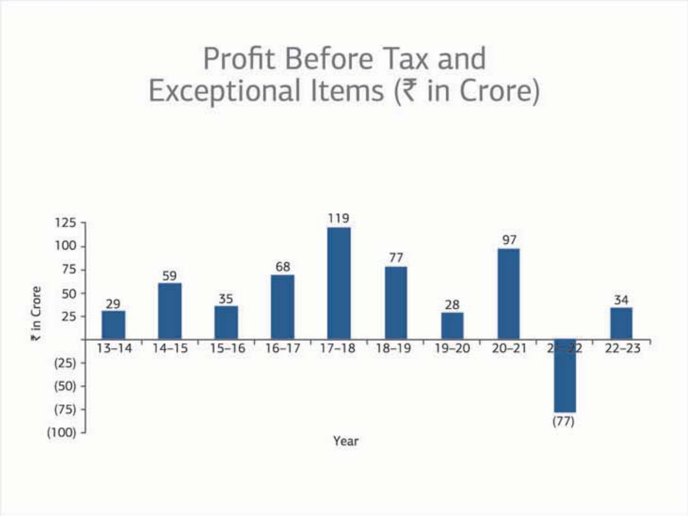
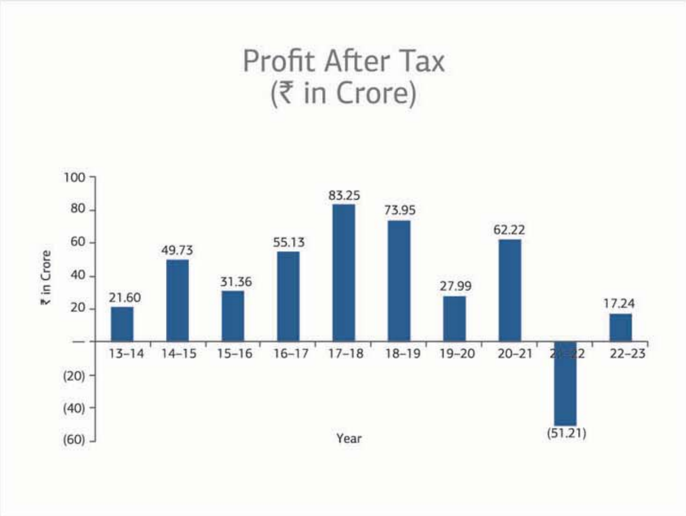
IFB

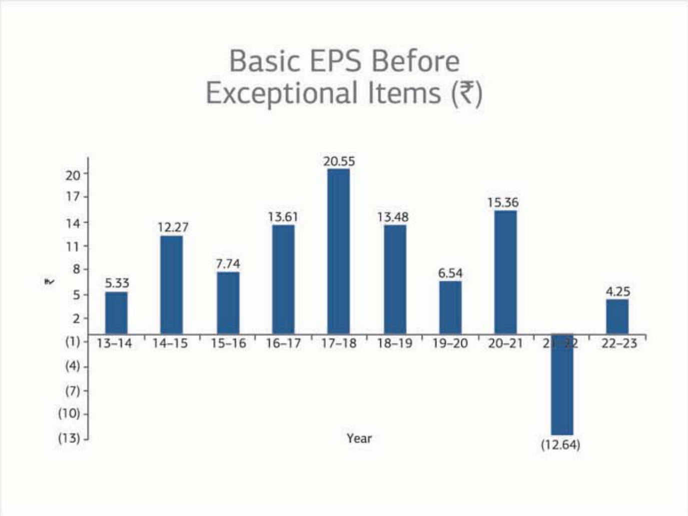
Annual Report
2022–2023

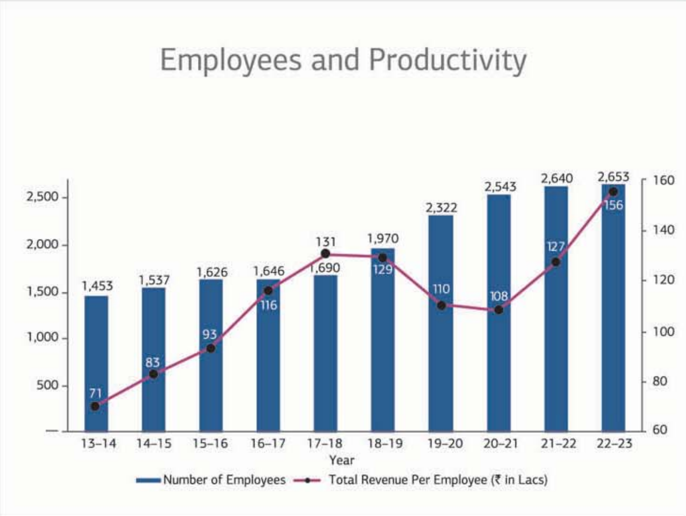
IFB Industries Limited

10 YEAR HIGHLIGHTS









BOARD OF DIRECTORS

Executive Chairman
Mr. Bijon Bhushan Nag

Joint Executive Chairman & Managing Director
Mr. Bikramjit Nag

Managing Director & CEO - Appliances Division
Mr. Rajshankar Ray

Managing Director & CEO - Engineering Division
Mr. Harsh Vardhan Sachdev

Director and CFO
Mr. Prabir Chatterjee

Executive Director & Service Business Head
Mr. Amar Singh Negi

Non-Executive Director
Mr. Sudip Banerjee

Independent Directors
Dr. Rathindra Nath Mitra
Mr. Ashok Bhandari
Ms. Sangeeta Shankaran Sumesh
Mr. Rahul Choudhuri
Mr. Chacko Joseph
Mr. Desh Raj Dogra
Mr. Biswadip Gupta

AUDIT COMMITTEE

Chairman
Dr. Rathindra Nath Mitra

Members
Mr. Ashok Bhandari
Ms. Sangeeta Shankaran Sumesh
Mr. Chacko Joseph
Mr. Prabir Chatterjee

COMPANY SECRETARY

Mr. G. Ray Chowdhury

AUDITORS

Deloitte Haskins & Sells
Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services (P) Ltd.
P 22, Bondel Road, Kolkata - 700 019
Tel : (091) (33) 2280 6692/93/94, 4011 6700
Fax : (091) (33) 2287 0263
E-mail : rta@cbmsl.com

REGISTERED OFFICE

14, Taratolla Road
Kolkata - 700 088, India
Tel : (091) (33) 3048 9299
Fax : (091) (33) 3048 9230
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

CORPORATE OFFICE

Plot No. IND-5, Sector – I
East Kolkata Township
Kolkata - 700 107
Tel : (091) (33) 3984 9524
Fax : (091) (33) 2442 1003
E-mail : investors@ifbglobal.com

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10 Year Highlights

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	**2022-23**
Financial Highlights										
Total revenue	1,028.96	1,276.58	1,514.25	1,911.89	2,207.10	2,550.20	2,564.18	2,753.41	3,357.14	**4,126.25**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	53.35	101.65	82.75	116.12	175.02	156.49	133.18	227.69	68.19	**182.99**
Depreciation and amortisation	22.59	40.64	45.37	43.59	51.38	54.54	88.98	100.41	113.45	**119.44**
Exceptional expense / (income)	–	–	–	–	–	(19.35)	(1.48)	–	–	**–**
Profit after tax	21.60	49.73	31.36	55.13	83.25	73.95	27.99	62.22	(51.21)	**17.24**
Equity Share capital	41.28	41.28	41.28	41.28	41.28	41.28	41.28	41.28	41.28	**41.28**
Other Equity	295.96	345.69	377.05	430.20	509.01	579.37	606.02	646.49	595.91	**615.28**
Net worth	229.40	279.13	310.49	365.62	444.43	514.79	536.22	576.69	526.11	**545.48**
Property, plant and equipment, right of use assets, investment property, goodwill, other intangibles including CWIP (Gross)	447.43	519.79	577.87	362.31	395.09	483.74	814.91	969.91	1,116.01	**1,202.49**
Property, plant and equipment, right of use assets, investment property, goodwill, other intangibles including CWIP (Net)	240.38	278.73	297.67	318.76	300.52	335.43	578.29	646.48	685.54	**689.63**
Total assets	641.21	770.92	791.43	881.22	1,082.00	1,204.17	1,613.66	1,856.90	1,998.72	**2,071.70**
Market capitalisation	320.91	2,374.00	1,288.09	2,621.97	4,629.07	3,962.54	1,038.83	4,501.78	4,216.79	**2,988.26**
Number of employees	1,453	1,537	1,626	1,646	1,690	1,970	2,322	2,543	2,640	**2,653**
Key indicators										
Earnings per share (Rs.) (before exceptional items)	5.33	12.27	7.74	13.61	20.55	13.48	6.54	15.36	(12.64)	**4.25**
Earnings per share (Rs.) (after exceptional items)	5.33	12.27	7.74	13.61	20.55	18.25	6.91	15.36	(12.64)	**4.25**
Total revenue per share (Rs.)	253.95	315.06	373.72	471.85	544.71	629.39	632.84	679.54	828.54	**1,018.35**
Book value per share (Rs.)	83	96	103	116	136	153	160	170	157	**162**
Current ratio	1.54	1.43	1.41	1.42	1.53	1.51	1.58	1.36	1.17	**1.09**
EBITDA / Total revenue	5.2%	8.0%	5.5%	6.1%	7.9%	6.1%	5.2%	8.3%	2.0%	**4.4%**
Net profit margin	2.1%	3.9%	2.1%	2.9%	3.8%	2.9%	1.1%	2.3%	(1.5%)	**0.4%**
Return on net worth on PAT	9.4%	17.8%	10.1%	15.1%	18.7%	14.4%	5.2%	10.8%	(9.7%)	**3.2%**

IFB

IFB INDUSTRIES LTD.

CIN: L51109WB1974PLC029637

Registered Office: 14 Taratolla Road, Kolkata -700 088

Tel: 91 33 30489299, Fax: 91 33 30489230, E-mail: investors@ifbglobal.com

Website: www.ifbindustries.com

NOTICE TO MEMBERS

Notice is hereby given that the forty seventh Annual General Meeting of the members of IFB Industries Limited will be held on Monday the 31st day of July, 2023 at 10.30 A.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2023, including the Audited Balance Sheet as at March 31, 2023, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt Audited Consolidated Financial Statements of the Company for the year ended March 31, 2023 and the Report of the Auditors thereon.

3. To appoint a director in place of Mr. Amar Singh Negi (DIN: 08941850), who retires by rotation and being eligible, offers himself for re-appointment as a director.

4. To appoint a director in place of Mr. Prabir Chatterjee (DIN: 02662511), who retires by rotation and being eligible, offers himself for re-appointment as a director.

SPECIAL BUSINESS:

5. **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

   "**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the member of the Company be and is hereby accorded to waive recovery of excess managerial remuneration paid to Mr. Bijon Bhushan Nag (DIN: 00756995), Executive Chairman, of the Company, exceeding the stipulated limits prescribed in Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2022 to March 31, 2023 and as set out in explanatory statement attached hereto and forming part of this notice."

   "**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

   "**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the member of the Company be and is hereby accorded to waive recovery of excess managerial remuneration paid to Mr. Rajshankar Ray (DIN: 03498696), Managing Director and CEO of Appliances Division of the Company, exceeding the stipulated limits prescribed in Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2022 to March 31, 2023 and as set out in explanatory statement attached hereto and forming part of this notice."

   "**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

   "**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to waive recovery of excess managerial remuneration paid to Mr. Amar Singh Negi (DIN: 08941850), Executive Director and Service Business Head of the Company, exceeding the stipulated limits prescribed in Section 197 read with Schedule V to the Companies Act, 2013 during the period April 1, 2022 to March 31, 2023 and as set out in explanatory statement attached hereto and forming part of this notice."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. **To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (" The Act") read with Rule 14 of Companies (Audit and Auditors) Rules, 2014,the remuneration payable during the year 2023-24 to M/s. Shome & Banerjee, Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2023-24, amounting to Rs.9,00,000/- (Rupees Nine lacs Only) plus tax as applicable and reimbursement of conveyance expenses on actual basis as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

Registered Office :
14, Taratolla Road
Kolkata - 700 088
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

By Order of the Board

G Ray Chowdhury
Company Secretary
Membership No. : A8529

Place : Kolkata
Date : 27th May, 2023

NOTES :

1. The Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) and Circular No. 2/2022 dated May 5, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic and circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM.

2. Brief resume of Directors including those proposed to be appointed/ reappointed, nature of their expertise in specific functional areas, no. of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing obligations & Disclosure Requirements) Regulation,2015 are provided in the Corporate Governance Report forming part of the Annual Report.

3. Members of the Company had approved the appointment of M/s. Deloittee Haskins & Sells, Chartered Accountants,

having registration No. 302009E as the Statutory Auditors of the Company at the 43rd AGM which is valid till 48th AGM. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified in every AGM.

4. Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 the requirement of sending hard copies of annual reports to shareholders has been dispensed with.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Institutional / Corporate Shareholders (i.e., other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to patnaikandpatnaik@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e other than individuals, HUF, NRI etc.) can also upload can also upload their Board Resolution / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

7. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

8. The Company has notified closure of Register of Members and Share Transfer Books from 25 July 2023 to 31 July 2023 (both days inclusive) for the purposes of AGM.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs in case the shares are held by them in electronic form and to IFB/Registrar of the Company in case the shares are held by them in physical form.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 27 July, 2023 through email to investors@ifbglobal.com. The same will be replied by the Company suitably.

12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

13. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, shall be made available for on-line inspection upon login at NSDL e-Voting system at www.evoting.nsdl.com.

14. Pursuant to the Circular No. 14/2020 dated April 08, 2020 and Circular No. 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate there at and cast their votes through e-voting.

15. The Members can join the AGM in the VC / OAVM mode 45 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

16. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.

18. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and Circular No. 2/2022 dated May 5, 2022 the Notice calling the AGM has been uploaded on the website of the Company at wwwifbindustries.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.

19. The remote e-voting period begins on Friday, 28 July, 2023 at 9:00 A.M. and ends on Sunday, 30 July, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., July 24, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 24, 2023.

20. The details of the process and manner for remote e-Voting are explained herein below:

    Step 1: Access to NSDL e-Voting system

    Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.

<u>Details on Step 1 are mentioned below:</u>

A. Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**A. NSDL IDeAS facility** **If you are already registered, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. 4. Click on “Access to e-Voting” appearing on the left hand side under e-Voting services and you will be able to see e-Voting page. 5. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.

	If you are not registered, follow the below steps: 1. Option to register is available at https://eservices.nsdl. com. 2. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5. **B. e-Voting website of NSDL** 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi / Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of ESP i.e. NSDL portal. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/ EasiRegistration. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility. 2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-48867000 and 022-24997000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-48867000 and 022-24997000

B. **Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open

the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e., **July 24, 2023,** may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on **www.evoting.nsdl.com** or call on toll free no. **1800 1020 990** and **1800 224 430**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 24, 2023 may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system" (Above).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022-48867000 and 022-24997000 or send a request to at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@ifbglobal.com
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@ifbglobal.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending in writing their views or questions to investors@ifbglobal.com/rta@cbmsl.com from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number till July 26, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Each Speaker is requested to express his / her views within 2 - 3 minutes of the allotted time.
4. In case of any queries/grievances pertaining to remote e-Voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions ('FAQs') for Shareholders and e-Voting user manual for Shareholders available in the 'Download' section of www.evoting.nsdl.com or call on the toll-free number: 1800 1020 990/1800 224 430 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Assistant Vice President or Ms. Pallavi Mhatre, Senior Manager from NSDL at the designated e-mail IDs: amitv@nsdl.co.in or pallavid@nsdl.co.in

Other Instructions

1. Mr. S K Patnaik, Practicing Company Secretary (Membership No. FCS 5699) Partner of M/s. Patnaik & Patnaik, Company Secretaries has been appointed by the Board of Directors as the Scrutinizer for providing facility to the members of the Company, to scrutinize the remote e-voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first download the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting system and make, not later than two working days of conclusion of the AGM, and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
3. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.ifbindustries.com and on the website of NSDL https://www.evoting.nsdl.com immediately after the declaration of the results by the Chairman or person authorized by him in writing. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
4. Subject to receipt of requisite number of votes, the resolutions proposed in the notice shall be deemed to be passed on the date of the meeting itself, i.e., July 31, 2023.

Statement Pursuant to Section 102(1) of the Companies Act, 2013

As required under section 102 of the Companies Act, 2013 the following explanatory statement sets out all material facts relating to business under Items no. 5 to 8 of the accompanying Notice:

Resolution nos. 5

Mr. Bijon Bhushan Nag (DIN: 00756995), aged 81 years, was reappointed as Executive Chairman of the Company for a period of two years w.e.f. 1.06.2022. and which was approved by the shareholders of the Company at the Annual General Meeting held on 29th July, 2022.

Mr. Bijon Bhushan Nag (81) is the Promoter and Executive Chairman of the Company. He is a Mechanical Engineer and a prominent industrialist having more than five decades of vast experience in machine tool and engineering industries.

At the recommendation of Nomination & Remuneration Committee and as approved by Board and Shareholders of the Company, Mr. Nag has drawn remuneration from 1 April, 2022 to 31March 2023 as under:

Remuneration :

a) **Salary :** Rs. 6,75,025/- (Rupees Six lacs Seventy-Five Thousand Twenty-Five only) per month.

b) **HRA :** Rs. 3,92,515/- (Rupees Three lacs Ninety-Two Thousand Five Hundred Fifteen only) per month.

c) **SPA :** Rs. 72,905/- (Rupees Seventy-Two Thousand Nine Hundred Five only) per month.

d) **Additional SPA :** Rs. 88,754/- (Rupees Eighty-Eight Thousand Seven Hundred Fifty-Four only) per month.

e) **Medical Expenses/ Reimbursement :** As approved by Board.

f) **Leave Travel Allowance :** For self and family once in a year incurred in accordance with the Rules of the Company.

g) **Club Fees :** Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

h) **Personal Accident Insurance :** As per the rules of the Company.

i) **Gas & Electricity etc. :** As per the rules of the Company.

j) **Car :** Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company to the Chairman.

k) **Telephone :** Reimbursement of expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, family' means the spouse, the dependent children and dependent parents.

Other Benefits :

i) **Gratuity :** As per the rules of the Company.

ii) **Contribution to the Provident Fund, Superannuation Fund or Annuity Fund :** As per the rules of the Company.

iii) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he is entitled to reimbursement of all expenses incurred in connection with the business of the Company.

The above remuneration paid to Mr. Bijon Bhushan Nag exceeded the limits prescribed in the provisions of Section 197, 198 read with Schedule V to the Companies Act, 2013 due to inadequate profit of the Company for the year ended 31 March 2023.

Considering, his vast experience and association with the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors of the Company, decided to waive recovery of the excess managerial remuneration of Rs. 53,57,432/- as was paid to him during the financial year 2022-2023 and the resolution pertaining to waiver for the recovery of said excess managerial remuneration is proposed for your approval. The Company is not in default of payment to any bank, financial institution or any other secured creditor. The Company does not have any debenture holder.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:
The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and manufacture and trading of Home Appliances Products.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 9th September, 1974. It started its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

(4) Financial performance based on given indicators:

Particulars	**2022-23 (Rs. in Crs.)**
Revenue from operations	4,104.05
other income	22.20
Sub-total	4,126.25
Total Expenditure (Before interest and depreciation)	3,943.26
PBDIT	182.99
PBDIT%	4.43%
Profit/(Loss) After Tax	17.24

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details: Mr. Bijon Bhushan Nag a Mechanical Engineer, Mentor, having more than five decades of vast experience in Machine tool and Engineering industries. He is a visionary for our state of art Washing Machine factory at Goa, Engineering Factories in Kolkata & Bangalore.

(2) Past remuneration: Rs. 2.18 Crores per annum as on 31st March, 2022.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: Mr. Nag is specialized in Machine Tool and Washing Machine technology. He guides in relation to all critical technical issues.

(5) Remuneration proposed: As set out in Item No. 5 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Mr. Bijon Bhushan Nag, Chairman of the Company is related with Mr. Bikramjit Nag, Joint Executive Chairman and Managing Director.

III. Other information:

(1) Reasons for inadequate profits:

The profits are inadequate on account of hike in material cost, employee cost, supply chain disruption and achieving lower number.

(2) Steps taken or proposed to be taken for improvement:

The Company has initiated action to reduce material cost and control fixed overhead by reduction of avoidable man power, automation etc. We have restructured sales geographies and sales manning to deliver the results needed.

(3) Expected increase in productivity and profits in measurable terms:

Production and sales are expected to increase in our Appliances Division based on demand of our washing machine category. Similarly, we expect to increase in AC Sales volume as demand is rising due to change in climate condition and prevailing heatwave across the country. Business in Engineering division is expected to enhance based on increased demand from customers.

However, it is difficult to forecast any profit numbers under this uncertain situation.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

No director, Key managerial personnel or their relatives, except Mr. Bijon Bhushan Nag in his personal capacity and Mr. Bikramjit Nag being the relative of Mr. Bijon Bhushan Nag is concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Special Resolution set forth in item nos. 5 for the approval of the members of the Company.

Resolution no. 6

Mr. Rajshankar Ray (DIN: 03498696), aged 54 years was appointed as Managing Director and CEO of Home Appliance Division by the shareholders of the Company at the Annual General Meeting held on 6 August 2021 for a period of five years with effect from 30.10.2020.

At the recommendation of Nomination & Remuneration Committee and as approved by Board and Shareholders of the Company, Mr. Ray has drawn remuneration from 1 April, 2022 to 31 March 2023 as under:

Remuneration :

a) **Salary:** Rs. 5,53,710/- (Rupees Five Lacs Fifty-Three Thousand Seven Hundred Ten only) per month.

b) **HRA:** Rs. 2,76,860 /- (Rupees Two Lacs Seventy-Six Thousand Eight Hundred Sixty only) per month.

c) **Special Personal Allowance (SPA):** Rs. 1,68,410/- (Rupees One Lac Sixty-Eight Thousand Four Hundred Ten only) per month.

d) **Additional SPA:** Rs. 38,009/- (Rupees Thirty-Eight Thousand Nine only) per month.

e) **Other allowances:** Rs. 2550/- (Rupees Two Thousand Five Hundred Fifty Only).

f) **Medical Reimbursement:** As per the rules of the Company.

g) **Leave Travel Allowance:** For self and family once in a year incurred in accordance with the Rules of the Company.

h) **Personal Accident Insurance:** As per the rules of the Company.

i) **Car:** Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company.

j) **Telephone :** Reimbursement of expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, family' means the spouse, the dependent children and dependent parents.

Other Benefits :

i) **Gratuity :** As per the rules of the Company.

ii) **Contribution to the Provident Fund, National Pension Scheme or Annuity Fund :** As per the rules of the Company.

iii) **Encashment of leave :** As per the rules of the Company.

Apart from the aforesaid remuneration, he is entitled to variable incentive pay not exceeding Rs. 30 Lacs per year and reimbursement of all expenses incurred in connection with the business of the Company.

The above remuneration paid to Mr. Raj Shankar Ray exceeded the limits prescribed in the provisions of Section 197, 198 read with Schedule V to the Companies Act, 2013 due to in inadequate profit of the Company for the year ended 31 March 2023.

Considering, his vast experience and association with the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors of the Company decided to waive recovery of the excess managerial remuneration of Rs. 23,35,961/- as was paid to him during the financial year 2022-2023 and the resolution pertaining to waiver for recovery of the said excess managerial remunration is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows:

I. General Information:

(1) Nature of industry:

The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and Home Appliances Products.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 9th September, 1974. It started its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable

(4) Financial performance based on given indicators:

Particulars	2022-23 (Rs. in Crs.)
Revenue from operations	4,104.05
other income	22.20
Sub-total	4,126.25
Total Expenditure (Before interest and depreciation)	3,943.26
PBDIT	182.99
PBDIT%	4.43%
Profit/(Loss) After Tax	17.24

(5) Foreign investments or collaborations, if any : None

II. Information about the appointee:

(1) Background details:

Mr. Rajshankar Ray (54), B. Tech, Mechanical Engg., IIT, Kharagpur. He has more than 30 years of comprehensive experience in Factory Management, Sales, Project Management and in diversified operational areas including cost & management Controls, Strategic Management, Corporate Governance, Risk Management, SAP, inventory and debtor control etc.

(2) Past remuneration: Rs. 1.50 Crs. per annum as on 31st March, 2022.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: He is the Managing Director and CEO of HAD. He with his vast experience is competent to handle the job.

(5) Remuneration proposed: As set out in Item No. 6 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: None

III. Other information:

(1) Reasons for inadequate profits:

The profits are inadequate on account of hike in material cost, employee cost, supply chain disruption and achieving lower number.

(2) Steps taken or proposed to be taken for improvement:

The Company has initiated action to reduce material cost and control fixed overhead by reduction of avoidable man power, automation etc. We have restructured sales geographies and sales manning to deliver the results needed.

(3) Expected increase in productivity and profits in measurable terms:

Production and sales are expected to increase in our Appliances Division based on demand of our washing machine category. Similarly, we expect to increase in AC Sales volume as demand is rising due to change in climate condition and prevailing heatwave across the country. Business in Engineering division is expected to enhance based on increased demand from customers.

However, it is difficult to forecast any profit numbers under this uncertain situation

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

Mr. Rajshankar Ray shall perform such duties and exercise such powers as are entrusted to him by the Board.

No director, Key managerial personnel or their relatives, except Mr. Rajshankar Ray to whom resolution relates are concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Special Resolution set forth in item no. 6 for the approval of shareholders of the Company.

Resolution No. 7

Mr. Amar Singh Negi (DIN: 008941850), aged 63 years was appointed as Executive Director – Service Business Head of the Company for a period of five years with effect from 30.10.2020. and which was approved by the shareholders of the Company at the Annual general Meeting held on 6 August 2021.

At the recommendation of Nomination & Remuneration Committee and as approved by Board and Shareholders of the Company, Mr. Negi has drawn remuneration from 1 April, 2022 to 31 March 2023 as under:

Remuneration :

a) **Salary:** Rs. 4,90,395/- (Rupees Four Lacs Ninety Thousand Three Hundred Ninety-Five only) per month

b) **HRA:** Rs. 2,45,200/- (Rupees Two Lacs Forty-Five Thousand Two Hundred only) per month

c) **Special Personal Allowance (SPA):** Rs. 1,20,487/- (Rupees One lac Twenty Thousand Four Hundred Eighty-Seven only) per month.

d) **Additional SPA:** Rs. 34,689/- (Rupees Thirty-Four Thousand Six Hundred Eighty-Nine only) per month

e) **Other allowances:** Rs. 2,550/- (Rupees Two Thousand Five Hundred Fifty only) per month

f) **Medical Reimbursement:** As per the rules of the Company.

g) **Leave Travel Allowance:** For self and family once in a year incurred in accordance with the Rules of the Company.

h) **Personal Accident Insurance:** As per the rules of the Company.

i) **Car:** Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company.

j) **Telephone:** Reimbursement of expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, family' means the spouse, the dependent children and dependent parents.

Other Benefits :

i) **Gratuity:** As per the rules of the Company.

ii) **Contribution to the Provident Fund, National Pension Scheme:** As per the rules of the Company.

iii) **Encashment of leave:** As per the rules of the Company.

Apart from the aforesaid remuneration, he is entitled to variable incentive pay not exceeding Rs. 30 Lacs per year and reimbursement of all expenses incurred in connection with the business of the Company.

The above remuneration paid to Mr. Amar Singh Negi exceeded the limits prescribed in the provisions of Section 197, 198 read with Schedule V to the Companies Act, 2013 due to inadequate profits of the Company for the year ended 31st March, 2023. Considering, his vast experience and association with the Company, the Board of Directors of the Company decided to waive the recovery of excess managerial remuneration of Rs. 1,10,714/- which was paid to him during the period April 1, 2022 to 31 March, 2023 and accordingly the resolution for waiver of recovery of excess managerial remuneration as paid to him during this period is proposed for your approval. The Company is not in default of payment to any bank, financial institutions or any other secured creditor. The Company does not have any debenture holders.

Information pertaining to Section II in Part II of Schedule V are as follows :

I. General Information:

(1) Nature of industry:

The Company is at present engaged in the business of manufacturing of diverse parts and accessories for motor vehicles etc. and Home Appliances Products.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 9th September, 1974. It started its commercial production in 1974.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable

(4) Financial performance based on given indicators:

Particulars	2022-23 (Rs. in Crs.)
Revenue from operations	4,104.05
other income	22.20
Sub-total	4,126.25
Total Expenditure (Before interest and depreciation)	3,943.26
PBDIT	182.99
PBDIT%	4.43%
Profit/(Loss) After Tax	17.24

(5) Foreign investments or collaborations, if any: None

II. Information about the appointee:

(1) Background details:

Mr. Amar Singh Negi (63), obtained Four Years Post diploma in Electrical Engg from YMCA Institute of Engineering Faridabad in 1982, with specialization in Electrical Machines and Power apparatus. He has more than 38 years of experience in various fields including service operations.

(2) Past remuneration: Rs. 1.22 Crores per annum as on 31st March, 2022.

(3) Recognition or awards: Nil

(4) Job profile and his suitability: He looks after overall home appliance service function of the Company. He with his vast experience is competent to handle the job.

(5) Remuneration proposed: As set out in Item No. 7 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): His remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: None

III. Other information:

(1) Reasons for inadequate profits:

The profits are inadequate on account of hike in material cost, employee cost, supply chain disruption and achieving lower number.

(2) Steps taken or proposed to be taken for improvement:

The Company has initiated action to reduce material cost and control fixed overhead by reduction of avoidable man power, automation etc. We have restructured sales geographies and sales manning to deliver the results needed.

(3) Expected increase in productivity and profits in measurable terms:

Production and sales are expected to increase in our Appliances Division based on demand of our washing machine category. Similarly, we expect to increase in AC Sales volume as demand is rising due to change in climate condition and prevailing heatwave across the country. Business in Engineering division is expected to enhance based on increased demand from customers.

However, it is difficult to forecast any profit numbers under this uncertain situation.

IV. Disclosures:

The required disclosures are given in the Report on Corporate Governance annexed to the Directors' Report.

No director, Key managerial personnel or their relatives, except Mr. Amar Singh Negi to whom resolution relates are concerned or interested, financially or otherwise, in the proposed resolution.

The board recommends the Special Resolution set forth in item no. 7 for the approval of shareholders of the Company.

Resolution no. 8

The board on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. Shome & Banerjee, Cost Accountants to conduct the audit of the cost records of the company for the financial year ending March 31, 2024 at a fee of Rs 9,00,000/- plus taxes as applicable.

In accordance with the provisions of Section 148 of the Companies Act read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to Cost Auditors require ratification by the shareholders of the company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 8 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2024.

None of the directors/ Key Managerial Personnel of the company / their relatives are in any way, concerned or interested, financially or otherwise in the resolution set out at item no. 8 of the notice.

The board recommends the Ordinary Resolution set forth in item no. 8 for the approval of the Company.

Registered Office :
14, Taratolla Road
Kolkata - 700 088
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

Place : Kolkata
Date : 27th May, 2023

By Order of the Board

G Ray Chowdhury
Company Secretary
Membership No. : A8529

Details of Directors seeking appointment/ reappointment in Annual General Meeting (in pursuance of Clause 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Director	**Mr. Prabir Chatterjee**	**Mr. Amar Singh Negi**
Date of birth	18.06.1955	02.06.1960
Nationality	Indian	Indian
Date of first appointment on the board	01.04.2013	30.10.2020
Qualification	B.Sc and Cost Accountant.	Four Years Post diploma in Electrical Engg. from YMCA Institute of Engineering Faridabad in 1982, specialization in Electrical Machines and Power apparatus.
Experience in functional area	More than 40 years experience in accounts, finance, costing, budgeting, management accounting, Financial analysis etc.	He has more than 38 years of experience in various fields including Service Management etc.
Relationship with other Directors	Not related to any Director.	Not related to any Director.
Shareholding in the Company including shareholding as a beneficial owner	18,670	20,000
List of directorship held in other listed companies	Nil	Nil
Committee membership in other listed companies	Nil	Nil

DIRECTORS' REPORT to the Members

To the Members,

The Directors have pleasure in presenting before you the forty seventh Annual Report of the Company together with the Audited Financial Statements of the Company for the Financial year ended 31 March 2023.

FINANCIAL RESULTS

The performance during the period ended 31 March 2023 has been as under :

Rs. in Crores

Particulars	Standalone		Consolidated	
	2022-23	2021-22	**2022-23**	2021-22
Total revenue	**4126.25**	3357.14	**4217.74**	3433.47
Profit before depreciation / amortisation, finance costs and tax & share of loss of an associate	**182.99**	68.19	**185.53**	73.55
Less : Finance costs				
– Interest on discounting of lease liabilities and warranty Provision	**15.11**	13.82	**15.11**	13.82
– Other finance cost	**14.04**	17.64	**14.33**	17.94
Less : Depreciation and amortization	**119.44**	113.45	**121.50**	115.45
Share of loss of an associate	**–**	–	**(2.41)**	–
Profit / (Loss) before Tax	**34.40**	(76.72)	**32.18**	(73.66)
Less : Current Tax	**0.26**	(3.41)	**0.34**	(3.40)
Less : Deferred Tax	**16.90**	(22.10)	**16.90**	(22.10)
Profit / (Loss) after tax	**17.24**	(51.21)	**14.94**	(48.16)
Other comprehensive income / (loss)				
Items that will not to be classified to profit or loss –				
– Re measurements of defined benefit plan	**2.85**	0.97	**2.85**	0.97
– Income tax relating to items that will not be reclassified to profit or loss	**(0.72)**	(0.34)	**(0.72)**	(0.34)
Items that will be reclassified to profit or loss –				
– Exchange differences in translating the financial statements of foreign operations	**–**	–	**2.14**	(0.09)
– Income tax relating to items that will be reclassified to profit or loss	**–**	–	**–**	–
Other comprehensive income/(loss)	**2.13**	0.63	**4.27**	0.54
Total comprehensive income for the year	**19.37**	(50.58)	**19.21**	(47.62)
– Owners of the parents	**–**	–	**19.21**	(47.62)
– Non-controlling interests	**–**	–	**–**	–

Consolidated figure includes standalone figure and figure of Global Appliances & Automotive Limited (GAAL), a wholly owned subsidiary company, Thai Automotive and Appliances Pte. Ltd. (TAAL), a step-down subsidiary company, and IFB Refrigeration Limited, an Associate Company.

OPERATIONS - Standalone

Your company completed the financial year 2022-23 on a moderate growth of 22.9 % on revenue terms, and earned PBT of Rs. 34.40 Crores. The Net revenue from operations grew by 22.9% to Rs. 4,104.05 Crores. The profit before depreciation, finance cost and tax as compared to last year increased by 168.4% to Rs. 182.99 Crores. The budgeted level of margin could not be achieved largely on account of hike in material cost, employee costs and achieving lower number as compared to plan.

OPERATIONS - Consolidated

Net Revenue from operations on consolidated basis increased by 22.8% to Rs. 4,194.99 Crores. Profit before depreciation, finance cost and tax on consolidated basis as compared to last year increased by 149.0% to Rs. 183.12 Crores.

DIVIDEND

Your Directors have decided not to recommend any dividend for the financial year under review to conserve resources for working capital, capital expenditure projects, acquisition etc.

TRANSFER TO RESERVE

The company does not propose to transfer any amount to Reserve.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended thereto (herein after referred as SEBI LODR), the Management Discussion and Analysis Report is enclosed as a part of this report.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY

During the year under review, there is no change in the nature of the business operations of the Company.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company has always taken adequate steps to adhere to all the stipulations laid down in SEBI LODR, 2015. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the company M/s. Deloitte Haskins & Sells, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI LODR, 2015 is included as a part of this report.

LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fee for the year 2023-24 to NSE, BSE & CSE where the Company's Shares are listed. The company applied for delisting of its shares from CSE which is pending before them.

DEMATERIALISATION OF SHARES

98.27% of the company's paid up Equity Share Capital is in dematerialized form as on 31 March, 2023 and balance 1.73% is in physical form. The Company's Registrars is M/s C.B. Management Services Pvt. Ltd., having their registered office at P-22, Bondel Road, Kolkata- 700 019. The entire shareholding of the promoters' and promoters' group are in dematerialized form.

NUMBER OF BOARD MEETINGS HELD

The Board of Directors duly met eight times during the financial year from 01 April 2022 to 31 March 2023. The dates on which the meetings were held are as follows :

28 May 2022, 28 July 2022, 16 August 2022, 28 October 2022, 14 November 2022, 12 December 2022, 30 January 2023 and 24 March 2023.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Mr. Amar Singh Negi (DIN 08941850), Executive Director and Service Business Head, retires by rotation and being eligible offers himself for reappointment.

Mr. Prabir Chatterjee (DIN 02662511), Director and CFO, retires by rotation and being eligible offers himself for reappointment.

Mr. Chacko Joseph (DIN 07528693) an Independent Director of was re-appointed for second term of five consecutive years with effect from 2 November 2022 and the same was approved by the shareholders at the 46th AGM of the Company held on 29 July, 2022.

Mr. Bijon Bhushan Nag (DIN 00756995), Chairman of the Company was re-appointed for a further period of two years w.e.f 1 June, 2022 and the same was approved by the shareholders at the 46th AGM of the Company held on 29 July, 2022.

Mr. Bikramjit Nag (DIN 00827155), Joint Executive Chairman and Managing Director of the Company was re-appointed for a further period of 5 (Five) years, with effect from 01.11.2022, passed by shareholders of the Company through Postal Ballot dated 7th December, 2022.

Mr. Harsh Vardhan Sachdev, Managing Director and CEO of Engineering Division tendered his resignation and he will cease to be a director w.e.f. 24th July, 2023.

Brief particulars and expertise of the director seeking re-appointment together with their other Directorship and Committee membership have been given in the annexure to the notice of the Annual General Meeting in accordance with the requirement of SEBI (LODR) Regulations, 2015.

Mr. Ritesh Agarwal, has been appointed as Company Secretary and Compliance Officer of the Company with effect from 1st June, 2023 in place of Mr. Goutam Ray Chowdhury.

Apart from the above, there is no other change in KMP of the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

a) in the preparation of the annual accounts for the year ended 31 March 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls in the company that are adequate and were operating effectively.

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. In the opinion of the Board there has been no change in the circumstances affecting their status as independent directors of the Company. The Independent Directors have also confirmed the compliance pertaining to their enrolment with the databank of the independent directors maintained by The Institute of Corporate Affairs in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The declaration was placed and noted by the Board in its meeting held on 27th May, 2023.

REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and rules there to and Regulation 19 of SEBI LODR, 2015 stating therein the Company's policy on Directors/ Key Managerial Personnel/ other employees appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors. The said policy may be referred to on company's website at www.ifbindustries.com/Legal/Policies. As part of the policy, the Company strives to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / KMPs of the quality required to run the company successfully; Relationship between remuneration and performance is clear and meets appropriate performance benchmarks;

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013 and SEBI LODR.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees were evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

Nomination and Remuneration Committee in its meeting reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting dated 27th May, 2023, the performance of the Board, its committees, and individual Directors were discussed.

AUDIT COMMITTEE

The Board has constituted an Audit Committee, the details pertaining to the composition of the audit committee are included in the report on Corporate Governance. There has been no instance during the year where recommendations of the Audit Committee were not accepted by the board.

AUDITORS' REPORT

The notes on Financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further explanation. During the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

STATUTORY AUDITORS

At 43rd Annual General Meeting held on 26 July 2019 the shareholders of the company reappointed M/s. Deloitte Haskins & Sells (Firm Registration No.: 302009E), Chartered Accountants as the Auditors of the Company for the second term of five consecutive years from the conclusion of 43rd Annual General Meeting to the conclusion of 48th Annual General Meeting. The requirement to place the matter relating to reappointment of auditors for ratification by Members at every Annual General Meeting has been done away by the Companies (Amendment) Act, 2017 with effect from 7 May 2018. Accordingly, no resolution is being proposed for ratification of reappointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

COST AUDITORS

Your Board has appointed M/s Shome & Banerjee, Cost Accountants as Cost Auditors of the Company for conducting cost audit for the financial year 2023-24. Accordingly, a resolution seeking approval of the members for ratifying the remuneration payable to Cost Auditors for financial year 2023-24 is provided in the Notice to the ensuing Annual General Meeting.

COST RECORDS

The Cost accounts and records as required to be maintained under Section 148(1) of the Act, are duly made and maintained by the Company.

SECRETARIAL AUDIT

The provision of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1 April 2014 by a Company Secretary in practice. The board in its meeting held on 24 March 2023 appointed Mr. Sankar Kumar Patnaik, Practising Company Secretary (Certificate of Practice no 7177) as the Secretarial Auditor for the financial year ended 31 March 2023.

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is appended as **Annexure – A,** which forms part of this report. The observations of the Secretarial Auditor are self-explanatory in nature and does not call for any further explanation.

SECRETARIAL STANDARDS

The Company has in place proper system to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is appended as **Annexure – B,** which forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company constituted a CSR Committee. The Committee comprises independent director, non-executive director and executive director. CSR Committee of the Board has developed a CSR Policy which has been uploaded on the website of the Company at www.ifbindustries.com. Your company has identified the activities covering mainly relating to (a) Promoting education, (b) Promoting Health Care and (c) skill development programme in line with the CSR policy of the Company. The company made an expenditure of Rs. 42.45 lacs against the budgeted amount of Rs 33.64 lacs. The complete disclosure on CSR activities in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure – C**, which forms part of this report.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.ifbindustries.com.

During the year under review all the directors, employees, business associates, vendors has access to the Chairman of the Audit Committee.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the company during the financial year with related parties were in ordinary course of business and on an arm's length basis. During the year, the company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transaction on which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act. The policy on materiality of related party transaction and on dealing with related party transaction as approved by the board may be accessed on company's website at the link www.ifbindustries.com. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. Your directors draw attention of members to note 37 to the Financial Statements which set out related party disclosures. As required under the Companies Act, 2013, the prescribed Form AOC-2 is appended **as Annexure – D** which forms part of this report.

ANNUAL RETURN

In compliance with Section 92(3) and Section 134(3)(a) of the Act read with Companies (Management and Administration) Amendment Rules, 2020, the Annual Return for FY 2022-23 in the prescribed format has been placed at the Company's website at www.ifbindustries.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year, your Company has invested an amount of Rs. 97 Crores (Rupees Ninety-Seven Crores Only) in the Equity shares of IFB Refrigeration Limited.

The particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as part of this report as **Annexure – E**.

The number of permanent employees on the role of the company as on 31 March 2023 is 2653.

The statement containing particulars of employees employed throughout the year and in receipt of remuneration of Rs.1.02 Crores or more per annum and employees employed for part of the year and in receipt of remuneration of Rs. 8.5 lacs or more per month, as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this report and is available on the website of the Company, at www.ifbindustries.com.

In terms of Section 136 of the Act, the said annexure is open for inspection and any member interested in obtaining a copy of the same may write to the Company to email Id investors@ifbglobal.com.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In conformance to the requirements of the clause (f) of sub-regulation (2) of regulation 34 of Securities and Exchange Board of India (SEBI) Listing Regulations, the Business Responsibility and Sustainability Report for Financial Year 2022-2023 is appended as **Annexure – F** which forms part of this Report.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors of IFB Industries Limited at its meeting held on May 29, 2018 has adopted this Dividend Distribution Policy (the "Policy") as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") is available at our website www.ifbindustries.com

DEPOSITS

During the year under review, your company has not accepted any deposit from the public / members u/s 73 of the

Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules during the year. There is no deposit outstanding as on date.

SHARE CAPITAL

During the year under review, no new shares were issued by the Company, therefore there was no change in the Issued and Paid-Up Share Capital of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There has been no significant and material orders passed by the Regulators/ Courts/ Tribunals which would impact the going concerns status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There has been no material changes and commitments that have occurred after the closure of the year till the date of this Report, which affect the financial position of the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

As per the requirement of Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has in place a Policy for Prevention of Sexual Harassment of Women at Work Place and constituted Internal Complaints Committees. No compliant has been raised during the year ended 31 March, 2023.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Board of Directors of the Company already formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is monitoring and reviewing the risk management plan and ensuring its effectiveness.

Risk management is the process of minimizing or mitigating the risk. It starts with the identification and evaluation of risk followed by optimal use of resources to monitor and minimize the same. The company is exposed to several risks. They can be categorized as operational risk and strategic risk. The company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate those risks.

Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with unique/ relatively high-risk profiles.

An independent Internal Audit function carries out risk focused audits across all business, enabling identification of areas where risk management processes may need to be strengthened. The Audit committee of the board reviews internal audit findings on risk and provides strategic guidance on internal controls.

FAMILARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

To familiarize the Independent Directors with the strategy, operations and functions of our company, the executive directors/ senior managerial employees make presentation to the Independent Directors about the company's strategy, operations, product and service offerings, markets, finance, quality etc. Independent Directors are also visiting factories and branch offices to familarise themselves with the operations of the company and to offer their specialized knowledge for improvement of the performance of the company.

Further, at the time of appointment of an Independent director, the company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities as a director. The format of the letter of appointment is available at our website www.ifbindustries.com.

INSOLVENCY AND BANKRUPTCY CODE

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from banks on financial institutions along with the reason thereof, is not applicable.

SUBSIDIARY / ASSOCIATE COMPANIES

IFB Industries Limited, has one wholly owned subsidiary company Global Automotive & Appliances Pte Ltd. (GAAL), one step down subsidiary Thai Automotive and Appliances Ltd. (TAAL) and one Associate company IFB Refrigeration Limited.

Wholly Owned Subsidiary Global Automotive & Appliances Pte Ltd. (GAAL) and step-down subsidiary Thai Automotive and Appliances Ltd. (TAAL)

IFB Industries Ltd. acquired 100 % equity shares of GAAL during July 2017. GAAL holds 100% equity holding in TAAL. GAAL is engaged in trading of Electronics Parts and semiconductors and other commodities. TAAL is engaged in the business of Fine Blanking and Conventional Blanking and its acquisition helps IFB to consolidate its position in similar type of business in Thailand.

GAAL

During the year under review, GAAL has achieved a revenue of US$ 5.41.Million which is a 10.5% growth as compared to 4.90 Million US $ achieved during 2021-22. During the year the company made a PBT of 1.98 % as compared to 8.05% achieved during 2021-22.

TAAL

During the year under review, TAAL has achieved turnover of 213.14 million THB, which is a 17.2% growth as compared to 181.86 million THB achieved during 2021-22. During the year the company suffered a loss of 2.19 million THB at PBT level as compared to PBT of 0.13 million THB achieved during 2021-22.

IFB Refrigeration Limited

During the year under review, your Company has invested an amount of Rs. 97 crores (Rupees Ninety-Seven Crores Only) in Equity shares of IFB Refrigeration Limited, a promoter group company. Your Company's shareholding in IFB Refrigeration Limited as on 31.03.2023 comes to 44.44%.

Consolidated financial statements of the company and its Subsidiaries and Associate have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, the report on the performance and financial position of the Subsidiaries and Associate companies in the prescribed form AOC-1 is appended as **Annexure – G** which forms part of this report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the Consolidated financial statements and related information of the company and financial statement of the subsidiary companies will be available on our website www.ifbindustries.com. These documents will also be available for inspection during business hours at the corporate office of company.

ACKNOWLEDGEMENT:

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Customers and Shareholders for their continued support.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all level.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27th May 2023

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

a) Structure and Developments, Opportunities and Threats, Performance, outlook, Risks and Concerns:

Ministry of Finance Economic Survey projects India to witness GDP growth of 6.0 percent to 6.8 percent in 2023-24, depending on the trajectory of economic and political developments globally. The optimistic growth forecasts stem from a number of positives like the rebound of private consumption given a boost to production activity, higher Capital Expenditure (Capex).

Dwelling on the Outlook for 2023-24, the Survey says, India's recovery from the pandemic was relatively quick and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. Aided by healthy financials, incipient signs of new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially. Budgeted capital expenditure rose 2.7 times in last seven years from FY16 to FY23. Structural reforms such as the introduction of the Goods and Services tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance. While commodity prices have retreated from record highs, they are still above pre-conflict levels. Entrenched inflation may prolong the tightening cycle and therefore borrowing costs may stay 'higher for longer'.

