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FIL/SEC/DT/SEs/2018-19/95
29th October, 2018

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: Presentation on Un-audited Financial Results for the quarter and six months ended on 30th September, 2018

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 Un-audited Financial Results along with the volume data and earning release of the Company for the quarter and six months ended 30th September, 2018, is enclosed.

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



FINOLEX INDUSTRIES LIMITED

Q2FY19 RESULTS



Q2FY19 – Business Performance Highlights

Revenue

- Revenue registered a y-o-y growth of 14.2% to Rs. 5,426 mn

Volume

- PVC Resin volume registered a y-o-y increase of 7.2% to 43,461 MT.
- Pipe and Fittings volume registered a y-o-y decline of 4.2% to 45,272 MT, mainly due to monsoon pattern.

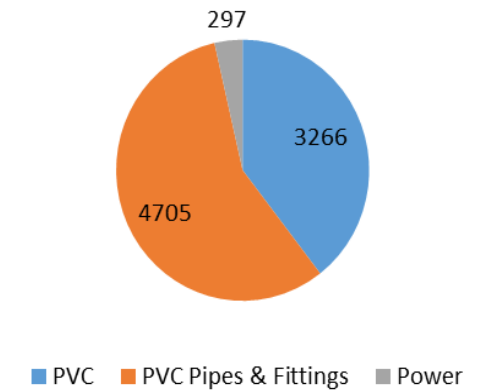
Operating Performance (EBIT)

- EBIT margins at 20% as compared to 7.3 % reflecting a 1260 bps growth.

PAT

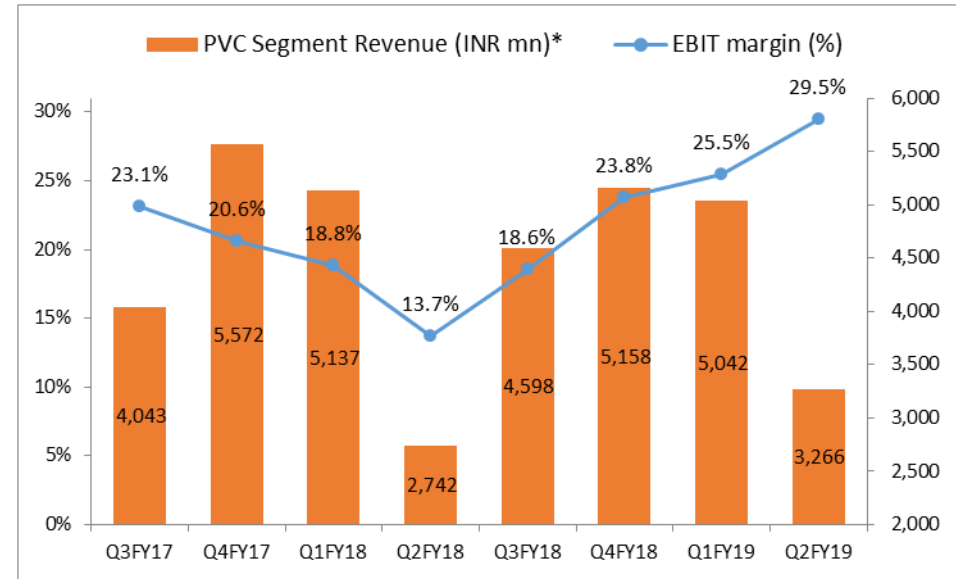
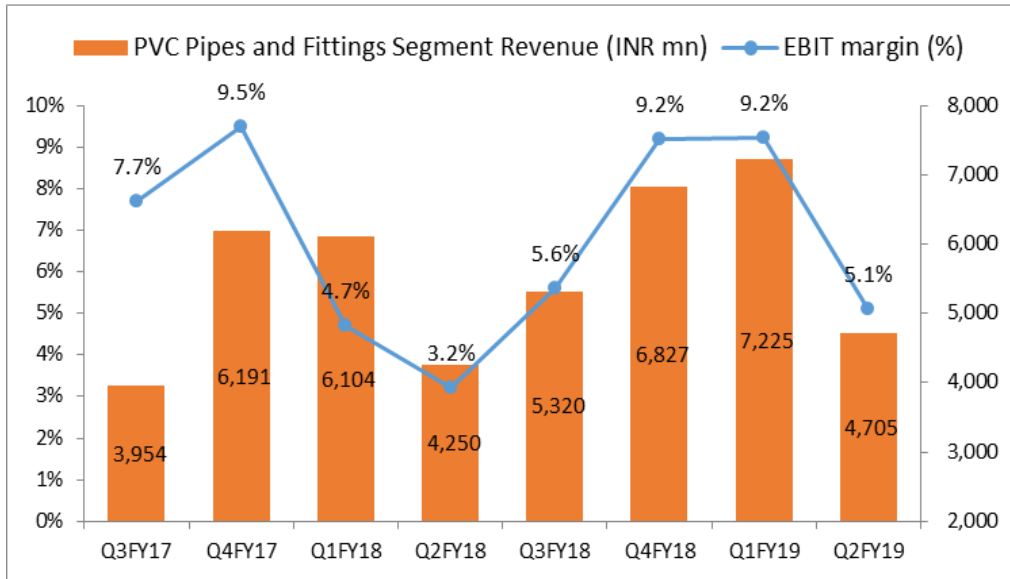
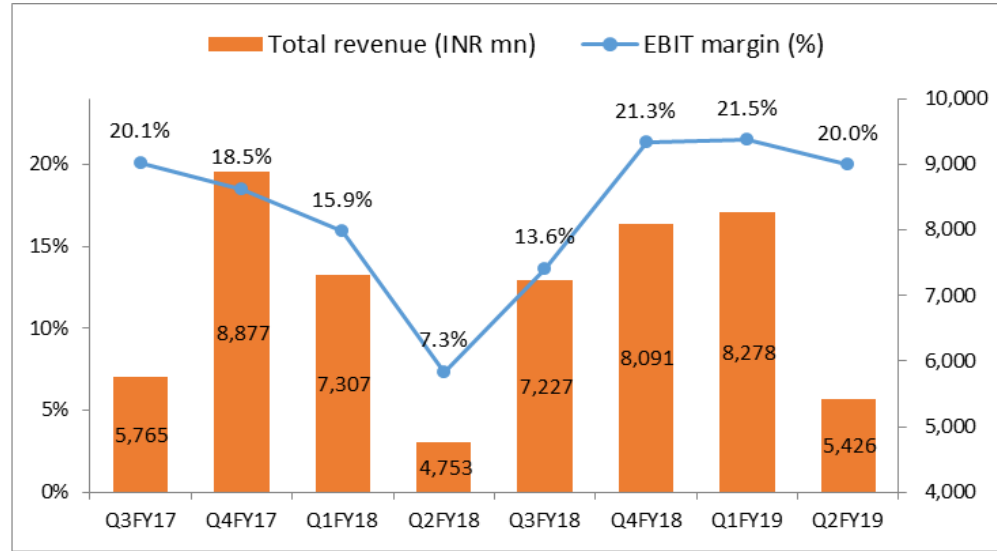
- PAT grew 170% to Rs 764 mn as against Rs 283 mn in Q2FY18.

