IFB

IFB Industries Limited

Corporate Office

Plot No.-IND-5, Sector-1
East Kolkata Township, Kolkata - 700 107
Telephone : (91) (33) 39849475/9524
Fax : (91) (33) 39849676
Web : www.ifbindustries.com

4th June, 2022

The Manager
Department of Corporate Services
Bombay Stock Exchange Ltd,
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001

The Manager
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No-C/1, G Block,
Bandra Kurla Complex
Mumbai -400051

The Secretary
The Calcutta Stock Exchange Association Ltd.
7 Lyons Range
Kolkata-700001

Dear Sir,

Sub: Investors Presentation and Conference call with Investors of IFB Industries Limited

Please find enclosed Investors Presentation for the Quarter and year ended 31 March, 2022. This is to also inform you to discuss for the Quarter and year ended 31 March, 2022 audited financial results of IFB Industries Limited, a conference call with Investors will be held on 6th June, 2022 at 4.00 P.M IST.

Conference call dial in Numbers

Primary No : +91 22 6280 1304
+91 22 7115 8205

This is for your kind information and records.

Thanking you,

Yours Faithfully,

For IFB INDUSTRIES LIMITED
GRaychowdhury.

G Ray Chowdhury
(Company Secretary)

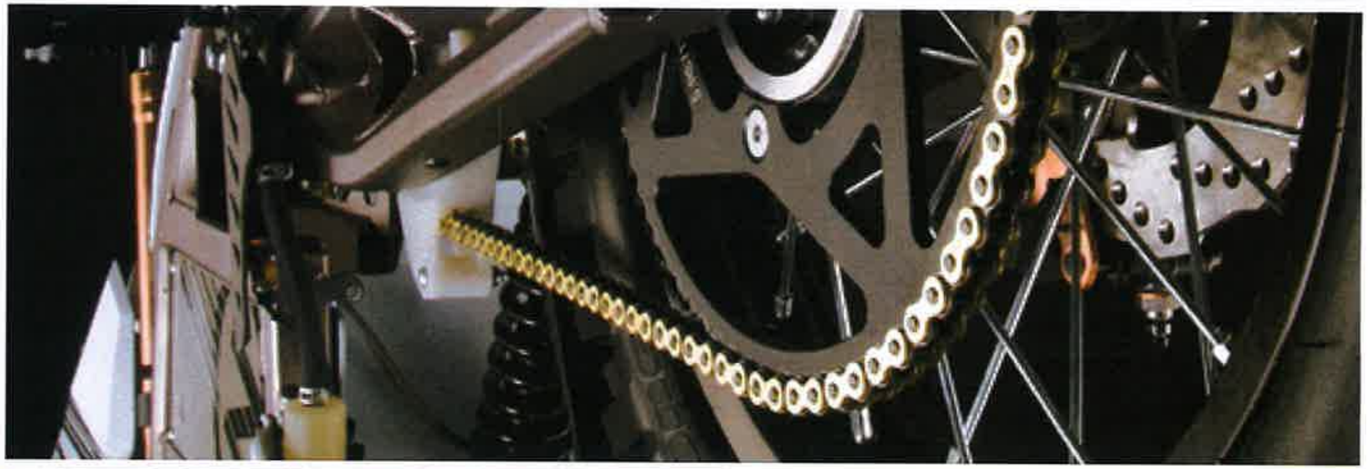
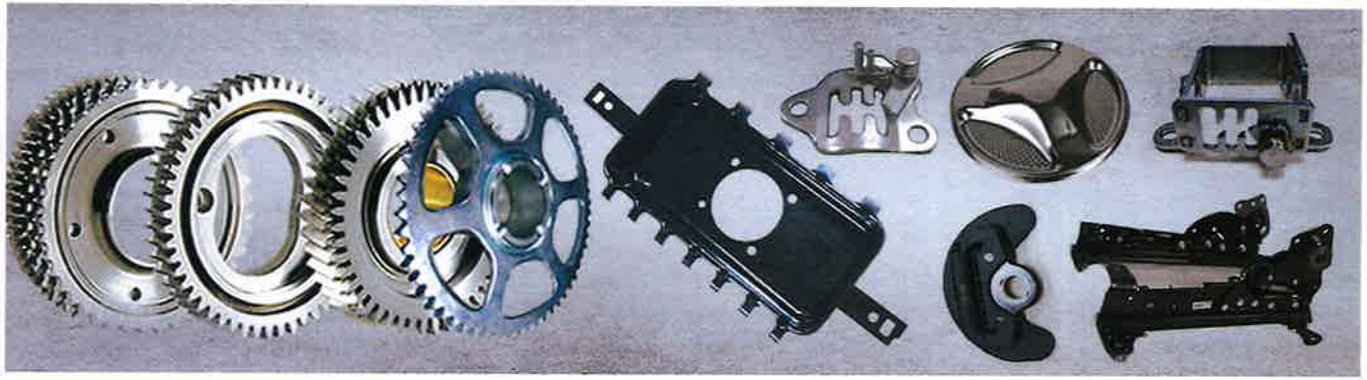
Encl : As above