India's auto component industry is an important sector driving macroeconomic growth and employment. The industry comprises players of all sizes, from large corporations to micro entities, spread across clusters throughout the country. The auto components industry accounted for 2.3% of India's GDP and provided direct employment to 1.5 million people. By 2026, the automobile component sector will contribute 5-7 % of India's GDP. India's auto component industry's market share has significantly expanded, led by increasing demand for automobiles by growing middle class and exports globally. Due to the remarkable growth in demand for Indian auto components, several Indian and International players have entered the industry. India's auto component industry is broadly classified into organized and unorganized sectors. While the unorganized sector consists of low-valued items and mostly serves the aftermarket category, the organized sector serves OEMs and includes high-value precision instruments.

Even as e-2W have accounted for approximately 85-90 percent of the total EV sales aided by subsidies offered by the Government, electric vehicle penetration across segments is increasing at a rapid rate. The mandate to have a minimum of 50% local parts in order to avail Government subsidies is starting to impact e-2W sales.

Engineering Division

Business environment since Q3 FY 2022-23 improved due to decrease in commodity prices, availability of semiconductors etc. The domestic automotive industry is expected to grow at high single digit level in 2023-24. The demand for P.V segment is expected to grow at 6-9 per cent, C.V by 7-10 per cent, two-wheelers by 6-9 percent and tractors by 4-6 per cent in FY 24.

The domestic automotive industry has seen a healthy revival in FY 2023, aided by a recovery in economic activities and increased mobility. The demand sentiments for a majority of the automotive segments will remain healthy aiding in improved offtake for the industry participants. However, the two-wheeler industry continues to struggle with industry volumes still below the pre-covid peak levels.

As far as 4W demand is concerned, all OEMs have gone for higher numbers. The 4W demand is expected to continue at the same scale in the current year also due to high waiting period. As far as 2W demand is concerned, it is being muted due to OBD1 and OBD2 requirement. Vehicle scrapping policy will lead to an increase in demand for 4W. CV demand is expected to improve going forward as investment in infrastructure increases. It is expected to have a significant increase in demand which should hover around a double-digit growth in current fiscal. The demand for EV vehicles is seen mainly in the two wheeler segment. The Company will focus on this segment as more localization will take place. However, Global indications are not favorable – the western world is undergoing a recession. India may move out of the crisis due to a positive market demand.

The Engineering business put in place a strategy to deal with the changing demands of the domestic market and ensured that it developed business from new segments viz. Railways, E.V etc. Products were also targeted for the emerging Electrical vehicle space. The plants adopted TPM to ensure that the journey of operational excellence was taken forward. The stamping business was well integrated into the existing business with a lot of common customers with the fine blanking business and would grow further. Marketing needs to do much more to ensure that the capacity is utilized for Stamping and Fine Blanking. Once the Stamping turnover per month reaches Rs. 7 Crore plus, we will achieve 17% PBDIT and the capacity will be fully utilized. In FY 2022-23, based on enhanced marketing efforts and improvements in the general business environment, the Division has improved its revenue and margin. The Engineering business grew by 22.22% over the previous year, despite enhanced material cost during 1st half of the last fiscal, the PBDIT grew by 52.4% over the previous year.

The issues that Engineering Division is successfully addressing include

1. Strong pricing pressure from customers & competitors.
2. Consistent increase in power cost.
3. Rapid increase in minimum wages.
4. High cost for new machinery & technology.
5. Timely raw material availability and pricing.
6. Fluctuations in demand forecasting by the automobile sector has created pressure in meeting inventory, debtors.
7. Supply chain disruptions.
8. Regulatory Risk.
9. Attrition of employees.

For engineering business to grow significantly the right acquisition need to be looked at. We looked at- we did look out few in last two fiscal years. However, couldn't strike due to higher price wanted by sellers. However, the division is looking for more opportunities.

Consumer Durable Industry

The increasing demand for premium appliances is one of the primary factors that will fuel the growth of the home appliances market in India during the next few years. The growing importance of home appliances is encouraging the demand for unique and premium consumer electronics. Premium appliances are equipped with smart features that match the status of upper-class households. With the increasing number of high-net-worth individuals, the demand for home appliances is growing in the developing economics and fueling the market growth. To provide increased convenience, manufacturers are integrating smart features that will influence the consumers to take buying decisions. These smart products reduce manual labor and can be controlled and operated through smartphones. Smart devices are being integrated with the IoT technology that integrates digital and wireless technology and will enable consumers to connect their household appliances using their smartphones and the internet and conveniently operate, monitor them from any location. The compliance costs will be a major challenge for home appliances product. The home appliances market has been witnessing an increase in cost due to evolving nature of compliances prescribed by Government in recent years.

The consumer durables sector in India is expected to see its revenue grow 15-18% to Rs. 1 trillion this financial year, led by a 10-13% increase in volumes, according to report of a rating agency. Demand will be driven by both urban and rural segments, though rural demand will come into play in the second half of the financial year.

The under-penetrated air conditioners (AC) segment will be one of the key growth driver for the industry. Demand for ACs and refrigerators is being driven by changing weather patterns. While consumers are opting for higher-capacity refrigerators and washing machines (mainly fully automatic), compact ACs are preferred keeping in mind smaller apartments in urban area.

India's liberal and investor-friendly Foreign Direct Investment (FDI) policy is a significant driver of the growth of the consumer durable goods market. In today's new normal age, this industry is expected to grow due to increase digital influence, leading to improved product awareness and a rise in demand from the tier-II and tier-III cities.

The announced Production Linked Incentive (PLI) scheme for white goods, with an assured investment of Rs 4,614 Crores, is an excellent opportunity for manufacturers to ramp up their production, reduce import dependency and make products more affordable.

With increased consumer awareness about technological advancements and their applications across sectors, artificial intelligence and automation in production will be vital upcoming trends. Industry will also drive investments in R&D, technological infrastructure, and processes to improve production efficiencies.

Home Appliance Division

The Appliance Division has ended the year with a growth of 21.9% in revenue terms and PBDIT margins enhanced by 231 times as compared to 2021-22. However, the margin is not comparable with the Budget as we have lost margins on account of higher material costs. Lower margin is also on account of missing the targeted number in volume sales, especially in A.C sales. Supply chain pressure on commodity pricing for a large part of the year were a contributor to the lower margin structure. During the year, the Indian rupee remained under pressure. The company has initiated action to reduce material cost and control fixed overhead by reduction of avoidable man power, automation etc.

Our focus for last couple of years remains on the key agenda of localization for some of high-cost imports. This is a key de-risking mechanism against future currency depreciation impacts on our business. Our focus on localizing manufacturing within India has resulted in a new generation of electronic controllers for models being manufactured in India. The work has resulted in a significant portion of electronic controller imports being substituted by localized production. The expected customer demand, combined with the launch of new models and plans to reduce material costs, provide a moderate outlook for the division.

The Appliance Division delivers a well differentiated range of products in both the domestic and industrial categories. The products include domestic washing machines, industrial washing systems (including dry cleaning and other finishing equipment like ironers etc.), microwave ovens, domestic and industrial dishwashers, clothes dryers, modular kitchens, kitchen appliances (hobs, chimneys and built-in ovens), air conditioners and also a range of service products. In the Washer category, the Company has a complete product pipeline with market leading features in the Front and Top Load models across the entire product line-up. The Front Loads models with Steam features across the entire range and the Top Load models with in-built heaters and steam function have good positions in the market. With the introduction of the new range in the 11kg commercial segment, from the industrial laundry division, the Division now features a complete commercial laundry solution range. We are aware that revenue and margins have not been good over the last two fiscal years. This has been a result of the high commodity and part pricing, and also, on account of our not getting the revenues in line with our network and product basket. We have restructured sales geographies and sales manning to deliver the results needed. Our task is to significantly grow FL, TL and AC sales specifically. And also, to continue to grow in products like MWOs, DWs and CDs. In Kitchen Appliances, our target is to have substantial growth in sales per month and we are driving placements in the distribution network. We have also initiated a cost reduction production to reduce our fixed overheads – and this task will be completed before the end of Q3 FY 23 - 24.

Government Initiatives

The production linked incentive scheme (PLI) scheme for white goods is outlined to build an end-to-end component ecosystem for ACs in order to make India a hub of the global supply chain. The scheme will extend benefits of 4-6 % on incremental sales for five years subsequent to base year. According to market experts, providing incentives for the manufacturing of components is the right move by government given the huge response from Indian firms to manufacture three main air-conditioning components- compressors, copper-tubing and aluminum fins. At present, India has a market of roughly 7.5 million AC units, of which 6 million are assembled with domestic value addition making up for just one-fourth of the units. The PLI scheme has the potential of not only boosting domestic production but also lowering the dependence of imports. The AC units of Home Appliance Division have already initiated the process to avail incentive under PLI scheme.

Modified Special Incentive Package Scheme (MSIPS)

The Government has approved special incentive package to promote large-scale manufacturing in the Electronic system Design and Manufacturing (ESDM) sector. The scheme is called the Modified Special Incentive Package Scheme (MSIPS). Under MSIPS, the Government will provide subsidy of 20 % on capital investments in special economic zone (SEZs) and 25% on capital investments in non-SEZs for individual companies. It also provides for reimbursement of CVD/ excise for capital equipment for the non-SEZ units. The incentives are available for investments made in projects within a period of 10 years from the date of approval. The company is availing incentive under MSIPS for its washer plant in Goa and has received Rs 23.33 Crores up to 2022-23.

The updates on the products and the relative market position of our future plans are as given.

Washing Category

Front Load Washing Machines

This Division has a complete range of products which addresses a variety of customer needs and is well differentiated in the market based on features, aesthetics and performance. The sales trend of higher capacity product continues and the increased awareness about features like steam in washers and the introduction of the Washer Dryer Refreshers has helped to improve demand in the market. The Company has taken following steps to enhance market share:

In the product front the new steam enabled range has been incorporated. In addition, a new range of washers with inverter motor technology / WiFi is in development and is planned for roll out in phases between Q2 and Q3 of 2023-24. We are also working on IOA/AI introductions which were rolled out from March 2023.

Focus to increase the market share is on the sales process front. This relates to product availability and placements which are being driven through channel expansion, adequate manning and a drive on extraction from the distribution network, as well as increase in revenue shares from the large key accounts. We have introduced Front Load Washing Machine in the 9 and 10 Kg segments. This range is at -200 K/p.a. across India in volume terms at present. We aim to gain high shares in this segment and have started placing new models in the market. We entered this segment late. Sale is low. We shall have to ramp up.

Washer Dryer Refreshers

This product is a unique global platform and India's first 3-in-1 product offering which has washing, drying and refreshing, all in one. It has the capacity to wash 8.5 Kg, dry 6.5 Kg and refresh 2.5 Kg of laundry. The product has been placed in 1700 counters and is selling an average of 1000 units per month already. The placement will be increased to 2,500 counters.

We entered this segment late. We need to ramp up.

Top Load Washing Machines

Our models with in-built heaters and steam enabled washing programs have been well received in the market. There is an increasing demand for models of higher capacities, which has been a consistent trend in the last two years. The key focus here is on expansion of placements and making the models more available to customers. We introduced 12 Kg washers in this category in Q3 of 2022-23.

Clothes Dryers

We are in the process of customizing this category by introducing colour themes in Red, yellow and Mocha. These models were rolled out in the Q1 2023-24. We have plans to upgrade this category with Heat Pump technology by the end of 2023-24 which will be ready for market introduction by the early part of next fiscal.

Industrial Segments - Laundry and Dishwashing Equipment

Our customers are from verticals like hotels, educational institutions, medical institutions, Defence, pharmaceuticals, railways etc. In the Laundry category, we bagged orders from Bharat Biotech. In healthcare segment, we received orders from Saifee University (Mumbai) and Velammal Hospitals (Tamil Nadu) etc. In the Commercial Dishwasher segment, we continue to enjoy the position of market leader by continuously bagging large project orders including GRT Jewellery (largest Jewellery seller in South India) ordered for 50 no's IDW, Qualcomm, Capgemini etc. The Company continues to enjoy dominant market share across all customer segments. Our focus is now to work on our new product line up like stackable Washers and Dryers in the entry level segment, new technologies like wet cleaning enabled washers, 3-in-1 Washers in the 11 Kg segment etc. We participated in Aahar 2023 – the largest hospitality event related to our industry held in New Delhi in March 2023. Our order book position significantly improved.

Microwave Ovens

Your Company continues to be in the top three dominant players in this category. 28 litre Advance looking device with advance cooking technology has been launched in last fiscal year and has received good response. This product delivers the best-in-class cooking functions with 40% faster Grilling, Roasting and Baking functions. The 23 litre convection model has been upgraded with oil-free cooking recipes and has been well received.

Built-in Ovens, Built-in Dishwashers, Built-in Microwaves, Chimneys and Hobs

The kitchen appliances built-in segment has recorded a growth of 40 % plus in last fiscal year. The focus continues to be on placement of these products – with a proper display unit in counters. We are now placed in- 750 MBO counters, in addition to 520 IFB Points. The Kitchen appliances category is a key segment for expansion and is also accretive to margins. Our target is to achieve a monthly sales value of Rs 5 Crore by Q1 2023-24.

Dishwashers

The domestic Dishwasher segment has seen a reduction in demand from previous year. Although the market demand has reduced, we are driving placements in the distribution network to a level of -4500 counters. Our Neptune VX1 plus model has become one of the highest selling SKUs. Our digitally led campaign is targeted at all potential customers wanting to purchase Dishwasher with attractive EMI offers. We also continue to have attractive exchange offers for our customers of 8 years and more. With the shift in market trends and consumers looking for higher capacities and technology features, we have developed the X2 series platform to be launched from May 2023.

Cooling category

Air conditioner

The new energy regulations have been effective from July 1, 2022. Our product line has also changed from July 2022 onwards. This includes products at new capacity points like 1.5T 4 Star and 1.6T 3 star. All our new range models are WiFi enabled.

The product range is well received in the market and differentiated and benchmarked to be the best in the industry. The new line up from July 2022 has given options for differentiated placements in the channels such as distribution, key accounts as well as smaller multi-brand/SSD channels. We need to focus on margins for which we have a material cost reduction program being delivered. The losses in this segment have been significant in FY 2021-22 and also in FY2022-23. Our action on material cost reduction and increased sales volume is the key target to make the segment profitable. A specific, geography by geography, plan has been put in place for marketing and selling ACs. We will invest in brand building with the aim to grow the segment to the target level of 300 K p.a. of domestic brand sales by end of the next fiscal. OEM sales are over and above this. One of the key focus areas for the AC segment is to grow the sales in the institutional / SSD verticals and we are putting a focused effort in building the team.

One of the key strengths for the Appliances Division is the service function and its reach to the customers. We have a total of 1200 service franchisees across India. Currently, we have 29 service training centers, which are fully equipped to impart training on all aspects of assembly, dismantling, installation and trouble-shooting of our products.

Sales of additives and accessories continue to be a key focus area and are expected to continue to contribute significantly, both to the topline and bottom line in the current year. IFB's 7 million plus customer base has a high potential for the company to generate revenues through the sale of additives and accessories. The company's own call center in Goa, Delhi and Bangalore which we call "service center" continues to be effective in issue resolution and customer feed-back / cross selling initiatives with a total manning of 250 people as on date. The service center at Goa and Delhi focus on out-bound calls to track and improve customer satisfaction and drive reduction in the number of pending customer issues through focused data tracking. In the Company's customer contact program, we continue to contact customers directly and then visit them. This is increasing customer satisfaction and is also enabling higher revenues from the customer visits.

Amongst the major issues, Appliance Division is addressing are:

1. Competition is increasing. Continued attempts to "buy" market share by under-cutting and offering large margins to channel. This is increasing competitive intensity and needs the company to carefully position its products and manage multiple channels effectively.
2. The impact of increased duties.

Your company continues, in answer to the above challenges, to be focused on differentiating itself through a value led product range planning. Local challenges are addressed as applicable and needed. Your company is confident of its ability to remain a dominant market share player across categories it is present in and will keep investing in building market networks and product development capability.

Motor Division

The Motor Division acquired Automotive Motor Division from IFB Automotive Pvt. Ltd and merged it with existing business, keeping in mind the operational synergy between the two divisions. After the new BLDC motor lines comes up, the division will be selling to others including competitors. The division's revenue did not grow as anticipated, due to depressed market conditions. Profitability was also greatly dented due to an increasing trend in commodity prices. In the Automotive Motor Division, many new projects that were supposed to be launched have been postponed and it is expected that the same will come in current financial year. We will also start supply of HVAC blower assemblies for a major OEM for their use in commercial trucks. This new order should help us to improve our revenue in current financial year. The division also plans to improve After Market sales by introducing new product lines and expanding sales channels.

The division has devised a strategy to work towards achieving energy conservation in the near future. In order to achieve this goal, all the appliance motors will be replaced by energy efficient BLDC motors, which will save energy and have relatively lower noise, higher reliability etc. The Appliance Motor Division is investing in production lines to manufacture next generation BLDC motors. The new lines will be capable of producing motors for use in Washers and Air Conditioners. Lines will have the capacity to produce one million motors each for use in Washing Machines and Air Conditioners.

The Washer Motor manufacturing line that was supposed to start in August 2022 was delayed due to shortage of semi-conductors and Covid-19 induced lockdown at foreign suppliers' end. The lines are presently under installation and expected to complete by June 23. Commercial production will be started by Sept / Oct 23 after completion of field trials. Air Conditioner motor manufacturing lines are under production and it is expected to be received by Aug 2023. The lines should be ready for commercial production from Dec 2023 onwards. Revenue from operation increased by 21 % and achieved a revenue from operation of Rs. 152.52 Crores High material cost affected the profitability of the division, and the division achieved a PBDIT of Rs. 7.31 Crores as against a loss of Rs 1.79 Crs suffered in 2021-22.

Steel Division

NCLT, Kolkata Bench vide its order dated January 27, 2022 has approved the Scheme of Amalgamation of Trishan Metals Pvt. Ltd, Erstwhile wholly owned subsidiary with IFB Industries Ltd with appointed date April 1, 2021. This division supplies materials to the Engineering division and has been very helpful in terms of getting steel at the right quality, price and at right time.

Steel Division achieved a revenue of Rs. 142.63 Crores and earned a gain of Rs. 2.97 Crores at PBDIT level.

POST ACQUISITION PROGRESS

RAMSON TAKEOVER

Your Company acquired Industrial laundry manufacturing business from Ramson Group in October 2018. The COVID -19, Pandemic had a significant impact on our business during FY 20-21 and FY 21-22. Your Company started inhouse manufacturing of Dryers up to a capacity of 30 Kg. The division have successfully completed the development of machines in the 11 Kg new Xeros Technology segment.

The order in pipeline for Laundry Equipment has shown significant improvement over the past three months reaching an average of Rs. 8 Crores per month. This positive trend has already started reflecting in Division's Profit & Loss statement. In Q4 of FY 22-23 the monthly turnover has exceeded Rs. 7 Crores, surpassing the previous average of Rs. 5 Crores until December 22.

With the average turnover of Rs. 6.40 Crores per month, the Division achieved PBDIT percentage of 9.34 %.

STAMPING DIVISION TAKEOVER

In October 2019, the Company acquired the Stamping Division from IFB Automotive Pvt. Ltd. This strategic move aims to position the Engineering Division as a comprehensive solution provider for the Automobile Components business. Stamping Division has recorded sale of Rs. 70.14 Crores for FY 2022-23 and PBDIT was recorded 14.50 %.

STEEL DIVISION

51% of equity of Trishan Metals Pvt. Ltd. was acquired by the Company in the Month of July 2016. Remaining 49 % was acquired in October 2020. Finally, it was amalgamated with IFB Industries Limited, with effect from April 1, 2021 as per order of Hon'ble NCLT.

Turnaround Strategy implemented :

1. Capex undertaken to increase volume and upgradation planned to enhance mill capacity and improve quality.
2. Improvement in value addition through better product mix.
3. An aggressive marketing strategy to attract new customers, aiming for a significant increase in our customer base. Additionally, orders placed will utilize more than 90 % of our mill's capacity.
4. Close monitoring of cost and reducing scrap generation in the mill.

In FY 21-22, the Division achieved a PBDIT of Rs. 1.60 Crores and a cash profit of Rs. 0.62 Crore. Building on its success, the Division improved performance with a PBDIT of Rs 2.97 Crores and a cash profit of Rs. 2.16 Crores in the Financial Year 2022-23.

AUTOMOTIVE MOTOR DIVISION TAKEOVER

Your Company acquired the Automotive Motor Division of IFB Automotive Pvt. Ltd. in October 2019 to create business synergy with its Motor business, leading to significant cost savings and increased scale. After the acquisition, the Company implemented significant cost-savings measures, including reducing fixed costs and renegotiating commodity prices. In the current fiscal year, the Motor division achieved a revenue of Rs. 70.97 Crores with an EBIDTA of 4.4%.

Once we start manufacturing BLDC motors, we anticipate improved capacity utilization, increased sales and higher margin in this vertical.

b) Internal Control Systems and their Adequacy :

Your Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

(i) Corporate policies for Financial Reporting and Accounting.

(ii) A Management information system updated from time to time as may be required.

(iii) Annual Budgets and Long-Term Business Plans.

(iv) Internal Audit System.

(v) Periodical review of opportunities and risk factors depending on the Global / Domestic

Scenario and to undertake measures as may be necessary.

(vi) Application of Internal Financial Control - Your company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested at during the year and no reportable material weakness in the design or operations was observed. Moreover, regular review of the processes ensure that such systems are reinforced on an ongoing basis.

Over and above Company's in house Internal Audit team, the Company has appointed E&Y and Maheswari Associates, Chartered Accountants to ensure compliance and effectiveness of the Internal Control Systems .

The Audit Committee regularly reviews the Internal Audit Reports for the auditing carried out in all the key areas of the operations. Additionally, the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance.

c) Financial and Operational Performance :

The Highlights of Financial Operational Performance are given below :

(Rs. In Crores)

Sl. No.	Particulars	Standalone		Consolidated	
		2022-23	2021-22	**2022-23**	2021-22
1	Revenue from operations	**4104.05**	3339.00	**4194.99**	3415.38
2	Other Income	**22.20**	18.14	**22.75**	18.09
3	Sub-total	**4126.25**	3357.14	**4217.74**	3433.47
4	Total Expenditure (Before interest and depreciation)	**3943.26**	3288.95	**4032.21**	3359.92
5	PBDIT	**182.99**	68.19	**183.12**	73.55
6	PBDIT %	**4.43%**	2.03%	**4.34%**	2.14%
7	Profit/ (Loss) after Tax	**17.24**	(51.12)	**14.94**	(48.16)

d) Human Resources Development and Industrial Relations :

IFB is a knowledge-driven organization and its greatest asset is the experience and skill of its employees. Recognizing that the workforce will provide critical competitive edge in its growth endeavor, IFB has laid major emphasis on recruiting, maintaining and developing its human asset base. It offers a wide range of career development programmes including on the job training and job rotation amongst others. A highly evolved Human Resource Policy has ensured a minimal rate of attrition amongst executives.

IFB's welfare activities for employees include Medical Care, Group Insurance, NPS etc.

e) Key Financial Ratios :

Key Financial Ratios for the financial year ended 31 March 2023 is appended as **Annexure - H,** which forms part of this report.

f) Cautionary Statement :

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. The Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward-looking statements.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman & Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27th May 2023

ANNEXURE - A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
IFB Industries Ltd.
14 Taratolla Road
Kolkata – 700 088

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IFB Industries Ltd.** (hereinafter called the Company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023.

- Complied with the statutory provisions listed hereunder and
- proper Board-processes and compliance-mechanism in place

to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment ,Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) :-

a] The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b] The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c] The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the company during the audit period);

d] Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the company during the audit period);

e] The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the company during the audit period);

f] The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g] The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the company during the audit period); and h] The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (Not applicable to the company during the audit period).

i] The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company namely :

a] The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;

b] The Water (Prevention & Control of Pollution)Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;

c] The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;

d] The Factories Act, 1948 and allied state laws.

We have also examined compliance with the applicable clauses of the following:

(i) The Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;

We report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. No changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the company has not undertaken any specific events / actions that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Patnaik & Patnaik**
Company Secretaries
Unique Code: P2017WB064500
Sd/-
S. K. Patnaik
Partner
FCS No.: 5699, C.P. No.: 7117
Peer Review Cert. No. 1688/2022
UDIN: F005699E000355521

Place : Kolkata
Date : 27th May 2023

*[Note: This Report is to be read with our letter of declaration which is annexed hereto as **"Annexure –A"** and forms an integral part of this Report.]*

Annexure - A

To
The Members
IFB Industries Ltd.
14 Taratolla Road
Kolkata – 700 088.

Our Report is to be read along with this letter.

(i) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(ii) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(iii) We have not verified the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

(iv) The status of compliance of other laws as listed at (vi) in our Report, we relied upon the statement provided by the Management.

(v) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

(vi) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.

(vii) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Patnaik & Patnaik**
Company Secretaries
Unique Code: P2017WB064500
Sd/-
S. K. Patnaik
Partner
FCS No.: 5699, C.P. No.: 7117
Peer Review Cert. No. 1688/2022
UDIN: F005699E000355521

Place : Kolkata
Date : 27th May 2023

ANNEXURE - B

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC.

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under section 134 of the companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A)	**Conservation of Energy :**	
	1. Steps taken or impact on conservation of energy.	Energy conservation continues to receive priority attention at all levels. All the factories have implemented measures to maintain the power factor in excess of 0.97 to reduce reactive power losses. High energy illumination has been replaced by lower power consuming illumination (E.g., LED lights) in the working area. We have started drive of putting variable frequency drive on rotating parts of machines. Such as blowers, pumps etc. That is through capital investments and could save a minimum of 10 % power and can be even up to 40% on case-to-case basis. Engineering Division had installed some press automation for component evacuation which will help in reduction of Air consumption and also will help in protecting the parts from dent and damages.
	2. The steps taken by the company for utilizing alternate sources of energy	The factories at Goa are now operating majorly with solar energy. All lighting in offices are covered by auto-shut off mode sensors – which only activate lighting when movements are traceable. As on date, nearly ~35 – 40% of demand is fed through solar energy. Areas like the paint shop have already been shifted to LPG led burners - diesel usage has been eliminated.
	3. The capital investment on energy conservation equipment.	Not significant, as work has been done over the years.
(B)	**Technology absorption :**	
	1. The efforts made towards technology absorption.	In its Home Appliance Division, the company continues to work with partners from countries like Korea, Italy, China etc. - to enhance knowledge and capability developments. In Motor Division we have purchased technology for BLDC Air condition motor. We have now built capability to design & develop world class drive controller solutions.
	2. The benefits derived like product improvement, cost reduction, product development or import substitution.	Localization of electronic controllers – this is a major import substitution agenda for the country – in line with the Government's Make in India program. The localization of electronic controllers (and the high-end inverter controllers included) for both washer and air conditioner business have been a significant Make / Design in India initiative by the company. Testing and validation of products like Internet of Things (IoT), wireless controls and app-based controls for appliances. Advance Sensors Internal design teams are working on technology upgrades, cost reduction and product improvement projects on an ongoing basis. IFB has introduced Smart washing machines and also Smart ACs in its manufacturing – these come with AI capabilities.

		Controllers developed by Motor division can be successfully deployed to drive in various applications like Air conditioners, Washing machines, Compressors, Industrial fans, Ceiling fans, Electric Vehicles, Engine Cooling modules, Battery management systems, etc.
	3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
	a. The details of technology imported	In Motor Division we have imported technology for BLDC Air condition motor. This technology should help us to provide world class quality motors to our customers who at present are relying on imports to cater to their motor needs. In Commercial Washers, Xeros Technology was imported for commercial washer extractors. New range of Washer Extractors incorporating this technology has been introduced in Commercial washer extractors in Bommasandra Unit and hence the carbon foot print has been reduced. The technology helps in reducing the use of water, chemicals and electricity substantialy and also helps in increasing the fabric life.
	b. The year of import	2022-23
	c. Whether the technology been fully absorbed	Technology fully absorbed.
	d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	Not Applicable
(C)	The expenditure incurred on Research and Development.	Data provided in the table below :
(D)	The foreign exchange earnings and Outgo	Data provided in the table below :

Expenditure on R&D **(Rs in Crores)**

Sl No	Particulars	2022-23	2021-22
A	Capital	**6.45**	3.94
B	Recurring	**39.95**	37.60
C	Total	**46.40**	41.54

(Rs in Crores)

Sl No	Particulars	2022-23	2021-22
A	Foreign exchange earnings	**16.78**	23.12
B	Foreign exchange outgo	**784.77**	844.25

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman & Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

ANNEXURE - C

CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company.

   The CSR Committee decided to spend amount towards promoting education, Skill development and Promoting Health programme during the year 2022-23.

   The activities undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and activities undertaken by the Company are available on www.ifbindustries.com

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sudip Banerjee	Chairman /Non Executive Director	1	1
2	Mr. Ashok Bhandari	Member / Independent Director	1	1
3	Mr. Prabir Chatterjee	Member / Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. –

   Composition of the CSR committee, CSR Policy etc. are available on the Company's website on www.ifbindustries.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable. There is no project undertaken or completed during the year for which the impact assessment report is applicable in FY 2022-23.

5. a. Average net profit of the company as per section 135(5) - Rs. 1681.67 lacs
   b. Two percent of average net profit of the company as per section 135(5) - Rs. 33.64 lacs
   c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil
   d. Amount required to be set off for the financial year, if any - Nil
   e. Total CSR obligation for the financial year (5b+5c–5d) - Rs. 33.64 lacs.

6. a. Amount spent on CSR projects : i) ongoing projects – Nil, ii) other than ongoing projects - Rs. 42.45 lacs.
   b. Amount spent in Administrative Overheads : NIL
   c. Amount spent on Impact Assessment, if applicable : Not Applicable
   d. Total amount spent for the Financial Year (6a+6b+6c) : Rs. 42.45 lacs.
   e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 42.45 lacs	NIL	NA	NA	NIL	NA

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (Rs. in lacs)
i.	Two percent of average net profit of the company as per section 135(5)	33.64
ii.	Total amount spent for the Financial Year	42.45
iii.	Excess amount spent for the financial year [(ii)-(i)]	8.81
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)+(iv)]	8.81

* The Company has incurred excess CSR expenditure over and above the stipulated amount by Rs. 0.33 lacs, Rs. 0.34 lacs and Rs. 8.81 lacs for the Financial Year 2020-2021, 2021-2022 and 2022-23 respectively, aggregating to Rs. 9.48 lacs which is available for set-off in the Financial Year 2023-2024.

7. Details of Unspent CSR amount for the preceding three financial years : N.A

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any				Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer		
1	NA	NIL	NA	NA	NIL	NA		NA

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year : N.A.

9. Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year : N.A.

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable.

For and on behalf of the Board of the CSR Committee

Sudip Banerjee
(DIN: 05245757)
Chairman

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman & Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

ANNEXURE - D

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2023.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

ANNEXURE - E

PARTICULARS OF EMPLOYEES

The information required pursuant to section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder.

1) The ratio of remuneration of each director to the median remuneration of the employees of the Company:

Name	Ratio of remuneration to Median remuneration of employee (including whole time directors)
Mr. Bijon Bhushan Nag	25.08
Mr. Bikramjit Nag	7.53
Mr. Rajshankar Ray	20.78
Mr. Amar Singh Negi	17.61
Mr. Harsh Vardhan Sachdev	12.62
Mr. Prabir Chatterjee	16.72

2) Percentage increase in remuneration of each director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary in the financial year 2022-23

Name	Designation	% increase/(decrease) in remuneration in the financial year
Mr. Bijon Bhushan Nag	Executive Chairman	(19.42)
Mr. Bikramjit Nag (#)	Joint Executive Chairman and Managing director	(26.73)
Mr. Rajshankar Ray	CEO, Home Appliances Division	(2.83)
Mr. Amar Singh Negi (^)	ED, Service Business Head	0.91
Mr. Prabir Chatterjee	Director and CFO	(5.14)
Mr. G Ray Chowdhury (^)	Company Secretary	20.06
Mr. Harsh Vardhan Sachdev*	CEO, Engineering Division	318.78

(#) Mr. Bikramjit Nag, Joint Executive Chairman and Managing director of the Company expressed his desire to reduce his salary by 50% w.e.f. 1 September, 2021 till future notice. The same was noted by Nomination & Remuneration Committee and by the Board of Directors.

Decrease in remuneration % is mainly due to availing arrear LTA, Leave Salary, Medical etc. during 2021-22.

(^) Increase in remuneration % is due to availing arrear LTA, Leave Salary, Medical etc. during 2022-23.

* Appointed w.e.f. from 01st January, 2022.

3) **Percentage decrease in the median remuneration of employees in the financial year 2022-23:**

The median remuneration of employees (including whole time directors) was Rs. 0.07 Crore and Rs. 0.08 Crore in financial year 2022-23 and 2021-22 respectively. The decrease in median remuneration was 6.77%.

4) The number of permanent employees on the rolls of the Company as on 31 March 2023 is 2653 nos.

5) Average percentage increase in salaries of employees other than managerial personnel in the last financial year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.

Average percentage increase in salaries of employees other than managerial personnel during 2022-23	6.16
The percentage increase in the Managerial Remuneration	1.87

6) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

Part B : The Statement of Disclosure Pursuant to Section 197 of Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) Names of Top ten employees in terms of remuneration drawn during the Financial year 2022-23

Name	**Mr. Seungki Bae**	**Mr. Hwan Myung**	**Mr. Jin Kim**	**Mr. Bijon Bhushan Nag**	**Mr. Amitabha Kumar Nag**
	(1)	(2)	(3)	(4)	(5)
Designation	Head-Design	Head-R&D	Head-R&D Drives	Chairman	Sr. President
Remuneration received (2022-23)	Rs. 336.78 lacs	Rs. 279.32 lacs	Rs. 191.71 lacs	Rs. 176.18 lacs	Rs. 167.63 lacs
Nature of employment	Permanent employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee
Qualification	Graduation	PHD Mechanical Engg	Poly techs Mold Major	Mechanical Engineer	ACA, M. Com
Experience	30 years	21 years	30 years	> 50 years	40 years
Date of joining the company	1 April 2015	12 Nov 2016	14 Nov 2016	9 Dec 1974	16 Dec 1982
Age of employee on 31.03.2023	58 years	53 years	60 years	81 years	67 years
Last employment held before joining the company	Don Design	L.G	Kum-Oh Engg.	–	Price Waterhouse & Co., Kolkata
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NIL	NIL	NIL	0.39	NIL
Whether the employee is a relative of any director	No	No	No	Yes	No

Name	**Mr. Raj Shankar Ray**	**Mr. JAE UK LEE**	**Mr. Sujan Kumar Ghosh Dastidar**	**Mr. Amar Singh Negi**	**Mr. Prabir Chatterjee**
	(6)	(7)	(8)	(9)	(10)
Designation	MD&CEO – HAD	Deputy General Manager	President	Executive. Director – Service Business Head	Executive Director & CFO
Remuneration received (2022-23)	Rs. 145.96 lacs	Rs. 128.70 lacs	Rs. 125.72 lacs	Rs. 123.71 lacs	Rs. 117.49 lacs
Nature of employment	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee
Qualification	B. Tech, Mechanical Engg, IIT Kharagpur	Bachelor of Design	M Sc, LLB	Four years Post diploma in Electrical Engg.	Cost Accountant, B.Sc (Hons.)
Experience	More than 30 years	17 years	More than 40 years	More than 40 years	More than 40 years
Date of joining the company	15-05-2006	01-04-2019	01-01-1988	04-11-2000	16-08-2000
Age of employee on 31.03.2023	54 years	43 years	72 years	63 years	68 years
Last employment held before joining the company	Eicher Motors	Daewoo/Winia-Design Center	–	Gravs Appliances Pvt. Ltd.	Dunlop India Ltd.
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	0.022	–	–	0.049	0.046
Whether the employee is a relative of any director	No	No	No	No	No

• Remuneration includes LTA, Medical, Leave Salary etc. as drawn by the above employees during the FY 2022-23.

(B) Names of other employees employed throughout the financial year and was in receipt of remuneration during the Financial year 2022-23 which in the aggregate was not less than Rs. 102 lacs: Nil

Name	**Mr. Goutam Ray Chowdhury**	**Collegal Srinivasan Govindaraj**	**Mr. Sunil Chopra**	**Mr. Ranjan Mohan**	**Mr. Gautam Dasgupta**	**Mr. Narayana Panth**
	(1)	(2)	(3)	(4)	(5)	(6)
Designation	Company Secretary	CEO, Industrial Business & Projects	Business Head	Business Head - Cooking products	Mentor	Head of R&D, A.C. plant
Remuneration received (2022-23)	Rs. 112.44 lacs	Rs. 106.47 lacs	Rs. 105.12 lacs	Rs. 102.96 lacs	Rs. 102.27 lacs	Rs. 102.01 lacs
Nature of employment	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee	Permanent Employee
Qualification	CS, Cost Accountant	BE (Mechanical)	BE (Mechanical)	B.E. Mechanical Engineer	B. Com (Hons.)	M.E. (Mechanical Design)
Experience	43 years	37 years	20 years	31 years	More than 50 years	32 years
Date of joining the company	15-09-1994	02-07-2018	01-04-2022	15-03-2008	01-02-2020	01-09-2014
Age of employee on 31.03.2023	68 years	58 years	42 years	55 years	77 years	58 years
Last employment held before joining the company	Flakt India Limited	LG Electronics	Haier	EICHER MOTORS	IFB Appliances Ltd	BLUE STAR Ltd.
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	0.0450	–	–	–	0.042	–
Whether the employee is a relative of any director	No	No	No	No	No	No

• Remuneration includes LTA, Medical, Leave Salary etc. as drawn by the above employees during the FY 2022-23.

(C) Other employees employed for a part of the financial year and was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8.5 lacs per month:

Name	**Dong Shin**	**Sukhdev Nag**
Designation	General Manager	Sr. Vice-President
Monthly Remuneration received (2022-23)	11.47 lacs	14.68 lacs
Nature of employment	Permanent	Permanent
Qualification	MSC (Mechanical Systems Major)	Bachelor of Arts, Calcutta University
Experience	28 years	42 years
Date of joining the company	25-11-2016	10-04-1990
Age of employee on 31.03.2023	61 years	62 years
Last employment held before joining the company	Institute of Press Die Techn of Dong Gu	ABN Food and Beverages Pvt. Ltd
Percentage of equity shares held by the employee within the meaning of clause (iii) of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	–	–
Whether the employee is a relative of any director	No	No

(D) Other employees employed throughout the financial year and was in receipt of remuneration which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the company: Nil

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

ANNEXURE - F

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR) FY 2022-23

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity:	L51109WB1974PLC029637
2. Name of the Listed Entity	IFB Industries Ltd
3. Year of incorporation:	1974
4. Registered office address:	14, Taratolla Road Kolkata - 700 088, India Tel : (091) (33) 3048 9299 Fax : (091) (33) 3048 9230
5. Corporate address:	Plot No. IND-5, Sector – I East Kolkata Township Kolkata - 700 107 Tel : (091) (33) 3984 9524 Fax : (091) (33) 2442 1003
6. E-mail:	investors@ifbglobal.com
7. Telephone:	(091) (33) 3984 9524
8. Website:	www.ifbindustries.com
9. Financial year for which reporting is being done:	2022-23 (April 1, 2022 to March 31, 2023)
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and Calcutta Stock Exchange
11. Paid-up Capital	40.52 (in INR Cr) as on 31st March 2023
12. Name and Contact Details of the person who may be contacted in case of any queries on the BRSR report	Mr. Raj Shankar Ray (DIN Number 03498696) Designation: MD and CEO - Home Appliance Division Telephone No :- 0832 3044800 email ID: rajshankar_ray@ifbglobal.com Mr. Harsh Vardhan Sachdev (DIN Number 06385288) Designation: MD and CEO - Engineering Division Telephone No :- 033 3048 9299 email ID: harsh_s@ifbglobal.com
13. Reporting boundary: Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover) :

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Home Appliance products	The Division is engaged in the business of manufacturing and marketing of Home Appliances Products.	79.2%
2	Engineering products	The division is engaged in manufacturing of diverse parts, accessories for motor vehicles, fine blanked components, stamping components etc.	17.1%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover) :

Sr. No.	Product/Services	NIC Code	% of Turnover Contributed by the Product
1	Home appliances products viz., Washing Machines (Domestic and Industrial), Air Conditioners, Dryers, Microwave Owens, Dishwashers etc and AMC Services	2750	79.2%
2	Engineering products viz., fine blanked components, stamping components and other diverse parts and accessories for Motor Vehicles etc	2930	17.1%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Locations	No. of Plants	No. of Operations	No. of Offices	Total
National	The Company's business and operations are spread across the country. Details of Plant locations are provided in the section, 'General Shareholder Information' in the Corporate Governance Report.			
International	NIL.			

17. Markets served by the entity:

a. Number of locations

Locations	Nos.
National (States)	PAN India
International (Countries)	10

b. What is the contribution of exports as a percentage of the total turnover of the entity? Contribution of Exports to Revenue is 0.43 %

c. A brief on types of customers

Home Appliance Business

IFB Industries Ltd is a leading manufacturer of home appliances and industrial solutions in India. Our customers come from diverse backgrounds and industries, and we are committed to meeting their needs through innovative and high-quality products and services.

Our Customers includes end consumers, government bodies & department like CPC, INCS, CSD, dealers, distributors, brand stores, e-commerce, LFR, Institutions, hospitals, hospitality industries and other private companies.

Engineering Business

We supply auto components to different car manufacturing companies which inter alia includes Maruti, Honda, Toyota, Tata Motor, Hero Motor Corps etc. Customers like Lucas TVS, Magna, TM Seating, Hero Motor cycle Division added in the list.

IV. Employees

18. Details as at the end of Financial Year : 31.03.2023

a. Employees and workers (including differently abled) :

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (B)	% (B/A)
Employees						
1.	Permanent (D)	2104	1941	92.25%	163	7.7%
2.	Other than Permanent (E)	187	150	80.21%	37	19.79%
3.	**Total Employees (D+E)**	**2291**	**2091**	**91.27%**	**200**	**8.73%**
Workers						
4.	Permanent (F)	549	462	84.15%	87	15.85%
5.	Other than Permanent (G)	2258	2041	90.39%	217	9.61%
6.	**Total Workers (F+G)**	**2807**	**2503**	**89.17%**	**304**	**10.83%**

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	–	–	–	–	–
2.	Other than Permanent (E)	–	–	–	–	–
3.	**Total differently abled employees(D + E)**	–	–	–	–	–
Differently abled workers						
4.	Permanent (F)	3	3	100%	–	–
5.	Other than Permanent (G)	–	–	–	–	–
6.	**Total differently abled workers (F + G))**	**3**	**3**	**100%**	–	–

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (in Nos.)	14	1	7%
Key Management Personnel (in Nos.)	7	–	–

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.35%	26%	23.55%	15.69%	18%	15.9%	13.77%	15.48%	13.92%
Permanent Workers	19.41%	10.23%	18.06%	2.633%	0.94%	2.33%	3.97%	4.35%	4%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility Initiatives of the listed entity? (Yes/No)
1	Global Automotive & Appliances Pte Ltd.	Subsidiary	100%	No
2	Thai Automotive & Appliances Limited	Subsidiary	100%	No
3	IFB Refrigeration Limited	Associate	44.44%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes

(ii) Turnover (in Rs.) : 4126.25 Crs

(iii) Net worth (in Rs.) : 545.48 Crs

VII. Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct ("NGRBC") :

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *(If Yes, then provide web-link for grievance redress policy)*	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	–	–	–	–	–	–
Investors (other than shareholders)	Yes	–	–	–	–	–	–
Shareholders	Yes, a designated official for grievances redressal	7	–	–	7	–	–
Employees and workers	Yes, Internal Mechanism is in place	–	–	–	–	–	–

Customers	Yes, through toll free number, email, social sites	2552397	4091	Mostly related to service call for installation of product, training, AMC etc recieved at toll free number on ongoing basis. The pending calls were resolved within 72 hours	2025957	5665	Mostly related to service call for installation of product, training, AMC etc recieved at the toll free number on ongoing basis. The pending calls were resolved within 72 hours
Value Chain Partners	Yes	–	–	–	–	–	–

24. Overview of the entity's material responsible business conduct issues –

Our Sustainability initiative focuses on our most significant sustainability issues and opportunities. These are defined by our ongoing materiality assessment, which identifies and prioritizes issues based on two criteria: the impact or likely impact on the achievement of Company's Strategic Objectives; and the impact or potential impact on Company's stakeholders and their interests.

Our materiality assessment is based on our risk management processes, which not only consider immediate risks, but also longer-term emerging macro trends such as the accelerating growth in demand for renewable energies and policy changes impacting the cost of CO2 emissions, all of which could profoundly affect our markets.

Indicated below are the material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for Identifying the Risk / Opportunity	In-case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity (Indicate Positive or Negative Implications)
1	Climate change, global warming and climate action	Risk if no action taken / Opportunity for the company to take a lead on action	Climate action represents a core focus area among industry players, not only as a means to address the climate crisis but also establish the organization as a leader. Climate concerns have continued to increase as the effects of climate change become increasingly evident. Both physical and transition risks pose a threat to the Company's business operations and continuity. For example, extreme weather could potentially impact physical assets, stakeholders are demanding increased efforts towards reducing emissions and disclosing performance, and the overall transition to a low carbon economy requires substantial investment. However, there also exists a clear opportunity through climate action. This includes direct opportunities to mitigate climate risk, reduce GHG emissions, enable savings in electricity costs over the mid-term, etc.	Company has taken a number of steps to conserve energy, optimize alternate sources of energy, reduce emissions and report on progress. To further enhance our actions in this direction, the Company is exploring more renewable energy technologies. The company is also leading in developing / commercialing products which will reduce the environmental footprint (E.g., machines with Xeros technology / use of steam to reduce water consumption and plastic micro-fibre release etc.	Positive – as the company views this as an opportunity to lead action
2	Changes in consumer preferences and behaviour	Opportunity to differentiate	Across the globe, the concept of sustainable consumerism has gained momentum with more consumers choosing to support brands that generate positive impact. Factors such as climate change and Covid-19 are increasingly influencing customer sentiment and leading to demand shifts.	Company has invested in developing products that work to reduce environmental impact for examples washers that save water, and energy appliances. The manufacturing process followed also has certain controls on environment friendly processes and effluent discharge control. The Company is at initial phase on conducting Life Cycle Assessments (LCA) to effectively quantify impact and identify potential risks from existing or future products.	Positive – an opportunity for the company to lead and differentiate itself

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for Identifying the Risk / Opportunity	In-case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity (Indicate Positive or Negative Implications)
3	Health and safety	Risk	In the normal course of business, human resources including associates, subcontractors and channel partners are all exposed to inherent EHS risks. The Company has a safety oriented culture and it makes every effort to ensure safe and motivating work environment .	At the Company, permanent employees and contractual employees are provided with safety and skill upgradation training, thereby building the skillset to mitigate and effectively respond to various safety-related risk. Plants are certified with ISO 45001:2018 standard and established safety committee is in place which includes unit heads and departmental heads.	Negative
4	Water scarcity	Opportunity	Like climate change, water scarcity is becoming a common concern in areas around the world. Companies are facing a range of water-related risks such as lack of resources, degradation of water quality and and continued increase indemand of water consumption.	To minimize exposure to this risk, the Company has focused on practicing greater responsibility with respect to water consumption. This includes measures to reduce water consumption in production operations by installing water recycling plants. Further the company is working on new technologies to develop products that will require less water during the consumer-use phase.	Positive

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for Identifying the Risk / Opportunity	In-case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity (Indicate Positive or Negative Implications)
5	Digitization, technological advancement, Product innovation	Opportunity	The growth of digital technology has presented numerous opportunities for organizations in the consumer electronics segment. Industry players are strategically integrating tech solutions into diverse areas of the business, leading to higher demand and revenue, increased customer satisfaction, and greater operational efficiency. At the company, tech absorption has already generated results in terms of product improvements, cost reductions and import substitutions.	Company has integrated various measures aimed at technology absorption. The Home Appliance division has been working actively with partners from other countries such as Italy, China and Korea to enhance knowledge and capabilities, and importing technologies. On an ongoing basis, internal design teams also work on technology upgrades such as testing and validation of products IOT, wireless controls and app-based appliance controls.	Positive
6	Sustainable product development	Opportunity	Sustainable product development has been considered a core component of meeting broader environmental goals. For product organizations, the greatest opportunities extend beyond manufacturing and operations processes, but also into the ability to mitigate impact through consumer-use, thereby creating transformational change in the industry.	The Company has developed a range of products that reduces the environmental impact in terms of ofuse of water and energy. For example, all washing machines manufactured now have a 5-star rating in energy as per BEE. The Company is in the initial phase on conducting Life Cycle Assessments (LCA), and incorporating principles of the circular economy into product design and end-of-life management, all of which will further build on the capability to develop more environment friendly products in the coming years.	Positive

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for Identifying the Risk / Opportunity	In-case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity (Indicate Positive or Negative Implications)
7	Circular economy and waste management	Opportunity	In response to the growing waste crisis, robust waste management coupled with principles of the circular economy are of core importance, particularly for organizations involved in the manufacture of tangible products. Industry peers are also investing in incorporating various elements of the circular economy across the product lifecycle. These include more responsible packaging, offering repair options and take-back programs, among other circular models.	The Company is currently practicing some elements of the circular economy, including the development of an "End of Life" return policy, through which old products may be exchanged and returned products are recycled in accordance with Government regulations. The Company provides spares and services beyond estimated life of the product so that the life of the product increases thereby reducing overall requirement of such products. The organization is also exploring more circular initiatives in both product design and office operations.	Positive
8	Diversity and inclusion	Opportunity	In response to rising inequalities on a global scale, significant investment and focus is being dedicated to enhance diversity and inclusion at the workplace – a trend that can be observed across industries. However, the consumer electronics industry is still at a comparatively nascent stage, signalling tremendous scope for improvement and opportunities for organizations to establish themselves as industry leaders setting best practices.	Company has an ongoing focus on greater representation of women at all levels of the workforce. The establishment of a monitoring mechanism with specific KPIs to assess performance over time periods will further enhance the organization's ability to drive continual progress.	Positive

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
	b. Has the policy been approved by the Board? (Yes/No)	Yes								
	c. Web Link of the Policies, if available	www.ifbindustries.com								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4.	Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001: 2015 ISO 45001: 2018 ISO 14001: 2015								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Yes								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Every department/ functional area across the organization at the Company, sets internal targets and goal annually, which is linked to the KRAs and appraisal process. These targets and goals are reviewed monthly/quarterly basis and the update is reviewed by the Senior management. We have developed internal ESG strategy and in the process of going public with the ESG commitments. The goals and targets will be provided on annually going forward.								