Segment revenue Rs. In mn



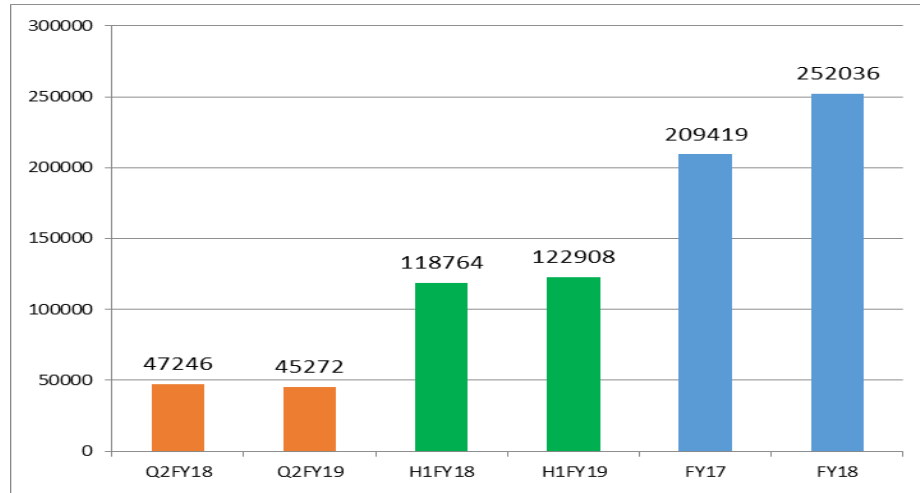
Both, PVC resin and Pipes segments, have continued to perform well. As is normal, the EBIT margin for the Pipes segment at 5.1% is lower on q-o-q basis due to low volumes in monsoon quarter, but is higher on y-o-y basis (Q2FY18 EBIT 3.2%).

Business Performance – Q2FY19

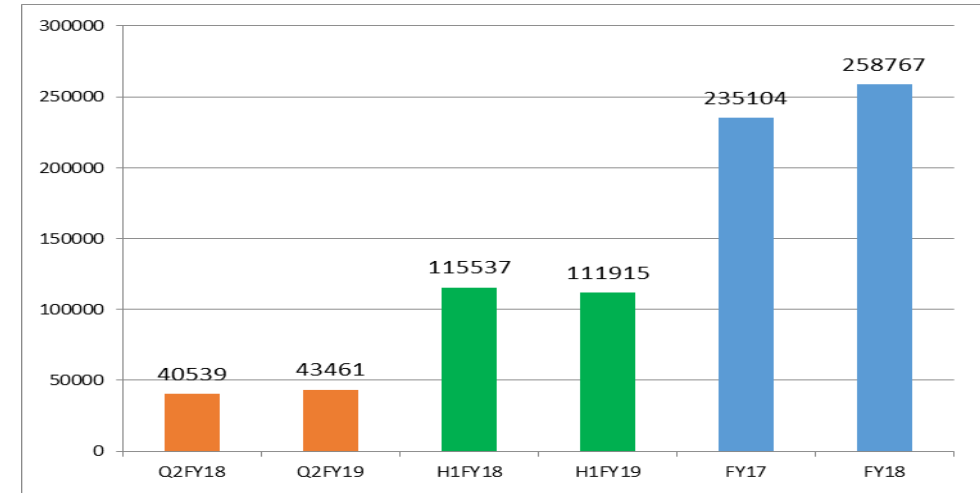


* Including inter segment transfer

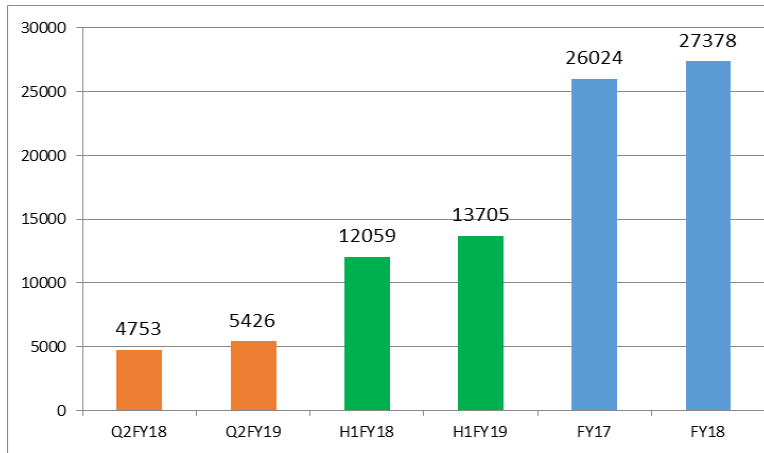
Q2 & H1 FY19 Results Summary



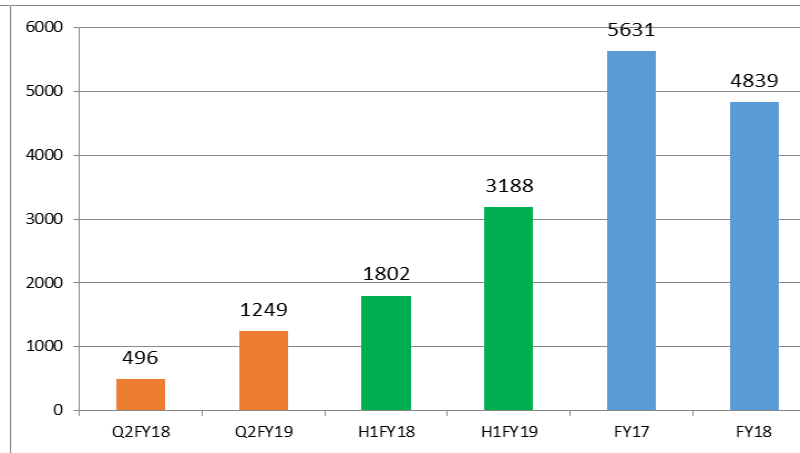
Volumes (MT) Pipes & Fittings



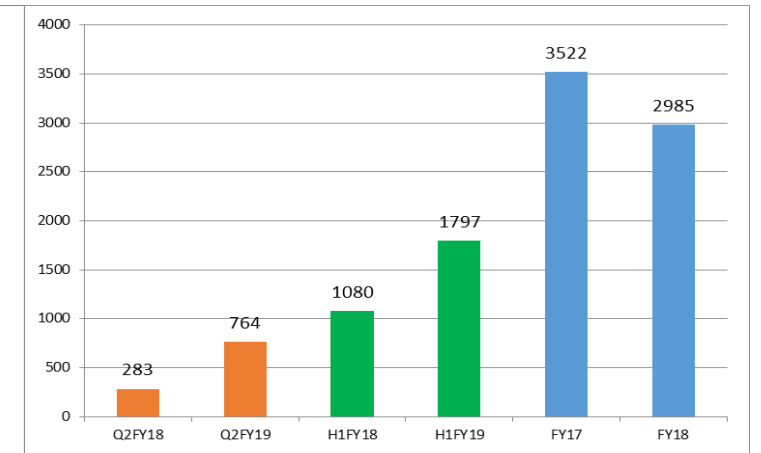
Volumes (MT) PVC Resin *



Revenue (excl. duties and taxes) (INR Mn)



