

January 30, 2023

**Listing Department  
National Stock Exchange of India Limited**

Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051

**Department of Corporate Services -Listing  
BSE Limited**

Phiroze JeeJeebhoy Towers,  
Dalal Street,  
Fort, Mumbai – 400 001

Trading Symbol: ORIENTELEC

Scrip Code: 541301

**Sub.: Investors' Release – Un-Audited Financial Results – December 31, 2022**

Dear Sir / Madam,

This is in continuation of our earlier letter of today's date and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Investors' Release on the Un-Audited Financial Results of the Company for the quarter and nine months ended December 31, 2022.

Investors' Release will also be available on the website of the Company, [www.orientelectric.com](http://www.orientelectric.com).

You are requested to take the enclosed document on your record.

Thanking you,

Yours Sincerely,

For **Orient Electric Limited**

Hitesh Kumar Jain

**Company Secretary**

Encl.: as above



 **CK BIRLA GROUP**



Orient Electric Limited

# Earnings Presentation

## Q3FY23



# Table of Content

**01** Q3FY23 Snapshot

**02** Q3FY23 Highlights

**03** Segment Highlights – ECD

**04** Segment Highlights - L&S

**05** Strategic Growth Drivers

**06** Awards and Highlights

**07** Q3FY23 - Profit & Loss Statement

**08** 9MFY23 Snapshot

**09** 9MFY23 Financial Ratios



# Q3FY23 Snapshot

Strong quarter with highest-ever topline and sequential margins expansion



## Sales

**Rs 739cr**

+8.9% YoY  
+44.7% QoQ  
+14.2% 3Y CAGR



## ECD

**Rs 539cr**

+11.9% YoY  
+73.8% QoQ  
+18.4% 3Y CAGR



## Lighting & Switchgear

**Rs 200cr**

+1.6% YoY  
-0.2% QoQ  
+5.4% 3Y CAGR



## Gross Profit

**Rs 212cr**

+13.0% YoY  
+57.6% QoQ  
28.6% Gross Margin  
(+102bps YoY; +234bps QoQ)



## EBITDA

**Rs 55cr**

-17.5% YoY  
+372.9% QoQ  
7.4% EBITDA Margin  
(-237bps YoY; +515bps QoQ)



## PAT

**Rs 32cr**

-14.5% YoY  
4.4% PAT Margin  
(-121bps YoY; +447bps QoQ)



