

6th July, 2020

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: **Disclosure under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

The Board of Directors of the Company in its meeting held on 6th July, 2020 has adopted and taken on record the Audited Financial Results (Standalone & Consolidated) along with the Segment Report, Statement of Assets and Liabilities and Cash Flow Statement thereupon for the Quarter and Twelve months ended March 31, 2020, which please find enclosed in compliance to the provisions of Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also enclosed please find Reports from the Statutory Auditors of the Company on the Standalone and Consolidated Financial Results. The Auditors have issued the said Reports with Unmodified Opinion.

Necessary arrangement has been made for publication of the said results in SEBI prescribed format in the newspapers.
The meeting commenced at 11.45 a.m. and concluded at 5.30 p.m.

This is for your information and record.

Yours Faithfully,

For IFB INDUSTRIES LIMITED

G Ray Chowdhury

G Ray Chowdhury
(Company Secretary)

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF IFB INDUSTRIES LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended 31 March, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended 31 March, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended 31 March, 2020" of **IFB Industries Limited** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended 31 March, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended 31 March, 2020

With respect to the Standalone Financial Results for the quarter ended 31 March, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended 31 March, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Basis for Opinion on the Audited Standalone Financial Results for the year ended 31 March, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. 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 Standalone Financial Results for the year ended 31 March, 2020 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended 31 March, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31 March, 2020 that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 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 the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are 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.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended 31 March, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended 31 March, 2020 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 SAs 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 Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 ability of the Company 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities or business activities included in the Annual Standalone Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

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.

(b) Review of the Standalone Financial Results for the quarter 31 March, 2020

We conducted our review of the Standalone Financial Results for the quarter ended 31 March, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

- As stated in the Statement, the figures for the corresponding quarter ended 31 March, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended 31 December, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended 31 March, 2019. Our report on the Statement is not modified in respect of this matter.
- The Statement includes the results for the Quarter ended 31 March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)



Abhijit Bandyopadhyay

Partner

(Membership No. 054785)

UDIN : 20054785AAAABR3889

Place: Kolkata

Date: 6 July, 2020

IFB INDUSTRIES LIMITED
CIN: L51109WB1974PLC029637
REGISTERED OFFICE: 14, TARATALA ROAD, KOLKATA-700088
STATEMENT OF STANDALONE FINANCIAL RESULTS

Rs. in lacs

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited(@)	Unaudited	Audited(@)	Audited	Audited
1 Revenue from operations	48,566	69,864	61,919	255,142	253,779
2 Other income	439	375	660	1,276	1,241
3 Total Income (1+2)	49,005	70,239	62,579	256,418	255,020
4 Expenses					
(a) Cost of materials consumed	20,811	26,501	24,888	100,209	106,022
(b) Purchases of stock- in- trade	7,248	6,666	13,147	37,519	47,098
(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	(1,995)	6,200	(705)	6,628	(4,782)
(d) Employee benefits expense	7,361	7,338	6,473	28,785	25,505
(e) Finance costs	844	276	181	1,450	575
(f) Depreciation and amortisation expense	4,178	1,689	1,461	8,898	5,454
(g) Other expenses	14,983	19,304	16,618	70,107	67,463
Total expenses	53,430	67,974	62,063	253,596	247,335
5 Profit before exceptional items and tax (3-4)	(4,425)	2,265	516	2,822	7,685
6 Exceptional items (Refer Note 3)	7	141	-	148	1,935
7 Profit before tax (5+6)	(4,418)	2,406	516	2,970	9,620
8 Tax expense					
(a) Current tax	(1,762)	445	237	172	2,905
(b) Deferred tax	(834)	534	(291)	(1)	(680)
9 Profit for the year/period (7 - 8)	(1,822)	1,427	570	2,799	7,395
10 Other comprehensive income					
A (i) Items that will not to be reclassified to profit or loss	(159)	(166)	110	(656)	(552)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(174)	58	(38)	-	193
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other comprehensive income	(333)	(108)	72	(656)	(359)
11 Total comprehensive income for the year/period (9+10)	(2,155)	1,319	642	2,143	7,036
12 Paid-up equity share capital (Face Value - Rs. 10/- each)	4,128	4,128	4,128	4,128	4,128
13 Other equity				60,602	57,937
14 Earnings Per Share (of Rs. 10/- each) -Basic and Diluted * - In Rs.	(4.51)	3.52	1.41	6.91	18.25

* Figures for quarters are not annualised

@ The figures for the 3 months ended 31.03.2020 and corresponding 3 months ended 31.03.2019 are the balancing figures between the audited figures in respect of the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.