EBITDA (INR Mn)



PAT (INR Mn)

* Including inter segment transfer

Profit & Loss Account – Q2FY19

Particulars (INR Mn)	Q2FY19	Q2FY18	Inc / Dec (%)
Total Income from operations *	5,426	4,753	14.2%
EBIDTA	1,249	496	151.8%
EBIDTA margin (%)	23.0%	10.4%	
Depreciation	166	151	
EBIT	1,083	345	213.9%
EBIT %	20.0%	7.3%	
Other Income	123	109	
Finance costs	29	38	
PBT	1,177	416	182.9%
PBT %	21.7%	8.8%	
Tax	413	133	
PAT	764	283	170.0%
PAT %	14.1%	6.0%	

* excluding duties and taxes

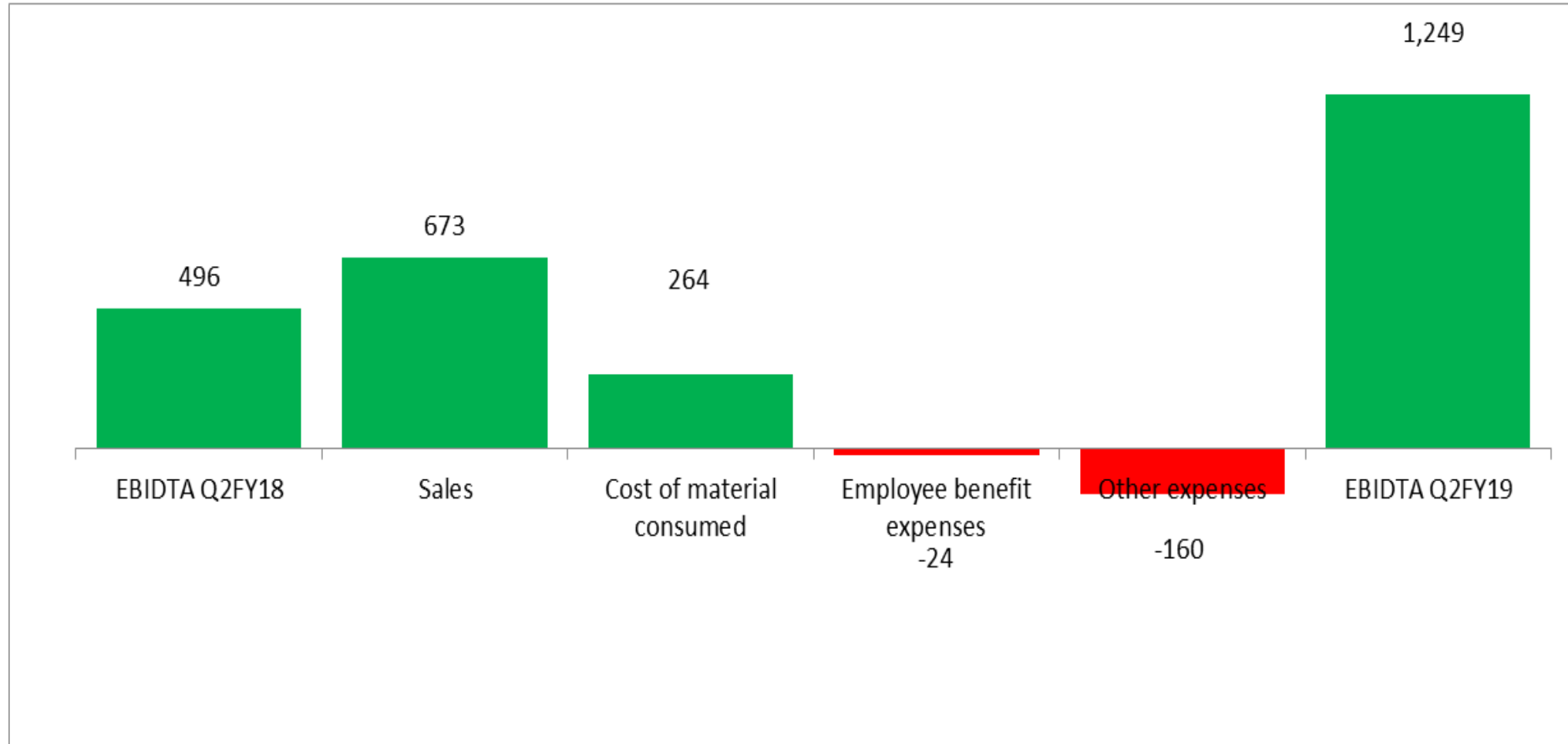
Profit & Loss Account – H1FY19

Particulars (INR Mn)	H1FY19	H1FY18	Inc / Dec (%)
Total Income from operations *	13,705	12,059	13.6%
EBIDTA	3,188	1,802	76.9%
EBIDTA margin (%)	23.3%	14.9%	
Depreciation	328	296	
EBIT	2,860	1,506	89.9%
EBIT %	20.9%	12.5%	
Other Income	260	148	
Finance costs	81	68	
Profit before exceptional items	3,039	1,585	91.7%
PBT %	22.2%	13.1%	
Exceptional items	279	-	
Profit after exceptional items	2,760	1,585	
Tax	963	505	
PAT	1,797	1,080	66.4%
PAT %	13.1%	9.0%	

