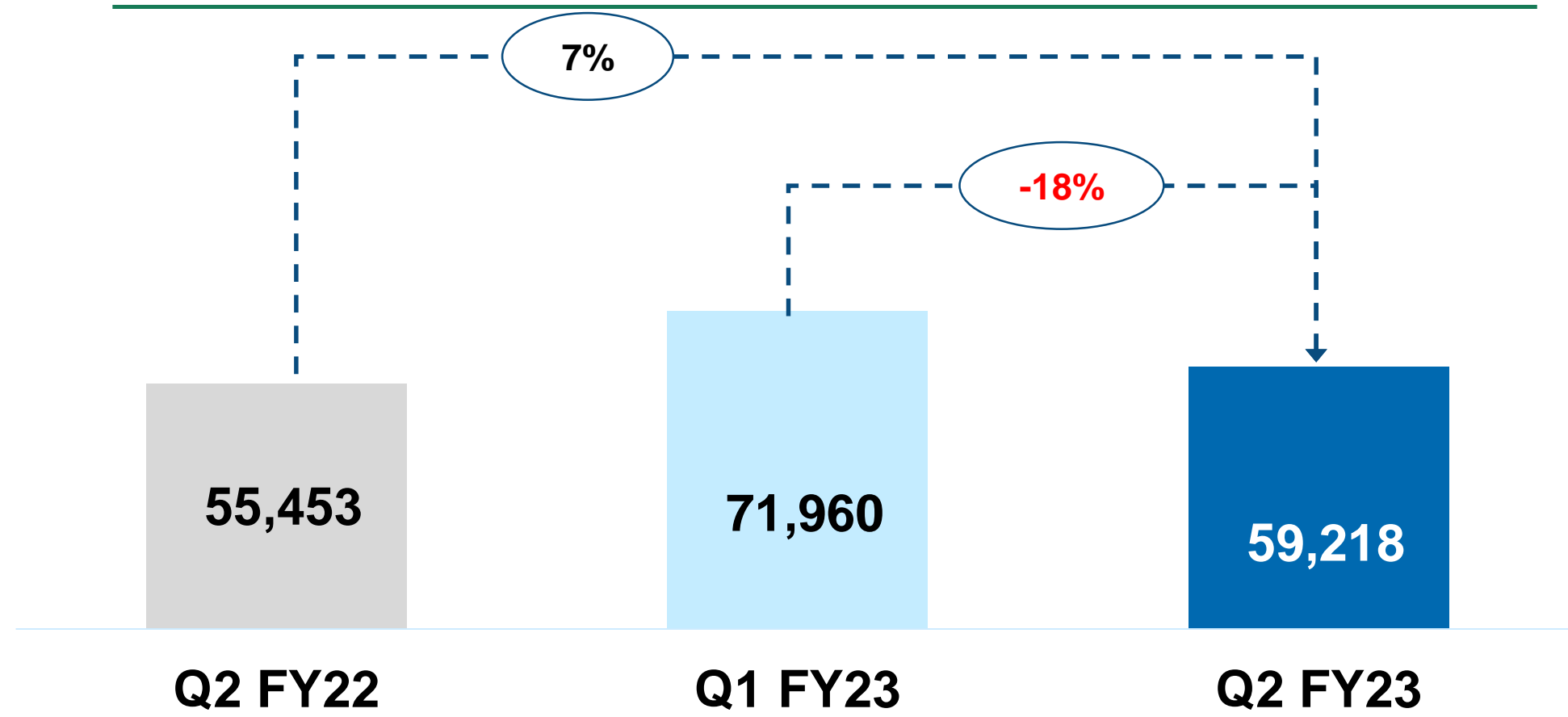


EBIT

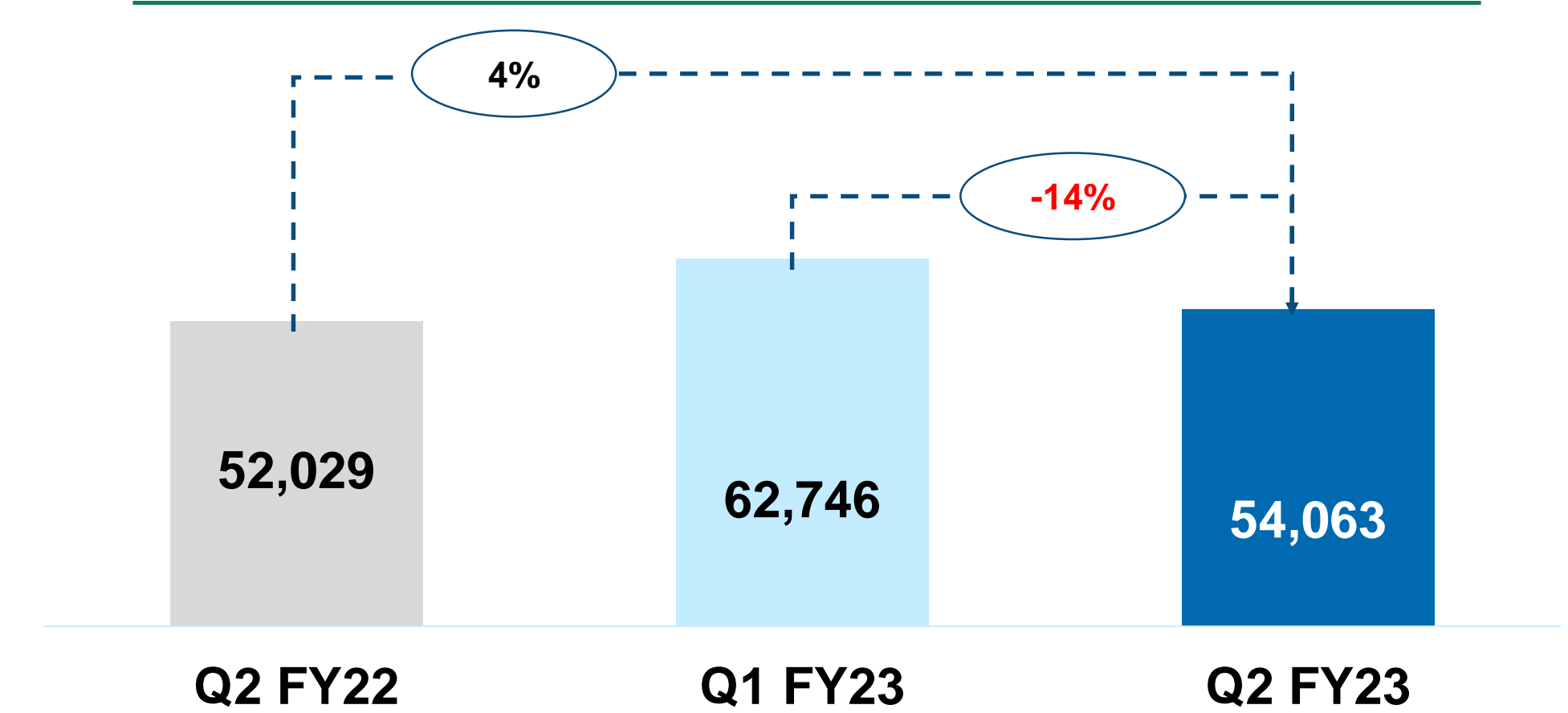


# Business Performance by Segment

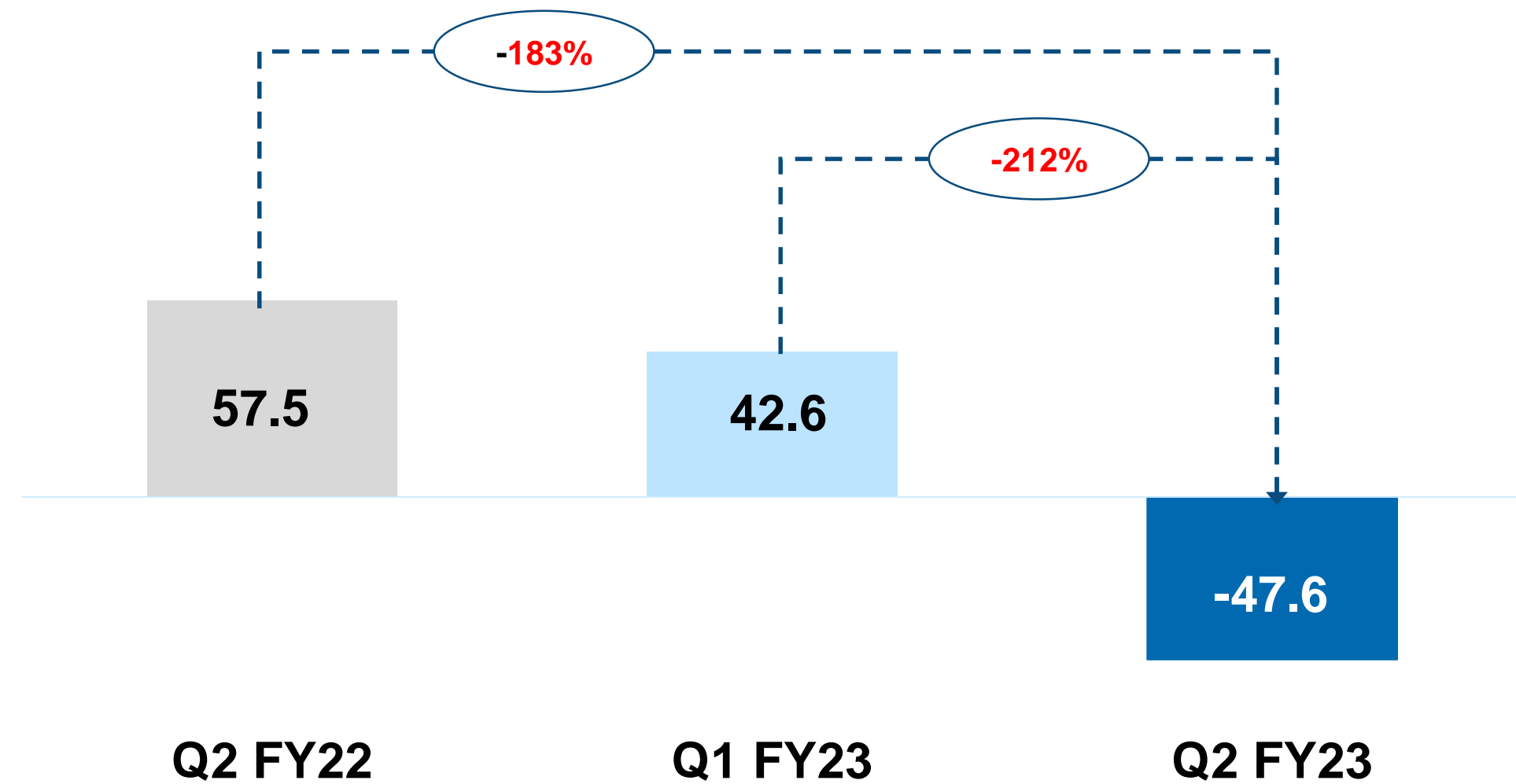