## Net Cash Position

**Rs 196cr**

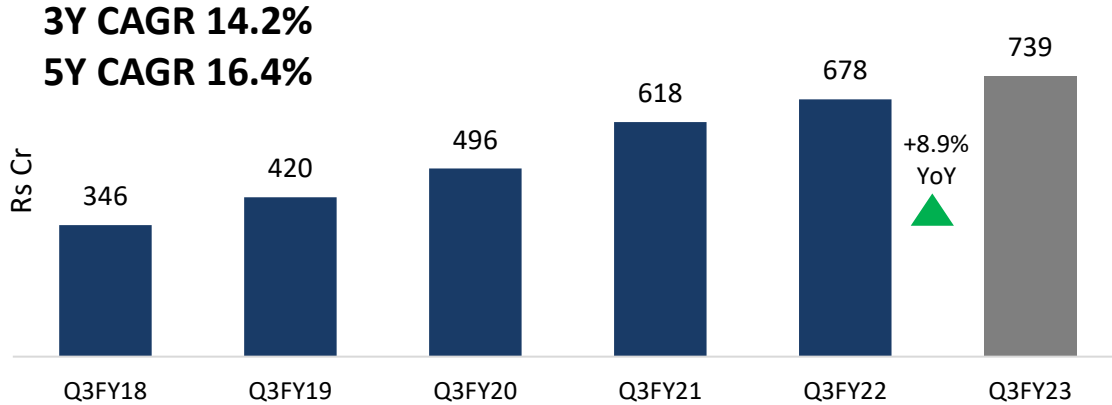
+133% YoY



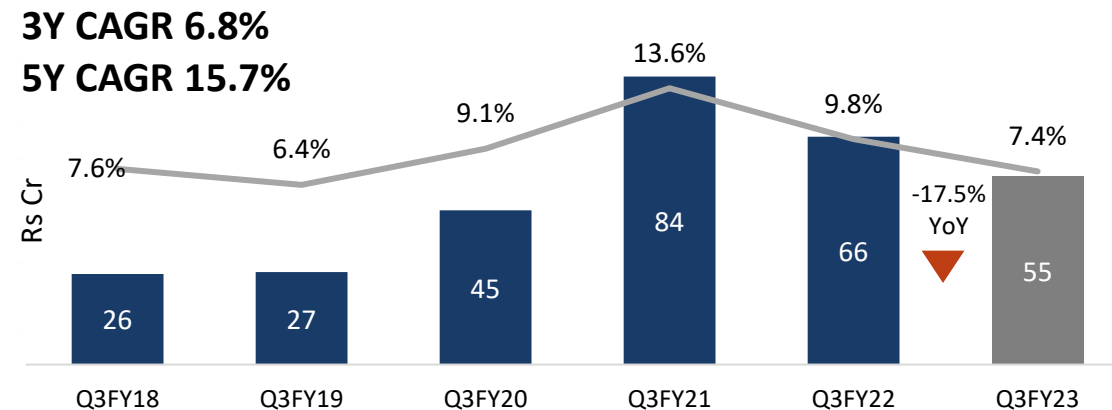
# Q3FY23 Highlights

Growth across the business segments; ECD outperforms in the quarter

## Q3 FY23 Revenue



## Q3 FY23 EBITDA



- **Q3 revenue at Rs 739cr**, grew by +8.9% YoY (3Y CAGR +14.2%, 5Y CAGR +16.4%) primarily led by ECD segment
- Growth in **ECD segment** (+11.9% YoY) was driven by fans which registered highest ever sales during the quarter
- **Lighting and Switchgear** grew by 1.6% YoY, with healthy growth in Professional luminaires within B2B
- **Ecommerce** revenue continued to gain traction, recording an increase of 4x YoY in Q3 on a low base
- **Exports** grew in double digit with eco-political headwinds from Nepal, Sri Lanka, Sudan and Ghana
- **Gross Margin** was 28.6%, +102bps YoY and +234bps QoQ led by Sanchay benefits and lower commodity prices, despite competitive pressures
- **EBITDA Margin** was 7.4%, +515bps QoQ led by gross margin improvement and operating leverage while lower by 237bps YoY due to increased investment in growth driving the costs
- **PAT Margin** was 4.4%, compared with 5.6% in the similar period last year



