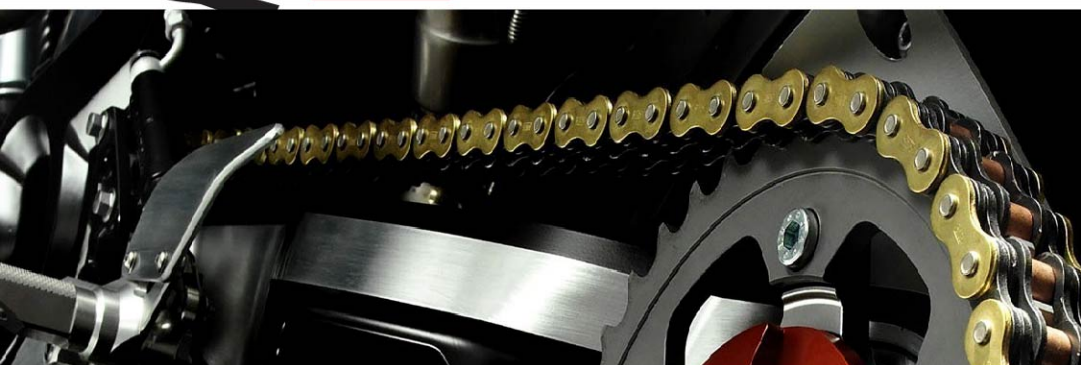


# Q2

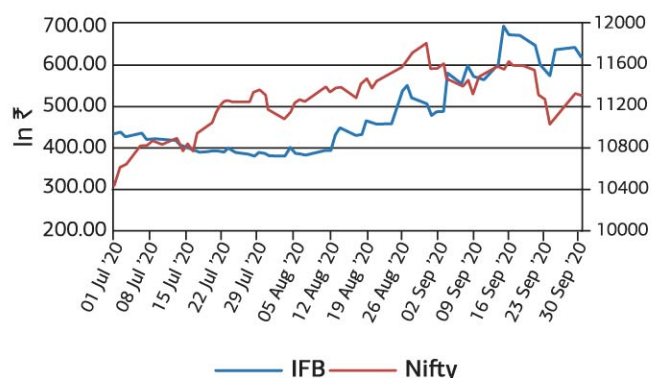
## Financial Report

Quarter Ended 30th September, 2020



### FINANCIAL HIGHLIGHTS (Standalone)

	Q2 ('20-'21)
<b>Total Income</b>	₹717.64 crore
<b>EBDITA</b>	₹84.73 crore
<b>EBDITA Margin</b>	11.8%
<b>EBIT</b>	₹59.69 crore
<b>EBIT Margin</b>	8.3%
<b>EPS</b>	₹7.90
<b>RONW</b>	6.1%
<b>ROCE</b>	6.5%
<b>Market Capitalisation</b> (As on 30.09.20/NSE)	₹2,434.66 crore
<b>Cash &amp; Bank Balances</b> (including Current Investments)	₹428.17 crore
<b>Enterprise Value (EV)</b> (As on 30.09.20)	₹2,302 crore
<b>EV/EBDITA</b>	7



IFB vs Nifty—Daily Price Movement Chart

IFB Industries Limited's operations consist of three Divisions, Fine Blanking, Appliances and Motor. IFB Industries Limited, originally known as Indian Fine Blank Limited, started its operations in India in 1974. The product range includes fine blanked components and tools.

The Engineering Division started operations in Kolkata in 1974 and expanded its operations in Bengaluru in 1988. The Stamping Division was acquired by the Engineering Division in October 2019.

The Appliances Division started its operations in 1989 and has its manufacturing facilities in Goa for washing machine & ACs and at Bengaluru for manufacturing industrial laundry machines in a facility acquired from Ramsons. It also imports and markets some of its products from other countries. The Automotive and Appliances Motor Divisions also have their manufacturing set-ups in Bengaluru.

### Financial Review

#### Profit and Loss

##### Quarter ended Sept '20

The Company has reported a total income of ₹717.64 crore, a growth of 3.3% over the corresponding Quarter of the previous year.

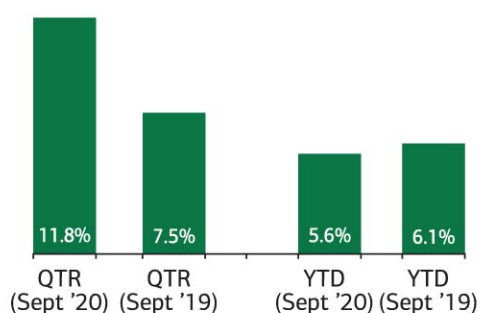
EBDITA amount for the Quarter was ₹84.74 crore and its margin stood at 11.8% during the 2nd Quarter of FY 20–21 as against 7.5% during the corresponding period of the previous year, which is mainly due to cost reductions in terms of reduced consumption as well as maintaining operating expenditures below last year's level.