IFB Industries Limited

Q4

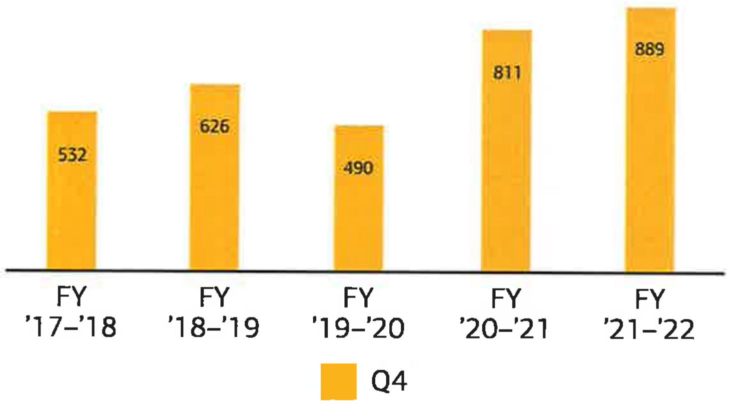
Financial Report

Quarter and Year Ended 31st March, 2022

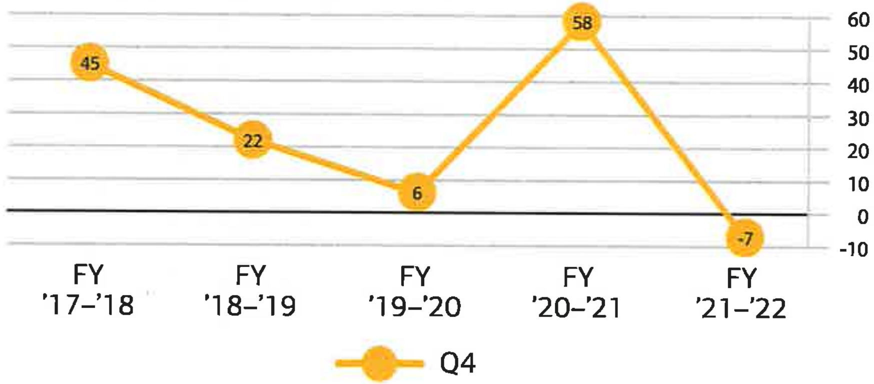




Trend for the Quarter

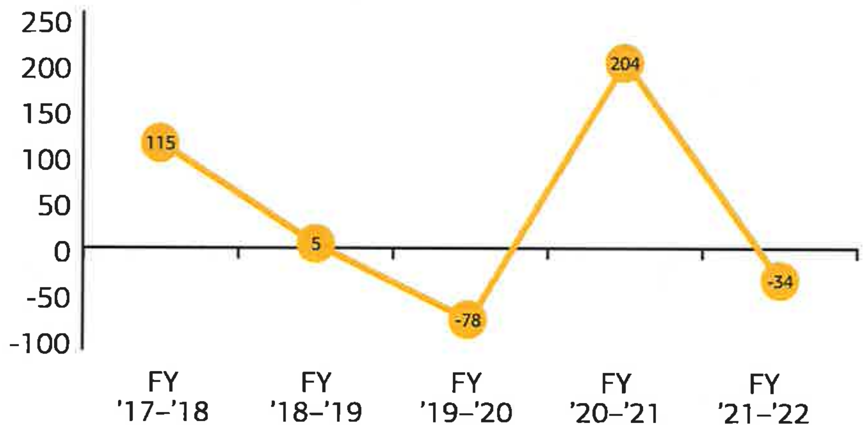
Revenue (₹ in crore)



Operating Profit/EBDITA (₹ in crore)



Free cashflow for last Five years (₹ in crore)



Parameters Q4

(₹ in Crore)

Total Revenue 888.80 +9.6%	Revenue from Operations 884.31 +10%	EBDITA -6.77 -111.7%
EBDITA Margin % -0.76 -789 bps	Net Profit Margin -3.21% -386 bps	EPS ₹(-)7.05 -638.2%
Receivables 296.39 21.7%	Inventories 571.65 26.9%	Accounts Payable 798.00 27.0%
Free Cash Flow 4.89 +105.8%	RONW -5.4% -1575 bps	Operating Cash Flow -39.94 +57.4%

Note Growth/degrowth have been calculated in comparison with last year.

Financial Review Q4

(₹ in crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	884.29	804.23	3,339.00	2,731.34
EBITDA	(6.77)	57.82	68.19	227.72
EBITDA % on Revenue	(0.77)	7.19	2.04	8.34
EBT	(43.66)	27.29	(76.70)	96.78
EBT % on Revenue	(4.94)	3.39	(2.30)	3.54
ROCE %	(14.30)	12.35	(6.42)	17.56

Results as stated above show low growth of 10% in Q4 and YTD growth of 22%. However, volume growth has been negative in some product categories because of very low sales in April and May due to the pandemic and thereafter we have had moderate performance in a few large branches causing overall growth to be low (net of price increase)—negative EBIDTA in Q4 of ₹6.77 Crore and very low EBIDTA of ₹68.19 Crore on YTD basis is as

a result of the low sales in the months mentioned, high commodity prices throughout the year which includes high freight, higher semi-conductor prices, etc and as stated, moderate performance in a few branches causing overall EBIDTA to be very low and unacceptable.

Many corrective actions have been taken including change in management in certain areas, etc. Noticeable improvement in sales has been seen in April and May. However, a lot more needs to be done to improve EBIDTA. We think substantial correction will be made by the end of Q1.

In Fine Blanking and Stamping, though there has been sales growth, however, this has been muted and margins are still not in line with expectations. Overall, at Company level, EBT is low due to inadequate utilisation of capacities across categories due to the pandemic in April and May and due to lower sales across Divisions. For example, when we undertook capex in the Fine Blanking Division in the year 2019–20, the sales expected out of the said capex in the year 2020–21 and thereafter have not taken place due to slowdown in automotive industry, etc. Similarly in the Air Conditioning business, capacities were not fully utilised during the year; however, there has been a significant change in the last three months the details of which we will give in the following pages under the Air Conditioning report.

AC plan volume v/s actual volume for the last 5 months is as below

	IFB Brand		OEM Brand		IFB Total	
Month/Volume	**Schedule**	**Actual**	**Schedule**	**Actual**	**Schedule**	**Actual**
Jan '22	13,300	13,313	0	0	13,300	13,313
Feb '22	13,680	13,680	7,000	0	20,680	13,680
Mar '22	35,000	27,838	12,000	11,030	47,000	38,868
Apr '22	47,000	37,134	20,000	13,465	67,000	50,599
May '22 Expected	44,000	25,000	19,000	11,000	63,000	36,000
Total Jan–May '22	**1,52,980**	**1,16,965**	**58,000**	**35,495**	**2,10,980**	**1,52,460**

Investment in AC Plant

Total Capital Investment made in the AC Plant is ₹167 Crore from 2019–20 to 2021–22. In addition, there has been ₹28 Crore investment in the Stamping facilities–which cater to both AC and Washer business requirements.

Profitability

2020–21 The volume during the year was only 83k. The sales were affected due to nationwide lockdown declared between the months of March to June '20. ACs being a seasonal product, we lost significant sales as a result.
PBT Loss of AC Business was ₹60 Crore.
2021–22 The volume during the year was only 153k, again there was a disruption in sales due to 2nd wave of COVID-19 which affected sales during the month of May and June '21.
PBT Loss of AC Business was ₹97 Crore.
Our internal actions on material cost reduction are focussed on realising ~8% at PBIDT level by end of the new fiscal year. We also need to sell ~45k pm (which is the capacity) while working on the material costs—for the target level of profitability.

