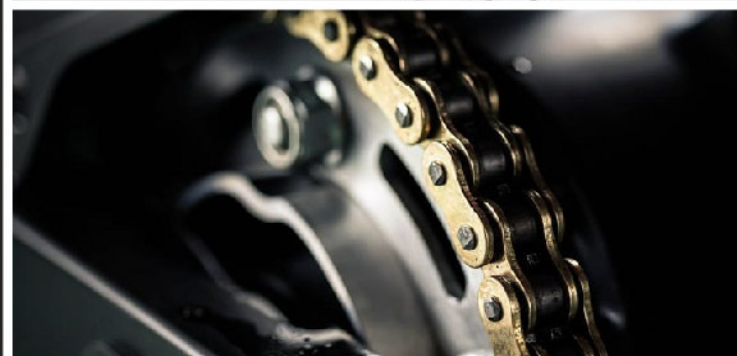
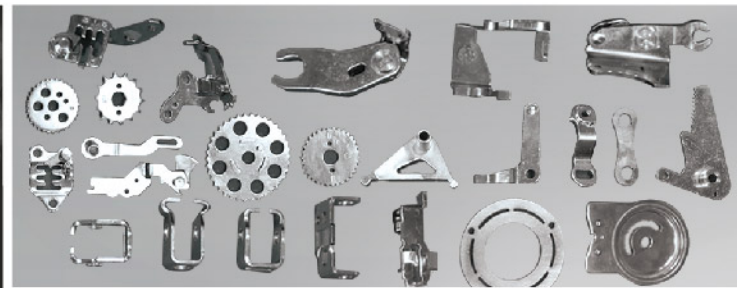


Q3

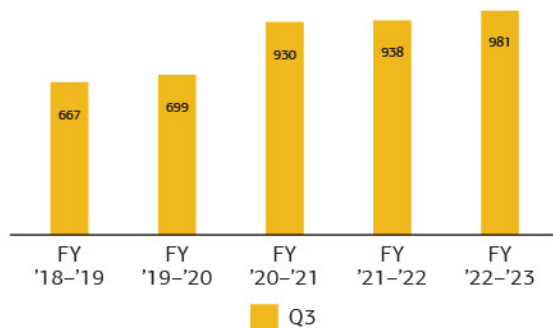
Financial Report

Quarter Ended 31st December, 2022

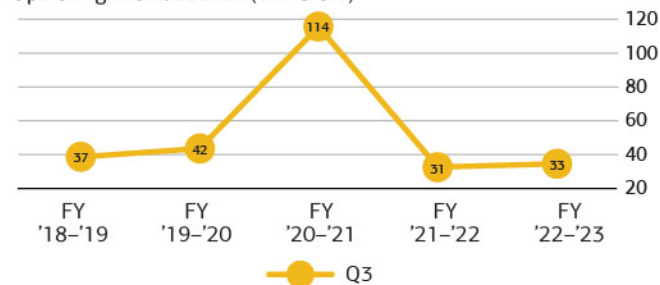


Financial Track Record

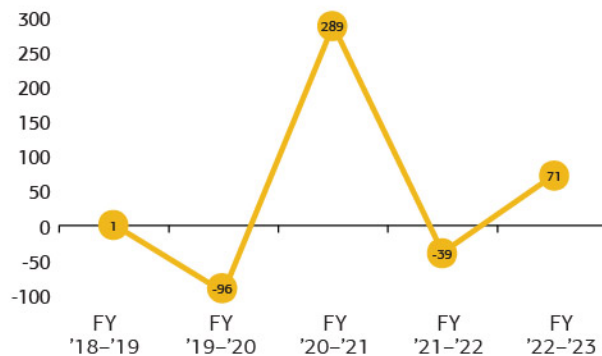
Revenue (₹ in Crore)



Operating Profit/EBDITA (₹ in Crore)



Free Cash Flow 9 Months December (₹ in Crore)



Parameters Q3 FY 2022–2023

(₹ in Crore)

Total Revenue ₹981 +4.6%	Revenue from Operations ₹977 +4.7%	EBDITA ₹33 +7.02%
EBDITA Margin % 3.37 +10 bps	Net Profit Margin -0.14% +29 bps	EPS ₹-0.34 +65.7%
Receivables ₹361 35.8%	Inventories ₹638 10.0%	Accounts Payable ₹910 15.9%
Free Cash Flow ₹71 +381.1%	RONW -1.0% +200 bps	Operating Cash Flow ₹+109 +27.8%

Note Growth/degrowth have been calculated in comparison to last year.