##### YTD Period Ended Sept '20

The Company has reported a total income of ₹1,000.31 crore, a de-growth of 27.1% over the corresponding period of the previous year due to loss of operation in the period from April to May 2020.

EBDITA amount for the YTD period was ₹55.60 crore and its margin stood at 5.6% during the period as against 6.1% during the corresponding period of the previous year. The Company has managed the EBDITA margin almost at par on account of good performance in the 2nd Quarter and reduction in expenditure.

#### Trend in Operating Margin



#### Balance Sheet

We have total borrowing of ₹284.52 crore, the break-up of which is as follows:

Term loan of ₹142 crore from SCB for AC Project (tenure is 5 years).

Term loan of ₹70 crore from DBS for the Engineering Division (tenure is 5 years).

Term loan of ₹35 crore from ICICI Bank for Stamping Division (tenure is 7 years).

Buyers credit and working capital loan of ₹37.52 crore.

Against the aforesaid borrowing, as on 30 September, 2020, our Cash and Bank Balances (including investments in mutual funds) were as follows:

Cash and Bank Balances	₹147.30 crore
Capital Gain Deposits	₹19.42 crore
Investments in Mutual Fund	₹261.45 crore
<b>Total</b>	<b>₹428.17 crore</b>

The amount of ₹428.17 crore, as stated above, has increased from ₹332.35 crore as of 30 June, 2020. Hence the Company is debt free on a net basis as of 30 September, 2020.

We further have inefficiencies of about ₹40 crore in working capital. The same will be rectified and utilised to pay back buyers credit.





### Outlook

The Indian rupee has remained stable in the last Quarter. It is expected to remain at this level over the short term, with a likely negative bias. In the Quarter, the Company has been impacted by the level of the rupee compared to the previous Quarters.

In the Fine Blanking Division, 2-wheeler OEMs registered a de-growth of 14.19% and 4-wheelers had a marginal growth of 1.17%, while IFB grew by 16.53% (2-wheelers) and a de-grew by 3% (4-wheelers).

The automotive market is expected to have improved sales in the 3rd Quarter.

1) Passenger car segment sales are expected to grow in the 3rd Quarter. The SUV and high-end car segment will have comparatively subdued sales. The lower-end segment will have significant sales as buyers will look forward to owning cars rather than using shared mobility.

2) The 2-wheelers segment is expected to continue with higher sales numbers in the 3rd Quarter for the following reasons.

a) People will move away from shared mobility and would like to own 2-wheelers for health and hygiene reasons due to the COVID-19 pandemic.

b) On account of social distancing on public transport, the fares for buses and auto rickshaws will increase. So, people would prefer to buy 2-wheelers as running costs will be far less than commuting.

c) The agricultural output was good and farmers received the expected prices for their output. As a result of this, the rural demand for 2-wheelers will increase. In the pre-COVID-19 scenario also, the rural demand was very low. So, this pent up rural demand will result in a spurt in 2-wheeler sales in the coming months.

3) The demand for commercial vehicles is showing signs of recovery. Going forward, in the 3rd Quarter, sales are expected to

improve with investments in the infrastructure sector. The construction equipment manufacturing sector is expected to experience improved demand compared to earlier Quarters, leading to a boost in sales. The silver lining of the post-COVID-19 scenario may be higher sales in the entire whole automotive sector.

### The Appliances Division

The Division's range of products covers both domestic appliances and industrial application categories. These are domestic and industrial washing machines, special commercial laundry equipment for dry cleaning and other finishing equipment (like ironers), microwave ovens, domestic and industrial dishwashers, domestic and industrial clothes dryers, modular kitchens, kitchen appliances (hobs, chimneys and built-in ovens) and air conditioners.

The updates at the end of the 2nd Quarter for each of the product categories are given below

### Washing Category

#### • Front Loads (Domestic Segment)

The new range of models has been well received for their aesthetics and performance. They have addressed gaps against competition models and the demand for them is high. The Company continues to maintain a dominant market share. The key task is to drive shares of business in its distribution network and also increase share of business in Key Accounts with the introduction of the new models. The volume potential going forward from the existing



market reach and the current direct/indirect channels is high and is to be realised on an ongoing basis. As of the 2nd Quarter, demand growth is high and fulfilment of demand, on account of COVID-19 related manufacturing constraints, has been below market demand. Our estimate is that ~20–25% of demand has not been fulfilled in the front load segment during the Quarter.