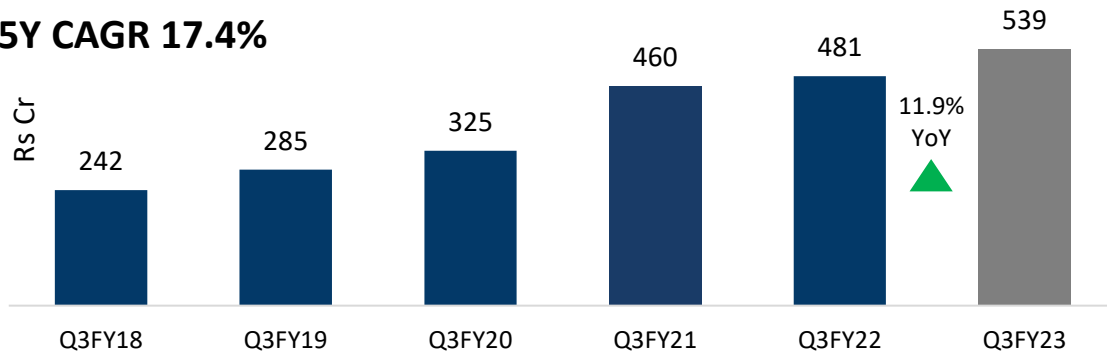
# Q3FY23 Segment Highlights- ECD

ECD recorded the best-ever quarter in terms of revenue

## Q3 FY23 Revenue

3Y CAGR 18.4%

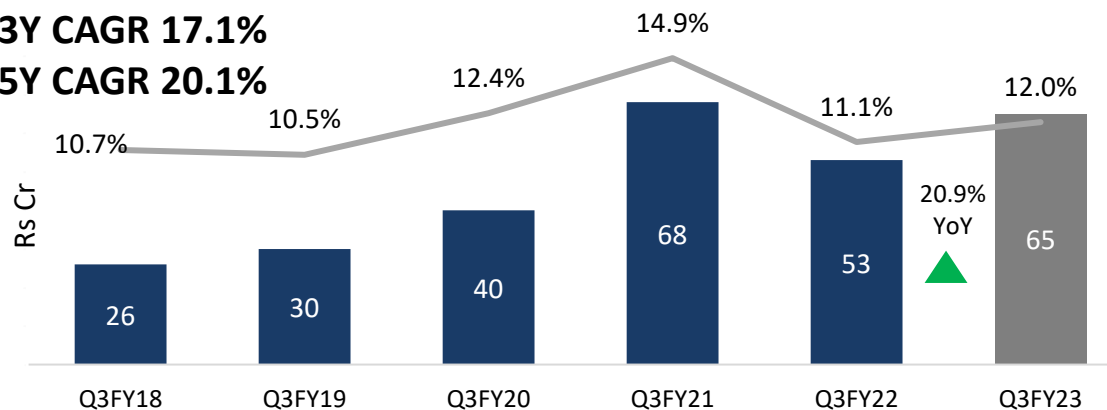
5Y CAGR 17.4%



## Q3 FY23 EBIT

3Y CAGR 17.1%

5Y CAGR 20.1%



- **ECD** revenue was Rs 539cr in Q3FY23, +11.9% YoY and +73.8% QoQ driven by fans and coolers
- **Fans** grew by 15% in Q3FY23, recording **highest ever volume growth** in the quarter. The entire inventory of non-star rated fans was sold out amidst BEE transition
- **Maintaining leadership position** in **BLDC fan** segment in trade. Planned roll out of new SKUs to drive the growth
- **Direct To Market (DTM)** transition completed in 4 states where the revenue growth was 60% YoY in Q3
- **Water Heaters** grew by 21% supported by 2.5x growth in ecommerce. **Air coolers** was 2x YoY
- **Appliances** was impacted due to demand slowdown, low inventory holding by trade and trade liquidity diversion to fans
- **EBIT margin** was 12.0%, +89bps YoY and +755bps QoQ, driven by better gross margin and better operating leverage