Financial Review Q3

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	981	938	3132	2468
EBITDA	33	31	145	75
EBITDA % on Revenue	3.37	3.27	4.64	3.04
EBT	-3	-6	38	-33
EBT % on Revenue	-0.35	-0.66	1.20	-1.34
ROCE %	1.51	0.76	8.45	-1.29

Growth in revenue in 3rd Quarter is ₹43 Crore which is a 4.5% increase over last year.

Growth looks flat due to lower than expectation revenue in Appliances Division in November and December.

Material cost as a percentage to revenue reduced by 2% over last year due to commodity price going down which improved gross margin amount by ₹33 Crore and was aided by marginal hike in revenue.

Operating expenses increased, based on higher travel cost, promotion expenses, service expenses and CSR expenses.

Higher gross margin amount over increase in operating expenses resulted in marginally higher PBDIT.

Balance Sheet

Total borrowing was ₹148.71 Crore as on Quarter end date including term loan amount of ₹114.76 Crore. The break-up of the borrowing is as follows:

Borrowing

(₹ in Crore)

Loan Type	Value	Banker	Purpose	Tenure
ECB	69.71	Standard Chartered	AC Project	Five Years
Rupee Term Loan	3.45	Federal Bank	Steel Division	Six Years
Rupee Term Loan	10.85	DBS Bank	Engineering Division	Five Years
Rupee Term Loan	29.75	ICICI Bank	Stamping Division	Seven Years
Rupee Term Loan	1.00	ICICI Bank	Motor Division	Seven Years
Working Capital Buyer's Credit	29.95	SCB	Home Appliances	
Working Capital Demand Loan	4.0	Federal Bank	Steel Division	
Total	148.71			

ECB Loan (₹141 Crore) taken from SCB for our AC plant came down to its current position after making a pre-payment of ₹28.32 Crore in January 2021 and five principal payments in October 2021, January 2022, April 2022, July 2022 and October 2022.

Term Loan (₹70 Crore) taken from DBS for our Engineering business was partly pre-paid in December 2020 to reach a balance of ₹47.10 Crore. Thereafter, principal payments were made during the year. In addition, the Engineering Division made two pre-payments, a total of ₹12.78 Crore in August and October 2022 which brought down the loan amount to ₹10.85 Crore as on the last date of Quarter 3.

Three instalments of **Stamping Division Loan (₹35 Crore)** taken from ICICI Bank were paid in May, August and November 2022 to reach its current position of ₹29.75 Crore.

Steel Division borrowed ₹3.45 Crore for their CapEx project till December 2022.

Against the aforesaid borrowing, as on 31st December 2022, our Cash and Bank Balances (including investments in Mutual Funds) were at ₹222.87 Crore. Hence, the Company remained debt free on a net basis as on the last day of Quarter 3 of FY 2022–23. The break up of the same is given below:

Break-up of cash and bank balances (including investments in Mutual Fund)

Cash and Bank Balances	₹84.32 Crore
Investments in Mutual Fund	₹138.55 Crore
Total	₹222.87 Crore

In the Home Appliances Division, there is opportunity to improve working capital usage by ~₹150 Crore as of December 2022. We had wanted to improve this in Q3 itself, but, the slow-down in the market in November and December 2022 has effected the improvement on this. Production has been adjusted and the working capital utilisation will be improved by March 2023. This initiative will improve creditor positions and also help cash positions in operations.

