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INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
IFB INDUSTRIES LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **IFB INDUSTRIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the year ended 31 March 2018 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.

2. This Statement, which is the responsibility of the Parent Company's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent Company's preparation and fair presentation of the Statement 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 Parent Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte Haskins & Sells
Chartered Accountants

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   a. includes the results of the following entities:
      (i) Trishan Metals Private Limited
      (ii) Global Automotive & Appliances Pte. Ltd. And its subsidiary Thai Automotive & Appliance Ltd.

   b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 5 2016; and

   c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, Total comprehensive income and other financial information of the Group for the year ended 31 March 2018.

5. The Statement includes the results for the Quarter ended 31 March 2018 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.

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

Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Place: Kolkata
Date: 29 May 2018

IFB INDUSTRIES LIMITED
CIN: L51109WB1974PLC029637
REGISTERED OFFICE: 14, TARATOLLA ROAD, KOLKATA-700088

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS

Rs. in lacs

	Particulars	Quarter ended			Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited(@)	Unaudited	Audited(@)	Audited	Audited
1	**Revenue from operations**	**54,189**	**54,937**	**47,569**	**2,25,872**	**1,91,912**
2	**Other income**	778	424	419	1,881	1,342
3	**Total income (1+2)**	**54,967**	**55,361**	**47,988**	**2,27,753**	**1,93,254**
4	**Expenses**					
	(a) Cost of materials consumed	22,857	26,102	17,889	92,843	72,747
	(b) Purchases of stock- in- trade	11,908	6,693	10,255	38,434	30,732
	(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	(5,418)	(3,116)	(2,563)	(6,046)	(1,552)
	(d) Excise duty on sale of goods	-	-	3,786	4,141	16,068
	(e) Employee benefits expense	5,285	5,694	4,413	21,639	16,269
	(f) Finance costs	135	138	140	544	519
	(g) Depreciation and amortisation expense	1,393	1,375	1,160	5,381	4,423
	(h) Other expenses	15,787	15,949	12,803	59,303	47,583
	Total expenses	**51,947**	**52,835**	**47,883**	**2,16,239**	**1,86,789**
5	**Profit before tax (3-4)**	**3,020**	**2,526**	**105**	**11,514**	**6,465**
6	**Tax expense**					
	(a) Current tax	1,191	855	73	3,655	1,489
	(b) Deferred Tax	(146)	(58)	(161)	(69)	(179)
7	**Profit for the year/period (5-6)**	**1,975**	**1,729**	**193**	**7,928**	**5,155**
8	**Other comprehensive income**					
	A (i) Items that will not to be reclassified to profit or loss	(55)	(211)	(87)	(687)	(439)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	16	73	30	235	152
	B (i) Items that will be reclassified to profit or loss	118	8	-	182	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income	**79**	**(130)**	**(57)**	**(270)**	**(287)**
9	**Total comprehensive income for the year/period (7+8)**	**2,054**	**1,599**	**136**	**7,658**	**4,868**
	Profit for the year/period					
	Attributable to:					
	Owners of the parent	2,043	1,758	306	8,097	5,327
	Non-controlling interests	(68)	(29)	(113)	(169)	(172)
	Total comprehensive income for the year/period					
	Attributable to:					
	Owners of the parent	2,126	1,628	249	7,831	5,040
	Non-controlling interests	(72)	(29)	(113)	(173)	(172)
10	**Paid-up equity share capital** (Face Value - Rs. 10/- each)	4,128	4,128	4,128	4,128	4,128
11	**Reserves excluding revaluation reserve**				50,665	42,834
12	**Earnings per share (of Rs. 10/-each) - Basic and Diluted * - In Rs.**	5.04	4.34	0.76	19.98	13.15