### P&F Volume (MTs)



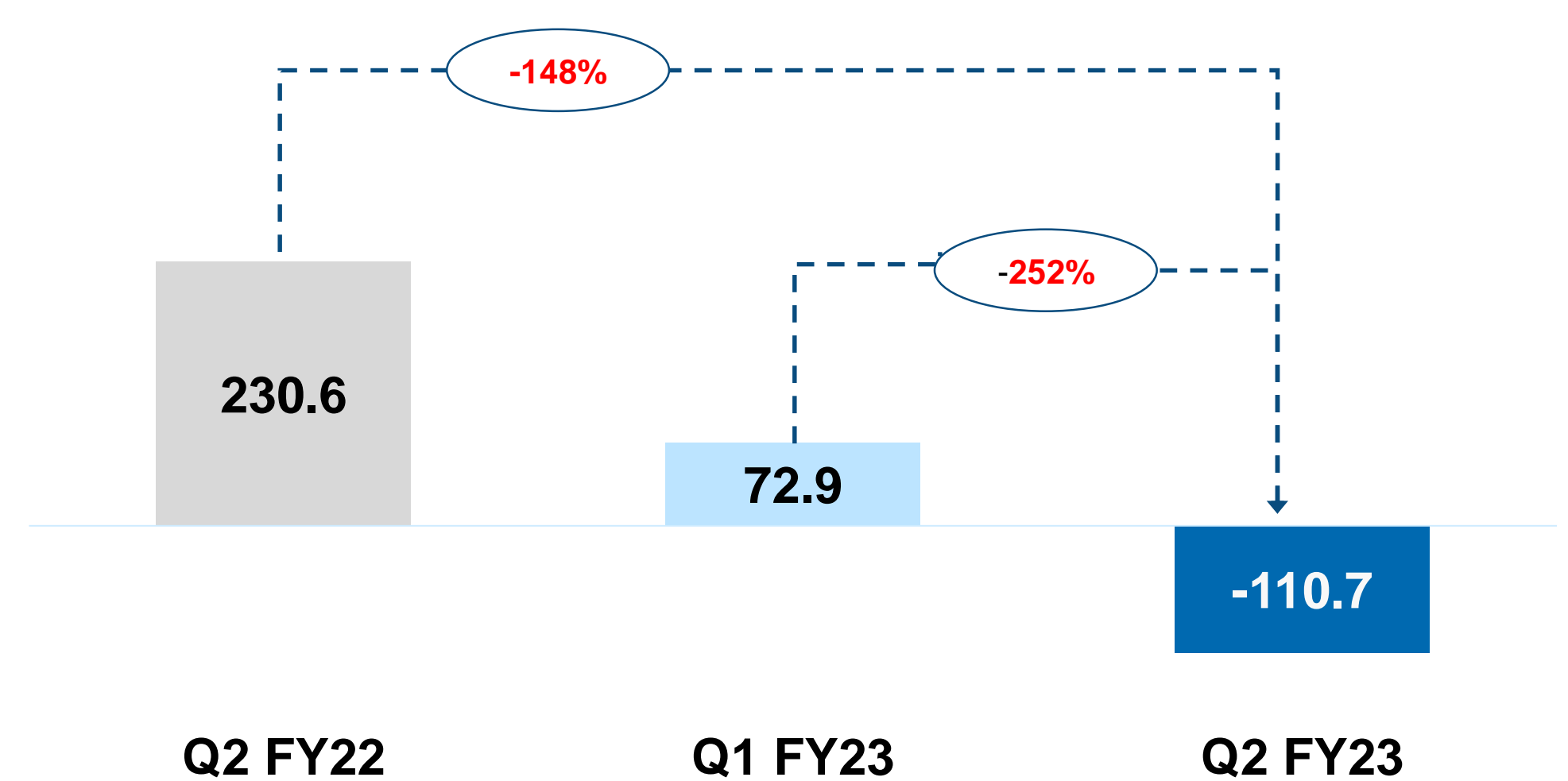
### PVC Volume (MTs)



### P&F EBIT (Rs Cr)



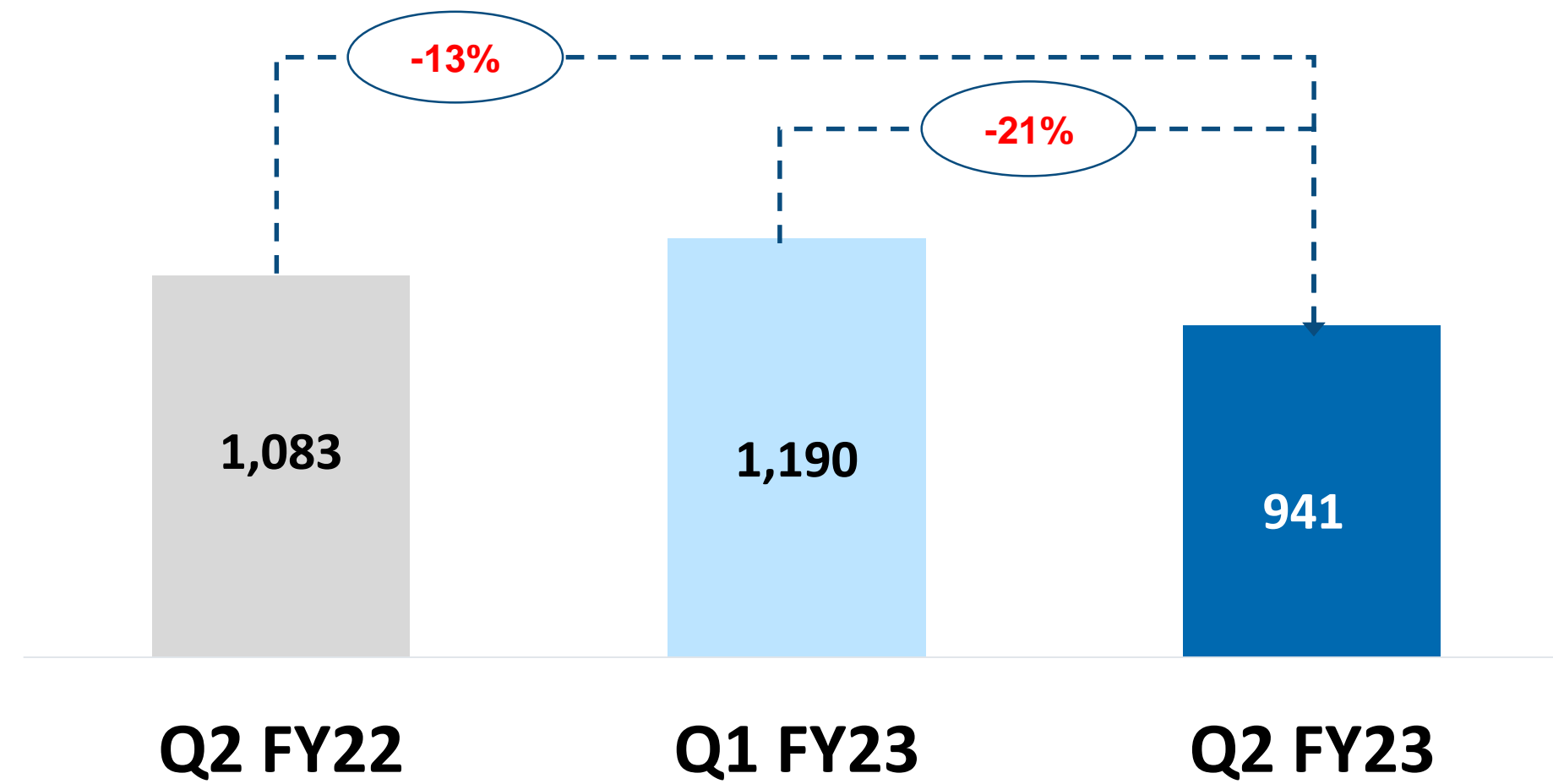
### PVC EBIT (Rs Cr)