SEGMENT WISE STANDALONE REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs. in lacs

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited(@)	Unaudited	Audited(@)	Audited	Audited
1 Segment Revenue					
(a) Home appliances	38,066	57,607	50,422	210,812	209,228
(b) Engineering	9,589	10,835	11,527	42,134	44,779
(c) Motor	1,162	1,529	-	2,691	-
Total	48,817	69,971	61,949	255,637	254,007
Less: Inter-segment revenue	251	107	30	495	228
Revenue from operations	48,566	69,864	61,919	255,142	253,779
2 Segment Results - Profit before interest and tax					
(a) Home appliances	(3,516)	1,218	(228)	2,517	5,697
(b) Engineering	336	717	1,269	2,724	6,695
(c) Motor	(42)	(12)	-	(54)	-
Total	(3,222)	1,923	1,041	5,187	12,392
Less:					
(i) Finance costs	844	276	181	1,450	575
(ii) Eliminations	(1)	(6)	(1)	15	57
(iii) Other un-allocable expenditure net off un-allocable income	353	(753)	345	752	2,140
Total Profit before tax	(4,418)	2,406	516	2,970	9,620
3 Segment Assets					
(a) Home appliances	100,044	94,773	84,151	100,044	84,151
(b) Engineering	36,770	32,182	27,298	36,770	27,298
(c) Motor	3,073	3,495	-	3,073	-
(d) Unallocable assets	21,479	19,162	8,968	21,479	8,968
Total Segment Assets	161,366	149,612	120,417	161,366	120,417
4 Segment Liabilities					
(a) Home appliances	72,260	62,861	46,510	72,260	46,510
(b) Engineering	18,825	13,514	7,868	18,825	7,868
(c) Motor	1,165	1,471	-	1,165	-
(d) Unallocable liabilities	4,386	4,881	3,974	4,386	3,974
Total Segment Liabilities	96,636	82,727	58,352	96,636	58,352

@ The figures for the 3 months ended 31.03.2020 and corresponding 3 months ended 31.03.2019 are the balancing figures between the audited figures in respect of the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years



STANDALONE BALANCE SHEET

Rs. in lacs

Particulars	As at	As at
	31.03.2020	31.03.2019
	Audited	Audited
Assets		
1. Non-current assets		
(a) Property, plant and equipment	44,753	27,084
(b) Capital work-in-progress	700	1,659
(c) Right of use assets	6,808	-
(d) Investment property	11	11
(e) Goodwill	1,355	1,355
(f) Intangible assets	4,106	2,853
(g) Intangible assets under development	96	581
(h) Financial assets		
(i) Investments	3,360	3,360
(ii) Loans	55	56
(iii) Others	2,356	1,089
(j) Income tax assets (net)	1,829	844
(j) Other non-current assets	4,411	4,555
2. Current assets		
(a) Inventories	37,337	39,259
(b) Financial assets		
(i) Investments	15,280	2,726
(ii) Trade receivables	18,514	21,133
(iii) Cash and cash equivalents	10,140	7,039
(iv) Other bank balances	1,949	2,445
(v) Loans	55	53
(vi) Others	432	154
(c) Other current assets	7,819	4,161
Total assets	161,366	120,417
Equity and liabilities		
Equity		
(a) Equity share capital	4,128	4,128
(b) Other equity	60,602	57,937
Liabilities		
1. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	25,167	250
(ii) Lease liabilities	4,413	-
(iii) Other financial liabilities	26	14
(b) Provisions	6,535	5,446
(c) Deferred tax liabilities (Net)	804	601
(d) Other non-current liabilities	1,651	994
2. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,606	403
(ii) Lease liabilities	1,508	-
(iii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	2,517	3,833
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	41,731	37,796
(iv) Other financial liabilities	2,067	1,842
(b) Other current liabilities	7,189	6,757
(c) Provisions	422	416
Total equity and liabilities	161,366	120,417