In the front load washing machine segment, a washer-dryer platform will be introduced at the end of the 3rd Quarter or beginning of the 4th Quarter of this year. A range, with the technology to significantly reduce/eliminate water usage during the washing process will also be tested and introduced this year—for both the domestic and industrial washing machine ranges. The Company has also completed developments for statutory labelling of energy efficiencies, deployment of AI and IoT capabilities, including app-based controls. A new model, which is India's first fully voice and app controlled front load washing machine, has already been introduced in the market and has received extremely positive reviews.

• **Top Loads (Domestic Segment)**

Demand has been high in the top load washing machine segment also. Our estimate is that we have not been able to fulfil ~30% of demand in this segment, given the manufacturing and supply chain constraints faced in the 2nd Quarter. The new models introduced in the 6.5 Kg segment, including the models with inbuilt heaters, have generated very high demand. The key task ahead, is to ensure availability of the new models and to drive further placements of these across market segments. There is strong demand in the market for models of higher capacities and we are improving supply chain capabilities to address this.

Additions have been made in the Quarter to the top load range and the new models will fully address market segments, including the high growth higher capacity segments, in which IFB now has very well differentiated models and features.

• **Clothes Dryers and Dishwashers (Domestic Segment)**

Demand in the clothes dryer segment was also high in the 2nd Quarter. This is no longer a seasonal product and its demand has been consistently high over the last two Quarters. This category may partially move to the washer-dryer segment, once the product is launched by the Company at the end of the 3rd Quarter or beginning of the 4th Quarter of this year. The domestic dishwasher segment has seen significant growth for the Company and continues to be under-served as the order pipelines remain for ~2 months. Both dishwashers and clothes dryers will be strong growth categories going forward. There is a huge demand in the dishwasher segment and our suppliers are facing constraints— hopefully it will be corrected by the end of the 3rd Quarter.

• **Industrial Segment (Dishwashing and Laundry Equipment)**

IFB offers an exhaustive range of glass washers, under counter dishwashers, as well as hood type and rack conveyor type dishwashing equipment. The Company continues to have a dominant market share across all customer segments, including defence establishments, restaurants, bars, large institutions, hotels, restaurants, ships etc.

IFB's range of industrial laundry equipment (up to high level capacities of ~400 Kg) is now completely manufactured in India.





It includes competitively priced dryers, ironers and finishing equipment for clothing, including suits and special silk wear.

Revenues in both industrial categories have been low as all major institutions in the educational, hospitality and catering categories have been closed for business for the last two Quarters. Current sales come largely from hospitals, laundrettes and manufacturing areas. The order pipelines are healthy, however, customers have delayed or held back making purchases. We estimate that this segment will continue to have lower realisations till a COVID-19 vaccine is made available and people return to their workplaces.

The Key Agenda for the Company to grow sales therefore, is to leverage our widely spread sales team to expand our market across a wider area. Also, there is a product gap in the ~11 Kg Washer-Dryer segment, for which a new product will be introduced in the 4th Quarter of this fiscal year. Our purchase of Ramsons has not been remunerative yet. However, as soon as the industry opens up, there will be demand for these products and the situation will change. Henceforth, we will report progress on a quarterly basis.

### Kitchen Appliances

#### • Microwave Ovens

IFB continues to be a significant player in this category. The key delivery targets for the two Quarters ahead in this fiscal year are to address new model introductions, including models with new technology for automating and improving the cooking process. There has been a surge in demand in this segment over the last two Quarters and we have been unable to service the demand fully. Our estimate is that, as a result of our supply chain constraints, we have lost ~30% of the demand. Availability to the market channels is a Key Agenda for the next two Quarters. The convection segments are growing the most and the new Oil Free Cooking models that the Company has introduced have generated high demand in this Quarter.

#### • Modular Kitchens

We have expanded the kitchen format presence in Goa and Bangalore by adding another three outlets in this Quarter. The new design format combines modular kitchens with appliances. This format will be a part of future retail expansion. We have identified ~100 additional existing exclusive stores, which can incorporate the new design. Of them, ~25 stores will be re-formatted in the fiscal year and the new retail design will be ramped up over the next two Quarters.

The IFB design offering for this category is of a high quality and offers customers a unique product. The pricing is competitive and includes attractive EMI offers as well as an enabling range of accessories for the various storage modules.

We have under-performed in this segment and our structure and retail network is a Key Performance Agenda for this fiscal year, in order to boost sales.

#### • Built-in Ovens, Chimneys and Hobs

The market placements in this category are in ~750 stores across the country as of date. These include displays in ~532 IFB Points. The IFB Points account for ~50% of sales in this category. The Company is investing in full range product displays to increase its presence in multi-brand channels



to ~1,000 outlets by the end of this fiscal year. The key focus, as shared earlier, is on marketing this range to IFB's own customer base, through the IFB Points and the Company's service network.

