

**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  
 Fax +91 2114 237252  
 Email investors@finolexind.com  
 Web finolexwater.com



FIL: SEC: LODR-Reg30  
 8th March, 2016

|   |   |
|---|---|
| National Stock Exchange of India Limited<br>Manager – Listing<br>5, Exchange Plaza<br>Bandra-Kurla Complex<br>Bandra (East),<br>Mumbai 400051 | BSE Limited<br>Manager – Listing<br>Registered Office: Floor 25<br>P.J.Towers<br>Dalal Street<br>Mumbai 400 001 |
| Scrip Code:<br>Equity: FINPIPE NCDs: FIN16  | Scrip Code: Equity:<br>500940/FINOLEXIND  |

Dear sirs,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”)

Pursuant to the applicable provisions of the Regulations, please find below the Schedule of upcoming Investor Conference:

| Sr.No | Analyst meet date and time                  | Details of investor conference   |
|-------|---|--|
| 1     | 9th March, 2016 from 9.00 a.m. to 6.00 p.m. | The investor conference organized by Prabhudas Liladher. There will be a meeting with the following fund managers:<br>1. Principal<br>2. Union KBC<br>3. Mahindra MF<br>4. Can Rebeco<br>5. AUM<br>6. Kotak PMS<br>7. Mirae<br>8. Ambit<br>9. Max Life<br>10. Quest Invest<br>11. Pru MF |

The presentation for the same is enclosed herewith.

Thanking you,  
 For Finolex Industries Limited

  
 Umesh Gosavi  
 G.M.(Legal) & Company Secretary

**Corporate Office**  
 Finolex Industries Limited  
 D-1 / 10, M.I.D.C.,  
 Chinchwad, Pune 411 019  
 Maharashtra, India

Tel +91 20 27408200  
 Fax +91 20 27489000  
 Email care@finolexwater.com  
 Web finolexwater.com



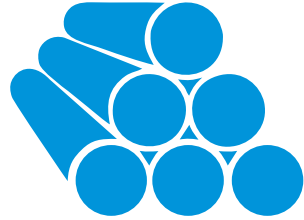
# FINOLEX INDUSTRIES LIMITED

## INVESTOR PRESENTATION MARCH 2016

## Overview



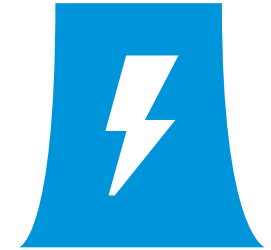
**Leading brand in  
Indian PVC pipe  
and fittings**



**Largest backward  
integrated pipe and  
fittings manufacturer  
in India with  
250,000 MT p.a.  
production capacity**



**One of the largest PVC  
resin manufacturer  
in India with  
272,000 MT p.a.  
production capacity**



**43 MW power plant  
for captive  
consumption in  
Ratnagiri**

**Pan India distribution network through wide network of dealers, sub-dealers and retail outlets – 16,000+ touch points**



## Company at a glance

Storage tanks for raw material



PVC resin Plant at Ratnagiri



Extruder lines



PVC resin storage section



## Company at a glance

PVC pipe  
plant,  
Masar,  
Gujarat



Extruders  
at the  
plant



Storage  
area for  
PVC  
fittings



Storage  
area for  
PVC  
fittings

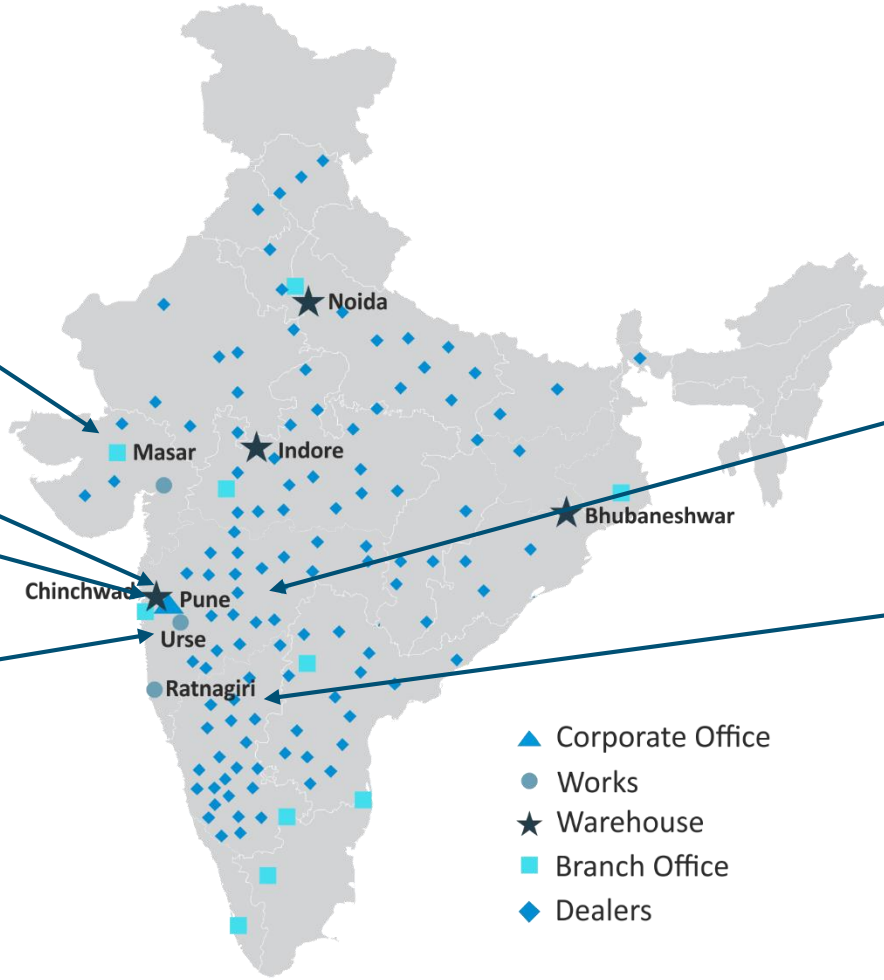


# Pan India Reach

PVC Pipe Manufacturing Unit : Masar, Gujarat

Corporate Office: Chinchwad, Maharashtra  
Warehouse : Chinchwad, Maharashtra

PVC Pipe Manufacturing Unit  
Urse, Pune, Maharashtra



1,30,000 sq.ft. warehouse facility exclusively for PVC Fittings at Chinchwad, Pune, Maharashtra.