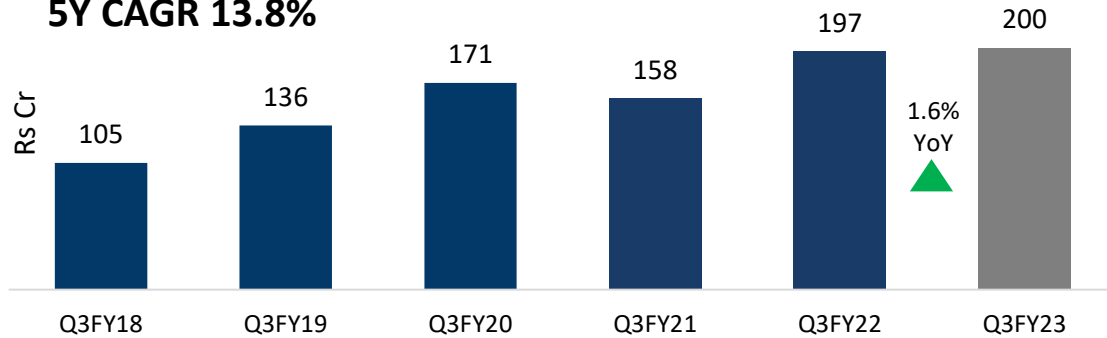


# Q3FY23 Segment Highlights – L&S

B2B remained resilient amidst soft demand environment

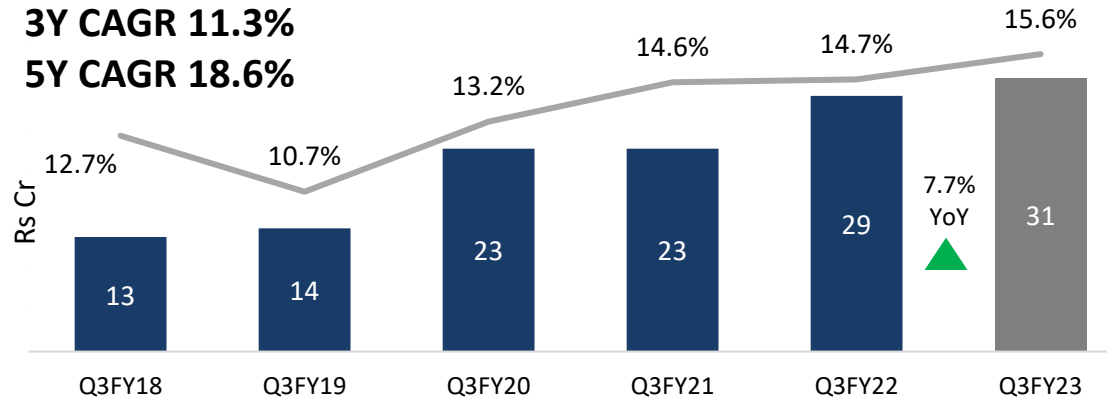
## Q3 FY23 Revenue

3Y CAGR 5.4%  
5Y CAGR 13.8%



## Q3 FY23 EBIT

3Y CAGR 11.3%  
5Y CAGR 18.6%



- **Lighting and Switchgear** revenue grew by 1.6% YoY. Demand environment remained soft during the quarter
- While **B2C** was broadly flat, **B2B** grew in double digit YoY led by Infra sector spending by government and strong growth in Façade lighting.
- **Professional luminaires** achieved record revenue in the quarter, achieving high teens growth
- Prestigious projects in facade lighting executed and enquiry bank scaling up in Façade
- Projects in façade lighting in Q3 a) Srinagar Smart city project execution under process. b) Varanasi Cantt. Railway station completed c) Puducherry Smart city completed
- **Wires** were launched in 6 states and seeing good traction
- **EBIT Margin** was 15.6%, +87bps YoY and +424bps QoQ led by better gross margin on account of cost saving initiatives



# Strategic Growth Drivers

Five pillars of value creation



## Go-to-market

### Fans

- Reach: **12K retailers**, ~400 MMD/DD network created in 6 DTM states
- DMS and SFA being rolled out to **100%** of new distributors

### Lighting

- Reach: **33k retail points** including **addition of 2,270** touchpoints in Q3
- **79** new distributors appointed in Q3
- DMS and SFA are being implemented. SFA is fully operational



## Lighting and Switchgear

- Higher traction in B2B channels resulting in **double digit YoY** growth overall for the quarter
- Healthy enquiry pipeline in all PSUs and government institutions including NHAI, Railways



## Digital Revenue

- Team capability strengthened
- Augmenting presence in marketplace
- Strong revenue growth increasing the scale



## Cost Reduction

'Spark Sanchay' cost savings achieved for 9MFY23 at **Rs 37cr**



## Overseas

Focus on the development of new geographies in the international markets





# Awards and Highlights

## Recent Recognitions



**CII SCALE Award**

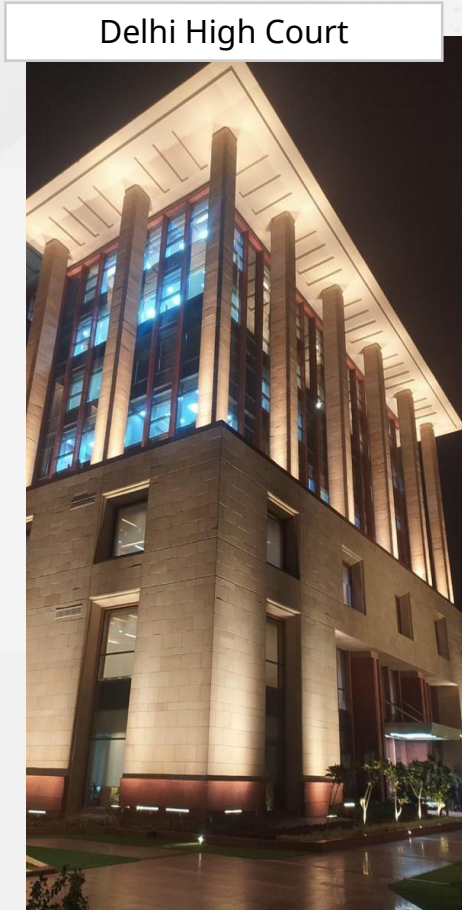
*for significant improvement in ecommerce fill rate*