GOVERNANCE, LEADERSHIP AND OVERSIGHT

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Our company has published its mandatory Business Responsibility and Sustainability Report, which covers a range of indicators that reflect our commitment to responsible business practices. As a beginner in reporting ESG performance, we faced several challenges in identifying and tracking the most relevant areas and detailing them to the indicators. However, we recognized the importance of sustainability and took steps to improve our ESG performance. In the environmental forefront, to reduce our carbon footprint, conserve resources and minimize waste. We have implemented various initiatives, including using renewable energy sources, adopting circular economy practices, water recycling, etc. On the social front, we are committed to ensuring that our business practices are ethical and socially responsible. And we have implemented a range of initiatives and measures for employee health and safety, diversity and inclusion etc. Governance challenges are another critical area of focus for us, and we are committed to upholding the highest standards of corporate governance. We have implemented various measures to ensure transparency, accountability, and ethical behaviour across our organization. Moving forward, we will continue to report on our ESG performance and provide our stakeholders with the information they need to make informed decisions. We are committed to transparency and accountability and will work towards being a responsible corporate citizen. We recognize that sustainability is a journey, and there is still much work to be done. We are committed to continuous improvement and will be using the information gathered in our report to develop a sustainability roadmap that will guide our efforts towards achieving our sustainability goals and targets while considering the impact of our operations on the environment, society, and our business.

8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy-(ies).	The Managing Director and CEO of respective Divisions are responsible for implementation of the Business Responsibility policy/policies.
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board's Corporate Social Responsibility Committee meets to review the Company's CSR Performance. Further the Board which meets at least 4 times per year review the Company's sustainability performance on a Quarterly basis.

10. Details of Review of NGRBCs by the Company :

Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Performance against Above policies and follow up action	Yes									Quarterly								
Compliance with the statutory requirement of relevance to the principles, and rectification of any non-compliances	Yes									Need basis								

		P1	**P 2**	**P3**	**P4**	**P 5**	**P6**	**P7**	**P8**	**P9**
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	No.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated: This section is not Applicable

Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 – Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors & KMPs	8 (As part of Board Meetings)	Updates and awareness related to regulatory changes are conducted for the Board of Directors & KMPs. Topics covered includes: – Corporate Governance – Companies Act – SEBI Listing Requirements – Familiarization Programme	100%
Employees other than BoD and KMPs	297	Health, & safety, POSH, Code of conduct, value based skill upgradation etc.	80%
Workers	321		93%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

   There were no instances of any disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/KMPs/employees/workers.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

   Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   The Company's Code of Conduct Policy for Directors and Senior Management set out the company's commitment to operating with the highest level of business ethics and in accordance with applicable laws and regulations. This code provides guidance on recognizing and dealing with ethical issues and includes mechanisms to address unethical conduct.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption :

   None

6. Details of complaints with regard to conflict of interest:

   None

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not Applicable

PRINCIPLE 2 – Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-2023	FY 2021-2022	Details of improvements in environmental and social impacts
R&D Expenditure (in %)	1.22%	1.36%	key focus of R&D is to improve the energy efficiency, water efficiency, durability and quality of the products
Capital Expenditure (Capex) Investment (in %)	0.20%	0.14%	Capex is mainly for enhancing the resource efficiency of the manufacturing processes, and also for the pollution control, and safety of the employees.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes. The supplier partners of the company adhere to all environmental and social standards as mandated by the Government of India.

   b. If yes, what percentages of inputs were sourced sustainably?

   The Company has been continuously making efforts to increase use of renewable source.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   Salient points of the process to reclaim Electrical and Electronics waste (EEE) and plastic waste :-

   - Through exchange schemes, & customer take-back program
   - Through Producer Responsibility Organizations (PROs) and recyclers who are nominated for collection of e-waste and plastic packaging waste at the customers end and the collected waste are safely disposed and recycled in an environmentally sound manner.

   Hazardous Waste and other non-hazardous waste generated at our manufacturing units are safely disposed as per the rules and regulation through the authorized recyclers, as identified by SPCBs (State Pollution Control Boards).

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   The Extended Producer responsibility (EPR) is applicable to the e-waste and plastic packaging waste generated at the end of life of the product. The waste collection plan is submitted to the CPCB. And quarterly and annual returns are filled to the CPCB (Central Control Pollution Board). The waste collections are in line with the targets specified by CPCB in the authorization granted to IFB Industries Ltd. The targets are met and reported to CPCB.

PRINCIPLE 3 – Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees :

% of employees covered by										
Category	**Total (A)**	**Health insurance**		**Accident insurance**		**Maternity benefits**		**Paternity Benefits**		
		Number (B)	**% (B/A)**	**Number (C)**	**% (C/A)**	**Number (D)**	**% (D/A)**	**Number (E)**	**% (E/A)**	
Permanent Employees										
Male	1941	1941	100%	1941	100%	–	–	1941	100%	
Female	163	163	100%	163	100%	163	100%	–	–	
Total	**2104**	**2104**	**100%**	**2104**	**100%**	**163**	**100%**	**1941**	**100%**	
Other than Permanent Employees										
Male	150	150	100%	150	100%	–	–	150	100%	
Female	37	37	100%	37	100%	37	100%	–	–	
Total	**187**	**187**	**100%**	**187**	**100%**	**37**	**100%**	**150**	**100%**	

b. Details of measures for the well-being of workers :

% of workers covered by									
Category	**Total (A)**	**Health insurance**		**Accident insurance**		**Maternity benefits**		**Paternity Benefits**	
		Number (B)	**% (B/A)**	**Number (C)**	**% (C/A)**	**Number (D)**	**% (D/A)**	**Number (E)**	**% (E/A)**
Permanent Employees									
Male	462	462	100%	462	100%	–	–	462	100%
Female	87	87	100%	87	100%	87	100%	–	–
Total	**549**	**549**	**100%**	**549**	**100%**	**87**	**100%**	**462**	**100%**
Other than Permanent Employees									
Male	2041	2041	100%	2041	100%	–	–	2041	100%
Female	217	217	100%	217	100%	217	100%	–	–
Total	**2258**	**2258**	**100%**	**2258**	**100%**	**217**	**100%**	**2041**	**100%**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	**FY 2022-23**			**FY 2021-22**		
	% of employees covered	**% of Workers Covered**	**Deducted and deposited with the authority (Y/N/ N.A.)**	**% of employees covered**	**% of Workers Covered**	**Deducted and deposited with the authority (Y/N/ N.A.)**
PF	100%	100%	Y	100%	100%	Y
Gratuity	98%	100%	N.A	98%	100%	N.A
ESI	1.05%	46.81%	Y	0.78%	50%	Y
NPS	92%	50%	Y	91%	56%	Y

3. **Accessibility of workplaces :** Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

   Yes, the Company has the necessary infrastructure in place to make the workplaces accessible to differently abled employees and visitor.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. Yes, the policy can be accessed at https://www.ifbindustries.com.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	95%	95%	95%	100%
Total	**97.5%**	**97.5%**	**97.5%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particular	If yes, Provide Details
Permanent Workers	The company has a robust internal grievance handling procedures for the both the employees and the workers. An open-door policy is followed.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity :

Category	FY 2022-2023			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Employees						
Total Permanent employee	**2104**	**0**	**0**	**2049**	**0**	**0**
Male	1941	0	0	1886	0	0
Female	163	0	0	163	0	0
Workers						
Total Permanent Workers	**549**	**0**	**0**	**591**	**0**	**0**
Male	462	0	0	488	0	0
Female	87	0	0	103	0	0

8. Details of training given to permanent employees :

Category	FY 2022-2023					FY 2021-2022				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		Nos (B)	% (B/A)	Nos (C)	% (C/A)		Nos (E)	% (E/D)	Nos (F)	% (F/D)
Employees										
Male	1941	1800	92%	1500	77.28%	1886	1700	90%	1660	88%
Female	163	150	92%%	120	74%	163	140	86%	139	85%
Workers										
Male	462	462	100%	462	100%	488	488	100%	439	90%
Female	87	87	100%	87	100%	103	103	100%	92	90%

9. Details of performance and career development reviews of permanent employees and worker :

Gender	FY 2022-2023			FY 2021-2022		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	1941	1941	100%	1886	1886	100%
Female	163	163	100%	163	163	100%
Workers						
Male	462	462	100%	488	488	100%
Female	87	87	100%	103	103	100%

10. Health and safety management system :

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, The Company has implemented an occupational health and safety management system certifiable to ISO 45001. Maintaining, fostering and improving the safety and well-being of the employees and workers.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

All work-related hazards into the daily routines/activities are identified and assessed using Hazard Identification and Risk Assessment (HIRA) and control measures are put in place by active participation of the employees and workers. Safety committee comprises with cross-functional team assess and reviews the risk on a non-routine basis and bring necessary change into the process. Safety trainings are conducted on regular-basis. Induction training, mock drills and other capacity building are provided to all the employees, workers etc.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, A system is place across the manufacturing units for the workers to spot and report work related hazards, and offer suggestions on safety improvements. Joint physical inspections are conducted by senior management representatives and employees on the shop floor on regular intervals and respective corrective and preventive measures are taken to mitigate the identified risks in order to create an open and transparent safety culture.

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, employees and workers have access to the non-occupational medical and healthcare services. Company provide medical insurance to all the employees and workers and their family members.

11. **Details of safety related incidents, in the following format :**

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million - person hours worked)	Employees	–	–
	Workers	0.21	0.23
Total recordable work-related injuries	Employees	–	–
	Workers	–	–
No. of fatalities	Employees	–	–
	Workers	–	–
High consequence work-related injury or ill-health (excluding fatalities)	Employees	–	–
	Workers	1	1

12. **Describe the measures taken by the entity to ensure a safe and healthy work place :**

- Weekly safety visits by senior management along with the employees across the plants, and all actionable points are identified, track, and mitigate the risk though corrective and preventative actions.
- Safety Score is implemented covering all lead and lag indicators and score shared with the units to track the improvement month on month.
- Audits and inspection are done periodically to ensure effective implementation of safety management system.
- Safety awareness trainings are provided to all the employees and the workers across the plants and offices.
- Safety committees comprise with cross functional teams review high risk activity and implement the mitigation strategies and actions periodically across the units.

13. **Number of Complaints on the following made by employees and workers :**

Particular	FY 2022-2023			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	–	–	–	–	–	–
Health & Safety	–	–	–	–	–	–

14. **Assessments for the year :**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working Conditions	100%
Health & Safety	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- Well focused tactical training is conducted to promote awareness amongst the employees, worker, and contractual workers etc.
- Detailed investigations are carried out for all types of incidents, accidents and significant risks to identify the root causes and temporary and permanent measures required to avoid recurrence.

PRINCIPLE 4 – Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Stakeholder groups are identified based on the nature of the activity with the entity. Any individual or group which has direct or indirect impact to the business value chain is identified as core stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder	No	• Annual General Meeting/ Stock Exchange Disclosures/ Quarterly and Half yearly Results Publication/Email communications/ letters/Complaints and Resolutions	AGM- Annual H/Y Results- Half yearly Q/Y Results - Quarterly Others- Ongoing	Financial Results, Induction of Board members, Long term Business Performance.
Employees	No	• Town hall meetings • Performance reviews and appraisal • Various learning and development initiatives • Newsletter • Shop floor meetings • Emails and Notice Board • Employee portals • One-on-one meeting	Continuously as need basis (Daily/ Monthly/ quarterly & Annually)	• Information about company's business growths and performance. • Goals and Targets of the activity & Business • Health, safety and wellbeing awareness • The key forces that are driving the company's forward trajectory. • Rewards and Recognition • Learning and development initiatives

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Emails • Website • Customer feedback mechanism • Grievance redressal mechanism • Ad campaigns • Social media • Customer Survey	Continuously	• Meeting evolving customer needs. • Delivering quality products, • Expanding customer base • Create customer awareness on the product usage • Safety demonstration • Customer service satisfaction feedback
Suppliers & Value Chain Partners	No	• Emails, • Conference Calls • Suppliers Meet • Suppliers reviews and audits	Need basis Annually	• Dialogue on improving the efficiencies of the suppliers and value chain partners.
NGOs & Communities	Yes	• Community Investment programs to promote education, health and skill development for under privileged.	Need basis Annually	• To create meaningful change in the communities under its influences.
Government/ Regulators	No	• Submission of performance reports • Annual Reports • Compliance reports • Attending meetings and • discussions held by regulatory bodies	Need basis, Monthly, quarterly & annually	• Regulatory Compliances • Financial Performances • Long term business performance

PRINCIPLE 5 – Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format :

Category	FY 2022-2023			FY 2021-2022		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	2104	2104	100%	2049	2049	100%
Other than Permanent	187	98	52%	194	79	41%
Workers						
Permanent	549	549	100%	591	591	100%
Other than Permanent	2258	1243	55%	2151	1041	48%

2. **Details of minimum wages paid to employees and workers, in the following format :**

Category	FY 2022-2023					FY 2021-2022				
	Total Strength	Employees/ Workers who receive wages which is Equal to Minimum Wages		Employees/ workers who receive wages which is more than Minimum Wages		Total Strength	Employees/ Workers who receive wages which is Equal to Minimum Wages		Employees/ workers who receive wages which is more than Minimum Wages	
		No	%	No	%		No	%	No	%
Permanent Employees										
Male	1941	–	–	1941	100%	1886	–	–	1886	100%
Female	163	–	–	163	100%	163	–	–	163	100%
Other than Permanent										
Male	150	–	–	150	100%	159	–	–	159	100%
Female	37	–	–	37	100%	35	–	–	35	100%
Permanent Workers										
Male	462	–	–	462	100%	488	–	–	488	100%
Female	87	–	–	87	100%	103	–	–	103	100%
Other than Permanent										
Male	2041	1517	74%	524	26%	1947	1520	78%	427	22%
Female	217	175	81%	42	19%	204	166	81%	38	19%

3. **Details of remuneration/salary/wages, in the following format :**

	Male		**Female**	
	Number	**Median Remuneration/ salary/wages of respective category**	**Number**	**Median Remuneration/ salary/wages of respective category**
Board of Directors (BoD)*	6	1.40 Crs	–	–
Key Managerial Persons	1	1.12 Crs	–	–
Employees other than BoD and KMP	1934	9.7 Lacs	163	9.42 Lacs
Workers	462	4.40 Lacs	87	2.42 Lacs

* Excluding Non -Executive Director and Independent Directors.

** Excludes Key Managerial Person who are already covered under Board of Directors.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes, The Company has a proper internal mechanism and POSH committee to handle, resolve and prevent any misconduct across the organization

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues :**

   The company has policies on human rights which cover to the company only. Grievance's redressal mechanism is in place internally for all the workers and employees regarding any human rights issues. Vigil mechanism policy and procedures are also in place that protects employees who raise concerns or report to any violations.

6. **Number of Complaints on the following made by employees and workers :**

Particular	**FY 2022–2023**			**FY 2021–2022**		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	–	0	–	0	0	–
Discrimination at workplace	0	0	–	0	0	–
Child Labour	0	0	–	0	0	–
Forced Labour/ Involuntary Labour	0	0	–	0	0	–
Wages	0	0	–	0	0	–
Other human rights related issues	0	0	–	0	0	–

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company is committed to be a workplace free of discrimination and harassments, and has zero tolerance for any such conduct. We have internal mechanism and POSH committee to handle, resolve and prevent any such misconduct

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes.

9. **Assessment for the year :**

	% Plants and offices that were assessed by entity or statutory authorities or third parties
Child Labour	The Company internally monitors compliance for all relevant laws and policies pertaining to these issues at 100% of its offices. There have been no observations by Local Statutory/ Third parties in India during the year.
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other human rights related issues	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable

PRINCIPLE 6 – Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format :**

Parameters	Units	Value in FY 2022-23	Value in FY 2021-22
Total electricity consumption (A)	Giga Joules	1,36,250.93	1,19,800.00
Total fuel consumption (B)	Giga Joules	29,177.81	26,555.78
Energy consumption through other sources (C)	Giga Joules	19,309.42	14,365.48
Total energy consumption (A+B+C)	**Giga Joules**	**1,84,738.16**	**1,60,721.26**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	Giga Joules/ Cr INR	44.77	38.90

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the company does not have any sites as designated consumers under the PAT scheme.

3. **Provide details of the following disclosures related to water, in the following format :**

Parameters	Units	Value in FY 2022-23	Value in FY 2021-22
Water withdrawal - Surface water	kilolitres	–	–
Water withdrawal – Groundwater	kilolitres	83,932.50	92,990.50
Water withdrawal - Third party water	kilolitres	36,639.36	32,168.15
Water withdrawal - Seawater / desalinated water	kilolitres	–	–
Water withdrawal – Others	kilolitres	–	–
Total volume of water withdrawal	kilolitres	1,20,571.86	1,25,158.65
Total volume of water Consumption	kilolitres	1,20,571.86	1,25,158.65
Water intensity per rupee of turnover	kilolitres/ Cr INR	29.22	37.28

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, Necessary actions and initiatives have taken across all the manufacturing units to conserve, reuse, and recycle water, thus ensuring ZLD (Zero Liquid Discharge). All the manufacturing units are well equipped with STP (Sewage treatment plants), ETP (Effluent Treatment Plants) and wastewater treatment units to treat wastewater to a usable quality of water. The treated water is used in process, gardening and flushing purpose within the premises.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :**

Parameters	Units	Value in FY 2022-23	Value in FY 2021-22 HAD only
NOx (MT)	Metric tonnes	0.19	0.21
SOx (MT)	Metric tonnes	3.00	3.34
Particulate matter (PM) (MT)	Metric tonnes	1.39	1.01
Persistent organic pollutants (POP)	–	–	–
Volatile organic compounds (VOC)	–	–	–
Hazardous air pollutants (HAP)	–	–	–
Others – please specify	–	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameters	Units	Value in FY 2022-23	Value in FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,929.90	1,754.52
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	6,887.39	6,704.34
Total Scope 1+ 2	Metric tonnes of CO2 equivalent	9,816.40	8,458.10
Total Scope 1 + 2 Emission Intensity	Metric Tonnes of CO2 / Cr	2.98	3.12

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes, the Company has installed solar panels on the factory roof for some of the manufacturing units to reduce dependency on the non-renewable source of energy, apart from the solar; the Company is continuously improving the energy efficiencies of the manufacturing units.

8. **Provide details related to waste management by the entity, in the following format:**

Parameters	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste *(A)*	70.65	203.49
E-waste *(B)*	122.63	95.06
Bio-medical waste *(C)*	0.11	0.17
Construction and demolition waste *(D)*	–	–
Battery waste *(E)*	3.88	1.45
Radioactive waste *(F)*	–	–
Other Hazardous waste. Please specify, if any. (G) (Chemical Sludge from Spent Acid liquor, used/spent oil)	61.14	31.22
Other Non-hazardous waste generated *(H). Please specify, if any.*	2,851.90	1,897.88
Total (A+B + C + D + E + F + G+ H)	**3,110.30**	**2,229.27**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	3,051.83	2,171.25
(ii) Re-used	22.14	31.48
(iii) Other recovery operations	4.36	2.43
Total	**3,078.33**	**2,205.17**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	1.23	2.26
(ii) Landfilling	12.34	7.45
(iii) Other disposal operations	18.39	14.40
Total	**31.97**	**24.10**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

A comprehensive waste management program is in place to manage waste efficiency. We have adopted 3R principle - Reduce, reuse, recycle towards waste management across the plants and offices. As a process of reclaiming the end of life products, EPR (Extended Producer Responsibility) is implemented for recycling of the e-waste, plastic packaging waste. Where recyclers and PRO (Producer Responsibility Organizations) are nominated to collect and recycle the waste.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format :**

    None of our manufacturing units are in/around ecological sensitive areas.

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year :**

    Since we don't have our plants at ecological sensitive areas, we have not initiated environmental impact assessments in the current financial year.

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format :**

    Yes, the entity is compliant with all the applicable regulations.

PRINCIPLE 7 – Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   The company has 10 active affiliations with trade, industry/ chambers associations.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of India Chambers of Commerce and Industry (FICCI)	National
3	Manufacturing Association of IT (MAIT)	National
4	Consumer Electronics and Appliances Manufacturing Association (CEAMA)	National
5	Refrigeration and **Air-conditioning** Manufacturers Association (RAMA)	National
6	Verna Industrial Association (VIA)	State
7	Goa State Industries Association	State
8	Goa Chamber of Commerce & Industry (GCCI)	State
9	Automotive Component Manufacturers Association of India (ACMA)	National
10	Society of Indian Automobile Manufacturer (SIAM)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   There were no cases of anti-competitive conduct during the reporting period.

PRINCIPLE 8 – Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year –** Not Applicable
2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format :** Not Applicable
3. **Describe the mechanisms to receive and redress grievances of the community.**

   All agreements between the Company and the stakeholders, contain clauses on handling of grievances, disputes etc.
4. **4. Percentage of input material (inputs to total inputs by value) sourced from suppliers :**

	FY 2022-2023	FY 2021-2022
Directly sourced from MSMEs/ small producers (%)	31.99%	22.24%
Sourced directly from within the district and neighbouring districts (%)	34.23%	31.73%

PRINCIPLE 9 – Businesses should engage with and provide value to their consumers in a responsible manner:

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   A well-established system is in place to for dealing with customer complaints and feedback.
   - Customers can reach us from multiple channels through email, sms, website, toll free number, and social media platforms.
   - The company have a dedicated customer response cell to respond to the queries and feedback.
   - On receipt of the complete details, complaints will be registered in the CRM system.
   - Post registering the service request, it is automatically assigned to the concerned branches/ franchises.
   - An auto lead is generated from the concerned branch/ franchise to an outbound team, who will reach out to the customers within 24 hours and take appropriate action to arrest the issue
   - This also provides opportunity to avoid reoccurrence of identical complaints.

   Periodically, customer's survey/ reviews are conducted by meeting the customers physically and virtually to understand the customer habits, expectations and suggestions.
2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	70%
Safe and responsible usage	100%
Recycling and/or safe disposal	73%

3. **Number of consumer complaints in respect of the following:**

	FY 2022-2023			FY 2021-2022		
	Received during the year	**Pending resolution at end of year**	**Remarks**	**Received during the year**	**Pending resolution at end of year**	**Remarks**
Data privacy	We have received zero complaints in the aspects of Data Privacy, Advertising, Cyber Security, Restrictive Trade Practices and Unfair Trade Practices in FY2023 and FY2022. Our products and services do not fall under delivery of essential services. Most of our complaints are product performance related queries.					
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. **Details of instances of product recalls on account of safety issues:**

	Numbers	Reasons for Recalls
Voluntary recalls	-	Zero Product recalls during the reporting period FY 2022-23
Forced recalls	-	

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.** Yes – www.ifbindustries.com

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There were no complains on issues relating to the advertising and delivery of essential services, cyber security, and data privacy of customers during the year.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

ANNEXURE - G

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

Rs. In Crores

Sl. No.	1	2
Name of the subsidiary	**Global Automotive & Appliances Pte Limited**	**Thai Automotive & Appliances Ltd**
The date since when subsidiary was acquired	13 July 2017	13 July 2017
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as holding company i.e., 31 March, 2023	Same as holding company i.e., 31 March, 2023
Reporting currency	U.S. Dollar	Thai Bhatt
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	82.09	2.41
Share capital	29.76	27.63
Reserves and surplus	14.04	(7.81)
Total assets	52.48	35.44
Total Liabilities	8.68	15.62
Investments (excluding investments made in subsidiaries)	–	–
Turnover	43.53	48.60
Profit before taxation	0.88	(0.49)
Provision for taxation	0.08	–
Profit after taxation	0.80	(0.49)
Proposed Dividend	–	–
Extent of shareholding (in percentage)	100%	100%

Notes :

1. There are no subsidiaries which are yet to commence operations.
2. There are no subsidiaries which have been liquidated or sold during the year.

Part B : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate	IFB Refrigeration Limited
1. Latest audited Balance Sheet Date	31 March, 2023
2. Date on which the Associate was associated or acquired	26 December, 2022
3. Shares of Associate held by the company on the year ended 31 March 2023:	
No.	9,70,00,000 shares
Amount of Investment in Associate	Rs. 97.00 Crores
Extend of Holding %	44.44%
3. Description of how there is significant influence	Controls more than 20% of the total share capital
4. Reason why the associate is not consolidated	Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 89.29 Crores
6. Loss for the year	Rs. 15.16 Crores
i. Considered in Consolidation	Rs. 6.74 Crores (Rs. 2.41 Crores as Share of loss in an associate and balance in goodwill)
ii. Not Considered in Consolidation	Rs. 8.42 Crores

There are no joint ventures as at 31 March, 2023

Notes :

1. There are no other associates or joint ventures which are yet to commence operations.
2. There are no associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN : 00827155)
Joint Executive Chairman and Managing Director

Rajshankar Ray
(DIN: 3498696)
Managing Director and Chief Executive Officer
Home Appliances Division

Harsh Vardhan Sachdev
(DIN:6385288)
Managing Director and Chief Executive Officer
Engineering Division

Prabir Chatterjee
(DIN:02662511)
Director and Chief Financial Officer

G Ray Chowdhury
(A8529)
Company Secretary

Place : Bengaluru / Kolkata
Date : 27 May 2023

ANNEXURE - H

KEY FINANCIAL RATIOS

[Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Key Financial Ratios for the Company:

Sl. No.	Particulars	FY 2022-23	FY 2021-22
i)	Debtors Turnover (no of days)	37	34
ii)	Inventory Turnover (no of days)	42	51
iii)	Interest Coverage Ratio (No of times) [1]	6.28	2.17
iv)	Current Ratio	1.09	1.17
v)	Debt Equity Ratio (No of times)	0.30	0.37
vi)	Operating Profit Margin (%) [2]	1.54	(1.35)
vii)	Net Profit Margin (%) [2]	0.42	(1.53)
viii)	Return on Net worth (%) [2]	2.63	(8.04)

Notes :

1. Earnings before depreciation, interest and tax (EBDITA) has increased due to higher sales and service income and decrease in material cost, and trade schemes and discounts. EBDITA being the numerator for Interest coverage ratio, hence the increase in the ratio.
2. The Operating Profit Margin, Net Profit margin ratios and Return on Net worth have increased due to increase in profits for reasons stated in 1 above.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR")]

1) Company's philosophy on code of Governance

IFB Industries Limited ("the Company") is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company is of the view that good Corporate Governance is an optimum mix of regulatory compliances as well as voluntary disclosures and practices

The Company is focused on attaining the highest levels of transparency, fairness, accountability and integrity in its dealings with all the constituents of its business i.e. the stakeholders. Towards this end, substantial disclosures on the Board of Directors and its Committees, financial and stock performance has been made in this Annual Report.

2) **Board of Directors**

A) Composition of the Board of Directors as on 31 March 2023 is as follows:

The Board of Directors of the Company had an optimum combination of Executive, Non-Executive and Independent Directors. The Composition of the board as on 31 March 2023 is as per "SEBI LODR".

Category	No. of Directors	%
Executive Directors	6	43.00
Non-Executive & Independent Directors	7	50.00
Non-Executive & Non-Independent Director	1	7.00
Total	**14**	**100.00**

B) Particulars of Directorships & Committee Chairmanship/Membership of other Companies & Attendance at the Board Meetings & Last AGM held on 29 July 2022

Name	Category	No. of Board Meetings attended during 2022-23	Last AGM Attended	No. of Directorships in other Indian Public Limited Companies as on 31 March 2023*		No. of Committee position held in other Indian Public Limited Companies as on 31 March 2023**		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Mr. Bijon Bhushan Nag (Executive Chairman)	Executive, Non-Independent	4	Yes	1	–	–	–	IFB Agro Industries Limited-Non-Executive Chairman, Non-Independent
Mr. Bikramjit Nag (Joint Executive Chairman & MD)	Executive, Non-Independent	8	Yes	1	1	–	–	IFB Agro Industries Limited - Joint Executive Chairman, Non-Independent
Mr. Prabir Chatterjee	Executive, Non-Independent	7	Yes	–	1	–	–	–
Mr. Sudip Banerjee	Non-Executive, Non-Independent	8	Yes	–	2	1	1	1. Kesoram Industries Limited (Non - Executive, Independent) 2. L & T Technology Services Limited (Non - Executive, Independent)
Dr. Rathindra Nath Mitra	Non-Executive, Independent	8	Yes	–	1	–	1	–

Name	Category	No. of Board Meetings attended during 2022-23	Last AGM Attended	No. of Directorships in other Indian Public Limited Companies as on 31 March 2023*		No. of Committee position held in other Indian Public Limited Companies as on 31 March 2023**		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Ms. Sangeeta Shankaran Sumesh	Non-Executive, Independent	8	Yes	–	3	1	3	–
Mr. Rahul Choudhuri	Non-Executive, Independent	8	Yes	–	1	–	–	–
Mr. Ashok Bhandari	Non-Executive, Independent	8	Yes	1	6	1	7	1. Maithan Alloys Ltd. (Non - Executive, Independent) 2. Maharashtra Seamless Limited (Non - Executive, Independent) 3. N.B.I. Industrial Finance company Ltd. (Non - Executive, Independent) 4. Rupa & Company Limited, (Non - Executive, Independent) 5. Skipper Limited (Non - Executive, Independent)
Mr. Chacko Joseph	Non-Executive, Independent	8	Yes	–	2	2	3	–
Mr. Harsh Vardhan Sachdev #	Executive, Non-Independent	8	Yes	–	–	–	–	–
Mr. Raj Shankar Ray	Executive, Non-Independent	8	Yes	–	–	–	–	–
Mr. Amar Singh Negi	Executive, Non-Independent	8	Yes	–	–	–	–	–
Mr. Biswadip Gupta	Non-Executive, Independent	7	Yes	1	2	2	3	Vesuvius India Limited
Mr. Desh Raj Dogra	Non-Executive, Independent	8	Yes	–	5	3	5	1. S Chand and Company Limited (Non - Executive, Independent) 2. Capri Global Capital Limited (Non - Executive, Independent) 3. Axiscades Technologies Limited (Non - Executive, Independent) 4. G R Infra Projects Ltd. (Non - Executive, Independent)

* Number includes only Public limited companies as per Companies Act, 2013.

** Only Membership/ Chairmanship of Audit Committee, Stakeholders Relationship Committee have been considered.

Mr. Sachdev has tendered his resignation to be effective on 24th July, 2023.

None of the Directors held directorship in more than 10 Public Limited Companies and/or were members of more than 10 committees or acted as Chairman of more than 5 committees across all the Indian Public Limited Companies in which they were Directors.

None of the Directors served as Director in more than 7 listed Companies.

None of the Independent Directors served as an Independent Director in more than 7 listed Companies.

No Director is related to any other Director on the Board except Mr. Bijon Bhushan Nag and Mr. Bikramjit Nag in terms of the definition of "Relative" given under the Companies Act, 2013.

No shares or any other convertible instrument is held by any Non-Executive Director during the year.

The information to be made available to the Board of Directors as mentioned under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations was made available to the Board members. The Board periodically reviews compliance reports of all laws applicable to the Company.

There was no instance of non-acceptance of any recommendation of any Committee of the Board which was mandatorily required.

C) Board Meetings held in the financial year 2022-2023

The Board meets at least once in a quarter in order to consider amongst other business, the quarterly performance of the Company and its financial results. The gap between any two meetings does not exceed 120 days.

During the year under review 8 meetings were held on following dates:
28 May 2022, 28 July 2022, 16 August 2022, 28 October 2022, 14 November 2022,12 December 2022, 30 January 2023 and 24 March 2023.

D) Independent Directors

The Company has complied with the definition of Independent Director as per "SEBI LODR" and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

i) Training of Independent Directors :

Whenever new Non-executive and Independent Directors are inducted on the Board they are introduced to our Company's culture through appropriate session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors have been placed on the Company's website at **http://ifbindustries.com/financial.php**.

ii) Performance Evaluation of Board, its committees and individual Directors :

During the year, the Board evaluated the performance of its committees and individual directors. All the Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

iii) Separate Meeting of the Independent Directors :

The Independent Directors held a Meeting on 24 March, 2023, without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at the meeting.

iv) Familiarisation program for Independent Directors :

The familiarisation of the Independent Directors is done by the Managing Director/ Executive Director / Sr. Management Personnel who conducts programmes and give presentation to familiarise the Independent Directors with the operations and functioning of the Company.

Such presentation/ programs enable the Independent Directors to directly interact with senior executives of the company and help them to know Company's strategy, business model, product, market, finance, human resource, technology and such other areas as may arise from time to time. Presentations cover quarter/annual results, budgets, policies, internal audit reports, cost audit reports etc.

The presentation/ program familiarizes the Independent Directors with their role, rights and responsibilities specified under the Companies Act and the "SEBI LODR". The Web link of the familiarization programme is given under the official website of the company at http://www.ifbindustries.com.

The Company is also conducting familiarisation program whenever a new Independent Director is inducted on the Board of the Company.

E) Code of conduct

The Board of the Company has laid down a code of conduct for all Board members and for its employees including Senior Management of the Company. The Code of Conduct is available on the website of the Company at www.ifbindustries.com. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2022-23.

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations) as amended from time to time your Company has adopted the Code of Conduct for Prevention of Insider Trading and the Code of Conduct for Corporate Disclosure Practices ('Insider Trading Code'). All Directors, employees, designated persons and their immediate relatives, who could have access to unpublished price sensitive information of the Company are governed by this Insider Trading Code. Company Secretary is the Compliance Officer in terms of the Insider Trading Code.

F) Skills / Expertise/ Competencies of Board of Directors

The Board composition is evenly poised between members specialized in Technical & commercial fields. The specialized skills/ experience of Board Members are given hereunder :-

1. **Mr. Bijon Bhushan Nag,** *Chairman*

   Mr. Bijon Bhushan Nag, a Mechanical Engineer, Mentor, having more than five decades of vast experience in Machine Tool, Fine Blanking, Sheet Metals, Engineering Industries, Stamping, Appliances Industries and Alcohol Industries. He is a visionary for our state of art Washing Machine Factory at Goa, Engineering Factories in Kolkata & Bengaluru.

2. **Mr. Bikramjit Nag,** *Joint Executive Chairman and Managing Director*

   Mr. Bikramjit Nag, a BBA from Richmond College, U.K. His area of core competency includes Strategic Business Management, Controls, Planning, Marketing, Legal Matters etc.

3. **Mr. Sudip Banerjee,** *Non Executive Director*

   Mr. Banerjee Graduated in Economics (Hons.) from Sri Ram College of Commerce, New Delhi and obtained Diploma in Management from AIMA. Mr. Banerjee is having rich exposure in functions like Business Development, Operations, Technology, H.R, IT Services, Acquisitions etc.

4. **Dr. Rathindra Nath Mitra,** *Independent Director*

   Dr. Mitra is a B.Sc (Hons.) from IIT Kharagpur, M. Sc., DIIT from IIT Kharagpur and also a Ph. D from IIT Kharagpur. He is specialized in process development and IT System etc.

5. **Mr. Ashok Bhandari,** *Independent Director*

   Mr. Bhandari, a Chartered Accountant and his key areas of competency includes Fund Management, Negotiation with Banks, Govt., JV Partners, Technology and Equipment Suppliers etc.

6. **Ms. Sangeeta Sumesh,** *Independent Director*

   Ms. Sangeeta Sumesh has done her graduation in commerce from the University of Madras. She is a qualified Chartered Accountant, Cost Accountant and also a Certified Public Accountant from Botswana Institute of Accountants. She also has undergone Executive Education in Organizational leadership from Harvard Business School. She is a credentialed coach from International Coaching Federation. She got comprehensive experience in diversified areas including Cost & Management Controls, Financials Analysis, Strategic Management, CSR Activities, Corporate Governance, Risk Management, Operations Management etc.

7. **Mr. Chacko Joseph,** *Independent Director*

   Mr. Chacko Joseph, a qualified Chartered Accountant with 38 years rich experience in overseeing financial operations encompassing Financial Reporting, Strategic Financial Reporting, Project Financing, Budgeting, Finance & Accounting, Auditing, International Business and System Implementations etc.

8. **Mr. Rahul Choudhuri,** *Independent Director*

   Mr. Rahul Choudhuri Hons. Graduate from Presidency College, Kolkata, Certified Associates of Indian Institute of Banking, Mumbai. His key areas of competency includes Management of Forex Risk, Treasury Management, Working Capital Management, Investment etc.

9. **Mr. Prabir Chatterjee,** *Whole -time Director and Chief Financial Officer*

   Mr. Prabir Chatterjee, a B. Sc & qualified Cost Accountant and his core areas of competency includes Management Accounting, Financial Accounting, Budgeting, Control, Financial Analysis etc.

10. **Mr. Harsh Vardhan Sachdev,** *Managing Director & CEO – Engineering Division*

    Mr. Harsh Vardhan Sachdev is B. Tech (Hons.), Institute of Technology - Banaras Hindu University. Mr. Sachdev has more than 39 years of experience across multiple businesses of TATA Steel in various leadership roles.

11. **Mr. Raj Shankar Ray,** *Managing Director & CEO – Appliances Division*

    Mr. Rajshankar Ray is B. Tech, Mechanical Engg, IIT, Kharagpur. He has more than 30 years of experience in areas like Operations, Sales etc.

12. **Mr. Amar Singh Negi,** *Executive Director – Service Business Head*

    Mr. Amar Singh Negi is Four Years Post diploma in Electrical Engg from YMCA Institute of Engineering Faridabad in 1982, specialization in Electrical Machines and Power apparatus. He has more than 39 years of experience.

13. **Mr. Biswadip Gupta,** *Independent Director*

    Mr. Biswadip Gupta is a BE (Metallurgy) and MBA (Marketing) and has more than 45 years' experience in Steel and Refractory Industry, Projects, Risk Management etc.

14. **Mr. Desh Raj Dogra,** *Independent Director*

    Mr. Desh Raj Dogra is Bachelor's and Master's in Agriculture from Himachal Pradesh University and MBA from Faculty of Management Studies, University of Delhi. He is a certified associate of the Indian Institute of Bankers. He has over 39 years of experience in the financial sector in the areas of banking and credit rating.

G) Confirmation

The Board of Directors of the Company confirmed that the Independent Directors of the Company fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and they are Independent of the management as on 31.03.2023.

3. Audit Committee

A) Terms of Reference

The Audit Committee is responsible for reviewing with the management the financial statements and adequacy of internal audit function and to discuss significant internal audit findings. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The broad terms of reference of this Committee cover the matters specified for Audit Committees under section 177 of the Companies Act, 2013 as well as "SEBI LODR":

i) Overview of the Company's financial reporting processes and financial information disclosure;
ii) Review with the Management, the annual and quarterly financial statements before submission to the Board; matters to be included into the Director Responsibility Statement;
iii) Monitoring the auditor's independence and performance, and effectiveness of audit process;
iv) Review with the Management, the Internal and External Audit Reports and the adequacy of internal control systems and risk management systems;
v) Review the adequacy and effectiveness of accounting and financial controls of the company, compliance with the Company's policies and applicable laws and regulations;
vi) Review the functioning of the Whistle Blower Mechanism;
vii) Recommending the appointment and removal of External Auditors and fixation of remuneration and of audit terms;
viii) To approve transaction of the Company with related parties.
ix) Review of utilisation proceeds raised from Public/Right issue.

B) Composition, Name of members, Number of meetings, Chairman and attendance of the Audit Committee during the financial year 2022-23 :

Name of Members	Category	Member/ Chairman	No. of Meetings held	No. of Meetings attended
Dr. Rathindra Nath Mitra	Independent Director	Chairman	5	5
Mr. Ashok Bhandari	Independent Director	Member	5	5
Ms. Sangeeta Sumesh	Independent Director	Member	5	5
Mr. Chacko Joseph	Independent Director	Member	5	5
Mr. Prabir Chatterjee	Executive Director	Member	5	5

- The Company Secretary acted as the 'Secretary' to the Audit Committee.
- The Chairman of the Audit Committee is an Independent Director.

C) No. of Meetings held during the year

During the year under review five meetings were held of the members of the Committee which are as follows: 28 May 2022, 28 July 2022, 28 October 2022, 12 December 2022 and 30 January 2023.

M/s Deloitte Haskins & Sells, Statutory Auditors and Internal Auditors of the Company are invited to attend the Audit Committee Meetings.

The Minutes of the Audit Committee are circulated to all the members of the Committee.

4. Nomination and Remuneration Committee:

A) Terms of reference :

This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of the performance of the board, its committees and each director's performance. The Committee also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The committee periodically reviews the succession planning process of the Company.

B) Composition, Name of members, Number of meetings, Chairperson and attendance of the Nomination and Remuneration Committee during the financial year 2022-23 :

Name of Members	Category	Member/ Chairman	No. of Meetings held	No. of Meetings attended
Mr. Ashok Bhandari	Independent Director	Chairman	3	3
Mr. Rahul Choudhuri	Independent Director	Member	3	3
Mr. Sudip Banerjee	Non-Executive, Non-Independent Director	Member	3	3
Ms. Sangeeta Shankaran Sumesh	Independent Director	Member	3	3

C) No. of meetings held during the year

During the year under review three meetings were held on 26 May 2022, 27 October 2022 and 14 November 2022.

D) Nomination and Remuneration Policy

The Nomination and Remuneration policy may be referred to at the Company's official website at the web link **http://ifbindustries.com/nomination_remuneration_policy.php.** .

E) Remuneration paid or payable to Directors for the year ended 31 March 2023 are as follows :

(Fig in Rs.)

Name of Director	Sitting Fees	Salary and Perquisites	Total
Mr. Bijon Bhushan Nag	–	1,76,17,642	1,76,17,642
Mr. Bikramjit Nag	–	52,88,555	52,88,555
Mr. Prabir Chatterjee	–	1,17,48,618	1,17,48,618
Mr. Rajshankar Ray	–	1,45,96,171	1,45,96,171
Mr. Harsh Vardhan Sachdev	–	88,64,646	88,64,646
Mr. Amar Singh Negi	–	1,23,70,924	1,23,70,924
Mr. Sudip Banerjee	9,90,000	–	9,90,000
Dr. Rathindra Nath Mitra	11,90,000	–	11,90,000
Ms. Sangeeta Shankaran Sumesh	11,30,000	–	11,30,000
Mr. Rahul Choudhuri	10,80,000	–	10,80,000
Mr. Ashok Bhandari	13,20,000	–	13,20,000
Mr. Chacko Joseph	11,40,000	–	11,40,000
Mr. Desh Raj Dogra	7,60,000	–	7,60,000
Mr. Biswadip Gupta	7,20,000	–	7,20,000
Total	**83,30,000**	**7,04,86,556**	**7,88,16,556**

- No severance fee is payable, no stock option has been given & no performance bonus is granted.
- Other than sitting fees and expenses paid for rendering professional services, there is no other pecuniary relationship or transactions with any of the Non – executive Directors of the Company.

5. Corporate Social Responsibility Committee (CSR)

A) Terms of reference

The Committee formulates and recommend to the Board a CSR Policy. The Committee framed a mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR Policy from time to time. This policy has been placed in the website of the company at the weblink **http://ifbindustries.com/csr_policy.php**

B) No of meetings held during the year

During the year the Committee had one meeting i.e. on 24 March, 2023.

C) Composition, Name of Members and Attendance

The CSR Committee of the company consists of Non-Executive, Independent and Executive Director

Name of Director	Category	Position	No of Meetings held	No of Meetings attended
Mr. Sudip Banerjee	Non-Executive Director	Chairman	1	1
Mr. Ashok Bhandari	Independent Director	Member	1	1
Mr. Prabir Chatterjee	Executive Director	Member	1	1

6. Risk Management

A) Terms of reference :

The Committee formulates and recommend to the Board a Risk Management Policy. The primary objectives of the Committee are to assist the Board in the following:

i. To assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks

ii. To periodically assess risks to the effective execution of business strategy by reviewing key leading indicators in this regard

iii. To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities

iv. To evaluate significant risk exposures of the Company and assess the Management's actions to mitigate the exposures in a timely manner.

B) No of meetings held during the year

During the year the Committee had two meetings i.e., on 26 May 2022 and 14 November 2022.

C) Composition, Name of Members and Attendance

The Risk Management Committee of the company consists of Non-Executive, Independent and Executive Director

Name of Director	Category	Position	No of Meetings held	No of Meetings attended
Dr. Rathindra Nath Mitra	Independent Director	Chairman	2	2
Mr. Sudip Banerjee	Non-Executive Director	Member	2	2
Mr. Rahul Choudhuri	Independent Director	Member	2	2
Mr. Chacko Joseph	Independent Director	Member	2	2
Mr. Prabir Chatterjee	Executive Director	Member	2	2
Mr. Raj Shankar Ray	Executive Director	Member	2	2
Mr. Harsh Vardhan Sachdev	Executive Director	Member	2	2

7. Investors Grievance & Stakeholder's Relationship Committee :

A) Terms of reference :

The terms of reference of the Committee includes the following :

i. To review all complaints recorded in SCORES of SEBI and replies made to the same by the RTA/Company Secretary of the Company.

ii. To receive report on all complaints recorded in SCORES of the Registrar and Share Transfer Agent and note the corrective actions taken by the Registrars.

iii. To take action of all grievances and complaints lodged by stock exchange, shareholder associations and other bodies.

iv. To review grievances of other Stakeholders of the Company given in their individual capacity.

v. Overview activities relating to Share maintenance and related work.

B) Composition and attendance of the Investors Grievance & Stakeholder's Relationship Committee during the financial year 2022-23 :

Name of Members	Executive/ Non-Executive	Member/ Chairman	No. of Meetings held	No. of Meetings attended
Dr. Rathindra Nath Mitra	Independent	Chairman	6	5
Mr. Ashok Bhandari	Independent	Member	6	6
Mr. Prabir Chatterjee	Executive	Member	6	6
Mr. Rahul Choudhuri	Independent	Member	6	6

In view of compulsory trading of shares in dematerialized form and consequent lowering of volume of physical transfers there were very few complaints which were adequately addressed to at the level of the Compliance Officer and CB Management Services (P) Ltd., the Registrar & Shares Transfer Agent of the Company for shares both in physical and demat modes.