The kitchen appliances category is a key segment for expansion and is also accretive to margins for the Company

### Cooling Category

#### • Air Conditioners

The volumes overall for the two Quarters of this fiscal year have been low. The new manufacturing facility for the Company is ramped up and is producing volumes according to the plan for the 3rd and 4th Quarters. This includes the OEM tie-ups that will be concluded in the 3rd Quarter. The recent restrictions in imports have increased opportunity for IFB in the air conditioner segment. The AC facility in Goa was delayed by a month and a half due to equipment

suppliers not being able to return in time due to COVID-19 to complete installation. Thereafter, the lockdown came into effect. Now placements are being done and OEM tie-ups are in place. The plant should run and significant capacity utilisation will take place from December onwards.

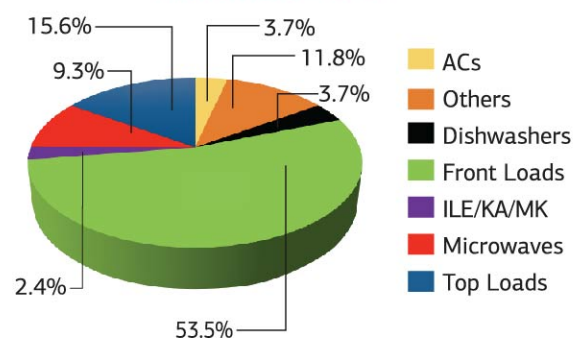
The key tasks for the next two Quarters ahead are in product placements across the markets and establishing the IFB brand in this segment. The Company will add to the product range with models more suited to the mass volume segments.

### For the Quarter ended 30 September, 2020

The Appliances Division reported net revenues from operations of ₹588.59 crore for the Quarter ended 30 September, 2020, a growth of 0.5% compared to the corresponding period of the previous year.



QTR Product-wise Spread in Home Appliances Division



### Summarised Financial Performance of the Appliances Division

(₹ in crore)

	Q2 ('20-'21)	Q2 ('19-'20)	YTD ('20-'21)	YTD ('19-'20)
Revenue from Operations	588.59	585.87	837.88	1,151.39
EBDITA	71.03	45.05	53.55	68.26
EBDITA (%) on Revenue	12.1	7.7	6.4	5.9
EBIT	52.80	35.42	17.51	48.15
EBIT (%) on Revenue	9.0	6.0	2.1	4.2
Capital Employed	284.70	406.51	284.70	406.51
ROCE (%)	18.5	8.7	15.4	23.7



**Fine Blanking Division**

The Fine Blanking Division mainly caters to the automobile sector, both 2-wheelers, 4-wheelers, as well as the commercial vehicle segment. The commercial vehicle segment also had a de-growth of 55.34% (both LCV and HCV combined), corresponding to which, IFB had a de-growth of 33.75%.

**The Revenue of the Fine Blanking Division (excluding AFM Division)**

(₹ in crore)

	Q2 ('20-'21)	Q2 ('19-'20)	YTD ('20-'21)	YTD ('19-'20)
Revenue from Operations	105.64	94.27	127.5	197.08

Revenue from operations for the Quarter has shown a growth of 12.1% reported at ₹105.64 crore compared to ₹94.27 crore for the corresponding period of the previous year.

**The Revenue of the AFM Division**

(₹ in crore)

	Q2 ('20-'21)	Q2 ('19-'20)	YTD ('20-'21)	YTD ('19-'20)
Revenue from Operations	13.97	12.39	20.48	20.02

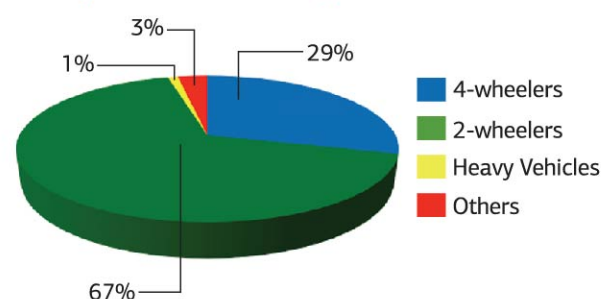
The After Market Vertical achieved revenue from operations of ₹13.97 crore in the 2nd Quarter, a growth of 12.8% compared to the corresponding period of the previous year, due to a growth in business.