The Engineering Division has improved its Inventory and Debtors holding days during Quarter 3 and prepaid bank loans to the tune of ₹9.78 Crore on 13th October 2022. It will continue this effort to improve the situation further and will explore the possibilities to pay off the balance loan amount by end of the current fiscal. Since the borrowing rate has gone up, hence we will think it through and decide on further pre-payment.

Out of approved ₹97 Crore (at par value), we invested ₹60 Crore in IFB Refrigeration Limited in the December Quarter which reduced the cash balance. Further ₹9 Crore has been invested in January 2023 and the balance will be paid soon—the plant is more or less ready and production will start in April 2023. IFB will be under 50% holding.

Business Update

Home Appliances Division

Market demand was significantly reduced post the Diwali month in October 2022. Demand fell in November and December 2022 and customer off-take was low across product categories. However, we feel that the overall demand in the medium term will remain stable and this will be driven by our continued efforts at expanding our presence in the channel networks led by distribution across India.

The pressure on input commodity/material costs lowered in Q3. Going forward, this will improve margins.

In the Washer category, the Company has a complete product pipeline with unique feature-led Front and Top Load models across the entire product line-up. The Front Load models with the Steam features across the entire range and the Top Load models with in-built heaters and Steam function have been very well received in the market and have helped the Company to gain market share in the relevant segments in this fiscal year.

In the Industrial Segment, the introduction of the Washer Extractor and Clothes Dryer models at the unique 11 Kg capacity segment—targeted at semi-commercial/commercial laundry segments have generated a healthy order book for the Company. The introduction of the new range of Industrial Washing Machines with the patented Xeros technology—which uses significantly less water, detergent and chemicals—has also helped generate customer enquiries and will aid the overall sales pipeline.

We are executing the new design for IFB Points in steps across stores. A program for changeover of all existing stores to the new design has also been started. In this fiscal year, we will changeover a total of approximately thirty existing stores to the new design format (the next FY target will be an estimated ~150–200 stores to be changed to the new design). The IFB Point count is at 517 stores as on date. We are running a program in selected IFB Points to pilot a digital and offline activations led model for increasing footfall in IFB Points from customers within a ~5–10 km radius.

We are focusing on increased customer service as well as the look and feel of our stores and throughput—we know where we need to expand, but this will be done once the improvements are complete. An existing IFB Point in Mumbai is being redone with Modular Kitchens to serve as an entry into the Mumbai market. We will plan similar stores in Bangalore, Goa, Kolkata etc. Though the business has not done well, but a lot of focus is being placed on growing this business rapidly.

Engineering Division

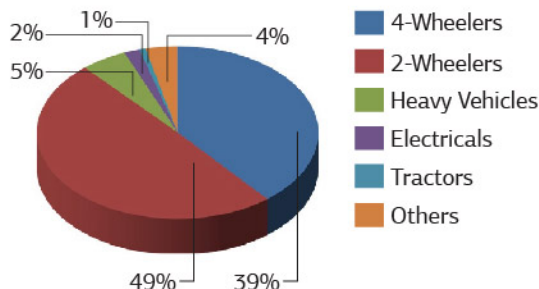
Business environment in Q3 FY 2022–23 improved marginally due to decrease in commodity prices.

The demand trend in the 3rd Quarter FY 2022–23 was slightly better in October and November 2022, but December was poor due to shut down in some OEMs such as MSIL (8 days), Hyundai (7 days), Hero Moto (8 days) and Honda (13 days).

