

FIL/SEC/SEs/2023-24/15

22nd May, 2023

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

Sub: Outcome of the Board Meeting: Audited Financial Results for the quarter and financial year ended on 31st March, 2023

Ref: Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

In terms of the subject referred regulations, the Board of Directors of the Company at its meeting held on Monday, 22nd May, 2023, has *inter-alia*, approved and taken on record the Audited Financial Results (both Standalone & Consolidated) for the quarter and financial year ended on 31st March, 2023 along-with related segment-wise financial results, copy enclosed.

A copy of the following is also enclosed with respect to the financial results for the quarter and year ended on 31st March, 2023:

- i. Standalone and Consolidated Audit Report of the Statutory Auditors’;
- ii. A declaration in respect of Unmodified Opinion by the Statutory Auditors’

The aforesaid board meeting commenced at 5.00 p.m. (IST) and concluded at 09.00 p.m. (IST).

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

Thanking you,

For **Finolex Industries Limited**

Ashutosh Kulkarni
Company Secretary & Compliance Officer
M. No.: A18549

Encl.: As above

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 finolexpipes.com

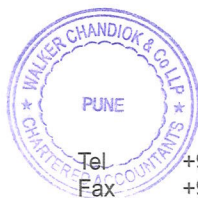


FINOLEX INDUSTRIES LIMITED
 Registered Office: Gat No. 399, Village Urse,
 Taluka Maval, Dist. Pune - 410 506. CIN: L40108PN1981PLC024153

Statement of audited Standalone Financial Results for the quarter and year ended March 31, 2023

Particulars	₹ Crores except earning per share				
	Standalone				
	Quarter ended		Year ended		
	March 31, 2023 Audited (Refer note 9)	December 31, 2022 Unaudited	March 31, 2022 Audited (Refer note 9)	March 31, 2023 Audited	March 31, 2022 Audited
Income					
I Revenue from operations	1,141.06	1,124.76	1,594.57	4,397.05	4,647.32
II Other income	29.20	27.82	24.76	121.38	83.16
III Total income (I+II)	1,170.26	1,152.58	1,619.33	4,518.43	4,730.48
IV Expenses					
Cost of materials consumed	735.93	660.84	913.51	2,903.15	2,801.75
Purchases of stock-in-trade	5.38	4.91	4.27	19.36	14.71
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(82.12)	94.46	190.48	149.56	32.60
Employee benefits expense	47.96	48.36	58.26	189.67	190.84
Finance costs	6.46	5.13	8.06	27.23	14.09
Depreciation and amortisation expense	23.80	22.50	21.55	89.20	83.40
Other expenses	216.48	224.32	163.39	842.77	583.68
Total expenses (IV)	953.89	1,060.52	1,359.52	4,220.94	3,721.07
V Profit before exceptional items and tax (III-IV)	216.37	92.06	259.81	297.49	1,009.41
VI Exceptional item gain (Refer note 8)	-	-	376.06	-	376.06
VII Profit before tax (V+VI)	216.37	92.06	635.87	297.49	1,385.47
VIII Tax expense					
Current tax	52.80	16.22	129.00	69.19	321.00
Tax pertaining to earlier year(s)	-	(3.42)	13.63	(17.37)	13.63
Deferred tax	5.22	7.19	(0.56)	9.08	(2.63)
Total tax expense	58.02	19.99	142.07	60.90	332.00
IX Profit for the period/year (VII-VIII)	158.35	72.07	493.80	236.59	1,053.47
X Other comprehensive income (OCI)					
A Items that will not be reclassified to profit or loss					
Re-measurement gain/(loss) of defined benefit plans	1.03	(0.47)	1.87	(0.37)	(0.32)
Income-tax effect on above	(0.24)	0.12	(0.47)	0.11	0.08
A(i) Re-measurement of defined benefit plans, net of income-tax	0.79	(0.35)	1.40	(0.26)	(0.24)
Gain/(loss) on equity instruments through OCI	589.29	171.95	(339.36)	966.31	(14.27)
Income-tax effect on above	-	-	0.01	-	0.11
A(ii) Gain/(loss) on equity instruments through OCI, net of income-tax	589.29	171.95	(339.35)	966.31	(14.16)
Total other comprehensive income [A(i)+A(ii)]	590.08	171.60	(337.95)	966.05	(14.40)
XI Total comprehensive income for the period/year (IX+X)	748.43	243.67	155.85	1,202.64	1,039.07
XII Paid-up equity share capital (face value of ₹ 2 each)	123.67	123.67	124.10	123.67	124.10
XIII Other equity				4,701.23	3,739.66
XIV Earnings per equity share having nominal value per share of ₹ 2 (Not annualised except for the year ended March 31, 2023 and March 31, 2022)					
Basic	2.55	1.16	7.96	3.82	16.98
Diluted	2.55	1.16	7.96	3.82	16.98