**Summarised Financial Performance of Fine Blanking Division (including AFM)**

(₹ in crore)

	Q2 ('20-'21)	Q2 ('19-'20)	YTD ('20-'21)	YTD ('19-'20)
Revenue from Operations	119.61	106.66	147.98	217.10
EBDITA	17.71	12.64	9.80	26.88
EBDITA % on Revenue	14.8	11.9	6.6	12.4
EBIT	11.23	7.50	(1.25)	16.71
EBIT % on Revenue	9.4	7.0	(0.8)	7.7
Capital Employed	170.39	178.21	170.39	178.21
ROCE %	6.6	4.2	(1.8)	18.8

The Fine Blanking Division, including the After Market Division (AFM), has reported revenue from operations of ₹119.61 crore. This was a growth of 12.1% in the 2nd Quarter of the current year as compared to ₹106.66 crore for the corresponding Quarter in the previous year.

**Segment-wise Sales Q2 2020-21****Future Outlook & Strategy**

The Engineering Division lost revenue of ₹15 crore in the 2nd Quarter (mostly in July) due to the COVID-19 pandemic. However, as the market has now revived, the Division's order book is good. In October, sales reached ₹45 crore and the trend is likely to continue through the 3rd Quarter and into the 4th Quarter.

Installation of two press machines was delayed by six months due to the pandemic; they are expected to be operational by the end of November 2020.

**Motor Division**

The Motor Division, based in Bengaluru, started operations in 1993, initially manufacturing motors for our washing machine plant in Goa. In 2019, the Motor Division acquired the Automotive Motor Division from IFB Automotive and merged it with its existing business, keeping in mind the operational synergy between the two. Under the Appliance Motors segment, the Division supplies to our Appliances Division. The Division has plans to become a supplier to all major OEMs in the appliances segment in the future. In the automotive motor segment, the Division supplies to automotive companies such as Hanon Automotive, M&M, Subros and Sanden Vikas.

**Future Outlook & Strategy**

The Division has strategised to work towards achieving energy conservation in the near future. In order to achieve this goal, all appliance motors will be replaced by efficient BLDC motors, saving as much as 25–30% energy.

With an eye on growing public sensitivity towards EVs (Electric Vehicles) in India, the Board has given its nod to exploring opportunities in this segment. The main focus will be on the Power Train segment of EVs. Having vast experience with motion controls, the Division is working on consolidating the market/OEM requirements to take up development activities of

appropriate Power Train segments. The Division is also seriously looking for the right partners to work with to successfully develop BLDC motors with controllers. The Appliance Motor Division will focus on washing machine and AC motors. Capex is underway to get latest technology to support IFB and other customers. With the growth in the Appliances Division, we expect the capacity to be fully utilised. Our objective is to de-risk the Appliances Division from imports. However, 30% of the requirement will continue to be imported.

**Stamping Division**

This Division was acquired from IFB Automotive in October 2019, keeping in mind its operational synergy with Fine Blanking Division.

In FY 2020–21, due to the outbreak of the COVID-19 pandemic and subsequent lockdown imposed by the government, there was practically negligible turnover in the 1st Quarter. Schedules for the 2nd Quarter look subdued. The Company has augmented its marketing thrust to garner additional revenue from existing customers and is also accelerating its efforts to increase its revenue from the non-auto segment.

Results of the Stamping Division are given below

(₹ in crore)

	Q2 ('20-'21)	YTD ('20-'21)
Revenue from Operations	10.88	12.81
<b>EBDITA</b>	<b>1.51</b>	<b>1.28</b>
EBDITA % on Revenue	13.88	9.99
<b>EBIT</b>	<b>(0.45)</b>	<b>(2.44)</b>
EBIT % on Revenue	(4.14)	(19.05)

**Future Outlook of the Stamping Division**

The order book is good but could not be fully executed in the 2nd Quarter due to supply issues. Sales in October 2020 were ₹4.3 crore. Things will further improve during the remainder of the year and revenue will stabilise at ₹6 crore per month by January/February 2021. The target for the next fiscal year (FY 21–22) will be ₹90 crore.