- As far as 4W demand is concerned, all OEMs have gone for higher numbers with the advent of the festive season. The 4W demand is expected to continue at the same scale in the coming Quarter on account of a high waiting period. As far as 2W demand is concerned, it is being muted due to OBD1 and OBD2 requirement (OBD stands for On Board Diagnostics).
- 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 the coming Quarter.
- The demand for EV vehicles is seen mainly in the scooter segment. The Quarterly sales number is 3,37,621 leading to an average sales of 1,12,540 per month. We need to focus on this segment as more localisation will take place.
- In the coming Quarter both 4W and CV are expected to be on the growth phase. 2W demand will be flat or there may be a slight de-growth.
- Global indications are not favourable—the Western world is undergoing a recession. India may move out of the crisis due to a positive market demand.
- In Q3, automotive market sales improved slightly as compared to the last Quarter due to the following reasons:
 1. Semi conductor shortage situation has improved as compared to earlier Quarters.
 2. The commodity prices have decreased leading to an increase in demand.
 3. In 2W segment the implementation of OBD1 and OBD2 may lead to a suppressed demand in Q4.
 4. The 4W, CV are expected to do well in the 4th Quarter also.
 5. Decline in Covid-19 cases has also helped the economy from being disrupted.

Engineering Division
Segment-wise
Sales Q3 '22-'23



RANGE OF PRODUCTS (Home Appliances Division)

The Division's range of products covers both domestic and industrial application categories. The updates at the end of the 3rd Quarter for each of the product categories are given below:

• Front Load Washing Machine

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 products 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. As at the end of the 3rd Quarter in the current year, we continue to see a healthy demand for the Company's product range.

The Company's key task is to increase its market share and this will happen with two key initiatives.

The first is on the product front. This includes the new Steam enabled range. 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 IoT/AI introductions and the roll out is from March FY 2022–23.

The second area of 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 an increase in revenue shares from the large key accounts. We have introduced Front Load Washing Machines in the 9 and 10 Kg segments. This range is at ~100 K pa 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. This will be further supported by the introduction of Front Load high-end models in the 9 and 10 Kg segment by the end of Q4 of FY 2022–23. Our focus is specifically on more extraction from existing counters in this category.

• 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 ~1,700 counters and is selling an average of ~1600–1700 units per month already. The placement will be increased to ~2,500 counters by the end of Q4 of FY 2022–23.

• 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 and the focus is on completion of placement by March 2023.

• Clothes Dryers

The Clothes Dryer sales have been moderate in the Quarter. We are in the process of customising this category by introducing colour themes in Red, Yellow and Mocha. These models will be rolled out in the Q1 of FY 2023–24. Also we have plans to upgrade this category with Heat pump technology by the end of FY 2023–24 which will be ready for market introduction by the early part of the next fiscal.

• Industrial Segments—Laundry and Dishwashing Equipment

IFB has a comprehensive solution for all aspects of a commercial laundry setup. Our teams understand customer requirements in terms of layout preparations, installations and post warranty AMC support. Our customers are from verticals like hotels, educational institutions, medical institutions, defence, pharmaceuticals, railways etc. The IFB equipment/range serves them with better reliability and durability, it also addresses all their needs from washing to finishing, with the help of appliances like Washer Extractors, Tumble Dryers, Flat Work Ironers, Folders, Body Presses, Dry Cleaning Machines and other accessories.

In the Laundry category, we successfully bagged orders from a major Pharma company, Bharat Biotech. In the healthcare segment, we received orders from Saifee University (Mumbai) and Velammal Hospitals (Tamil Nadu) etc which show a significantly better order book positioning. In the Commercial Dishwasher segment, we continue to enjoy the position of being the market leader by continuously bagging large project orders including GRT Jewellery, Qualcomm, Capgemini etc. The Company continues to enjoy dominant market share across all customer segments, including healthcare, defence establishments, bars, restaurants, large institutions, hotels etc.

In Q3, we participated in a major event, Medica 2022 in Kolkata targeting the health care segment of the Eastern Region and participating in large/high-value tenders in the North East, West Bengal, Odisha etc. 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. In Q4, we will participate in Aahar 2023—the largest hospitality event related to our industry, to be held in New Delhi in March. Our order book has significantly improved in Q3 and is expected to grow to a healthier level in Q4.

• Microwave Ovens

IFB continues to be in the top three dominant players in this category in the 3rd Quarter as well. The key delivery targets ahead in this fiscal year are to complete the new model introductions, including models with new technology to improve the cooking process.