IFB Industries Limited
Standalone Cash Flow Statement

	For the year ended 31 March 2020 Rs. in lacs	For the year ended 31 March 2019 Rs. in lacs
A. Cash flows from operating activities		
Profit before tax	2,970	9,620
Adjustments for:		
Depreciation and amortisation expense	8,898	5,454
Loss on disposal of property, plant and equipment	3	2
Exceptional Gain on Compulsary acquisition	-	(1,935)
Exceptional Loss of inventory due to fire	1,157	-
Write-off of property, plant and equipment	88	111
Write-off of debts/ advances	57	27
Allowances for doubtful debts and advances	76	37
Dividend from investments in mutual fund	(331)	(180)
Net loss/(gain) on disposal of mutual funds measured at fair value through statement of profit and loss (FVTPL)	76	(36)
Write back of liabilities no longer required	(57)	(231)
Write back of provision on assets no longer required	(47)	(15)
Unrealised exchange loss/ (gain)	1,346	(372)
Interest income on financial assets	(312)	(281)
Net gain arising on mutual funds measured at FVTPL	(101)	(194)
Net (gain)/loss arising on derivative instruments measured at FVTPL	(1,413)	238
Finance costs	1,255	345
Operating profit before working capital changes	13,665	12,590
Adjustments for:		
Trade payables	2,147	5,596
Provisions	374	726
Other financial liabilities	151	78
Other liabilities	1,051	(772)
Trade receivables	2,607	(3,947)
Other financial assets	(313)	(257)
Other assets	(2,906)	1,735
Inventories	1,013	(8,175)
Cash generated from operations	17,789	7,574
Income tax paid (net of refunds)	(953)	(2,595)
Net cash generated from operating activities	16,836	4,979
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(21,173)	(6,520)
Sale of property, plant and equipment	1	7
Proceeds from Compulsary acquisition of immovable property	-	1,959
Consideration paid for business combination (Refer Note 2 below)	(3,650)	(3,350)
Purchase of current investments	(57,091)	(41,562)
Sale of current investments	44,893	48,513
Increase in bank balances (with maturity more than 12 months)	496	(2,377)
Interest income on financial assets	297	192
Net cash used in investing activities	(36,227)	(3,138)
C. Cash flows from financing activities		
Proceeds from borrowing	49,528	25,140
Repayment of borrowing	(23,534)	(25,895)
Lease rent paid	(2,843)	-
Finance costs	(659)	(288)
Net cash generated from / (used in) financing activities	22,492	(1,043)



IFB Industries Limited
Standalone Cash Flow Statement

	For the year ended 31 March 2020 Rs. in lacs	For the year ended 31 March 2019 Rs. in lacs
Net change in cash and cash equivalents (A+B+C)	3,101	798
Cash and cash equivalents at the beginning of the year	7,039	6,241
Cash and cash equivalents at the end of the year [refer note 12]	10,140	7,039

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statements of Cash Flow.
2. Pursuant to business combinations, the fair value of the following assets and liabilities assumed as at the date of acquisition has been adjusted in the respective places in the Statement of Cash Flow (Refer note 40):

Property, plant and equipment	4,085	145
Other intangible assets	-	1,942
Inventories	248	455
Loans	1	-
Trade receivables	66	-
Other assets	7	-
Trade payables	279	334
Other liabilities	38	107
Other financial liability	3	-
Provisions	65	-



Notes:

- 1 The standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 06 July 2020. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular number CIR/CFD/FAC/62/2016 dated 5 July 2016.
- 2 On 1 October, 2019, the Company acquired on a going concern, the Stamping business on a slump sale basis from IFB Automotive Private Limited (a related party) for a consideration of **Rs. 3,500 lacs**. The transactions is at arm's length basis. The acquisition is in the similar line of business of the Company and will help in consolidation and growth of Company's existing business.

During the year the Company acquired certain assets of Motor business from IFB Automotive Private Limited (a related party) for a consideration of **Rs. 1,000 lacs**. The transactions is at arm's length basis.