PVC Resin, PVC Pipe Manufacturing Unit & Captive Power plant at Ratnagiri, Maharashtra

- ▲ Corporate Office
- Works
- ★ Warehouse
- Branch Office
- ◆ Dealers

Over 600 dealers and 16,000+ retail touch points across the length and breadth of the India



## Business Model

Key revenue driver – mainly PVC pipes and fittings segment, with steadily increasing in-house consumption of the PVC resin

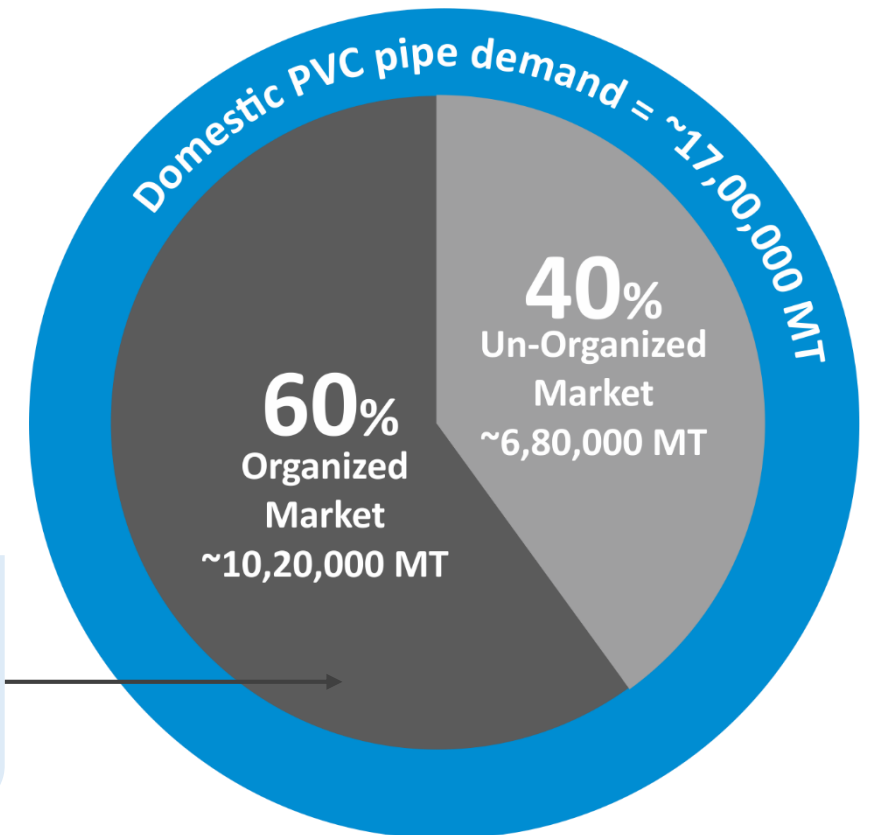
Key cost components - EDC, Ethylene and VCM are key raw materials for PVC production – mainly imported from middle east

Market wise sales are distributed between Agriculture (70%) and Non-agriculture (30%). Non-agriculture is mainly construction

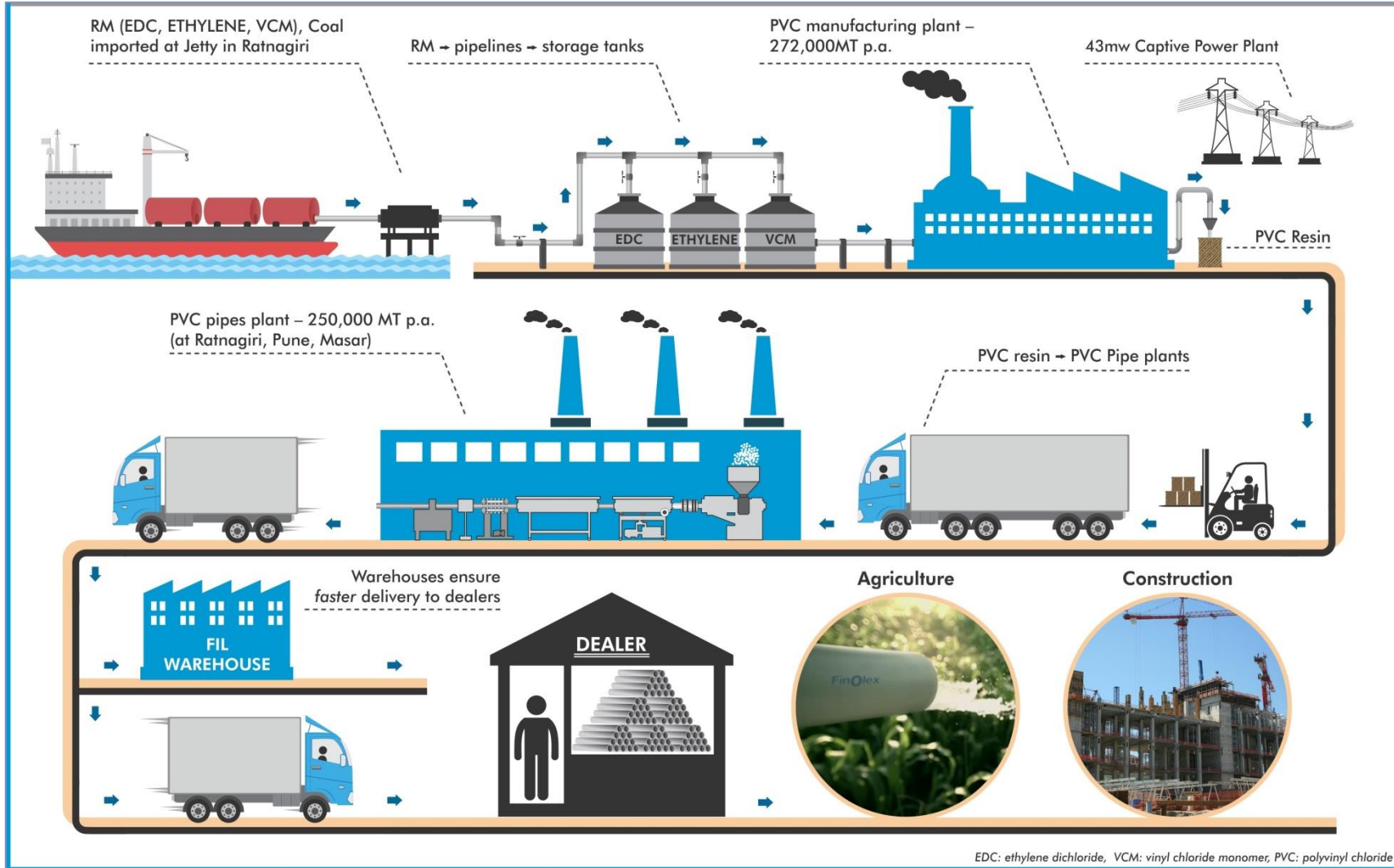
Margins improvement initiatives are underway, however, raw material prices movement does impact operating margins in PVC resin segment

Operating under cash-n-carry model

## PVC Pipe – Addressable Market



## Value chain





## Key Strategies

### MARGIN IMPROVEMENT

Increase sales of higher margin products viz. fittings, column pipes, etc. Scale up share of fittings in sales mix to over 10%

### CASH-N-CARRY

Cash-n-carry model to keep the balance sheet light



### CAPACITY EXPANSION

Increase installed capacities of PVC pipes and fittings by 30,000 MT p.a. till FY17E with a capex at INR 300 mn p.a

### BRANDING

Growing brand and quality consciousness amongst consumer

## Union Budget 2016-17 Highlights

### Agriculture Sector

- Allocation for Agriculture and Farmers' welfare is INR 35,984 crore
- 'Pradhan Mantri Krishi Sinchai Yojana' to be implemented in mission mode. 28.5 lakh hectares will be brought under irrigation.
- A dedicated Long Term Irrigation Fund will be created in NABARD with an initial corpus of about INR 20,000 crore
- Programme for sustainable management of ground water resources with an estimated cost of INR 6,000 crore will be implemented through multilateral funding
- A provision of INR 15,000 crore has been made in the BE 2016-17 towards interest subvention Allocation under Prime Minister Fasal Bima Yojana INR 5,500 crore