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

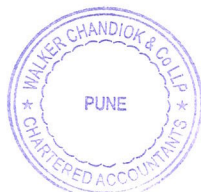


Tel +91 20 27408200
 Fax +91 20 27474444
 Email care@finolexpipes.com
 Web finolexpipes.com



Notes -
1A Segment wise Revenue, Results and Capital employed

Sr No	Particulars	Standalone				
		Quarter ended		Year ended		
		March 31, 2023 Audited (Refer note 9)	December 31, 2022 Unaudited	March 31, 2022 Audited (Refer note 9)	March 31, 2023 Audited	March 31, 2022 Audited
1	SEGMENT REVENUE					
	Revenue from each segment:					
a	PVC resin	501.29	504.09	1,044.40	2,271.02	2,962.10
b	PVC pipes and fittings	1,102.11	1,077.15	1,276.92	4,113.28	3,852.67
	Total	1,603.40	1,581.24	2,321.32	6,384.30	6,814.77
	Less: Inter segment revenue	462.34	456.48	726.75	1,987.25	2,167.45
	Revenue from operations	1,141.06	1,124.76	1,594.57	4,397.05	4,647.32
2	SEGMENT RESULTS					
	Profit before tax and interest from each segment:					
a	PVC resin	117.25	12.43	156.46	91.90	722.78
b	PVC pipes and fittings	90.32	68.90	94.20	154.18	250.24
	Total	207.57	81.33	250.66	246.08	973.02
	Less:					
I	Finance costs	6.46	5.13	8.06	27.23	14.09
II	Other un-allocable expenditure	13.83	11.36	7.49	41.54	32.50
	Add:					
III	Other un-allocable income	29.09	27.22	400.76	120.18	459.04
	Total profit before tax	216.37	92.06	635.87	297.49	1,385.47
3	Capital employed : Segment assets less Segment liabilities					
a	PVC resin	682.06	639.37	1,019.16	682.06	1,019.16
b	PVC pipes and fittings	1,450.26	1,341.71	1,369.84	1,450.26	1,369.84
c	Unallocated	4,049.97	3,323.24	2,872.00	4,049.97	2,872.00
	Total segment assets	6,182.29	5,304.32	5,261.00	6,182.29	5,261.00
a	PVC resin	96.09	115.11	276.58	96.09	276.58
b	PVC pipes and fittings	340.75	374.24	139.00	340.75	139.00
c	Unallocated	920.55	738.48	981.66	920.55	981.66
	Total segment liabilities	1,357.39	1,227.83	1,397.24	1,357.39	1,397.24
a	PVC resin	585.97	524.26	742.58	585.97	742.58
b	PVC pipes and fittings	1,109.51	967.47	1,230.84	1,109.51	1,230.84
c	Unallocated	3,129.42	2,584.76	1,890.34	3,129.42	1,890.34
	Capital employed	4,824.90	4,076.49	3,863.76	4,824.90	3,863.76





FINOLEX INDUSTRIES LIMITED
Registered Office: Gat No. 399, Village Urse,
Taluka Maval, Dist. Pune - 410 506. CIN: L40108PN1981PLC024153

Statement of audited Consolidated Financial Results for the quarter and year ended March 31, 2023