- 3 Exceptional items during the year ended 31 March, 2020 includes the following:-
 - (a) An amount of **Rs. 1305 lacs** received/receivable from The IFBL Group Superannuation Scheme for refund of Surplus money as per the Deed of Variance dated 3 October, 2019 approved by the Commissioner of Income Tax vide order dated 30 December, 2019.
 - (b) An estimated amount of **Rs. 1157 lacs** on account of loss of Inventory lying at a warehouse of the Company due to fire on 2 December, 2019. The Insurance claim for the same has been lodged.
- 4 Effective from 1 April, 2019, the Company has adopted Ind AS 116, 'Leases'. On transition, the Company has recorded the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen to measure the right-of-use at the same value as the lease liability and lease payments made before 1 April, 2019. The adoption of the new standard resulted in recognition of 'Right-of-use' asset and lease liability as on 1 April, 2019. The impact of Ind AS 116 on the financial results for the year ended 31 March, 2020 is as under:

	Rs. in lacs
	Year ended
	31.03.2020
Decrease in 'Other expenses'	2,843
Increase in 'Depreciation and amortisation expense'	2,703
Increase in 'Finance costs'	580
Total decrease in 'Profit before Tax'	440

- 5 The Company is primarily engaged in business of fine blanked components, motors and home appliances. Accordingly the Company considers the above business segment as the primary segment. These segments have been reported in the manner consistent with the internal reporting to the Board of Directors, who are the chief operating decision makers.
- 6 CoVID-19 was declared as a pandemic by the World Health Organisation in March, 2020. CoVID-19 pandemic is an unforeseen and rare event for the world economy. Pursuant to the imposition of National Lockdown, the Company had suspended operations from 25th March, 2020. However partial operations have resumed since mid of May, 2020.

On the basis of the assessment done by the management and internal/ external sources of information up to the date of approval of these financial results, the carrying amounts of assets are recoverable. The impact of pandemic may be different from that estimated as at the date of these financial results and the Company will closely monitor any material changes to the future economic conditions.
- 7 Figures for the corresponding previous periods are re-arranged, wherever necessary, to conform to the figures of the current period.



Office: Bengaluru
Date : 06 July 2020

On behalf of the Board of Directors


Bikram Nag
Joint Executive Chairman and Managing Director

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF IFB INDUSTRIES LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended 31 March, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended 31 March, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended 31 March, 2020" of **IFB Industries Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and year ended 31 March, 2020, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results for the year ended 31 March, 2020:

- (i) includes the results of the following entities:

Parent:

IFB Industries Limited

Subsidiaries:

- Trishan Metals Private Limited
- Global Automotive & Appliances Pte Limited (including step- down subsidiary- Thai Automotive & Appliances Limited)

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended 31 March, 2020.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended 31 March, 2020

With respect to the Consolidated Financial Results for the quarter ended 31 March, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended 31



March, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended 31 March, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended 31 March, 2020 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended 31 March, 2020, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31 March, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive loss and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended 31 March, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended 31 March, 2020 as a whole are 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 SAs 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 Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 ability of the Group 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 Consolidated Financial Results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results/ Financial Information of the branches and entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such branches or entities included in the Annual Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors



in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

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.

(b) Review of the Consolidated Financial Results for the quarter ended 31 March, 2020

We conducted our review of the Consolidated Financial Results for the quarter ended 31 March, 2020 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SA specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

Other Matters

- As stated in the Statement, the figures for the corresponding quarter ended 31 March, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended 31 December, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended 31 March, 2019. Our report on the Statement is not modified in respect of this matter.
- The Statement includes the results for the Quarter ended 31 March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 302009E)



Abhijit Bandyopadhyay
Partner

(Membership No. 054785)

UDIN : 20054785AAAABS1503

Place: Kolkata

Date: 6 July, 2020

IFB INDUSTRIES LIMITED
CIN: L51109WB1974PLC029637
REGISTERED OFFICE: 14, TARATALA ROAD, KOLKATA-700088
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS

Particulars	Rs. in lacs				
	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited(@)	Unaudited	Audited(@)	Audited	Audited
1 Revenue from operations	50,692	71,933	65,290	263,697	265,707
2 Other income	399	383	675	1,250	1,266
3 Total income (1+2)	51,091	72,316	65,965	264,947	266,973
4 Expenses					
(a) Cost of materials consumed					
(b) Purchases of stock-in-trade	21,677	27,059	26,440	103,621	112,702
(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	7,871	7,206	13,850	39,208	48,744
(d) Employee benefits expense	(2,137)	6,267	(611)	6,544	(4,850)
(e) Finance costs	7,665	7,595	6,723	29,888	26,383
(f) Depreciation and amortisation expense	876	316	216	1,609	723
(g) Other expenses	4,255	1,761	1,535	9,195	5,755
Total expenses	15,536	19,838	17,273	72,355	70,039
5 Profit before exceptional items and tax (3-4)	55,743	70,042	65,426	262,420	259,496
6 Exceptional items (Refer Note 3)	(4,652)	2,274	539	2,527	7,477
7 Profit before tax (5+6)	7	141	-	148	1,935
8 Tax expense	(4,645)	2,415	539	2,675	9,412
(a) Current tax	(1,756)	445	251	178	2,919
(b) Deferred tax	(853)	485	(220)	(80)	(615)
9 Profit for the year/period (7-8)	(2,036)	1,485	508	2,577	7,108
10 Other comprehensive income					
A (i) Items that will not to be reclassified to profit or loss	491	(166)	116	(6)	(552)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(830)	58	(38)	(656.00)	193
B (i) Items that will be reclassified to profit or loss	(20)	76	10	181	110
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other comprehensive income	(359)	(32)	88	(481)	(249)
11 Total comprehensive income for the year/period (9+10)	(2,395)	1,453	596	2,096	6,859
Profit for the year/period					
Attributable to:					
Owners of the parent					
Non-controlling interests	(1,949)	1,483	553	2,741	7,295
Total comprehensive income for the year/period	(87)	2	(45)	(164)	(187)
Attributable to:					
Owners of the parent	(2,305)	1,451	638	2,263	7,046
Non-controlling interests	(90)	2	(42)	(167)	(187)
12 Paid-up equity share capital (Face Value - Rs. 10/- each)	4,128	4,128	4,128	4,128	4,128
13 Other equity					
Share Earnings per share (of Rs. 10/-each) - Basic and Diluted * - In Rs.	(4.81)	3.67	1.36	60.496	57.711
				6.76	18.00



* Figures for quarters are not annualised

The figures for the 3 months ended 31.03.2020 and corresponding 3 months ended 31.03.2019 are the balancing figures between the audited figures in respect of the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years

SEGMENT WISE CONSOLIDATED REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs. in lacs

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited(@)	Unaudited	Audited(@)	Audited	Audited
1 Segment Revenue					
(a) Home appliances					
(b) Engineering	38,589	58,466	51,211	212,788	211,080
(c) Motor	10,640	11,816	12,292	45,943	47,627
(d) Others	1,162	1,529	-	2,691	-
Total	1,343	1,921	3,207	7,583	12,420
Less: Inter-segment revenue	51,734	73,732	66,710	269,005	271,127
Revenue from operations	1,042	1,799	1,420	5,308	5,420
	50,692	71,933	65,290	263,697	265,707
2 Segment Results - Profit before interest and tax					
(a) Home appliances					
(b) Engineering	(3,565)	1,242	(184)	2,499	5,834
(c) Motor	348	747	1,290	2,838	6,708
(d) Others	(42)	(12)	-	(54)	-
Total	(175)	(5)	13	(269)	(173)
Less:	(3,434)	1,972	1,119	5,014	12,369
(i) Finance costs					
(ii) Eliminations	876	316	216	1,609	723
(iii) Other un-allocable expenditure net off un-allocable income	(18)	(6)	19	(22)	94
Total profit before tax	353	(753)	345	752	2,140
	(4,645)	2,415	539	2,675	9,412
3 Segment Assets					
(a) Home appliances					
(b) Engineering	104,015	98,266	85,043	104,015	85,043
(c) Motor	39,827	34,812	29,704	39,827	29,704
(d) Others	3,073	3,495	-	3,073	-
(e) Unallocable assets	3,868	3,646	5,774	3,868	5,774
Total Segment Assets	15,684	13,512	6,312	15,684	6,312
	166,467	153,731	126,833	166,467	126,833
4 Segment Liabilities					
(a) Home appliances					
(b) Engineering	72,702	63,479	47,116	72,702	47,116
(c) Motor	20,711	14,146	8,567	20,711	8,567
(d) Others	1,165	1,471	-	1,165	-
(e) Unallocable liabilities	2,839	2,696	5,129	2,839	5,129
Total Segment Liabilities	4,386	4,880	3,975	4,386	3,975
	101,803	86,672	64,787	101,803	64,787

The figures for the 3 months ended 31.03.2020 and corresponding 3 months ended 31.03.2019 are the balancing figures between the audited figures in respect of the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.