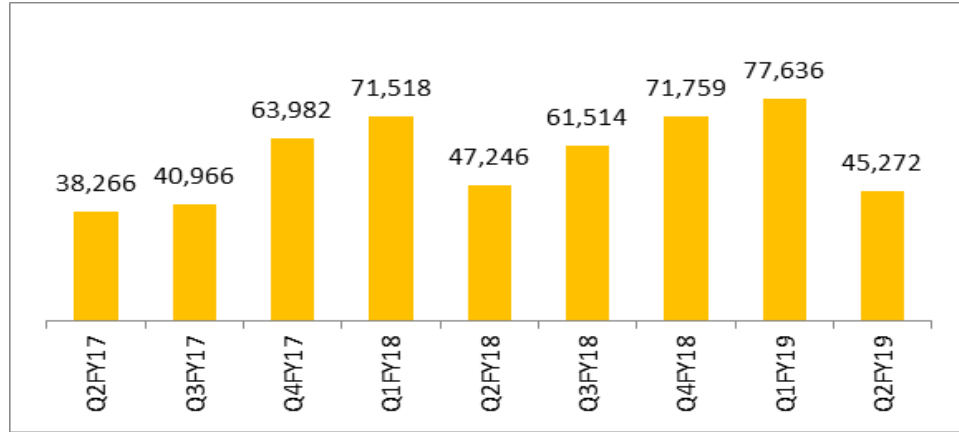
* excluding duties and taxes

EBIDTA Bridge Chart Q2FY19

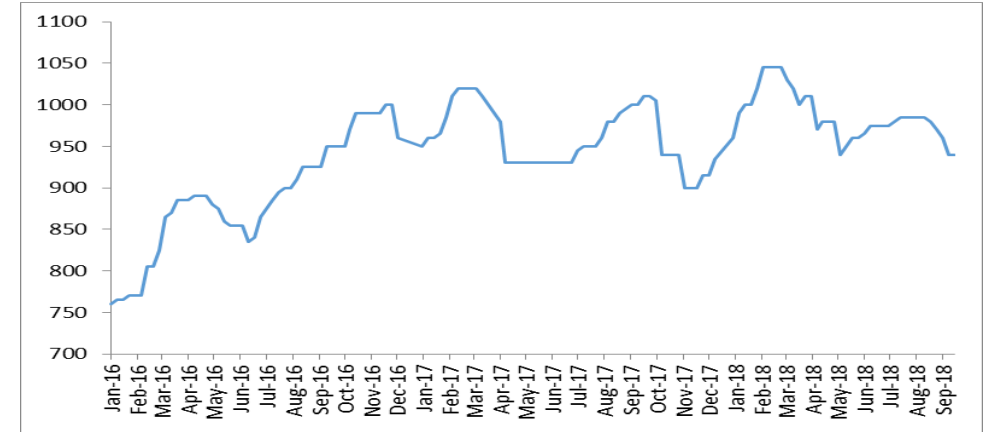
(INR Mn)



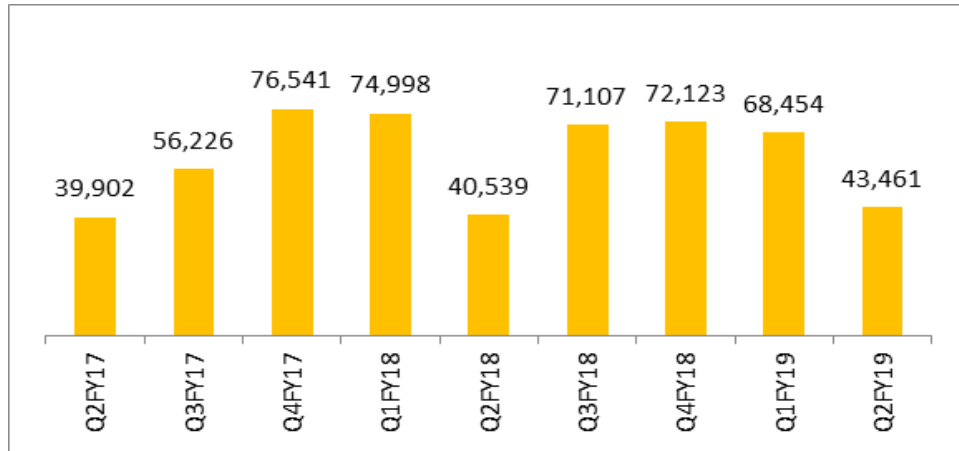
Business Performance Trends



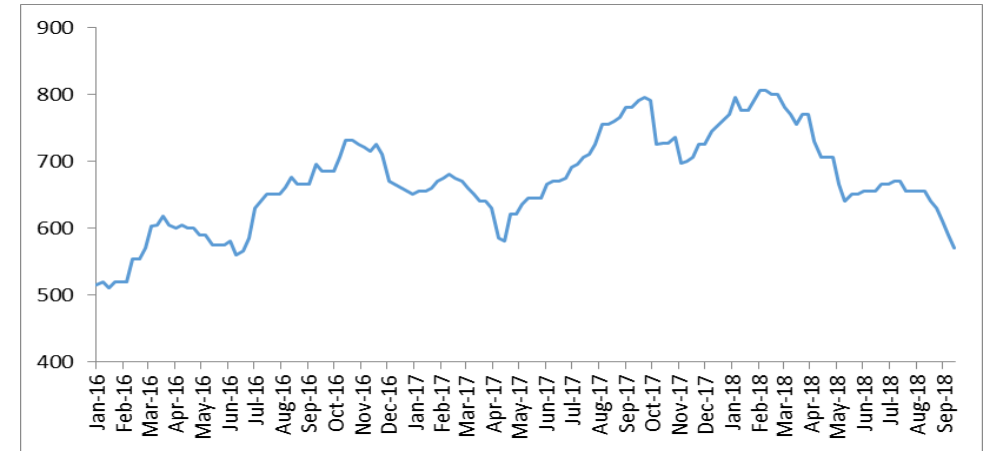
Pipes & Fittings Volumes (MT)



PVC (USD/MT)



PVC Volumes (MT)



PVC/EDC Delta (USD/MT) *

Quarterly - Profit & Loss

Particulars (INR Mn)	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
Total income from operations *	4,568	5,765	8,877	7,307	4,753	7,227	8,091	8,278	5,426
EBIDTA	870	1,296	1,785	1,306	496	1,133	1,879	1,939	1,249
<i>EBIDTA margins (%)</i>	<i>19.0%</i>	<i>22.5%</i>	<i>20.1%</i>	<i>17.9%</i>	<i>10.4%</i>	<i>15.7%</i>	<i>23.2%</i>	<i>23.4%</i>	<i>23.0%</i>
Depreciation	139	140	139	145	151	154	156	162	166
Other Income	89	29	94	38	109	103	28	137	123
Finance costs	33	59	11	30	38	(4)	34	52	29
PBT before exceptional items	788	1,126	1,729	1,170	416	1,086	1,717	1,862	1,177
<i>PBT margins (%)</i>	<i>17.3%</i>	<i>19.5%</i>	<i>19.5%</i>	<i>16.0%</i>	<i>8.8%</i>	<i>15.0%</i>	<i>21.2%</i>	<i>22.5%</i>	<i>21.7%</i>
Exceptional items	-	-	-	-	-	-	-	279	-
PBT after exceptional items	788	1,126	1,729	1,170	416	1,086	1,717	1,583	1,177
Tax	275	407	496	372	133	390	508	550	413
PAT	513	719	1,233	798	283	695	1,209	1,033	764
EPS	4.1	5.8	9.9	6.4	2.3	5.6	9.8	8.3	6.2

* excluding duties and taxes

Quarterly segmental - Profit & Loss

Particulars (INR Mn)	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
Segmental revenues *									
PVC	2,564	4,043	5,572	5,137	2,742	4,598	5,158	5,042	3,266
PVC pipes & fittings	3,628	3,954	6,191	6,104	4,250	5,320	6,827	7,225	4,705
Power	321	378	361	382	259	377	405	358	297
Segmental profits									
PVC	552	933	1,147	965	376	853	1,229	1,283	962
% of Revenues	21.5%	23.1%	20.6%	18.8%	13.7%	18.6%	23.8%	25.5%	29.5%
PVC pipes & fittings	252	303	590	286	135	297	628	666	240
% of Revenues	6.9%	7.7%	9.5%	4.7%	3.2%	5.6%	9.2%	9.2%	5.1%
Power	58	86	56	50	(7)	22	14	(4)	(15)
% of Revenues	18.1%	22.8%	15.5%	13.1%	(2.7%)	5.8%	3.5%	(1.1%)	(5.1%)
Capital employed									
PVC	5,056	6,354	5,623	5,660	4,007	3,858	5,239	5,500	4,263
PVC pipes & fittings	5,218	5,860	5,683	5,449	5,939	5,946	6,690	6,927	7,942
Power	2,374	2,375	2,170	2,328	2,138	2,124	2,161	2,365	2,057