Localisation

The current import content in completed BOM is ~45%.
We are evaluating alternate sources/internal development to mitigate the forex and single country purchase risks. These actions are the key actions in localisation in the new fiscal year.

- Motors (BLDC)—through internal investment by the Motor Division.
- CFF/Compressors/Aluminium—through localised investments by Indian suppliers.

Balance Sheet

Total borrowing was ₹227.08 Crore as on Quarter end date including a term loan amount of ₹163.52 Crore. The break-up of borrowing is as follows:

Borrowing

(₹ in crore)

Loan Type	Value	Banker	Purpose	Tenure
ECB	95.85	Standard Chartered	AC Project	Five Years
Rupee Term Loan	1.28	Federal Bank	Steel Division	Five Years
Rupee Term Loan	31.39	DBS Bank	Engineering Division	Five Years
Rupee Term Loan	35.00	ICICI Bank	Stamping Division	Seven Years
Working Capital	62.88	SCB	Home Appliances	
Cash Credit Facility	0.68	Federal Bank	Steel Division	
Total	**227.08**			

The ECB Loan taken from SCB for our AC plant came down to its current position after making pre-payment of ₹28.32 Crore in January 2021 and two principal payments in October 2021 and January 2022. The Term Loan taken from DBS for our Engineering business was partly pre-paid in December, 2020 to reach a balance of ₹47.10 Crore. Thereafter principal payments were made during the year and the current balance is ₹31.39 Crore. The first instalment of the Stamping Division Loan taken from ICICI Bank will be due in May, 2022.

Against the aforesaid borrowing, as on 31st March, 2022, our Cash and Bank Balances (including investments in Mutual Funds) were ₹314.65 Crore. Hence the Company remained debt free on a net basis as on the last day of Quarter 4 of FY '21–'22.

The break up of this is given:

Cash and Bank Balances	₹87.43 Crore
Investments in Mutual Fund	₹227.22 Crore
Total	**₹314.65 Crore**

We have inefficiencies of ₹100 Crore in working capital as of 31st March, 2022 due to lower sales in the AC category. However, the situation has improved in Q1 of FY '22–'23 as AC sales improved in April/May 2022. The stock level reduced by ₹62 Crore up to 30th April, 2022 as compared to March, 2022.

Market Conditions

Home Appliances Division

• Market demand dropped in the November and December '21 period, post a healthy Diwali season. Overall demand for the months of January and February 2022 was also muted. The retail demand for AC's picked up from the end of February 2022/March 2022. However, the overall demand scenario in the medium term remains healthy and there is growth in demand for higher end capacities across the Tier 2 and 3 towns—which has been a trend for over a year now.

• The pressure on inputs remains high and has effected the Q3 performance negatively.
We have initiated price hikes post the festive period and in Q4—the impact on demand needs to be seen in Q1.

• Supply chain pressure on commodity pricing and electronic component pipelines remain and the upward trend of the commodity prices continued in Q4 as well. There are projects internally ongoing to mitigate the impact of the cost.

• The market continues to see launches of new models and an increasing trend of cashbacks, easy finance options, including zero down payments, and long-term EMI schemes.

Business Update

Home Appliances Division

The Consumer Durables sector, which regained momentum in the festival period, had, overall, a muted growth in sales in the Q4 period. Repeated price hikes, which started from Q3, are also affecting demand to an extent.

In Q4, the product range in the market was expanded by the Company. In Front Loads, the Company upgraded all its models with Steam feature, which helps in hygienic washing. Top Load models with in-built heater options were ramped up. In the industrial segment, a new set of washer extractor and dryer models at 11 Kg for semi-commercial/commercial laundry was ramped up. In addition, the Company launched a new range of industrial washing machines with the patented Xeros technology–which uses significantly lower water, detergent and chemicals.

IFB Point sales growth YTD per stores has gone up by 12%. The new format of the IFB Points has been executed on a pilot basis in select cities. This will be extended to 7 metro cities over the next two Quarters and will cover 100 plus existing stores. The IFB Point count ended at 510 as of 31st March, 2022. There are ~20 stores in the pipeline.

Market Conditions

Engineering Division

Business environment in Q4 FY 21–22, remained challenging with increasing commodity prices and lower volumes from OEMs due to semiconductor shortage.

The demand trend in 1st Quarter FY '22–'23 will depend on following points:

• In spite of a strong customer demand, chip shortage etc may not allow OEM to fulfil total demand.
As far as 2W demand is concerned it will remain subdued in the coming Quarter.

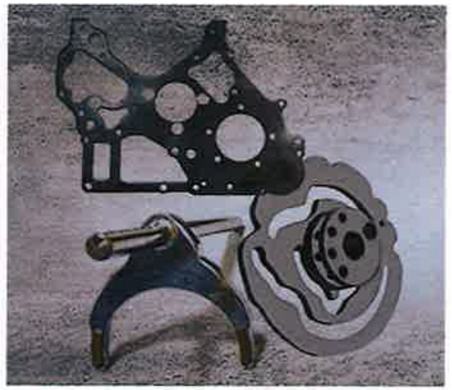
• Vehicle scrapping policy will lead to an increase in demand for 4-W.

• CV demand is expected to improve going forward as investments in Infrastructure increase. It is expected to have a significant increase in demand which should hover around double digit growth.

• Electric Vehicles will grow in the scooter segment but there are challenges to be faced in new vehicle launches etc. Recent instances of EVs catching fire and other issues have raised some doubts in customers' minds–should they buy now or later?

Overall, the automotive segment is expected to have a moderate growth in the coming Quarter.