CONSOLIDATED BALANCE SHEET

Rs. in lacs

Particulars	As at 31.03.2020	As at 31.03.2019
	Audited	Audited
Assets		
1. Non-current assets		
(a) Property, plant and equipment	49,146	30,555
(b) Capital work-in-progress	887	1,848
(c) Right of use assets	6,808	-
(d) Investment property	11	11
(e) Goodwill	2,381	2,330
(f) Other intangible assets	4,114	2,866
(g) Intangible assets under development	96	581
(h) Financial assets		
(i) Loans	55	56
(ii) Others	2,397	1,137
(i) Income tax assets (net)	1,834	846
(j) Other non-current assets	4,461	4,598
2. Current assets		
(a) Inventories	38,338	40,391
(b) Financial assets		
(i) Investments	15,280	2,726
(ii) Trade receivables	20,454	24,829
(iii) Cash and cash equivalents	10,487	7,164
(iv) Other bank balances	2,023	2,506
(v) Loans	55	53
(vi) Others	436	157
(c) Other current assets	7,204	4,179
Total assets	166,467	126,833
Equity and liabilities		
Equity		
(a) Equity share capital	4,128	4,128
(b) Other equity	60,496	57,711
(c) Non-controlling interest	40	207
Liabilities		
1. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	25,372	614
(ii) Lease Liabilities	4,413	-
(ii) Other financial liabilities	26	17
(b) Provisions	6,551	5,449
(c) Deferred tax liabilities (net)	1,129	1,005
(d) Other non-current liabilities	1,669	1,019
2. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,515	1,460
(ii) Lease Liabilities	1,508	-
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	2,517	3,833
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	45,104	41,908
(iii) Other financial liabilities	2,241	2,119
(b) Other current liabilities	7,330	6,931
(c) Provisions	428	418
(d) Income tax liabilities (net)	-	14
Total equity and liabilities	166,467	126,833



IFB Industries Limited
Consolidated Cash Flow Statement

	For the year ended 31 March 2020 Rs. in lacs	For the year ended 31 March 2019 Rs. in lacs
A. Cash flows from operating activities		
Profit before tax	2,675	9,412
Adjustments for:		
Depreciation and amortisation expense	9,195	5,755
Gain on disposal of property, plant and equipment	-	2
Exceptional Gain on Compulsary acquisition	-	(1,935)
Exceptional Loss of inventory due to fire	1,157	-
Write-off of property, plant and equipment	88	112
Write-off of debts/ advances	58	27
Allowances for doubtful debts and advances	76	37
Dividend from investments in mutual fund	(331)	(180)
Net loss/(gain) on disposal of mutual funds measured at FVTPL	76	(36)
Write back of liabilities no longer required	(57)	(231)
Write back of provision on assets no longer required	(47)	(15)
Income in respect to deferred revenue from government grant	(8)	(8)
Unrealised exchange (gain)/loss	1,346	(372)
Interest income on financial assets	(321)	(290)
Net gain arising on mutual funds measured at FVTPL	(101)	(194)
Net (gain)/loss arising on derivative instruments measured at FVTPL	(1,413)	238
Finance costs	1,414	490
Operating profit before working capital changes	13,807	12,812
Adjustments for:		
Trade payables, provisions, financial and other liabilities	3,423	7,960
Trade receivables, loans, financial and other assets	1,358	(5,242)
Inventories	1,144	(8,470)
Cash generated from operations	19,732	7,060
Income tax paid (net of refunds)	(976)	(2,596)
Net cash generated from operating activities	18,756	4,464
B. Cash flows from investing activities		
Proceeds from Compulsary acquisition of immovable property	-	1,959
Consideration paid for business combination ((Refer Note 2 below)	(3,650)	(3,350)
Purchase of property, plant and equipment	(22,353)	(6,826)
Sale of property, plant and equipment	4	6
Purchase of current investments	(57,091)	(41,562)
Sale of current investments	44,893	48,513
Increase in bank balances (with maturity more than 12 months)	483	(2,295)
Interest income on financial assets	305	200
Net cash used in investing activities	(37,409)	(3,355)
C. Cash flows from financing activities		
Proceeds from borrowing	49,528	26,269
Repayment of borrowing	(23,920)	(26,358)
Lease rent paid	(2,843)	-
Finance costs	(818)	(433)
Net cash generated from / (used in) financing activities	21,947	(522)
Net change in cash and cash equivalents (A+B+C)	3,294	587