**Fame India Award**

*for 'Safety Excellence' in Consumer Goods category*

## Façade Lighting by Orient Electric





# Q3FY23 - Profit & Loss Statement

Particular (in Rs Crore )	Q3 FY23	Q3 FY22	YoY %	Q2 FY23	QoQ%
<b>Revenue from Operations</b>	739.0	678.4	8.9%	510.6	44.7%
COGS	527.5	491.2	7.4%	376.4	40.2%
<b>Gross Profit</b>	<b>211.5</b>	<b>187.2</b>	<b>13.0%</b>	<b>134.2</b>	<b>57.6%</b>
<b>Gross Margin %</b>	<b>28.6%</b>	<b>27.6%</b>	<b>+102bps</b>	<b>26.3%</b>	<b>233bps</b>
Employee Expenses	57.3	48.7	17.9%	43.4	32.2%
Other Expenses	99.3	72.1	37.8%	79.2	25.3%
<b>EBITDA</b>	<b>54.9</b>	<b>66.5</b>	<b>-17.5%</b>	<b>11.6</b>	<b>372.5%</b>
<b>EBITDA Margin %</b>	<b>7.4%</b>	<b>9.8%</b>	<b>-237bps</b>	<b>10.7%</b>	<b>-328bps</b>
Depreciation	13.9	11.8	17.1%	13.1	5.7%
Financial Cost	6.0	4.6	31.7%	4.8	24.6%
Other Income	8.6	0.9	NM	6.5	33.1%
<b>Profit Before Tax (PBT)</b>	43.6	50.9	-14.4%	0.1	NM
Other comprehensive income	-0.1	-0.1	0.0%	-0.1	-7.1%
Tax	11.0	12.8	-14.3%	0.4	NM
<b>Profit After Tax (PAT)</b>	<b>32.5</b>	<b>38.0</b>	<b>-14.5%</b>	<b>-0.4</b>	<b>NM</b>
<b>PAT Margin %</b>	<b>4.4%</b>	<b>5.6%</b>	<b>-121bps</b>	<b>-0.1%</b>	<b>+447bps</b>
<b>Earning Per Share in Rs.</b>	1.53	1.79	-14%	-0.01	NM



# 9MFY23 Snapshot

Strengthening Net Cash position



## Sales

**Rs 1,871cr**

+10.4% YoY  
+7.7% 3Y CAGR



## ECD

**Rs 1,294cr**

+5.6% YoY  
+7.7% 3Y CAGR



## Lighting & Switchgear

**Rs 577cr**

+22.8% YoY  
+7.7% 3Y CAGR



## Gross Profit

**Rs 519cr**

+9.8% YoY  
27.7% Gross Margin  
-14bps YoY



## EBITDA

**Rs 105cr**

-30.6% YoY  
5.6% EBITDA Margin  
-330bps YoY



## PAT

**Rs 51cr**

-34.3% YoY  
2.7% PAT Margin  
-185bps YoY



## Net Cash Position

**Rs 196cr**

+133% YoY



## 9MFY23 – Financial Highlights

Financial ratios	9MFY20	9MFY21	9MFY22	9MFY23
ROCE (pre-tax)	29.9%	35.2%	39.4%	26.6%
Current Ratio	1.32x	1.40x	1.49x	1.45x
Net Working Capital Days	60	18	34	20
Debt-Equity ratio	0.49x	0.04x	0.04x	0.03x

Position as on December end (Rs cr)	9MFY20	9MFY21	9MFY22	9MFY23
Cash	37	170	106	211
Borrowings*	166	15	22	15
<b>Net Cash</b>	<b>-130</b>	<b>155</b>	<b>84</b>	<b>196</b>

\*Borrowings include short-term borrowings





 **CK BIRLA GROUP**

 **orient  
electric**

Orient Electric Limited

**CIN : L31100OR2016PLC025892**



**Regd. Office:** Unit VIII, Plot No.7,  
Bhoinagar, Bhubaneswar, Odisha 751012



**investor@orientelectric.com**



**www.orientelectric.com**

Follow us    

**DISCLAIMER:** Cautionary statement regarding forward-looking statements This presentation may contain certain forward-looking statements relating to Orient Electric Limited. ("OEL", or "Company") and its future business, development and economic performance. These statements include descriptions regarding the intent, belief or current expectations of the Company, its subsidiaries and associates and their respective directors and officers with respect to the results of operations and financial condition of the Company, subsidiary or associate, as the case may be. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this presentation. Company assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise. Any forward-looking statements and projections made by third parties included in this presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections. This presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this presentation. This presentation may not be all inclusive and may not contain all the information that you may consider material. Any liability in respect of the contents of, or any omission from, this presentation is expressly excluded. This presentation and its contents are confidential and should not be distributed, published or reproduced, in whole or in part, or disclosed by recipients directly or indirectly to any other person.