C) No. of Meetings Held during the year

During the year under review six meetings were held on the following dates :

2 May 2022, 22 June 2022, 20 September 2022, 27 October 2022, 21 December 2022 and 9 February 2023.

D) Complaints status as on 31.03.2023

No. of shareholders complaints received so far	7
No. of complaints not solved to the satisfaction of shareholders	0
No. of pending complaints	0
No of Complaint disposed off	7

E) Name, Designation & Address of the Compliance Officer :

Mr. G Ray Chowdhury, Company Secretary
IFB Industries Limited
Plot No IND-5 Sector 1,
East Kolkata Township
Kolkata 700107
Tel: (033) 39849524
Fax: (033) 24421003
E-Mail: investors@ifbglobal.com

8. General Body Meetings :

A) Location and time where last three AGMs were held :

Annual General Meeting	Date	Time	Venue of the AGM	No of Special Resolutions passed
46th Annual General Meeting	29 July 2022	10.30 A.M	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")*	7

Annual General Meeting	Date	Time	Venue of the AGM	No of Special Resolutions passed
45thAnnual General Meeting	6 August 2021	10.30 A.M	through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")*	2
44th Annual General Meeting	4 September 2020	10.30 A.M	through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")*	7

*The AGM was held through Video Conferencing / Other audio-visual means by following the guidelines of Ministry of Corporate Affairs.

B) **Whether any special resolution passed in the previous three AGMs** : Yes

C) **Whether any special resolution passed last year through postal ballot** : Yes

Postal Ballot :

During the year under review, the Company initiated one Special Resolution through Postal Ballot for :

- Reappointment of Mr. Bikramjit Nag (DIN: 00827155), as Joint Executive Chairman and Managing Director of the Company for a further period of 5 (Five) years, with effect from 01.11.2022.

The result of the Postal Ballot is posted on Company's website www.ifbindustries.com. The Board had appointed Mr. S. K. Patnaik (Membership No. FCS 5699, CP No. 7117), Practicing Company Secretary, partner of **M/s Patnaik & Patnaik,** Company Secretaries, as the Scrutinizer to conduct the Postal Ballot and e-voting process. Due process was followed to conduct the Postal Ballot in accordance with Section 110 of the Companies Act, 2013, and other applicable provisions, if any, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with General Circular nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 10/2021 dated June 23, 2021 and 20/2021 dated December 08, 2021 issued by Ministry of Corporate Affairs.

Details of Voting Result of Postal Ballot towards reappointment of Mr. Bikramjit Nag

Vote	No. of Members Voted	No of votes cast by them	% of total number of votes cast
In favour of proposal	166	35400366	99.81
In against of proposal	24	68908	0.19
Total	190	35469274	100

D) **Whether any special resolution is proposed to be conducted through postal ballot :** No

9. **Means of communication :**

The quarterly, half yearly and annual results of the Company are forthwith communicated to the Stock Exchanges with whom the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company. Further, the results are generally published in leading newspapers such as Business Standard (English) and Aajkal (Bengali). Presentation of quarterly Results were made to the Stock Exchanges & also in company website during the year 2022-23. Investors calls on such presentations were duly attended and redressed by company representative.

The quarterly, half-yearly and annual financial results and Investors Presentation are posted in respective Stock Exchange web-sites and also on the web site of the Company.

10. General Shareholder Information :

i) 47th AGM date, time and venue : 31st July, 2023
At 10.30. A.M

The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated 05.05.2020, 05.05.2022 & 28.12.2022 and as such there is no requirement to have a venue for the AGM.

ii) Financial Year : 1 April 2022 to 31 March 2023.

iii) Book Closure date : 25 July 2023 to 31 July 2023.

iv) Dividend payment date : Dividend is not recommended.

v) Listing on Stock Exchange :
a) BSE Limited
b) The National Stock Exchange of India Limited
c) The Calcutta Stock Exchange Association Limited (CSE) (applied for delisting)

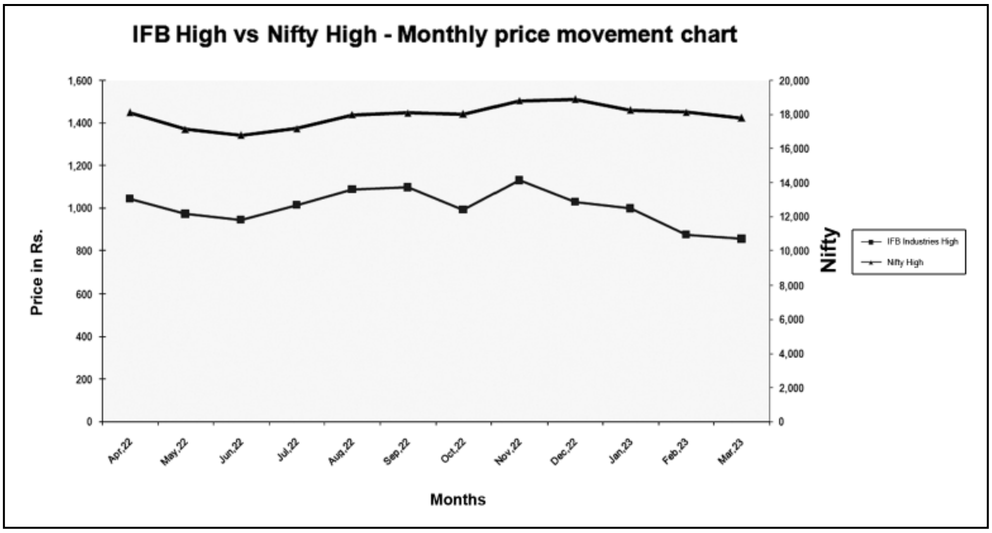
vi) Listing Fees to Stock Exchange : The listing Fees for NSE, BSE & CSE has been paid with in time limit for the year 2023-24.

vii) Stock Code :
BSE : 505726
NSE : IFB IND
CSE : 10019067
ISIN : INE559A01017

viii) Market Price Data (In Rupees) : Monthly High and Low quotation along with the volume of shares traded at National Stock Exchange of India Ltd during the Financial Year 2022-23.

NATIONAL STOCK EXCHANGE OF INDIA LIMITED			
Period	**Monthly Low (Rs.)**	**Monthly High (Rs.)**	**Monthly Volume Traded**
Apr-22	910.40	1045.00	529580
May-22	824.00	973.15	1458572
Jun-22	838.80	944.85	1626724
Jul-22	885.80	1015.00	1040562
Aug-22	981.55	1087.20	731207
Sep-22	852.15	1097.75	346867
Oct-22	875.10	994.00	1115046
Nov-22	915.25	1129.95	2969003
Dec-22	851.00	1029.20	1849608
Jan-23	835.05	998.00	1338697
Feb-23	800.00	876.65	287641
Mar-23	698.00	855.00	251604

ii) Share price performance in comparison to broad based indices- NSE High V/S NIFTY High on a month-to-month basis



ix) Registrar & Share Transfer Agent : CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700 019
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263
Fax : (033) 4011 6739
E-mail : rta@cbmsl.com
Website :www.cbmsl.com

x) Share Transfer System

In order to expedite the process, the Board of Directors have delegated the authority to approve the share transfers to the Stakeholder's Relationship Committee of the Company. The transactions of shares held in Demat and Physical form are handled by the Company's Depository Registrar, CB Management Services (P) Ltd.

Shares transferred in physical form during the years are as follows:

Particulars	**2022-23**	2021-22
No. of Shares Transferred	**Nil**	49
Total No. of Shares	**4,05,18,796**	4,05,18,796
% on Share Capital	**0.00**	0.00

The Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') during FY 2018-19, has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form, except in case of requests received for transmission or transposition and relodged transfer of securities. Therefore, necessary intimation was sent by the Company to the members regarding the restriction on transfer of securities in the physical form and members holding shares in physical form were requested to consider converting their shareholding to dematerialized form within the due date. Further SEBI vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In compliance with Regulation 40(9) of the Listing Regulations all certificates have been issued within 30 days of the date of transfer, sub-division, consolidation, renewal and exchange of endorsement of calls / allotment monies as applicable during FY 2022-23.

SEBI vide circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 had laid down common and simplified norms for processing Investor's Service request by RTAs and norms for furnishing PAN, KYC details and nomination. As per the above said circular the shareholders holding physical securities are required to mandatory furnish PAN, KYC details and Nomination by holders and are also required to link PAN with Aadhaar. The Company had sent relevant communication to all physical holders along with relevant Forms to enable the shareholders to update the PAN, KYC and other relevant details with RTA/Company in line with the SEBI directives. The PAN, KYC and other relevant documents are being processed by RTA on receipt from the shareholders. The relevant Forms are also made available on the company's website at **www.ifbindustries.com**.

Members are advised to register their details with the RTA, in compliance with the said Circular for smooth processing of their service requests.

xii) Distribution of Shareholding & Shareholding Pattern :

A) Distribution of Shareholding as on 31 March 2023 :

No. of Equity Shares Held	**As on 31 March 2023**				As on 31 March 2022			
	No. of share holders	**% of Share holders**	**No. of Shares**	**% of Share holding**	No. of share holders	% of Share holders	No. of Shares	% of Share holding
1-500	**25355**	**97.00**	**1497173**	**3.70**	25584	96.96	1484372	3.66
501-1000	**375**	**1.43**	**284671**	**0.70**	373	1.41	287235	0.71
1001-2000	**184**	**0.70**	**262983**	**0.65**	181	0.69	265014	0.65
2001-3000	**78**	**0.30**	**198182**	**0.48**	82	0.31	212655	0.53
3001-4000	**26**	**0.10**	**92310**	**0.23**	32	0.12	113293	0.28
4001-5000	**19**	**0.07**	**87999**	**0.22**	24	0.10	112446	0.28
5001-10000	**38**	**0.15**	**250438**	**0.62**	45	0.17	316592	0.78
10001 and above	**64**	**0.25**	**37845040**	**93.40**	64	0.24	37727189	93.11
Total	**26139**	**100.00**	**40518796**	**100.00**	26385	100.00	40518796	100.00

B) Shareholding Pattern as on 31 March 2023 :

Particulars	No. of Shares	% of Total
Indian Promoters	30373199	74.96
Mutual Funds/UTI	1669932	4.12
Other Financial Institutions	21343	0.05
Foreign Portfolio Investors	257156	0.63
Banks, Financial Institutions	2980	0.01
Indian Public	2893489	7.14
Trust	242	0.00
Clearing Members	2866	0.01
Non - Resident Indians	49458	0.12
Bodies Corporate	1993341	4.92
Employee	159197	0.40
Director & Director Relatives	43892	0.11
LLP	3004198	7.41
HUF	47503	0.12
Total :	**40518796**	**100.00**

xii) Dematerialization of shares :

As on 31 March 2023, 98.38% of the Company's total shares representing 39862092 shares were held in dematerialised form and the balance 1.62% representing 656704 shares were held in physical form.

xiii) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities :

The Company is exposed to foreign currency risk for the raw materials, finished goods and capital goods that it imports and export of finished goods and engages in foreign currency hedging with banks by way of currency forward contracts in order to protect its foreign exchange exposure arising from its foreign-currency denominated purchase in terms of the foreign exchange risk management policy of the Company.

xiv) Credit Ratings :

Credit Ratings obtained by the Company for any debt instrument, fixed deposit programme for any other scheme involving mobilization of funds : India Ratings and Research has given credit rating of different instruments. The details of Credit Ratings are available on the website of the Company.

xv) Outstanding GDRs/ADRs/ Warrants or any convertible instruments : The Company has not issued any Convertible instruments, conversion any GDRs/ ADRs/Warrants.

xvi) Plant locations :

- 14 Taratolla Road, Kolkata 700088
- JL-71, P.O. Bishnupur,Gangarampur, WestBengal - 743503
- L-1, Verna Electronic City, Verna, Salcete, Goa - 403722
- 62, 64 & 66 Corlim Indl. Estate, Corlim Ilhas, Goa - 403110
- Plot No. 7, Survey No 261/0, Phase - IV, Verna Industrial Estate, Verna, Salcete – Goa - 403722
- 16/17, Visveswariah Indl. Estate, Whitefield Road, Bangalore - 560048

- 3B/3C Bommasandra Industrial Area,Anekal Taluk, Bengaluru Urban, Karnataka - 560099
- Plot No. 5, 4A, 4B, 3B, Malur Industrial Area, Kurandanahalli Village–563160
- Bamunari NH–2, Delhi Road, Hooghly – 712250, West Bengal

xvii) Address for correspondence : Corporate Office
IFB Industries Limited
Plot No. IND 5, Sector I,
East Kolkata Township, Kolkata 700 107.
Tel.(033) 39849475
Fax (033) 39849676
E-mail: **investors@ifbglobal.com**

xvii) Designated E-Mail Address for Investor Services :

To serve the investors better and as required under Regulation 46(2)(j) of the Listing Regulations, the designated e-mail address for investor complaints is **investors@ifbglobal.com**. The e-mail address for grievance redressal is monitored by the Company's Compliance Officer.

11. Other Disclosures :

A) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with interests of the Company. Transactions with the related parties are disclosed in Note No. 37"Notes to Financial Statements" annexed to the Financial Statements for the year. The Policy on Related Party has been given under Company's official website under the web link: **http://ifbindustries.com/csr_policy.php**

B) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets during the last 3 years: During financial year 2021-22, the Company received notices from NSE & BSE for non compliance pertaining to provisions of Regulation 17 (1) of SEBI (LODR) and accordingly the fine as demanded by these exchanges were paid by the Company under protest. The Company made proper representations before the exchanges.

C) The financial statements for the year 2022-23 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

D) The Board noted and reviewed the Compliance Reports of all laws applicable to the Company, which were placed before each of its meeting held during the year 2022-2023.

E) The Company has adopted Whistle Blower/Vigil Mechanism Policy for Directors and employees which has been placed in the website of the Company under the web link http://www.ifbindustries.com/vigil_mechanism.php. No personnel has been denied access to the Audit Committee.

F) The Company has adopted Policy for determining 'material' subsidiaries which has been placed in the website of the Company under the web link **http://www.ifbindustries.com/pdf/Policy_determination_Material_Subsidiary.pdf**

G) The Company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate risk.

H) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) during the financial year 2022-23.

I) The Company has received a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

J) During the financial year 2022-23, the Board had accepted all mandatory recommendation made by its committees.

K) M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 302009E) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fee, on consolidated basis for financial year 2022-23 is given below :

Rs. In Crores

Particulars	**Amount**
Statutory Audit Fee	0.54
Tax Audit Fee	0.20
Limited Review Fee	0.22
Others	0.13
Reimbursement of expenses	0.04
Total	**1.13**

L) The disclosure regarding the complaints of sexual harassment as per the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 are given in the Directors' Report.

M) Reconciliation of Share Capital Audit :
A Qualified Practicing Company Secretary carried out Reconciliation of Share Capital Audit during the financial year 2022-23 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit Report confirms that the Total Paid up Share Capital is in agreement with the total No. of Shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

N) The Company and its subsidiaries have not given any Loans & advances in the nature of loans to firms/ Companies in which the Directors are interested.

O) The Company has no material subsidiary.

P) The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2022-23 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines/ Notices issued by the Stock Exchanges thereunder from time to time. Accordingly, the Annual Secretarial Compliance Report, as per the revised format, for the financial year ended 31 March, 2023 has been submitted to the Stock Exchanges within the prescribed timeline.

Q) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI LODR as on 31st March, 2023.

This Corporate Governance Report of the Company for the year 2022-2023 as on 31 March 2023 is in compliance with the requirements of Corporate Governance under SEBI LODR as applicable.

12. Requirement under PART E of Schedule II

i) The Board

It is not applicable as the company is having one Executive Chairman.

ii) Shareholders' Rights

The Company's financial results are published in the newspaper and also posted on its website (**www.ifbindustries.com**). Hence Financial Results are not sent to the Shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

iii) Modified opinion in Audit Report

Statutory Auditors have provided an unmodified opinion in their Audit Reports on the financials for Standalone and Consolidated Reports of IFB Industries Limited for the year ended 31 March 2023.

iv) Separate Post of Chairman and Chief Executive Officer

The Company has appointed separate persons as Chairman, Managing Director & CEOs.

v) Reporting of Internal Auditor

Internal Auditors report directly to the Audit Committee.

For and on behalf of the Board of Directors

Bikramjit Nag
(DIN: 00827155)
Joint Executive Chairman
& Managing Director

Prabir Chatterjee
(DIN: 02662511)
Director & CFO

Place : Bengaluru / Kolkata
Date : 27 May 2023

CERTIFICATION BY CHIEF EXECUTIVE OFFICERS (CEOs) AND CHIEF FINANCIAL OFFICER (CFO) UNDER REGULATION 17(8) OF (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to certify that:

1. We have reviewed the financial statements and the cash flow statement of IFB Industries Ltd. ('the Company') for the year ended 31st March, 2023 and to the best of our knowledge and belief:
   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii) these statements together present a true and fair view of Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2023 are fraudulent, illegal or violates Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that :
   i. there are no significant changes in the internal control over financial reporting during the year;
   ii. there are no significant changes in accounting policies during the year;
   iii. there are no instances of significant fraud during the year, with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Yours truly,

	Harsh Vardhan Sachdev	**Rajshankar Ray**	**Prabir Chatterjee**
	Managing Director &	*Managing Director &*	*Director &*
Place : Bengaluru / Kolkata	*Chief Executive Officer*	*Chief Executive Officer*	*Chief Financial Officer*
Date : 27 May 2023	Engineering Division	Home Appliances Division	

INDEPENDENT AUDITORS' CERTIFICATE on Corporate Governance

To the Members of **IFB Industries Limited**

1. This certificate is issued in accordance with the terms of our engagement letter reference no: VAF/2022-23/40 dated 29 September 2022, addendum to audit engagement letter reference no: VAF/2022-23/58 dated 31 October 2022 and addendum to audit engagement letter reference no: VAF/2022-23/185 dated 29 March, 2023.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of IFB Industries Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations, as amended from time to time, during the year ended 31 March, 2023.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 23103999BGXJEO9024

Kolkata, 27 May 2023

Independent Auditor's Report to the Members of IFB INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IFB Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, notes to the financial statements and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company 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 standalone financial statements under the provisions of the Act and the Rules made 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Recognition of Revenue** Revenue is recognised when performance obligations are satisfied by transferring promised goods to customers. Goods are considered transferred when the customer obtains 'control' of the promised goods. Control is the ability to direct the use of and obtain, substantially all the benefits from the goods. There is a risk of revenue not being recorded in the correct accounting period on account of the ability to establish with certainty the point of time when control has passed. Refer to 1(B)(d) for the Accounting policy on recognition on revenue.	Our audit approach was a combination of test of internal controls and substantive procedures including: • Assessing the appropriateness of the relevant accounting policy. • Evaluation of the design and implementation of internal controls over management's assertion with respect to 'cut-off ', to establish that control of promised goods has passed to customers. • Testing the operating effectiveness of the said internal controls for selected sample of sales. • Substantive tests on a sample of sales to confirm that 'cut-off' has been properly applied, in particular, just before and after close of the accounting period. • Assessed the relevant disclosures made in the Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to Board's report, Management Discussions and Analysis report, Business Responsibility and Sustainability report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 these standalone financial statements.

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 standalone financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1 April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 23103999BGXJEK2411

Kolkata, 27 May 2023

ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of IFB Industries Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 23103999BGXJEK2411

Kolkata, 27 May 2023

ANNEXURE "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties.

B. The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) Some of the property, plant and equipment, capital work-in-progress and investment properties were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress and investment properties at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i) (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, capital work-in progress and investment properties are held in the name of the Company as at the balance sheet date.

(i) (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(ii) (b) According to the information and explanations given to us, at any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, debtors and creditors statement (including revised returns/ statements, if any) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters (June 2022, September 2022 and December 2022). The Company is yet to submit the return / statement for the quarter ended March 2023 with the banks.

(iii) The Company has made investments in, provided guarantee to companies during the year in respect of which:

(a) The Company has provided guarantees during the year and details of which are given below:

	Loans (Rs. In Crores)	Guarantees (Rs. In Crores)
A. Aggregate amount granted / provided during the year:		
- Subsidiaries - Others (employees)	– –	12.61 –
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Subsidiaries - Others (employees)	– 1.11	20.82 –

* The amounts reported are at gross amounts, without considering provisions made.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further, the Company has not provided any loan, advances in the nature of loan and security, secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other entity during the year.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above- mentioned guarantee provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The Company has not granted any loans or securities. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of making investments and providing guarantees.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the "Electricals or Electronic Machinery, Other machinery and Mechanical Appliances, Iron & Steel and Base metals". We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2023 on account of disputes are given below:

Name of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved net of amount paid under protest Rs. in crore	Amount Paid under Protest Rs. in crore
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2012-13 & AY 2018-19	42.31	–
Central Excise Act 1944	Excise Duty	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	2004-05 to 2009-10 to 2011-12; 2012-13 to 2015-16 to 2016-17	2.00	0.07
Central Excise Act 1944	Excise Duty	Deputy Director - Directorate general of Goods and Service Tax department	2014 to 2018	0.40	–
Central Sales Tax Act and Local Sales Tax Act	Sales Tax including trade tax	Assessing officer	1991-92 to 1994-95	1.76	-
		Assistant Commissioner	2002-03	0.01	-
		Additional Commissioner	2009-10	0.07	-
		Commissioner Appeals	2009-10 and 2015-16	-	0.04
		Deputy Commissioner (Appeals)	2005-06; 2009-10; 2010-11 and 2013-15	0.35	0.06
		Deputy Commissioner	2013-14	0.01	-
		Tribunal	2002-2004, 2004-2005	0.01	0.34
		Trade Tax Tribunal	1999-2000	0.02	-
		Joint Commissioner (Appeals)	2006-07	0.01	-
		High Court	2009-10	0.89	1.74
		Objection Hearing Authority	2009-17	0.56	0.01
		Appellate and Revision Board	1996-97	0.10	-
		Sr. Joint Commissionerate, Corporate division	2013-14	0.02	-
		Joint Commissioner (Appeal)	2011-13 and 2014 -2015	0.11	0.18
		Sales Tax Tribunal	2003-05 and 2007-12	0.23	0.06
		Appellate Tribunal	2004-2005 to 2007-08	-	0.13
		Supreme Court	2001-03	0.62	0.83

Name of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved net of amount paid under protest Rs. in crore	Amount Paid under Protest Rs. in crore
Central Goods & Service Tax	GST	High Court	2017-18	0.67	-
		Commissioner Customs	2019-20	0.72	-
Labour Laws	Wages of Labour	Bombay High Court	2011-12	0.49	-
Labour Laws	Wages of Labour	Industrial Labour Court	2011 to 2013	0.10	-
Customs Act, 1962	Customs duty	Additional Director General, Directorate of Revenue Intelligence	2008-2012	0.02	-
The Finance Act, 1994	Service Tax	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	2009 - 2012, 2009 – 2013, 2005-06 - 2011-12, 2015-16 & 2016-17	5.37	-
		Deputy / Assistant Commissioner (Appeal)	2012–16	0.15	0.01

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

(ix) (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(x)(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xiv) (b) We have considered, the internal audit reports issued to the Company during the year and covering upto December 2022 and the final internal audit reports, where issued after the balance sheet date covering the period January 2023 to March 2023 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 23103999BGXJEK2411

Kolkata, 27 May 2023

Standalone Balance Sheet

	Notes	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
ASSETS			
1. **Non-current assets**			
(a) Property, plant and equipment	3A	**483.03**	499.07
(b) Capital work-in-progress	3A	**11.71**	9.80
(c) Right of use assets	3C	**151.08**	130.69
(d) Investment property	4	**0.11**	0.11
(e) Goodwill	40	**13.55**	13.55
(f) Other intangible assets	3B	**21.61**	29.04
(g) Intangible assets under development	3B	**8.54**	3.28
(h) Financial assets			
(i) Investments	5	**120.85**	23.85
(ii) Loans	6	**0.55**	0.61
(iii) Others	7	**19.26**	16.47
(i) Deferred tax assets (net)	19	**-**	2.05
(j) Income tax assets (net)	8	**15.43**	12.43
(k) Other non-current assets	9	**14.26**	19.23
2. **Current assets**			
(a) Inventories	10	**566.82**	571.65
(b) Financial assets			
(i) Investments	5	**89.15**	227.22
(ii) Trade receivables	11	**392.04**	296.39
(iii) Cash and cash equivalents	12	**71.68**	64.79
(iv) Other bank balances	13	**21.03**	22.52
(v) Loans	6	**0.56**	0.60
(vi) Others	7	**11.45**	5.37
(c) Other current assets	9	**58.99**	50.00
Total assets		**2,071.70**	1,998.72
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	**41.28**	41.28
(b) Other equity		**615.28**	595.91
Liabilities			
1. **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	**63.65**	112.13
(ii) Lease liabilities		**120.31**	103.26
(iii) Other financial liabilities	16	**0.40**	0.37
(b) Provisions	18	**51.57**	50.98
(c) Deferred tax liabilities (net)	19	**15.57**	-
(d) Other non-current liabilities	17	**48.86**	33.48
2. **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	20	**135.50**	120.86
(ii) Lease liabilities		**28.56**	21.18
(iii) Trade payables	43		
(A) total outstanding dues of micro enterprises and small enterprises		**45.76**	143.74
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**765.87**	654.26
(iv) Other financial liabilities	16	**15.45**	16.89
(b) Other current liabilities	17	**113.56**	95.39
(c) Provisions	18	**9.82**	8.99
(d) Income tax liabilities		**0.26**	-
Total equity and liabilities		**2,071.70**	1,998.72

The accompanying notes 1 to 53 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Standalone Statement of Profit and Loss

		Notes	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
I	Revenue from operations	21	**4,104.05**	3,339.00
II	Other income	22	**22.20**	18.14
III	**Total income (I + II)**		**4,126.25**	3,357.14
IV	**Expenses**			
	(a) Cost of materials consumed	23	**2,174.96**	1,701.00
	(b) Purchases of stock-in-trade	24	**352.27**	377.54
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	**(35.00)**	(66.09)
	(d) Employee benefits expense	26	**395.80**	363.71
	(e) Finance costs	27	**29.15**	31.46
	(f) Depreciation and amortisation expense	28	**119.44**	113.45
	(g) Other expenses	29	**1,055.23**	912.79
	Total expenses (IV)		**4,091.85**	3,433.86
V	**Profit / (Loss) before tax (III - IV)**		**34.40**	(76.72)
VI	**Tax expense**			
	(a) Current tax	30A	**0.26**	(3.41)
	(b) Deferred tax	30A	**16.90**	(22.10)
			17.16	(25.51)
VII	**Profit / (Loss) for the year (V - VI)**		**17.24**	(51.21)
VIII	**Other comprehensive income**			
	(i) Items that will not to be reclassified to profit or loss			
	- Remeasurements of the defined benefit plan	32	**2.85**	0.97
	(ii) Income tax relating to items that will not be reclassified to profit or loss	30B	**(0.72)**	(0.34)
	Total other comprehensive income		**2.13**	0.63
IX	**Total comprehensive income / (loss) for the year (VII + VIII)**		**19.37**	(50.58)
X	**Earnings per equity share (Face value Rs. 10 each)**			
	(a) Basic (in Rs.)	31	**4.25**	(12.64)
	(b) Diluted (in Rs.)	31	**4.25**	(12.64)

The accompanying notes 1 to 53 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Standalone Statement of Changes in Equity

A. Equity share capital

	As at the beginning of the reporting year	Changes in equity share capital during the year	As at the end of the reporting year
	Rs. in crores	Rs. in crores	Rs. in crores
For the year ended 31 March 2022	41.28	–	**41.28**
For the year ended 31 March 2023	41.28	–	**41.28**

B. Other equity

	Reserves and surplus					Total
	Capital Reserve	Securities premium	Capital redemption reserve	Debt restructuring reserve	Retained earnings	
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Balance as at 01 April 2021	5.22	174.33	16.05	89.81	361.08	646.49
Loss for the year	-	-	-	-	(51.21)	(51.21)
Other comprehensive loss (net of tax)	-	-	-	-	0.63	0.63
Total comprehensive income for the year	-	-	-	-	(50.58)	(50.58)
Balance as at 31 March 2022	5.22	174.33	16.05	89.81	310.50	595.91
Profit for the year	-	-	-	-	17.24	17.24
Other comprehensive income (net of tax)	-	-	-	-	2.13	2.13
Total comprehensive income for the year	-	-	-	-	**19.37**	**19.37**
Balance as at 31 March 2023	**5.22**	**174.33**	**16.05**	**89.81**	**329.87**	**615.28**

Capital reserve — This reserve represents the difference between the value of net assets acquired by the Company in the course of business combinations and the consideration paid for such combinations.

Securities premium — This reserve represents premium on issue of shares and expenses on employee stock purchase scheme and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve — This reserve has been created under the Companies Act, 1956 on redemption of redeemable preference shares and can utilised in accordance with the provisions of the Companies Act, 2013.

Debt restructuring reserve — This reserve represents the principal loan amount that were waived off in earlier years.

Retained earnings — This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit plans. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 53 are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director — **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division — **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division — **Harsh Vardhan Sachdev**
Director and Chief Financial Officer — **Prabir Chatterjee**
Company Secretary — **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Standalone Cash Flow Statement

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
A.	**Cash flows from operating activities**		
	Profit / (Loss) before tax	**34.40**	(76.72)
	Adjustments for:		
	Depreciation and amortisation expense	**119.44**	113.45
	Gain on disposal of property, plant and equipment	**(0.03)**	(0.05)
	Write-off of property, plant and equipment	**1.22**	1.01
	Write-off of capital work in progress	**-**	0.01
	Write-off of debts/ advances	**0.68**	0.85
	Write-down of inventory (net)	**0.20**	(0.47)
	Allowances for doubtful debts and advances	**0.28**	0.20
	Dividend from investments in mutual fund	**(0.01)**	-
	Net gain on disposal of mutual funds measured at fair value through profit and loss (FVTPL)	**(0.49)**	(0.41)
	Write back of liabilities no longer required	**(1.18)**	(0.85)
	Write back of provision on assets no longer required	**(0.30)**	(0.62)
	Unrealised exchange loss	**4.64**	3.19
	Interest income on financial assets	**(3.16)**	(2.52)
	Net gain arising on mutual funds measured at FVTPL	**(8.88)**	(10.18)
	Net gain arising on derivative instruments measured at FVTPL	**(3.21)**	(3.15)
	Income in respect to deferred revenue from government grant	**(1.53)**	(1.50)
	Finance costs	**26.28**	28.97
	Operating profit before working capital changes	**168.35**	51.21
	Adjustments for:		
	Trade payables	**14.78**	161.25
	Provisions	**2.55**	(5.04)
	Other financial liabilities	**1.31**	(0.01)
	Other liabilities	**28.77**	(5.19)
	Trade receivables	**(96.31)**	(50.32)
	Other financial assets	**(4.60)**	0.04
	Other assets	**(9.83)**	12.21
	Loans	**0.10**	(0.16)
	Inventories	**4.63**	(113.31)
	Cash generated from operations	**109.75**	50.68
	Income tax paid (net of refunds)	**(3.00)**	(5.43)
	Net cash generated from operating activities	**106.75**	45.25
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	**(66.63)**	(72.33)
	Proceeds from sale of property, plant and equipment	**0.13**	0.50
	Investment in equity shares of an associate	**(97.00)**	-
	Government grant received	**6.31**	-
	Purchase of current investments (mutual funds)	**(119.96)**	(136.39)
	Sale of current investments (mutual funds)	**267.41**	177.98
	Decrease in bank balances (with maturity more than 12 months)	**1.49**	1.67
	Interest income on financial assets	**1.56**	2.56
	Net cash used in investing activities	**(6.69)**	(26.01)

Standalone Cash Flow Statement

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
C. Cash flows from financing activities		
Movements in short term borrowings (net)	**17.23**	36.25
Proceeds from long term borrowings	**9.21**	-
Repayments of long term borrowings	**(65.23)**	(31.69)
Lease rent paid - principal portion	**(28.25)**	(34.70)
Lease rent paid - interest portion	**(11.81)**	(1.64)
Finance costs	**(14.32)**	(18.03)
Net cash used in financing activities	**(93.17)**	(49.81)
Net change in cash and cash equivalents (A+B+C)	**6.89**	(30.57)
Cash and cash equivalents at the beginning of the year	**64.79**	95.36
Cash and cash equivalents at the end of the year (Refer Note 12)	**71.68**	64.79

Note :

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

The accompanying notes 1 to 53 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Notes to the standalone financial statements for the year ended 31 March 2023

1A. BACKGROUND :

IFB Industries Limited ("the Company") with CIN: L51109WB1974PLC029637 is a Listed Public Limited Company having its registered office in Kolkata. The Company is engaged in the business of manufacturing of fine blanked components and stamping, in manufacturing and trading of home appliances and in the manufacture of cold rolled steel strips and motors

1B. SIGNIFICANT ACCOUNTING POLICIES :

a. Statement of compliance

The standalone financial statements have been prepared in all material respects in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies Act, 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The Company has consistently applied accounting policies to all periods.

b. Basis of preparation

The standalone financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies.Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are prepared in Indian rupees and all amounts are rounded off to the nearest crores unless otherwise stated.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions (such estimates and judgements are reviewed every year) that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013 and Ind AS 1- Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

c. Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

d. Revenue recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains control of the asset.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation., Transaction price of goods sold is net of variable consideration on account of discounts, incentives and schemes offered by the company. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period or as per the terms of the contract.

Dividend income from investments is recognised when the shareholder's right to receive dividend has been establishedprovided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Company and the amount can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

e. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

Properties in course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with Company's policy. Depreciation on these assets commences when they are ready for their intended use.

Depreciation on property, plant and equipment has been provided on the straight-line method less residual values as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the tools and moulds, in whose case the life of the assets has been assessed as 5 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation commences when the assets are ready for their intended use.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 years
Buildings (Roads and Fences)	5 years
Plant and equipment	10 – 15 years
Plant and equipment (Tools and Moulds)	5 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3-6 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

f. Investment property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 – Property, Plant and Equipment requirement for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is derecognised.

g. Intangible assets

Intangible assets that the Company acquires separately and from which it expects future economic benefits are capitalised upon acquisition and measured initially at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser-known brands are those to which adequate marketing support may not be provided).

Intangible assets that have finite lives are amortised over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortised.The estimated useful lives of intangible assets of the Company are as follows:

Computer software	3 years
Technical knowhow	3 / 5 / 7 / 10 years
Brand	5 years
Non-Compete Agreement	10 years

Amortisation expenses and impairment losses and reversal of impairment losses are taken to the statement of profit and loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortisation and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in profit or loss when the asset is derecognised.

h. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than it's carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j. Foreign currency transactions

The functional and presentation currency of the Company is Indian Rupee.

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions.Gains / losses arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on translation of monetary items are recognised in the statement of profit and lossexcept for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of the assets when they are regarded as an adjustment to interest costs on these foreign currency borrowings.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

Non-monetary items denominated in foreign currency are carried at cost.

k. Derivatives

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts and currency swaps to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the statement of profit and loss.

l. Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost less accumulated impairment, if any.

m. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs of inventories are determined using weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

n. Employee benefits

Retirement benefit costs

Contribution payable for provident fund and superannuation fund, which are defined contribution schemes are recognised as an employee benefit expense in the statement of profit and loss.

For retirement benefit - defined benefit plan i.e.,gratuity, other long-term employee benefits i.e., leave encashment and sick leave, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit in other comprehensive income for gratuity and statement of profit and loss for leave encashment and sick leave in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit and loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

o. Taxation

Tax expenses comprises current and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid to tax authorities in accordance with the Income Tax Act, 1961. The Company's current tax is calculated using tax rates and tax laws that have been enacted during the period, together with any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.

Minimum Alternate Tax (MAT) credit entitlement is recognised only to the extent there is convincing evidence that the Company will pay normal tax during the period specified by the Income Tax Act, 1961. In the year in which the MAT credit becomes eligible to be recognised as an asset,the said asset is created by way of credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

p. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

a) related to or used for assets are included in the balance sheet as deferred income and recognised as income over the useful life of the assets.

b) related to incurring specific expenditures are taken to the statement of profit and loss on the same basis and in the same periods as the expenditures incurred.

c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

Notes to the standalone financial statements for the year ended 31 March 2023

q. Warranties

Warranty costs are estimated by the Management on the basis of a technical evaluation and based on specific warranties, claims and claim history. Provision is made for estimated liability in respect of warranty cost in the year of sale of goods. Warranty provisions are measured at discounted amounts. The Company discounts its provision for warranty to present value at reporting dates. Consequently, the unwinding of discount is recognised in the statement of profit and loss.

Provision for warranty is expected to be utilised over a period of one to five years.

r. Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure of contingent liability is made.

s. Leases

i. **Company as a lessee**

The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and corresponding lease liability at the lease commencement date with respect to all lease arrangements in which it is a lessee, except for short- term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease termand evaluated for any impairment losses.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the policy for 'Property, Plant and Equipment'.

Whenever the Company incurs an obligation for costs to dismantle and remove leased assets, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. To the extent those costs relate to a right- of-use asset, the costs are included in the right-of-use asset, unless the costs are incurred to produce inventories.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are presented in the line 'Other Expenses' in the statement of profit or loss.

The right-of-use assets and lease liabilities are presented as a separate line item in the balance sheet.

ii. **Company as a lessor**

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever, the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease receipts under operating leases are recognised as an income, on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Company does not have any finance lease arrangements.

t. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the divisional Chief Executive Officers.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated expenses and taxes.

"Unallocated expenses" represents revenue and expenses attributable to the Company as a whole and are not attributable to segments.

u. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured atfair value except for trade receivables that do not have a significant financing component which are measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

Financial assets and liabilities are offset and the net amount is included in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

v. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) Fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) Fair value through profit and loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the statement of profit and loss in the period in which they arise.

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are classified for measurement at amortised cost. Derivative instruments are measured at fair value throughprofit and loss while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit and loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The effective interest method is a method of calculating the amortised cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Recognition

Financial assets include investments, trade receivables, derivative instruments, cash and cash equivalents, other bank balances, loans and other financial assets. Such assets are initially recognised at transaction price when the

Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the statement of profit and loss.

Impairment

At each reporting date a financial asset such as investment, trade receivable, loans and other financial assets held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss is assessed and loss allowance is recognised if the credit quality of that financial asset has deteriorated significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

Reclassification

When and only when the business model is changed the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit and loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to financial instruments.

De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Consequently, if the asset is one that is measured at

(a) Amortised cost, the gain or loss is recognised in the statement of profit and loss.

(b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of profit and loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

w. Financial liabilities and equity instruments

Classification:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received.

Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the statement of profit and loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the balance sheet.

Financial liabilities are derecognised when the liability is extinguished,i.e., when the contractual obligation is discharged, cancelled and on expiry.

x. Earning per share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit and loss for the year attributable to shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares.

y. Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than it's carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

z. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the difference between the assets acquired by the Company and liabilities assumed by the Company at the acquisition-date.

Acquisition related costs are generally recognised in the statement of profit or loss as incurred. The identifiable assets acquired and liabilities assumed are recognised at fair value except deferred tax assets or liabilities and liabilities related to employee benefit arrangements which are recognised and measured in accordance with Ind AS 12 and Ind AS 19 respectively.

Goodwill is measured as the excess of the sum of the consideration transferred over the net amounts of the identifiable assets acquired and the liabilities assumed at the acquisition date. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

Business combinations arising from acquisition of net assets from entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholders' equity.

2A. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are related to:

(i) Useful life of property, plant and equipment and intangible assets

(ii) Provision for product warranties

(iii) Provision for employee benefits

(iv) Fair value of financial assets / liabilities

(v) Provisions and contingent liabilities

Useful life of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

Provision for product warranties:

Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the Company's obligation for warranties. It is estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

The determination of provision for product warranties takes into account assumptions which is a subject matter of judgement.

Provision for employee benefits

The determination of Company's liability towards defined benefit obligation and otherlong-term employee benefits to employees is made through independent actuarial valuation including determination of amounts to be recognised in the statement of profit and loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to accounts.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where

Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation, if required.

Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

2B. RECENT ACCOUNTING PRONOUNCEMENT

On 31st March 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to Company from 1st April 2023, as below:

(i) Ind AS 101 – First-time Adoption of Indian Accounting Standards

(ii) Ind AS 102 – Share-based Payment

(iii) Ind AS 103 – Business Combinations

(iv) Ind AS 107 – Financial Instruments Disclosures

(v) Ind AS 109 – Financial Instruments

(vi) Ind AS 115 – Revenue from Contracts with Customers

(vii) Ind AS 1 – Presentation of Financial Statements

(viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

(ix) Ind AS 12 – Income Taxes

(x) Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the Company's financial statements.

3A. Property, plant and equipment

Rs. in crores

		Gross Block				Depreciation and amortisation				Net Book Value	
		As at 01 April 2022	**Additions**	**Adjustments / disposals**	**As at 31 March 2023**	As at 01 April 2022	**For the year**	**Adjustments / disposals**	**As at 31 March 2023**	**As at 31 March 2023**	As at 31 March 2022
(a)	**Land**	14.05	–	–	**14.05**	–	–	–	–	**14.05**	14.05
	Previous year	*14.05*	–	–	*14.05*	–	–	–	–	*14.05*	*14.05*
(b)	**Buildings**	128.65	1.40	(0.03)	**130.02**	21.28	6.89	–	**28.17**	**101.85**	107.37
	Previous year	*124.87*	*4.22*	*(0.44)*	*128.65*	*14.74*	*6.95*	*(0.41)*	*21.28*	*107.37*	*110.13*
(c)	**Plant and equipment**	609.30	49.05	(2.79)	**655.56**	265.67	60.08	(1.89)	**323.86**	**331.70**	343.63
	Previous year	*561.69*	*50.09*	*(2.48)*	*609.30*	*206.74*	*60.10*	*(1.17)*	*265.67*	*343.63*	*354.95*
(d)	**Furniture and fixtures**	35.40	3.49	(0.58)	**38.31**	13.07	3.44	(0.37)	**16.14**	**22.17**	22.33
	Previous year	*28.83*	*6.75*	*(0.18)*	*35.40*	*9.96*	*3.20*	*(0.09)*	*13.07*	*22.33*	*18.87*
(e)	**Vehicles**	0.90	0.85	–	**1.75**	0.52	0.12	–	**0.64**	**1.11**	0.38
	Previous year	*0.79*	*0.11*	–	*0.90*	*0.44*	*0.08*	–	*0.52*	*0.38*	*0.35*
(f)	**Office equipment**	7.25	0.94	(0.38)	**7.81**	4.00	0.96	(0.31)	**4.65**	**3.16**	3.25
	Previous year	*5.46*	*1.84*	*(0.05)*	*7.25*	*3.27*	*0.78*	*(0.05)*	*4.00*	*3.25*	*2.19*
(g)	**Computers**	20.52	4.66	(0.70)	**24.48**	12.46	3.62	(0.59)	**15.49**	**8.99**	8.06
	Previous year	*16.20*	*4.67*	*(0.35)*	*20.52*	*9.90*	*2.88*	*(0.32)*	*12.46*	*8.06*	*6.30*
Total		816.07	60.39	(4.48)	**871.98**	317.00	75.11	(3.16)	**388.95**	**483.03**	499.07
Previous year		751.89	67.68	(3.50)	**816.07**	245.05	73.99	(2.04)	**317.00**	**499.07**	506.84
Capital work–in–progress		9.80	9.73	(7.82)	**11.71**	–	–	–	–	**11.71**	9.80
Previous year		*17.74*	*9.12*	*(17.06)*	*9.80*	–	–	–	–	*9.80*	*17.74*

1 *Amount of borrowing cost capitalised during the period Nil (31 March, 2022 - Nil)*
2. *All the title deeds of Immovable properties are held in the name of the Company*

Capital work-in-progress ageing schedule:

Rs. in crores

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2023	**9.73**	**1.53**	**0.45**	**–**	**11.71**
Previous year	*9.12*	*0.64*	*0.04*	–	*9.80*

3B. Intangible assets

Rs. in crores

	Gross Block				Depreciation and amortisation				Net Book Value	
	As at 01 April 2022	Additions	Adjustments / disposals	As at 31 March 2023	As at 01 April 2022	For the year	Adjustments / disposals	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
(a) Brand	3.82	–	–	**3.82**	2.63	0.77	–	**3.40**	**0.42**	1.19
Previous year	*3.82*	–	–	*3.82*	*1.87*	*0.76*	–	*2.63*	*1.19*	*1.95*
(b) Computer software	22.46	0.84	(0.01)	**23.29**	18.62	2.24	(0.01)	**20.85**	**2.44**	3.84
Previous year	*19.89*	*2.60*	*(0.03)*	*22.46*	*16.58*	*2.07*	*(0.03)*	*18.62*	*3.84*	*3.31*
(c) Technical knowhow	46.54	2.04	–	**48.58**	26.56	6.69	–	**33.25**	**15.33**	19.98
Previous year	*43.78*	*2.76*	–	*46.54*	*20.37*	*6.19*	–	*26.56*	*19.98*	*23.41*
(d) Non-compete agreement	6.17	–	–	**6.17**	2.14	0.61	–	**2.75**	**3.42**	4.03
Previous year	*6.17*	–	–	*6.17*	*1.52*	*0.62*	–	*2.14*	*4.03*	*4.65*
Total	78.99	2.88	(0.01)	**81.86**	49.95	10.31	(0.01)	**60.25**	**21.61**	29.04
Previous year	*73.66*	*5.36*	*(0.03)*	*78.99*	*40.34*	*9.64*	*(0.03)*	*49.95*	*29.04*	*33.32*
Intangible assets under development	3.28	6.29	(1.03)	**8.54**	–	–	–	**–**	**8.54**	3.28
Previous year	*2.32*	*2.80*	*(1.84)*	*3.28*	–	–	–	–	*3.28*	*2.32*

1 *The amortisation of intangible assets is disclosed in the face of Statement of Profit and Loss under the heading "Depreciation and amortisation expenses".*

2 *None of the above stated intangible assets are internally generated.*

3 *The remaining useful life of significant intangible assets are as under:-*

Description	*Remaining useful life as at 31 March 2023*
(a) Brand	*The entire net block would be amortised in 1 year.*
(b) Drawing cost of BLDC air conditioner motor	*The entire net block would be amortised in 10 years.*
(c) Technology purchase for Industrial washing machine	*The entire net block would be amortised in 5 years.*
(d) Engineering design and process for Industrial Launderette Equipments	*The entire net block would be amortised in 3 years.*
(e) Design cost of Motors	*The entire net block would be amortised in 1 year.*
(f) Design cost for air conditioner	*The entire net block would be amortised in 2 years.*
(g) Design cost for washer dryer	*The entire net block would be amortised in 2 years.*
(h) Technical knowhow for air conditioner controller	*The entire net block would be amortised in 4 years.*
(i) Non-compete agreement	*The entire net block would be amortised in 6 years.*

Intangible assets under development ageing schedule:

Rs. in crores

	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2023	**6.29**	**1.92**	**0.29**	**0.04**	**8.54**
Previous year	*2.80*	*0.43*	*0.05*	–	*3.28*

3C. Right of use assets

Rs. in crores

	Gross Block				Depreciation and amortisation				Net Book Value	
	As at 01 April 2022	Additions	Adjustments / disposals	As at 31 March 2023	As at 01 April 2022	For the year	Adjustments / disposals	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Land	78.61	–	–	**78.61**	4.19	3.25	–	**7.44**	**71.17**	74.42
Previous year	*18.95*	*59.66*	–	*78.61*	*0.95*	*3.24*	–	*4.19*	*74.42*	*18.00*
Buildings	115.60	53.47	(34.28)	**134.79**	59.33	30.41	(33.88)	**55.86**	**78.93**	56.27
Previous year	*87.43*	*33.78*	*(5.61)*	*115.60*	*37.09*	*26.58*	*(4.34)*	*59.33*	*56.27*	*50.34*
Vehicles	–	1.34	–	**1.34**	–	0.36	–	**0.36**	**0.98**	–
Previous year	–	–	–	–	–	–	–	–	–	–
Total	194.21	54.81	(34.28)	**214.74**	63.52	34.02	(33.88)	**63.66**	**151.08**	130.69
Previous year	*106.38*	*93.44*	*(5.61)*	*194.21*	*38.04*	*29.82*	*(4.34)*	*63.52*	*130.69*	*68.34*

4. Investment property

Rs. in crores

Particulars	Gross Block / Net Book Value			
	As at 1 April 2022	**Additions**	**Adjustments/ disposals**	**As at 31 March 2023**
Land	0.11	–	–	**0.11**
Total	0.11	–	–	**0.11**

1. The Company's investment properties consist of lands in India and includes an amount of **Rs. 0.07 crores** (31 March 2022: Rs. 0.07 crores) being assets given on an lease.
2. As at 31 March 2023 and 31 March 2022 the fair values of the properties are **Rs. 10.26 crores** and Rs. 7.15 crores respectively. These fair values are based on valuations performed by NagChowdhury Associates, an accredited independent registered valuer. NagChowdhury Associates is a specialist in valuing these types of investment properties. A valuation model (market approach) has been adopted and the valuation is in accordance with that recommended by the International Valuation Standards. The fair value measurement can be categorised into level 3 category. There has been no change in the valuation technique as compared to 31 March, 2022.
3. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements. All the title deeds of the investment properties are held in the name of the Company
4. Information regarding income and expenditure of investment property:

Particulars	Year ended	
	31 March 2023 Rs. in crores	31 March 2022 Rs. in crores
Rental income derived from investment property	**0.07**	0.06
Total profit arising from investment property	**0.07**	0.06

5. Investments

	Particulars	As at 31 March 2023			As at 31 March 2022		
		Nos	**Current Rs. in crores**	**Non Current Rs. in crores**	Nos	Current Rs. in crores	Non Current Rs. in crores
(A)	**INVESTMENT IN EQUITY INSTRUMENTS**						
	Unquoted investments (fully paid)						
(i)	**Investment in subsidiary (at cost)**						
	- Global Automotive & Appliances Pte. Ltd. (ordinary shares of USD. 1/- each)	**47,55,625**	**–**	**21.60**	47,55,625	–	21.60
(i)	**Investment in associate (at cost)**						
	- IFB Refrigeration Limited (Ordinary Shares of Rs 10/- each)	**9,70,00,000**	**–**	**97.00**	–	–	–
(ii)	**Investment in others (at fair value through profit and loss otherwise stated)**						
	- Astrea Greentech Private Ltd (equity shares of Rs. 10/- each)	**15,000**	**–**	**2.25**	15,000	–	2.25
			–	**120.85**		–	23.85

Notes to the standalone financial statements for the year ended 31 March 2023

5. Investments *(Contd.)*

	Particulars	As at 31 March 2023			As at 31 March 2022		
			Current	**Non Current**		Current	Non Current
		Nos	**Rs. in crores**	**Rs. in crores**	Nos	Rs. in crores	Rs. in crores
(B)	**INVESTMENT IN MUTUAL FUNDS**						
	Unquoted investments						
	At fair value through statement of profit and loss						
a)	Aditya Birla Sun Life Arbitrage Fund - Direct plan- growth	–	–	–	57,52,352	13.09	–
b)	Aditya Birla Sun Life Money Manager Fund - Direct plan- growth	**3,41,075**	**10.79**	–	–	–	–
c)	Axis Liquid fund-Direct Plan- Growth (*)	**1,602**	**0.40**	–	15	–	–
d)	Axis Short Term Debt Fund - Direct Plan - Growth	**16,08,378**	**4.51**	–	–	–	–
e)	Axis Treasury Advantage Fund - Direct plan- growth	–	–	–	81,398	21.08	–
f)	Edelweiss Arbitrage Fund - Growth plan	–	–	–	54,62,724	9.00	–
g)	HDFC low duration fund - Direct plan- growth	–	–	–	38,25,724	19.05	–
h)	HDFC Short term Debt Fund - Dividend reinvestment-fortnightly	–	–	–	31,21,898	8.19	–
i)	ICICI Prudential Liquid - Direct plan - growth	–	–	–	4,23,057	13.34	–
j)	ICICI Prudential Ultra Short term fund - Direct plan- growth	**28,88,546**	**7.31**	–	1,57,74,994	37.72	–
k)	ICICI Prudential Short term fund - Direct plan- growth	**40,63,115**	**22.09**	–	44,35,377	22.64	–
l)	ICICI Pru Money Market fund-Growth - Direct plan	**1,24,678**	**4.04**	–	–	–	–
m)	ICICI Prudential Equity Arbitrage fund - Direct plan- growth	–	–	–	45,68,138	13.38	–
n)	IDFC Arbitrage Fund - Direct plan- growth	–	–	–	6,99,038	1.95	–
o)	Kotak Equity Arbitrage fund - Direct plan- growth	**69,07,042**	**23.17**	–	73,15,919	23.17	–
p)	Kotak Bond Fund - Direct plan- growth	–	–	–	15,83,113	7.23	–
q)	Kotak Money Market Fund - Direct plan- growth	**29,074**	**11.13**	–	–	–	–
r)	SBI Liquid Fund Direct Growth	**1,137**	**0.40**	–	–	–	–
s)	SBI Magnum Low Duration Fund - Direct plan- growth	–	–	–	63,143	18.37	–

(*) represents amount less than Rs. 50000

Notes to the standalone financial statements for the year ended 31 March 2023

5. Investments *(Contd.)*

	Particulars	As at 31 March 2023			As at 31 March 2022		
			Current	Non Current		Current	Non Current
		Nos	Rs. in crores	Rs. in crores	Nos	Rs. in crores	Rs. in crores
t)	Trust MF Banking & PSU Debt Fund - Direct plan- growth	–	–	–	1,79,991	19.01	–
u)	UTI Banking & PSU Debt Fund - Direct Plan Growth	**24,02,661**	**4.51**	–	–	–	–
v)	UTI Liquid Cash Plan - Direct Growth Plan	**2,172**	**0.80**	–	–	–	–
Total			**89.15**	**120.85**		227.22	23.85
Total investments			**89.15**	**120.85**		227.22	23.85
Other disclosures							
Aggregate amount of unquoted investments			**89.15**	**120.85**		227.22	23.85
Aggregate amount of impairment in value of investments			–	–		–	–

Details of investment in subsidiary :	**As at 31 March 2023**	As at 31 March 2022
Name	**Global Automotive & Appliances Pte. Ltd**	Global Automotive & Appliances Pte. Ltd
Principal place of business	**Singapore**	Singapore
Proportion of the ownership interest and voting rights held	**100%**	100%
Method used to account for above stated subsidiary	**Cost**	Cost

6. Loans

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	**Non Current**	Current	Non Current
	Rs. in crores	**Rs. in crores**	Rs. in crores	Rs. in crores
Unsecured, considered good				
- Loans to related parties (refer note 37) (#)	**0.03**	**0.03**	0.04	0.04
- Other loans to employees	**0.53**	**0.52**	0.56	0.57
Total	**0.56**	**0.55**	0.60	0.61

(#) Includes **Rs. 0.01 crores** (31 March 2022: Rs. 0.03 crores) as outstanding product loan to a director. In terms of percentage to the total loans and advances in the nature of loans the same stand at **1%** (31 March 2022: 2%). This loan is given as per the Company policy and is applicable for all employees of the Company.