* Figures for quarters are not annualised

@ The figures for the 3 months ended 31.03.2018 and corresponding 3 months ended 31.03.2017 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	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited (@)	Unaudited	Audited (@)	Audited	Audited
1	**Segment Revenue**					
	(a) Home appliances	42,344	43,582	38,309	1,80,835	1,56,541
	(b) Engineering	10,677	10,189	8,277	39,919	33,365
	(c) Others	2,104	1,782	1,397	7,711	2,776
	Total	**55,125**	**55,553**	**47,983**	**2,28,465**	**1,92,682**
	Less: Inter-segment revenue	936	616	414	2,593	770
	Revenue from operations	**54,189**	**54,937**	**47,569**	**2,25,872**	**1,91,912**
2	**Segment Results - Profit before interest and tax**					
	(a) Home appliances	2,208	2,073	335	9,675	6,478
	(b) Engineering	1,265	989	445	3,941	2,105
	(c) Others	(127)	(23)	(179)	(255)	(264)
	Total	**3,346**	**3,039**	**601**	**13,361**	**8,319**
	Less:					
	(i) Finance costs	135	138	140	544	519
	(ii) Eliminations	14	5	-	34	5
	(ii) Other un-allocable expenditure net off un-allocable income	177	370	356	1,269	1,330
	Total profit before tax	**3,020**	**2,526**	**105**	**11,514**	**6,465**
3	**Segment Assets**					
	(a) Home appliances	71,986	77,073	58,188	71,986	58,188
	(b) Engineering	26,374	26,445	22,855	26,374	22,855
	(c) Others	4,368	4,125	3,953	4,368	3,953
	(d) Unallocable assets	9,037	9,587	6,073	9,037	6,073
	Total Segment Assets	**1,11,765**	**1,17,230**	**91,069**	**1,11,765**	**91,069**
4	**Segment Liabilities**					
	(a) Home appliances	41,064	48,153	30,707	41,064	30,707
	(b) Engineering	9,554	10,330	8,429	9,554	8,429
	(c) Others	2,975	3,311	2,877	2,975	2,877
	(d) Unallocable liabilities	2,985	2,654	1,527	2,985	1,527
	Total Segment Liabilities	**56,578**	**64,448**	**43,540**	**56,578**	**43,540**

@ The figures for the 3 months ended 31.03.2018 and corresponding 3 months ended 31.03.2017 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the respective financial years

CONSOLIDATED BALANCE SHEET **Rs. in lacs**

Particulars	As at 31.03.2018 Audited	As at 31.03.2017 Audited
Assets		
1. Non-current assets		
(a) Property, plant and equipment	**31,173**	30,600
(b) Capital work-in-progress	**271**	844
(c) Investment property	**11**	11
(d) Goodwill on consolidation	**943**	426
(e) Intangible assets	**1,739**	1,889
(f) Intangible assets under development	**447**	588
(g) Financial assets		
(i) Loans	**54**	54
(ii) Others	**893**	921
(h) Deferred tax assets (net)	**-**	420
(i) Income tax assets (net)	**290**	555
(j) Other non-current assets	**2,566**	2,824
2. Current assets		
(a) Inventories	**31,907**	24,248
(b) Financial assets		
(i) Investments	**9,267**	5,414
(ii) Trade receivables	**18,749**	14,456
(iii) Cash and cash equivalents	**6,570**	4,567
(iv) Other bank balances	**211**	113
(v) Loans	**55**	56
(vi) Others	**48**	21
(c) Other current assets	**6,571**	3,062
Total assets	**1,11,765**	91,069
Equity and liabilities		
Equity		
(a) Equity share capital	**4,128**	4,128
(b) Other equity	**50,665**	42,834
Non-controlling interest	**394**	567
Liabilities		
1. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	**1,341**	1,875
(ii) Other financial liabilities	**9**	29
(b) Provisions	**4,200**	2,653
(c) Deferred tax liabilities (net)	**865**	362
(d) Other non-current liabilities	**1,083**	897
2. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	**940**	1,519
(ii) Trade payables	**38,546**	27,204
(iii) Other financial liabilities	**1,601**	1,348
(b) Other current liabilities	**7,536**	7,078
(c) Provisions	**392**	575
(d) Income tax liabilities (net)	**65**	-
Total equity and liabilities	**1,11,765**	91,069

Notes:

1 The audited consolidated financial results of IFB Industries Limited and its subsidiaries (together, "the Group") were reviewed by the Audit Committee on 28 May 2018 and approved at the meeting of the Board of Directors of the Company at its meeting held on 29 May 2018. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2 The financial results of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016. The Group adopted Ind AS from 01 April 2017.

3 Ind AS 101 - First-time adoption of Indian Accouting Standards allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. Accordingly the Group has elected the carrying amount of property, plant and equipment (as on 31 March 2016) as deemed cost at the date of transition i.e. 01 April 2016.

4 Reconciliation of the consolidated financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Rs. in lacs

Particulars	Notes	Quarter ended 31.03.2017	Year ended 31.03.2017
Profit after tax as reported under previous GAAP		**59**	**4,734**
1. Impact of measuring current investments at fair value through consolidated statement of profit and loss (FVTPL)	**Refer note a**	71	179
2. Impact of measuring derivative financial instruments at fair value	**Refer note b**	(2)	(5)
3. Impact of unwinding of discount on provision for warranty	**Refer note c**	53	37
4. Impact of depreciation on fair valuation of property, plant and equipment	**Refer note d**	(6)	(17)
5. Impact of deferment of Government grant	**Refer note e**	2	7
6. Reclassification of re-measurement losses, arising in respect of defined benefit obligation, to other comprehensive income (OCI)	**Refer note f**	87	439
Tax adjustments		(71)	(219)
Profit after tax as reported under Ind AS		**193**	**5,155**
Other comprehensive income (net of tax)		(57)	(287)
Total comprehensive income as reported under Ind AS		**136**	**4,868**