₹ Crores except earning per share

Particulars	Consolidated				
	Quarter ended			Year ended	
	March 31, 2023 Audited (Refer note 9)	December 31, 2022 Unaudited	March 31, 2022 Audited (Refer note 9)	March 31, 2023 Audited	March 31, 2022 Audited
Income					
I Revenue from operations	1,141.06	1,124.76	1,594.57	4,397.05	4,647.32
II Other income	29.20	27.82	24.76	120.92	82.23
III Total income (I+II)	1,170.26	1,152.58	1,619.33	4,517.97	4,729.55
IV Expenses					
Cost of materials consumed	735.93	660.84	913.51	2,903.15	2,801.75
Purchases of stock-in-trade	5.38	4.91	4.27	19.36	14.71
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(82.12)	94.46	190.48	149.56	32.60
Employee benefits expense	47.96	48.36	58.26	189.67	190.84
Finance costs	6.46	5.13	8.06	27.23	14.09
Depreciation and amortisation expense	23.80	22.50	21.55	89.20	83.40
Other expenses	216.48	224.32	163.39	842.77	583.68
Total expenses (IV)	953.89	1,060.52	1,359.52	4,220.94	3,721.07
V Profit before exceptional items, share of net profit/(loss) of investment in an associate accounted for using equity method and tax (III-IV)	216.37	92.06	259.81	297.03	1,008.48
VI Exceptional item gain (Refer note 8)	-	-	376.06	-	376.06
VII Profit before investment in an associate accounted for using equity method and tax (V+VI)	216.37	92.06	635.87	297.03	1,384.54
VIII Share of profit/(loss) of investment in an associate accounted for using equity method	13.45	12.85	2.18	24.26	(1.47)
IX Profit before tax (VII+VIII)	229.82	104.91	638.05	321.29	1,383.07
X Tax expense					
Current tax	55.36	19.45	129.10	74.98	321.10
Tax pertaining to earlier year(s)	0.74	(3.42)	13.63	(16.86)	13.63
Deferred tax	7.22	9.34	0.20	12.47	(3.00)
Total tax expense	63.32	25.37	142.93	70.59	331.73
XI Profit for the period/year (IX-X)	166.50	79.54	495.12	250.70	1,051.35
XII Other comprehensive income (OCI)					
A Items that will not be reclassified to profit or loss					
Re-measurement gain/(loss) of defined benefit plans	1.05	(0.47)	1.95	(0.35)	(0.23)
Income-tax effect on above	(0.24)	0.12	(0.47)	0.11	0.08
A(i) Re-measurement of defined benefit plans, net of income-tax	0.81	(0.35)	1.48	(0.24)	(0.15)
Gain/(loss) on equity instruments through OCI	589.29	171.95	(339.36)	966.31	(14.27)
Income-tax effect on above	-	-	0.01	-	0.11
A(ii) Gain/(loss) on equity instruments through OCI, net of income-tax	589.29	171.95	(339.35)	966.31	(14.16)
Total other comprehensive income [A(i)+A(ii)]	590.10	171.60	(337.86)	966.07	(14.31)
XIII Total comprehensive income for the period/year attributable to the Holding Company (XI+XII)	756.60	251.14	157.26	1,216.77	1,037.03
XIV Paid-up equity share capital (face value of ₹ 2 each)	123.67	123.67	124.10	123.67	124.10
XV Other equity				4,779.40	3,803.71
XVI Earnings per equity share having nominal value per share of ₹ 2 (Not annualised except for the year ended March 31, 2023 and March 31, 2022)					
Basic	2.68	1.28	7.98	4.04	16.94
Diluted	2.68	1.28	7.98	4.04	16.94