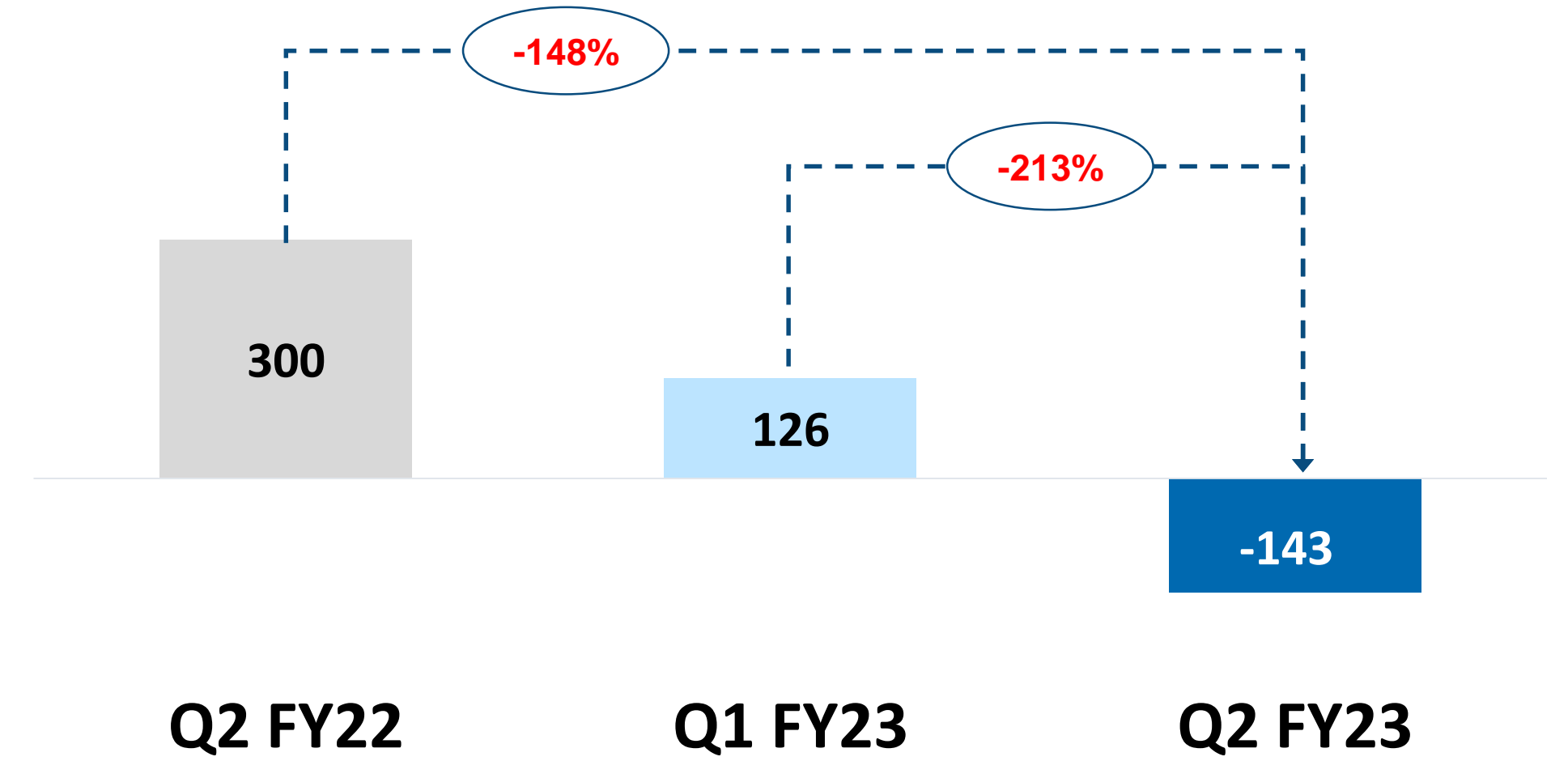


# Business Performance of the Company (Total)

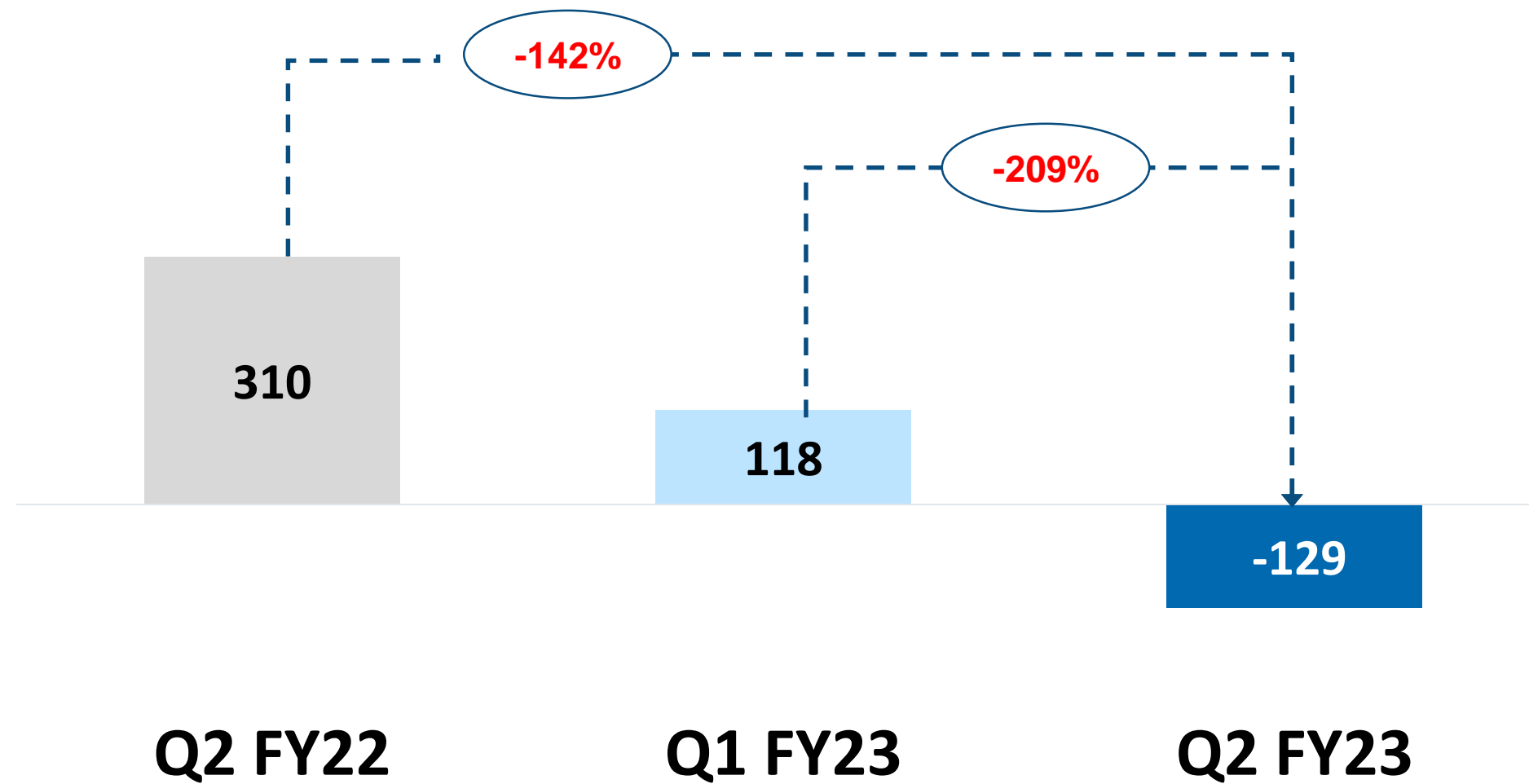
### Revenue (Rs Cr)