### Agriculture Sector

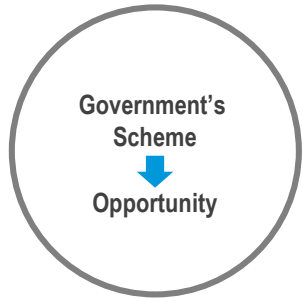
- Implementation of 89 irrigation projects under AIBP will be fast tracked. This will help to irrigate 80.6 lakh hectares. These projects require INR 17,000 crore next year and INR 86,500 crore in the next five years. To ensure that 23 of these projects are completed before 31st March, 2017
- To support farmers in the aftermath of natural calamities, Government has revised the norms of assistance under the National Disaster Response Fund in April 2015
- Special focus has been given to ensure adequate and timely flow of credit to the farmers. Against the target of INR 8.5 lakh crore in 2015-16, the target for agricultural credit in 2016-17 will be an all-time high of INR 9 lakh crore

### Other highlights

- Allocation for rural sector - INR 87,765 crore.
- Every block under drought and rural distress will be taken up as an intensive Block under the Deen Dayal Antyodaya Mission
- Krishi Kalyan Cess, @ 0.5% on all taxable services, w.e.f. 1 June 2016 for resource mobilisation
- Surcharge levied at 7.5% of undisclosed income will be called Krishi Kalyan surcharge to be used for agriculture and rural economy

**Focus on enhancing expenditure in priority areas of - farm and rural sector, social sector, infrastructure sector employment generation and recapitalisation of the banks.**

## Government policy initiatives – Agriculture sector



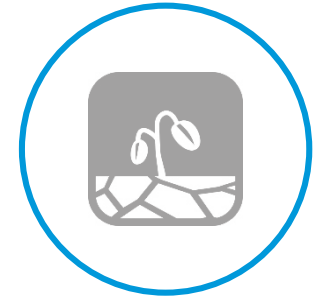
Government's focus on increasing irrigation in non rain-fed areas through PMKSY (allocation of INR 500 bn) is expected to increase demand for PVC pipes and keep the industry growth strong over the next 5 years



At 157.35 mn hectares, India holds one of the largest agricultural land in the world. The PMKSY scheme assumes importance as less than 50% of agricultural land in India is under irrigation



Measures like unified agricultural market, INR 9 tn target for farm loans and investment in rural infrastructure to benefit the company



State Govt. declared drought in Maharashtra in Oct'15. An estimated INR 1.35 tn will be needed in the next 5 years to fight the drought. Maharashtra State Govt. has started "Jalayukta Shivar" which covers localised, smaller, & need-based water management programmes

## Government policy initiatives – Construction and Non Agriculture



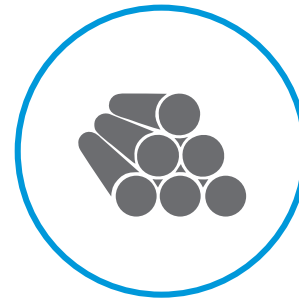
'Housing for All' by 2022 to provide 20 million houses in urban areas and 40 million houses in rural areas, in turn generate fresh demand for pipes



Initiatives such as "Smart Cities" will increase the demand for the company's products in the years to come



Swachh Bharat Mission (SBM) is flagship programme of the government aimed to stop open defecation through construction of individual household latrines (IHHL), cluster toilets and community toilets (especially via PPP mode)



Atal Mission for Rejuvenation and Urban Transformation (AMRUT) targets 500 cities to raise water supply, sewerage, urban transport system



**Being India's leading PVC pipe & Fittings manufacturer with high brand recall and enhanced distribution reach, Finolex Industries is well positioned to gain from the given opportunities**