5 Reconciliation of equity as reported under previous GAAP are summarised as follows:-

Rs. in lacs

Particulars	Notes	As at 31.03.2017
Equity as reported under previous GAAP attributable to:		
Owners of the parent		**46,569**
Non-controlling interests		**134**
Total		**46,703**
1. Impact of measuring current investments at fair value through consolidated statement of profit and loss (FVTPL)	**Refer note a**	252
2. Impact of measuring derivative financial instruments at fair value	**Refer note b**	(11)
3. Impact of unwinding of discount on provision for warranty	**Refer note c**	370
4. Impact of depreciation on fair valuation of property, plant and equipment	**Refer note d**	(17)
5. Impact of deferment of Government grant	**Refer note e**	(21)
6. Share of non-controlling interest on the increased valuation of property, plant and equipment of a subsidiary	**Refer note d**	631
Tax adjustments		(378)
Equity as reported under Ind AS attributable to:		
Owners of the parent		**46,962**
Non-controlling interests		**567**
Total		**47,529**

a. Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition and fair value changes after the date of transition has been recognised in profit or Loss.

b. Under previous GAAP, the premium or discount arising at the inception of forward exchange contracts entered into, to hedge existing assets/liabilities were amortised as expense or income over the life of the contracts. Exchange differences on such contracts were recognised in the consolidated statement of Profit and Loss in the reporting period in which the exchange rates changed. Under Ind AS, such derivative financial instruments are to be recognized at fair value and the movement is recognised in profit or Loss.

c. Under previous GAAP, discounting of provisions was not permitted and provisions were measured at best estimate of the expenditure required to settle the obligation at the balance sheet date without considering the effect of discounting. Under Ind AS, warranty provisions are measured at discounted amounts, if the effect of time value of money is material. The Group has discounted the provision for warranty to present value at reporting dates. Consequently, the unwinding of discount has been recognised as a finance cost in the profit or Loss.

d. In July 2016, the Group invested in Trishan Metals Private Limited ("Trishan") by participating in equity issue of Trishan and thereby acquired 51.12% controlling interest. Under previous GAAP, the Group had measured the assets and liabilities of Trishan at their acquisition date book value. Trishan elected the fair value as the deemed cost on its transition date. Under Ind AS, the Group re-measured the identifiable assets acquired and the liabilities assumed at their acquisition date fair values. The consequential impact of additional depreciation on fair value change is recognised in the profit or loss and equity as at 31 March, 2017. The share of non-controlling interest in the increased fair value has been recognised as part of equity stated above.

e. Under previous GAAP, the Group had credited to capital reserve the amount of grants relating to capital assets. Under Ind AS, such Government grants has been recognised as a deferred income since the year of receipt of such grants. The portion of it relating to earlier years as at the transition date has been transferred to retained earnings and the residual amount has been recognised as deferred income. Such deferred income will be released to the profit or Loss over the remaining useful life of the related capital assets.

f. Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity were recognised in profit and loss. Under Ind AS, actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the defined benefit liability are recognised in other comprehensive income instead of profit or loss. Consequently, the tax effect of the same has also been recognised in other comprehensive income instead of profit or loss.

6 Under previous GAAP, all the lands were presented as fixed assets. Under Ind AS, the Company has reclassified lands given on operating lease and the lands held for a currently undetermined future use as Investment property. Such reclassification has resulted in decrease in the value of property, plant and equipment by Rs. 11 lacs as at 01 April 2016 and 131 March 2017 and a corresponding increase in the value under Investment property as at respective dates.

7 Under previous GAAP, leasehold land were presented as fixed assets and depreciated over the period of lease. Under Ind AS, such properties have been classified as other assets and have been amortised over the period of the lease. This has resulted in decrease in net book value of property, plant and equipment by Rs. 18 lacs as at 01 April 2016 and by Rs. 14 lacs as at 31 March 2017 and a corresponding increase in other assets by Rs. 18 lacs as at 01 April 2016 and by Rs. 14 lacs as at 31 March 2017.

Such reclassification has resulted in decrease in depreciation and amortization expense by Rs. 4 lacs for the year ended 31 March 2017 and a corresponding increase in other expenses by Rs. 4 lacs, but does not affect profit before tax and profit for the year for the year ended 31 March 2017.

8 Goods and Services Tax (GST) has been implemented with effect from 1 July, 2017. Consequently, Central Excise, Value Added Tax (VAT), Service tax etc. have been replaced by GST. GST, VAT, Service tax etc. are not included in Revenue from operations. However, excise duty was included in Revenue from operations till 30 June 2017. Hence, revenue for the quarter and year ended 31 March 2018 are not comparable with corresponding period of the previous year.

9 The Group is primarily engaged in the business of fine blanked components, home appliances 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: Kolkata
Date : 29 May 2018