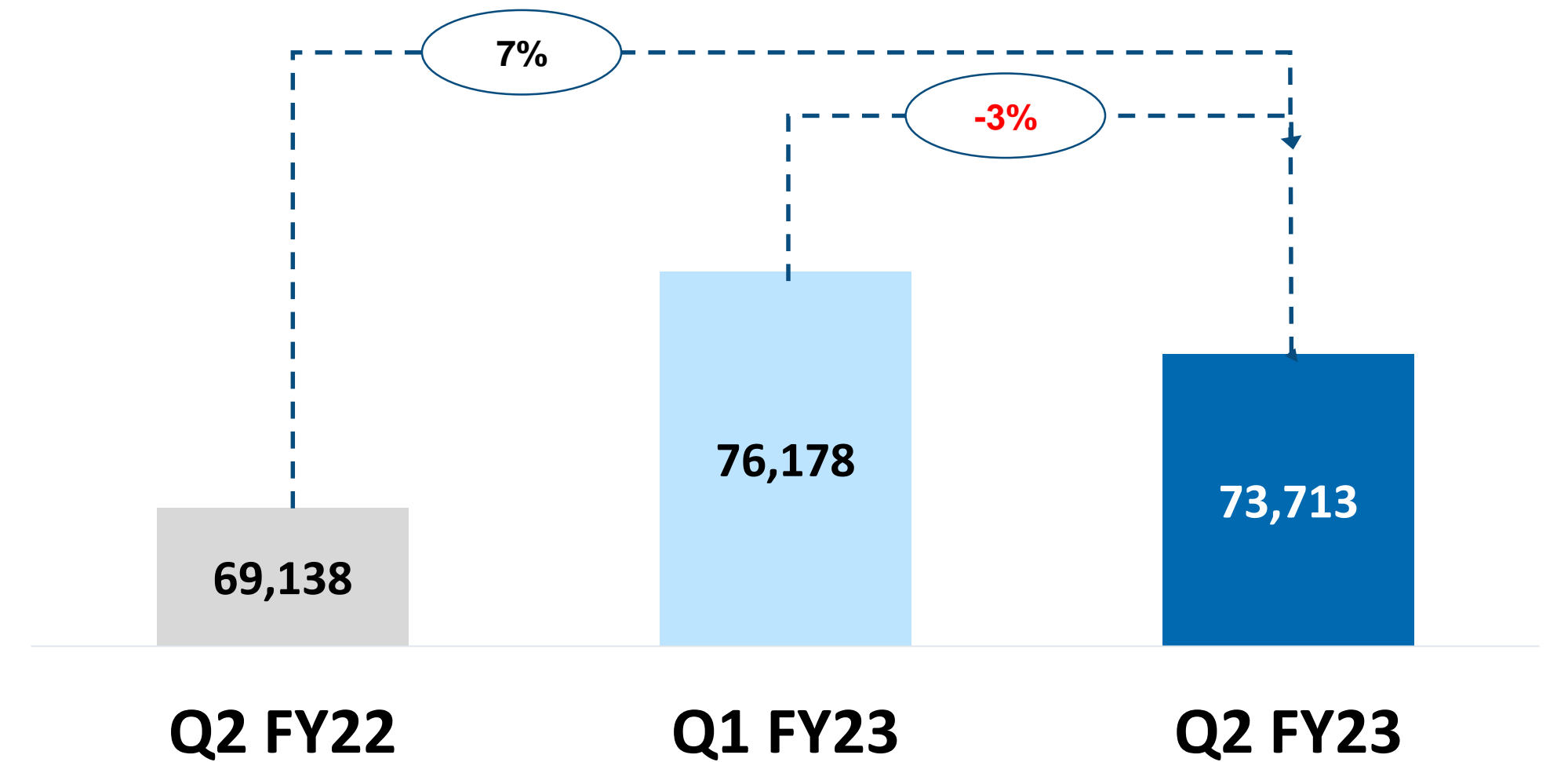
### EBITDA (Rs Cr)



### PBT (Rs Cr)



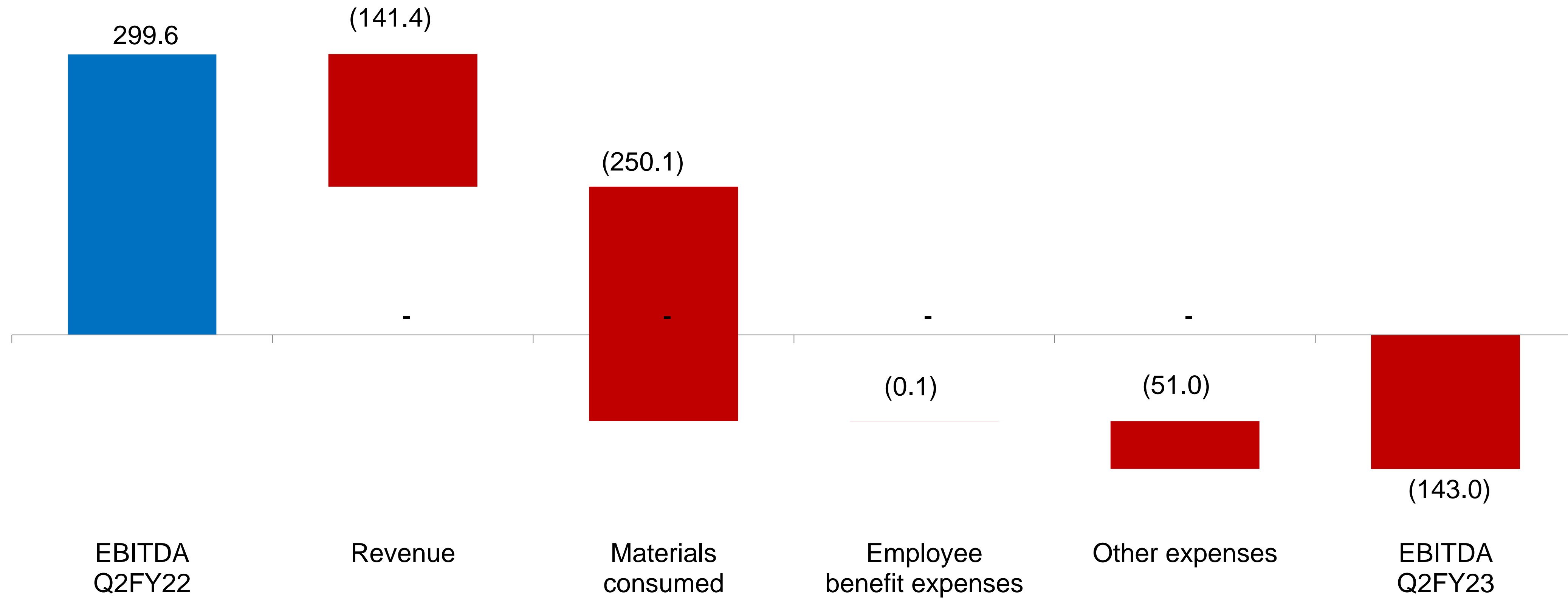
### Sales volumes (in MT)