Notes -
1B Segment wise Revenue, Results and Capital employed

Sr No	Particulars	Consolidated				
		Quarter ended		Year ended		
		March 31, 2023 Audited (Refer note 9)	December 31, 2022 Unaudited	March 31, 2022 Audited (Refer note 9)	March 31, 2023 Audited	March 31, 2022 Audited
1	SEGMENT REVENUE					
	Revenue from each segment:					
a	PVC resin	501.29	504.09	1,044.40	2,271.02	2,962.10
b	PVC pipes and fittings	1,102.11	1,077.15	1,276.92	4,113.28	3,852.67
	Total	1,603.40	1,581.24	2,321.32	6,384.30	6,814.77
	Less: Inter segment revenue	462.34	456.48	726.75	1,987.25	2,167.45
	Revenue from operations	1,141.06	1,124.76	1,594.57	4,397.05	4,647.32
2	SEGMENT RESULTS					
	Profit before tax and interest from each segment:					
a	PVC resin	117.25	12.43	156.46	91.90	722.78
b	PVC pipes and fittings	90.32	68.90	94.20	154.18	250.24
	Total	207.57	81.33	250.66	246.08	973.02
	Less:					
I	Finance costs	6.46	5.13	8.06	27.23	14.09
II	Other un-allocable expenditure	13.83	11.36	7.49	41.54	32.50
	Add:					
III	Other un-allocable income	29.09	27.22	400.76	119.72	458.11
IV	Share of profit/(loss) of an associate	13.45	12.85	2.18	24.26	(1.47)
	Total profit before tax	229.82	104.91	638.05	321.29	1,383.07
3	Capital employed : Segment assets less Segment liabilities					
a	PVC resin	682.06	639.37	1,019.16	682.06	1,019.16
b	PVC pipes and fittings	1,450.26	1,341.71	1,369.84	1,450.26	1,369.84
c	Unallocated	4,152.75	3,415.35	2,956.37	4,152.75	2,956.37
	Total segment assets	6,285.07	5,396.43	5,345.37	6,285.07	5,345.37
a	PVC resin	96.09	115.11	276.58	96.09	276.58
b	PVC pipes and fittings	340.75	374.24	139.00	340.75	139.00
c	Unallocated	945.16	760.61	1,001.98	945.16	1,001.98
	Total segment liabilities	1,382.00	1,249.96	1,417.56	1,382.00	1,417.56
a	PVC resin	585.97	524.26	742.58	585.97	742.58
b	PVC pipes and fittings	1,109.51	967.47	1,230.84	1,109.51	1,230.84
c	Unallocated	3,207.59	2,654.74	1,954.40	3,207.59	1,954.40
	Capital employed	4,903.07	4,146.47	3,927.82	4,903.07	3,927.82



2 Statement of audited standalone and consolidated assets and liabilities as on March 31, 2023
₹ Crores

	Particulars	Standalone		Consolidated	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
A	ASSETS				
1	Non-current assets				
	(a) Property, plant and equipment	1,037.57	992.33	1,037.57	992.33
	(b) Right-of-use assets	16.81	-	16.81	-
	(c) Capital work-in-progress	43.82	9.46	43.82	9.46
	(d) Other Intangible assets	0.79	0.90	0.79	0.90
	(e) Investments accounted for using equity method	-	-	110.28	91.86
	(f) Financial assets				
	i) Investments	2,076.98	1,080.77	2,069.48	1,073.28
	ii) Loans	0.03	13.48	0.03	13.48
	iii) Other financial asset	41.83	38.16	41.83	38.16
	(g) Income-tax assets (net)	24.52	25.60	24.52	25.60
	(h) Other non-current assets	47.57	54.34	47.57	54.34
	Total non-current assets	3,289.92	2,215.04	3,392.70	2,299.41
2	Current assets				
	(a) Inventories	673.15	1,015.47	673.15	1,015.47
	(b) Financial assets				
	i) Investments	1,767.07	1,552.52	1,767.07	1,552.52
	ii) Trade receivables	297.54	334.46	297.54	334.46
	iii) Cash and cash equivalents	8.56	23.55	8.56	23.55
	iv) Bank balances other than (iii) above	52.04	57.49	52.04	57.49
	v) Loans	22.79	8.70	22.79	8.70
	vi) Other financial assets	9.31	13.00	9.31	13.00
	(c) Other current assets	61.91	40.77	61.91	40.77
	Total current assets	2,892.37	3,045.96	2,892.37	3,045.96
	Total assets	6,182.29	5,261.00	6,285.07	5,345.37
B	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity share capital	123.67	124.10	123.67	124.10
	(b) Other equity	4,701.23	3,739.66	4,779.40	3,803.71
	Total equity	4,824.90	3,863.76	4,903.07	3,927.81
2	LIABILITIES				
	Non current liabilities				
	(a) Financial liabilities				
	i) Lease liabilities	12.21	-	12.21	-
	ii) Other financial liabilities	0.20	0.14	0.20	0.14
	(b) Provisions	18.12	15.50	18.12	15.50
	(c) Deferred tax liabilities (net)	124.66	115.70	149.27	136.02
	(d) Government grants	66.21	67.05	66.21	67.05
	Total non-current liabilities	221.40	198.39	246.01	218.71
3	Current liabilities				
	(a) Financial liabilities				
	i) Borrowings	526.41	278.03	526.41	278.03
	ii) Lease liabilities	2.10	-	2.10	-
	iii) Trade payables				
	a) total outstanding dues of micro enterprises and small enterprises and	12.27	8.05	12.27	8.05
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	277.03	455.03	277.03	455.03
	iv) Other financial liabilities	249.46	275.22	249.46	275.22
	(b) Other current liabilities	51.33	150.08	51.33	150.08
	(c) Provisions	4.46	4.21	4.46	4.21
	(d) Current tax liabilities (net)	0.31	17.50	0.31	17.50
	(e) Government grants	12.62	10.73	12.62	10.73
	Total current liabilities	1,135.99	1,198.85	1,135.99	1,198.85
	Total liabilities	1,357.39	1,397.24	1,382.00	1,417.56
	Total equity and liabilities	6,182.29	5,261.00	6,285.07	5,345.37