The Quartz Oven with advance cooking technology has been launched and has received good responses. 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. The upgraded features of this model has contributed to the increase in sales.

In line with our plan for model platform de-risking and reducing dependence on one supplier, we will ensure better model options from other vendors for the business going forward—at new capacities and different price points, which will be catering to a wider customer base.

• 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 this fiscal year and there is more room for growth. The focus continues to be on placement of these products—with a proper display unit in key counters.

We are now placed in ~750 MBO counters, in addition to ~520 IFB Points. The IFB Points account for ~40% of sales in this category. The kitchen appliances category is a key segment for expansion and is also accretive to margins.

The sales turnover for the period April 2022 to December 2022 was ₹23.8 Crore with a growth of 40% over LY. Our target is to achieve a monthly sales value of ₹5 Crore by Q1 of the next fiscal year. We are behind on this target and we need to achieve this through product placements and sales focus through the channels that sell these products.

• Dishwashers

The domestic Dishwasher segment has seen a reduction in demand from previous Quarters. In terms of placement, we are now placed in ~3,000 counters. Although the market demand has reduced, we are driving placements in the distribution network to a level of ~4,500 plus counters. The demand of 15 place setting Dishwashers has gone up and our Neptune VX1 Plus model has become one of the highest selling SKUs.

We have introduced a tactical, digitally led campaign to increase conversions in this product category. The campaign is targeted at all potential customers wanting to purchase a Dishwasher with attractive EMI offers. Also, we 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 April/May 2023 onwards.

- **Air Conditioners**

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

The product range is well received in the market and is differentiated and benchmarked to the best in the industry. The quality and performance levels of the product range have been acknowledged to be among the best-in-class. 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 Company margins in the period starting from January 2023 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 the YTD period of FY 2022–23. This profitability issue will be addressed by material cost reduction from Q4 onwards.

The Company had invested ₹182 Crore in the AC plant and loss at PBT level till December 2022 is ₹212 Crore. Our action on material costs and increased sales is the key target to becoming profitable within Q4 of this year in this segment.

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 pa 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 focussed effort in building the team for this from Q4 onwards.

Financial Summary of Home Appliances Division
(including Bommassandra, Motors & Inter unit)

(₹ in Crore)

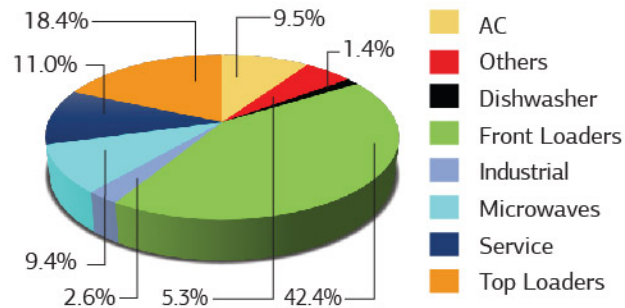
Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	763	768	2495	1998
EBITDA	15	24	100	55
EBITDA % on Revenue	1.97	3.09	4.01	2.76
EBT	-13	-4	18	-25
EBT % on Revenue	-1.76	-0.51	0.71	-1.26
ROCE %	-3.57	2.50	8.73	-0.69

- Revenue had a de-growth in current Quarter.
- EBITDA was lower than last year due to following reasons:
 1. Revenue was below expectation during the Quarter.
 2. Sales were low in November and December, putting the Quarterly revenue behind last year.
 3. However, there was marginal increase in gross margin amount due to improvement in gross margin %.
 4. However, enhanced fixed expenses wiped out this advantage putting the Division ₹9 Crore behind last year's PBDIT.
 5. Fixed expenses increased by ₹19 Crore due to hike in manning cost (including CSR), promotion cost, travel etc.

Our task is to significantly grow FL, TL and AC sales and for MWOs to keep the momentum in volumes. In Kitchen Appliances, our target is to have substantial growth in sales per month and we are driving placements in the distribution network. For DWs, we are increasing placements to sell ~4–5 K Dishwashers per month. AC revenue share in Q3 was far below expectation. This is expected to improve in Q4.