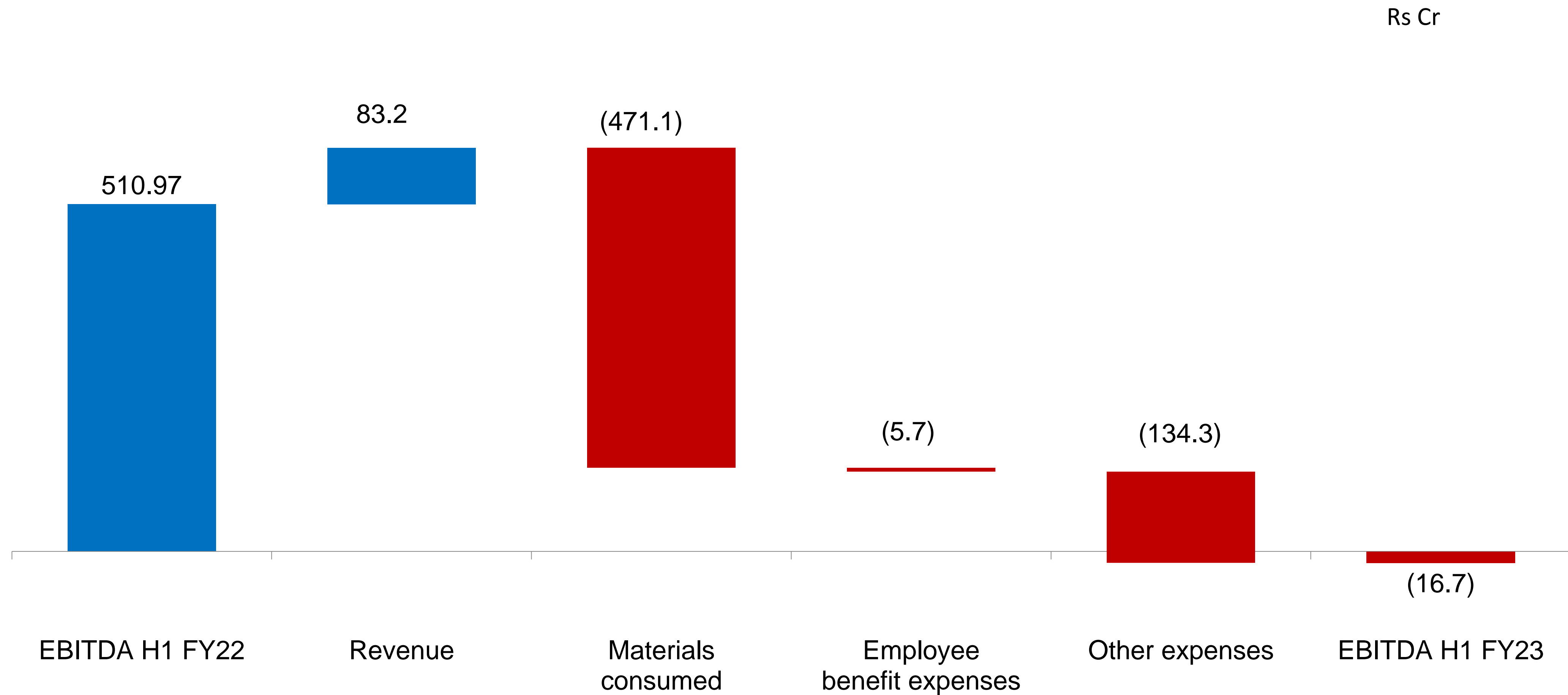
# EBITDA Movement Q2 FY23 vs. Q2 FY22

Rs Cr





# EBITDA Movement H1 FY23 vs. H1 FY22





## Summarised Income Statement

Rs. Cr	Q2 FY23	Q2 FY22	YOY Change	H1 FY23	H1 FY22	YOY Change
Total Income from operations	941.13	1,082.57	(13%)	2,130.94	2,048.02	4%
EBITDA gain/ (loss)	(142.67)	299.51	(148%)	(16.76)	510.97	(103%)
<i>EBITDA %</i>	(15%)	28%		(1%)	25%	
Depreciation	21.56	20.61		42.90	40.67	
Profit/(loss) before Interest and taxes	(164.23)	278.90	(159%)	(59.66)	470.30	(113%)
<i>EBIT %</i>	(17%)	26%		(3%)	23%	
Finance costs	4.31	0.41		15.64	5.17	
Other Income	39.29	31.82		64.36	45.22	
Profit/ (loss) before tax	(129.25)	310.31	(142%)	(10.94)	510.35	(102%)
<i>PBT %</i>	(14%)	29%		(1%)	25%	
Tax	(35.33)	75.23		(17.11)	128.47	
Profit/ (loss) After Tax	(93.92)	235.08	(140%)	6.17	381.88	(98%)
<i>PAT %</i>	(10%)	22%		0.3%	19%	



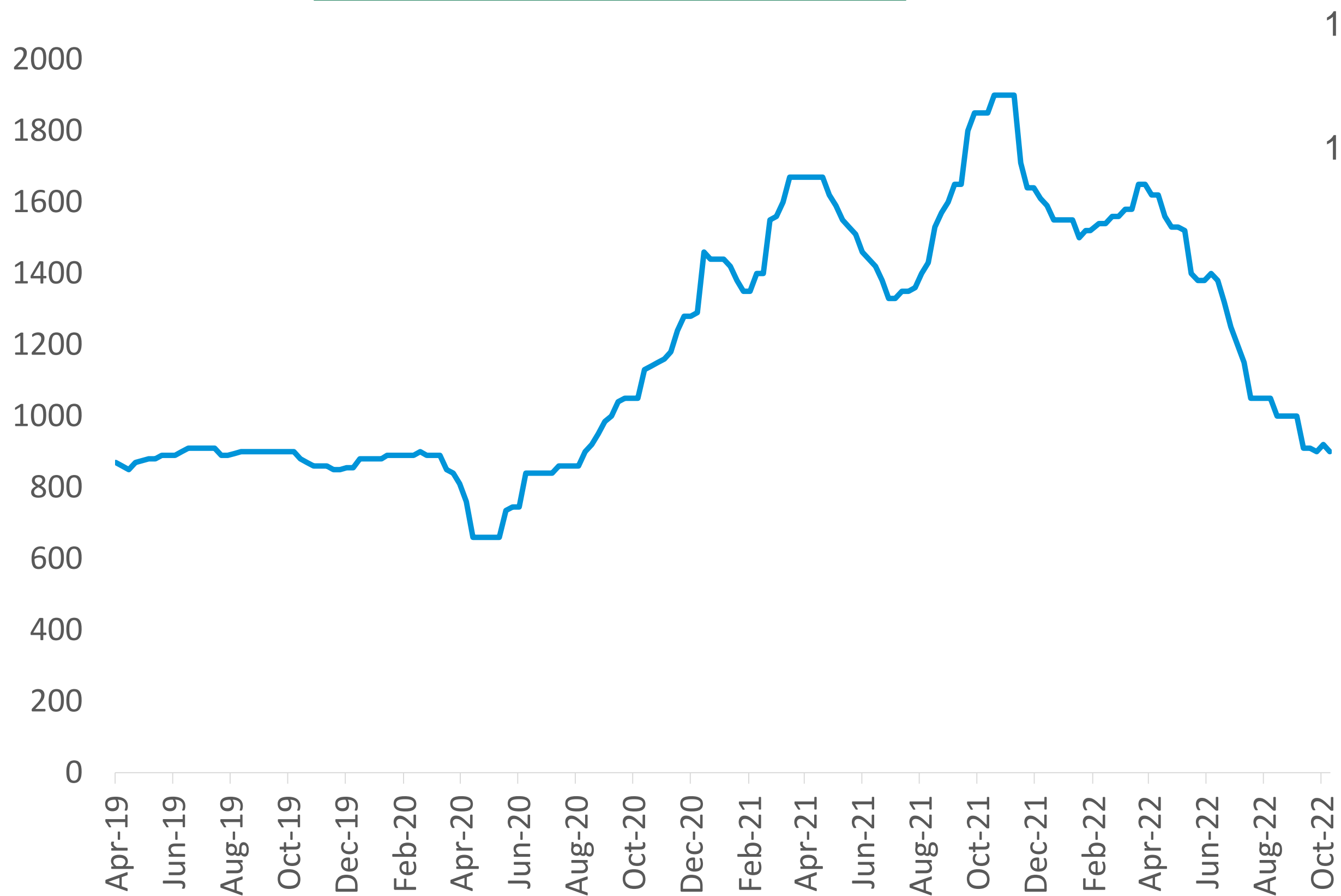
## Balance Sheet – Key indicators

Rs. Cr	30-Sep-22	31-Mar-22
<b><i>Equity and liabilities</i></b>		
Share capital	123.67	124.10
Reserves and surplus	3,709.14	3,739.66
Long term borrowings	-	-
Short term borrowings (including loans repayable in one year)	27.16	278.03
<b><i>Assets</i></b>		
Fixed assets (Net block)	984.99	992.33
Capital WIP	31.07	9.46
Non current investments	1,331.27	1,080.78
Current investments	1,050.78	1,552.52