Business Updates

Engineering Division:

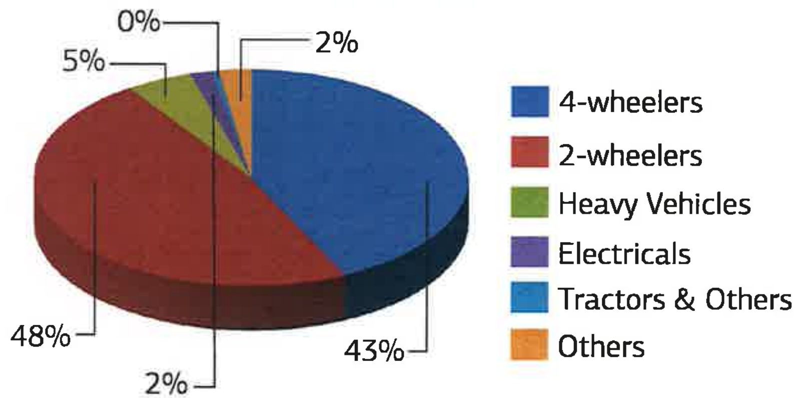
In Q4, the Automotive Market had dampened sales:

- COVID-19 cases in some parts of the country.
- Semi conductor shortage continues to plague the 4-W segment.
- ECU shortage affected the production of 2-W.
- On account of Lockdown in China, rising commodity prices, as well as huge infrastructure spending globally and the Ukraine conflict has resulted in steel prices in India going up. Recently the Government of India has imposed a tariff on exports to cool domestic prices.
- The increase in the price of fuel and vehicle prices led to dampening of sentiments for 2-wheeler buyers.

Market Growth:

1. 2-W: (-) 14% IFB growth over last year's corresponding Quarter as compared to Market Growth is (-) 21.55%.
2. 4-W : 30% IFB growth over last year's corresponding Quarter as compared to Market Growth is 1.82%.
3. CV: 13% IFB growth over last year's corresponding Quarter as compared to Market Growth is 14.20 %.

Segmental Analysis of IFB Q4 2021-22



RANGE OF PRODUCTS (Home Appliances Division)

The Division's range of products covers both domestic and industrial application categories.
The updates at the end of the 4th Quarter for each of the product categories are given below:

- **Front Load Washing Machine**

The range addresses unique customer needs and is well differentiated in the market based on features, aesthetics and performance. The significant rise in commodity pricing has led to a steep increase in prices throughout the year. Q1 of this year was also affected by the Second Wave and there were market disruptions from mid-April to end-May. The December '21 and January '22 period have seen the impact from Third COVID-19 Wave, also, business disruptions were significantly less. However, restrictions in market movement were high. COVID-19 has also resulted in changes in demand pattern–with an increased acceptance of higher capacity products and awareness of categories which help in hygiene (eg steam in washers, dishwashers etc). As of May '22, we have not seen issues in the demand position in the market.

The Company's key task is to increase sales volume and market share, for which two actions have been ongoing during the last fiscal year. On the product front, a new feature 'Steam' has been introduced across the complete range of FL washers. In addition, a new range of washers with Inverter motor technology/WiFi development is in development. We have planned to roll this out in phases starting from end of Q3, 2022–23 and 100% implementation will be over by 2022–23. We are also working on IoT/AI introductions and the planned roll out is expected by Q2 FY '22–'23. On the sales front, the product availability and placement are being driven through channel expansion, adequate manning and a drive on extraction from the distribution network as well as increase in revenue shares from the large key accounts. We do not have machines in the 9 Kg plus category in Front Loads. This category is 50k to 60k pa in volumes at present—this gap will be fixed in Q2 of 2022–23. Our focus is on more extraction from existing counters in this category.

- **Top Load Washing Machine**

Existing models and new models with 'In-built heaters', which are uniquely differentiated in the 6.5 to 11 Kg segments, have been well received in the market. The Company ensured that these models are available for placement and sale across all market channels though there were some supply chain constraints for critical items. As shared earlier, we have introduced the 'Steam' feature in 80% of the models in this category and have completed the roll out. There is an increasing demand for models of higher capacities, which has been a consistent trend in the last financial year.
The key focus here is in expansion of placements and making the models more available to customers.

- **Clothes Dryers**

This is no longer a seasonal product and its demand has been consistent over the last few Quarters. We plan to personalise this category by introducing colour models, i.e red, yellow and mocha, that will constitute a unique offering to consumers. Also we plan to upgrade this category with condensation technology in FY '22–'23 which will be ready for market introduction by end of this fiscal.

- **Washer Dryer Refresher**

This product is India's first 3-in-1 product offering which has washing/drying/refreshing, all in one. It has the capacity to wash 8.5 Kg, dry 6.5 Kg and refresh 2.5 Kg laundry. The product has been placed in 1,100 outlets and is clocking an average monthly sale of 1,000 machines and the placement will be taken to 1,500 outlets by end of Q3.
The plan is to develop new models in this category to cater to larger market segments by the end of FY '22–'23.

- **Dish Washer**

The domestic dishwasher segment has seen a reduction in demand in Q4. In terms of placement, we are now placed in ~3000 plus counters. Although the market demand has reduced, we are driving placements in the distribution network to a level of ~4500 plus counters. Our aim remains to sell ~75–100k plus dishwashers per annum. In order to achieve this target, we have completed an in-depth study to find out what the 'triggers' and 'barriers' are in this category for a targeted marketing strategy, from June 2022 onwards.

- **Industrial Segment—Laundry & Dishwashing Equipment**

IFB is a one stop solution for a commercial laundry setup—from understanding the customer's requirements to layout preparations, installations and post warranty AMC Supports. Our customers are from verticals like hotels, educational institutions, medical institutions, defence, pharmaceuticals, railways etc. They have been using our laundry equipment which serves them with better reliability and durability. The IFB product range services all needs–from washing to finishing, with the help of equipment like Washer Extractors, Tumble Dryers, Flat Work Ironers, Folders, Body Presses, Dry Cleaning Machine and other accessories. The recently launched Xeros technology enabled washer extractors would offer significant savings in water, power and energy consumption—with additional savings as a result of fabric life being almost doubled, especially for hoteliers. We have also started exporting the Xeros Technology machines to the UAE, UK and France.

In the laundry product, the 11 Kg variant, which we launched in the 2nd Quarter last year, has started giving a good response in the market. We received bulk orders from major educational institutes. The Company continues to enjoy a dominant market share across all customer segments, including defence establishments, bars, restaurants, large institutions, hotels, ships etc.

At present the Government sector business is low and contributes ~2–3%. The Company's efforts in Q4 were aimed at increasing our presence in defence and other sectors. We have also started focusing on the export business in high potential markets like the Middle East, Maldives etc. We have received good initial orders from the Middle East and discussions are on for finalising commercial orders. The revenue in both the industrial categories has been lower as all major institutions, such as colleges, hotel and restaurant categories have been shut over the last fiscal year. However, order pipelines over the last 2 Quarters have increased significantly and we expect good deliveries in the Q2 and Q3 of the new fiscal year.