We are aware that revenue and margin are under pressure. This is something which is bothering us. We have restructured sales geographies etc in order to give more focus. For example, the South has been split—same has been done in the West to help Zonal Managers to focus more on some areas. This has no cost and no recruitment has been done for this. At the same time we are in the process of reducing monthly costs by ₹2.75 Crore and its effect will come from April 2023. More actions are being taken to reduce costs by a similar amount or more.

Home Appliances Division Segment-wise Sales Q3 '22-'23



Financial Summary of Fine Blanking Division

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	138.72	109.18	410.17	316.11
EBITDA	21.56	11.79	59.74	36.17
EBITDA % on Revenue	15.54	10.80	14.56	11.44
EBT	13.09	1.92	33.19	8.42
EBT % on Revenue	9.44	1.76	8.09	2.66

- In Q3 in 2022–23, the Fine Blanking Division achieved a revenue of ₹139 Crore as compared to ₹109 Crore in the corresponding Quarter of last year which resulted in a growth of 27% over the corresponding Quarter.
- PBDIT for the Quarter was ₹21.56 Crore (15.5%) as compared to last year's ₹11.79 Crore (10.8%) during the same period of last year.
- Hike in revenue caused improvement in margin in comparison to the last year.
- Price settlements is pending for an amount of ₹0.97 Crore which will be billed in Q4 to improve PBDIT.
- PBT for the Quarter was ₹13.09 Crore (9.4%) as compared to ₹1.92 Crore (1.76%) during the same period of last year.

Our target is to take monthly sales to ₹60 Crore—we have the capacity in place—may be some small additions in areas like secondary processes over moulding and testing equipment will be required. The original CapEx was finalised before Covid-19 and in the last two years, the pandemic and semi conductor shortage hit our industry badly leading to sub-optimal capacity utilisation at our plants.

Financial Summary of Stamping Division

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	17.66	13.03	51.79	36.74
EBITDA	2.27	1.63	7.13	3.92
EBITDA % on Revenue	12.85	12.51	13.77	10.67
EBT	-0.02	-0.24	0.10	-1.61
EBT % on Revenue	-0.11	-1.84	0.19	-4.38

- In Q3 2022–23, the Stamping Division has achieved a revenue of ₹17.66 Crore as against last year's ₹13.03 Crore which resulted in a growth of 35% over the corresponding Quarter.
- PBDIT for Q3 was ₹2.27 Crore (12.8% on revenue) as against last year's ₹1.63 Crore.
- PBDIT improved over last year due to higher revenue and lower material cost.
- The Stamping Division is expected to be at ₹7–8 Crore revenue per month with a PBIDT of 15% plus from Q1 of next financial year.
- Pending price increase amount is ₹0.53 Crore which will be realised in Q4.
- This is in line with our takeover target while taking over Stamping Division from IFB Automotive in August 2019.
- However, we are delayed by three years mainly due to impact of Covid-19 which affected OEM output.
- Global shortage of semi-conductors during FY 2021–22 had a serious effect on the OEMs and many of them curtailed, postponed, and cancelled numerous launches due to the same. As a result, the Division lost significant revenue and margins.

Financial Summary of After Market Division

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	25.53	26.05	62.37	55.24
EBITDA	0.49	1.01	-2.93	0.25
EBITDA % on Revenue	1.92	3.88	-4.70	0.45
EBT	0.42	0.92	-3.18	-0.01
EBT % on Revenue	1.65	3.53	-5.10	-0.02

- During this Quarter, AFM achieved revenue of ₹25.53 Crore as compared to ₹26.05 Crore in the last year.
- Hence, there was a marginal revenue de-growth.
- Export billing reduced in the current Quarter over last year resulting into overall de-growth.
- PBDIT declined on account of higher material cost.
- The Division is working on reduction in material cost, price correction and increase in distribution network in order to ensure higher margin.