3 Statement of audited Standalone and Consolidated Cash flow for the year ended March 31, 2023
₹ Crores

Sr No	Particulars	Standalone		Consolidated	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
I	Cash flows from operating activities				
	Profit before tax	297.49	1,385.47	321.29	1,383.07
	Adjustments :				
	Share of (profit)/loss from associate before tax	-	-	(24.26)	1.47
	Depreciation and amortisation expense	89.20	83.40	89.20	83.40
	Balances written off	-	1.37	-	1.37
	Profit on sale of investments (net)	(33.29)	(8.15)	(33.29)	(8.15)
	(Gain)/loss on fair valuation of investments	(37.05)	(8.90)	(37.05)	(8.90)
	(Profit)/loss on sale of assets (net)	(0.02)	0.87	(0.02)	0.87
	Dividend income	(13.78)	(13.14)	(13.32)	(12.21)
	Exceptional item	-	(376.06)	-	(376.06)
	Unwinding of government grant income	(12.62)	(10.73)	(12.62)	(10.73)
	Interest income	(28.56)	(36.57)	(28.56)	(36.57)
	Unrealised exchange fluctuation (gain)/ loss - net	0.59	1.50	0.59	1.50
	Finance costs	27.23	14.09	27.23	14.09
	Operating profit before working capital changes	289.19	1,033.15	289.19	1,033.15
	Change in operating assets and liabilities				
	Inventories	342.32	(96.66)	342.32	(96.66)
	Trade receivables	36.92	(186.48)	36.92	(186.48)
	Loans	(0.64)	(21.79)	(0.64)	(21.79)
	Other financial assets	(2.69)	(10.37)	(2.69)	(10.37)
	Other current assets	(13.03)	33.15	(13.03)	33.15
	Government grants (net)	16.82	11.89	16.82	11.89
	Trade payables	(173.73)	27.21	(173.73)	27.21
	Provisions	2.50	2.13	2.50	2.13
	Other financial liabilities	(29.28)	65.49	(29.28)	65.49
	Other current liabilities	(98.75)	99.85	(98.75)	99.85
	Cash generated from working capital changes	80.44	(75.58)	80.44	(75.58)
	Less - Income-tax paid	(67.94)	(335.58)	(67.94)	(335.58)
	Net cash inflow from operating activities	301.69	621.99	301.69	621.99
II	Cash flow from investing activities				
	Payment for purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(168.74)	(84.41)	(168.74)	(84.41)
	Proceeds from sale of property, plant and equipment (net)	1.06	380.63	1.06	380.63
	Net proceeds from purchase/sale of investments	(167.41)	(1,038.33)	(167.41)	(1,038.33)
	Dividend income received	13.78	13.14	13.78	13.14
	Investments in fixed deposits	5.45	247.37	5.45	247.37
	Interest income received	28.12	41.26	28.12	41.26
	Net cash inflow/(outflow) from investing activities	(287.74)	(440.34)	(287.74)	(440.34)
III	Cash flow from financing activities				
	Finance costs	(25.20)	(14.08)	(25.20)	(14.08)
	Repayment of short-term borrowings (net of proceeds)	247.73	72.77	247.73	72.77
	Payment of lease liabilities	(3.28)	-	(3.28)	-
	Dividend paid	(248.19)	(248.19)	(248.19)	(248.19)
	Net cash inflow / (outflow) from financing activities	(28.94)	(189.50)	(28.94)	(189.50)
IV	Net increase / (decrease) in cash and cash equivalents at the end of the year (I+II+III)	(14.99)	(7.85)	(14.99)	(7.85)
V	Cash and cash equivalents at the beginning of the financial year	23.55	31.40	23.55	31.40
VI	Cash and cash equivalents at the end of the year (IV+V)	8.56	23.55	8.56	23.55