*excluding duties and taxes

Profit & Loss - Key Indicators

Profit & loss account (INR Mn)	FY13	FY14	FY15	FY16*	FY17*	FY18*
Revenue from Operations (excl. excise duty)	21,448	24,531	24,762	24,819	26,024	27,378
Growth in sales (YoY %)	2.15%	14.37%	0.94%	0.23%	4.85%	5.20%
EBIDTA before exceptional items	3,587	3,966	2,111	4,044	5,630	4,839
EBIDTA margins before exceptional items (%)	16.72%	16.17%	8.53%	16.29%	21.63%	17.67%
EBIDTA after exceptional items	2,626	3,268	1,896	4,289	5,630	4,839
PBT	1,902	2,419	808	3,733	5,170	4,388
PBT Margin (%)	8.87%	9.86%	3.26%	15.04%	19.87%	16.03%
PAT	1,361	1,701	478	2,544	3,522	2,985
PAT Margin (%)	6.35%	6.93%	1.93%	10.25%	13.53%	10.90%

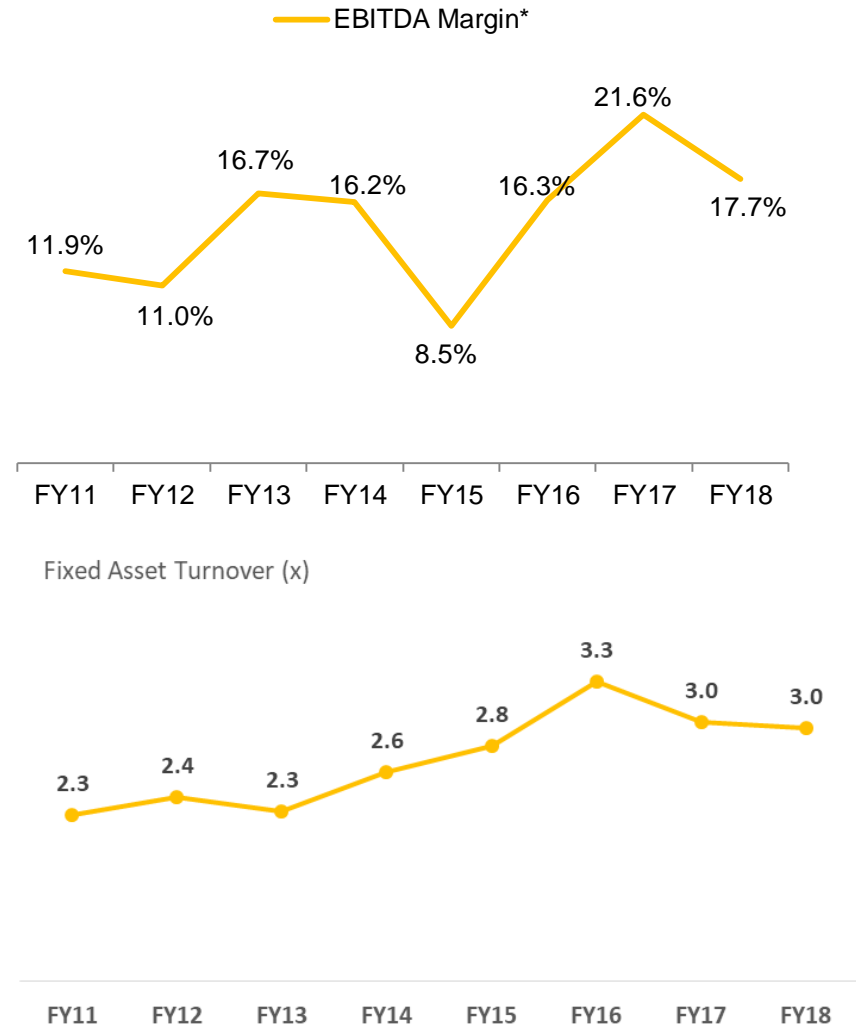
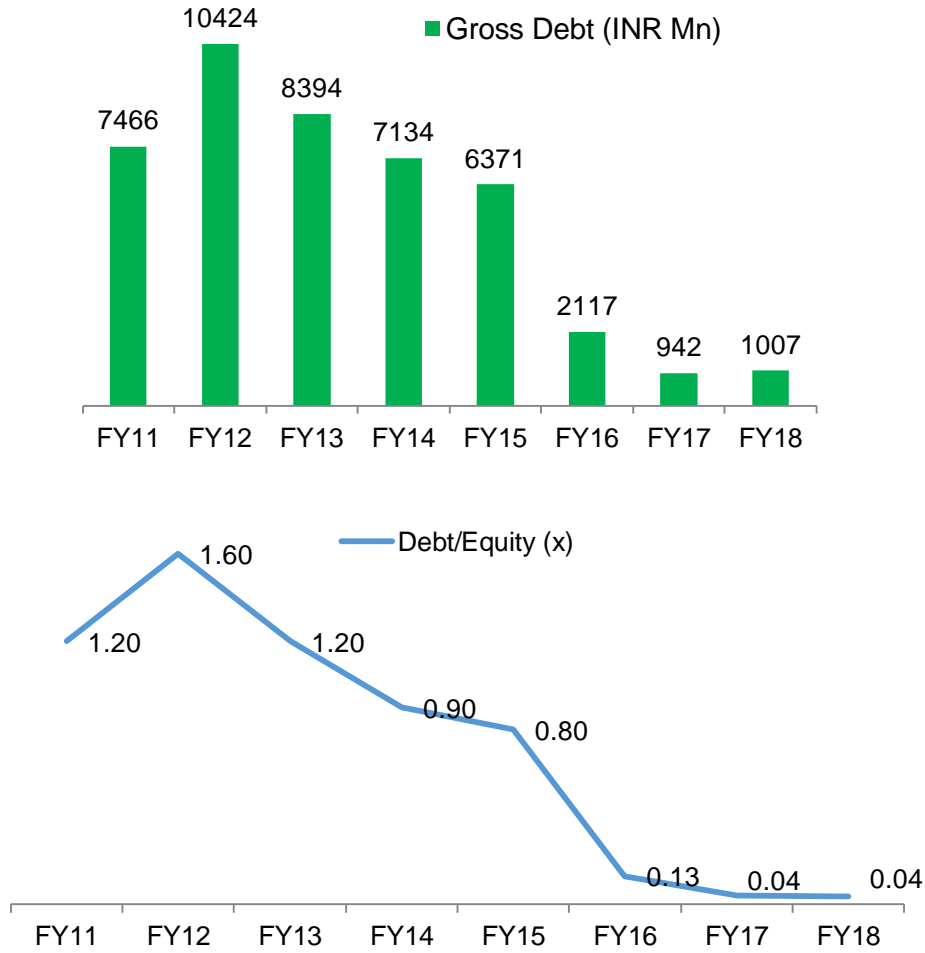
*Figures as per IndAS