Notes to the standalone financial statements for the year ended 31 March 2023

7. Other financial assets

Particulars	As at 31 March 2023 Current Rs. in crores	As at 31 March 2023 Non Current Rs. in crores	As at 31 March 2022 Current Rs. in crores	As at 31 March 2022 Non Current Rs. in crores
(a) Security deposits				
- to related parties (unsecured, considered good) - refer note 37	–	**0.58**	–	0.58
- to others				
(i) Unsecured, considered good	**1.37**	**11.24**	0.56	10.67
(ii) Unsecured, considered doubtful	–	**0.14**	–	0.14
Less: Allowance for doubtful deposits	–	**0.14**	–	0.14
(b) Margin money with more than 12 months maturity	–	**0.41**	–	–
(c) Bank deposit with more than 12 months maturity	–	**0.31**	–	0.12
(d) Others				
- Derivative instruments at fair value through profit or loss and not designated as hedges	**5.73**	**4.20**	2.67	4.30
- Interest accrued on fixed deposits	**0.45**	**0.01**	0.37	0.01
- Other receivables	–	**2.51**	–	0.79
- Other receivables from related parties - refer note 37	**3.90**	–	1.77	–
Total	**11.45**	**19.26**	5.37	16.47
(a) Security deposit to related parties includes advances to private limited companies in which any director is a director or a member	–	**0.50**	–	0.50

(b) Other receivables represents excess funding of leave liability with insurance companies as at the year end

(c) The Company has not advanced or loaned or invested funds to any other persons or entities (intermediary) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or shall provide guarantee, security or the like to or on behalf of the Company.

8. Income tax assets (net)

Particulars	As at 31 March 2023 Current Rs. in crores	As at 31 March 2023 Non Current Rs. in crores	As at 31 March 2022 Current Rs. in crores	As at 31 March 2022 Non Current Rs. in crores
Advance tax (net of provision)	–	**15.43**	–	12.43
Total	–	**15.43**	–	12.43

Notes to the standalone financial statements for the year ended 31 March 2023

9. Other assets

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Capital advances	**–**	**7.58**	–	13.38
Advances other than capital advance				
- deposit with statutory authorities	**0.43**	**5.48**	1.72	4.24
- advances with statutory authorities	**30.11**	**0.15**	25.91	1.17
- advances with related parties (refer note 37)	**0.89**	**–**	0.99	–
Other advances				
- advances for goods and services	**19.72**	**0.14**	13.32	0.14
less: allowance for doubtful advances	**–**	**0.14**	–	0.14
- prepaid expenses	**7.84**	**1.05**	8.06	0.44
Total	**58.99**	**14.26**	50.00	19.23
Advances with related parties includes advances to private limited companies in which any director is a director or a member	**0.44**	**–**	0.57	–

10. Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Raw materials	**197.93**	239.10
Work-in-progress	**33.93**	35.31
Finished goods	**225.47**	167.80
Stock-in-trade	**64.56**	85.85
Stores and spares	**44.93**	43.59
Total	**566.82**	571.65
The above includes goods in transit as under:		
Raw materials	**58.22**	37.38
Stock-in-trade	**8.35**	31.40
Stores and spares	**2.12**	0.88
	68.69	69.66

1. The cost of inventories recognised as an expense includes **Rs. 3.11 crores** (31 March 2022 : Rs.2.57 crores) in respect of write-downs of inventory to its net realisable value. Further a sum of **Rs. 2.91 crores** (31 March 2022: Rs. 3.04 crores) is in respect of reversal of such write-downs. The write downs have been reversed primarily as a result of increased sales price or subsequent disposals.
2. Carrying amount of inventories carried at net realisable value **Rs. 4.41 crores** (31 March 2022: Rs. 4.44 crores).
3. The entire amount of inventories as stated above is pledged as security for borrowings.

Notes to the standalone financial statements for the year ended 31 March 2023

11. Trade receivables

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Unsecured - considered good		
- receivable from subsidiaries	**0.12**	0.33
- receivable from related parties other than subsidiaries(*) (refer note 37)	**32.66**	34.21
- receivable from others	**359.26**	261.85
Unsecured - which have significant increase in credit risk		
- receivable from others	**1.85**	1.87
Less: allowances for doubtful debts	**(1.85)**	(1.87)
Total	**392.04**	296.39
(*) Includes trade receivable from private limited companies in which any director is a director or a member	**32.27**	33.88

Transfer of financial assets

The Company discounted certain trade receivables with an aggregate carrying amount of **Rs. 1.89 crores** (31 March 2022: Rs. 3.51 crores) to a bank for cash proceeds of **Rs. 1.87 crores** (31 March 2022: Rs. 3.48 crores). If the trade receivables are not paid at maturity, the bank has the right to request the Company to pay the unsettled balance. As the Company has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognise the full carrying value of the receivables and has recognised the cash received on the transfer as secured borrowings.

At the end of the reporting period, there were no trade receivables that have been transferred but have not been derecognised.

Trade receivables ageing as at 31 March, 2023 — Rs. in crores

	Particulars	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	**Undisputed trade receivables:**						
	Unsecured - considered good	377.26	12.69	1.43	0.20	0.46	**392.04**
	Unsecured - which have significant increase in credit risk	0.07	0.03	0.03	(0.06)	0.52	**0.59**
(ii)	**Disputed trade receivables:**						
	Unsecured - considered good	–	–	–	–	–	**–**
	Unsecured - which have significant increase in credit risk	0.61	–	0.08	0.08	0.49	**1.26**
		377.94	**12.72**	**1.54**	**0.22**	**1.47**	**393.89**
	Less: allowances for doubtful debts						**(1.85)**
	Total trade receivable						**392.04**

11 Trade receivables (cont..)

Trade receivables ageing as at 31 March 2022

Rs. in crores

	Particulars	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	**Undisputed trade receivables:**						
	Unsecured - considered good	293.89	1.95	0.01	0.51	0.03	**296.39**
	Unsecured - which have significant increase in credit risk	0.02	-	0.01	0.32	0.38	**0.73**
(ii)	**Disputed trade receivables:**						
	Unsecured - considered good	–	–	–	–	–	**–**
	Unsecured - which have significant increase in credit risk	–	–	0.09	0.30	0.75	**1.14**
		293.91	**1.95**	**0.11**	**1.13**	**1.16**	**298.26**
	Less: allowances for doubtful debts						**(1.87)**
	Total trade receivable						**296.39**

12. Cash and cash equivalents

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Balances with banks		
- current account	**67.12**	58.49
- deposit account	**3.03**	3.46
Cheques on hand	**1.26**	2.39
Cash on hand	**0.27**	0.45
Total	**71.68**	64.79

13. Other bank balances

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
In deposit account	**21.03**	20.13
Margin money deposits	**–**	2.39
Total	**21.03**	22.52

Notes to the standalone financial statements for the year ended 31 March 2023

14. Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	**Rs. in crores**	No. of shares	Rs. in crores
Authorised share capital				
Equity shares of Rs. 10 each	**8,90,00,000**	**89.00**	8,90,00,000	89.00
Total	**8,90,00,000**	**89.00**	8,90,00,000	89.00

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	**Rs. in crores**	No. of shares	Rs. in crores
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	**4,05,18,796**	**40.52**	4,05,18,796	40.52
Forfeited shares				
30,50,000 (31 March 2022: 30,50,000) equity shares of Rs. 10 each, Rs. 2.50 paid - up	–	0.76	–	0.76
Total	**4,05,18,796**	**41.28**	4,05,18,796	41.28

There has been no change in equity share capital during the year.

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	%	**No. of shares**	%	No. of shares
1. IFB Automotive Private Limited	**46.54%**	**1,88,56,833**	46.54%	1,88,56,833
2. Nurpur Gases Private Limited	**14.83%**	**60,10,416**	14.83%	60,10,416
3. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**33,66,428**	8.31%	33,66,428
4. Jwalamukhi Investment Holdings	**Not Applicable**	**Not Applicable**	6.41%	25,98,556
5. Plutus Wealth Management LLP	**7.40%**	**30,00,000**	Not Applicable	Not Applicable

14. Equity share capital (contd…)

Shareholding of promoters (equity shares)

Promoters name	As at 31 March 2023		As at 31 March 2022	
	%	No. of shares	%	No. of shares
1. Bijon Bhushan Nag	**0.39%**	**1,57,869**	0.39%	1,57,869
2. Preombada Nag	**0.33%**	**1,31,902**	0.33%	1,31,902
3. Bikramjit Nag	**0.01%**	**3,000**	0.01%	3,000
4. Zim Properties Private Limited	**0.08%**	**34,300**	0.08%	34,300
5. Special Drinks Private Limited	**0.04%**	**17,250**	0.04%	17,250
6. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**33,66,428**	8.31%	33,66,428
7. CPL Industries Limited	**0.18%**	**74,813**	0.18%	74,813
8. Mac Consultants Private Limited	**1.74%**	**7,06,197**	1.74%	7,06,197
9. IFB Automotive Private Limited	**46.54%**	**1,88,56,833**	46.54%	1,88,56,833
10. CPL Projects Limited	**1.29%**	**5,23,535**	1.29%	5,23,535
11. Windsor Marketiers Pvt Ltd	**0.05%**	**19,600**	0.05%	19,600
12. IFB Agro Industies Limited	**0.43%**	**1,72,733**	0.43%	1,72,733
13. Lupin Agencies Pvt Ltd	**0.09%**	**37,600**	0.09%	37,600
14. Nurpur Gases Private Limited	**14.83%**	**60,10,416**	14.83%	60,10,416
15. Shubh Engineering Limited	**0.64%**	**2,60,723**	0.64%	2,60,723

There has been no change in the shareholding of promoters during the year.

15. Non-current borrowings

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Term loans from banks - secured	**63.65**	112.13
Total	**63.65**	112.13

(a) For sanction of term loan amounting to Rs. 16.00 crores by Federal Bank Ltd. (Balance as at 31 March, 2023 is Rs. 8.20 crores), the following securities have been created:

The charge shall operate on first charge basis over the Company's entire current assets documents of title to goods/ usance bills, receivables against SB discounted, title on the goods procured under LC, counter guarantee for BG with cash margin, and also plant & machineries as primary security; and by way of equitable mortgage of all that pieces and parcels of factory lands with buildings/ structures/ sheds constructed thereupon and located at Mouza: Bamunari, Pargana: Boro, P.D.: Dankuni, District: Hooghly, PIN-712250, West Bengal as collateral security until full repayment & settlement of the principal amount of loan(s)/ credit facility(ies) together with commission, interests, costs & other dues thereof.

The said loan will be paid in equal quarterly instalments of Rs. 0.84 crores and would be discharged by July, 2026.

(b) For sanction of credit facilities amounting to Rs. 20,00 crores (including Capex Letter of Credit amounting to Rs. 15 crores as its sublimit) and Rs. 30,00 crores by ICICI Bank Ltd. (Balance as at 31 March, 2023 is Rs. 29.00 crores), following securities have been created:

- Exclusive charge over the movable properties including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's stamping and

Notes to the standalone financial statements for the year ended 31 March 2023

motor business's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or in high seas or on order, or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition in such manner that the security cover of 1.25 times is maintained. For the limit utilised the Term Loan is repayable in 20 quarterly instalments starting from 19 May, 2022.

(c) For sanction of credit facilities amounting to Rs. 60.00 crores and Rs. 10.00 crores by DBS Bank India Ltd. (Balance as at 31 March, 2023 is Rs. 9.30 crores), following securities have been created:

- Hypothecation by way of first and exclusive floating charge over all present and future movable plant and machinery, equipment, appliances, furniture, vehicles, machinery, spares and stores, tools and accessories and other moveables whether or not installed and whether lying loose or in cases or which are now lying or stored in or about and may hereafter from time to time during the currency of this deed be brought into or upon or be stored in or about all the Company's factories, premises, warehouses and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the courses of transit or on high seas or on order, or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition (all pertaining to Company's units located at Kolkata and Bangalore) stored or to be stored at the Company's Godowns or premises or wherever else the same may be except asset charged specifically for debt availed, if any for purchase of conventional press line subject to NOC being sought from DBS. The Term Loan was prepaid partially in 2020-21 and the balance as at 31 March 2021 is repayable in 14 equal quarterly instalments starting from June, 2021.

(d) For sanction of external commercial borrowings amounting to USD 2.00 crores by Standard Chartered Bank, London, following securities have been created:

- Hypothecation by way of first and exclusive charge over all present and future movable properties of the Company's manufacturing unit of air conditioners in Goa and on the existing plant and machinery of washing machine division at Goa (Verna) plant (except exclusive charge to term lenders), including without limitations its moveable plant and machinery, furniture and fittings, equipments, computers, hardware, computer software, machinery spares, tools and accessories and other movables, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Company's agents, affiliates, associates or representatives or at various worksites or at any upcountry place or places wherever else the same maybe or be held by any party including, without limitation, the following plot no. N-7, Phase IV, Survey No. 261/10, Verna Industrial Estate, Verna, Goa - 403722. The external commercial borrowings is standing at USD 0.86 crores as at 31 March, 2023. The loan is repayable in 13 equal quarterly instalments starting from 1 October, 2021.

The scheduled maturity of the Term loans from banks is as under:

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Repayable in first year	**53.65**	58.15
Current maturities of long-term debt (refer note 20)	**53.65**	58.15
In the second year	**43.90**	56.87
In the third to fifth year	**17.97**	55.26
Beyond fifth year	**1.78**	–
Non-current borrowings	**63.65**	112.13

The Company has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

All charges for the borrowings have been registered with the Registrar of Companies as at the balance sheet date.

Details of Authorised Capital of cumulative redeemable preference shares

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
30,000,000 (31 March 2022: 30,000,000) cumulative redeemable preference shares of Rs.10 each	**30.00**	30.00
	30.00	30.00

There were no outstanding cumulative redeemable preference shares as at both the year ends

16. Other financial liabilities

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Interest accrued but not due on borrowings	**1.87**	**–**	2.36	–
Derivative instruments at fair value through profit and loss and not designated as hedges	**1.60**	**–**	1.85	–
Others				
- Security deposits	**8.94**	**0.40**	7.66	0.37
- Payable for property, plant and equipment and intangibles	**3.04**	**–**	5.02	–
Total	**15.45**	**0.40**	16.89	0.37

17. Other liabilities

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Income received in advance on annual maintenance contracts and extended warranty services	**62.87**	**30.34**	50.38	19.39
Deferred government grant	**1.84**	**18.52**	1.49	14.09
Advance from customers	**20.15**	**–**	20.22	–
Others				
- Statutory liabilities	**28.70**	**–**	23.30	–
Total	**113.56**	**48.86**	95.39	33.48

18. Provisions

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Provision for employee benefits				
Gratuity (Refer note 32)	**–**	**4.18**	–	6.13
Sick Leave	**0.83**	**3.79**	0.81	3.88
Others				
Warranty	**8.99**	**43.60**	8.18	40.97
Total	**9.82**	**51.57**	8.99	50.98

Details of movement in warranty provisions

	Rs. in crores
Balance as at 01 April 2021	44.29
Additional provisions recognised	15.86
Effect of unwinding of discount	2.27
Amounts used (i.e. incurred and charged against the provision) during the period	(13.27)
Balance as at 31 March 2022	49.15
Additional provisions recognised	18.88
Effect of unwinding of discount	2.66
Amounts used (i.e. incurred and charged against the provision) during the period	(18.10)
Balance as at 31 March 2023	**52.59**

a. Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the Company's obligation for warranties.

b. Provision for warranty is expected to be utilised over a period of 1 to 5 years.

c. The estimates may vary as a result of product quality, availability of spare parts, price of raw materials, altered manufacturing processes and discount rates.

d. Warranty costs are estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

19. Deferred tax liabilities (net)

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Deferred tax liabilities	**35.84**	58.61
Less: Deferred tax assets	**20.27**	60.66
Total Deferred tax (assets) / liabilities - (net)	**15.57**	(2.05)

Notes to the standalone financial statements for the year ended 31 March 2023

Breakup of deferred tax liabilities / assets balances is as under:

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Deferred tax liabilities		
On provision for warranty	**2.83**	2.85
On changes in fair value of investments	**1.39**	2.94
On property, plant and equipment and intangible assets	**31.62**	52.82
	35.84	58.61
Deferred tax assets		
On unused tax credits (Minimum Alternate Tax Credit)	–	2.45
On tax losses and unabsorbed depreciation (note a)	**4.00**	35.46
On government grants	**3.54**	5.45
On allowance for doubtful debts and advances	**0.54**	0.75
On employee benefits	**11.66**	15.81
Other timing differences	**0.53**	0.74
	20.27	60.66
Total Deferred tax (assets) / liabilities - (net)	**15.57**	(2.05)

Movement of deferred tax (assets) / liabilities (net) is as under

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Deferred tax liabilities / (assets) as at the beginning of the year	**(2.05)**	26.76
Deferred tax for the year recognised in profit and loss (@)	**14.45**	(22.10)
Deferrerd tax on Remeasurements of the defined benefit liabilities / (asset)	**0.72**	–
Deferred tax recognised on business combination	–	(4.26)
Minimum alternate tax credit related to previous years - Net (@)	**(0.17)**	–
Minimum alternate tax credit availed	–	(2.45)
Minimum alternate tax credit charged off	**2.67**	–
Deferred tax liabilities as at the end of the year	**15.57**	(2.05)

(@) refer note 30

Note :

a) **Unrecognised deferred tax assets on tax losses and unabsorbed depreciation**

At the reporting date, there are no tax losses (31 March 2022: Rs. 12.76 crores), however unabsorbed depreciation amounting to **Rs. 15.89 crores** (31 March 2022: Rs. 88.66 crores) are available for offset against future profits. There are no deferred tax asset on tax losses in the current year (31 March 2022: Rs. 4.47 crores), however **Rs. 4.00 crores** (31 March 2022: Rs. 30.99 crores) has been recognised on unabsorbed depreciation.

Unabsorbed depreciation can be carried forward indefinitely.

20. Current borrowings

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Secured		
Loans from banks		
- Working capital buyers credit (refer note A below)	**49.04**	62.03
- Cash credit facility from bank	**–**	0.68
- Working capital demand loan (refer note A and B below)	**32.81**	–
Current maturities of long term borrowings (refer note 15)	**53.65**	58.15
Total	**135.50**	120.86

(a) The Company has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

(b) The Company has borrowings from banks on the basis of security of current assets and the final quarterly statements of current assets filed by the Company with the banks are materially in agreement with the books of accounts and there is no discrepancy that has been identified.

(c) All charges for the borrowings have been registered with the Registrar of Companies as at the balance sheet date

(d) The Company has not received any fund from any other persons or entities (Funding Party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or shall provide guarantee, security or the like to or on behalf of the Funding Party.

(e) **Charge and hypothecation details are as follows:**

(i) Credit facilities utilised as at 31 March, 2023

(A) For sanction of working capital facility amounting to Rs. 100 crores by Standard Chartered Bank (Utilised as at 31 March, 2023: Working capital buyers credit: Rs. 49.04 crores and Working capital demand loan: Rs. 26.50 crores), following securities have been created:

(i) First pari passu charge on the entire current assets, both present and future.

(ii) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(iii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(B) Hypothecation details of working capital demand loan by Federal Bank Limited (Utilised as at 31 March, 2023 Rs. 6.31 crores) as at 31 March, 2023:

Working capital facilities sanctioned by The Federal Bank Limited to the extent Rs. 32.00 crores can be used inter-changeably between fund based and non-fund based. Following securities has been created:

The charge shall operate on first charge basis over the Company's entire current assets documents of title to goods/ usance bills, receivables against SB discounted, title on the goods procured under LC, counter guarantee for BG with cash margin, and also plant & machineries as primary security; and by way of equitable mortgage of all that pieces and parcels of factory lands with buildings/ structures/ sheds constructed thereupon and located at Mouza: Bamunari, Pargana: Boro, P.D.: Dankuni, District: Hooghly, PIN-712250, West Bengal as collateral security until full repayment & settlement of the principal amount of loan(s)/ credit facility(ies) together with commission, interests, costs & other dues thereof.

(ii) Credit facilities unutilised as at 31 March 2023

(C) For sanction of capex facility amounting to Rs. 20.00 crores by Standard Chartered Bank (Unutilised as at 31 March, 2023), following securities have been created:

(i) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(ii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(D) For sanction of credit facilities amounting to Rs. 50.00 crores by ICICI Bank Ltd. (Unutilised as at 31 March, 2023), following securities have been created:

– First and pari passu charge on all the current assets of the Company - the whole of the Company's stocks of raw materials, good-in-process, semi-finished and finished goods, consumable stores and spares and such other movables, including book debts, bills whether documentary or clean, both present and future, whether in the possession or under the control of the Company or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Company or in course of transit or on high seas or on order or delivery.

– Hypothecation by way of second charge on the moveable properties of the Company (save and except current assets) including its movable plant and machinery, machinery spares, tools and accessories, non-trade receivables and other movables both present and future whether in the possession or under the control of the Company or not, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Company or in course of transit or on high seas or on order or delivery.

– Hypothecation by way of first and pari passu charge on the receivables of the Company – all amounts owing to and received and/or receivable by the Company and/or any person on its behalf, all book debts, all cash flows and receivables and proceeds arising from / in connection with business and all rights, titles, interest, benefits, claims and demand whatsover of the Company into or in respect of all the aforesaid assets including but not limited to the Company's cash-in-hand, both present and future. This facility remains unutilised as at 31 March, 2023.

(E) For sanction of credit facilities amounting to Rs. 50.00 crores by HDFC Bank Ltd (Unutilised as at 31 March, 2023), following securities have been created:

- First pari passu charge by way of hypothecation on all the stock in trade both present and future consisting of raw material, finished goods, goods in process of manufacturing and other goods, movable assets or merchandise whatsoever now.
- First pari passu charge by way of hypothecation on all the book debts, amounts outstanding, monies receivables, claims and bills which are now due and owing or which may at any time hereafter during the continuance of this security become due.
- Exclusive charge on the sum of Rs. 20.00 crores deposited by the Company with the Bank at its branch.

(F) For sanction of credit facilities amounting to Rs. 35.00 crores by DBS Bank Ltd (Unutilised as at 31 March, 2023), following securities have been created:

- Hypothecation by way of first pari passu and floating charge over goods being finished goods, semi-finished goods, stocks of raw materials, work in process located at various factories / warehouses / godowns of the company and whether in transit or lying at any other place and hypothecation by way of first pari passu and floating charge over the Company's present and future book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets.
- Hypothecation by way of exclusive charge over all present and future movable fixed assets of the engg div of the company including without limitation its movable plant and machinery, furniture and fittings, equipment, computer hardware, computer software, machinery spares, tools and accessories and other movables etc stored or to be stored at Company's godowns or premises situated at 14, Taratala Road, Kolkata and 16/17, Visveswaraiah Industrial Estate, Whitefield Road, Bangalore-560048 (Engineering Division) or wherever else, the same may be.

(G) For sanction of credit facilities amounting to Rs. 60.00 crores by Kotak Mahindra Bank Ltd (Unutilised as at 31 March, 2023), following securities have been created:

- First Pari Passu hypothecation charge on all existing and future current assets of the Company including:
  - (i) book-debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities belonging to or held by the borrower and which are now due and owing or accruing and which may at any time hereafter during the continuance of the security become due and owing or accrue to the borrower.
  - (ii) stocks of raw materials, finished and semi-finished goods, goods in process and consumable stores, which are now lying or stored in or which may hereafter from time to time during the continuance of the security be lying or stored in or brought into or be in or about the factories and godowns of the borrower or warehouses, whichever situate; and
  - (iii) related moveables in the course of transit or delivery, whether now belonging or which may hereafter belong to the borrower or which may be held by the person at any place within or outside India to the order or disposition of the borrower and all documents of title including bills of lading, shipping documents, policies of Insurance and other instruments and documents relating to such moveables together with benefits of all rights thereto.

21. Revenue from operations

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Gross revenue from sale of manufactured products	**4,028.75**	3,183.76
Revenue from sale of traded products	**925.45**	894.68
Total sale of products	**4,954.20**	4,078.44
Less: trade schemes and discounts	**1,054.39**	900.20
Sale of products (net of trade schemes and discounts)	**3,899.81**	3,178.24
Sale of services	**105.17**	86.01
Other operating revenues		
- Scrap sales	**94.40**	71.06
- Others	**4.67**	3.69
	4,104.05	3,339.00
Details of sale of products		
A. Finished goods		
Press tools and dies	**11.84**	19.52
Fine blanked components	**624.48**	499.69
Motors	**70.29**	48.91
Home appliances		
- Washing machines	**2,277.55**	1,919.86
- Dryers	**41.31**	30.27
- Washer Dryer	**92.82**	74.08
- Industrial Launderette Equipments	**63.97**	37.97
- Cold rolled steel strips	**56.53**	26.76
- Air conditioners	**782.90**	521.26
Others	**7.06**	5.44
	4,028.75	3,183.76
B. Stock-in-trade		
Home appliances		
- Microwave ovens	**344.42**	367.27
- Accessories and additives	**299.09**	248.68
- Dishwashers	**101.30**	135.17
- Spares	**141.79**	112.03
- Kitchen appliances	**29.82**	23.97
Others	**9.03**	7.56
	925.45	894.68
Details of sale of services:		
Annual maintenance/ service contracts income	**91.10**	75.12
Extended warranty income	**3.57**	1.94
Others	**10.50**	8.95
	105.17	86.01

Notes to the standalone financial statements for the year ended 31 March 2023

22. Other income

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Interest income		
Interest income		
- Interest on financial assets measured at amortised cost (#)	**3.16**	2.52
Dividend from investments in mutual funds	**0.01**	–
Other non-operating income		
(i) Operating lease rental income		
- Investment property	**0.07**	0.06
- Others	**0.09**	0.54
(ii) Net gain on disposal of property, plant and equipment	**0.03**	0.05
(iii) Net foreign exchange loss	**(3.95)**	(9.40)
(iv) Net gain arising on financial instruments measured at fair value through profit and loss (FVTPL)		
- Mutual funds	**8.88**	10.18
- Derivative instruments	**3.21**	3.15
(v) Net gain on disposal of mutual funds measured at FVTPL	**0.49**	0.41
(vi) Insurance claim received	**1.26**	3.93
(vii) Write back of liabilities no longer required (@)	**1.18**	0.85
(viii) Write back of provision on debts/advances no longer required	**0.30**	0.62
(ix) Income in respect of deferred revenue from government grant (refer note 17)	**1.53**	1.50
(x) Miscellaneous income	**5.94**	3.73
	22.20	18.14

(@) includes write back of lease liability amounting to **Rs. 0.36 crores** (31 March, 2022: Rs. 0.07 crores) (Refer note 34)

(#) includes interest on discounting of security deposit - leased premises amounting to **Rs. 1.51 crores** (31 March, 2022: Rs. 0.29 crores)

23. Cost of materials consumed

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Raw material consumed		
Raw material inventory at the beginning of the year	**239.10**	182.31
Add: Purchases during the year	**2,133.79**	1,757.79
	2,372.89	1,940.10
Raw material inventory at the end of the year	**197.93**	239.10
Cost of materials consumed	**2,174.96**	1,701.00

24. Purchases of stock-in-trade

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Home appliances			
- Microwave ovens		**164.49**	178.36
- Accessories and additives		**125.65**	98.52
- Dishwashers		**42.27**	84.51
- Industrial launderete equipments		**5.86**	3.48
- Kitchen appliances		**13.66**	12.45
- Others		**0.34**	0.22
		352.27	377.54

25. Changes in inventories of finished goods, stock-in-trade and work-in-progress

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Inventories as at the end of the year			
Stock-in-trade		**64.56**	85.85
Work-in-progress		**33.93**	35.31
Finished goods		**225.47**	167.80
	(A)	**323.96**	288.96
Inventories as at the beginning of the year			
Stock-in-trade		**85.85**	63.07
Work-in-progress		**35.31**	30.54
Finished goods		**167.80**	129.26
	(B)	**288.96**	222.87
	(B – A)	**(35.00)**	(66.09)
Details of inventories			
Stock-in-trade			
- Microwave ovens		**26.71**	26.59
- Accessories and additives		**7.98**	6.95
- Dishwashers		**16.93**	43.04
- Air conditioners		**0.07**	0.27
- Kitchen Appliances		**6.22**	5.50
- Others		**6.65**	3.50
		64.56	85.85

Notes to the standalone financial statements for the year ended 31 March 2023

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Finished goods		
- Washing machines	**73.82**	73.39
- Industrial Launderete Equipments	**–**	0.44
- Dryers	**2.44**	2.27
- Fine blanked components	**16.47**	17.15
- Press tools and dies	**3.10**	2.46
- Air conditioners	**118.85**	64.31
- Cold rolled steel strips	**6.17**	4.18
- Others	**4.62**	3.60
	225.47	167.80

26. Employee benefits expense

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Salaries and wages	**322.33**	296.88
Contribution to provident and other funds	**31.71**	29.25
Staff welfare expenses	**41.76**	37.58
	395.80	363.71

27. Finance costs

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Interest on financial liabilities measured at amortised cost	**13.83**	17.42
Effect of unwinding of discount for warranty provision	**2.66**	2.27
Interest on discounting of lease liabilities	**12.45**	11.55
Others	**0.21**	0.22
	29.15	31.46

28. Depreciation and amortisation expense

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Depreciation of property, plant and equipment	**75.11**	73.99
Amortisation of intangible assets	**10.31**	9.64
Amortisation of right of use assets	**34.02**	29.82
	119.44	113.45

29. Other expenses

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Consumption of stores and spare parts	**235.48**	202.65
Rent	**8.55**	4.41
Insurance	**4.65**	5.09
Freight, octroi and carriage	**134.09**	115.06
Power and fuel	**42.52**	37.37
Ancillary cost	**91.48**	80.98
Rates and taxes	**6.77**	5.56
Expenditure on corporate social responsibility	**0.42**	1.54
Office expenses	**62.95**	64.43
Advertisement and sales promotion	**266.10**	241.70
Travelling	**39.81**	22.03
Repairs		
Buildings	**1.84**	1.62
Plant and machinery	**13.48**	12.52
Others	**9.59**	8.98
Write-off of property, plant and equipment	**1.22**	1.01
Write-off of capital work in progress	**–**	0.01
Write-off of debts/ advances	**0.68**	0.85
Allowances for doubtful debts	**0.28**	0.20
Bank charges	**3.73**	2.96
Directors' sitting fees	**0.83**	0.69
Service expenses	**78.58**	57.10
Warranty expenses	**18.88**	15.86
Miscellaneous expenses	**33.30**	30.17
	1,055.23	912.79

Payment to statutory auditors included under office expenses (excluding taxes)

As auditors		
Audit fees	**0.54**	0.51
Tax audit fees	**0.20**	0.16
Limited review fees	**0.22**	0.18
Others	**0.13**	0.19
Reimbursement of expenses	**0.04**	0.02
	1.13	1.06

Notes to the standalone financial statements for the year ended 31 March 2023

29. Other expenses (Contd...)

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Expenditure on corporate social responsibility			
(a)	Gross amount required to be spent by the company during the year	**0.34**	1.54
(b)	Amount spent during the year on purpose other than construction/acquisition of assets in cash	**0.42**	1.54
(c)	Shortfall at the end of the year	**–**	–
(d)	Total of previous years shortfall (^)	**–**	–
(e)	Reason for shortfall	**NA**	NA
(f)	Nature of CSR activities	**Activities relating to promoting education, health care and skill development programme**	Activities relating to promoting education, health care and skill development programme
(g)	Details of related party transactions (Refer note 37)	**0.08**	0.50
(h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	**NA**	NA

(^) total of previous years shortfall have been considered starting from the year from which Companies (CSR Policy) Amendment Rules, 2021 became effective

30. Tax expense

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
A. Amount recognised in statement of profit and loss		
Current tax		
Income tax for the year	**–**	(0.34)
Adjustments related to previous years (net)	**0.26**	(3.07)
Total current tax	**0.26**	(3.41)
Deferred tax		
Deferred tax for the year	**14.45**	(22.10)
Minimum alternate tax credit charged off during the year	**2.62**	–
Minimum alternate tax credit related to previous years (net)	**(0.17)**	–
Total deferred tax	**16.90**	(22.10)
	17.16	(25.51)

Notes to the standalone financial statements for the year ended 31 March 2023

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
B.	**Amount recognised in other comprehensive income**		
	Current tax:		
	On items that will not be reclassified to profit or loss		
	- Remeasurements of the defined benefit liabilities / (asset)	–	0.34
		–	0.34
	Deferred tax:		
	On items that will not be reclassified to profit or loss		
	- Remeasurements of the defined benefit liabilities / (asset)	**0.72**	-
		0.72	-
C.	**Reconciliation of effective tax rate**		
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit / (Loss) before tax	**34.40**	(76.72)
	Income tax expense calculated @ 25.168% (31 March 2022 - 34.944%) (*)	**8.66**	(26.81)
	Effect of income not taxable	–	–
	Effect of additional deductions under tax	**(1.54)**	–
	Effect of carry forward of losses	**1.81**	–
	Effect of different tax rate on certain items	**4.35**	0.03
	Effect of change in tax rate from 34.944% to 25.168%	**2.94**	–
	Effect of non allowable expenses	**0.29**	0.79
	Effect of changes in deferred tax provision on property, plant and equipment and statutory returns filed	**(0.24)**	2.09
	Effect of tax differences on account of Ind AS 116	**1.52**	1.80
	Effect of amount recognised in other comprehensive income	**(0.72)**	(0.34)
	Effect of adjustments relating to earlier year	**0.09**	(3.07)
	Income tax recognised in Statement of Profit and Loss	**17.16**	(25.51)
	Tax rate used for current tax	**25.1680%**	34.944%
	Tax rate used for deferred tax	**25.1680%**	34.944%

(*) The applicable tax rate is as prescribed by the Income Tax Act 1961

Section 115BAA of the Income Tax Act, 1961 provides a domestic company with an irrevocable option to pay tax at a lower rate of 22% (effective rate of 25.168%). The lower rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deductions or exemptions. The company has exercised the option permitted under the above stated section during the financial year ended 31 March, 2023.

Notes to the standalone financial statements for the year ended 31 March 2023

31. Earnings per share

		For the year ended 31 March 2023	For the year ended 31 March 2022
(a)	Profit / (Loss) after taxes available to equity shareholders (Rs. in crores)	**17.24**	(51.21)
(b)	Weighted average number of equity shares outstanding	**4,05,18,796**	4,05,18,796
(c)	Basic and diluted earnings per equity share of face value Rs. 10 each **(in Rs.)** [(a)/(b)]	**4.25**	(12.64)

32. Defined benefit plan - Gratuity

The Company operates a defined benefit plan for gratuity for its employees. It is administered through approved trust in accordance with its trust deeds and rules. The concerned trust is managed by trustees who provide guidance with regard to the management of their assets and liabilities and review their performance periodically or directly through insurance company.Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and the investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure the adequacy of internal controls.

The liability arising in the defined benefit plan is determined by an independent professionally qualified actuary using the projected unit credit method.

Risk management

The risks commonly affecting the gratuity liability and the financial results are expected to be:

1. Interest rate risk - The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield falls, the defined benefit obligations will tend to increase.
2. Salary inflation risk - Higher the expected increase in salary, higher the defined benefit obligation.
3. Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Rs. In crores

I.	Changes in defined benefit obligations		Gratuity (funded)	
			31 March 2023	31 March 2022
	1.	Defined benefit obligations at the beginning of the year	**76.99**	70.18
	2.	Current service cost	**6.78**	6.35
	3.	Interest costs	**4.74**	4.06
	4.	Acquisition cost / (credit)	**0.06**	0.48
	5.	Effect of experience adjustment	**0.84**	0.39
	6.	Effect of assumption change	**(3.49)**	(1.72)
	7.	Benefits paid	**(3.61)**	(2.75)
	8.	Defined benefit obligations at the end of the year	**82.31**	76.99

Notes to the standalone financial statements for the year ended 31 March 2023

Rs. In crores

II.	Changes in fair value of plan assets		Gratuity (funded)	
			31 March 2023	31 March 2022
	1.	Fair value of assets at the beginning of the year	**70.86**	62.92
	2.	Interest income on plan assets	**4.55**	3.84
	3.	Employer contribution	**6.13**	7.21
	4.	Return on plan assets (less than discount rate)	**0.20**	(0.36)
	5.	Benefits paid	**(3.61)**	(2.75)
	6.	Fair value of assets at the end of the year	**78.13**	70.86
	7.	Actual returns	**4.75**	3.48

Rs. In crores

III.	Net assets / (liabilities) recognised in balance sheet		Gratuity (funded)	
			31 March 2023	31 March 2022
	1.	Defined benefit obligations	**82.31**	76.99
	2.	Fair value of plan assets	**78.13**	70.86
	3.	Funded status - deficit	**4.18**	6.13
	4.	Net liability recognised in balance sheet		
		– Current	**–**	–
		– Non current	**4.18**	6.13

Rs. In crores

IV.	Components of employer expenses		Gratuity (funded)	
			31 March 2023	31 March 2022
	Recognised in profit or loss			
	1.	Current service cost	**6.78**	6.35
	2.	Net interest costs	**0.19**	0.22
	3.	Total recognised in profit or loss (*)	**6.97**	6.57
	Recognised in other comprehensive income			
	1.	Effect of experience adjustment	**0.84**	0.39
	2.	Effect of assumption change	**(3.49)**	(1.72)
	3.	Return on plan assets (less than discount rate)	**(0.20)**	0.36
	4.	Total recognised in other comprehensive income	**(2.85)**	(0.97)
	Total expense recognised in total comprehensive income		**4.12**	5.60

(*) recognised in "Contribution to provident and other funds" in "Employee benefits expense" under note 26

V.	Actuarial assumptions	Gratuity (funded)	
		31 March 2023	31 March 2022
	Discount rate	**7.1%**	6.3%
	Rate of salary increase	**10.0%**	10.0%
	Mortality rate	**Indian Assured Lives Mortality (2006-08) Ult**	Indian Assured Lives Mortality (2006-08) Ult

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

Notes to the standalone financial statements for the year ended 31 March 2023

VI. Plan asset information

	Gratuity (funded)	
	31 March 2023	31 March 2022
Cash	**1%**	1%
Scheme of insurance - conventional products	**99%**	99%

In the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Rs. In crores

VII.	Net asset / (liability) recognised in balance sheet (including experience adjustment impact)	Gratuity (funded)	
		31 March 2023	31 March 2022
1.	Present value of defined benefit obligations	**82.31**	76.99
2.	Fair value of plan assets	**78.13**	70.86
3.	Funded Status - deficit	**4.18**	6.13
4.	Return on plan assets (less than discount rate)	**0.20**	(0.36)
5.	Experience adjustment of obligations - (loss)	**(0.84)**	(0.39)

VIII.	**Expected employer contribution for the next year (Rs. in crores)**	**4.18**	**6.13**

IX. Sensitivity analysis

The sensitivity results below determine their individual impact on the plan's year end defined benefit obligations. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligations in similar or opposite directions, while the plans's sensitivity to such changes can vary over time.

Rs. In crores

		Gratuity (funded)	
		31 March 2023	31 March 2022
Defined benefit obligations on base assumptions (refer point no V)		**82.31**	76.99
a.	1% increase in discount rate	**78.35**	73.02
b.	1% decrease in discount rate	**86.72**	81.43
c.	1% increase in salary escalation rate	**86.05**	80.79
d.	1% decrease in salary escalation rate	**78.76**	73.40

Rs. In crores

X.	Maturity analysis of benefit payments	Gratuity (funded)	
		31 March 2023	31 March 2022
	Year 1	**10.37**	9.87
	Year 2	**13.55**	9.78
	Year 3	**13.81**	11.96
	Year 4	**15.18**	12.56
	Year 5	**13.74**	12.79
	Next 5 years	**51.50**	51.34

The Company has contributed **Rs. 24.73 crores** (31 March, 2022: Rs. 22.68 crores) to defined contribution schemes.