## INCOME STATEMENT

	YTD		QTR (₹ in crore)	
	30 Sept, '20	30 Sept, '19	30 Sept, '20	30 Sept, '19
Total Sale of Products	1,195.95	1,679.46	863.33	844.69
Less: Trade Scheme and Discounts	251.65	372.84	178.01	183.30
<b>Net Sales</b>	<b>944.30</b>	<b>1,306.62</b>	<b>685.32</b>	<b>661.39</b>
Sale of Services	38.04	42.22	19.97	21.66
Other Operating Revenues	12.11	18.28	9.76	9.41
<b>Revenue from Operations</b>	<b>994.45</b>	<b>1,367.12</b>	<b>715.05</b>	<b>692.46</b>
Other Income	5.86	4.62	2.59	2.50
<b>Total Income</b>	<b>1,000.31</b>	<b>1,371.74</b>	<b>717.64</b>	<b>694.96</b>
<b>EBDITA</b>	<b>55.60</b>	<b>83.43</b>	<b>84.73</b>	<b>52.05</b>
EBDITA Margin (%)	5.6	6.1	11.8	7.5
Depreciation and Amortisation Expense	47.73	30.31	25.05	14.77
<b>EBIT</b>	<b>7.87</b>	<b>53.12</b>	<b>59.69</b>	<b>37.30</b>
EBIT Margin (%)	0.79	3.87	8.32	5.37
Finance Costs	16.03	3.30	8.18	1.59
<b>Profit Before Tax</b>	<b>(8.16)</b>	<b>49.82</b>	<b>51.51</b>	<b>35.71</b>
<b>Profit After Tax</b>	<b>(10.93)</b>	<b>31.94</b>	<b>32.04</b>	<b>21.62</b>
PAT Margin (%)	(1.1)	2.3	4.5	3.1
<b>Total Comprehensive Income (TCI)</b>	<b>(13.40)</b>	<b>29.79</b>	<b>30.80</b>	<b>20.55</b>
Total TCI Margin (%)	(1.3)	2.2	4.3	3.0
No of Shares (In crore)	4.05	4.05	4.05	4.05
Earnings Per Share (In ₹) (Not annualised)	(2.70)	7.89	7.90	5.34

## BALANCE SHEET

(₹ in crore)

	30 Sept, '20	30 Sept, '19
<b>ASSETS</b>		
<b>I NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	430.40	278.78
Capital Work-in-progress	47.52	35.05
Right to use assets	68.49	-
Investment Property	0.11	0.11
Intangible Assets (including goodwill)	50.43	37.18
Intangible Assets under Development	2.22	8.30
Financial Assets		
— Investments	33.60	33.60
— Loans	0.35	0.53
— Others	19.60	14.47
Income Tax Assets (Net)	18.34	6.79
Other Non-current Assets	28.12	82.35
<b>II CURRENT ASSETS</b>		
Inventories	313.54	369.25
Financial Assets		
— Investments	261.45	53.87
— Trade Receivables	222.43	303.73
— Cash and Cash Equivalents	144.81	61.43
— Other Bank Balance	21.55	16.30
— Loans	0.36	0.53
— Others	2.29	2.79
Other Current Assets	73.01	39.13
<b>Total Assets</b>	<b>1,738.62</b>	<b>1,344.19</b>
<b>EQUITY AND LIABILITIES</b>		
<b>I EQUITY</b>		
Equity Share Capital	41.28	41.28
Other Equity	592.62	609.16
<b>II LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Financial Liabilities		
— Borrowings	238.54	19.27
— Lease liabilities	37.67	-
— Other Financial Liabilities	0.27	9.57
Provisions	65.62	42.02
Deferred Tax Liabilities (Net)	9.44	14.65
Other Non-current Liabilities	14.26	9.88
<b>CURRENT LIABILITIES</b>		
Financial Liabilities		
— Borrowings	31.98	65.81
— Lease liabilities	24.24	-
— Trade Payables	564.59	419.50
— Other Financial Liabilities	24.73	17.13
Other Current Liabilities	89.24	92.08
Provisions	4.14	3.84
<b>Total Equity and Liabilities</b>	<b>1,738.62</b>	<b>1,344.19</b>



## KEY RATIOS

	QTR	
	30 Sept, '20	30 Sept, '19
Earnings Per Share (In ₹) (Not annualised)	7.90	5.34
Book Value Per Share (In ₹)	156.52	160.60
Current Ratio#	1.43	1.42
Quick Ratio#	1.01	0.80
EBDITA/Total Income (%)*	11.8	7.5
Net Profit Margin (%)*	4.5	3.1
Net Worth (₹ in crore)	522.82	544.58
RONW (%)	6.1	4.0
Return on Capital Employed (%)	6.5	3.3
No of Equity Shares (In crore)	4.05	4.05
Closing Market Price on Period End	601.15	669.55
Market Capitalisation (₹ in crore)	2,434.66	2,711.68
PE Ratio (Annualised)	19	31
Head Count (Numbers)	2,260	2,036
Total Income Per Employee (₹ in lakh)*	31.75	34.13
PBT Per Employee (₹ in lakh)*	2.28	1.75
Fixed Asset Turnover Ratio	5.87	8.64
Days Sundry Debtors Outstanding	22	32
Inventory Holding (In days)	32	40

# Includes Current Investments, Short-term Working Capital Loans and Current Maturities of Long-term Loans

## CASH FLOW STATEMENT

YTD (₹ in crore)