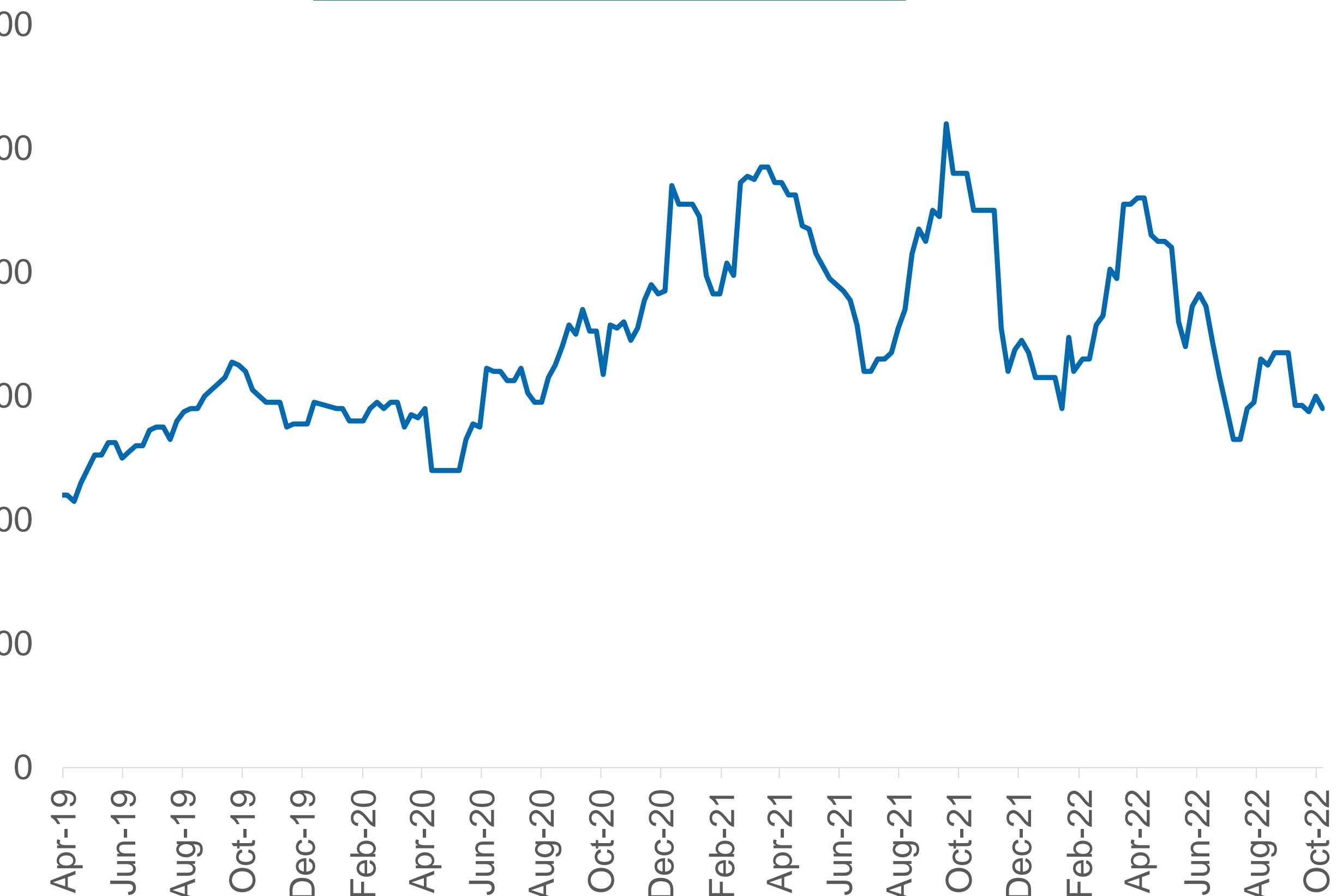


# PVC Prices & PVC/EDC Delta

### PVC (USD/MT)



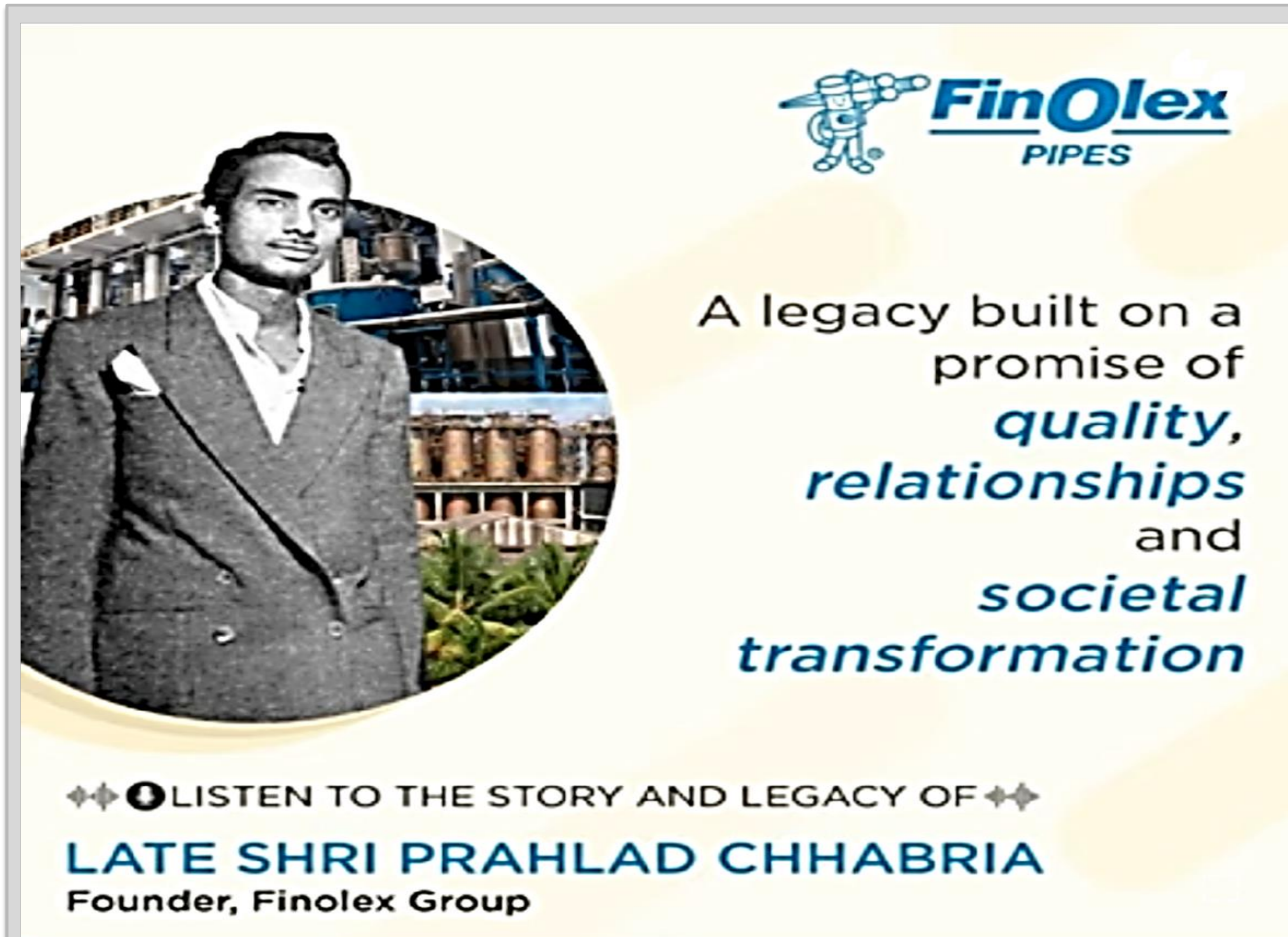
### PVC/EDC Delta (USD/MT)





## Select Marketing Initiatives

Engaging storytelling of the brand by reinforcing core values of Founder of Finolex Group



**FinOlex PIPES**

A legacy built on a promise of *quality, relationships and societal transformation*

◆◆ **LISTEN TO THE STORY AND LEGACY OF** ◆◆

**LATE SHRI PRAHLAD CHHABRIA**  
Founder, Finolex Group

Podcast- Legacy of Late Shri Prahlad Chhabria  
On Spotify & Youtube



**pralhad**  
FOUNDER OF **FINOLEX**

**Pralhad | Award-winning Short Film | Ft. Ritwik Sahore | Schbang Motion Pictures**

 humaramovie

<b>23K</b> Likes	<b>5,620,181</b> Views	<b>Sep 1</b> 2022
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Pralhad Movie- More than 5.6 M views on Youtube



## Key objectives and initiatives

To continue building visibility & improve awareness in the market

To strengthen relationship with key stakeholders using on-ground and digital activations



Ashadhi Wari  
Pandharpur, Maharashtra



Jagannath Rath Yatra  
Puri, Odisha



Onam Festival  
Kerala

- Impactful integration in TV shows with strong affinity.
- Tapped diverse cultural cues and stakeholder sentiments for nation wide celebration during festive period across multiple platforms



Print Ad – PM Birthday wishes



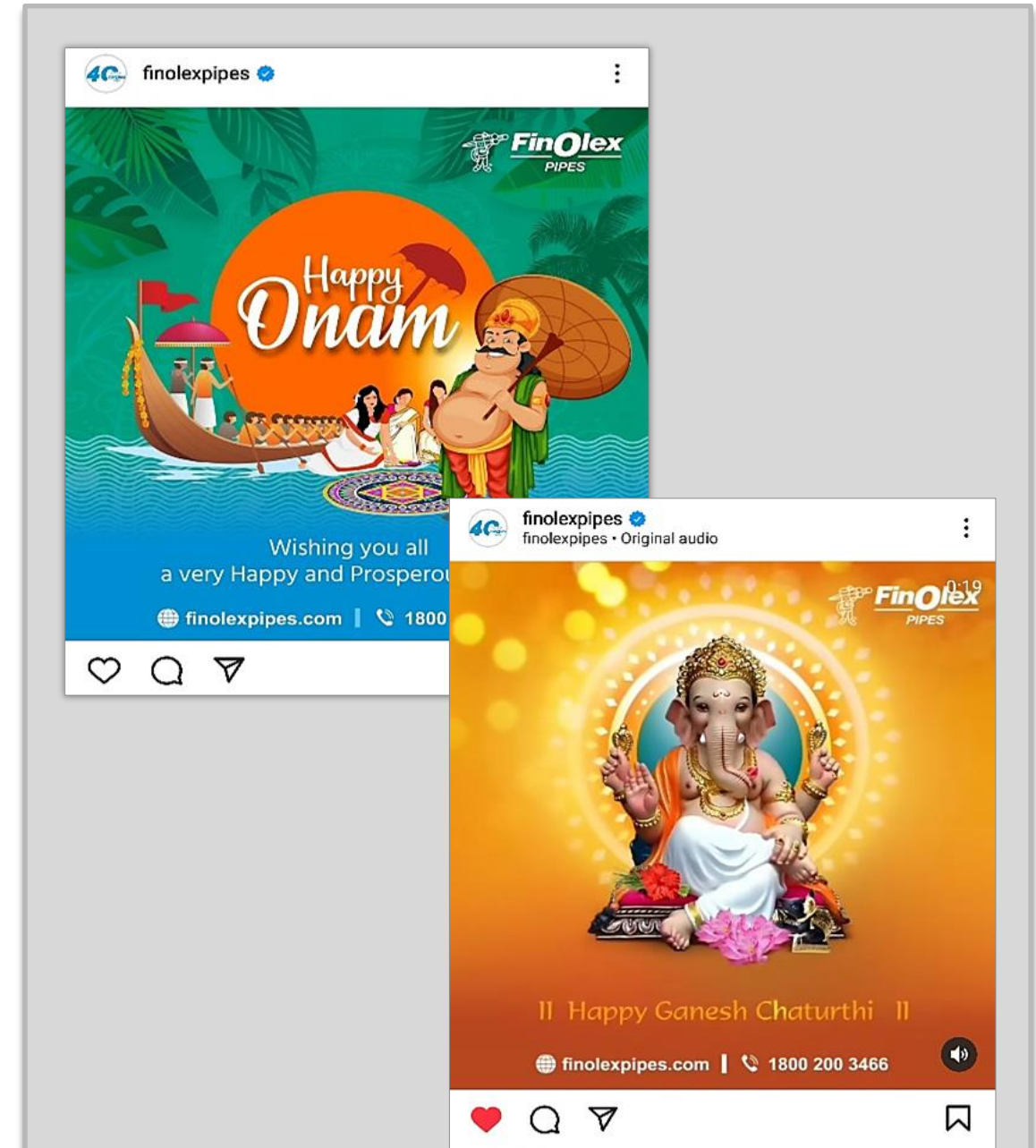
Brand Integration – Swaraj – DD National