Notes to the standalone financial statements for the year ended 31 March 2023

33. Segment reporting

Rs. in crores

		Engineering	Home Appliances	Motor	Steel	Un-allocated	Inter-segment	Total
Revenue from sale of products and services	**31 March 2023**	**639.24**	**3,250.42**	**70.66**	**131.75**	**–**	**(87.09)**	**4,004.98**
	31 March 2022	522.03	2,676.64	49.06	113.37	–	(96.85)	3,264.25
Other operating revenue	**31 March 2023**	**67.49**	**20.70**	**0.27**	**10.68**	**–**	**(0.07)**	**99.07**
	31 March 2022	55.36	10.10	0.28	9.08	–	(0.07)	74.75
Revenue from operations	**31 March 2023**	**706.73**	**3,271.12**	**70.93**	**142.43**	**–**	**(87.16)**	**4,104.05**
	31 March 2022	577.39	2,686.74	49.34	122.45	–	(96.92)	3,339.00
Other income	**31 March 2023**	**(0.06)**	**12.28**	**0.04**	**0.20**	**9.74**	**–**	**22.20**
	31 March 2022	0.90	7.10	0.29	0.30	9.55	–	18.14
Total income	**31 March 2023**	**706.67**	**3,283.40**	**70.97**	**142.63**	**9.74**	**(87.16)**	**4,126.25**
	31 March 2022	578.29	2,693.84	49.63	122.75	9.55	(96.92)	3,357.14
Segment results before finance costs	**31 March 2023**	**54.53**	**39.47**	**2.15**	**1.55**	**(34.46)**	**0.31**	**63.55**
	31 March 2022	25.11	(41.67)	(2.21)	0.32	(27.12)	0.31	(45.26)
Less: finance costs	**31 March 2023**							**29.15**
	31 March 2022							31.46
(Loss) / Profit before tax	**31 March 2023**							**34.40**
	31 March 2022							(76.72)
Tax expense	**31 March 2023**							**17.16**
	31 March 2022							(25.51)
(Loss) / Profit for the year	**31 March 2023**							**17.24**
	31 March 2022							(51.21)
Segment assets	**31 March 2023**	**390.90**	**1,339.14**	**31.98**	**68.97**	**240.71**	**–**	**2,071.70**
	31 March 2022	422.92	1,319.33	31.13	41.46	183.88	–	1,998.72
Segment liabilities	**31 March 2023**	**209.24**	**1,120.29**	**18.80**	**35.19**	**31.62**	**–**	**1,415.14**
	31 March 2022	227.12	1,081.88	18.84	15.60	18.09	–	1,361.53

Other information

Depreciation and amortisation expense	**31 March 2023**	**32.67**	**83.18**	**0.94**	**1.42**	**1.23**	**–**	**119.44**
	31 March 2022	32.12	78.75	0.92	1.28	0.38	–	113.45
Capital expenditure	**31 March 2023**	**11.04**	**97.39**	**0.97**	**14.38**	**1.47**	**–**	**125.25**
	31 March 2022	77.90	77.61	0.31	3.14	0.54	–	159.50
Non cash expenditure other than depreciation and amortisation	**31 March 2023**	**0.16**	**1.83**	**–**	**0.12**	**0.07**	**–**	**2.18**
	31 March 2022	0.08	1.89	0.01	0.06	0.02	–	2.06

Notes to the standalone financial statements for the year ended 31 March 2023

33. Segment reporting *(Contd.)*

		Rs. in crores
Geographical information		
Revenue from external customers		
- Within India	**31 March 2023**	**4,108.53**
	31 March 2022	3,336.33
- Outside India	**31 March 2023**	**17.72**
	31 March 2022	20.81
Total	**31 March 2023**	**4,126.25**
	31 March 2022	3,357.14
Non - Current assets excluding financial assets and deferred tax assets		
- Within India	**31 March 2023**	**719.32**
	31 March 2022	717.20
- Outside India	**31 March 2023**	**–**
	31 March 2022	–
Total	**31 March 2023**	**719.32**
	31 March 2022	717.20

NOTES :

- The Company is primarily engaged in business of engineering (fine blanked components and stamping), home appliances, motors and steel. Accordingly the Company considers the above business segment as the primary segment. Segment revenue, segment result, segment asset and segment liabilities include the respective amount identifiable to each of the segments as also amounts allocated on reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocable corporate cost and grouped as "Unallocated". Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities and are grouped as "Unallocated". These segments have been reported in the manner consistent with the internal reporting to divisional CEO's, who are the chief operating decision makers.
- The geographical information considered for disclosure are revenue within India and revenue outside India.
- The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

34. Leases

The Company is obligated under cancellable leases for residential, office premises, warehouses, etc. Total rental expense under cancellable short term operating lease amounted to **Rs. 8.05 crores** (31 March 2022: Rs. 3.91 crores).

In applying Ind AS 116 - "Leases", the Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The leases with remaining lease term of less than 12 'months are considered as "short term leases".

The movement of lease liabilities during the year is as under:-

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Opening Balance	**124.44**	59.84
Addition during the year	**52.80**	90.65
Adjustment for leases closed / expired / terminated	**(0.40)**	(1.19)
Write back of liabilities no longer required (Refer note 22)	**(0.36)**	(0.07)
Interest expenses	**12.45**	11.55
Payments	**(40.06)**	(36.34)
Closing Balance	**148.87**	124.44

The undiscounted maturity analysis of lease liabilities is as under:

Within one year	**40.25**	40.06
One to five years	**82.47**	108.87
Five to ten years	**44.47**	50.73
Beyond ten year	**83.67**	91.28
	250.86	290.94

35. Commitments

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
(i) Outstanding capital commitments for tangible assets	**15.68**	15.00
(ii) Outstanding capital commitments for intangible assets	**0.37**	0.19

36. Contingent Liabilities :

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Disputed sales tax matters, goods and service tax matters, excise matters, income tax matters and other matters contested in appeals.	**53.33**	58.23

(These disputes mostly relate to arbitrary disallowances of claims of the Company under various laws, which are under appeal. The management is of the view that these demands are not sustainable in law and is hopeful of succeeding in appeals.)

37. Related party disclosures

(A) The Company has the following related parties

Investor Company :	IFB Automotive Private Limited
Subsidiary Companies :	Global Automotive and Appliances Pte Limited (GAAL) Thai Automotive and Appliances Limited (TAAL) – subsidiary of GAAL
Associate Company :	IFB Refrigeration Limited
Key Management Personnel (KMP) :	- **Mr. Bijon Bhushan Nag** - Executive Chairman
	- **Mr. Bikramjit Nag** - Joint Executive Chairman and Managing Director
	- **Mr. Prabir Chatterjee** - Director and Chief Financial Officer
	- **Mr. G. Ray Chowdhury** - Company Secretary
	- **Mr. A. K. Nag** - Senior President
	- **Mr. Sujan Kumar Ghosh Dastidar** - President, Legal
	- **Mr. Siddhartha Chatterjee** - Vice-President - Real Estate and Leased Assets
	- **Ms. Souravi Sinha** - AVP - Human Resource - Corporate (resigned on 15 May, 23)
	- **Mr. Uma Shankar Ghosh Dastidar** - Head, Taxation (retired on 30 April, 23)
	- **Mr. Rajat Paul** - AVP, IT
	- **Mr. Soumitra Goswami** - AVP, Financial Controller (redesignated as AVP and Advisor to JEC office effective 1 May, 23)
	- **Ms. Smita Agarwal** - General Manager - Finance, Tax and Accounts
	- **Mr. Rajeev Mundhra** - Head - Internal Audit
	Home Appliance division and motor division :
	- **Mr. Rajshankar Ray** - Managing Director and Chief Executive Officer
	- **Mr. A. S. Negi** - Executive Director and Service Business Head
	- **Mr. B. M. Shetye** - Senior Vice President, Sustainability
	- **Mr. Pawan Koul** - Head of Goa Factory - Washing Machine Plant
	- **Mr. Ranjan Mohan Mathur** - Business Head - Cooking products
	- **Mr. Abhijit Gangopadhyay** - Business Head, North 2
	- **Mr. R. Anand** - Head, Motor Division
	- **Mr. C.S.Govindaraj** - CEO, Industrial Business & Projects
	- **Mr. B. Krishnamoorthy** - Sales Head Commercial Appliances
	- **Mr. Vilas Sanjeev Kamath** - Head - Supply Chain
	- **Mr. Narayana Panth** - Head of R&D, A.C. plant
	- **Mr. Kartik Ishwar Muchandi** - Head, Finance and Accounts, Marketing
	- **Mr. Ashish Singh** - Head, Finance and Accounts, Goa Factory
	- **Mr. Venkata Subba Rao Madala** - Head of Factory - A.C. plant (redesignated as Head OEM Sales, Projects and Sustainability Initiatives, effective 1 May 23)

	Home Appliance division and motor division : (contd..)
	- **Mr. Ashutosh Verma** - Regional Accounts Head- South
	- **Mr. Suresh Turkani** - Regional Service Manager – South
	- **Mr. Saurabh Uppal** - Regional Accountant- North 1
	- **Mr. Rohit Dhupar** - Regional Accountant- North 2
	- **Mr. Sankar Pal** - Regional Manager sales - East
	- **Mr. Navneet Chaudhary** - Regional Service Manager-East
	- **Mr. Damodar Narendra Kale** - Product Head for A.C.
	- **Mr. V Lakshman Kumar** - Product Head,WM
	- **Mr. Anthony Francis D'Souza** - Product Sourcing and Imports
	- **Mr. P Nandan** - Manufacturing Head for W.M.
	- **Ms. Tekke Cheruvat Manjima** - Head Training & ICLD
	- **Mr. Seungki Bae** - Industrial Head Design
	- **Mr. Hwan Myung** - Head of R&D
	- **Mr. Jin Kim** - Head, R&D, Motor Division
	- **Mr. Rajan Rahi** - Sales Head- Home Appliances Division
	- **Mr. Ashok Hazra** - GM, Finance - Motor Division
	Engineering division :
	- **Mr. Harsh Vardhan Sachdev** - MD & CEO (resigned on 24 April, 23)
	- **Mr. Arup Das** - Head Marketing
	- **Mr. Aloke Kumar Sarkar** - Plant Head, Fine Blanking Kolkata
	- **Mr. Shantanu Chakraborty** - Head of Production and Ancillary
	- **Mr. Anjan Poddar** - Head of Design
	- **Mr. Sisir Kumar Mitra** - Head of Purchase and Tool Room
	- **Mr. Anit Kumar Ghosh** - AGM Business Development
	- **Mr. Arup Chatterjee** - Senior Manager Business Development
	- **Mr. K. R. K. Prasad** - CEO, Bengaluru Plant
	- **Mr. Jayanta Chanda** - AVP, Finance (redesignated as Financial Controller effective 1 May, 23)
	- **Mr. Subramanian N** - AGM Marketing
	- **Mr. Srinivas U** - GM-Quality
	- **Mr. Buragadda Jaya Panduranga Kalyan** - Senior Manager Finance and Accounts
	Steel division :
	- **Mr. Abesh Chattopadhyay** - CEO- Special Steel Unit

Notes to the standalone financial statements for the year ended 31 March 2023

Other related parties	- IFB Agro Industries Limited - IFB Agro Marine FZE (100% subsidiary of IFB Agro Industries Limited) - Travel Systems Limited - IFB Global Limited - IFB Appliances Limited - Anjali foundation
Employee trusts where there is significant influence (Employee trusts) :	- Indian Fine Blank Limited Employees Gratuity Fund (IFBLEGF) - The IFBL Group Superannuation Scheme (IFBLSAF)

(B) Transactions with related parties

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
1	**Sales, service and other income**		
	- Investor Company	**65.32**	58.66
	- Subsidiaries	**0.41**	0.57
	- KMP	**0.05**	0.06
	- Other related parties	**0.93**	0.22
	Total	**66.71**	59.51
2	**Purchase of inventories**		
	- Investor Company	**14.29**	4.48
	- Subsidiaries	**0.23**	1.14
	- Other related parties	**0.12**	0.05
	Total	**14.64**	5.67
3	**Expenditure on other services**		
	- Investor Company	**0.24**	1.82
	- Subsidiaries	**–**	0.06
	- Other related parties	**113.27**	93.92
	Total	**113.51**	95.80
4	**Expenditure on corporate social responsibility**		
	- Other related parties	**0.08**	0.50
	Total	**0.08**	0.50
5	**Purchase of investments**		
	- Associate Company	**97.00**	–
	Total	**97.00**	–
6	**Purchase of duty entitlement pass book license**		
	- Other related parties	**11.25**	–
	Total	**11.25**	–

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
7	**Sale of property, plant and equipment**		
	- Investor Company	**0.02**	–
	Total	**0.02**	–
8	**Contribution to employees' benefit plans**		
	- Employee trusts	**4.23**	6.18
	Total	**4.23**	6.18
9	**Expenses recovered**		
	- Subsidiaries	**–**	0.09
	- Other related parties	**0.06**	–
	Total	**0.06**	0.09
10	**Remuneration**		
	(a) Short term benefits - KMP	**47.72**	51.90
	(b) Post employment benefits - KMP	**1.00**	3.11
	(c) Other long term benefits - KMP	**0.18**	1.25
	Total	**48.90**	56.26

Transactions for the year ended 31 March 2022 does not include transactions with IFB Refrigeration Limited as it was not a related party .

(C) Outstanding balances with related parties

		As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
1	**Trade Receivables**		
	- Investor Company	**32.27**	33.88
	- Subsidiaries	**0.12**	0.33
	- Other related parties	**0.39**	0.33
	Total	**32.78**	34.54
2	**Security deposits given**		
	- Investor Company	**0.50**	0.50
	- Other related parties	**0.08**	0.08
	Total	**0.58**	0.58
3	**Advances given**		
	- Investor Company	**0.44**	0.57
	- KMP	**0.04**	0.01
	- Other related parties	**0.41**	0.41
	Total	**0.89**	0.99
4	**Loans given**		
	- KMP	**0.06**	0.08
	Total	**0.06**	0.08

Notes to the standalone financial statements for the year ended 31 March 2023

		As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
5	**Other receivables**		
	- Subsidiaries	–	0.32
	- Employee trusts	3.90	1.45
	Total	3.90	1.77
6	**Trade payables**		
	- Investor Company	0.70	0.23
	- Subsidiaries	–	0.06
	- Other related parties	4.96	3.79
	Total	5.66	4.08
7	**Other payables**		
	- Employee trusts	4.18	6.13
	Total	4.18	6.13
8	**Guarantees given**		
	- Subsidiaries	20.82	21.32
	Total	20.82	21.32

(D) Party-wise details of significant transactions with related parties

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
1	**Sales, service and other income**		
	- TAAL	0.41	0.57
	- IFB Agro Industries Limited	0.93	0.22
2	**Purchase of inventories**		
	- TAAL	0.23	1.14
	- Anjali Foundation	0.12	0.05
3	**Expenditure on other services**		
	- TAAL	–	0.06
	- Travel Systems Limited	16.34	9.08
	- IFB Agro Marine FZE	0.28	0.54
	- IFB Appliances Limited	90.66	78.83
	- IFB Agro Industries Limited	0.61	0.75
	- IFB Global Limited	5.18	4.55
	- Anjali Foundation	0.20	0.17
4	**Expenditure on corporate social responsibility**		
	- Anjali Foundation	0.08	0.50
5	**Purchase of duty entitlement pass book license**		
	- IFB Agro Industries Limited	11.25	–

Notes to the standalone financial statements for the year ended 31 March 2023

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
6	**Contribution to employees' benefit plans**		
	- IFBLEGF	**4.18**	6.13
	- IFBLSAF	**0.05**	0.05
7	**Expenses recovered**		
	- TAAL	**–**	0.05
	- GAAL	**–**	0.04
	- Travel Systems Limited	**0.06**	–

(E) Party-wise details of significant balances with related parties

		As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
1	**Trade Receivables**		
	- TAAL	**0.12**	0.33
	- IFB Agro Industries Limited	**0.39**	0.33
2	**Security deposits given**		
	- IFB Agro Industries Limited	**0.08**	0.08
3	**Advances given**		
	- IFB Agro Industries Limited	**0.41**	0.41
4	**Other receivables**		
	- TAAL	**–**	0.19
	- GAAL	**–**	0.13
	- IFBLEGF	**3.90**	1.45
5	**Trade payables**		
	- TAAL	**–**	0.06
	- IFB Agro Marine FZE	**–**	0.09
	- IFB Appliances Limited	**3.68**	2.19
	- Travel Systems Limited	**0.82**	1.22
	- IFB Global Limited	**0.46**	0.29
6	**Other payables**		
	- IFBLEGF	**4.18**	6.13
7	**Guarantees given**		
	- TAAL	**12.61**	11.74
	- GAAL	**8.21**	9.58

Notes to the standalone financial statements for the year ended 31 March 2023

38. Dues to micro, small and medium enterprises

The Ministry of micro, small and medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Company. Payable to micro and small enterprises as at **31 March 2023: Rs. 45.76 crores** (31 March 2022: Rs. 143.74 crores).

Further, in view of the management, the impact of the interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

39. Financial instruments and related disclosures

i) Capital management

The Company's capital management policy is focused on business growth and creating value for shareholders. The Company determines the amount of capital required on the basis of annual business plans and the funding needs are met through internal accruals and bank borrowings.

ii) Categories of financial instruments

			Particulars	Note	**As at 31 March 2023**		As at 31 March 2022	
					Carrying value	**Fair value**	Carrying value	Fair value
					Rs. in crores	**Rs. in crores**	**Rs. in crores**	**Rs. in crores**
A.	**Financial assets**							
	a)	**Measured at amortised cost:**						
		i)	Trade receivables	11	**392.04**	**392.04**	296.39	296.39
		ii)	Cash and cash equivalents	12	**71.68**	**71.68**	64.79	64.79
		iii)	Other bank balances	13	**21.03**	**21.03**	22.52	22.52
		iv)	Loans	6	**1.11**	**1.11**	1.21	1.21
		v)	Other financial assets		**20.78**	**20.78**	14.87	14.87
	b)	**Measured at fair value through Profit and Loss:**						
		i)	Investments	5	**91.40**	**91.40**	229.47	229.47
	c)	**Derivatives measured at fair value through Profit and Loss:**						
		i)	Derivatives not designated as hedges	7	**9.93**	**9.93**	6.97	6.97
B.	**Financial liabilities**							
	a)	**Measured at amortised cost:**						
		i)	Term loans from banks	15	**63.65**	**63.65**	112.13	112.13
		ii)	Working capital buyers credit from banks	20	**49.04**	**49.04**	62.03	62.03
		iii)	Cash Credit facility from a bank	20	**–**	**–**	0.68	0.68
		iv)	Working capital demand loan	20	**32.81**	**–**	–	–
		v)	Current maturities of long term borrowings	20	**53.65**	**53.65**	58.15	58.15
		vi)	Lease Liabilities		**148.87**	**148.87**	124.44	124.44
		vii)	Trade payables		**811.63**	**811.63**	798.00	798.00
		viii)	Other financial liabilities		**14.25**	**14.25**	15.41	15.41

Particulars			Note	As at 31 March 2023		As at 31 March 2022	
				Carrying value	Fair value	Carrying value	Fair value
				Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
	b)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivative instruments not designated as hedges	16	**1.60**	**1.60**	1.85	1.85

Investments exclude investment in subsidiaries amounting to Rs. 21.60 crores (31 March 2022: Rs. 21.60 crores) and in an associate amounting to Rs. 97.00 crores (31 March 2022: Nil) which are shown at cost in balance sheet as per Ind AS 27 - 'Separate Financial Statements'.

(iii) Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

a) Liquidity risks

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquid risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from banks. Furthermore, the Company has sufficient quantities of finished goods and stock-in-trade which are liquid and readily saleable. Hence the risk that the Company may not be able to settle its financial liabilities as they become due does not exist.

The following tables shows a maturity analysis of the anticipated cash flows for the Company's derivative and non-derivative financial liabilities.

As at 31 March 2023

	Total	Due within one year	Due after one year
	Rs. in crores	Rs. in crores	Rs. in crores
Borrowings	**199.15**	**135.50**	**63.65**
Lease liabilities	**148.87**	**28.56**	**120.31**
Trade payables	**811.63**	**811.63**	**–**
Other financial liabilities	**14.25**	**13.85**	**0.40**
Derivative financial liabilities	**1.60**	**1.60**	**–**
Total	**1,175.50**	**991.14**	**184.36**

As at 31 March 2022

	Total	Due within one year	Due after one year
	Rs. in crores	Rs. in crores	Rs. in crores
Borrowings	232.99	120.86	112.13
Lease liabilities	124.44	21.18	103.26
Trade payables	798.00	798.00	–
Other financial liabilities	15.41	15.04	0.37
Derivative financial liabilities	1.85	1.85	–
Total	1,172.69	956.93	215.76

b) Market risks

The Company does not trade in equities. Treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within the acceptable risk parameters after due evaluation.

The Company's investments are predominantly held in debt mutual funds. Such investments are susceptible to market risks that arise mainly from changes in interest rate which may impact the return and value of such investments. Mark to market movements in respect of these investments are measured at fair value through Profit and Loss.

Fixed deposits are held with highly rated banks and generally have a short tenure and are not subject to interest rate volatility.

The Company has short-term borrowings which are generally not susceptible to interest rate volatility since they are for short tenure. Long term loans from banks are at highly competitive rates. Hence interest rate fluctuations on borrowings does not affect the Company significantly.

c) Foreign currency risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar, Euro, GBP, RMB, THB, JPY and AED) which are subject to the risk of exchange rate fluctuations.

The carrying amount of foreign currency denominated financial assets and liabilities, are as follows:

	As at 31 March 2023		As at 31 March 2022	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
	Rs. in crores	**Rs. in crores**	Rs. in crores	Rs. in crores
USD	**0.48**	**192.84**	1.02	277.98
Euro	**0.97**	**12.65**	0.45	28.58
RMB	**–**	**42.54**	–	11.21
JPY	**–**	**0.08**	–	–
Total	**1.45**	**248.11**	1.47	317.77

The Company uses forward exchange contracts and currency swaps to hedge its exposure in foreign currency.

i) **Forward exchange contracts / Currency swaps that were outstanding for financial liabilities and firm commitments as at the end of respective reporting dates:**

Particulars	No. of contracts	USD (crores)	No. of contracts	Euro (crores)	No. of contracts	RMB (crores)
As at 31 March 2023	**99**	**2.61**	**15**	**0.14**	**66**	**4.83**
As at 31 March 2022	135	3.49	41	0.65	21	0.69

The aforesaid forwards / currency swaps have a maturity before 2 October, 2024.

ii) **Unhedged foreign currency exposure (excluding derivatives) as at the end of the respective reporting dates:**

	As at 31 March 2023		As at 31 March 2022	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
USD in crores	**0.01**	–	0.01	–
Rs. in crores	**0.48**	–	1.02	–
EURO in crores	**0.01**	–	0.01	–
Rs. in crores	**0.97**	–	0.44	–
JPY in crores	–	**0.12**	–	–
Rs. in crores	–	**0.08**	–	–
RMB in crores	–	–	–	0.18
Rs. in crores	–	–	–	2.12
Total Rs. in crores	**1.45**	**0.08**	1.46	2.12

iii) Foreign currency sensitivity

For every percentage point change in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax would change by **Rs. 2.47 crores** for the year ended 31 March 2023 (31 March 2022: Rs 3.11 crores).

d) Credit risk

Credit risk arise from the possibility that the counter party may not be able to settle their obligations. Financial instruments that are subject to such risk primarily consists of investments, trade receivables, bank deposits, loans, derivative instruments and other financial assets.

Bank deposits are primarily held with highly rated and different banks.

The Company's customer base is large and diverse limiting the risk arising out of credit concentration. Further the credit is extended in business interest in accordance with guidelines issued centrally and business-specific credit policies that are consistent with such guidelines. Exceptions are managed and approved by appropriate authorities after due consideration of the counter parties credentials and financial capacity, trade practices and prevailing business and economic conditions.

In respect of financial guarantees provided by the Company to banks/financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

The Company's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowances are recognised where considered appropriate by the management.

The movement of allowance for doubtful advances and receivables is as under:-

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Balance at beginning of the year	**2.01**	2.43
Provision recognised in the year	**0.28**	0.20
Amounts written off during the year as uncollectible	**(0.24)**	(0.60)
Amounts recovered during the year	**(0.06)**	(0.02)
Balance at end of the year	**1.99**	2.01

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment would occur.

e) **Fair value hierarchy**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

			Fair value hierarchy (Level)	**Fair Value**	
				As at 31 March 2023	As at 31 March 2022
				Rs. in crores	**Rs. in crores**
A.	**Financial Assets**				
	a)	**Measured at FVTPL:**			
		Investment in mutual funds	1	**89.15**	227.22
		Investment in equity instruments (other than subsidiary)	2	**2.25**	2.25
	b)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**9.93**	6.97
B.	**Financial Liabilities**				
	a)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**1.60**	1.85

40. Goodwill

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period showing separately:

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Amount as at the beginning of the year (net of accumulated impairment loss of Nil)	**13.55**	17.81
Amount adjusted on recognition of deferred tax on business combination.	**–**	(4.26)
Amount as at the end of the year (net of accumulated impairment loss of Nil)	**13.55**	13.55

Allocated to Home appliance division	**13.55**	13.55

Notes to the standalone financial statements for the year ended 31 March 2023

Goodwill as stated above is carried at cost and annually tested for impairment in line with applicable Accounting Standards. Impairment testing for goodwill has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections. These projections have been made for a period of five years and consider various factors, such as market scenario, growth trends, growth and margin projections and terminal growth rates specific to the business. For such projections, discount rate of 15% and long-term growth rate of 3% have been considered. Discount rate has been determined considering the Weighted Average Cost of Capital (WACC) of market benchmarks. Based on the above assessment, no impairment has been recognised during the year.

41. The Company has disaggregated revenues from contract with customers for the year by the type of goods and services. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors. Refer note 21 for revenue disaggregation.

The following table includes revenue expected to be recognised in the future related to annual maintenance contracts and extended warranty services and advance from customers.

	Year ended 31 March 2024	**Year ended 31 March 2025**	**Year ended 31 March 2026**	**Year ended 31 March 2027**	**Beyond 31 March 2027**
	Rs. in crores	**Rs. in crores**	**Rs. in crores**	**Rs. in crores**	**Rs. in crores**
Income received in advance on annual maintenance contracts	56.62	9.23	–	–	–
Income received in advance on extended warranty services	6.25	6.26	4.10	3.43	7.32
Advance from customers	20.15	–	–	–	–
	83.02	**15.49**	**4.10**	**3.43**	**7.32**

The Company recognized revenue of **Rs. 70.60 crores** (31 March 2022 : Rs. 77.37 crores) arising from contract liability balances comprising of income received in advance on annual maintenance contracts and extended warranty services and advance from customers at the beginning of the year.

The below table shows the movement of income received in advance on annual maintenance contracts and extended warranty services and advance from customers :

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Opening Balance	**89.99**	87.29
Progress billing during the year	**4,028.35**	3,266.95
Less: Revenue recognised during the year	**4,004.98**	3,264.25
Closing Balance	**113.36**	89.99

Invoicing in excess of revenues from sale of services are classified as "Income received in advance on annual maintenance contracts and extended warranty services" and Invoicing in excess of revenues from sale of goods are classified as "Advance from customers" in note no 17.

42. Ratios:

		As at 31 March 2023	As at 31 March 2022
1	Current ratio (no of times)	**1.09**	1.17
2	Debt-equity ratio (no of times)	**0.30**	0.37
3	Debt service coverage ratio (no of times)[a]	**2.31**	1.39
4	Return on equity ratio (%)[b]	**2.63**	(8.04)
5	Inventory turnover ratio (no of days)	**42**	51
6	Trade receivables turnover ratio (no of days)	**37**	34
7	Trade payables turnover ratio (no of days)	**63**	75
8	Net capital turnover ratio (no of times)[c]	**41.31**	18.42
9	Net (loss) / profit ratio (%)[b]	**0.42**	(1.53)
10	Return on capital employed (%)[d]	**6.64**	(4.83)
11	Return on investment (%)	**5.92**	4.36

Reasons where the change in the ratios is more than 25% as compared to preceding years:

a) Earnings before depreciation, interest and tax (EBDITA) has increased due to higher sales and service income and decrease in material cost, and trade schemes and discounts. EBDITA being the numerator for the debt service coverage ratio, hence the increase in the ratio.

b) The ratios have been impacted due to increase in profits for the year for reasons stated in (a) above.

c) Working capital for the period has reduced due to increase in trade payable whereas sales and service income has increased, hence the ratio has increased.

d)` Capital employed has not changed significantly, however earnings before interest and tax has increased for reasons stated above.

e) Current investments have reduced significantly thereby effecting the average current investment. This being the denominator for the return on investment. Hence the increase in the ratio.

Items included in numerator and denominator:

		Numerator	**Denominator**
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt	Shareholders equity
3	Debt service coverage ratio	Earnings before depreciation, interest and tax	Interest expenses + Principal repayments of loans
4	Return on equity ratio	Net (loss) / profit after tax	Shareholders equity
5	Inventory turnover ratio (no of days)	Gross sales of product	Closing inventory
6	Trade receivables turnover ratio (no of days)	Net sales	Closing trade receivables
7	Trade payables turnover ratio (no of days)	Net purchases	Closing trade payable for goods
8	Net capital turnover ratio	Net sales and service income	Working capital

		Numerator	Denominator
9	Net (loss) / profit ratio	Net (loss) / profit after tax	Total Income
10	Return on capital employed	Earnings before interest and tax	Capital employed
11	Return on investment	Net gain/loss arising on current investments measured at FVTPL + Net gain on disposal of current investment	Average current investments

43. Trade payables ageing **Rs. Crores**

Particulars	**As at 31 March, 2023**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	45.76	–	–	–	**45.76**
Dues of creditors other than micro enterprises and small enterprises	756.46	3.07	0.10	6.24	**765.87**
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	–
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
	802.22	**3.07**	**0.10**	**6.24**	**811.63**

As at 31st March 2023, trade payables includes Rs. 0.88 crores for liabilities under supplier financing. The weighted average of which have extended the settlement of original payable to 61 days after physical supply and are due for settlement with 48 days after the year end.

Rs. Crores

Particulars	As at 31 March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	143.74			-	143.74
Dues of creditors other than micro enterprises and small enterprises	644.40	1.47	6.31	2.08	654.26
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	–
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–
	788.14	1.47	6.31	2.08	798.00

Notes to the standalone financial statements for the year ended 31 March 2023

44. As per the E-Waste (Management) Rules, 2016, as amended, Companies dealing in certain categories of products as specified in Schedule-I therein are required to undertake Extended Producer Responsibility (EPR) for its end-of-life products. The obligation for a financial year is measured based on sales made in the preceding 9th/10th year and the Company has met its obligations for the current year. In accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Company will have an e-waste obligation for future years, only if it participates in the market in those years.

45. No proceedings have been initiated or is pending against the company for holding any benami property under the 'Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

46. The Company has not been declared a wilful defaulter by any banks.

47. Balance outstanding with nature of transaction with struck off companies as per section 248 of the Companies Act, 2013.

Name of struck off company	Nature of transactions with struck - off companies	Balance as at 31st March 2023 (Rs. In crores)	Relationship with struck-off companies
Nur Automation Private Limited	Trade payables	0.05	None
Arrow18 Corporate Solutions Private Limited	Trade payables	0.17	None
Econavi Organic India Private Limited	Trade receivable	(*)	None

* Amount less than Rs. 50,000

48. The Company has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

49. All transactions have been recorded in the books of accounts and there are no unrecorded income that have been disclosed during the year in the tax assessments under the Income Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.

50. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

51. During the year ended 31 March, 2023 IFB Refrigeration Limited (IFBRL), an unlisted public limited company, has issued 9,70,00,000 (Nine crores seventy lacs) fully paid Equity shares of Rs. 10 each amounting to Rs. 97.00 crores in favour of IFB Industries Limited in a phased manner as stated below:

Allotment date by IFB Refrigeration Limited	Rs. In crores
26 December, 2022	60.00
28 January, 2023	9.00
2 March, 2023	13.00
31 March, 2023	15.00
	97.00

Post the issuance, IFB Industries Limited's shareholding in IFBRL as on 31.03.2023 is 44.44%. Consequently, IFBRL has become an associate of IFB Industries Limited. Balance shareholding in IFBRL is held by others including individuals.

IFBRL was incorporated on the 11th March 2021. It's capacity to manufacture refrigerator is 1 million per annum.

IFBRL has acquired 35-acre leasehold land from MIDC, in Ranjangaon, Pune. All construction and machinery installation work were completed by 22 May 2023.

IFBRL will produce a range of direct cool and frost-free refrigerators in the capacities of 193 Litres to 306 Litres in the 1st Phase. There will be a further increase in the range to produce up to 370 Litres capacity Refrigerators in the Phase 2 i.e. by the end of the fiscal year 23 - 24.

52. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

53. The standalone financial statements were approved by the Board of Directors on 27 May 2023.

Independent Auditor's Report to the Members of IFB INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IFB Industries Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at 31 March 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial information of the subsidiaries and associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate 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 statements under the provisions of the Act and the Rules made 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 and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Recognition of Revenue** Revenue is recognised when performance obligations are satisfied by transferring promised goods to customers. Goods are considered transferred when the customer obtains 'control' of the promised goods. Control is the ability to direct the use of and obtain, substantially all the benefits from the goods.	Our audit approach was a combination of test of internal controls and substantive procedures including: • Assessing the appropriateness of the relevant accounting policy. • Evaluation of the design and implementation of internal controls over management's assertion with respect to 'cut-off ', to establish that control of promised goods has passed to customers.

Sr. No.	Key Audit Matter	Auditor's Response
	There is a risk of revenue not being recorded in the correct accounting period on account of the ability to establish with certainty the point of time when control has passed. Refer to 1(B)(d) for the Accounting policy on recognition on revenue.	• Testing the operating effectiveness of the said internal controls for selected sample of sales. • Substantive tests on a sample of sales to confirm that 'cut-off' has been properly applied, in particular, just before and after close of the accounting period. • Assessed the relevant disclosures made in the Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to Board's report, Management Discussions and Analysis report, Business Responsibility and Sustainability report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial information of the subsidiaries and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial information audited by other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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 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 financial statements 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 the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group (and of its associate) 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 and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 these consolidated financial statements.

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 consolidated financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 and its associate 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 statements 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 and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial information of two (2) subsidiaries, whose financial information reflect total assets of Rs. 87.92 crore as at 31 March 2023, total revenues of Rs. 92.13 crore and net cash outflows amounting to Rs. 1.54 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 2.41 crore for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of an associate, whose financial information have not been audited by us. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

   Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial information of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on 31 March 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 35 to the consolidated financial statements; Further, there were no pending litigation which would impact the consolidated financial position of its associate.

   ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its associate company incorporated in India.

   iv) (a) The respective Managements of the Parent and associate, which is a company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of associate respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Parent and its associate, which is a company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such associate respectively that, to the best of their knowledge and belief, no funds have been received by the Parent or associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associate which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v) The Parent and its associate which is a company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. 1 April 2023 to the Parent and its associate which is a company incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of associate company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the auditors in the CARO report of the said associate company included in the consolidated financial statements.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 23103999BGXJEL4986

Kolkata, 27 May 2023

ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of IFB Industries Limited (hereinafter referred to as "Parent"), which includes internal financial controls with reference to consolidated financial statements of its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained,and the audit evidence obtained by other auditors of the associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Parent and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to an associate company, which is a company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 23103999BGXJEL4986

Kolkata, 27 May 2023

Consolidated Balance Sheet

	Notes	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
ASSETS			
1. **Non–current assets**			
(a) Property, plant and equipment	3A	**501.97**	518.19
(b) Capital work–in–progress	3A	**12.34**	11.85
(c) Right of use assets	3C	**151.08**	130.69
(d) Investment property	4	**0.11**	0.11
(e) Goodwill	3D	**20.01**	19.56
(f) Other intangible assets	3B	**21.64**	29.08
(g) Intangible assets under development	3B	**8.54**	3.28
(h) Financial assets			
(i) Investments	5	**96.84**	2.25
(ii) Loans	6	**0.55**	0.61
(iii) Others	7	**19.71**	16.91
(i) Deferred tax assets (net)	19	**–**	2.05
(j) Income tax assets (net)	8	**15.43**	12.43
(k) Other non–current assets	9	**14.32**	19.23
2. **Current assets**			
(a) Inventories	10	**573.09**	576.82
(b) Financial assets			
(i) Investments	5	**89.15**	227.22
(ii) Trade receivables	11	**413.37**	310.31
(iii) Cash and cash equivalents	12	**76.02**	70.35
(iv) Other bank balances	13	**21.03**	22.52
(v) Loans	6	**0.56**	0.60
(vi) Others	7	**11.45**	5.37
(c) Income tax assets (net)	8	**–**	–
(d) Other current assets	9	**59.58**	51.03
Total assets		**2,106.79**	2,030.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	**41.28**	41.28
(b) Other equity		**626.19**	606.98
Liabilities			
1. **Non–current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	**63.65**	114.67
(ii) Lease Liabilities		**120.31**	103.26
(iii) Other financial liabilities	16	**0.40**	0.37
(b) Provisions	18	**51.57**	50.98
(c) Deferred tax liabilities (net)	19	**15.57**	–
(d) Other non–current liabilities	17	**48.86**	33.48
2. **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	20	**140.44**	123.94
(ii) Lease Liabilities		**28.56**	21.18
(iii) Trade payables	42		
(A) total outstanding dues of micro enterprises and small enterprises		**45.76**	143.74
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**784.57**	668.25
(iv) Other financial liabilities	16	**15.45**	16.89
(b) Other current liabilities	17	**114.01**	96.45
(c) Provisions	18	**9.82**	8.99
(d) Income tax liabilities		**0.35**	–
Total equity and liabilities		**2,106.79**	2,030.46

The accompanying notes 1 to 52 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Consolidated Statement of Profit and Loss

		Notes	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
I	Revenue from operations	21	**4,194.99**	3,415.38
II	Other income	22	**22.75**	18.09
III	**Total income (I + II)**		**4,217.74**	3,433.47
IV	**Expenses**			
	(a) Cost of materials consumed	23	**2,199.50**	1,720.20
	(b) Purchases of stock-in-trade		**393.85**	409.31
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	**(35.15)**	(67.07)
	(d) Employee benefits expense	25	**405.07**	372.36
	(e) Finance costs	26	**29.44**	31.76
	(f) Depreciation and amortisation expense	27	**121.50**	115.45
	(g) Other expenses	28	**1,068.94**	925.12
	Total expenses (IV)		**4,183.15**	3,507.13
V	**Profit / (Loss) before share of (Loss) of an associate and Tax (III - IV)**		**34.59**	–
VI	Share of loss of an associate		**(2.41)**	–
VII	**Profit / (Loss) before tax (V+ VI)**		**32.18**	(73.66)
VIII	**Tax expense**			
	(a) Current tax	29A	**0.34**	(3.40)
	(b) Deferred tax	29A	**16.90**	(22.10)
			17.24	(25.50)
IX	**Profit/(Loss) for the year (VII - VIII)**		**14.94**	(48.16)
X	**Other comprehensive income / (loss)**			
	A (i) Items that will not to be reclassified to profit or loss			
	- Remeasurements of the defined benefit plan	31	**2.85**	0.97
	- Share of other comprehensive income in an associate			
	(ii) Income tax relating to items that will not be reclassified to profit or loss	29B	**(0.72)**	(0.34)
	B (i) Items that will be reclassified to profit and loss			
	- Exchange differences in translating the financial statements of foreign operations		**2.14**	(0.09)
	Total other comprehensive income		**4.27**	**0.54**
XI	**Total comprehensive income / (loss) for the year (IX + X)**		**19.21**	(47.62)
	Profit for the year			
	Attributable to :			
	Owners of the parent		**14.94**	(48.16)
	Non-controlling interests		**–**	–
	Total comprehensive income for the year			
	Attributable to:			
	Owners of the parent		**19.21**	(47.62)
	Non-controlling interests		**–**	–
XII	**Earnings per equity share (Face value Rs. 10 each)**			
	(a) Basic (in Rs.)	30	**3.69**	(11.89)
	(b) Diluted (in Rs.)	30	**3.69**	(11.89)

The accompanying notes 1 to 52 are an integral part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director	**Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division	**Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division	**Harsh Vardhan Sachdev**
Director and Chief Financial Officer	**Prabir Chatterjee**
Company Secretary	**G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Consolidated Statement of Changes in Equity

A. Equity share capital

	As at the beginning of the reporting year	Changes in equity share capital during the year	As at the end of the reporting year
	Rs. in crores	Rs. in crores	Rs. in crores
For the year ended 31 March 2022	41.28	–	**41.28**
For the year ended 31 March 2023	41.28	–	**41.28**

B. Other equity

	Reserves and Surplus					Other comprehensive income	Attributable to owners of the parent	Non-controlling interest	Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Debt Restructuring Reserve	Retained earnings	Foreign currency translation reserve			
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Balance as at 01 April 2021	5.22	174.33	16.05	89.81	364.60	4.59	654.60	–	654.60
Loss for the year	–	–	–	–	(48.16)	–	(48.16)		(48.16)
Other comprehensive income/(loss) (net of tax)	–	–	–	–	0.63	(0.09)	0.54		0.54
Total comprehensive loss for the year	–	–	–	–	(47.53)	(0.09)	(47.62)		(47.62)
Balance as at 31 March 2022	**5.22**	**174.33**	**16.05**	**89.81**	**317.07**	**4.50**	**606.98**	**–**	**606.98**
Profit for the year	**–**	**–**	**–**	**–**	**14.94**		**14.94**		**14.94**
Other comprehensive income (net of tax)	**–**	**–**	**–**	**–**	**2.13**	**2.14**	**4.27**		**4.27**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**17.07**	**2.14**	**19.21**	**–**	**19.21**
Balance as at 31 March 2023	**5.22**	**174.33**	**16.05**	**89.81**	**334.14**	**6.64**	**626.19**	**–**	**626.19**

Capital reserve : This reserve represents the difference between the value of net assets acquired by the Group in the course of business combinations and the consideration paid for such combinations.

Securities premium : This reserve represents premium on issue of shares and expenses on employee stock purchase scheme and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve : This reserve has been created under the Companies Act, 1956 on redemption of redeemable preference shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Debt restructuring reserve : This reserve represents the principal loan amount that were waived off in earlier years.

Retained earnings : This reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit plans. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 52 are an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Consolidated Cash Flow Statement

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
A.	**Cash flows from operating activities**		
	Profit / (loss) before tax	**32.18**	(73.66)
	Adjustments for:		
	Depreciation and amortisation expense	**121.50**	115.45
	Gain on disposal of property, plant and equipment	**(0.04)**	(0.07)
	Write-off of property, plant and equipment	**1.22**	1.01
	Write-off of capital work in progress	**–**	0.01
	Write-off of debts/ advances	**0.68**	0.85
	Write-down of inventory (net)	**0.96**	(0.47)
	Allowances for doubtful debts and advances	**0.28**	0.20
	Dividend from investments in mutual fund	**(0.01)**	–
	Net gain on disposal of mutual funds measured at fair value through profit and loss (FVTPL)	**(0.49)**	(0.41)
	Write back of liabilities no longer required	**(1.18)**	(0.85)
	Write back of provision on assets no longer required	**(0.30)**	(0.62)
	Unrealised exchange gain	**4.55**	3.17
	Interest income on financial assets	**(3.16)**	(2.52)
	Net gain arising on mutual funds measured at FVTPL	**(8.88)**	(10.18)
	Net (gain) arising on derivative instruments measured at FVTPL	**(3.21)**	(3.15)
	Income in respect to deferred revenue from government grant	**(1.53)**	(1.50)
	Share of loss in an associate	**2.41**	–
	Finance costs	**26.30**	29.00
	Operating profit before working capital changes	**171.28**	56.26
	Adjustments for:		
	Trade payables	**18.27**	156.98
	Provisions	**2.55**	(5.04)
	Other financial liabilities	**1.31**	(0.01)
	Other liabilities	**28.14**	(4.70)
	Trade receivables	**(102.26)**	(44.90)
	Other financial assets	**(4.59)**	0.03
	Other assets	**(9.42)**	11.96
	Loans	**0.10**	(0.16)
	Inventories	**3.15**	(114.21)
	Cash generated from operations	**108.53**	56.21
	Income tax paid (net of refunds)	**(3.00)**	(5.65)
	Net cash generated from operating activities	**105.53**	50.56
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	**(66.61)**	(73.86)
	Proceeds from sale of property, plant and equipment	**0.76**	0.80
	Investment in equity shares of an associate	**(97.00)**	–
	Government grant received	**6.31**	–
	Purchase of current investments (mutual funds)	**(119.96)**	(136.39)
	Sale of current investments (mutual funds)	**267.41**	177.98
	(Increase)/Decrease in bank balances (with maturity more than 12 months)	**1.49**	1.67
	Interest income on financial assets	**1.56**	2.56
	Net cash used in investing activities	**(6.04)**	(27.24)

Consolidated Cash Flow Statement

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
C. Cash flows from financing activities		
Movements in short term borrowings (net)	**18.74**	36.79
Proceeds from long term borrowings	**9.21**	-
Repayments of long term borrowings	**(67.69)**	(33.84)
Lease rent paid - principal portion	**(28.25)**	(34.70)
Lease rent paid - interest portion	**(11.81)**	(1.64)
Finance costs	**(14.34)**	(18.06)
Net cash used in financing activities	**(94.14)**	(51.45)
Net change in cash and cash equivalents (A+B+C)	**5.35**	(28.13)
Cash and cash equivalents at the beginning of the year	**70.35**	98.29
Foreign currency transalation adjustment on cash and cash equivalent	**0.32**	0.19
Cash and cash equivalents at the end of the year	**76.02**	70.35

Note :

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

The accompanying notes 1 to 52 are an integral part of the financial statements.

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Varsha A Fadte
Partner

Kolkata
27 May 2023

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director **Bikramjit Nag**
Managing Director and Chief Executive Officer, Home Appliances Division **Rajshankar Ray**
Managing Director and Chief Executive Officer, Engineering Division **Harsh Vardhan Sachdev**
Director and Chief Financial Officer **Prabir Chatterjee**
Company Secretary **G. Ray Chowdhury**

Bengaluru / Kolkata
27 May 2023

Notes to the consolidated financial statements for the year ended 31 March 2023

1A. BACKGROUND :

IFB Industries Limited ("the Holding Company") with CIN: L51109WB1974PLC029637and its subsidiaries (together, "the Group") are engaged in the business of fine blanked components and stamping, home appliances, motor and cold rolled steel strips.

1B. SIGNIFICANT ACCOUNTING POLICIES :

a. Statement of compliance

The consolidated financial statements have been prepared in all material respects in accordance with Indian Accounting Standards (Ind ASs) notified underthe Companies Act, 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The Group has consistently applied accounting policies to all periods.

b. Basis of preparation

The consolidated financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are prepared in Indian rupees and all amounts are rounded off to the nearest crores unless otherwise stated.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions (such estimates and judgements are reviewed every year) that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All assets and liabilities have been classified as current or non-current as per Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013 and Ind AS 1- Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

c. **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries together with the share of the total comprehensive income of an associate. Subsidiaries are entities controlled by the Group. Associates are entities over which the Group exercise significant influence but does not control.

Control is achieved when the Holding Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its return.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holdingcompany. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

d. Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

e. Revenue recognition

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains control of the asset.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation., Transaction price of goods sold is net of variable consideration on account of discounts, incentives and schemes offered by the company. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period or as per the terms of the contract.

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Group and the amount can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

f. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

Properties in course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with Group's policy. Depreciation on these assets commences when they are ready for their intended use.

Depreciation on property, plant and equipment has been provided on the straight-line method less residual values as per the useful life stated below.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment of the Group are as follows:

Buildings	30 years
Buildings (Roads and Fences)	5 years
Building (improvements)	6 years
Plant and equipment	10 – 20 years
Plant and equipment (tools and moulds)	5years / number of outputs
Furniture and fixtures	10 years
Office equipment	3, 5,10 years
Vehicles	5, 8 years
Computers	3-6 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

g. Goodwill on consolidation

Goodwill on consolidation is stated at cost (substituted for restated cost where applicable) less impairment loss, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit and loss recognised in the statement of profit and loss. Impairment loss, if any to the extent the carrying amount exceeds the recoverable amount is charged off to the statement of profit and loss as it arises and is not reversed.

For impairment testing, goodwill is allocated to cash generating unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment.

h. Investment property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 – Property, Plant and Equipment requirements for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is de-recognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as of 01 April 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

i. Intangible assets

Intangible assets that the Group acquires separately and from which it expects future economic benefits are capitalised upon acquisition and measured initially at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided).

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

The estimated useful lives of intangible assets of the Group are as follows:

Computer software	3 years
Technical knowhow	3 / 5 / 7 / 10 years
Brand	5 years
Non-Compete Agreement	10 years

Amortisation expenses and impairment losses and reversal of impairment losses are taken to the statement of profit and loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortisation and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the statement of profit and loss when the asset is derecognised.

j. Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

l. Foreign currency transactions

The presentation currency of the Group is Indian Rupee.

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions.Gains / losses arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on translation of monetary items are recognised in the statement of profit and loss except for exchange differences on foreign currency borrowings relating to assets under constructions for future productive use, which are included in the cost of the assets when they are regarded as an adjustment to interest costs on these foreign currency borrowings. Non-monetary items denominated in foreign currency are carried at cost.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements: -

– assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereon, are translated to Indian Rupees at exchange rate prevailing at the reporting period end.
– income and expense items are translated at the average exchange rate prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operating attributable to the owners of the Group is reclassified to the statement of profit and loss. In relation to partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the statement of profit and loss.

m. Derivatives

The Group enters into derivative financial instruments, primarily foreign exchange forward contracts and currency swaps, to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the statement of profit and loss.

n. Inventories

Inventories are valued at the lower of cost and net realisable value except for raw material, work-in-progress which are valued at cost and scrap which is valued at market price of a foreign subsidiary.