Notes

- 4 The standalone and consolidated financial results of Finolex Industries Limited (the 'Holding Company') and its associate for the quarter and year ended March 31, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 22, 2023. The above results for the year ended March 31, 2023 have been audited by the statutory auditors of the Holding Company.
- 5 These results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules 2015 and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 (as amended).
- 6 The Holding Company has investment in two associates, Finolex Plasson Industries Private Limited and Pawas Port Limited. The Holding Company duly consolidates using equity method as prescribed under Ind AS 28 on 'Investment in Associates and Joint Ventures' its 46.35% stake in Finolex Plasson Industries Private Limited. However, the Company does not consolidate its 49.99% equity stake (corresponding investment amounting to Rs 0.05 crore) in Pawas Port Limited since the associate company has not started operations and is not material to the Holding Company.
- 7 The Board of Directors have recommended final dividend of ₹ 1.50 (75%) per equity share of ₹ 2 each for financial year 2022-23. The dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Holding Company.
- 8 Exceptional items for the year ended March 31, 2022 in the standalone and consolidated financial results pertain to the gain on transfer of leasehold rights on land.
- 9 The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the respective financial year.
- 10 Previous periods' figures have been re-grouped wherever necessary, to conform to the current period's classification.

Place: Pune
Date: May 22, 2023



By order of the Board of Directors
For Finolex Industries Limited


Anil Whabi
Managing Director
DIN 00142052



Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
3rd Floor, Unit No. 310 to 312,
West Wing, Nyati Unitree
Nagar Road, Yerwada,
Pune - 411 006
Maharashtra, India
T +91 20 6744 8888
F +91 20 6744 8899

Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Finolex Industries Limited

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Finolex Industries Limited** ('the Company') for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the audit report issued by the auditor of Finolex Industries Limited Employees' Welfare Trust ('Welfare Trust') as referred to in paragraph 13 below, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, together with the audit evidence obtained by the auditor of the Welfare Trust, in terms of their audit report referred to in paragraph 13 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41 Connaught Circus, Outer Circle, New Delhi, 110001, India

Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.



Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its Welfare Trust or the business activities within the Company to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of the Company of which we are the independent auditors. For the Welfare Trust included in the Statement, which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

11. The Statement includes the financial results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
12. The audit of standalone financial results for the corresponding quarter and year ended 31 March 2022 included in the Statement was carried out and reported by P G Bhagwat LLP who have expressed unmodified opinion vide their audit report dated 18 May 2022, whose report has been furnished to us, and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.
13. We did not audit the financial statements of the Welfare Trust included in the Statement, whose financial information reflects total assets of Rs. 43.69 crores at 31 March 2023, total revenues of Rs. Nil crores, total net profit after tax of Rs. 3.94 crores, total comprehensive income of Rs. 3.94 crores, and cash flows (net) of Rs. 0.02 crores for the year ended on that date, as considered in the Statement.



