

Ref: SEC:JS

June 30,2020

To

The Listing Department
National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E)
MUMBAI – 400 051

The B.S.E. Limited
Floor 25, 'Phiroze JeeJeebhoy Towers
Dalal Street, Mumbai - 400 001

Dear Sirs,

Company No. 504058/NIPPOBATTERY

Sub: results – press release

We enclose herewith result- press release for the quarter and twelve months ended 31st March 2020.

Thanking you.

Yours faithfully,
For Indo National Limited



J. Srinivasan
Company secretary

Indo-National Ltd.

Announces FY20 Results

Consolidated Revenues surpass milestone of Rs. 5,000 million

Consolidated Revenues grow 15% yoy to Rs. 5,082 million

EBITDA for the quarter grows 48% yoy to Rs. 607 million

Chennai, June 29, 2020: Indo-National Ltd. (INL) is a leading consumer goods company with a portfolio comprising dry-cell batteries, Flash lights, LED lights, Mosquito bats and electrical accessories. Through its subsidiaries and step down joint ventures, it has also emerged as a global supplier of composites to the railway, aerospace and defense industries. The Company has announced its financial results for the quarter and year ended March 31, 2020.

Financial Highlights – Q4 & FY20

Standalone (INR mn. except EPS)	Q4 FY20	Q4 FY19	Variance	FY20	FY19	Variance
Revenue from Operations (Net of Taxes)	595	663	-10.3%	3,297	3,169	4.0%
EBITDA (Excl. Other Income)	36	24	49.9%	230	187	22.9%
% of Revenue	6.0%	3.6%	+240 bps	7.0%	5.9%	+ 110 bps
PBT (pre-exceptional items)	55	42	32.6%	302	280	8.1%
% of Total Income	8.6%	5.9%	+270 bps	8.7%	8.3%	+40 bps
Exceptional Items – Refer Key Development No. 2 on Pg. 3	292	-		292	-	
PBT (after exceptional items)	-237	42		10	280	
PAT	-178	29		5	191	
% of Total Income	NA	4.1%		0.1%	5.7	
EPS Diluted	-47.52	7.76		1.30	50.83	

Consolidated (INR mn. except EPS)	Q4 FY20	Q4 FY19	Variance	FY20	FY19	Variance
Revenue from Operations (Net of Taxes)	1,106	1,218	-9.2%	5,082	4,432	14.7%
EBITDA (Excl. Other Income)	141	189	-25.6%	607	411	47.6%
% of Revenue	12.7%	15.5%	-280 bps	11.9%	9.3%	+260 bps
PBT (pre-exceptional items)	104	170	-38.6%	477	353	35.1%
% of Total Income	9.1%	13.4%	-430 bps	9.1%	7.7%	+140 bps
Exceptional Items – Refer Key Development No. 2 on Pg. 3	292	-		292	-	
PBT	-188	170		184	353	
PAT	-155	130		104	266	
% of Total Income	NA	10.3%		2.0%	5.8%	
EPS Diluted	-46.45	18.6		3.75	49.13	

Management Comment

Commenting on the performance, **Mr. M. Subramanyam, President** said: “We are pleased to have delivered a steady performance during the year amidst the challenging economic environment. Even in Q4FY20, we witnessed good business momentum during the initial months of the quarter. However, the nation-wide lockdown disrupted sales, which would have otherwise been largely in-line with our expectations.

Even as we navigate the present uncertainty with a focus on stability, we are implementing steps to drive accelerated growth in the quarters ahead. The launch of DORCO’s world class razors and razors blades in India in June ’20 serves to elevate our offerings further optimising our pan-India distribution network. We have signed Indian cricketer Mr. Rohit Sharma as a brand ambassador also in June ’20 to endorse our batteries- flash lights and Mosquito Bat, and we believe this will enhance the salience of our NIPPO brand.”

He added, “We have an exciting basket of products and the strides made by our subsidiary Kineco, in the composites business, are opening up new vistas of growth for us in the Aerospace, Defence, Railways and Telecom Industries. We are confident of our growth prospects and believe that, as the operating environment normalises, INL and Kineco will be able to deliver a healthy performance.”

Key Developments / Operational Highlights

1. Following the outbreak of the COVID-19 pandemic, the subsequent lockdown and the restrictions placed on movement of people and material, the revenue for latter part of March 20, which is usually a period of high dispatches and primary sales, was impacted.
 - 1.1 Subsequent to the nationwide lockdown, the Company suspended its production operations from 24th March 2020 and in compliance with the directives issued by the Government, the Company resumed partial operations on May 6th in a phased manner. Based on a periodic review of market conditions, INL will further scale up its operations in a phased manner.
 - 1.2 The Company believes that due to strong business fundamentals, this pandemic may not have a significantly adverse impact on the operations and performance of the Company over the long term.
- 2 Exceptional item amounting to Rs. 292.23 million in standalone financial results for the quarter and year ended March 31, 2020 represents Bad Debts written-off in respect of the debts due from one of the Authorised wholesale distributors (AWD) of the Company. In spite of initiating various efforts to recover the amount, as a prudent measure, the Board approved the writing off of the bad debts consequent to ongoing proceedings of Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016 by Hon'ble National Company Law Tribunal against the AWD by a third party. Appropriate legal action is being taken to recover the outstanding dues from the AWD and upon realization, if any, of the dues the same would be appropriately accounted in the books of account of the company.
- 3 INL launched the products of DORCO razors and razor blades in India in June 2020 through its exclusive distribution arrangement with DORCO, South Korea. In the initial phase, INL has launched DORCO products in some parts of South and North of India and over a period of time will distribute these products across India.
- 4 In June 2020, INL appointed Indian cricketer Rohit Sharma as its brand ambassador to promote its portfolio of products comprising of Dry-Cell Batteries, Torches and Mosquito Bats.

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About Indo-National Limited

Indo-National Ltd. (formerly, Nippo Batteries Company Ltd.) is a leading manufacturer of Dry-cell Batteries in India. Headquartered in Chennai, it is the second-largest player in the industry, with a production capacity of 800 million batteries per annum. Leveraging on its established distribution network, the Company also offers Flashlights (torches), LED lights, Mosquito bats and Electrical Products.

INL was incorporated in 1972 as a joint venture (JV) between the late Mr. P Obul Reddy and Panasonic Corporation (leading Japanese electronics company, which subsequently exited the JV in 2012). It has a dry-cell battery manufacturing facility located in Tada Kandriga Village, Nellore (A.P) and has also set up a 4.6 megawatt solar power plant in Polepally village, Telangana.

INL holds a 51% stake in Kineco Ltd., which manufactures composites for Railways, Industrial applications, and defence. Kineco further holds a 51% stake in Kineco Kaman Composites Pvt Ltd which is a joint venture with Kaman Aerospace Group, USA (A NYSE listed entity), to manufacture advanced composites for the medical and aerospace.

INL is listed on the BSE and NSE in India with stock code '504058' and 'NIPPOBATRY' respectively. It enjoys high credit ratings of 'A1' for short-term and 'A' for long-term by CRISIL.

Corporate Identification No: L31909TN1972PLC006196

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For more information about us, please visit www.nippobatteries.com or contact:

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Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Indo-National Ltd will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.