Costs of inventories are determined using weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

o. Employee benefits

Retirement benefit costs

Contribution payable for provident fund and superannuation fund, which are defined contribution schemes are recognised as an employee benefits expense in the statement of profit and loss.

For retirement benefit – defined benefit plan i.e. gratuity, other long-term employee benefits i.e. leave encashment and sick leave, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit in other comprehensive income for gratuity and statement of profit and loss for leave encashment and sick leave in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

For an overseas subsidiary, annual leave is recognised when they accrue to the employee. An accrual is made for the estimated liability for annual leave as a result of services rendered by the employee upto the year-end date.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

p. Taxation

Tax expenses comprises current and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid to tax authorities in accordance with the Income Tax Act, 1961. The Group's current tax is calculated using tax rates and tax laws that have been enacted during the period, together with any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.

Minimum Alternate Tax (MAT) credit entitlement is recognized only to the extent there is convincing evidence that the Group will pay normal tax during the period specified by the Income Tax Act, 1961. In the year in which the MAT credit becomes eligible to be recognised as an asset,the said asset is created by way of credit to the statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

q. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

a) related to or used for assets are included in the balance sheet as deferred income and recognised as income over the useful life of the assets.

b) related to incurring specific expenditures are taken to the statement of profit and loss on the same basis and in the same periods as the expenditures incurred.

c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

r. Warranties

Warranty costs are estimated by the Management on the basis of a technical evaluation and based on specific warranties, claims and claim history. Provision is made for estimated liability in respect of warranty cost in the year of sale of goods. Warranty provisions are measured at discounted amounts. The Group discounts its provision for warranty to present value at reporting dates. Consequently, the unwinding of discount is recognised in the statement of profit and loss.

Provision for warranty is expected to be utilized over a period of one to five years.

s. Provisions and contingent liabilities

The Group recognizes a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure of contingent liability is made.

t. Leases

Group as a lessee:

At the inception of a contract, the Group assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group recognises a right-of-use asset and corresponding lease liability at the lease commencement date with respect to all lease arrangements in which it is a lessee, except for short- term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term and evaluated for any impairment losses.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the policy for 'Property, Plant and Equipment'.

Whenever the Group incurs an obligation for costs to dismantle and remove leased assets, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. To the extent those costs relate to a right- of-use asset, the costs are included in the right-of-use asset, unless the costs are incurred to produce inventories.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded instatement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are presented in the line 'Other Expenses' in the statement of profit and loss.

The right-of-use assets and lease liabilities are presented as a separate line item in the balance sheet.

Group as a lessor:

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever, the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease receipts under operating leases are recognised as an income, on a straight-line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Group does not have any finance lease arrangements.

u. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer's.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the consolidated financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated expenses and taxes.

"Unallocated expenses" represents revenue and expenses attributable to the Groupas a whole and are not attributable to segments.

v. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured atfair value except for trade receivables that do not have a significant financing component which are measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in statement of profit and loss.

Financial assets and liabilities are offset and the net amount is included in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

w. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) Fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) Fair value through profit and loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the statement of profit and loss in the period in which they arise.

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are classified for measurement at amortised cost. Derivative instruments are measured at fair value through profit and loss while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit and loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The effective interest method is a method of calculating the amortised cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Recognition

Financial assets include investments, trade receivables, derivative instruments, cash and cash equivalents, other bank balances, loans and other financial assets. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the statement of profit and loss.

Impairment

At each reporting date a financial asset such as investment, trade receivable, loans and other financial assets held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss is assessed and loss allowance is recognised if the credit quality of that financial asset has deteriorated significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the statement of profit and loss.

Reclassification

When and only when the business model is changed the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit and loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to financial instruments.

De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Consequently, if the asset is one that is measured at

(a) Amortised cost, the gain or loss is recognised in the statement of profit and loss.

(b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the statement of profit and loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

x. Financial liabilities and equity instruments

Classification:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Holding company are recognised at the proceeds received.

Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the statement of profit and loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the balance sheet.

Financial liabilities are derecognised when the liability is extinguished, i.e., when the contractual obligation is discharged, cancelled and on expiry.

y. Earnings per share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to owners of the parent of the group by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit and loss for the year attributable to owners of the parent of the group and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares.

z. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date value of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange of control of the acquiree.

Acquisition related costs are generally recognised in the statement of profit and loss as incurred. The identifiable assets acquired and liabilities assumed are recognised at fair value except deferred tax assets or liabilities and liabilities related to employee benefit arrangements which are recognised and measured in accordance with Ind AS 12 and Ind AS 19 respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

Business combinations arising from acquisition of net assets from entities that are under common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholders' equity.

2A. USE OF ESTIMATES AND JUDGEMENTS:

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are related to:

(i) Useful life of property, plant and equipment and intangible assets

(ii) Provision for product warranties

(iii) Provision for employee benefits

(iv) Fair value of financial assets/liabilities

(v) Provisions and contingent liabilities

(vi) Control

Useful life of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period The Group is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

Provision for product warranties:

Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the group's obligation for warranties. It is estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

The determination of provision for product warranties takes into account assumptions which is a subject matter of judgement.

Provision for employee benefits

The determination of Group's liability towards defined benefit obligation and other long-term employee benefits to employees is made through independent actuarial valuation including determination of amounts to be recognized in the statement of profit and loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to accounts.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation, if required.

Provisions and contingent liabilities

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

Control

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power / rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the absolute size of its holding, the relative size of and dispersion of other shareholders, and whether any contractual arrangements exist between the Group and other shareholders of the investees. Based on this, and in accordance with its accounting policy, the Group has determined that the entities listed in notes to the consolidated financial statements are the only entities over which Group has control.

Significant influence

The Group assessed whether or not it has significant influence on its investees based on its practical ability to participate in the financial and operating policy decisions of the investee, though it is not in control or in joint control of these policies. Based on such assessment, the Group determines the entities over which the Group has significant influence and accordingly associates.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value which is a subject matter of judgement.

2B. RECENT ACCOUNTING PRONOUNCEMENT

On 31st March 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to Company from 1st April 2023.

(i) Ind AS 101 – First-time Adoption of Indian Accounting Standards

(ii) Ind AS 102 – Share-based Payment

(iii) Ind AS 103 – Business Combinations

(iv) Ind AS 107 – Financial Instruments Disclosures

(v) Ind AS 109 – Financial Instruments

(vi) Ind AS 115 – Revenue from Contracts with Customers

(vii) Ind AS 1 – Presentation of Financial Statements

(viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

(ix) Ind AS 12 – Income Taxes

(x) Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the Company's financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2023

3A Property, plant and equipment

Rs. in crores

	Gross Block					Depreciation and amortisation					Net Book Value	
	As at 1 April 2022	Additions	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2023	As at 1 April 2022	For the year	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
(a) Land	**14.05**	**–**	**–**	**–**	**14.05**	**–**	**–**	**–**	**–**	**–**	**14.05**	**14.05**
Previous year	*14.05*	*–*	*–*	*–*	*14.05*	*–*	*–*	*–*	*–*	*–*	*14.05*	*14.05*
(b) Buildings	**129.57**	**1.41**	**(0.03)**	**0.05**	**131.00**	**21.90**	**6.94**	**–**	**0.04**	**28.88**	**102.12**	**107.67**
Previous year	*125.66*	*4.37*	*(0.44)*	*(0.02)*	*129.57*	*15.34*	*6.99*	*(0.41)*	*(0.02)*	*21.90*	*107.67*	*110.32*
(c) Plant and equipment	**644.60**	**50.30**	**(3.41)**	**2.16**	**693.65**	**282.44**	**61.96**	**(1.89)**	**1.13**	**343.64**	**350.01**	**362.16**
Previous year	*597.64*	*50.40*	*(2.48)*	*(0.96)*	*644.60*	*222.13*	*61.92*	*(1.17)*	*(0.44)*	*282.44*	*362.16*	*375.51*
(d) Furniture and fixtures	**35.74**	**3.49**	**(0.58)**	**0.01**	**38.66**	**13.33**	**3.45**	**(0.37)**	**0.01**	**16.42**	**22.24**	**22.41**
Previous year	*29.17*	*6.76*	*(0.18)*	*(0.01)*	*35.74*	*10.21*	*3.21*	*(0.09)*	*–*	*13.33*	*22.41*	*18.96*
(e) Vehicles	**1.00**	**0.99**	**(0.10)**	**0.01**	**1.90**	**0.62**	**0.13**	**(0.10)**	**–**	**0.65**	**1.25**	**0.38**
Previous year	*0.89*	*0.11*	*–*	*–*	*1.00*	*0.54*	*0.08*	*–*	*–*	*0.62*	*0.38*	*0.35*
(f) Office equipment	**7.80**	**0.95**	**(0.40)**	**0.03**	**8.38**	**4.41**	**1.02**	**(0.33)**	**0.03**	**5.13**	**3.25**	**3.39**
Previous year	*6.29*	*1.86*	*(0.33)*	*(0.02)*	*7.80*	*3.62*	*0.85*	*(0.05)*	*(0.01)*	*4.41*	*3.39*	*2.67*
(g) Computers	**20.85**	**4.67**	**(0.75)**	**0.02**	**24.79**	**12.72**	**3.65**	**(0.64)**	**0.01**	**15.74**	**9.05**	**8.13**
Previous year	*16.50*	*4.71*	*(0.35)*	*(0.01)*	*20.85*	*10.12*	*2.92*	*(0.32)*	*–*	*12.72*	*8.13*	*6.38*
Total	**853.61**	**61.81**	**(5.27)**	**2.28**	**912.43**	**335.42**	**77.15**	**(3.33)**	**1.22**	**410.46**	**501.97**	**518.19**
Previous year	*790.20*	*68.21*	*(3.78)*	*(1.02)*	*853.61*	*261.96*	*75.97*	*(2.04)*	*(0.47)*	*335.42*	*518.19*	*528.24*
Capital work–in–progress	**11.85**	**9.90**	**(9.44)**	**0.03**	**12.34**	**–**	**–**	**–**		**–**	**12.34**	**11.85**
Previous year	*18.83*	*11.17*	*(18.12)*	*(0.03)*	*11.85*	*–*	*–*	*–*		*–*	*11.85*	*18.83*

1. *Amount of borrowing cost capitalised during the period Nil (31 March, 2022 - Nil)*
2. *All the title deeds of Immovable properties are held in the name of the Group*

Capital work-in-progress ageing schedule:

Rs. in crores

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2023	9.90	1.77	0.59	0.08	12.34
Previous year	*11.17*	*0.64*	*0.04*	*–*	*11.85*

3B Intangible assets

Rs. in crores

	Gross Block					Depreciation and amortisation					Net Book Value	
	As at 1 April 2022	Additions	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2023	As at 1 April 2022	For the year	Adjustments / disposals	Foreign currency translation reserve adjustment	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
(a) Brand	**3.82**	**–**	**–**	**–**	**3.82**	**2.63**	**0.77**	**–**	**–**	**3.40**	**0.42**	**1.19**
Previous year	*3.82*	*–*	*–*	*–*	*3.82*	*1.87*	*0.76*	*–*	*–*	*2.63*	*1.19*	*1.95*
(b) Computer software	**23.03**	**0.85**	**(0.01)**	**0.04**	**23.91**	**19.15**	**2.26**	**(0.01)**	**0.04**	**21.44**	**2.47**	**3.88**
Previous year	*20.47*	*2.61*	*(0.03)*	*(0.02)*	*23.03*	*17.10*	*2.09*	*(0.03)*	*(0.01)*	*19.15*	*3.88*	*3.37*
(c) Technical knowhow	**46.54**	**2.04**	**–**	**–**	**48.58**	**26.56**	**6.69**	**–**	**–**	**33.25**	**15.33**	**19.98**
Previous year	*43.78*	*2.76*	*–*	*–*	*46.54*	*20.37*	*6.19*	*–*	*–*	*26.56*	*19.98*	*23.41*
(d) Non-compete agreement	**6.17**	**–**	**–**	**–**	**6.17**	**2.14**	**0.61**	**–**	**–**	**2.75**	**3.42**	**4.03**
Previous year	*6.17*	*–*	*–*	*–*	*6.17*	*1.52*	*0.62*	*–*	*–*	*2.14*	*4.03*	*4.65*
Total	**79.56**	**2.89**	**(0.01)**	**0.04**	**82.48**	**50.48**	**10.33**	**(0.01)**	**0.04**	**60.84**	**21.64**	**29.08**
Previous year	*74.24*	*5.37*	*(0.03)*	*(0.02)*	*79.56*	*40.86*	*9.66*	*(0.03)*	*(0.01)*	*50.48*	*29.08*	*33.38*
Intangible assets under development	**3.28**	**6.29**	**(1.03)**	**–**	**8.54**	**–**	**–**	**–**	**–**	**–**	**8.54**	**3.28**
Previous year	*2.32*	*2.80*	*(1.84)*	*–*	*3.28*	*–*	*–*	*–*		*–*	*3.28*	*2.32*

1 *The amortisation of intangible assets is disclosed in the face of Statement of Profit and Loss under the heading "Depreciation and amortisation expenses"*

2 *None of the above stated intangible assets are intenally generated*

3 *The remaining useful life of significant intangible assets are as under:-*

Description	***Remaining useful life as at 31 March 2023***
(a) Brand	*The entire net block would be amortised in 1 years.*
(b) Drawing cost of BLDC air conditioner motor	*The entire net block would be amortised in 10 years.*
(c) Technology purchase for Industrial washing machine	*The entire net block would be amortised in 5 years.*
(d) Engineering design and process for Industrial Launderete Equipments	*The entire net block would be amortised in 3 years.*
(e) Design cost of Motors	*The entire net block would be amortised in 1 years.*
(f) Design cost for air conditioner	*The entire net block would be amortised in 2 years.*
(g) Design cost for washer dryer	*The entire net block would be amortised in 2 years.*
(h) Technical knowhow for air conditioner controller	*The entire net block would be amortised in 4 years.*
(i) Non-compete agreement	*The entire net block would be amortised in 6 years.*

Intangible assets under development ageing schedule:

Rs. in crores

	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress - 31 March, 2023	**6.29**	**1.92**	**0.29**	**0.04**	**8.54**
Previous year	*2.80*	*0.43*	*0.05*	*–*	*3.28*

Notes to the consolidated financial statements for the year ended 31 March 2023

3C. Right of use assets

Rs. in crores

	Gross Block				Depreciation and amortisation				Net Book Value	
	As at 01 April 2022	**Additions**	**Adjustments / disposals**	**As at 31 March 2023**	As at 01 April 2022	**For the year**	**Adjustments/ disposals**	**As at 31 March 2023**	**As at 31 March 2023**	As at 31 March 2022
Land	78.61	–	–	**78.61**	4.19	3.25	–	**7.44**	**71.17**	74.42
Previous year	*18.95*	*59.66*	–	*78.61*	*0.95*	*3.24*	–	*4.19*	*74.42*	*18.00*
Buildings	115.60	53.47	(34.28)	**134.79**	59.33	30.41	(33.88)	**55.86**	**78.93**	56.27
Previous year	*87.43*	*33.78*	*(5.61)*	*115.60*	*37.09*	*26.58*	*(4.34)*	*59.33*	*56.27*	*50.34*
Vehicles	–	1.34	–	**1.34**	–	0.36	–	**0.36**	**0.98**	–
Previous year	–	–	–	–	–	–	–	–	–	–
Total	**194.21**	**54.81**	**(34.28)**	**214.74**	**63.52**	**34.02**	**(33.88)**	**63.66**	**151.08**	**130.69**
Previous year	*106.38*	*93.44*	*(5.61)*	*194.21*	*38.04*	*29.82*	*(4.34)*	*63.52*	*130.69*	*68.34*

3D Goodwill

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Balance as at the beginning of the year	**19.56**	23.61
Amount adjusted on recognition of deferred tax on business combination.	**–**	(4.26)
Translation differences	**0.45**	0.21
	20.01	19.56

The carrying amount of goodwill has been allocated as follows:

Home appliances division	**13.55**	13.55
Engineering division	**6.46**	6.01
	20.01	19.56

Goodwill is annually tested for impairment in line with applicable Accounting Standards. Impairment testing for goodwill has been carried out considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections. These projections have been made for a period of five years and consider various factors, such as market scenario, growth trends, growth and margin projections and terminal growth rates specific to the business. For such projections, the following discount rate and long-term growth rate have been considered:

Home appliances division	*15% discount rate*	*3% long-term growth rate*
Engineering division	*18% discount rate*	*2% long-term growth rate*

Discount rate has been determined considering the Weighted Average Cost of Capital (WACC) of market benchmarks. Based on the above assessment, no impairment has been recognised during the year.

Notes to the consolidated financial statements for the year ended 31 March 2023

Rs. in crores

4. Investment property

Particulars	Gross Block / Net Book Value			
	As at 1 April 2022	**Additions**	**Adjustments/ disposals**	**As at 31 March 2023**
Land	0.11	–	–	**0.11**
Total	0.11	–	–	**0.11**

1. Investment properties consist of lands in India and includes an amount of **Rs. 0.07 crores** (31 March 2022: Rs. 0.07 crores) being assets given on an lease.
2. As at 31 March 2023 and 31 March 2022 the fair values of the properties are **Rs. 10.26 crores** and Rs. 7.15 crores respectively. These fair values are based on valuations performed by NagChowdhury Associates, an accredited independent registered valuer. Nag Chowdhury Associates is a specialist in valuing these types of investment properties. A valuation model (market approach) has been adopted and the valuation is in accordance with that recommended by the International Valuation Standards. The fair value measurement can be categorised into level 3 category. There has been no change in the valuation technique as compared to 31 March, 2022.
3. There are no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements. All the title deeds of the investment properties are held in the name of the Holding Company
4. Information regarding income and expenditure of investment property:

Particulars	Year ended	
	31 March 2023 Rs. in crores	31 March 2022 Rs. in crores
Rental income derived from investment property	**0.07**	0.06
Total profit arising from investment property	**0.07**	0.06

5. Investments

	Particulars	As at 31 March 2023			As at 31 March 2022		
		Nos	**Current Rs. in crores**	**Non Current Rs. in crores**	Nos	Current Rs. in crores	Non Current Rs. in crores
(A)	**INVESTMENT IN EQUITY INSTRUMENTS**						
	Unquoted investments (fully paid)						
(i)	**Investment in associate (carrying amount determined using the equity method of accounting)**						
	IFB Refrigeration Limited (Ordinary Shares of Rs 10/- each)	**97,000,000**			–		
	Cost of acquisition (including goodwill of Rs. 5.30 Crores) Rs. 97.00 crores						
	Less: Group Share of losses Rs. 2.41 crores			**94.59**			–
(ii)	**Investment in others (at fair value through profit and loss otherwise stated)**						
	Astrea Greentech Private Ltd (Equity Shares of Rs. 10/- each)	**15,000**	–	**2.25**	15,000	–	2.25
			–	**96.84**		–	2.25

5. Investments *(Contd.)*

	Particulars	As at 31 March 2023			As at 31 March 2022		
		Nos	Current Rs. in crores	Non Current Rs. in crores	Nos	Current Rs. in crores	Non Current Rs. in crores
(B)	**INVESTMENT IN MUTUAL FUNDS**						
	Unquoted investments						
	At fair value through profit and loss						
a)	Aditya Birla Sun Life Money Manager Fund - Direct plan- growth	–	–	–	5,752,352	13.09	–
b)	Aditya Birla Sun Life Money Manager Fund - Direct plan- growth	**341,075**	**10.79**	–	–	–	–
c)	Axis Liquid fund-Direct Plan- Growth (*)	**1,602**	**0.40**	–	15	–	–
d)	Axis Short Term Debt Fund - Direct Plan - Growth	**1,608,378**	**4.51**	–	–	–	–
e)	Axis Treasury Advantage Fund - Direct plan- growth	–	–	–	81,398	21.08	–
f)	Edelweiss Arbitrage Fund - Growth plan	–	–	–	5,462,724	9.00	–
g)	"HDFC low duration fund - Direct plan- growth	–	–	–	3,825,724	19.05	–
h)	HDFC Short term Debt Fund -Dividend reinvestment-fortnightly	–	–	–	3,121,898	8.19	–
i)	ICICI Prudential Liquid - Direct plan - growth	–	–	–	423,057	13.34	–
j)	ICICI Prudential Ultra Short term fund - Direct plan- growth	**2,888,546**	**7.31**	–	15,774,994	37.72	–
k)	ICICI Prudential Short term fund - Direct plan- growth	**4,063,115**	**22.09**	–	4,435,377	22.64	–
l)	ICICI Pru Money Market fund-Growth-Direct plan	**124,678**	**4.04**	–	–	–	–
m)	ICICI Prudential Equity Arbitrage fund - Direct plan- growth	–	–	–	4,568,138	13.38	
n)	IDFC Arbitrage Fund - Direct plan- growth	–	–	–	699,038	1.95	–
o)	Kotak Equity Arbitrage fund - Direct plan- growth	**6,907,042**	**23.17**	–	7,315,919	23.17	–
p)	Kotak Bond Fund - Direct plan- growth	–	–	–	1,583,113	7.23	–
q)	Kotak Money Market Fund - Direct plan- growth	**29,074**	**11.13**	–	–	–	–
r)	SBI Liquid Fund Direct Growth	**1,137**	**0.40**	–	–	–	–
s)	SBI Magnum Low Duration Fund - Direct plan- growth	–	–	–	63,143	18.37	–
t)	Trust MF Banking & PSU Debt Fund - Direct plan- growth	–	–	–	179,991	19.01	–

(*) represents amount less than Rs. 50,000

Notes to the consolidated financial statements for the year ended 31 March 2023

5. Investments *(Contd.)*

Particulars	As at 31 March 2023			As at 31 March 2022		
		Current	Non Current		Current	Non Current
	Nos	Rs. in crores	Rs. in crores	Nos	Rs. in crores	Rs. in crores
u) UTI Banking & PSU Debt Fund - Direct Plan Growth	**2,402,661**	**4.51**	**–**	–	–	–
v) UTI Liquid Cash Plan - Direct Growth Plan	**2,172**	**0.80**	**–**	–	–	–
Total		**89.15**	**–**		227.22	–
Total investments		**89.15**	**96.84**		227.22	2.25
Other disclosures						
Aggregate amount of unquoted investments		**89.15**	**96.84**		227.22	2.25
Aggregate amount of impairment in value of investments		**–**	**–**		–	–

6. Loans

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Unsecured, considered good				
- Loans to related parties (refer note 36) (#)	**0.03**	**0.03**	0.04	0.04
- Other loans to employees	**0.53**	**0.52**	0.56	0.57
Total	**0.56**	**0.55**	0.60	0.61

(#) Includes **Rs. 0.01 crores** (31 March 2022: Rs. 0.03 crores) as outstanding product loan to a director. In terms of percentage to the total loans and advances in the nature of loans the same stand at **1%** (31 March 2022: 2%). This loan is given as per the Holding Company's policy and is applicable for all employees of the Holding Company.

Notes to the consolidated financial statements for the year ended 31 March 2023

7. Other financial assets

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
(a) Security deposits				
- to related parties (unsecured, considered good) - refer note 37	–	**0.58**	–	0.58
- to others				
(i) Unsecured, considered good	**1.37**	**11.69**	0.56	11.11
(ii) Unsecured, considered doubtful	–	**0.14**	–	0.14
Less: Allowance for doubtful deposits	–	**0.14**	–	0.14
(b) Margin money with more than 12 months maturity	–	**0.41**	–	–
(c) Bank deposit with more than 12 months maturity	–	**0.31**	–	0.12
(d) Others				
- Derivative instruments at fair value through profit or loss and not designated as hedges	**5.73**	**4.20**	2.67	4.30
- Interest accrued on fixed deposits	**0.45**	**0.01**	0.37	0.01
- Other receivables	–	**2.51**	–	0.79
- Other receivables from related parties - refer note 36	**3.90**	–	1.77	–
Total	**11.45**	**19.71**	5.37	16.91
(a) Security deposit to related parties includes advances to private limited companies in which any director is a director or a member	–	**0.50**	–	0.50

(b) Other non-current receivables represents excess funding of leave liability with insurance companies as at 31 March, 2023

(c) The Group has not advanced or loaned or invested funds to any other persons or entities (intermediary) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or shall provide guarantee, security or the like to or on behalf of the Group.

8. Income tax assets (net)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Advance tax (net of provision)	–	**15.43**	–	12.43
Total	–	**15.43**	–	12.43

Notes to the consolidated financial statements for the year ended 31 March 2023

9. Other assets

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	**Non Current**	Current	Non Current
	Rs. in crores	**Rs. in crores**	Rs. in crores	Rs. in crores
Capital advance	**–**	**7.58**	–	13.38
Advances other than capital advance				
– deposit with statutory authorities	**0.43**	**5.48**	1.72	4.24
– advances with statutory authorities	**30.33**	**0.21**	26.09	1.17
– advances with related parties (refer note 36)	**0.89**	**–**	0.99	–
Other advances				
– advances for goods and services	**19.89**	**0.14**	13.97	0.14
less: allowance for doubtful advances	**–**	**0.14**	–	0.14
– prepaid expenses	**8.04**	**1.05**	8.26	0.44
Total	**59.58**	**14.32**	51.03	19.23
Advances with related parties includes advances to private limited companies in which any director is a director or a member	**0.44**	**–**	0.57	–

10. Inventories (valued at lower of cost and net realisable value)

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Raw materials	**199.75**	240.22
Work-in-progress	**36.25**	38.25
Finished goods	**226.34**	168.91
Stock-in-trade	**65.82**	85.85
Stores and spares	**44.93**	43.59
Total	**573.09**	576.82
The above includes goods in transit as under:		
Raw materials	**58.22**	37.38
Stock-in-trade	**8.35**	31.40
Stores and spares	**2.12**	0.88
	68.69	69.66

1. *The cost of inventories recognised as an expense includes* ***Rs. 3.87 crores*** *(31 March 2022 : Rs.2.57 crores) in respect of write-downs of inventory to its net realisable value. Further a sum of* ***Rs. 2.91 crores*** *(31 March 2022: Rs. 3.04 crores) is in respect of reversal of such write-downs. The write downs have been reversed primarily as a result of increased sales price or subsequent disposals.*
2. *Carrying amount of inventories carried at net realisable value* ***Rs. 4.41 crores*** *(31 March 2022: Rs. 4.44 crores)*
3. *Carrying amount of inventories pledged as security for borrowings* ***Rs. 566.82 crores*** *(31 March 2022: Rs. 571.65 crores)*

Notes to the consolidated financial statements for the year ended 31 March 2023

11. Trade receivables

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Unsecured – considered good		
- receivable from related parties(*) (refer note 36)	**32.66**	34.21
- receivable from others	**380.71**	276.10
Unsecured - which have significant increase in credit risk		
- receivable from others	**1.85**	1.87
Less: allowances for doubtful debts	**(1.85)**	(1.87)
Total	**413.37**	310.31
(*) Includes trade receivable from private limited companies in which any director is a director or a member	**32.27**	33.88

Transfer of financial assets

The Group discounted certain trade receivables with an aggregate carrying amount of **Rs. 1.89 crores** (31 March 2022: Rs. 3.51 crores) to a bank for cash proceeds of **Rs. 1.87 crores** (31 March 2022: Rs. 3.48 crores). If the trade receivables are not paid at maturity, the bank has the right to request for payment of the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognise the full carrying value of the receivables and has recognised the cash received on the transfer as secured borrowings.

At the end of the reporting period, there were no trade receivables that have been transferred but have not been derecognised and the corresponding associated liability.

Trade Receivables ageing not disclosed for both the years.

12. Cash and cash equivalents

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Balances with banks		
– current account	**71.46**	64.05
– deposit account	**3.03**	3.46
Cheques on hand	**1.26**	2.39
Cash on hand	**0.27**	0.45
Total	**76.02**	70.35

13. Other bank balances

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
In deposit account	**21.03**	20.13
Margin money deposits	**–**	2.39
Total	**21.03**	22.52

14. Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Rs. in crores	No. of shares	Rs. in crores
Authorised share capital				
Equity shares of Rs. 10 each	**89,000,000**	**89.00**	89,000,000	89.00
Total	**89,000,000**	**89.00**	89,000,000	89.00

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Rs. in crores	No. of shares	Rs. in crores
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	**40,518,796**	**40.52**	40,518,796	40.52
Forfeited shares				
30,50,000 (31 March 2022: 30,50,000) equity shares of Rs. 10 each, Rs. 2.50 paid - up	–	0.76	–	0.76
Total	**40,518,796**	**41.28**	40,518,796	41.28

There has been no change in equity share capital during the year.

Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Details of shareholders holding more than 5% equity shares in the Holding Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	%	No. of shares	%	No. of shares
1. IFB Automotive Private Limited	**46.54%**	**18,856,833**	46.54%	18,856,833
2. Nurpur Gases Private Limited	**14.83%**	**6,010,416**	14.83%	6,010,416
3. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**3,366,428**	8.31%	3,366,428
4. Jwalamukhi Investment Holdings	**Not Applicable**	**Not Applicable**	6.41%	2,598,556
5. Plutus Wealth Management LLP	**7.40%**	**3,000,000**	Not Applicable	Not Applicable

Notes to the consolidated financial statements for the year ended 31 March 2023

14. Equity share capital (cont...)

Shareholding of promoters (equity shares)

Promoters name	As at 31 March 2023		As at 31 March 2022	
	%	**No. of shares**	%	No. of shares
1. Bijon Bhushan Nag	**0.39%**	**157,869**	0.39%	157,869
2. Preombada Nag	**0.33%**	**131,902**	0.33%	131,902
3. Bikramjit Nag	**0.01%**	**3,000**	0.01%	3,000
4. Zim Properties Private Limited	**0.08%**	**34,300**	0.08%	34,300
5. Special Drinks Private Limited	**0.04%**	**17,250**	0.04%	17,250
6. Asansol Bottling & Packaging Company Private Limited	**8.31%**	**3,366,428**	8.31%	3,366,428
7. CPL Industries Limited	**0.18%**	**74,813**	0.18%	74,813
8. Mac Consultants Private Limited	**1.74%**	**706,197**	1.74%	706,197
9. IFB Automotive Private Limited	**46.54%**	**18,856,833**	46.54%	18,856,833
10. CPL Projects Limited	**1.29%**	**523,535**	1.29%	523,535
11. Windsor Marketiers Pvt Ltd	**0.05%**	**19,600**	0.05%	19,600
12. IFB Agro Industies Limited	**0.43%**	**172,733**	0.43%	172,733
13. Lupin Agencies Pvt Ltd	**0.09%**	**37,600**	0.09%	37,600
14. Nurpur Gases Private Limited	**14.83%**	**6,010,416**	14.83%	6,010,416
15. Shubh Engineering Limited	**0.64%**	**260,723**	0.64%	260,723

There has been no change in the shareholding of promoters during the year.

15. Non-current borrowings

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Term loans from banks - secured	**63.65**	114.67
Total	**63.65**	114.67

(a) For sanction of term loan amounting to Rs. 16.00 crores by Federal Bank Ltd. (Balance as at 31 March, 2023 is Rs. 8.20 crores), the following securites have been created:

The charge shall operate on first charge basis over the Holding Company's entire current assets documents of title to goods/ usance bills, receivables against SB discounted, title on the goods procured under LC, counter guarantee for BG with cash margin, and also plant & machineries as primary security; and by way of equitable mortgage of all that pieces and parcels of factory lands with buildings/ structures/ sheds constructed thereupon and located at Mouza: Bamunari, Pargana: Boro, P.D.: Dankuni, District: Hooghly, PIN-712250, West Bengal as collateral security until full repayment & settlement of the principle amount of loan(s)/ credit facility(ies) together with commission, interests, costs & other dues thereof.

The said loan will be paid in equal quarterly instalments of Rs. 0.84 crores and would be discharged by July, 2026.

(b) For sanction of credit facilities amounting to Rs. 20,00 crores (including Capex Letter of Credit amounting to Rs. 15 crores as its sublimit) and Rs. 30,00 crores by ICICI Bank Ltd. (Balance as at 31 March, 2023 is Rs. 29.00 crores), following securities have been created:

- Exclusive charge over the movable properties including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Holding Company stamping and motor business's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in the course of transit or in high seas or on order, or delivery, howsoever and wheresoever in the possession of the Holding Company and either by way of substitution or addition in such manner that the security cover of 1.25 times is maintained. For the limit utilised the Term Loan is repayable in 20 quarterly instalments starting from 19 May, 2022.

(c) For sanction of credit facilities amounting to Rs. 60.00 crores and Rs. 10.00 crores by DBS Bank India Ltd. (Balance as at 31 March, 2023 is Rs. 9.30 crores), following securities have been created:

- Hypothecation by way of first and exclusive floating charge over all present and future moveable plant and machinery, equipment, appliances, furniture, vehicles, machinery, spares and stores, tools and accessories and other moveables whether or not installed and whether lying loose or in cases or which are now lying or stored in or about and may hereafter from time to time during the currency of this deed be brought into or upon or be stored in or about all the Holding Company's factories, premises, warehouses and godowns or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in the courses of transit or on high seas or on order, or delivery, howsoever and wheresoever in the possession of the Holding Company and either by way of substitution or addition (all pertaining to Holding Company's units located at Kolkata and Bangalore) stored or to be stored at the Holding Company's Godowns or premises or wherever else the same may be except asset charged specifically for debt availed, if any for purchase of conventional press line subject to NOC being sought from DBS. The Term Loan was prepaid partially in 2020-21 and the balance as at 31 March 2021 is repayable in 14 equal quarterly instalments starting from June, 2021.

(d) For sanction of external commercial borrowings amounting to USD 200 lacs by Standard Chartered Bank, London, following securities have been created:

- Hypothecation by way of first and exclusive charge over all present and future moveable properties of the Holding Company's manufacturing unit of air conditioners in Goa and on the existing plant and machinery of washing machine division at Goa (Verna) plant (except exclusive charge to term lenders), including without limitations its moveable plant and machinery, furniture and fittings, equipments, computers, hardware, computer software, machinery spares, tools and accessories and other movables, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Holding Company's premises, warehouses, stockyards and godowns or those of the Holding Company's agents, affiliates, associates or representatives or at various worksites or at any upcountry place or places wherever else the same maybe or be held by any party including, without limitation, the following plot no. N-7, Phase IV, Survey No. 261/10, Verna Industrial Estate, Verna, Goa - 403722. The external commercial borrowings is standing at USD 0.86 crores as at 31 March, 2023. The loan is repayable in 13 equal quarterly instalments starting from 1 October, 2021.

(e) For sanction of term loan amounting to USD 0.10 crores by Standard Chartered Bank (Thai) Public Company Limited, (Balance as at 31 March, 2023 is Rs. 0.03 crores) following securities have been created:

Charge on two specific plant and machinery of a subsidiary and Standby Letter of Credit which was issued under credit facility of the Holding Company has been provided as collateral. The loan is repayable in 11 equal quarterly repayment of USD 83400 and the final payment of USD 82600 that commenced on 29 April, 2021 with a final maturity date of 19 January 2024.

Notes to the consolidated financial statements for the year ended 31 March 2023

The scheduled maturity of the Term loans from banks is as under:

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Repayable in first year	**56.42**	60.69
Current maturities of long-term debt (refer note 20)	**56.42**	60.69
In the second year	**43.90**	59.41
In the third to fifth year	**17.97**	55.26
Beyond fifth year	**1.78**	–
Non-current borrowings	**63.65**	114.67

The Group has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

All charges for the borrowings of the Holding Company have been registered with the Registrar of Companies as at the balance sheet date.

Details of Authorised Capital of cumulative redeemable preference shares

Particulars	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
30,000,000 (31 March 2022: 30,000,000) cumulative redeemable preference shares of Rs.10 each	**30.00**	30.00
	30.00	30.00

There were no outstanding cumulative redeemable preference shares as at both the year ends.

16. Other financial liabilities

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non Current	Current	Non Current
	Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
Interest accrued but not due on borrowings	**1.87**	–	2.36	–
Derivative instruments at fair value through profit and loss and not designated as hedges	**1.60**	–	1.85	–
Others				
- Security deposit	**8.94**	**0.40**	7.66	0.37
- Payable for property, plant and equipment and intangibles	**3.04**	–	5.02	–
Total	**15.45**	**0.40**	16.89	0.37

17. Other liabilities

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	**Non Current**	Current	Non Current
	Rs. in crores	**Rs. in crores**	Rs. in crores	Rs. in crores
Income received in advance on annual maintenance contracts and extended warranty services	**62.87**	**30.34**	50.38	19.39
Deferred government grant (#)	**1.84**	**18.52**	1.49	14.09
Advance from customers	**20.42**	**–**	21.20	–
Others				
- Statutory liabilities	**28.88**	**–**	23.38	–
Total	**114.01**	**48.86**	96.45	33.48

The Group has adopted the income approach as prescribed in Ind AS-20., – Accounting for Government Grants and Disclosure of Government Assistance. It has recognised the government grants (related to depreciate assets) in Statement of Profit and Loss on a systematic basis over the remaining useul life of the related asset. The Group has received claim amounting **Rs. 6.30 crores** during the FY 2022-23 and the same has been set up as deferred income. Out of the same **Rs. 1.53 crores** has been recognised as income during 2022-23 and balance has been shown in note no. 17 – "Other Liabilities" as "Deferred government grant". There are no unfulfilled conditions or other contingencies attaching to this grant.

18. Provisions

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	**Non Current**	Current	Non Current
	Rs. in crores	**Rs. in crores**	Rs. in crores	Rs. in crores
Provision for employee benefits				
Gratuity (Refer note 31)	**–**	**4.18**	–	6.13
Leave	**–**	**–**	–	–
Sick Leave	**0.83**	**3.79**	0.81	3.88
Others				
Warranty	**8.99**	**43.60**	8.18	40.97
Total	**9.82**	**51.57**	8.99	50.98

Details of movement in warranty provisions

	Rs. in crores
Balance as at 01 April 2021	44.29
Additional provisions recognised	15.86
Effect of unwinding of discount	2.27
Amounts used (i.e. incurred and charged against the provision) during the period	(13.27)
Balance as at 31 March 2022	49.15
Additional provisions recognised	18.88
Effect of unwinding of discount	2.66
Amounts used (i.e. incurred and charged against the provision) during the period	(18.10)
Balance as at 31 March 2023	**52.59**

Notes to the consolidated financial statements for the year ended 31 March 2023

a. Provision is estimated in respect of warranty cost in the year of sale of goods and it represents the present value of the management's best estimate of the future outflow of economic benefit that will be required under the Group's obligation for warranties.

b. Provision for warranty is expected to be utilised over a period of 1 to 5 years.

c. The estimates may vary as a result of product quality, availability of spare parts, price of raw materials, altered manufacturing processess and discount rates.

d. Warranty costs are estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

19. Deferred tax liabilities (net)

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Deferred tax liabilities	**35.84**	58.61
Less: Deferred tax assets	**20.27**	60.66
Total Deferred tax (assets) / liabilities - (net)	**15.57**	(2.05)

Breakup of deferred tax liabilities / assets balances is as under:

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Deferred tax liabilities		
On provision for warranty	**2.83**	2.85
On changes in fair value of investments	**1.39**	2.94
On property, plant and equipment and intangible assets	**31.62**	52.82
	35.84	58.61
Deferred tax assets		
On unused tax credits (Minimum Alternate Tax Credit)	**–**	2.45
On tax losses and unabsorbed depreciation (note a)	**4.00**	35.46
On government grants	**3.54**	5.45
On allowance for doubtful debts and advances	**0.54**	0.75
On employee benefits	**11.66**	15.81
Other timing differences	**0.53**	0.74
	20.27	60.66
Total Deferred tax (assets) / liabilities - (net)	**15.57**	(2.05)

Movement of deferred tax (assets) / liabilities (net) is as under

Particulars	**As at 31 March 2023 Rs. in crores**	As at 31 March 2022 Rs. in crores
Deferred tax liabilities / (assets) as at the beginning of the year	**(2.05)**	26.76
Deferred tax for the year recognised in profit and loss (@)	**14.45**	(22.10)
Defererd tax on Remeasurements of the defined benefit liabilities / (asset)	**0.72**	–
Deferred tax recognised on business combination (note b)	**–**	(4.26)
Minimum alternate tax credit related to previous years - Net (@)	**(0.17)**	–
Minimum alternate tax credit availed	**–**	(2.45)
Minimum alternate tax credit charged off	**2.62**	–
Deferred tax liabilities as at the end of the year	**15.57**	(2.05)

(@) refer note 29

Note :

a) **Unrecognised deferred tax assets on tax losses and unabsorbed depreciation :** At the reporting date, there are no tax losses (31 March 2022: Rs. 12.76 crores), however unabsorbed depreciation amounting to **Rs. 15.89 crores** (31 March 2022: Rs. 88.66 crores) are available for offset against future profits. There are no deferred tax asset on tax losses in the current year (31 March 2022: Rs. 4.47 crores), however **Rs. 4.00 crores** (31 March 2022: Rs. 30.99 crores) has been recognised on unabsorbed depreciation.

Unabsorbed depreciation can be carried forward indefinitely.

20. Current borrowings

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Secured		
Loans from banks		
– Working capital buyers credit (refer note A below)	**49.04**	62.03
– Cash credit facility from bank	**–**	0.76
– Working capital demand loan (refer note A and B below)	**32.81**	–
– Short term loan (refer note C below)	**2.17**	0.46
Current maturities of long term borrowings (refer note 15)	**56.42**	60.69
Total	**140.44**	123.94

(a) The Group has used the borrowings from banks for the specific purpose for which they were taken at the balance sheet date.

(b) The Holding Company has borrowings from banks on the basis of security of current assets and the final quaterly statements of current assets filed by the Holding Company with the banks are materially in agreement with the books of accounts and there is no discrepancy that has been identified.

(c) All charges for the borrowings of the Holding Company have been registered with the Registrar of Companies as at the balance sheet date.

(d) The Group has not received any fund from any other persons or entities (Funding Party) with the understanding that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or shall provide guarantee, security or the like to or on behalf of the Funding Party.

(e) **Charge and hypothecation details are as follows:**

(i) Credit facilities utilised as at 31 March, 2023

(A) For sanction of working capital facility amounting to Rs 100 crores by Standard Chartered Bank (Utilised as at 31 March, 2023: Working capital buyers credit: Rs. 49.04 crores and Working capital demand loan: Rs. 26.50 crores), following securities have been created

(i) First pari passu charge on the entire current assets, both present and future of the Holding Company

(ii) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(iii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(B) Hypothecation details of working capital demand loan by Federal Bank Limited (Utilised as at 31 March, 2023 Rs. 6.31 crores) as at 31 March, 2023:

Working capital facilities sanctioned by The Federal Bank Limited to the extent Rs. 37.00 crores can be used inter-changeably between fund based and non-fund based. Following securities has been created:

The charge shall operate on first charge basis over the Holding Company's entire current assets documents of title to goods/ usance bills, receivables against SB discounted, title on the goods procured under LC, counter guarantee for BG with cash margin, and also plant & machineries as primary security; and by way of equitable mortgage of all that pieces and parcels of factory lands with buildings/ structures/ sheds constructed thereupon and located at Mouza: Bamunari, Pargana: Boro, P.D.: Dankuni, District: Hooghly, PIN-712250, West Bengal as collateral security until full repayment & settlement of the principle amount of loan(s)/ credit facility(ies) together with commission, interests, costs & other dues thereof.

(C) Hypothecation details of short term loan from Bangkok Bank (Utilised as at 31 March, 2022: THB 0.90 crores) as at 31 March, 2023:

Collateral security:- Standby Letter of Credit which was issued under credit facility of the Holding Company.

(ii) Credit facilities unutilised as at 31 March 2023

(D) For sanction of capex facility amounting to Rs. 20.00 crores by Standard Chartered Bank (Unutilised as at 31 March, 2023), following securities have been created:

(i) First and exclusive charge on the plant & machinery of washing machine division at Goa (Verna) plant (both present and future).

(ii) First and exclusive charge over the plant & machinery of air-conditioner division at Goa, (both present and future).

(E) For sanction of credit facilities amounting to Rs. 50.00 crores by ICICI Bank Ltd. (Unutilised as at 31 March, 2023), following securities have been created:

- First and pari passu charge on all the current assets of the Holding Company - the whole of the Holding Company's stocks of raw materials, good-in-process, semi-finished and finished goods, consumable stores and spares and such other moveables, including book debts, bills whether documentary or clean, both present and future, whether in the possession or under the control of the Holding Company or not, whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Holding Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in course of transit or on high seas or on order or delivery.
- Hypothecation by way of second charge on the moveable properties of the Holding Company (save and except current assets) including its moveable plant and machinery, machinery spares, tools and accessories, non-trade receivables and other moveables both present and future whether in the possession or under the control of theHolding Company or not, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of these presents be brought into or upon or be stored or be in or about all the Holding Company's factories, premises and godowns situated at all places of business or wherever else the same may be or be held by any party to the order or disposition of the Holding Company or in course of transit or on high seas or on order or delivery.
- Hypothecation by way of first and pari passu charge on the receivables of the Holding Company - all amounts owing to and received and / or receivable by, the Holding Company and / or any person on its behalf, all book debts, all cash flows and receivables and proceeds arising from / in connection with business and all rights, titles, interest, benefits, claims and demand whatsoever of the Holding Company into or in respect of all the aforesaid assets, including but not limited to the Holding Company's cash-in-hand, both present and future. This facility remains unutilised as at 31 March, 2023.

(F) For sanction of credit facilities amounting to Rs. 50.00 crores by HDFC Bank Ltd (Unutilised as at 31 March, 2023), following securities have been created on the assets of the Holding Company:

- First pari passu charge by way of hypothecation on all the stock in trade both present and future consisting of raw material, finished goods, goods in process of manufacturing and other goods, movable assets or merchandise whatsoever now.
- First pari passu charge by way of hypothecation on all the book debts, amounts outstanding, monies receivables, claims and bills which are now due and owing or which may at any time hereafter during the continuance of this security become due.
- Exclusive charge on the sum of Rs. 20.00 crores deposited by the Holding Company with the Bank at its branch.

(G) For sanction of credit facilities amounting to Rs. 35.00 crores by DBS Bank Ltd (Unutilised as at 31 March, 2023), following securities have been created:

- Hypothecation by way of first pari passu and floating charge over goods being finished goods, semi-finished goods, stocks of raw materials, work in process located at various factories / warehouses / godowns of the Holding Company and whether in transit or lying at any other place and hypothecation by way of first pari passu and floating charge over the Holding company's present and future book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets.

– Hypothecation by way of exclusive charge over all present and future movable fixed assets of the engg div of the Holding Company including without limitation its movable plant and machinery, furniture and fittings, equipment, computer hardware, computer software, machinery spares, tools and accessories and other movables etc stored or to be stored at company's godowns or premises situated at 14, Taratala Road, Kolkata and 16/17, Visveswaraiah Industrial Estate, Whitefield Road, Bangalore-560048 (Engineering Division) or wherever else, the same may be.

(H) For sanction of credit facilities amounting to Rs. 60.00 crores by Kotak Mahindra Bank Ltd (Unutilised as at 31 March, 2023), following securities have been created:

– First Pari Passu hypothecation charge on all existing and future current assets of the Company including:

(i) book-debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities belonging to or held by the borrower and which are now due and owing or accruing and which may at any time hereafter during the continuance of the security become due and owing or accrue to the borrower.

(ii) stocks of raw materials, finished and semi-finished goods, goods in process and consumable stores, which are now lying or stored in or which may hereafter from time to time during the continuance of the security be lying or stored in or brought into or be in or about the factories and godowns of the borrower or warehouses, whichever situate; and

(iii) related moveables in the course of transit or delivery, whether now belonging or which may hereafter belong to the borrower or which may be held by the person at any place within or outside India to the order or disposition of the borrower and all documents of title including bills of lading, shipping documents, policies of Insurance and other instruments and documents relating to such moveables together with benefits of all rights thereto.