- **Microwave Ovens**

IFB continues to be one of the top three dominant players in this category. The key delivery targets for the next Quarter ahead in this fiscal year are to complete the new model introductions, including models with new technology to improve the cooking process. We will be launching the Quartz Oven with advance cooking technology to render the best in grilling, roasting and baking functions. Availability issues are fixed now and we will continue to work on using the new ranges to drive placements and volumes. In order to de risk from China, we have started sourcing from Thailand, which will also give us the FTA benefits. At present we have already started imports from Thailand, which accounts for 10% of the business volumes. We are anticipating a good volume growth from the first Quarter of FY '22–'23 onwards.

- **Modular Kitchens**

'Renovation Kitchen' and 'Builder line' solutions were introduced in the last fiscal year. The Builder line order book is ~₹300 Lakh worth of kitchens across Goa and Bangalore and will be executed in Q1 and Q2 of the new fiscal year. The overall order book for retail kitchens in Goa and Bangalore has been increasing in the last two Quarters and is now ~₹350 Lakh as of end March, 2022.

Marketing initiatives have been launched for both the allied channel and end customers in this quarter to increase both leads and conversions. The Sales teams have been completed and we are now focussing on segment specific field work—to drive up the end order book and sales. The results on this business segment will start showing from the Q2 of the new fiscal year. We have planned to increase the stores displaying the modular kitchens to ~25 in the fiscal year up to December 2022.

- **Built-in Ovens, Chimneys and Hobs**

The kitchen appliances built in segment has seen significant value growth of 52% for the period April 2021 to March 2022, compared to the last year. In terms of product placement, we are placed in 460 MBO counters, for this fiscal year, along with ~522 plus IFB Points. IFB Points account for ~50% of sales in this category. The Company is investing in full range product displays to increase its presence in multi-brand outlets. The kitchen appliances category is a key segment for expansion and is also accretive to margins. Our target is to achieve monthly sales of ₹5 Crore by the end Q2 of the new fiscal year. In this category also we were not able to meet the demand, due to the shipping crisis and the pandemic-led situation at the supplier`s end, which has been resolved from the end of Q4 onwards.

• **Air Conditioners**

There is a complete change of the product range which was introduced from February '22 onwards. This includes new capacity points like 1.6 T and 1.2 T ACs and also a new 4 star rating. Over the last year, even though volumes have been lesser than expected, the product range has been well received in the market and is differentiated and benchmarked to the best in the industry. The quality and performance levels of the product range have been acknowledged to be among the best in class. The new line up from Feb '22 has strengthened the range placements in the channels of distribution, key accounts and also smaller multi-brand and SSD channels.

To date, in the last two months, the sales have picked up and we sold 67K in the last two months. We are expected to sell another 50k in May and June. We need to focus on margins in the period from June '22 to December '22.

A specific, geography by geography, plan has been put in place for marketing and selling ACs. We have made inroads to increase market penetration from this season period. We will continue to invest in brand building with the aim to grow the segment to the target level of ~225k pa of domestic brand sales in the new fiscal year. Any OEM sales will be over and above this and are expected to be in the range of ~125–150k units for the new fiscal year.

The Company has invested ₹167 Crore in the AC Plant.

However, we lost two seasons—the first spreading through FY '19–'20 and FY '20–'21 and the second in FY '21–'22 on account of COVID-19 First and Second waves respectively.

Financial Summary of Home Appliances Division (including Bommassandra, Motors & Inter unit) (₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	694.26	638.35	2,686.73	2,244.18
EBITDA	(18.09)	43.39	37.08	193.18
EBITDA % on Revenue	(2.61)	6.80	1.38	8.61
EBT	(46.58)	17.81	(71.71)	94.76
EBT % on Revenue	(6.71)	2.79	(2.67)	4.22
ROCE %	(27.65)	14.52	(7.49)	17.60

- Revenue grew in both the Quarter and YTD period.
- However, EBITDA declined in both the periods largely due to the following reasons:

1) Significant increase in commodity price which impacted material cost—₹37 Crore in Q4 and ₹143 Crore in the YTD period.

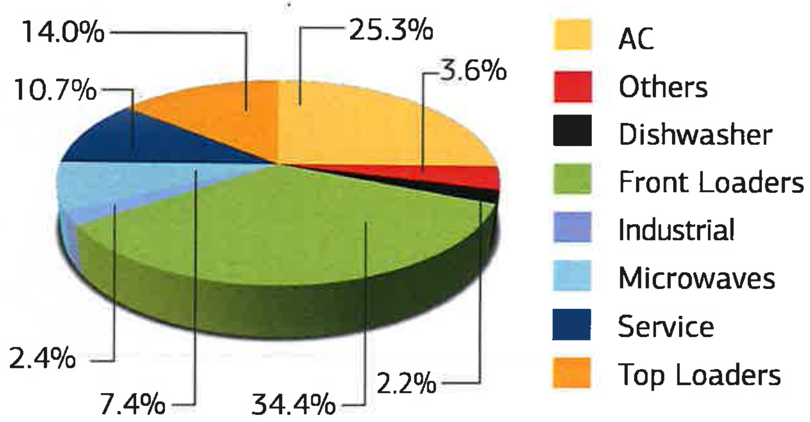
2) Promotion expenses went up by ₹10 Crore over last year during the Quarter and by ₹ 42 Crore in YTD period.

3) Improvement in the profitability of the AC segment also has a significant impact on the overall profitability of the Division.

4) In areas of consumer finance, we need to use available finance schemes more judiciously and also cut back in some areas —these changes are initiated from May '22.

Our task is to significantly grow FL, TL and AC sales and in MWO to keep the momentum in place. In Kitchen Appliances, our target is to have ₹5 Crore sales per month and we are driving placements in the distribution network of 4,000 plus counters to sell >100k dishwashers per annum.