Balance sheet - Key Indicators

Balance Sheet (INR Mn)	FY13	FY14	FY15	FY16*	FY17*	FY18*	H1FY19
<i>Equity and liabilities</i>							
Share capital	1,241	1,241	1,241	1,241	1,241	1,241	1,241
Reserves and surplus	5,971	6,656	6,633	14,458	21,673	26,405	25,634
Long term borrowings	1,397	2,322	1,837	-	-	-	-
Short term borrowings (incl. loans repayable in one year)	6,997	4,812	4,534	1,117	942	1,007	568
Total borrowings	8,394	7,134	6,371	1,117	942	1,007	568
<i>Assets</i>							
Fixed assets (Net block)	8,795	9,052	8,678	8,496	8,551	8,842	8,985
Capital WIP	506	325	104	66	217	903	1,174
Non current investments	1,274	1,274	1,246	6,485	11,656	14,896	11,996
Current investments	2,322	941	551	1,687	566	656	1,891

*Figures as per IndAS

Trend in Key Ratios



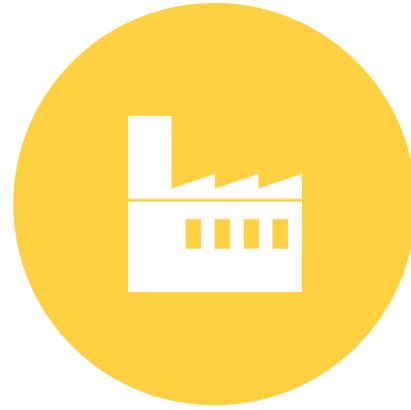
*Standalone EBITDA Margin (EBITDA before Exceptional item and other income)

Key Strategies



EXPANDING FOOTPRINT

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



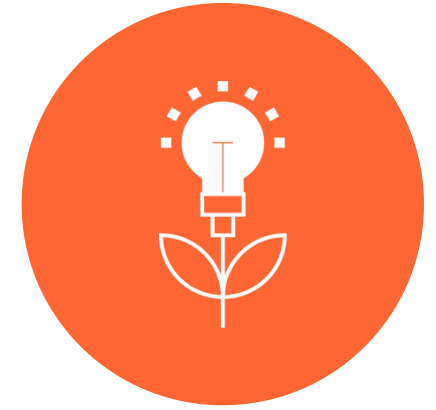
CAPACITY EXPANSION

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.



Total allocation for Rural, Agriculture sector is Rs.14.34 lakh crore. Institutional credit for agriculture sector raised to Rs. 11 lakh crore for 2018-19

Scope of Long Term Irrigation Fund to be expanded to cover specified command area development projects

Govt. to set up Agri-Market Infrastructure Fund with a corpus of Rs. 2,000 crore for developing and upgrading agricultural marketing infrastructure.



Under the Pradhan Mantri Krishi Sinchai Yojana, 48 AIBP priority projects of Rs. 15,000 crore to be completed by December 2019

The Government to undertake utilization of irrigation potential of 15 lakh hectares (har khet ko pani) project amounting to Rs. 2,300 crores

Irrigation projects of Rs. 4,000 crore covering 17.2 lakh hectares to be implemented.

Government has approved a corpus of Rs. 5,000 crore for setting up a dedicated micro irrigation fund (MIF) under NABARD.



Niti Ayog, in consultation with Central and State Governments, will put in place a fool proof mechanism so that farmers to get adequate price for their produce

Government plans to upgrade existing 22,000 rural 'Haats' into Gramin Agriculture Markets which will be connected with e-NAM (National Agriculture Market) by 2020

Government announced higher minimum prices for 14 crops setting each of them at a minimum 1.5 times the cost of cultivation during the year



Extend facility of Kisan Credit cards to farmers to help them meet their working capital needs. Small and marginal farmers to benefit

Union Government to publish revised guidelines for Pradhan Mantri Fasal Bima Yojana to plug in gaps in order to enhance its viability

Government's initiative to fast track crop insurance scheme and raise coverage under the scheme to 50% of the gross cropped area in FY19

Opportunities - Non - Agriculture sector i.e. housing and infrastructure ... also continues to be thrust area



Under the Prime Minister Awas Scheme it is proposed to complete construction of one crore houses by 2019 in the rural areas.

In urban areas 37 lakh houses has been sanctioned for construction. A dedicated Affordable Housing Fund in NHB to be established.

Smart Cities Mission to build 100 smart cities with state-of-art amenities and the AMRUT program to provide water supply to all households in 500 cities.

Total investment of Rs. 2,03,979 crore has been proposed for the smart city plans in 2017-18.

As on Feb'18, 2,993 projects worth Rs.1,38,534 crore are in various stages of implementation.



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.



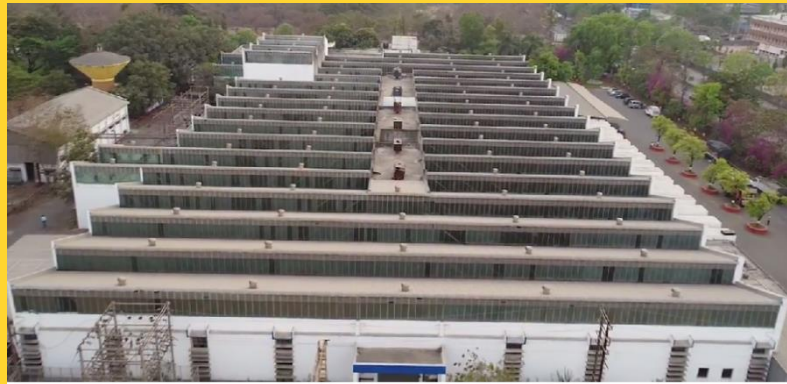
Swachh Bharat Mission (Gramin) has benefited all. Sanitation coverage in rural India has increased and government is focused on covering a wider area.

In 2017-18, Out of the target of 66,42,221 Individual Household Toilets (IHHLs), 43,22,776 units have been constructed.