21. Revenue from operations

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Gross revenue from sale of manufactured products	**4,073.91**	3,221.31
Revenue from sale of traded products	**969.00**	931.24
Total sale of products	**5,042.91**	4,152.55
Less: trade schemes and discounts	**1,054.39**	900.20
Sale of products (net of trade schemes and discounts)	**3,988.52**	3,252.35
Sale of services	**105.17**	86.01
Other operating revenues		
– Scrap sales	**96.63**	73.33
– Others	**4.67**	3.69
	4,194.99	3,415.38

Notes to the consolidated financial statements for the year ended 31 March 2023

22. Other income

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Interest income		
- Interest on financial assets measured at amortised cost(#)	**3.16**	2.52
Dividend from investments in mutual funds	**0.01**	–
Other non-operating income		
(i) Operating lease rental income		
- Investment property	**0.07**	0.06
- Others	**0.09**	0.54
(ii) Net gain on disposal of property, plant and equipment	**0.04**	0.07
(iii) Net foreign exchange (loss)	**(4.14)**	(9.80)
(iv) Net gain arising on financial instruments measured at fair value through profit and loss (FVTPL)		
- Mutual funds	**8.88**	10.18
- Derivative instruments	**3.21**	3.15
(v) Net gain on disposal of mutual funds measured at FVTPL	**0.49**	0.41
(vi) Insurance claim received	**1.26**	3.93
(vii) Write back of liabilities no longer required (@)	**1.18**	0.85
(viii) Write back of provision on debts/advances no longer required	**0.30**	0.62
(ix) Income in respect to deferred revenue from government grant (Refer note 17)	**1.53**	1.50
(x) Miscellaneous income	**6.67**	4.06
	22.75	18.09

(@) includes write back of lease liability amounting to **Rs. 0.36 crores** (31 March 2022: Rs. 0.07 crores) (Refer note 33)

(#) includes interest on discounting of security deposit - leased premises amounting to **Rs. 1.51 crores** (31 March 2022: Rs. 0.29 crores)

23. Cost of materials consumed

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Raw material consumed		
Raw material inventory at the beginning of the year	**240.22**	183.50
Add: Purchases during the year	**2,158.93**	1,776.88
Translation difference	**0.10**	0.04
	2,399.25	1,960.42
Raw material inventory at the end of the year	**199.75**	240.22
Cost of materials consumed	**2,199.50**	1,720.20

Notes to the consolidated financial statements for the year ended 31 March 2023

24. Changes in inventories of finished goods, stock-in-trade and work-in-progress

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Inventories as at the end of the year			
Stock-in-trade		**65.82**	85.85
Work-in-progress		**36.25**	38.25
Finished goods		**226.34**	168.91
	(A)	**328.41**	293.01
Inventories as at the beginning of the year			
Stock-in-trade		**85.85**	63.07
Work-in-progress		**38.25**	32.31
Finished goods		**168.91**	130.50
	(B)	**293.01**	225.88
Translation Differences	**(C)**	**0.25**	0.06
	(B+C – A)	**(35.15)**	(67.07)

25. Employee benefits expense

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Salaries and wages	**331.20**	305.24
Contribution to provident and other funds	**31.77**	29.25
Staff welfare expenses	**42.10**	37.87
	405.07	372.36

26. Finance costs

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Interest on financial liabilities measured at amortised cost	**13.85**	17.45
Effect of unwinding of discount for warranty provision	**2.66**	2.27
Interest on discounting of lease liabilities	**12.45**	11.55
Others	**0.48**	0.49
	29.44	31.76

Notes to the consolidated financial statements for the year ended 31 March 2023

27. Depreciation and amortisation expense

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Depreciation of property, plant and equipment	**77.15**	75.97
Amortisation of intangible assets	**10.33**	9.66
Amortisation of right of use assets	**34.02**	29.82
	121.50	115.45

28. Other expenses

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
Consumption of stores and spare parts	**235.89**	203.58
Rent	**9.49**	5.33
Insurance	**4.74**	5.19
Freight, octroi and carriage	**134.39**	115.36
Power and fuel	**44.03**	38.48
Ancillary cost	**92.92**	82.12
Rates and taxes	**6.80**	5.56
Expenditure on corporate social responsibility	**0.42**	1.54
Office expenses	**63.89**	65.34
Advertisement and sales promotion	**266.15**	241.86
Travelling	**40.15**	22.26
Repairs		
Buildings	**1.84**	1.62
Plant and machinery	**14.39**	13.42
Others	**9.64**	9.03
Write-off of property, plant and equipment	**1.22**	1.01
Write-off of capital work in progress	**–**	0.01
Write-off of debts/ advances	**0.68**	0.85
Allowances for doubtful debts	**0.28**	0.20
Bank charges	**3.77**	2.99
Directors' sitting fees	**0.83**	0.69
Service expenses	**78.58**	57.10
Warranty expenses	**18.88**	15.86
Miscellaneous expenses	**39.96**	35.72
	1,068.94	925.12

Notes to the consolidated financial statements for the year ended 31 March 2023

29. Tax expense

	For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
A. Amount recognised in statement of profit and loss		
Current tax		
Income tax for the year	**0.08**	(0.33)
Adjustments related to previous years (net)	**0.26**	(3.07)
Total current tax	**0.34**	(3.40)
Deferred tax		
Deferred tax for the year	**14.45**	(22.10)
Minimum alternate tax credit charged off during the year	**2.62**	–
Minimum alternate tax credit related to previous years (net)	**(0.17)**	–
Total deferred tax	**16.90**	(22.10)
	17.24	(25.50)
B. Amount recognised in other comprehensive income		
Current tax:		
On items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit liabilities / (asset)	**–**	0.34
	–	0.34
Deferred tax:		
On items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit liabilities / (asset)	**0.72**	–
	0.72	–
C. Reconciliation of effective tax rate		
The income tax expense for the year can be reconciled to the accounting profit as follows:		
(Loss) / Profit before tax	**32.18**	(73.66)
Income tax expense calculated @ 25.168% (31 March 2022 - 34.944%) (*)	**8.10**	(25.74)
Effect of additional deductions under tax	**(1.54)**	–
Effect of difference in tax rates of subsidiary companies	**0.64**	(1.06)
Effect of carry forward of losses	**1.81**	–
Effect of different tax rate on certain items	**4.35**	0.03
Effect of change in tax rate from 34.944% to 25.168%	**2.94**	–
Effect of non allowable expenses	**0.29**	0.79
Effect of changes in deferred tax provision on property, plant and equipment and statutory returns filed	**(0.24)**	2.09
Effect of tax differences on account of Ind AS 116	**1.52**	1.80
Effect of amount recognised in other comprehensive income	**(0.72)**	(0.34)
Effect of adjustments relating to earlier year	**0.09**	(3.07)
Income tax recognised in Statement of Profit and Loss	**17.24**	(25.50)
Tax rate used for current tax	**25.1680%**	34.944%
Tax rate used for deferred tax	**25.1680%**	34.944%

(*) The applicable tax rate is as prescribed by the Income Tax Act 1961

Section 115BAA of the Income Tax Act, 1961 provide a domestic company with an irrevocable option to pay tax at a lower rate of 22% (effective rate of 25.168%). The lower Rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deductions or exemptions. The Holding Company has exercised the option permitted under the above stated Section during the year financial year ended 31st March, 2023.

30. Earnings per share

		For the year ended 31 March 2023	For the year ended 31 March 2022
(a)	(Loss) / Profit after taxes available to equity shareholders (Rs. in lacs)	**14.94**	(48.16)
(b)	Weighted average number of equity shares outstanding	**40,518,796**	40,518,796
(c)	Basic and diluted earnings per equity share of face value Rs. 10 each (in Rs.) [(a)/(b)]	**3.69**	(11.89)

31. Defined benefit plan - Gratuity

The Holding Company operates a defined benefit plan for gratuity for its employees. It is administered through approved trust in accordance with its trust deeds and rules. The concerned trust is managed by trustees who provide guidance with regard to the management of their assets and liabilities and review their performance periodically or directly through insurance company.Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and the investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure the adequacy of internal controls.

The liability arising in the defined benefit plan is determined by an independent professionally qualified actuary using the projected unit credit method.

Risk management

The risks commonly affecting the gratuity liability and the financial results are expected to be:

1. Interest rate risk - The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield falls, the defined benefit obligations will tend to increase.
2. Salary inflation risk - Higher the expected increase in salary, higher the defined benefit obligation.
3. Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Rs. in crores

I.	**Changes in defined benefit obligations**		**Gratuity (funded)**	
			31 March 2023	31 March 2022
	1.	Defined benefit obligations at the beginning of the year	**76.99**	70.18
	2.	Current service cost	**6.78**	6.35
	3.	Interest costs	**4.74**	4.06
	4.	Acquisition cost / (credit)	**0.06**	0.48
	5.	Effect of experience adjustment	**0.84**	0.39
	6.	Effect of assumption change	**(3.49)**	(1.72)
	7.	Benefits paid	**(3.61)**	(2.75)
	8.	Defined benefit obligations at the end of the year	**82.31**	76.99

Notes to the consolidated financial statements for the year ended 31 March 2023

Rs. in crores

II.	Changes in fair value of plan assets		Gratuity (funded)	
			31 March 2023	31 March 2022
	1.	Fair value of assets at the beginning of the year	**70.86**	62.92
	2.	Interest income on plan assets	**4.55**	3.84
	3.	Employer contribution	**6.13**	7.21
	4.	Return on plan assets (less than discount rate)	**0.20**	(0.36)
	5.	Benefits paid	**(3.61)**	(2.75)
	6.	Fair value of assets at the end of the year	**78.13**	70.86
	7.	Actual returns	**4.75**	3.48

Rs. in crores

III.	Net assets / (liabilities) recognised in balance sheet		Gratuity (funded)	
			31 March 2023	31 March 2022
	1.	Defined benefit obligations	**82.31**	76.99
	2.	Fair value of plan assets	**78.13**	70.86
	3.	Funded status - deficit	**4.18**	6.13
	4.	Net liability recognised in balance sheet		
		– Current	–	–
		– Non current	**4.18**	6.13

Rs. in crores

IV.	Components of employer expenses		Gratuity (funded)	
			31 March 2023	31 March 2022
	Recognised in profit or loss			
	1.	Current service cost	**6.78**	6.35
	2.	Net interest costs	**0.19**	0.22
	3.	Total recognised in profit or loss (*)	**6.97**	6.57
	Recognised in other comprehensive income			
	1.	Effect of experience adjustment	**0.84**	0.39
	2.	Effect of assumption change	**(3.49)**	(1.72)
	3.	Return on plan assets (less than discount rate)	**(0.20)**	0.36
	4.	Total recognised in other comprehensive income	**(2.85)**	(0.97)
	Total expense recognised in total comprehensive income		**4.12**	5.60

(*) recognised in "Contribution to provident and other funds" in "Employee benefits expense" under note 25

V.	Actuarial assumptions	Gratuity (funded)	
		31 March 2023	31 March 2022
	Discount rate	**7.1%**	6.3%
	Rate of salary increase	**10.0%**	10.0%
	Mortality rate	**Indian Assured Lives Mortality (2006-08) Ult**	Indian Assured Lives Mortality (2006-08) Ult

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

VI. Plan asset information

	Gratuity (funded)	
	31 March 2023	31 March 2022
Cash	**1%**	1%
Scheme of insurance - conventional products	**99%**	99%

In the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Rs. in crores

VII.	**Net asset / (liability) recognised in balance sheet (including experience adjustment impact)**		Gratuity (funded)	
			31 March 2023	31 March 2022
	1.	Present value of defined benefit obligations	**82.31**	76.99
	2.	Fair value of plan assets	**78.13**	70.86
	3.	Funded Status - deficit	**4.18**	6.13
	4.	Return on plan assets (less than discount rate)	**0.20**	(0.36)
	5.	Experience adjustment of obligations - (loss)	**(0.84)**	(0.39)

VIII. Expected employer contribution for the next year (Rs. in crores) **4.18** **6.13**

IX. Sensitivity analysis

The sensitivity results below determine their individual impact on the plan's year end defined benefit obligations. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligations in similar or opposite directions, while the plans's sensitivity to such changes can vary over time.

Rs. in crores

		Gratuity (funded)	
		31 March 2023	31 March 2022
Defined benefit obligations on base assumptions (refer point no V)		**82.31**	76.99
a.	1% increase in discount rate	**78.35**	73.02
b.	1% decrease in discount rate	**86.72**	81.43
c.	1% increase in salary escalation rate	**86.05**	80.79
d.	1% decrease in salary escalation rate	**78.76**	73.40

Rs. in crores

X.	**Maturity analysis of benefit payments**	Gratuity (funded)	
		31 March 2023	31 March 2022
	Year 1	**10.37**	9.87
	Year 2	**13.55**	9.78
	Year 3	**13.81**	11.96
	Year 4	**15.18**	12.56
	Year 5	**13.74**	12.79
	Next 5 years	**51.50**	51.34

The Holding Company has contributed **Rs. 24.73 crores** (31 March, 2022 : Rs. 22.68 crores) to defined contribution schemes.

Notes to the consolidated financial statements for the year ended 31 March 2023

32. Segment reporting

Rs. in crores

		Engineering	Home Appliances	Motor	Steel	Un-allocated	Inter-segment	Total
Revenue from sale of products and services	**31 March 2023**	**684.40**	**3,293.97**	**70.66**	**131.75**	**–**	**(87.09)**	**4,093.69**
	31 March 2022	559.58	2,713.20	49.06	113.37	–	(96.85)	3,338.36
Other operating revenue	**31 March 2023**	**69.72**	**20.70**	**0.27**	**10.68**	**–**	**(0.07)**	**101.30**
	31 March 2022	57.63	10.10	0.28	9.08	–	(0.07)	77.02
Revenue from operations	**31 March 2023**	**754.12**	**3,314.67**	**70.93**	**142.43**	**–**	**(87.16)**	**4,194.99**
	31 March 2022	617.21	2,723.30	49.34	122.45	–	(96.92)	3,415.38
Other income	**31 March 2023**	**0.51**	**12.26**	**0.04**	**0.20**	**9.74**	**–**	**22.75**
	31 March 2022	0.89	7.06	0.29	0.30	9.55	–	18.09
Total income	**31 March 2023**	**754.63**	**3,326.93**	**70.97**	**142.63**	**9.74**	**(87.16)**	**4,217.74**
	31 March 2022	618.10	2,730.36	49.63	122.75	9.55	(96.92)	3,433.47
Segment results before finance costs	**31 March 2023**	**54.33**	**40.15**	**2.15**	**1.55**	**(34.46)**	**0.31**	**64.03**
	31 March 2022	25.39	(38.59)	(2.21)	0.32	(27.12)	0.31	(41.90)
Less: finance costs	**31 March 2023**							**29.44**
	31 March 2022							31.76
Less: Share of loss of an associate	**31 March 2023**							**2.41**
	31 March 2022							–
(Loss) / Profit before tax	**31 March 2023**							**32.18**
	31 March 2022							(73.66)
Tax expense	**31 March 2023**							**17.24**
	31 March 2022							(25.50)
(Loss) / Profit for the year	**31 March 2023**							**14.94**
	31 March 2022							(48.16)
Segment assets	**31 March 2023**	**426.22**	**1,356.46**	**31.98**	**68.97**	**225.57**	**(2.41)**	**2,106.79**
	31 March 2022	456.22	1,333.36	31.13	41.46	168.29	–	2,030.46
Segment liabilities	**31 March 2023**	**224.74**	**1,128.97**	**18.80**	**35.19**	**31.62**	**–**	**1,439.32**
	31 March 2022	241.21	1,088.46	18.84	15.60	18.09	–	1,382.20

Other information

		Engineering	Home Appliances	Motor	Steel	Un-allocated	Inter-segment	Total
Depreciation and amortisation expense	**31 March 2023**	**34.73**	**83.18**	**0.94**	**1.42**	**1.23**	**–**	**121.50**
	31 March 2022	34.12	78.75	0.92	1.28	0.38	–	115.45
Capital expenditure	**31 March 2023**	**11.05**	**97.39**	**0.97**	**14.38**	**1.47**	**–**	**125.26**
	31 March 2022	79.40	77.61	0.31	3.14	0.54	–	161.00
Non cash expenditure other than depreciation and amortisation	**31 March 2023**	**0.16**	**1.83**	**–**	**0.12**	**0.07**	**–**	**2.18**
	31 March 2022	0.08	1.89	0.01	0.06	0.02	–	2.06

32. Segment reporting *(Contd.)*

		Rs. in crores
Geographical information		
Revenue from external customers		
- Within India	**31 March 2023**	**4,151.82**
	31 March 2022	3,372.90
- Outside India	**31 March 2023**	**65.92**
	31 March 2022	60.57
Total	**31 March 2023**	**4,217.74**
	31 March 2022	3,433.47
Non - Current assets excluding financial assets and deferred tax assets		
- Within India	**31 March 2023**	**719.32**
	31 March 2022	717.20
- Outside India	**31 March 2023**	**26.12**
	31 March 2022	27.22
Total	**31 March 2023**	**745.44**
	31 March 2022	744.42

NOTES :

- The Group is primarily engaged in business of engineering (fine blanked components and stamping), home appliances, motors and steel. Accordingly the Group considers the above business segment as the primary segment. Segment revenue, segment result, segment asset and segment liabilities include the respective amount identifiable to each of the segments as also amounts allocated on reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocable corporate cost and grouped as "Unallocated". Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities and are grouped as "Unallocated". These segments have been reported in the manner consistent with the internal reporting to Chief Executive Officers, who are the chief operating decision makers.
- The geographical information considered for disclosure are revenue within India and revenue outside India.
- The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

33. Leases

The Group is obligated under cancellable leases for residential, office premises, warehouses, etc. Total rental expense under cancellable short term operating lease amounted to **Rs. 8.05 crores** (31 March 2022: Rs. 4.83 crores).

In applying Ind AS 116 - "Leases", the Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The leases with remaining lease term of less than 12 'months are considered as "short term leases".

The movement of lease liabilities during the year is as under:-

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Opening Balance	**124.44**	59.84
Addition during the year	**52.80**	90.65
Adjustment for leases closed / expired / terminated	**(0.40)**	(1.19)
Write back of liabilities no longer required (Refer note 22)	**(0.36)**	(0.07)
Interest expenses	**12.45**	11.55
Payments	**(40.06)**	(36.34)
Closing Balance	**148.87**	124.44

The maturity analysis of lease liabilities is as under:

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Within one year	**40.25**	40.06
One to five years	**82.47**	108.87
Five to ten years	**44.47**	50.73
Beyond ten year	**83.67**	91.28
	250.86	124.44

34. Commitments

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
(i) Outstanding capital commitments for tangible assets	**15.68**	15.00
(ii) Outstanding capital commitments for intangible assets	**0.37**	0.19

35. Contingent Liabilities :

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Disputed sales tax matters, excise matters, income tax matters and other matters contested in appeals.	**53.30**	58.23
(These disputes mostly relate to arbitrary disallowances of claims of the Group under various laws, which are under appeal. The management is of the view that these demands are not sustainable in law and is hopeful of succeeding in appeals.)		

36. Related party disclosures

(A) The Group has the following related parties

Investor Company :	IFB Automotive Private Limited
Associate Company :	IFB Refrigeration Limited
Key Management Personnel (KMP) :	- **Mr. Bijon Bhushan Nag** - Executive Chairman
	- **Mr. Bikramjit Nag** - Joint Executive Chairman and Managing director
	- **Mr. Prabir Chatterjee** - Director and Chief Financial Officer
	- **Mr. G. Ray Chowdhury** - Company Secretary
	- **Mr. A. K. Nag** - Senior President
	- **Mr. Sujan Kumar Ghosh Dastidar** - President, Legal
	- **Mr. Siddhartha Chatterjee** - Vice-President - Real Estate and Leased Assets
	- **Ms. Souravi Sinha** - AVP - Human Resource - Corporate (resigned on 15 May, 2023)
	- **Mr. Uma Shankar Ghosh Dastidar** - Head, Taxation (retired on 30 April, 2023)
	- **Mr. Rajat Paul** - AVP, IT
	- **Mr. Soumitra Goswami** - AVP, Financial Controller (redesignated as AVP and Advisor to JEC office effective 1 May, 2023)
	- **Ms. Smita Agarwal** - General Manager - Finance, Tax and Accounts
	- **Mr. Rajeev Mundhra** - Head - Internal Audit
	Home Appliance division and motor division:
	- **Mr. Rajshankar Ray** - Managing Director and Chief Executive Officer
	- **Mr. A. S. Negi** - Executive Director and Service Business Head
	- **Mr. B. M. Shetye** - Senior Vice President, Sustainability
	- **Mr. Pawan Koul** - Head of Goa factory - Washing Machine Plant
	- **Mr. Ranjan Mohan Mathur** - Business Head - Cooking products
	- **Mr. Abhijit Gangopadhyay** - Business Head, North 2
	- **Mr. R. Anand** - Head, Motor Division
	- **Mr. C. S. Govindaraj** - CEO, Industrial Business & Projects
	- **Mr. B. Krishnamoorthy** - Sales Head Commercial Appliances
	- **Mr. Vilas Sanjeev Kamath** - Head - Supply Chain
	- **Mr. Narayana Panth** - Head of R&D, A.C. plant
	- **Mr. Kartik Ishwar Muchandi** - Head, Finance and Accounts, Marketing
	- **Mr. Ashish Singh** - Head, Finance and Accounts, Goa Factory
	- **Mr. Venkata Subba Rao Madala -** Head of Factory - A.C. plant (redesignated as Head OEM Sales, Projects and Sustainability Initiatives, effective 1 May 23)
	- **Mr. Ashutosh Verma -** Regional Accounts Head- South
	- **Mr. Suresh Turkani** - Regional Service Manager – South
	- **Mr. Saurabh Uppal** - Regional Accountant- North 1

	- **Mr. Rohit Dhupar** - Regional Accountant- North 2
	- **Mr. Sankar Pal** - Regional Manager Sales - East
	- **Mr. Navneet Chaudhary** - Regional Service Manager-East
	- **Mr. Damodar Narendra Kale** - Product Head for A.C.
	- **Mr. V Lakshman Kumar** - Product Head, WM
	- **Mr. Anthony Francis D'Souza** - Product Sourcing and Imports
	- **Mr. P Nandan** - Manufacturing Head for W.M.
	- **Ms. Tekke Cheruvat Manjima** - Head training & ICLD
	- **Mr. Seungki Bae** - Industrial Head Design
	- **Mr. Hwan Myung** - Head of R&D
	- **Mr. Jin Kim** - Head, R&D, Motor Division
	- **Mr. Rajan Rahi** - Sales Head- Home Appliances Division
	- **Mr. Ashok Hazra** - GM, Finance - Motor Division
	Engineering division :
	- **Mr. Harsh Vardhan Sachdev** - MD & CEO (resigned on 24 April, 23)
	- **Mr. Arup Das** - Head Marketing
	- **Mr. Aloke Kumar Sarkar** - Plant Head, Fine Blanking Kolkata
	- **Mr. Shantanu Chakraborty** - Head of Production and Ancillary
	- **Mr. Anjan Poddar** - Head of Design
	- **Mr. Sisir Kumar Mitra** - Head of Purchase and Tool Room
	- **Mr. Anit Kumar Ghosh** - AGM Business Development
	- **Mr. Arup Chatterjee**- Senior Manager Business Development
	- **Mr. K. R. K. Prasad** - CEO, Bengaluru Plant
	- **Mr. Jayanta Chanda** - AVP, Finance (redesignated as Financial Controller effective 1 May, 23)
	- **Mr. Subramanian N** - AGM Marketing
	- **Mr. Srinivas U** - GM-Quality
	- **Mr. Buragadda Jaya Panduranga Kalyan** - Senior Manager Finance and Accounts
	Steel division :
	- **Mr. Abesh Chattopadhyay** - CEO- Special Steel Unit

Other related parties	- IFB Agro Industries Limited - IFB Agro Marine FZE (100% subsidiary of IFB Agro Industries Limited) - Travel Systems Limited - IFB Global Limited - IFB Appliances Limited - Anjali foundation
Employee trusts where there is significant influence (Employee trusts) :	- Indian Fine Blank Limited Employees Gratuity Fund (IFBLEGF) - The IFBL Group Superannuation Scheme (IFBLSAF)

Notes to the consolidated financial statements for the year ended 31 March 2023

(B) Transactions with related parties

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
1	**Sales, service and other income**		
	- Investor Company	**65.32**	58.66
	- KMP	**0.05**	0.06
	- Other related parties	**0.93**	0.22
	Total	**66.30**	58.94
2	**Purchase of inventories**		
	- Investor Company	**14.29**	4.48
	- Other related parties	**0.12**	0.05
	Total	**14.41**	4.53
3	**Expenditure on other services**		
	- Investor Company	**0.24**	1.82
	- Other related parties	**113.27**	93.92
	Total	**113.51**	95.74
4	**Expenditure on corporate social responsibility**		
	- Other related parties	**0.08**	0.50
	Total	**0.08**	0.50
5	**Purchase of investments**		
	- Associate Company	**97.00**	–
	Total	**97.00**	–
6	**Purchase of duty entitlement pass book licence**		
	- Other related parties	**11.25**	–
	Total	**11.25**	–
7	**Sale of property, plant and equipment**		
	- Investor Company	**0.02**	–
	Total	**0.02**	–
8	**Contribution to employees' benefit plans**		
	- Employee trusts	**4.23**	6.18
	Total	**4.23**	6.18
9	**Expenses recovered**		
	- Other related parties	**0.06**	–
	Total	**0.06**	–
10	**Remuneration**		
	(a) Short term benefits - KMP	**47.72**	51.90
	(b) Post employment benefits - KMP	**1.00**	3.11
	(c) Other long term benefits - KMP	**0.18**	1.25
	Total	**48.90**	56.26

(C) Outstanding balances with related parties

		As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
1	**Trade Receivables**		
	- Investor Company	**32.27**	33.88
	- Other related parties	**0.39**	0.33
	Total	**32.66**	34.21
2	**Security deposits given**		
	- Investor Company	**0.50**	0.50
	- Other related parties	**0.08**	0.08
	Total	**0.58**	0.58
3	**Advances given**		
	- Investor Company	**0.44**	0.57
	- KMP	**0.04**	0.01
	- Other related parties	**0.41**	0.41
	Total	**0.89**	0.99
4	**Loans given**		
	- KMP	**0.06**	0.08
	Total	**0.06**	0.08
5	**Other receivables**		
	- Employee trusts	**3.90**	1.45
	Total	**3.90**	1.45
6	**Trade payables**		
	- Investor Company	**0.70**	0.23
	- Other related parties	**4.96**	3.79
	Total	**5.66**	4.02
7	**Other payables**		
	- Employee trusts	**4.18**	6.13
	Total	**4.18**	6.13

Notes to the consolidated financial statements for the year ended 31 March 2023

(D) Party-wise details of significant transactions with related parties

		For the year ended 31 March 2023 Rs. in crores	For the year ended 31 March 2022 Rs. in crores
1	**Sales, service and other income**		
	- IFB Agro Industries Limited	**0.93**	0.22
2	**Purchase of inventories**		
	- Anjali foundation	**0.12**	0.05
3	**Expenditure on other services**		
	- Travel Systems Limited	**16.34**	9.08
	- IFB Agro Marine FZE	**0.28**	0.54
	- IFB Appliances Limited	**90.66**	78.83
	- IFB Agro Industries Limited	**0.61**	0.75
	- IFB Global Limited	**5.18**	4.55
	- Anjali Foundation	**0.20**	0.17
4	**Purchase of duty entitlement pass book licence**		
	- IFB Agro Industries Limited	**11.25**	–
5	**Contribution to employees' benefit plans**		
	- IFBLEGF	**4.18**	6.13
	- IFBLSAF	**0.05**	0.05
6	**Expenses recovered**		
	- Travel Systems Limited	**0.06**	–

(E) Party-wise details of significant balances with related parties

		As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
1	**Trade Receivables**		
	- IFB Agro Industries Limited	**0.39**	0.33
2	**Security deposits given**		
	- IFB Agro Industries Limited	**0.08**	0.08
3	**Advances given**		
	- IFB Agro Industries Limited	**0.41**	0.41
4	**Other receivables**		
	- IFBLEGF	**3.90**	1.45
5	**Trade payables**		
	- IFB Agro Marine FZE	**-**	0.09
	- IFB Appliances Limited	**3.68**	2.19
	- Travel Systems Limited	**0.82**	1.22
	- IFB Global Limited	**0.46**	0.29
6	**Other payables**		
	- IFBLEGF	**4.18**	6.13

37. Other information

(a) Subsidiaries consolidated in the consolidated financial statements are as under:

Name of the company	Country of incorporation	Effective voting power held by the Holding company (%) as at 31 March 2023	Effective voting power held by the Holding company (%) as at 31 March 2022
Global Automotive and Appliances Pte. Limited (GAAL)	Singapore	100.00%	100.00%
Thai Automotive and Appliances Limited (subsidiary of GAAL)	Thailand	100.00%	100.00%

The financial statements of the above subsidiaries considered in the Consolidated Accounts are drawn upto 31 March, 2023

There are no significant restrictions to access or use the assets and to settle the liabilities of the Group.

(b) Investment in associate:

Name of the company	Country of incorporation	Percentage of ownership interest (%) as at 31 March 2023	Percentage of ownership interest (%) as at 31 March 2022
IFB Refrigeration Limited	India	44.44%	Nil

During the year ended 31 March, 2023 IFB Refrigeration Limited, an unlisted public limited company, has issued 9,70,00,000 (Nine crores seventy lacs) fully paid Equity shares of Rs. 10 each in favour of IFB Industries Limited amounting to Rs. 97 crores. Post the issuance, IFB Industries Limited's shareholding in IFB Refrigeration Limited as on 31.03.2023 is 44.44%. Consequently IFB Refrigeration Limited is an associate of IFB Industries Limited. (Refer note 50)

IFB Refrigeration Limited is engaged in the business of manufacturing, selling and other services related to refrigerators.

The investment in the above stated associate is measured used the equity method.

The financial statements of the above associate considered in the Consolidated Accounts are drawn upto 31 March, 2023.

Summarised financial information for IFB Refrigeration Limited:

		As at 31 March 2023 Rs. in crores
(i)	Current assets	**82.43**
(ii)	Non-current assets	**341.68**
(iii)	Current liabilities	**45.91**
(iv)	Non-current liabilities	**177.28**
(v)	Revenue	**1.87**
(vi)	Loss after tax	**(15.16)**
(vii)	Total comprehensive loss	**(15.16)**
Net assets (i)+(ii) - (iii) - (iv)		**200.92**
Proportion of ownership Interest in associate as at 31.03.23		**89.29**
Add: goodwill included in carrying amount on interest in associate		**5.30**
Carrying amount of interest in associate as at 31.03.23 (Refer note 5)		**94.59**

Notes to the consolidated financial statements for the year ended 31 March 2023

Additional information as required by Schedule III to the Companies Act, 2013

Name of the entity		Net assets		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As a % of net assets	**Amount (Rs. In crores)**	As a % of profit or loss	Amount (Rs. In crores)	As a % of OCI	Amount (Rs. In crores)	As a % of TCI	Amount (Rs. In crores)
Parent :									
IFB Industries Ltd	**31 March 2023**	**83.84%**	**559.56**	**115.38%**	**17.24**	**49.88%**	**2.13**	**100.84%**	**19.37**
	31 March 2022	98.29%	637.19	106.33%	(51.21)	116.67%	0.63	106.22%	(50.58)
Foreign Subsidiaries:									
Global Automotive and Appliances Pte. Limited (including subsidiary)	**31 March 2023**	**9.53%**	**63.62**	**–0.94%**	**(0.14)**	**50.12%**	**2.14**	**10.41%**	**2.00**
	31 March 2022	9.16%	59.37	–6.15%	2.96	–16.67%	(0.09)	–6.03%	2.87
Associate:	**31 March 2023**	**14.17%**	**94.59**	**–16.13%**	**(2.41)**	**0.00%**	**–**	**–12.55%**	**(2.41)**
IFB Refrigeration Limited	31 March 2022	–	–	–	–	–	–	–	–
Consolidation adjustments	**31 March 2023**	**–7.54%**	**(50.30)**	**1.68%**	**0.25**	**0.00%**	**–**	**1.30%**	**0.25**
	31 March 2022	–7.45%	(48.30)	–0.19%	0.09	0.00%	–	–0.19%	0.09
Total	**31 March 2023**	**100.00%**	**667.47**	**99.99%**	**14.94**	**100.00%**	**4.27**	**100.00%**	**19.21**
	31 March 2022	100.00%	648.26	99.99%	(48.16)	100.00%	0.54	100.00%	(47.62)

38. Dues to micro, small and medium enterprises

The Ministry of micro, small and medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Group. Payable to micro and small enterprises as at **31 March 2023: Rs. 45.76 crores** (31 March 2022: Rs. 143.74 crores).

Further, in view of the management, the impact of the interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

39. Financial instruments and related disclosures

i) Capital management

The Group's capital management policy is focused on business growth and creating value for shareholders. The Group determines the amount of capital required on the basis of annual business plans and the funding needs are met through internal accruals and bank borrowings.

Notes to the consolidated financial statements for the year ended 31 March 2023

ii) Categories of financial instruments

Particulars			Note	As at 31 March 2023		As at 31 March 2022	
				Carrying value	Fair value	Carrying value	Fair value
				Rs. in crores	Rs. in crores	Rs. in crores	Rs. in crores
A.	**Financial assets**						
	a)	**Measured at amortised cost:**					
		i) Trade receivables	11	**413.37**	**413.37**	310.31	310.31
		ii) Cash and cash equivalents	12	**76.02**	**76.02**	70.35	70.35
		iii) Other bank balances	13	**21.03**	**21.03**	22.52	22.52
		iv) Loans	6	**1.11**	**1.11**	1.21	1.21
		v) Other financial assets		**21.23**	**21.23**	15.31	15.31
	b)	**Measured at fair value through Profit and Loss:**					
		i) Investments	5	**91.40**	**91.40**	229.47	229.47
	c)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivatives not designated as hedges	7	**9.93**	**9.93**	6.97	6.97
B.	**Financial liabilities**						
	a)	**Measured at amortised cost:**					
		i) Term loans from banks	15	**63.65**	**63.65**	114.67	114.67
		ii) Working capital buyers credit from banks	20	**49.04**	**49.04**	62.03	62.03
		iii) Cash Credit facility from a bank	20	**–**	**–**	0.76	0.76
		iv) Working capital demand loan	20	**32.81**	**32.81**	–	–
		v) Short term loan	20	**2.17**	**2.17**	0.46	0.46
		vi) Current maturities of long term borrowings	20	**56.42**	**56.42**	60.69	60.69
		vii) Lease Liabilities		**148.87**	**148.87**	124.44	124.44
		viii) Trade payables		**830.33**	**830.33**	811.99	811.99
		ix) Other financial liabilities		**14.25**	**14.25**	15.41	15.41
	b)	**Derivatives measured at fair value through Profit and Loss:**					
		i) Derivative instruments not designated as hedges	16	**1.60**	**1.60**	1.85	1.85

(iii) Financial risk management objectives

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

a) Liquidity risks

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquid risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital lines from banks. Furthermore, the Group has sufficient quantities of finished goods and stock-in-trade which are liquid and readily saleable. Hence the risk that the Group may not be able to settle its financial liabilities as they become due does not exist.

The following tables shows a maturity analysis of the anticipated cash flows for the Group's derivative and non-derivative financial liabilities.

As at 31 March 2023

	Total	**Due within one year**	**Due after one year**
	Rs. in crores	**Rs. in crores**	**Rs. in crores**
Borrowings	**204.09**	**140.44**	**63.65**
Lease liabilities	**148.87**	**28.56**	**120.31**
Trade payables	**830.33**	**830.33**	**-**
Other financial liabilities	**14.25**	**13.85**	**0.40**
Derivative financial liabilities	**1.60**	**1.60**	**-**
Total	**1,199.14**	**1,014.78**	**184.36**

As at 31 March 2022

	Total	Due within one year	Due after one year
	Rs. in crores	Rs. in crores	Rs. in crores
Borrowings	238.61	123.94	114.67
Lease liabilities	124.44	21.18	103.26
Trade payables	811.99	811.99	-
Other financial liabilities	15.41	15.04	0.37
Derivative financial liabilities	1.85	1.85	-
Total	1,192.30	974.00	218.30

b) Market risks

The Group does not trade in equities. Treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within the acceptable risk parameters after due evaluation.

The Group's investments are predominantly held in debt mutual funds. Such investments are susceptible to market risks that arise mainly from changes in interest rate which may impact the return and value of such investments. Mark to market movements in respect of these investments are measured at fair value through Profit and Loss.

Fixed deposits are held with highly rated banks and generally have a short tenure and are not subject to interest rate volatility.

The Group has short-term borrowings which are generally not susceptible to interest rate volatility since they are for short tenure. Long term loans from banks are at highly competitive rates. Hence interest rate fluctuations on borrowings does not affect the Group significantly.

c) **Foreign currency risk**

The Group undertakes transactions denominated in foreign currency (mainly US Dollar, Euro, GBP, RMB, THB, JPY, SGD and AED) which are subject to the risk of exchange rate fluctuations.

The carrying amount of foreign currency denominated financial assets and liabilities, are as follows:

	As at 31 March 2023		As at 31 March 2022	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
	Rs. in crores	**Rs. in crores**	**Rs. in crores**	**Rs. in crores**
USD	**0.36**	**192.84**	0.70	277.93
Euro	**0.97**	**12.65**	0.45	28.58
RMB	**–**	**42.54**	–	11.21
JPY	**–**	**0.08**		
SGD	**0.24**	**1.02**	–	0.75
Total	**1.57**	**249.13**	1.15	318.47

The Group uses forward exchange contracts and currency swaps to hedge its exposure in foreign currency.

i) **Forward exchange contracts / Currency swaps that were outstanding for financial liabilities and firm commitments as at the end of respective reporting dates:**

Particulars	**No. of contracts**	**USD (crores)**	**No. of contracts**	**Euro (crores)**	**No. of contracts**	**RMB (crores)**
As at 31 March 2023	**99**	**2.61**	**15**	**0.14**	**66**	**4.83**
As at 31 March 2022	135	3.49	41	0.65	21	0.69

The aforesaid forwards / currency swaps have a maturity before 2 October, 2024

ii) **Unhedged foreign currency exposure (excluding derivatives) as at the end of the respective reporting dates:**

	As at 31 March 2023		As at 31 March 2022	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
USD in crores	**(*)**	**–**	0.01	–
Rs. in crores	**0.36**	**–**	0.70	–
EURO in crores	**0.01**	**–**	0.01	–
Rs. in crores	**0.97**	**–**	0.44	–
JPY in crores	**–**	**0.12**	–	–
Rs. in crores	**–**	**0.08**	–	–
RMB in crores	**–**	**–**	–	0.18
Rs. in crores	**–**	**–**	–	2.12
SGD in crores	**(*)**	**0.01**	–	0.01
Rs. in crores	**0.24**	**1.02**	–	0.75
Total Rs. in crores	**1.57**	**1.10**	1.14	2.87

(*) Balance less than SGD 50,000

iii) Foreign currency sensitivity

For every percentage point change in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the loss before tax would change by **Rs. 2.48 crores** for the year ended 31 March 2023 (31 March 2022: Rs 3.06 crores).

d) Credit risk

Credit risk arise from the possibility that the counter party may not be able to settle their obligations. Financial instruments that are subject to such risk primarily consists of investments, trade receivables, bank deposits, loans, derivative instruments and other financial assets.

Bank deposits are primarily held with highly rated and different banks.

The Group's customer base is large and diverse limiting the risk arising out of credit concentration. Further the credit is extended in business interest in accordance with guidelines issued centrally and business-specific credit policies that are consistent with such guidelines. Exceptions are managed and approved by appropriate authorities after due consideration of the counter parties credentials and financial capacity, trade practices and prevailing business and economic conditions.

The Group's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowances are recognised where considered appropriate by the management.

The movement of allowance for doubtful advances and receivables is as under:-

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Balance at beginning of the year	**2.01**	2.43
Provision recognised in the year	**0.28**	0.20
Amounts written off during the year as uncollectible	**(0.24)**	(0.60)
Amounts recovered during the year	**(0.06)**	(0.02)
Balance at end of the year	**1.99**	**2.01**

Other than financial assets mentioned above, none of the Group's financial assets are either impaired or past due, and there were no indications that defaults in payment would occur.

e) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

			Fair value hierarchy (Level)	Fair Value	
				As at 31 March 2023	As at 31 March 2022
				Rs. in crores	Rs. in crores
A.	**Financial Assets**				
	a)	**Measured at FVTPL:**			
		Investment in mutual funds	1	**89.15**	227.22
		Investment in equity instruments (other than subsidiary)	2	**2.25**	2.25
	b)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**9.93**	6.97
B.	**Financial Liabilities**				
	a)	**Derivatives measured at FVTPL:**			
		Derivatives not designated as hedges	2	**1.60**	1.85

40. The Group has disaggregated revenues from contract with customers for the year by the type of goods and services. The Group believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors. Refer note 21 for revenue disaggregation

The following table includes revenue expected to be recognised in the future related to annual maintenance contracts and extended warranty services and advance from customers.

	Year ended 31 March 2024	**Year ended 31 March 2025**	**Year ended 31 March 2026**	**Year ended 31 March 2027**	**Beyond 31 March 2027**
	Rs. in crores	**Rs. in crores**	**Rs. in crores**	**Rs. in crores**	**Rs. in crores**
Income received in advance on annual maintenance contracts	56.62	9.23	–	–	–
Income received in advance on extended warranty services	6.25	6.26	4.10	3.43	7.32
Advance from customers	20.42	–	–	–	–
	83.29	**15.49**	**4.10**	**3.43**	**7.32**

The Group recognized revenue of **Rs. 71.58 crores** (31 March 2021 : Rs. 77.78 crores) arising from contract liability balances comprising of income received in advance on annual maintenance contracts and extended warranty services and advance from customers at the beginning of the year.

The below table shows the movement of income received in advance on annual maintenance contracts and extended warranty services and advance from customers.

	As at 31 March 2023 Rs. in crores	As at 31 March 2022 Rs. in crores
Opening Balance	**90.97**	87.70
Progress billing during the year	**4,116.35**	3,341.63
Less: Revenue recognised during the year	**4,093.69**	3,338.36
Closing Balance	**113.63**	90.97

Invoicing in excess of revenues from sale of services are classified as "Income received in advance on annual maintenance contracts and extended warranty services" and Invoicing in excess of revenues from sale of goods are classified as "Advance from customers" in note no 17.

41. Ratios:

		As at 31 March 2023	As at 31 March 2022
1	Current ratio (no of times)	**1.09**	1.17
2	Debt-equity ratio (no of times)	**0.31**	0.37
3	Debt service coverage ratio (no of times)[a]	**2.25**	1.43
4	Return on equity ratio (%)[b]	**2.24**	(7.43)
5	Inventory turnover ratio (no of days)	**41**	51
6	Trade receivables turnover ratio (no of days)	**38**	35
7	Trade payables turnover ratio (no of days)	**283**	298
8	Net capital turnover ratio (no of times)[c]	**38.88**	18.07
9	Net (loss)/profit ratio (%)[b]	**0.35**	(1.40)
10	Return on capital employed (%)[d]	**6.37**	(4.41)
11	Return on investment (%)[e]	**5.92**	4.36

Reasons where the change in the ratios is more than 25% as compared to preceding years:

a) Earnings before depreciation, interest and tax (EBDITA) has increased due to higher sales and service income and decrease in material cost, and trade schemes and discounts. EBDITA being the numerator for the debt service coverage ratio, hence the increase in the ratio.

b) The ratios have been impacted due to increase in profits for the year for reasons stated in (a) above.

c) Working capital for the period has reduced due to increase in trade payable whereas sales and service income has increased, hence the ratio has increased.

d) Capital employed has not changed significantly, however earnings before interest and tax has increased for reasons stated above.

e) Current investments have reduced significantly thereby effecting the average current investment. This being the denominator for the return on investment. Hence the increase in the ratio.

Items included in numerator and denominator:

		Numerator	Denominator
1	Current ratio	Current assets	Current liabilities
2	Debt-equity ratio	Total debt	Shareholders equity
3	Debt service coverage ratio	Earnings before interest, tax and depreciation	Interest expenses + Principal repayments of loans
4	Return on equity ratio	Net (loss)/profit after tax	Shareholders equity
5	Inventory turnover ratio (no of days)	Gross sales of product	Closing inventory
6	Trade receivables turnover ratio (no of days)	Net sales	Closing trade receivables
7	Trade payables turnover ratio (no of days)	Net purchases	Closing trade payable for goods
8	Net capital turnover ratio	Net sales and service	Working capital
9	Net (loss)/profit ratio	Net (loss)/profit after tax	Total Income
10	Return on Capital employed	Earnings before interest and tax	Capital employed
11	Return on investment	Net gain/(loss) arising on current investments measured at FVTPL + Net gain on disposal of current investment	Average current investments

42. Trade payables ageing

Rs. in Crores

Particulars	**As at 31 March, 2023**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	45.76	–	–	–	**45.76**
Dues of creditors other than micro enterprises and small enterprises	774.46	3.63	0.24	6.24	**784.57**
Disputed trade payables:					
Dues of micro enterprises and small enterprises	–	–	–	–	**–**
Dues of creditors other than micro enterprises and small enterprises	–	–	–	–	**–**
	820.22	**3.63**	**0.24**	**6.24**	**830.33**

As on 31st March, 2023, trade payables includes Rs. 0.88 crores for liabilities under supplier financing. The weighted average of which have extended the settlement of original payable to 61 days after physical supply and are due for settlement with 48 days after the year end.

Rs. in Crores

Particulars	As at 31 March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:					
Dues of micro enterprises and small enterprises	143.74	–	–	–	143.74
Dues of creditors other than micro enterprises and small enterprises	658.15	1.61	6.38	2.11	668.25
Disputed trade payables:					
Dues of micro enterprises and small enterprises				–	–
Dues of creditors other than micro enterprises and small enterprises				–	–
	801.89	1.61	6.38	2.11	811.99

43. As per the E-Waste (Management) Rules, 2016, as amended, Companies dealing in certain categories of products as specified in Schedule-I therein are required to undertake Extended Producer Responsibility (EPR) for its end-of-life products. The obligation for a financial year is measured based on sales made in the preceding 9th/10th year and the Group has met its obligations for the current year. In accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Group will have an e-waste obligation for future years, only if it participates in the market in those years.

44. No proceedings have been initiated or is pending against the Group for holding any benami property under the 'Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

45. The Group has not been declared a wilful defaulter by any banks.

46. The Group has not identified any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

Name of struck off company	**Nature of transactions with struck - off companies**	**Balance as at 31st March 2023 (Rs. In crores)**	Relationship with struck-off companies
Nur Automation Private Limited	Trade payables	**0.05**	None
Arrow18 Corporate Solutions Private Limited	Trade payables	**0.17**	None
Econavi Organic India Private Limited	Trade receivable	**(*)**	None

(*) amount less than Rs. 50,000

47. The Group has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

48. All transactions have been recorded in the books of accounts and there are no unrecorded income that have been disclosed during the year in the tax assessments under the Income Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.

49. The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

50. During the year ended 31 March, 2023 IFB Refrigeration Limited (IFBRL), an unlisted public limited company, has issued 9,70,00,000 (Nine crores seventy lacs) fully paid Equity shares of Rs. 10 each amounting to Rs. 97.00 crores in favour of IFB Industries Limited in a phased manner as stated below:

Allotment date by IFB Refrigeration Limited	**Rs. In crores**
26 December, 2022	60.00
28 January, 2023	9.00
2 March, 2023	13.00
31 March, 2023	15.00
	97.00

Post the issuance, IFB Industries Limited's shareholding in IFBRL as on 31.03.2023 is 44.44%. Consequently, IFBRL has become an associate of IFB Industries Limited. Balance shareholding in IFBRL is held by others including individuals.

IFBRL was incorporated on the 11th March 2021. It's capacity to manufacture refrigerator is 1 million per annum.

IFBRL has acquired 35-acre leasehold land from MIDC, in Ranjangaon, Pune. All construction and machinery installation work were completed by 22 May 2023.

IFBRL will produce a range of direct cool and frost-free refrigerators in the capacities of 193 Litres to 306 Litres in the 1st Phase. There will be a further increase in the range to produce up to 370 Litres capacity Refrigerators in the Phase 2 i.e. by the end of the fiscal year 23 - 24

51. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification.

52. The consolidated financial statements were approved by the Board of Directors on 27 May 2023.

NOTES

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