QTR Product-wise spread in Home Appliances Division



Financial Summary of Engineering Division

(₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	160.83	151.13	577.39	445.85
EBITDA	16.92	22.50	57.23	53.97
EBITDA % on Revenue	10.52	14.89	9.91	12.11
EBT	5.83	16.48	12.59	21.76
EBT % on Revenue	3.62	10.91	2.18	4.88
ROCE %	9.76	20.00	6.76	9.33

- Quarter 4 revenue improved over last year but was below expectation due to the customer's schedule drop.
- YTD growth for the Division was 29%.
- Pending price increase amount for Engineering Division till March '22 has been settled and there is nothing pending.
- Q1 (FY '22–'23) price increase to be settled by July '22.
- Profitability took a knock due to higher material cost in both the Quarter and YTD period in spite of the settlement of pending pricing increases from the customers.
- There is strong possibility of higher margins going forward as markets have opened up comparatively and the automotive market is expected to do well in coming Quarters.
- We invested ₹70 Crore in the year FY 2018–19 in the Fine Blanking Division and ₹35 Crore in the Stamping Division, keeping an eye on future growth.

In FY 2019–20 there was an economic slowdown in India in general and degrowth in the Automotive segment in particular.

FY 2020–21 and FY 2021–22 witnessed the outbreak of the COVID-19 pandemic followed by the Second Wave in the following year. There were also steep increases in raw materials prices. OEMs faced a major shortage in the supply of semiconductor chips globally. All this led to many new programs being delayed and launches being postponed. This resulted in the Engineering Division's intended volumes not being met and Capacity utilisation being sub-optimal resulting in reduced margins

FY '22–'23 has started on a good note with OE able to source microchips in a better way and we are seeing good volumes and schedules from customers. New program launches by various OEMs in the last 6–8 months have received good response from the market and volumes are ramping up.

Over the last one year we have aggressively scouting for new business with existing and new customers and ₹300 Crore worth of RFQ's are under discussion and at various stages. We are regaining the lost ground and are hopeful of good order bookings and improving the capacity utilisation from the existing levels.

Financial Summary of Stamping Division

(₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	12.89	12.21	49.63	37.10
EBITDA	1.71	0.83	5.62	3.63
EBITDA % on Revenue	13.24	6.79	11.33	9.78
EBT	(0.11)	(0.96)	(1.72)	(3.76)
EBT % on Revenue	(0.82)	(7.88)	(3.47)	(10.13)

Revenue recorded marginal growth of 5% in Q4 whereas YTD growth was 34%.

The gross margin improved due to higher sales but in the YTD period, this decreased due to hikes in material costs.

Sales are improving and expected sales in Q1 of FY '22–'23 will be approx. ₹16.5 Crore which will improve EBITDA further.

By July 2022, we will cross ₹7 Crore sales per month as new projects will mature. Over and above, the Company is targeting ₹8 Crore schedules per month in the coming months by

- Fast tracking different projects under development.
- Approaching Companies to off-load their existing business to cut-down lead time.

Financial Summary of After Market Division

(₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	18.95	18.73	74.19	57.90
EBITDA	(1.52)	0.70	(1.27)	0.51
EBITDA % on Revenue	(8.02)	3.74	(1.71)	0.88
EBT	(1.61)	0.79	(1.62)	0.13
EBT % on Revenue	(8.50)	4.22	(2.18)	0.22

- Revenue for the Quarter was at the same level whereas YTD revenue improved by 28% over last year.
- Due to the Second Wave of the pandemic in the 1st Quarter of '21–'22 and the Third Wave in Jan '22, market was disturbed with our dealers not functioning in full scale due to which the primary and secondary sales were affected.
- During the year, the Division could work for only ten months.
- Due to pandemic and uncertain business future most of our dealers could not record growth in sales in FY '21–'22.
- PBDIT for Q4 and YTD period was affected due to high material costs.

Motor Division

The sales figures of Appliance Motors are not given because it is an internal sale to the Home Appliance Division. Once the new line comes up we will be selling to others including our competition. During the year, the Appliance Motor Division could not recover costs from the Home Appliance Division. However, the new BLDC motors are competitively priced and should generate cash from the beginning.

In Q4, the market picked up as expected and the same trend will continue for FY '23 also. Customers have indicated the launch of many new models which will improve our sales in the coming days.

The Division is strategically working towards achieving energy conservation in the near future. In order to achieve this goal, all the appliance motors will be replaced by efficient BLDC motors, which will save energy and cause lower noise etc.

The Appliances Motor Division is investing in production lines to manufacture the next generation BLDC motors. The new lines will be capable of producing motors for use in Washing Machines and Air conditioners. These lines will have the capacity to produce 100,000 motors each for use in washing machines and ACs. Motor manufacturing lines are under production and we intend to start commercial production from September onwards.

The Automotive Motors market is picking up and we expect our business to go up substantially in the coming months.

We are also exploring various opportunities available in EVs.

Financial Summary of Automotive Motor Division

(₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	17.83	12.13	49.34	33.72
EBITDA	1.70	(1.87)	(1.29)	(3.41)
EBITDA % on Revenue	9.51	(15.46)	(2.61)	(10.11)
EBT	1.56	(2.36)	(2.90)	(5.43)
EBT % on Revenue	8.77	(19.44)	(5.88)	(16.11)

- Sales improved as compared to last year—growth was 46% in both Quarter and YTD period.
- Reasons are: receipt of price increase from customers and higher customer schedules.
- Material cost reduced over last year due to receipt of price increase resulting into improvement in value addition.
- Pending price increase amount as on 31st March, 2022 was ₹2.06 Crore.
- This is likely to be settled by end of Q2 in FY '22-'23.

This Division is supplying to companies such as Hanon Automotives, M&M, Subros, Sanden Vikas etc.

Financial Summary of Steel Division

(₹ in crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	33.65	28.30	116.72	71.26
EBITDA	0.27	(0.45)	0.93	(0.64)
EBITDA % on Revenue	0.80	(1.60)	0.80	(0.90)
EBT	(0.15)	(0.89)	(0.64)	(2.65)
EBT % on Revenue	(0.46)	(3.13)	(0.55)	(3.72)

- Sales improved as compared to last year which is due to increase in steel prices. Substantial sales from the Steel Division are to the Fine Blanking Division of the Company.
- Value addition per MT also improved over last year in both Quarter and YTD period.
- This has resulted into improvement in EBITDA percentage.
- In overheads, repair and maintenance expenses have gone up on account of major overhauling in machineries.

Process of merger was completed in Q4.

It is felt that TMPL has the capability to generate higher volumes and margins with certain changes in its operational and machine capabilities.

A plan has been prepared to increase the plant capacity to 2,500 MT per month at a capex of around ₹21 Crore from the existing 1,400 MT. Modernisation in Plant and equipment will be undertaken to reduce the generation of scrap and eliminate quality issues, which should result in a higher margin.