Brand Integration – Bigg Boss



Print Ad – Independence day



Social Media Posts – Festive wishes



# Awards and Recognitions

We are happy to be a place where employees feel happy.

**Great Place To Work®**  
**Certified**  
SEPT 2022 - SEPT 2023  
INDIA

**FINOLEX PIPES WINS 'GREAT PLACE TO WORK' CERTIFICATE.**

Great Place To Work Certification

**FINOLEX PIPES**  
IS RECOGNISED AS ONE OF 'ICONIC BRANDS OF INDIA' BY THE ECONOMIC TIMES

Iconic Brands of India 2022  
by The Economic Times

**FINOLEX PIPES WINS BEST FINANCIAL PERFORMANCE AWARD**

Entrepreneur AWARDS 2022  
20<sup>th</sup> SEPT, 2022  
Best Financial Performance Award  
Finolex Industries Limited

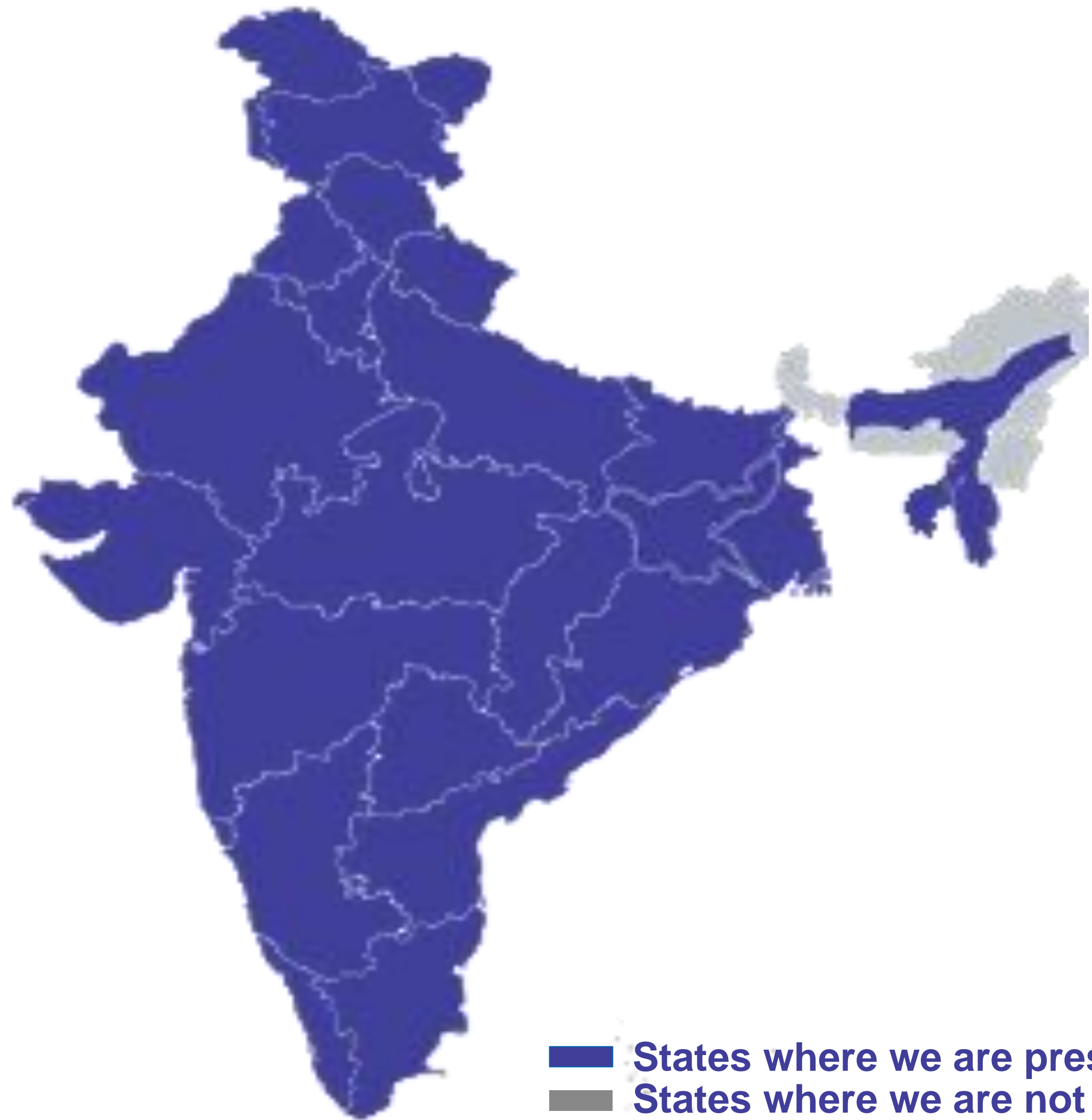
Best Financial Performance Entrepreneur Awards 2022





## CSR Update

# Presence of Mukul Madhav Foundation in India



Mukul Madhav Foundation (MMF), a CSR partner of FIL is engaged in various CSR activities all across India

				
Healthcare	Education	Social Welfare	Water & Environment Conservation	Sanitation
				
	Women Empowerment	Skill Development	Disaster Relief	

# Strengthening Our Commitment Towards 16 out of the 17 UN Sustainable Development Goals



Actively exploring opportunities to cater the remaining spectrum: -





## Actively engaged in 15 out of 16 CSR Mandated Areas

- ✓  Agriculture & rural development projects
- ✓  Ensuring environmental sustainability
- ✓  Eradicating extreme hunger and poverty
- ✓  Promotion of education
- ✓  Promotion of vocational skills and livelihoods
- ✓  Promoting gender equality and empowering women
- ✓  Promoting preventive healthcare
- ✓  Promoting sports
- ✓  Safe drinking water and sanitation
- ✓  Support to differently abled
- ✓  Technology incubators
- ✓  Armed forces/veterans
- ✓  Contribution to Swachh Bharat Kosh Clean Ganga Fund
- ✓  Animal Welfare
- ✓  Heritage Art & Culture
- PM National Relief Fund



### Eradicating extreme hunger & poverty

- 575 children received access to nutrition through inauguration of a mid-day meal program at Poona Women’s Council School, Pune
- Support with hot meals was provided to Annamrita Foundation, Sai Ashray and homeless people on the streets of Pune and Shirdi
- 39 institutions were supported with monthly ration and groceries

### Support for Differently-Abled

- Ongoing support being provided to 1,541 CP patients.
- 159 new patients were impacted through a CP camp.
- Surgery & therapy support, orthotic devices provided to 14 children.
- 50 children with Clubfoot were supported through Clubfoot India in Gujarat, Telangana and Tamil Nadu
- 20 tech devices were provided to support visually impaired children

### Promotion for Education

- Supported 88+ educational institutes and 3000+ individual students across 7 states with scholarships, infrastructural support, access to drinking water and sanitation facilities
- Students of Mukul Madhav Vidyalaya, Ratnagiri being guided and encouraged
- Financial support was provided to SAMPARC, Pune to aid 20 girls from marginalised backgrounds with school supplies, food and stay.

# CSR Activities in Q2 FY23 – some snapshots



## Promoting Preventive Healthcare

- Blood donation camps were held at BT Shahani School, Pune, and Agricultural College, Pune. 138 people participated
- A mammography machine was donated to Bharati Hospital, Pune.
- A cataract screening for older citizens was organised in collaboration with Nav Bharat Jagriti Kendra, Jharkhand.
- A health camp organised at Takari Village, Sangli, Maharashtra. 258 people benefited.