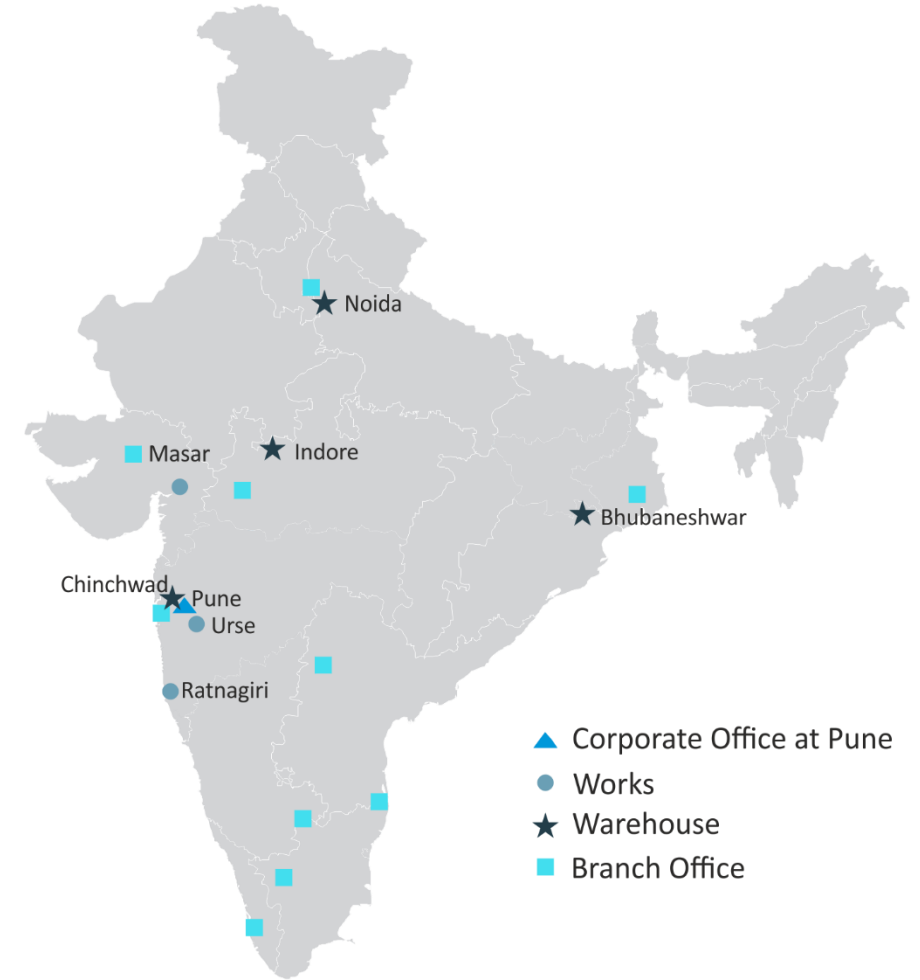


## Distribution reach

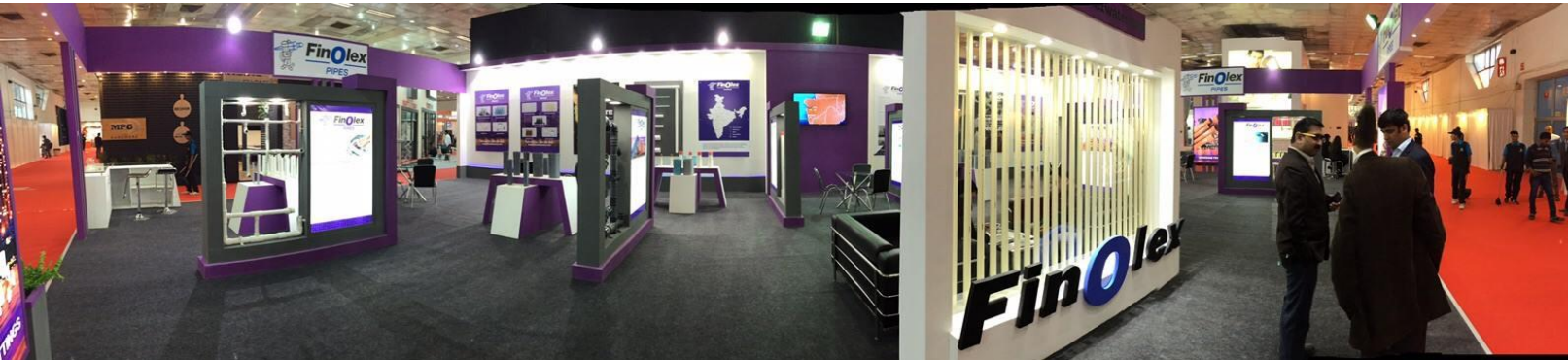
- FIL is on track in terms of expanding its scale of operations not only by increasing production capacity, but also by setting up additional warehouses
- Recently commissioned warehouses at Indore (MP), Noida (UP) and Cuttack (Odisha) have ensured faster delivery and enhanced distribution reach



## Plants and Warehouses



# Branding & advertisements – exhibitions, events & social media



Finolex Pipes Retweeted

**Vipul Bhardwaj** @bhardwajspeaks - Jan 12  
Farmers are the backbone of our nation. They've always worked to ensure meals in our palate. @Finolexwater #FlyingWithFinolex

Goodknight India and 2 others follow

**Sagar Kumawat** @sagar0425 - Jan 12  
@Finolexwater I must say that only Farmers are the persons on which whole India depends on. #FlyingWithFinolex

Contest Point @ContestPoint - Jan 12  
#FlyingWithFinolex Keep that head high You make us Indians proud @Finolexwater

HDFC ERGO GIC and 4 others follow

**varshini** @vrsvno - Jan 12  
#FlyingWithFinolex @Finolexwater They dont take selfies but do selfless service. Thank you kisan



## Advertisement in regional newspapers



Sponsoring agri awards on ABP Majha channel

#FlyingWithFinolex twitter campaign

## Balance sheet – Key indicators

| <i>Balance Sheet (INR mn)</i>                             | <i>FY12</i>   | <i>FY13</i>  | <i>FY14</i>  | <i>FY15</i>  | <i>H1FY16</i> |
|---|---------------|--------------|--------------|--------------|---------------|
| <b><i>Equity and liabilities</i></b>                      |               |              |              |              |               |
| Share capital   | 1,241         | 1,241        | 1,241        | 1,241        | 1,241         |
| Reserves and surplus                                      | 5,381         | 5,971        | 6,656        | 6,633        | 8,497         |
| Long term borrowings                                      | 1,896         | 1,397        | 2,322        | 1,837        | 1,545         |
| Short term borrowings (incl. loans repayable in one year) | 8,528         | 6,997        | 4,812        | 4,534        | *2,396        |
| <b>Total borrowings</b>                                   | <b>10,424</b> | <b>8,394</b> | <b>7,134</b> | <b>6,371</b> | <b>3,941</b>  |
| <b><i>Assets</i></b>                                      |               |              |              |              |               |
| Fixed assets (Net block)                                  | 7,840         | 8,795        | 9,052        | 8,678        | 8,497         |
| Capital WIP   | 854           | 506          | 325          | 104          | 70            |
| Non current investments                                   | 1,221         | 1,274        | 1,274        | 1,246        | 1,246         |
| Current investments                                       | 3,711         | 2,322        | 941          | 551          | 301           |

\*Short term borrowings have reduced due to low inventory level during monsoon.