Investment details have been finalised and work has started also.

Out of ₹21 Crore, ₹16 Crore will be funded by the Bank and the balance ₹5 Crore will come from internal accrual. However, the Board has advised a reduction in further Bank borrowing—thus we will take only ₹10 Crore from the Bank.

Subsidiaries

IFB Industries Limited, the Holding Company, has one wholly owned subsidiary—Global Automotive & Appliances Pte Ltd (GAAL), and one step-down subsidiary, Thai Automotive and Appliances Limited (TAAL)

Global Automotive & Appliances Pte Ltd (GAAL)

(₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	7.86	8.25	36.56	33.63
EBITDA	0.33	0.91	2.95	1.04
EBITDA % on Revenue	4.20	11.03	8.07	3.09
EBT	0.33	0.89	2.95	1.02
EBT % on Revenue	4.20	10.79	8.07	3.03

GAAL has expanded its operations to source electronic components. Both revenue and profit declined in Q4 due to low schedule from customers. However, YTD revenue and profit recorded growth.

Why it is strategic to have an establishment in Singapore

• Having an office there gives us credibility in dealing with global companies that have their regional headquarters in Singapore and this gives us access to all other ASEAN companies who have their offices in Singapore.

• Face-to-face communication in a fast-changing environment helps.

• Singapore is a hub for shipping and banking, which will help us in the long-term.

• In this fiscal year, the global crisis of chips for appliances would have hit us hard, had our Singapore office not helped us with sourcing. Many global automobile companies faced production disruptions due to chip shortages etc.

Thai Automotive & Appliances Limited

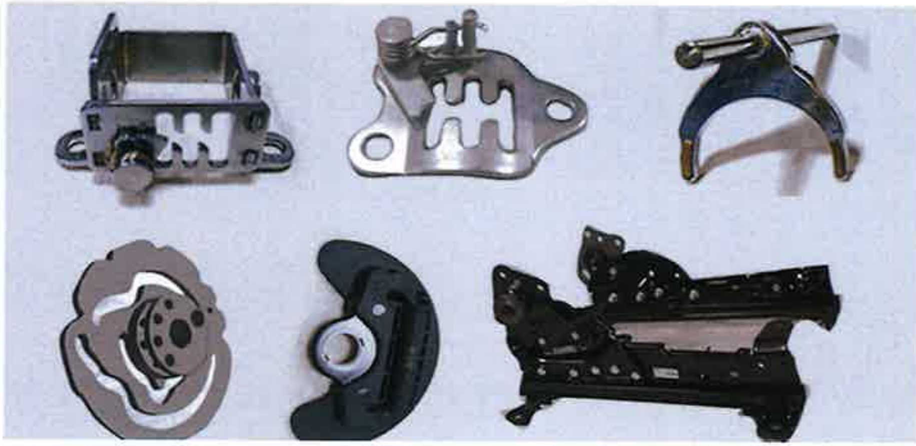
(₹ in Crore)

	Q4 (FY '21–'22)	Q4 (FY '20–'21)	YTD (FY '21–'22)	YTD (FY '20–'21)
Revenue from Operations	8.58	13.64	41.91	39.13
EBITDA	0.49	1.22	2.31	2.69
EBITDA % on Revenue	5.71	8.94	5.51	6.87
EBT	(0.07)	0.65	0.03	0.40
EBT % on Revenue	(0.82)	4.77	0.07	1.02

Thailand has been severely affected by COVID-19 and has only recently started opening up.

Automotive manufacturing has been severely delayed. Production of all new orders has been delayed.

The target for FY 2022–23 is to achieve ₹50 Crore plus topline with good margins.



STANDALONE INCOME STATEMENT

	QTR		YTD	(₹ in Crore)
	31 Mar, '22	31 Mar, '21	31 Mar, '22	31 Mar, '21
Total Sale of Products	1,070.53	972.06	4078.44	3312.66
Less: Trade Scheme and Discounts	229.17	203.61	900.20	704.43
Net Sales	**841.35**	**768.45**	**3178.24**	**2608.23**
- Sale of Services	20.84	19.51	86.01	77.58
- Other Operating Revenues	22.12	16.27	74.75	45.52
Revenue from Operations	**884.31**	**804.23**	**3339.00**	**2731.33**
Other Income	4.49	6.64	18.14	22.08
Total Income	**888.80**	**810.87**	**3357.14**	**2753.41**
EBDITA	**(6.77)**	**57.82**	**68.19**	**227.69**
EBDITA Margin (%)	(0.8)	7.1	2.03	8.3
Depreciation and Amortisation Expense	28.83	25.85	113.45	100.41
EBIT	**(35.60)**	**31.97**	**(45.26)**	**127.28**
EBIT Margin (%)	(4.0)	3.9	(1.3)	4.6
Finance Costs	8.08	4.67	31.46	30.51
Profit Before Tax	**(43.68)**	**27.30**	**(76.72)**	**96.77**
Profit After Tax	**(28.52)**	**5.31**	**(51.21)**	**62.22**
PAT Margin (%)	(3.2)	0.7	(1.5)	2.3
Total Comprehensive Income (TCI)	**(24.56)**	**8.54**	**(50.58)**	**61.79**
Total TCI Margin (%)	(2.76)	1.05	(1.51)	2.24
No of Shares (in crore)	4.05	4.05	4.05	4.05
Earnings Per Share (₹) (Not Annualised)	(7.05)	1.31	(12.64)	15.36

STANDALONE BALANCE SHEET

(₹ in Crore)

	31 Mar, '22	31 Mar, '21
ASSETS		
Property, Plant and Equipment*	685.54	646.48
Investment in Subsidiaries	21.60	21.60
Investment in Equity Shares	2.25	2.25
Inventories	571.65	457.87
Investment in Mutual Funds	227.22	258.22
Trade Receivables	296.39	246.50
Cash and Bank Balances	87.31	119.55
Other Assets	106.76	104.43
TOTAL	**1,998.72**	**1,856.90**
EQUITY AND LIABILITIES		
Equity Share Capital	41.28	41.28
Other Equity	595.91	646.49
Borrowings	232.99	227.90
Trade Payables	798.00	637.25
Other Provisions and Liabilities	330.54	304.51
TOTAL	**1,998.72**	**1,856.90**