IFB Industries Limited
Consolidated Cash Flow Statement

	For the year ended 31 March 2020 Rs. In lacs	For the year ended 31 March 2019 Rs. in lacs
Cash and cash equivalents at the beginning of the year	7,164	6,570
Foreign currency translation adjustment on cash and cash equivalent	29	7
Cash and cash equivalents at the end of the year [refer note 12]	10,487	7,164

Notes

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 - Statements of Cash Flow.
- Pursuant to business combinations, the fair value of the following assets and liabilities assumed as at the date of acquisition has been adjusted in the respective places in the Statement of Cash Flow (Refer note 40):

Property, plant and equipment	4,085	145
Other intangible assets	-	1,942
Inventories	248	455
Loans	1	-
Trade receivables	66	-
Other assets	7	-
Trade payables	279	334
Other liabilities	38	107
Other financial liability	3	-
Provisions	65	-



Notes:

- 1 The consolidated financial results of IFB Industries Limited and its subsidiaries (together, "the Group") were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 06 July 2020. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular number CIR/CFD/FAC/62/2016 dated 5 July 2016.
- 2 On 1 October, 2019, the Group acquired on a going concern, the Stamping business on a slump sale basis from IFB Automotive Private Limited (a related party) for a consideration of Rs. 3,500 lacs. The transactions is at arm's length basis. The acquisition is in the similar line of business of the Group and will help in consolidation and growth of Group's existing business.
During the year the Group acquired certain assets of Motor business from IFB Automotive Private Limited (a related party) for a consideration of **Rs. 1,000 lacs**. The transactions is at arm's length basis.
- 3 Exceptional items during the year ended 31 March, 2020 includes the following:-
 - (a) An amount of **Rs. 1305 lacs** received/receivable from The IFBL Group Superannuation Scheme for refund of Surplus money as per the Deed of Variance dated 3 October, 2019 approved by the Commissioner of Income Tax vide order dated 30 December, 2019.
 - (b) An estimated amount of **Rs. 1157 lacs** on account of loss of Inventory lying at a warehouse of the Company due to fire on 2 December, 2019. The Insurance claim for the same has been lodged.
- 4 Effective from 1 April, 2019, the Group has adopted Ind AS 116, 'Leases'. On transition, the Group has recorded the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen to measure the right-of-use at the same value as the lease liability and lease payments made before 1 April, 2019. The adoption of the new standard resulted in recognition of 'Right-of-use' asset and lease liability as on 1 April, 2019. The impact of Ind AS 116 on the financial results for the year ended 31 March, 2020 is as under:

	Rs. in lacs
	Year ended
	31.03.2020
Decrease in 'Other expenses'	2,843
Increase in 'Depreciation and amortisation expense'	2,703
Increase in 'Finance costs'	580
Total decrease in 'Profit before Tax'	440

- 5 CoVID-19 was declared as a pandemic by the World Health Organisation in March, 2020. CoVID-19 pandemic is an unforeseen and rare event for the world economy. Pursuant to the imposition of Lockdowns, the Group had suspended major part of its operations from end of March, 2020. However partial operations have resumed since mid of May, 2020.

On the basis of the assessment done by the management and internal/ external sources of information up to the date of approval of these financial results, the carrying amounts of assets are recoverable. The impact of pandemic may be different from that estimated as at the date of these financial results and the Group will closely monitor any material changes to the future economic conditions.

- 6 The Group is primarily engaged in the business of fine blanked components, home appliances, motor and cold rolled steel sheets (others). Accordingly, the Group considers the above business segment as the primary segment. These segments have been reported in the manner consistent with the internal reporting to the Board of Directors, who are the chief operating decision makers.

On behalf of the Board of Directors


Bikram Nag
Joint Executive Chairman and Managing Director

Place: Bengaluru
Date : 06 July 2020