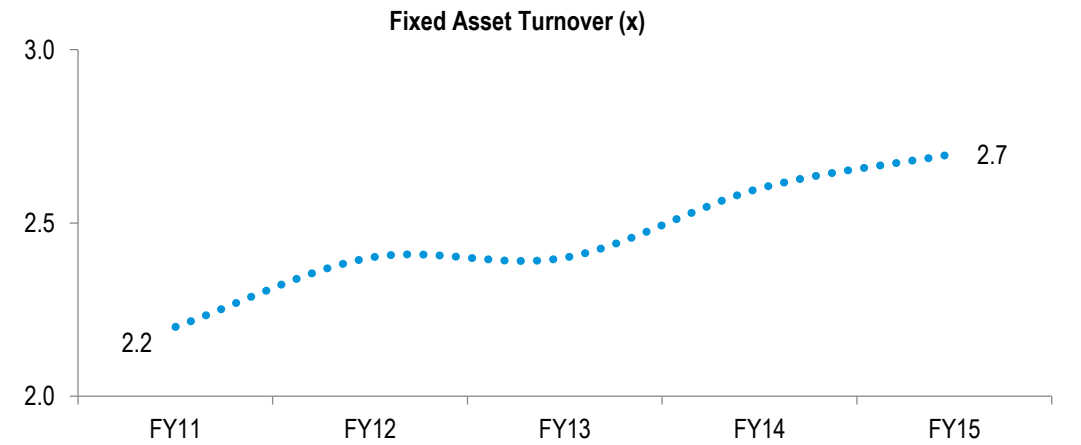
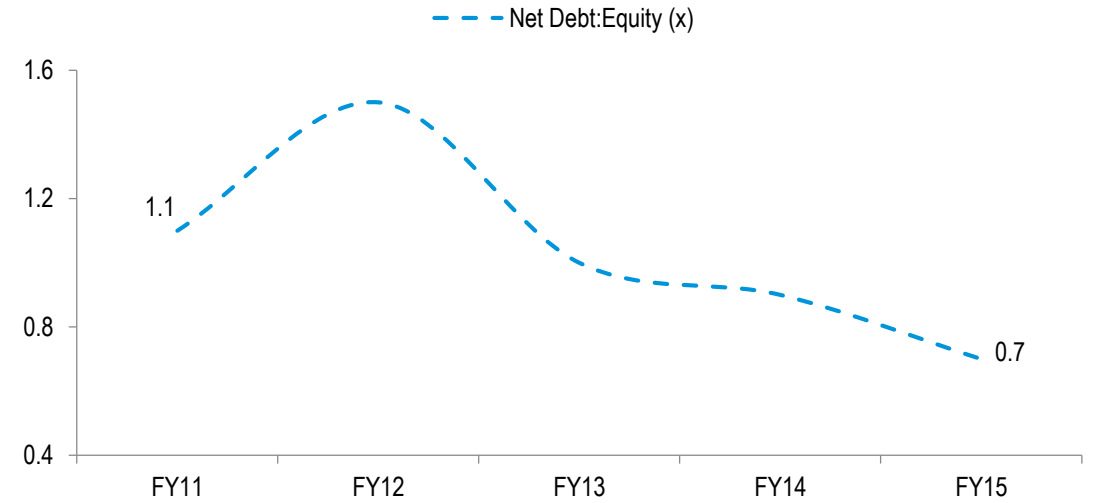
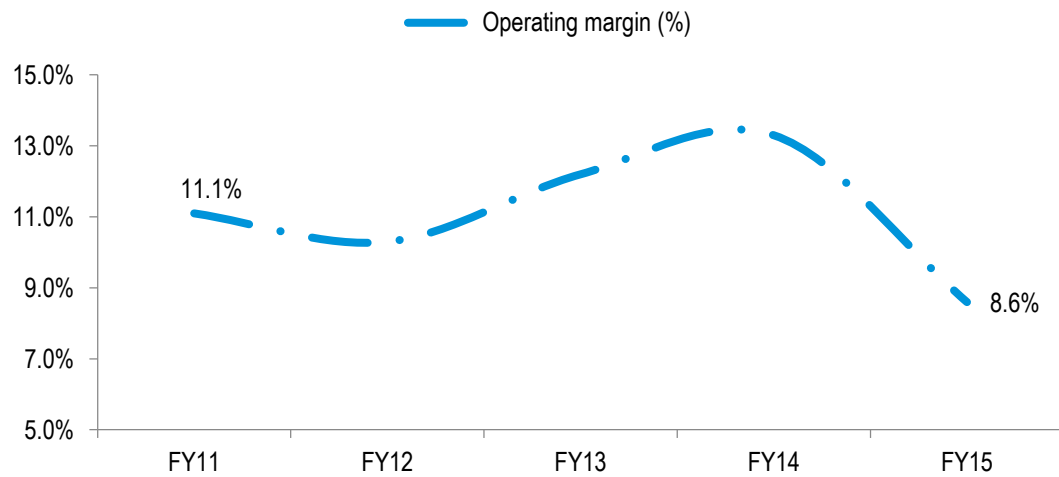
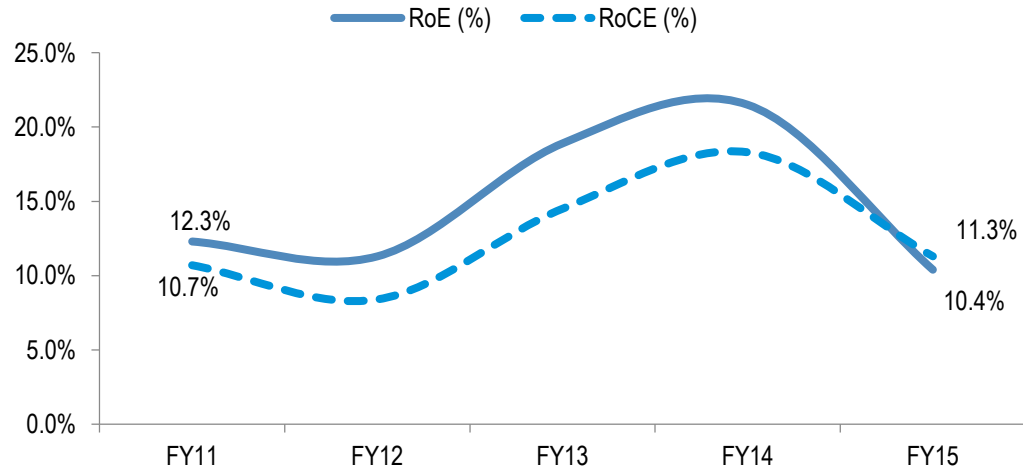


## Profit & Loss – Key indicators

| <i>Profit &amp; loss account (INR mn)</i>                 | <i>FY12</i>          | <i>FY13</i>          | <i>FY14</i>          | <i>FY15</i>         | <i>9MFY16</i>        |
|---|----------------------|----------------------|----------------------|---------------------|----------------------|
| Net Income  | 20,998               | 21,448               | 24,530               | 24,761              | 16,473               |
| <b><i>Growth in sales (YoY %)</i></b>                     | <b><i>6.20%</i></b>  | <b><i>2.10%</i></b>  | <b><i>14.40%</i></b> | <b><i>0.94%</i></b> | <b><i>(2.61)</i></b> |
| EBIDTA before exceptional items                           | 2,313                | 3,587                | 3,966                | 2,111               | 2,637                |
| <b><i>EBIDTA margins before exceptional items (%)</i></b> | <b><i>11.02%</i></b> | <b><i>16.72%</i></b> | <b><i>16.17%</i></b> | <b><i>8.52%</i></b> | <b><i>16.01%</i></b> |
| EBIDTA after exceptional items                            | 2,168                | 2,626                | 3,268                | 1,896               | 2,882                |
| PBT   | 967                  | 1,902                | 2,419                | 808                 | 2,305                |
| <b><i>PBT Margin (%)</i></b>                              | <b><i>4.60%</i></b>  | <b><i>8.90%</i></b>  | <b><i>9.90%</i></b>  | <b><i>3.26%</i></b> | <b><i>13.99%</i></b> |
| PAT   | 752                  | 1,361                | 1,701                | 478                 | 1,551                |
| <b><i>PAT Margin (%)</i></b>                              | <b><i>3.60%</i></b>  | <b><i>6.30%</i></b>  | <b><i>6.90%</i></b>  | <b><i>1.93%</i></b> | <b><i>9.42%</i></b>  |



## Key performance indicators



## Q3 & 9MFY16 Results Summary

Volumes (MT) P & F #

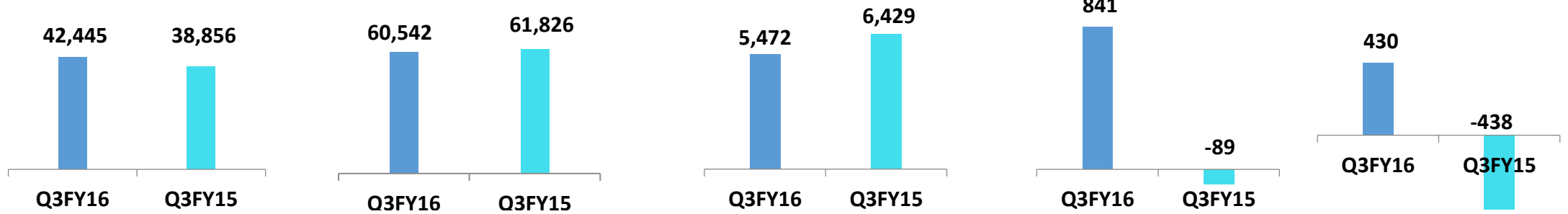
Volumes (MT) PVC resin\*

Total Revenue (INR Mn)

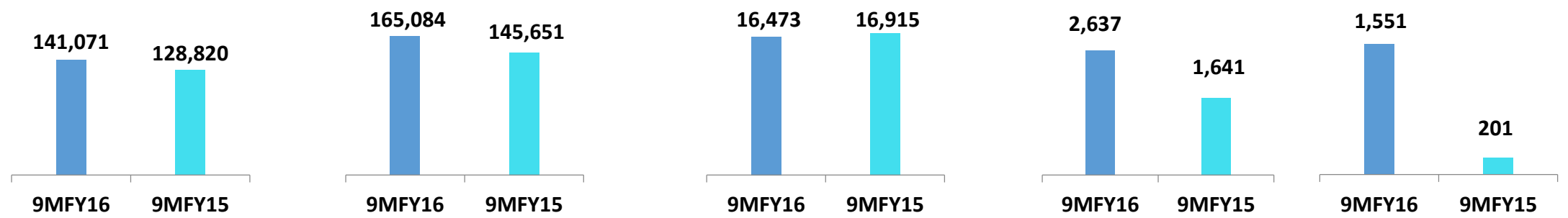
EBITDA (INR Mn)  
(before exceptional items)

PAT (INR Mn)

Q3FY16



9MFY16



Management Comment:

Demand for pipes and fittings continues to be good and we are confident that going forward growth in this segment would be very encouraging.