Financial Summary of Engineering Division

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	171.86	139.10	496.92	385.28
EBITDA	24.34	14.39	63.95	40.30
EBITDA % on Revenue	14.16	10.35	12.87	10.46
EBT	13.50	2.56	30.13	6.75
EBT % on Revenue	7.86	1.84	6.06	1.75
ROCE %	17.70	6.60	14.19	5.86

- In Q3 in 2022–23, the Engineering Division achieved a revenue of ₹172 Crore as compared to ₹139 Crore in the corresponding Quarter of last year which resulted in a growth of 24% over the corresponding Quarter.
- PBDIT for the Quarter was ₹24.34 Crore (14.2%) as compared to ₹14.39 Crore (10.3%) during the same period of last year.
- Price settlements is pending for an amount of ₹1.50 Crore which will be billed in Q4 to improve PBDIT.
- PBT for the Quarter was ₹13.50 Crore (7.86%) as compared to ₹2.56 Crore (1.84%) during the same period of last year.
- Business environment in 4th Quarter FY 2022–23 is expected to improve due to following reasons:
 1. Vehicle scrapping policy will lead to an increase in demand for 4W.
 2. CV demand is expected to improve going forward as investments in Infrastructure increases.
- In addition to ₹60 Crore from the Fine Blanking Division, for the Stamping Division we are targeting monthly sales of ₹7.5 Crore by the 1st Quarter of the next fiscal—After Market will be over and above this.
- Furthermore, the Division tried for some acquisitions, but failed. Further attempts will be made to grow the business through acquisition.

Motor Division

Appliance Motor Sales is not reported separately as it is an internal sale within the Home Appliance Division. After the new BLDC motor line comes up, we will be selling to others, including competition. During the Quarter, the Division's revenue did not grow as anticipated, due to depressed market conditions. Profitability was also greatly dented due to an increasing trend seen in commodity prices. The Appliance Motor Division could partially recover cost from the Home Appliance Division, but this was not sufficient to cover up against the increase in commodity prices that has been affecting the Division since the last financial year.

We anticipate depressed market conditions in Q4 also. In the Automotive Motor Division, many new projects that were supposed to be launched in Q4 by our customers, have been postponed and we hope that the same will come up in Q1 of the next FY. In Q4, we will start supply of wiper motors to a major OEM for their three-wheeler application. We will also start a supply of HVAC blower assemblies for a major OEM for their use in commercial trucks. This new order should help us improve our revenues from Q1 of the next FY. We also plan to improve our 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 Appliances 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 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 lockdowns at the suppliers' end. The lines are presently under installation and we expect to complete this by the middle of February. Commercial production will be started by April 2023, after completion of field trials. Air Conditioner motor manufacturing lines are under production and we expect to receive the same by May 2023. The line should be ready for commercial production from July 2023 onwards.

Our range of BLDC motors for Washing Machines can cater to a wide capacity starting from 5 Kg to 10 Kg. The line can produce motors for both Front Load as well as Top Load application. The targeted customers for Washing Machine BLDC motors are Samsung, Whirlpool, Electrolux, Vestal, etc and we are in discussion with OEMs to cater to their BLDC motor requirements.

BLDC motors for Air Conditioners will cater to a wide range of capacities starting from 0.8 to 2.0 tons. The lines can produce for both IDU and ODU applications. For Air Conditioner BLDC motors, we are in discussion with various OEMs like Godrej, Voltas, Blue Star, Panasonic, Hitachi, Carrier Midea, Daikin etc to cater to their BLDC motor requirements.

Financial Summary of Automotive Motor Division

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	17.05	10.77	54.68	31.69
EBITDA	0.46	-1.03	2.69	-2.99
EBITDA % on Revenue	2.70	-9.56	4.92	-9.44
EBT	-0.01	-1.51	1.50	-4.47
EBT % on Revenue	-0.06	-14.02	2.74	-14.11

- During Q3 of FY 2023, the Automotive Motor Division could achieve a turnover of ₹17 Crore thereby recording a growth of 56%.
- Consumption percentage reduced in the Division due to the settlement of pending price increase and also a favourable product mix.
- In this Division too, we need to reach a monthly turnover of ₹8 Crore to ensure a decent margin.
- We are working on various cost reduction initiatives to improve margins.

