

Ref: SEC:JS

21st Nov 2022

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 Script No. 504058/NIPPOBATTERY

Sub: Results – press release

We enclose herewith result- press release for the quarter ended 30th Sep 2022.

Thanking you.

Yours faithfully,
For Indo National Limited



J. Srinivasan
Company secretary

Indo-National Ltd.

Announces Q2 & H1 FY23 Results

Consolidated Revenues up 14.0% Q-o-Q at Rs. 149 crore

Chennai, November 21, 2022: Indo-National Ltd. (INL) is a leading consumer goods Company with a portfolio comprising dry-cell batteries, flashlights, LED lights, Mosquito bats, DORCO Blades 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 half year ended September 30, 2022.

Financial Highlights – Q2 & H1FY23

Standalone (INR mn. except EPS)	Q2 FY23	Q2 FY22	Variance	H1 FY23	H1 FY22	Variance
Revenue from Operations (Net of Taxes)	1,077	1,087	-0.9%	2,000	1,839	8.8%
EBITDA (Excl. Other Income)	33	75	-55.3 %	55	114	-51.8 %
<i>% of Revenue</i>	3.1%	6.9%	-380 bps	2.7 %	6.2%	-350 bps
PBT	25	100	-75.2%	35	160	-78.1%
<i>% of Total Income</i>	2.3%	8.8%	-650 bps	1.7%	8.3%	-660 bps
PAT	18	74	-75.6%	26	119	-78.5%
<i>% of Total Income</i>	1.7%	6.6%	-490 bps	1.3%	6.2%	-490 bps
EPS – Diluted	2.42	9.91		3.41	15.88	

Consolidated (INR mn. except EPS)	Q2 FY23	Q2 FY22	Variance	H1 FY23	H1 FY22	Variance
Revenue from Operations (Net of Taxes)	1,489	1,721	-13.5%	2,797	2,771	0.9%
EBITDA (Excl. Other Income)	44	182	-75.7 %	36	236	-1.0%
% of Revenue	3.0 %	10.6%	-760 bps	1.3%	8.5%	-720 bps
PBT	-4	162	N.A.	-60	192	N.A
% of Total Income	N.A.	9.2%	N.A.	N.A	6.8%	N.A
PAT	-6	116	N.A.	-54	136	N.A
% of Total Income	N.A.	6.6%	N.A.	N.A	4.8%	N.A
EPS – Diluted	0.11	11.77		-2.63	15.76	
PAT attributable to						
Owners of the Company	1	88		-20	118	
Non-controlling interest	-7	27		-34	18	

Management Comment

Commenting on the performance, **Mr. Aditya Reddy, Jt. Managing Director** said:

“We are pleased to report revenue growth of 14% on a Q-o-Q basis, building on the momentum from the first quarter. The traction across our non-battery consumer products portfolio combined with improved turnover in the composites business of our subsidiary Company Kineco Ltd. have been key drivers of this growth.

While the battery business continues to face volume headwinds, pricing actions undertaken during the quarter have enabled us to narrow the gap. Further, efforts to drive premiumization in key metros have had a positive initial impact and will enable an enhanced performance in ensuing quarters. The non-battery consumer products portfolio continues to report strong traction on the back of the wider product portfolio, efforts to enhance distribution reach as well as the initiative to divisionalize the sales force.

We are happy to share that our subsidiary Kineco Ltd. secured an order worth Rs. 113 crore for supply and installation of modular interiors for Vande Bharat trains from Integral Coach Factory (ICF), Chennai. Going ahead, we are confident that our Composites

business will continue to add orders of greater significance which would further lead to better long-term visibility.

He added, *“Reduced usage of battery operated COVID protocol gadgets and the recent inflationary trends have provided headwinds for our consumer business. The effect of these has been substantially offset by our strategic initiatives supported by active outreach and local marketing. We are also witnessing greater momentum at Kineco with a pickup in execution of order book and enhanced enquiries. We believe the worst is behind us and will look to accelerate growth momentum across all engines of the business.”*

Key Developments / Operational Highlights of Q2 FY23

- 1 The Battery business continues to witness volume headwinds due to pricing actions, lower usage of COVID gadgets and increase in penetration of rechargeable electrical products.
- 2 The Company is actively promoting its premium product, NIPPO Gold Batteries in key metro towns across the country. This has led to improved volume growth in October and is serving to enhance the share of Premium products in the revenue mix of batteries.
- 3 The initiative to divisionalize the sales force i.e. induct specialized sales personnel for the battery and electrical products portfolio respectively rather than generalized sales personnel for all products, has delivered promising initial results. Based on this, the Company plans to further extend this initiative across its distribution network.

- ENDS -

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 industries. Kineco also holds a 45% stake in Kineco Exel Composites India Pvt. Ltd. which is a joint venture with Exel Composites Oyj, Finland (A Nasdaq Helsinki listed entity), to further grow the pultrusion business in India.

INL is listed on the BSE and NSE in India with stock code '504058' and 'NIPPOBATTERY' 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.nippo.in 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.