\* Including inter segment transfer

# P&F represents Pipes and Fittings

## Profit & Loss Account

| Particulars (INR mn)            | Q3FY16 | Q2FY16 | Q3FY15 | 9MFY16 | 9MFY15 |
|---------------------------------|--------|--------|--------|--------|--------|
| Net Sales                       | 5,472  | 4,667  | 6,429  | 16,473 | 16,915 |
| EBIDTA before exceptional items | 841    | 522    | (89)   | 2,637  | 1,641  |
| EBIDTA margin (%)               | 15.37% | 11.18% | -      | 16.01% | 9.70%  |
| Exceptional gains/(loss)        | -      | *245   | (131)  | *245   | (296)  |
| EBIDTA after exceptional items  | 841    | 767    | (220)  | 2,882  | 1,345  |
| Depreciation                    | 127    | 126    | 146    | 379    | 444    |
| EBIT before exceptional items   | 714    | 396    | (236)  | 2,258  | 1,196  |
| <i>EBIT margins</i>             | 13.05% | 8.49%  | -      | 13.71% | 7.07%  |
| Other Income                    | 35     | 141    | 14     | 204    | 153    |
| Finance costs                   | 80     | 164    | 287    | 402    | 763    |
| PBT                             | 668    | 618    | (639)  | 2,305  | 290    |
| <i>PBT margins</i>              | 12.21% | 13.24% | -      | 13.99% | 1.71%  |
| Tax                             | 238    | 199    | (201)  | 754    | 89     |
| PAT                             | 430    | 419    | (438)  | 1,551  | 201    |
| <i>PAT margins</i>              | 7.86%  | 8.98%  | -      | 9.42%  | 1.19%  |

\*Represents benefit by way of electricity duty exemption under package scheme of incentives for earlier periods.

## Operating Highlights

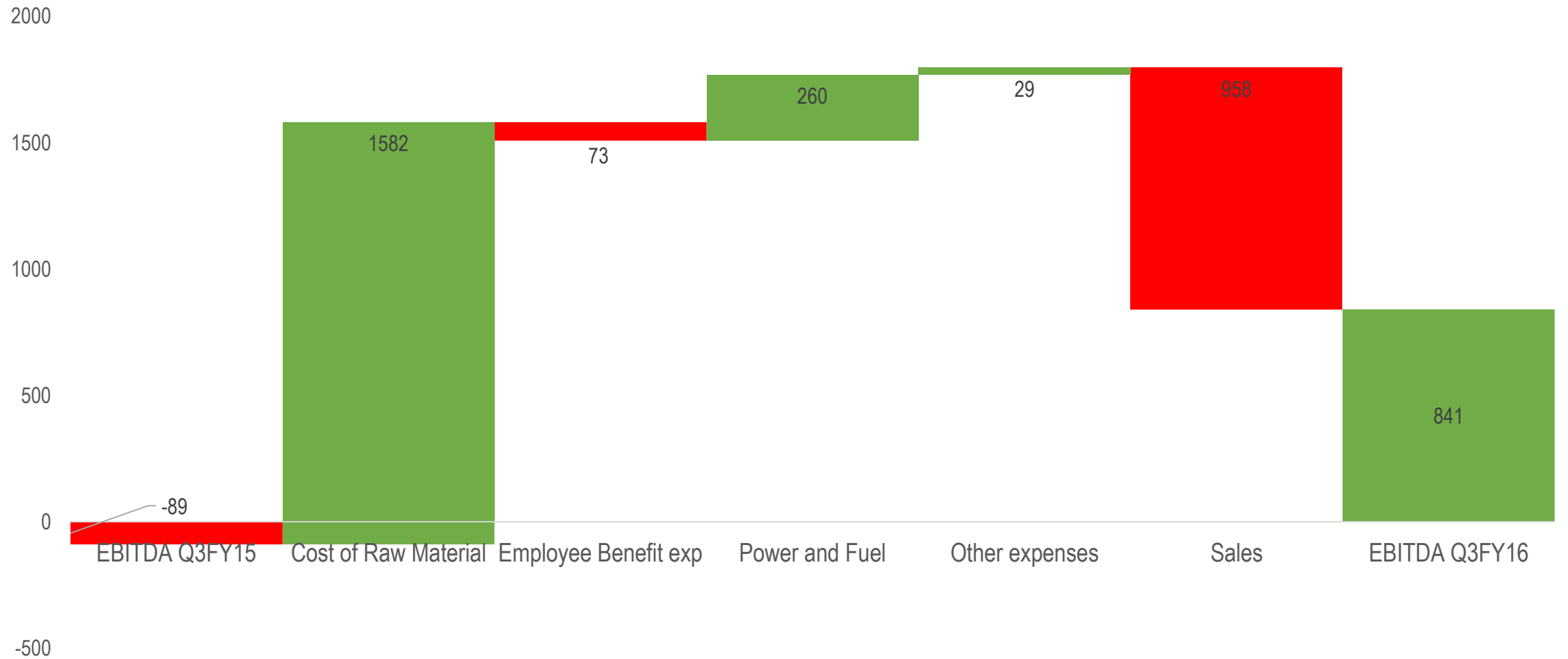
| Particulars          | Q3FY16  |        |          | Q3FY15  |        |          | Growth Y-o-Y |        |
|----------------------|---------|--------|----------|---------|--------|----------|--------------|--------|
|                      | INR Mn. | MT     | Rs./Unit | INR Mn. | MT     | Rs./Unit | Value        | Volume |
| PVC resin            | 3,567   | 60,542 | 58,918   | 3,664   | 61,826 | 59,263   | (2.0%)       | (2.1%) |
| PVC pipes & fittings | 3,611   | 42,445 | 85,075   | 3,480   | 38,856 | 89,561   | 3.8%         | 9.2%   |
| Power                | 357     |        |          | 175     | 11,418 |          | 104.0%       |        |

| Particulars          | 9MFY16  |         |          | 9MFY15  |         |          | Growth Y-o-Y |        |
|----------------------|---------|---------|----------|---------|---------|----------|--------------|--------|
|                      | INR Mn. | MT      | Rs./Unit | INR Mn. | MT      | Rs./Unit | Value        | Volume |
| PVC resin            | 10,297  | 165,084 | 62,374   | 9,880   | 145,651 | 67,833   | 4.2%         | 13.3%  |
| PVC pipes & fittings | 12,236  | 141,072 | 86,736   | 12,076  | 128,820 | 93,743   | 1.3%         | 9.5%   |
| Power                | 1,040   |         |          | 822     |         |          | 26.5%        |        |