	30 Sept '20	30 Sept '19
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax</b>	<b>(8.16)</b>	<b>49.82</b>
Adjustments for:		
Depreciation and Amortisation Expense	47.73	30.31
Loss on Disposal of Property, Plant and Equipment	0.01	0.03
Write Off of Property, Plant and Equipment	—	0.04
Write Off of Debts/Advances	—	0.02
Allowance for Doubtful Debts and Advances	0.04	—
Dividend from Investments in Mutual Fund	(0.20)	(1.31)
Net Gain on Disposal of Mutual Funds Measured at Fair Value Through Statement of Profit and Loss (FVTPL)	(0.30)	(0.04)
Write Back of Liabilities No Longer Required	(0.22)	—
Write Back of Provision on Assets No Longer Required	—	(0.06)
Unrealised Exchange Loss	8.56	5.72
Interest Income on Financial Assets	(2.29)	(1.30)
Net Gain Arising on Mutual Funds Measured at FVTPL	(3.23)	(0.03)
Net Gain/Loss Arising on Derivative Instruments Measured at FVTPL	6.50	(2.57)
Finance Costs	14.93	2.07
<b>Operating Profit Before Working Capital Changes</b>	<b>63.37</b>	<b>82.70</b>
Movement in Working Capital	162.00	(58.19)
<b>Cash Generated from Operations</b>	<b>225.37</b>	<b>24.51</b>
Income Taxes Paid (Net of Refunds)	(0.05)	(6.43)
<b>Net Cash generated from Operating Activities</b>	<b>225.32</b>	<b>18.08</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant, Equipment and Intangibles (Net)	(42.60)	(67.92)
Consideration paid for business combination	—	(13.50)
Purchase of Current Investments (Net)	(104.92)	(25.23)
(Increase)/Decrease in Other Bank Balances	(2.06)	8.15
Income on Financial Assets	1.76	1.23
<b>Net Cash Used in Investing Activities</b>	<b>(147.82)</b>	<b>(97.27)</b>
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings (Net)	(6.79)	73.81
Lease Rent Paid	(15.07)	(1.53)
Financial Costs	(12.23)	(2.05)
<b>Net Cash Generated/ (used in) from Financing Activities</b>	<b>(34.09)</b>	<b>70.23</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>43.41</b>	<b>(8.96)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>101.40</b>	<b>70.39</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>144.81</b>	<b>61.43</b>



## FINANCIAL HIGHLIGHTS (CONSOLIDATED)

(₹ in crore)

	Q2 ('20-'21)	Q2 ('19-'20)
<b>Total Income</b>	739.90	715.77
<b>Earning Before Depreciation, Interest &amp; Tax</b>	85.43	53.30
<b>Earning Before Interest and Tax</b>	59.53	37.79
<b>Profit Before Tax</b>	50.84	35.79
<b>Profit After Tax—Owners</b>	31.87	22.01
<b>Profit After Tax—Not-controlling Interest</b>	(0.73)	(0.31)
<b>Earning Per Share (₹) (not annualised)</b>	7.87	5.43
<b>Cash and Equivalents</b>	147.95	104.87

IFB Industries Limited, the Holding Company, has a subsidiary, Trishan Metals Private Limited (TMPL), a wholly owned subsidiary of Global Automotive & Appliances Pte Ltd (GAAL) and step-down subsidiary of Thai Automotive and Appliances Limited (TAAL).

**Trishan Metals Private Limited**

During the 2nd Quarter, TMPL achieved a total revenue of ₹19.63 crore, which is higher by ₹3.36 crore over the budget and more or less at the same level as last year.

However, the YTD revenue was at 50% against last year due to the COVID-19 pandemic, which resulted in a lockdown during a major part of the 1st Quarter of 2020. It is felt that TMPL has the capability to generate higher volumes and margins with certain changes in its operational and mechanical capabilities.

A plan has been prepared for reduction in the fixed and operational costs of the Company by increasing the plant capacity to 2,500 MT per month from the existing capacity of 1,400 MT per month. There is sufficient market for this.

Simultaneously modernisation of plant and equipment will be undertaken to reduce the generation of scrap as well as quality issues, which should lead to an improved margin.

Improvement in quality will garner higher demand as well as margins for TMPL products. These will reduce the fixed and operational costs per MT.

After the Board Meeting, balance shares of 48.88% were acquired by IFB at ₹14.3 crore to make Trishan Metals a wholly owned subsidiary. The stock exchange has been informed accordingly.

**Global Automotive & Appliances Pte Ltd (GAAL) and Thai Automotive and Appliances Limited**

GAAL continues its operations of sourcing electronic component suppliers and has expanded them in the 2nd Quarter. This is the 3rd year of operations and GAAL achieved total revenue of ₹10.21 crore for the half year ended and made a profit before tax of ₹0.19 crore. Revenues and profits are suppressed due to the COVID-19 pandemic.