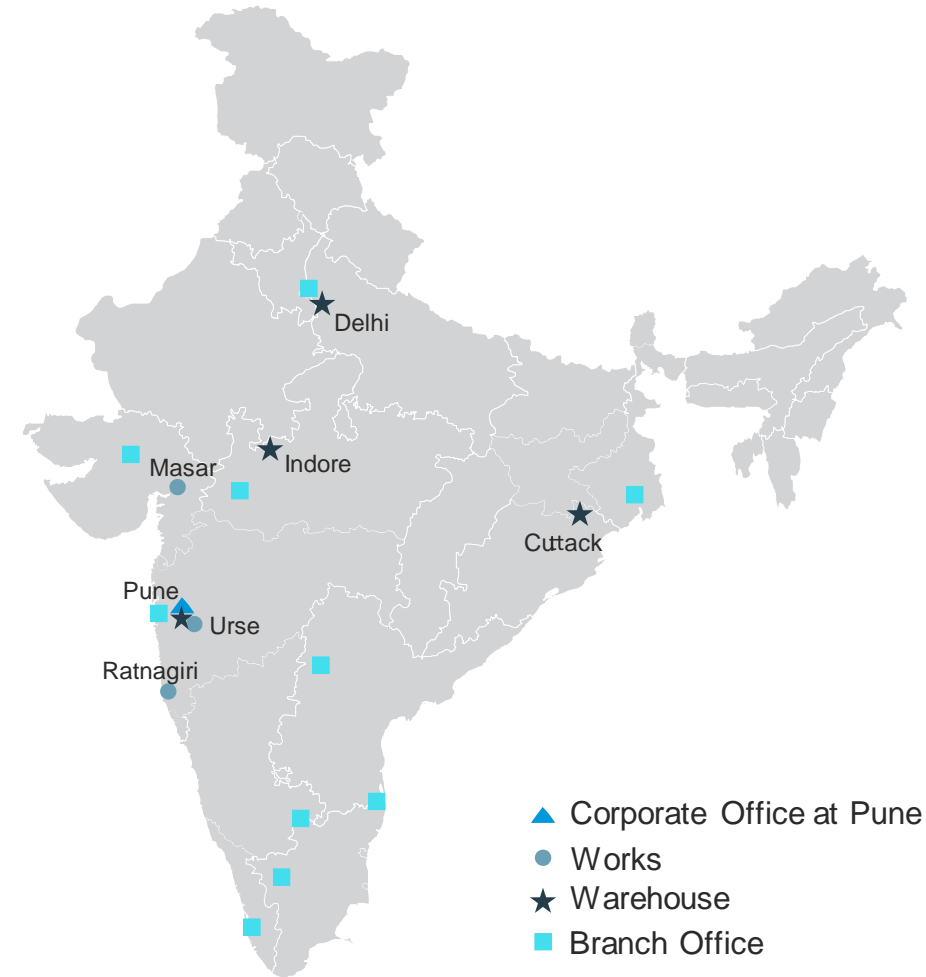
Out of the target of 5,07,750 Community/Public Toilet (CT/PT) seats, 2,70,360 have been constructed.

Distribution reach

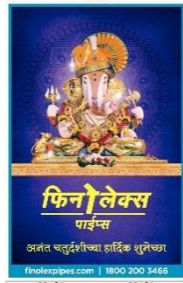
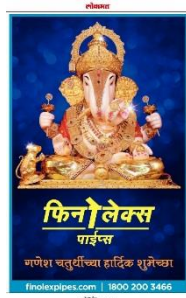
- FIL is on track in terms of expanding its scale of operations by increasing production capacity and distribution reach
- Wide network of 18,000 retail touch points



Offices, Works and Warehouses



Branding & advertisements in Q2FY19



Sponsorship of Lokmat Aaple Bappa onground event, print campaign, outdoor branding, shlok book distribution in Maharashtra as a part of Ganesh Chaturthi festival celebrations. (13th -23rd Sept 2018)

Ambaji Padyatra branding activation included outdoor branding, arrangement of medical camp and distribution of bags for devotees in Gujarat. (14th-25th Sept 2018)

Pandharpur Wari marketing campaign included outdoor branding, arrangement of medical camp and distribution of warkari bags and shlok books to devotees. (6th -23rd July 2018)

Rath Yatra branding activity included outdoor branding, auto branding, distribution of bags, pocket calendars to devotees in Puri, Orissa. (14th July 2018)

Finolex Pipes participated in Agri Asia 2018 Exhibition held in Gandhinagar, Gujarat. (7th - 9th Sept 2018)

Branding & advertisements in Q2FY19



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To support the upcoming sports talent in the country, Finolex Pipes honored the achievers of Asian Games 2018, Jakarta

Society Gates with Finolex Pipes branding were installed as a brand recall initiative across 200 residential societies across Delhi and NCR.

As an on-going brand building initiative, especially for Tier 2 cities, Finolex Pipes has undertaken in-cinema advertising across 2728 cinema screens pan India.

CSR activities in Q2 FY19 – some snapshots



मुकुल माधव फाउंडेशनचे मुख्यमंत्र्यांकडून कौतुक

विविध क्षेत्र : उल्लेखनीय कार्य

लोडमन न्यून वेळी

पुणे : मुकुल माधव फाउंडेशनचे सन्मानार्थ आलेले, पत्नी सपरीया दिव्य शेंकरा केलेल्या उल्लेखनीय सामाजिक कार्याचे मुकुलपती देवेंद्र सपरीया यांचे कौतुक केले आहे. फाउंडेशनच्या कार्यक्रमांच्या माध्यमातून समाजाकडून सहाय्य मिळते, अशी ही मुकुलपतींची दृष्टी आहे.

मुकुलपती सपरीया यांचे सहाय्य फाउंडेशनच्या माध्यमातून समाजाकडून सहाय्य मिळते अशी ही मुकुलपतींची दृष्टी आहे. 'समाजाचे कल्याण करणे हे फाउंडेशनचे उद्देश्य आहे. यासाठी सपरीया यांच्या संस्थेने अनेक कार्ये सुरू केली आहेत.



श्री देवेंद्र फडणिस रितु चहब्रिया

मुकुलपती देवेंद्र सपरीया यांचे कौतुक
मुकुल माधव फाउंडेशनचे कार्ये सपरीया यांच्या संस्थेने अनेक कार्ये सुरू केली आहेत. यासाठी सपरीया यांच्या संस्थेने अनेक कार्ये सुरू केली आहेत. यासाठी सपरीया यांच्या संस्थेने अनेक कार्ये सुरू केली आहेत.