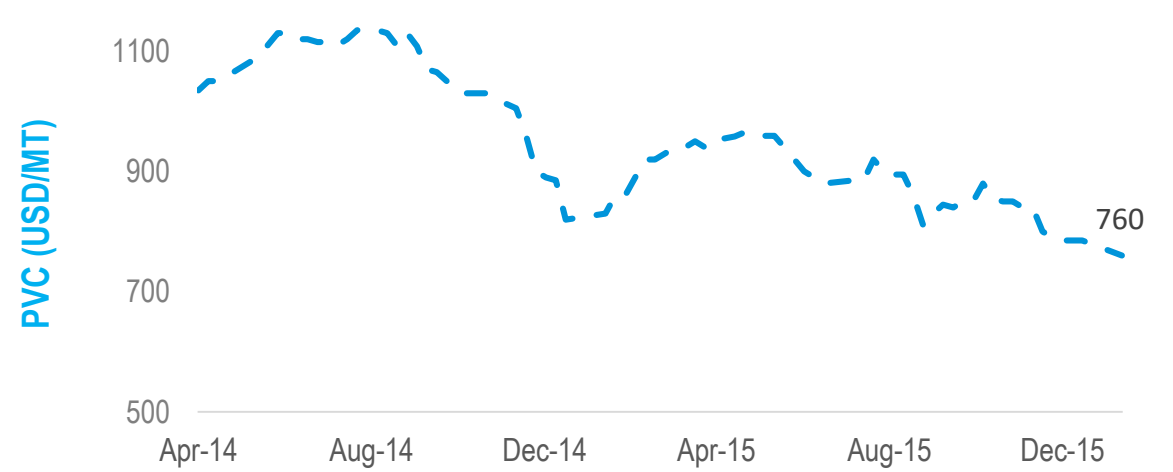
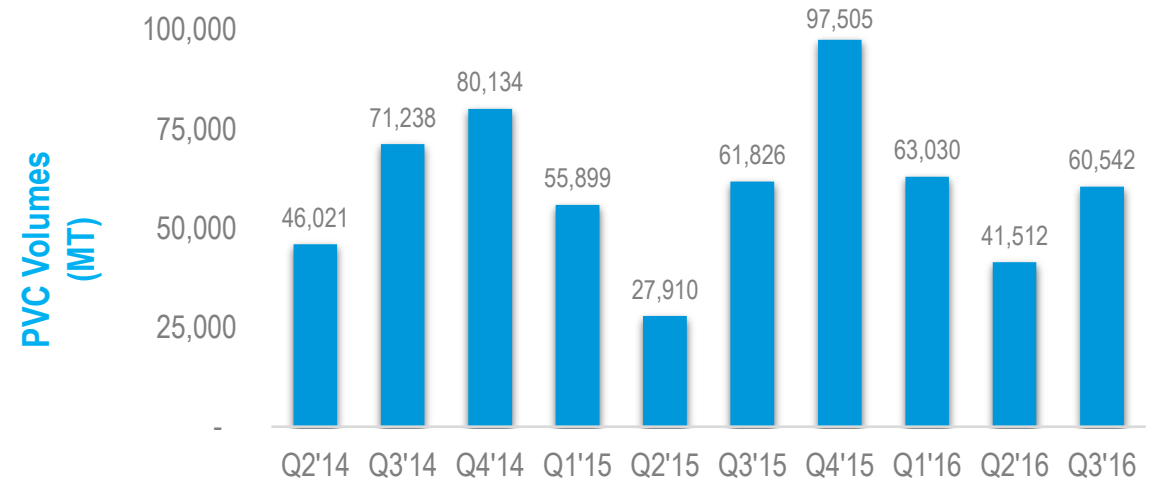
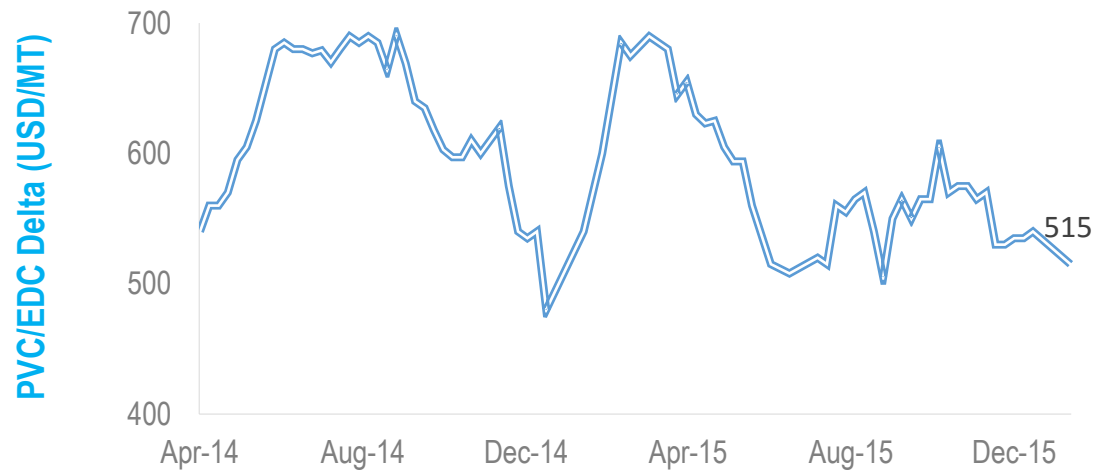
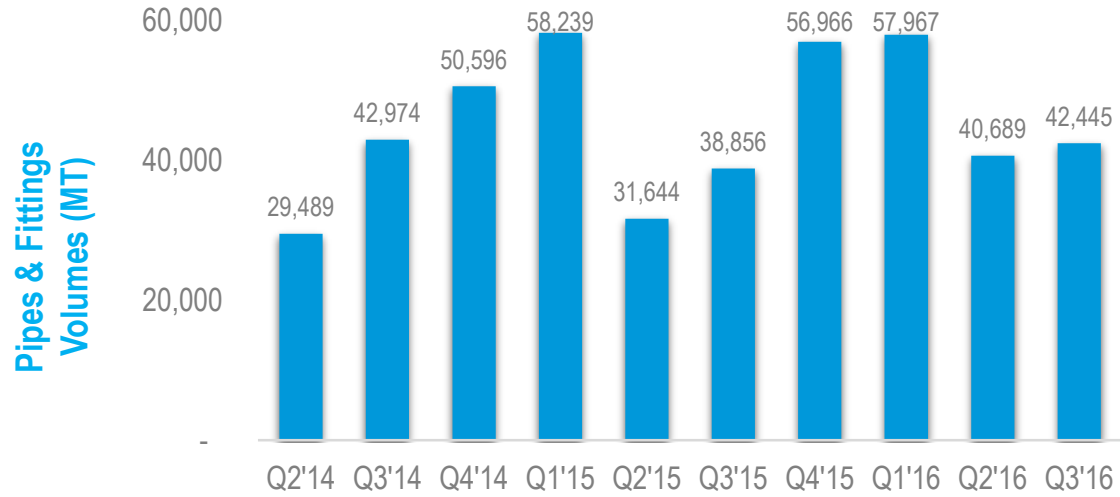