Walker Chandiok & Co LLP

Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

These financial statements have been audited by another auditor whose audit report has been furnished to us by the management. The aforementioned financial statements of this trust have been prepared in conformity with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021. The Company's management has converted these financial statements of the Welfare Trust to accounting principles enunciated under the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as applicable to the Company. We have audited these conversion adjustments made by the Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of such trust, is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the report of the other auditor.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Rajni Mundra

Partner

Membership No. 058644

UDIN: 23058644BGXZOI1010

Place: Pune

Date: 22 May 2023

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
3rd Floor, Unit No. 310 to 312,
West Wing, Nyati Unitree
Nagar Road, Yerwada,
Pune - 411 006
Maharashtra, India
T +91 20 6744 8888
F +91 20 6744 8899

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Finolex Industries Limited

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of **Finolex Industries Limited** ('the Holding Company') and its associate for the year ended 31 March 2023, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the associate and Finolex Industries Limited Employees' Welfare Trust ('Welfare Trust'), as referred to in paragraph 12 below, the Statement:
 - (i) includes the annual financial results of the following entity:
 - a) Finolex Plasson industries Private Limited, as an associate
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Holding Company and its associate for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Holding Company and its associate, in accordance with the Code of Ethics issued by the Institute of

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41 Connaught Circus, Outer Circle, New Delhi, 110001, India

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Holding Company including its associate in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors/ management of the Holding Company and its associate, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Holding Company and its associate, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the Holding Company and of its associate, are responsible for assessing the ability of the Holding Company and of its associate, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the Holding Company and of its associate, are responsible for overseeing the financial reporting process of the Holding Company and of its associate.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material



Walker Chandio & Co LLP

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associate, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the Holding Company, Welfare Trust and its associate, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

12. We did not audit the financial statements of the Welfare Trust included in the financial results of the Holding Company, whose financial statements reflects total assets of Rs. 43.69 crores at 31 March 2023, total revenues of Rs. Nil crores, total net profit after tax of Rs. 3.94 crores, total comprehensive income of Rs. 3.94 crores, and cash flows (net) of Rs. 0.02 crores for the year ended on that date, as considered in the Statement.



Walker Chandiok & Co LLP

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

The Statement also includes the Holding Company's share of net profit after tax of Rs.14.57 crores and total comprehensive income of Rs. 14.59 crores for the year ended 31 March 2023, in respect of one associate, whose annual financial statements have not been audited by us. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion, in so far as it relates to the amounts and disclosures included in respect of the associate and the Welfare Trust is based solely on the audit report of such other auditors.

Further, the aforementioned financial statements of the Welfare Trust has been prepared in conformity with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021. The Holding Company's management has converted these financial statements to accounting principles enunciated under the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of such trust, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

13. The Statement includes the consolidated financial results for the quarter ended 31 March 2023, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.
14. The audit of consolidated financial results for the corresponding quarter and year ended 31 March 2022 included in the Statement was carried out and reported by P G Bhagwat LLP who have expressed unmodified opinion vide their audit report dated 18 May 2022, whose report has been furnished to us and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.
15. The accompanying Statement does not include the Holding Company's share in loss of an associate, Pawas Port Limited. In our opinion and according to the information and explanations given to us by the Management the said associate is not material to the Holding Company. Our opinion on the Statement is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Rajni Mundra

Rajni Mundra

Partner

Membership No. 058644

UDIN: 23058644BGXZOL2201

Place: Pune

Date: 22 May 2023

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 finolexpipes.com



FIL/SEC/SEs/2023-24/016

22nd May, 2023

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

Sub: Declaration in respect of Unmodified Opinion by the Statutory Auditors

Ref: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In terms of the subject referred regulations, we hereby confirm and declare that the Statutory Auditors of the Company, M/s. Walker Chandiok & Co., LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) have issued an Audit Report with an Unmodified Opinion on the Standalone and Consolidated Audited Financial Results of the Company, for the financial year ended 31st March, 2023.

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

Thanking you,

Yours truly,

For **Finolex Industries Limited**


Anil Whabi
Managing Director
DIN - 00142052




Niraj Kedia
Chief Financial Officer

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@finolexpipes.com
Web finolexpipes.com