## Supporting and encouraging small businesses

- To encourage thriving small businesses, 5 institutions supported by MMF for skill-building participated in the Yellow Ribbon Fair, Pune and sold their handicraft products.
- An international level Under & Postgraduate conference – MediACE – was organised to promote medical learning amongst students.
- Supported a mime play competition called 'Maunantar' in collaboration with FTI India






## Other support

- 2 widows were provided with an employment opportunity at Ex-Servicemen Contributory Health Service by setting up of a canteen.
- 3 water coolers to support devotees at ISKCON temple, Pune and Shri Trimbakeshwar Devasthan Trust temple in Nashik, Maharashtra
- Students doing Plumbing course at ITI, Pune visited Finolex Urse Plant to get hands on training



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## FINOLEX INDUSTRIES LIMITED

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-  [www.finolexpipes.com](http://www.finolexpipes.com)



FOR IMMEDIATE RELEASE

**Finolex Industries reports 5% growth sales volumes; sharp correction in PVC prices impacts Q2 earnings negatively**

**Pune, 21 Oct 2022:** Finolex Industries Limited (NSE:FINPIPE|BSE:500940) at its Board Meeting held today announced unaudited financial results for the second quarter ended September 30, 2022.

**Key Financial Highlights (Standalone): (INR- Cr)**

Rs. In Crores	Q2 FY23	Q2 FY22	% Change	H1 FY23	H1 FY22	% Change
Total Income from operations	941.13	1,082.57	(13.1%)	2,130.94	2,048.02	4.0%
EBITDA gain/(loss)	(142.67)	299.51	(147.6%)	(16.76)	510.97	(103.3%)
<b>EBITDA %</b>	(15.16%)	27.67%		(0.79%)	24.95%	
Depreciation	21.56	20.61		42.90	40.67	
Profit/ (loss) before interest & tax	(164.23)	278.90	(158.9%)	(59.66)	470.30	(112.7%)
<b>EBIT %</b>	(17.45%)	25.76%		(2.80%)	22.96%	
Finance costs	4.31	0.41		15.64	5.17	
Other Income	39.29	31.82		64.36	45.22	
Profit/(loss) before tax	(129.25)	310.31	(141.7%)	(10.94)	510.35	(102.1%)
<b>PBT %</b>	(13.73%)	28.66%		(0.51%)	24.92%	
Tax	(35.33)	75.23		(17.11)	128.47	
<b>Profit/(loss) after tax</b>	(93.92)	235.08	(140.0%)	6.17	381.88	(98.4%)
<b>PAT %</b>	(9.98%)	21.72%		0.29%	18.65%	
<b>Sales in MT</b>						
PVC Resin (External)	14,495	13,684	5.9%	18,713	22,410	(16.5%)
Pipes and Fittings	59,218	55,453	6.8%	1,31,178	1,11,272	17.9%

**Q2 FY23 Highlights:**

- Total income from operations was Rs 941.13 Cr for Q2FY23 – down 13.1% against Rs 1,082.57 Cr in Q2FY22.
- Volume in Pipes & Fittings segment was up 6.8% to 59,218 MT in Q2FY23 against 55,453 MT in Q2FY22.
- Volume in Resin segment was up 3.9% to 54,063 MT in Q2FY23 against 52,029 MT in Q2FY22.
- EBITDA loss of Rs -142.67 Cr for Q2FY23 against profit of Rs 299.51 Cr for Q2FY22.
- PAT loss of Rs -93.92 Cr for Q2FY23 against Rs 235.08 Cr for Q2FY22.



**H1 FY23 Highlights:**

- Total income from operations was Rs 2,130.94 Cr for H1FY23 – up 4.0% against Rs 2,048.02 Cr in H1FY22.
- Volume in Pipes & Fittings segment grew 17.9% to 1,31,178 MT in H1FY23 against 1,11,272 MT in H1FY22
- Volume in Resin segment was up 14.2% to 1,16,809 MT in Q2FY23 against 1,02,278 MT in Q2FY22
- EBITDA loss stood at Rs 16.76 Cr for H1FY23 against EBITDA profit of Rs 510.97 Cr for H1FY22.
- Profit after tax was at Rs 6.17 Cr for H1FY23 against Rs 381.88 Cr for H1FY22.

Commenting on the quarterly results, Mr. Prakash P. Chhabria, Executive Chairman, Finolex Industries Limited said, *“Second quarter is generally a drag on volume due to Monsoon. However, the Company has delivered higher volumes over last year, which reflects spur in demand. The financial results for the quarter had a severely adverse impact due to sharp correction in PVC prices against high priced inventory of raw material and finished goods. The silver lining is that the correction in commodity rates could further improve demand from consumers across segments. The Company is well positioned to sail through this trough of the cycle as it has a strong debt-free balance sheet with positive cash flows.”*

## **This is Finolex:**

We are India's most trusted PVC pipes and fittings manufacturer. Over the last 40 years, we have impacted the sanitation-plumbing and agricultural sectors with prudent investments across our value chain. Right from the sourcing of quality raw materials and resin production, to manufacturing, storage, transport, sales, marketing and even further downstream to include customer engagement

To stay focused on making superior quality pipes and fittings, and nothing else but that, for forty years, is no mean feat. Aligning every decision, every action, every resource towards delivering quality pipes and fittings. To choose to do just this one thing, and do it well. So that once our customers install our pipes, they completely forget about us. We take great pride in this dependable quality that has not only earned us ISO 9001:2015 certifications across plants, but also earned us the sincere affection of farmers, plumbers, homeowners, partners, associates and shareholders. They have all come to expect the world from us. Because that's exactly what we expect from ourselves.

When we choose to diversify, it's upstream with an open sea jetty to manage our raw materials, and downstream into last mile fulfillment. When we evolve, it has to be in our understanding of customer expectations and finding better machines and processes to meet those expectations. When we choose to expand, it is into newer markets, delivering our pipes and fittings to newer customers. And when we measure our growth, it is in reputation. The effect of which reflects in our bottom line - growing manifold in the last decade.

This quality focus is not just restricted to our products, but defines every aspect of our functioning. Whether quality support for our dealers, vendors and suppliers. Quality opportunities to our employees. Superior quality of life, education and health of the people we serve through our various social responsibility initiatives.

Over the last forty years, we have steadily added depth to our company, instead of spreading ourselves wide and thin. Consistently delivering the exact same products that fulfil the exact same promise. Every time. That's what makes us a strong brand, with a strong network, and even stronger goodwill. We are Finolex Industries Limited.

## **Partners in Compassion:**

Mukul Madhav Foundation (MMF), our CSR partner, is a registered charitable trust under the Bombay Charitable Act 1950. It has dedicated itself to uplifting underprivileged and vulnerable communities with opportunities that pave their path to success. Empowering them with educational facilities, hospitals, healthcare, sanitation and environmental support, social welfare and so much more. Creating a foundation for individuals, their communities and their environment to thrive. MMF also supports existing infrastructure and initiatives by helping them upgrade. We don't simply donate funds, we endow dignity.

**Finolex Industries Limited.**

**Volume Data**

Sr. No.	Particulars	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23
1	<b>Production in MT</b>															
a	PVC Resin	84,221	51,785	41,347	83,370	70,891	13,785	43,338	84,016	83,896	53,817	29,961	65,846	64,564	59,956	45,596
b	PVC pipes & fittings	67,814	88,297	62,786	53,355	59,250	44,697	54,406	51,702	61,901	55,430	53,553	49,351	72,514	76,350	54,285
2	<b>Sales in MT</b>															
a	PVC Resin-External	22,640	11,618	6,997	19,908	17,076	7,853	9,665	31,475	26,825	8,726	13,684	10,984	23,701	4,218	14,495
	PVC Resin-Inhouse	53,909	66,894	34,425	39,246	43,025	37,582	37,965	36,266	48,456	41,523	38,345	32,480	55,481	58,529	39,568
	<b>Total PVC</b>	<b>76,549</b>	<b>78,512</b>	<b>41,422</b>	<b>59,154</b>	<b>60,100</b>	<b>45,435</b>	<b>47,630</b>	<b>67,741</b>	<b>75,281</b>	<b>50,249</b>	<b>52,029</b>	<b>43,464</b>	<b>79,182</b>	<b>62,746</b>	<b>54,063</b>
b	PVC Pipes	75,043	86,349	43,255	47,328	57,361	49,856	38,503	49,426	54,189	50,626	48,599	40,872	70,796	65,515	52,193
c	PVC Fittings	5,728	5,306	4,769	5,487	5,104	3,054	5,115	5,873	6,042	5,192	6,854	6,121	7,834	6,445	7,026
	<b>Total Pipes and Fittings</b>	<b>80,771</b>	<b>91,655</b>	<b>48,024</b>	<b>52,815</b>	<b>62,464</b>	<b>52,911</b>	<b>43,618</b>	<b>55,299</b>	<b>60,232</b>	<b>55,819</b>	<b>55,453</b>	<b>46,994</b>	<b>78,629</b>	<b>71,960</b>	<b>59,218</b>