## EBITDA Bridge Chart

(INR mn)



## Business Scenario



Source: Platts Polymerscan weekly reports

## Quarterly – Profit & Loss

| Particulars (INR mn)            | Q4FY14 | Q1FY15 | Q2FY15 | Q3FY15 | Q4FY15 | Q1FY16 | Q2FY16 | Q3FY16 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Net Sales                       | 8,397  | 6,627  | 3,859  | 6,429  | 7,846  | 6,334  | 4667   | 5,472  |
| EBIDTA before exceptional items | 1,025  | 1,258  | 471    | (89)   | 683    | 1,274  | 522    | 841    |
| <i>EBIDTA margins (%)</i>       | 12.21% | 18.98% | 12.21% | -      | 8.71%  | 20.11% | 11.18% | 15.37% |
| Exceptional items               | 71     | -165   | -      | (131)  | 31     | -      | 245    | -      |
| Depreciation                    | 151    | 149    | 149    | 146    | 143    | 125    | 126    | 127    |
| Other Income                    | 62     | 52     | 86     | 14     | 50     | 27     | 141    | 35     |
| Finance costs                   | 217    | 282    | 194    | 287    | 104    | 158    | 164    | 80     |
| PBT                             | 790    | 715    | 215    | (639)  | 517    | 1,019  | 618    | 668    |
| <i>PBT margins (%)</i>          | 9.41%  | 10.79% | 5.57%  | -      | 6.59%  | 16.09% | 13.24% | 12.21% |
| Tax                             | 228    | 213    | 77     | (201)  | 241    | 316    | 199    | 238    |
| PAT                             | 562    | 502    | 137    | (438)  | 277    | 703    | 419    | 430    |
| EPS                             | 4.5    | 4.5    | 1.1    | (3.5)  | 2.2    | 5.7    | 3.4    | 3.5    |

## Quarterly segmental – Profit & Loss

| <i>Particulars (INR mn)</i> | <i>Q4FY14</i> | <i>Q1FY15</i> | <i>Q2FY15</i> | <i>Q3FY15</i>   | <i>Q4FY15</i> | <i>Q1FY16</i> | <i>Q2FY16</i> | <i>Q3FY16</i> |
|-----------------------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|---------------|
| <b>Segmental revenues</b>   |               |               |               |                 |               |               |               |               |
| PVC                         | 5,347         | 4,139         | 2,076         | 3,664           | 5,721         | 4,149         | 2,581         | 3,567         |
| PVC pipes & fittings        | 4,686         | 5,438         | 3,158         | 3,480           | 4,862         | 5,100         | 3,525         | 3,611         |
| Power                       | 443           | 353           | 293           | 175             | 486           | 385           | 299           | 357           |
| <b>Segmental profits</b>    |               |               |               |                 |               |               |               |               |
| PVC                         | 494           | 597           | 124           | (456)           | 216           | 692           | 198           | 462           |
| <b>% of Revenues</b>        | <b>9.24%</b>  | <b>14.42%</b> | <b>6.00%</b>  | <b>(12.45%)</b> | <b>3.78%</b>  | <b>16.68%</b> | <b>7.67%</b>  | <b>12.95%</b> |
| PVC pipes & fittings        | 389           | 520           | 242           | 254             | 321           | 492           | 297           | 315           |
| <b>% of Revenues</b>        | <b>8.31%</b>  | <b>9.56%</b>  | <b>7.70%</b>  | <b>7.30%</b>    | <b>6.60%</b>  | <b>9.65%</b>  | <b>7.91%</b>  | <b>8.72%</b>  |
| Power                       | 113           | 62            | 9             | (41)            | 145           | 81            | 42            | 61            |
| <b>% of Revenues</b>        | <b>25.54%</b> | <b>17.56%</b> | <b>2.90%</b>  | <b>(23.43%)</b> | <b>29.84%</b> | <b>21.04%</b> | <b>14.05%</b> | <b>17.09%</b> |
| <b>Capital employed</b>     |               |               |               |                 |               |               |               |               |
| PVC                         | 7,775         | 8,480         | 7,277         | 7,221           | 6,060         | 7,167         | 5,660         | 5,649         |
| PVC pipes & fittings        | 3,393         | 3,063         | 3,899         | 4,789           | 4,649         | 4,302         | 4,337         | 4,730         |
| Power                       | 3,131         | 3,098         | 2,512         | 2,650           | 2,552         | 2,772         | 2,527         | 2,500         |
| Other segments              | 1,715         | 1,381         | 3,051         | 3,413           | 2,096         | 3,577         | 2,289         | 1,941         |

## Green initiatives by FIL



Internationally acclaimed Environment management system under ISO 14001, in place at the Ratnagiri plant.



Achieved the goal of Zero effluent discharge at the Ratnagiri plant



Awarded with “Certificate of Merit – believers Category” by “Frost and Sullivan's Green Manufacturing Excellence Award 2014” for Golap, Ratnagiri plant



Won Bronze trophy in the National Safety Council Awards Competition 2013 for the PVC manufacturing plant at Ratnagiri



## Corporate Social Responsibility (CSR)

**2**  
Municipal Schools  
Adopted

**2000**  
Scholarships  
Given

**25**  
Hospitals  
Supported

**12k+**  
Patients  
Treated

**Mukul Madhav**  
Foundation  
Established 1999

**49k**  
Trees  
Planted

**1**  
Educational  
Tie Up

**20k Sq.Ft**  
Size of School  
at Ratnagiri

**1000s**  
of Lives  
Transformed



**Health Care**



**Education**



**Environment & Safety  
Initiatives**



**Community  
Development**



**Cultural & Other  
Activities**

## Accolades and awards



India's most Trusted Brand in the category "Manufacturing – Pipes" awarded by Brand Trust Report 2015

'Excellence in CSR' award by Amity Global School

**AMITY**  
**GLOBAL SCHOOL**  
वसुधैव कुटुम्बकम् | THE WORLD IS ONE



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

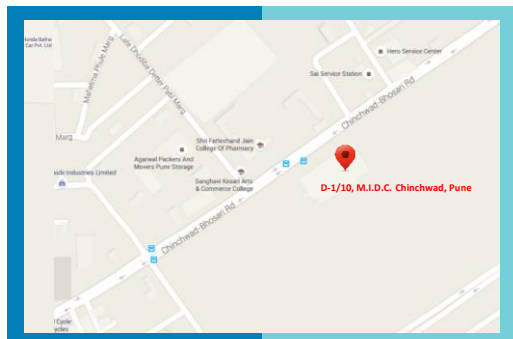
Recognized by Economic Times as Top 100 Brands in the Architecture and Design Sector.












# FINOLEX INDUSTRIES LIMITED



-  Mr. S. Krishnamoorthy (GM - Accounts & Finance)
-  [sk@finolexind.com](mailto:sk@finolexind.com)
-  D-1/10, M.I.D.C. Chinchwad, Pune 411 019
-  020 2740 8200 | 1-800-2003466
-  [www.finolexwater.com](http://www.finolexwater.com)

## Investor Relations

S-Ancial Global Solutions Pvt. Ltd  
Contact No.: 022 6143 2368  
[fil@s-ancial.com](mailto:fil@s-ancial.com)