* Including CWIP, Right to Use Assets, Investment Property, Goodwill, Other Intangible Assets and Intangible Assets Under Development

STANDALONE KEY RATIOS

	QTR		YTD	
	31 Mar, '22	31 Mar, '21	31 Mar, '22	31 Mar '21
Earnings Per Share (In ₹) (Not Annualised)	(7.05)	1.31	(12.64)	15.36
Book Value per Share (In ₹)	157.26	169.82	157.26	169.82
Current Ratio (#)	1.17	1.36	1.17	1.36
Quick Ratio (#)	0.63	0.82	0.63	0.82
EBDITA/Total Income (%)	(3.0)	28.5	2.0	8.3
Net Profit Margin (%)	(12.8)	2.6	(1.5)	2.3
Net Worth (In crore)	526.11	576.69	526.11	576.69
RONW (%) (On PAT)	(5.4)	0.9	(9.7)	10.8
Return on Capital Employed (%) (On EBIT)	(3.8)	3.4	(4.8)	10.2
No of Equity Shares (In crore)	4.05	4.05	4.05	4.05
Closing Market Price on Period End	1040.70	1111.55	1040.70	1111.55
Market Capitalisation (In crore)	4216.79	4501.78	4216.79	4501.78
Head Counts (Numbers)	2640.00	2466.00	2640.00	2466.00
Total Income Per Employee (₹ in lakh)	33.67	32.88	127.16	111.65
PBT Per Employee (₹ in lakh)	(1.7)	1.1	(2.9)	3.9
Fixed Asset Turnover Ratio	6.4	5.7	6.0	4.8
Days Sundry Debtors Outstanding	25	23	26	26
Inventory Holding (In Days)	49	42	51	49

(#) includes current Investments and short term working capital loans and current maturities of long term loans

STANDALONE CASH FLOW STATEMENT

(₹ in Crore)

	Year Ended	
	31 Mar, '22	31 Mar, '21
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Tax	**(76.72)**	**96.77**
Non-Cash and Other Adjustments	128.40	114.32
Operating Profit Before Working Capital Changes	51.68	211.09
Movement in Working Capital	(1.00)	93.58
Cash Generated from Operations	50.68	304.67
Income Taxes Paid (Net of Refunds)	(5.43)	(6.47)
Net Cash Generated from Operating Activities	**45.25**	**298.20**
Net Cash Used in Investing Activities	**(26.01)**	**(185.58)**
Net Cash Used in Financing Activities	**(49.81)**	**(118.66)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(30.57)**	**(6.04)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**95.36**	**101.40**
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	**64.79**	**95.36**

CONSOLIDATED HIGHLIGHTS

(₹ in Crore)

	Q4 ('21-'22)	Q4 ('20-'21)
Total Income	904.86	832.14
Earning Before Depreciation, Interest and Tax	(5.91)	61.08
Earning Before Interest and Tax	(35.28)	34.71
Profit Before Tax	(43.44)	29.95
Profit After Tax	(28.29)	7.71
Earnings Per Share (₹) (Not Annualised)	(6.99)	1.90
Cash and Liquid Investments	320.09	380.70

CONSOLIDATED INCOME STATEMENT

(₹ in Crore)

	QTR		YTD	
	31 Mar, '22	31 Mar, '21	31 Mar, '22	31 Mar, '21
Revenue from operations	**900.44**	**825.16**	**3415.38**	**2800.80**
Total Income	**904.86**	**832.14**	**3433.47**	**2823.16**
EBDITA	**(5.91)**	**61.08**	**73.55**	**232.24**
EBDITA Margin (%)	(0.65)	7.34	2.14	8.23
Depreciation and Amortisation Expense	29.37	26.37	115.45	102.42
EBIT	**(35.28)**	**34.71**	**(41.90)**	**129.82**
EBIT Margin (%)	(3.9)	4.2	(1.2)	4.6
Profit Before Tax	**(43.44)**	**29.95**	**(73.66)**	**98.91**
Profit After Tax	**(28.29)**	**7.71**	**(48.16)**	**64.11**
Attributable to Owners of the Parent	(28.29)	7.71	(48.16)	64.11
Attributable to Non-controlling Interest	0.00	0.00	0.00	0.00
Total Comprehensive Income (TCI)	**(23.59)**	**10.18**	**(47.62)**	**63.54**
Attributable to Owners of the Parent	(23.59)	10.18	(47.62)	63.54
Attributable to Non-controlling Interest	0.00	0.00	0.00	0.00
No of Shares (in crores)	4.05	4.05	4.05	4.05
Earnings per Share (₹) (Not Annualised)	**(6.99)**	**1.90**	**(11.89)**	**15.82**

CONSOLIDATED BALANCE SHEET

(₹ in Crore)

	31 Mar, '22	31 Mar, '21
ASSETS		
Property, Plant and Equipment*	712.76	674.83
Investment in Equity Shares	2.25	2.25
Inventories	576.82	462.28
Investment in Mutual Funds	227.22	258.22
Trade Receivables	310.31	265.69
Cash and Bank Balances	92.87	122.48
Other Non-current Assets	108.23	105.66
TOTAL	**2,030.46**	**1,891.41**
EQUITY AND LIABILITIES		
Equity Share Capital	41.28	41.28
Other Equity	606.98	654.60
Borrowings	238.61	232.92
Trade Payables	811.99	655.47
Other Provisions and Liabilities	331.60	307.14
TOTAL	**2,030.46**	**1,891.41**

*Including CWIP, Right of Use Assets, Investment Property, Goodwill, other Intangible Assets and Intangible Assets under Development.

Thank You

Disclaimer

This presentation contains statements which reflect the Management's current views and estimates and may be construed as forward-looking in nature. The future involves certain risks and uncertainties that may cause actual results to differ materially from the current views being expressed. Partial risks and uncertainties include such factors as general economic conditions, commodity prices and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.

OVER 6 MILLION SATISFIED CUSTOMERS

Microwave Oven | Built in Oven | Dishwasher | Chimney I Built in Hob | Top Load | Front Load | 100% Clothes Dryer | Air Conditioner

Contact

Prabir Chatterjee
Director and Chief Financial Officer

Phone +91 33 39849475/9524 Mobile +91 9331648802/9674686372 Fax +91 33 39849676

Email probirchatterjee@ifbglobal.com