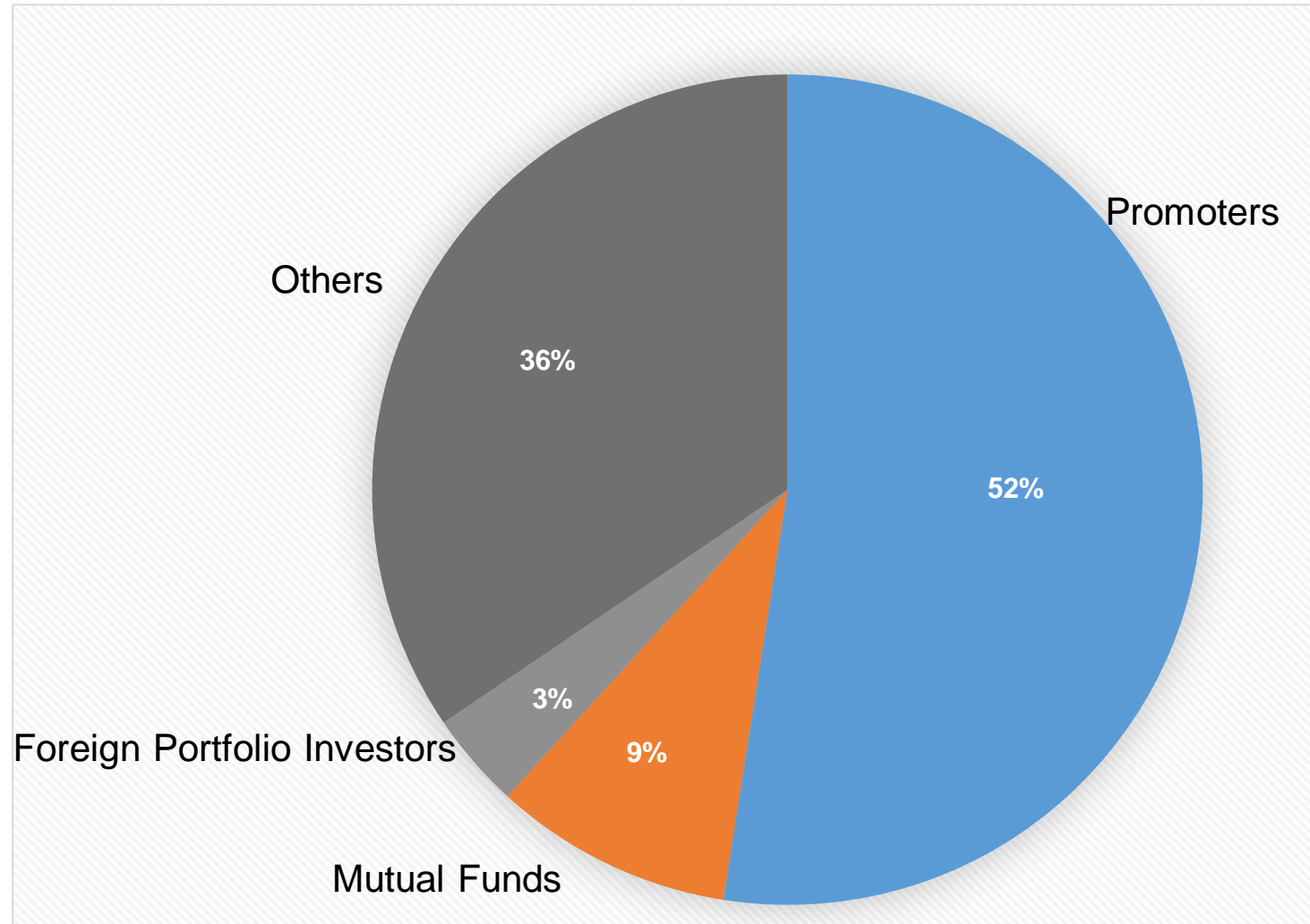
FIL & MMF were invited by Govt. of Maharashtra to sign MOUs for projects in Healthcare and Water Conservation.

Bhumipujan of Centre of 'Excellence for Mother and Child Care' at Sane Guruji Hospital, Pune. (31st July 2018)

Chief Minister of Maharashtra - Shri Devendra Fadnavis applauds Ritu Chhabria, Managing Trustee, Mukul Madhav Foundation for her commendable social work undertaken by MMF.

FIL & MMF supported Kerala Flood relief initiative by providing aid to more than 800 flood victims by donating complete Kitchen Utensil sets, Clothes and Sanitary & Hygiene utilities.

Shareholding Pattern as on September 30, 2018





Agri Pipes and Fittings



Column Pipes



Casing Pipes



ASTM Pipes and Fittings



CPVC Pipes and Fittings




Sewerage Pipes



Solvent Cement


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FINOLEX INDUSTRIES LIMITED

 Mr. S. Krishnamoorthy (GM - Accounts & Finance)

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 www.finolexwater.com



Finolex Industries Ltd.

Volume Data

Sr. No.	Particulars	Q3FY16	Q4FY16	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
1	Production in MT												
a	PVC Resin	67,892	80,147	59,756	40,937	83,266	67,143	63,805	34,528	81,839	82,672	52,757	45,839
b	PVC pipes & fittings	45,089	63,144	66,693	40,416	44,844	57,071	74,054	52,672	61,887	71,774	73,276	52,013
2	Sales in MT												
a	PVC Resin-External	29,952	41,418	12,751	13,080	25,281	36,124	15,725	6,494	27,967	17,126	13,048	8,781
	PVC Resin-Inhouse	30,590	41,675	49,684	26,822	30,945	40,417	59,273	34,045	43,140	54,997	55,406	34,680
	Total PVC	60,542	83,093	62,435	39,902	56,226	76,541	74,998	40,539	71,107	72,123	68,454	43,461
b	PVC Pipes	39,163	63,387	62,255	34,218	37,652	59,865	68,171	43,032	56,842	66,753	73,065	40,648
c	PVC Fittings	3,282	4,306	3,870	4,048	3,314	4,117	3,347	4,214	4,672	5,005	4,571	4,625
	Total Pipes and Fittings	42,445	67,693	66,125	38,266	40,966	63,982	71,518	47,246	61,514	71,758	77,636	45,272
	In MWH												
1	Power generated	49602	46180	55,243	46,909	55,710	53,640	57,999	36,277	56,559	57,912	51,220	41,750



Q2FY19 Earnings Release

PAT up by 170 %

Revenue	INR 5,426 mn
EBIDTA	INR 1,249 mn
PAT	INR 764 mn

Finolex Industries Limited, Pune, India, October 29, 2018:

Finolex Industries Limited (NSE:FINPIPE | BSE:500940), India's leading manufacturer of PVC Pipes & Fittings, at its Board Meeting held today announced unaudited financial results for the second quarter ended September 30, 2018.

Highlights

- Trends in Quarterly EBIT Margin – Overall and Key Segments

	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
Overall EBIT Margin (%)	20.1%	18.5%	15.9%	7.3%	13.6%	21.3%	21.5%	20.0%
Segmentwise EBIT Margins								
PVC Segment (%)	23.1%	20.6%	18.8%	13.7%	18.6%	23.8%	25.5%	29.5%
PVC Pipes & Fittings (%)	7.7%	9.5%	4.7%	3.2%	5.6%	9.2%	9.2%	5.1%

- Total income from operations excluding duties and taxes was at INR 5,426 mn for Q2FY19 up 14.2 % against INR 4,753 mn in Q2FY18.
- The sales volume for PVC Pipes & Fittings was at 45,272 MT in Q2FY19 lower by 4.2% against 47,246 MT in Q2FY18.
- EBITDA stood at INR 1,249 mn for Q2FY19 up by 151.8 % against INR 496 mn for Q2FY18.
- Profit after tax was at INR 764 mn for Q2FY19 up 170.0% against INR 283 mn for Q2FY18.

Management Comments

Mr. Prakash P. Chhabria
Executive Chairman

“Both, PVC resin and Pipes segments, have continued to perform well. As is normal, the EBIT margin for the Pipes segment at 5.1% is lower on q-o-q basis due to low volumes in monsoon quarter, but is higher on y-o-y basis (Q2FY18 EBIT 3.2%).”

Profit and Loss Account Summary Table

Particulars (INR Mn)	Q2FY19	Q2FY18	Inc / Dec (%)
Total Income from operations *	5,426	4,753	14.2%
EBIDTA	1,249	496	151.8%
EBIDTA margin (%)	23.0%	10.4%	
Depreciation	166	151	
EBIT	1,083	345	213.9%
EBIT %	20.0%	7.3%	
Other Income	123	109	
Finance costs	29	38	
PBT	1,177	416	182.9%
PBT %	21.7%	8.8%	
Tax	413	133	
PAT	764	283	170.0%
PAT %	14.1%	6.0%	

* excluding duties and taxes.

About Finolex Industries Limited

Finolex Industries Limited, headquartered in Pune, is the leading 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

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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.*