TAAL has managed to garner 300 Million THB orders (₹69.9 crore) from OEMs in Thailand, which will go into mass production in FY 2020-21. TAAL will look for opportunities to sell to OEMs/after market.

## CONSOLIDATED INCOME STATEMENT

YTD

QTR (₹ in crore)

	30 Sept, '20	30 Sept, '19	30 Sept, '20	30 Sept, '19
Total Sale of Products	1,224.67	1,720.47	884.13	864.15
Less: Trade Scheme and Discounts	251.65	372.83	178.01	183.30
<b>Net Sales</b>	<b>973.02</b>	<b>1,347.64</b>	<b>706.12</b>	<b>680.85</b>
Sale of Services	37.79	42.02	19.83	21.55
Other Operating Revenues	13.84	21.06	11.31	10.80
<b>Revenue From Operations</b>	<b>1,024.65</b>	<b>1,410.72</b>	<b>737.26</b>	<b>713.20</b>
Other Income	5.92	4.68	2.64	2.57
<b>Total Income</b>	<b>1,030.57</b>	<b>1,415.40</b>	<b>739.90</b>	<b>715.77</b>
<b>EBDITA</b>	<b>54.46</b>	<b>85.01</b>	<b>85.43</b>	<b>53.30</b>
<b>EBDITA Margin (%)</b>	<b>5.3</b>	<b>6.0</b>	<b>11.5</b>	<b>7.4</b>
Depreciation and Amortisation Expense	49.35	31.79	25.90	15.51
<b>EBIT</b>	<b>5.11</b>	<b>53.22</b>	<b>59.53</b>	<b>37.79</b>
Finance Costs	16.94	4.17	8.69	2.00
<b>Profit Before Tax</b>	<b>(11.83)</b>	<b>49.05</b>	<b>50.84</b>	<b>35.79</b>
<b>Profit After Tax</b>	<b>(14.84)</b>	<b>31.28</b>	<b>31.14</b>	<b>21.70</b>
Attributable to Owners of the Parent	(13.13)	32.07	31.87	22.01
Attributable to Non-controlling Interest	(1.71)	(0.79)	(0.73)	(0.31)
<b>Total Comprehensive Income (TCI)</b>	<b>(17.35)</b>	<b>30.38</b>	<b>28.80</b>	<b>21.31</b>
Attributable to Owners of the Parent	(15.64)	31.17	29.53	21.62
Attributable to Non-controlling Interest	(1.71)	(0.79)	(0.73)	(0.31)
No of Shares (In crore)	4.05	4.05	4.05	4.05
Earnings Per Share (₹) (Not annualised)	(3.24)	7.91	7.87	5.43



## CONSOLIDATED BALANCE SHEET

(₹ in crore)

	30 Sept, '19	31 Mar, '20
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	474.05	491.46
Capital Work-in-progress	49.81	8.87
Right of use assets	68.49	68.08
Investment Property	0.11	0.11
Goodwill on consolidation	23.66	23.81
Intangible Assets	36.95	41.14
Intangible Assets under Development	2.22	0.96
Financial Assets		
Loans	0.35	0.55
Others	20.01	23.97
Income Tax Assets (Net)	18.38	18.34
Other Non-current Assets	28.67	44.61
<b>CURRENT ASSETS</b>		
Inventories	323.98	383.38
Financial Assets		
Investments	261.45	152.80
Trade Receivables	242.38	204.54
Cash and Cash Equivalents	147.95	104.87
Other Bank Balances	23.30	20.23
Loans	0.36	0.55
Others	2.31	4.36
Other Current Assets	66.21	72.04
<b>Total Assets</b>	<b>1,790.01</b>	<b>1,664.67</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	41.28	41.28
Other Equity	589.32	604.96
Non-controlling Interest	(1.31)	0.40
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Financial Liabilities		
Borrowings	240.67	253.72
Lease Liabilities	37.67	44.13
Other Financial Liabilities	10.15	0.26
Provisions	65.77	65.51
Deferred Tax Liabilities (Net)	12.93	11.29
Other Non-current Liabilities	14.40	16.69
<b>CURRENT LIABILITIES</b>		
Financial Liabilities		
Borrowings	39.16	35.15
Lease Liabilities	24.24	15.08
Trade Payables	593.74	476.21
Other Financial Liabilities	26.50	22.41
Other Current Liabilities	91.29	73.30
Provisions	4.20	4.28
<b>Total Equity And Liabilities</b>	<b>1,790.01</b>	<b>1,664.67</b>

# Thank You



## Disclaimer

This presentation contains statements which reflect the Management's current views and estimates and may be construed as forward-looking in nature. The future involves certain risks and uncertainties that may cause actual results to differ materially from the current views being expressed. Partial risks and uncertainties include such factors as general economic conditions, commodity prices and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.





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