Financial Summary of Steel Division

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	32.96	30.14	104.20	83.07
EBITDA	1.19	0.45	2.83	0.65
EBITDA % on Revenue	3.61	1.49	2.72	0.78
EBT	0.59	0.09	1.28	-0.52
EBT % on Revenue	1.79	0.30	1.23	-0.63

- During the 3rd Quarter, FY 2022–23, total sales was 4224 MT, as compared to budgeted sales of 4,275 MT. Job Work Quantity was 2,314 MT as compared to the budgeted quantity of 1,200 Mt to ensure that upstream mill capacity utilisation is maximised. The total revenue for the Quarter is ₹32.96 Crore, which is higher by 9% over the last year.
- Revenue for the Quarter includes ₹18.48 Crore which was an internal sale to our Fine Blanking Division. Similarly, in the YTD period value of internal sales stands at ₹63.21 Crore.
- Improvement in PBDIT was due to higher revenue and a rise in value addition.
- New customers have been developed in the non-automotive segment, viz. Rim Grade (bicycle) and precision clamps and circlips in automotive end use.
- Maintenance expenses were higher by ₹0.12 Crore in Q3 2022–23 as compared to budget due to non-recurring repairing activity in machineries, owing to wear and tear and corrosion of aged equipment. Post project implementation, repair expenses are expected to come down.
- This Division supplies material to the Fine Blanking Division and has been very helpful in terms of getting steel at the right quality, price and quantity. It is a strategic Division for us. However, it does supply to external customers—revenue share to external parties stands at 40% in the 3rd Quarter as against last year's 19%.

Subsidiaries

IFB Industries Limited, the Holding Company, has one wholly owned subsidiary—Global Automotive and Appliances Pte Ltd (GAAL), and one step-down subsidiary, Thai Automotive and Appliances Limited (TAAL).

Global Automotive & Appliances Pte Ltd (GAAL)

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	9.39	9.91	33.17	28.68
EBITDA	0.02	0.67	0.68	2.62
EBITDA % on Revenue	0.21	6.76	2.05	9.14
EBT	0.02	0.67	0.68	2.62
EBT % on Revenue	0.21	6.76	2.05	9.14

- Revenue de-growth during the Quarter was due to inability to deliver as per requirement on account of low demand from customers.
- Material cost increased during the Quarter because of high freight cost due to critical shipments.

Why it is strategic to have an establishment in Singapore

- Having an office there gives us credibility in dealing with global companies that have their regional headquarters in Singapore and this gives us access to all other ASEAN companies with offices in Singapore.
- Face-to-face communication in a fast-changing environment helps.
- Singapore is a hub for shipping and banking, which will help us in the long-term.

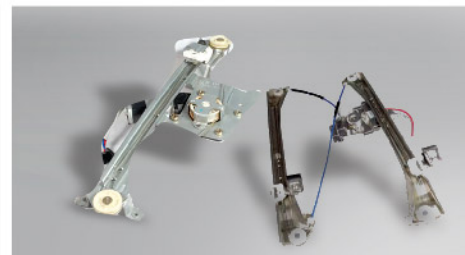
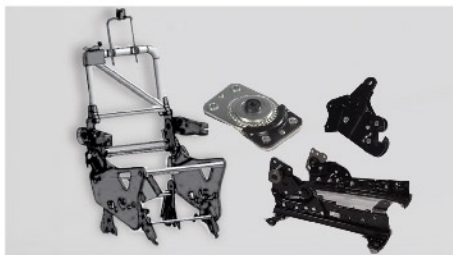
Thai Automotive & Appliances Limited

(₹ in Crore)

Particulars	Q3 (FY '22-'23)	Q3 (FY '21-'22)	YTD (FY '22-'23)	YTD (FY '21-'22)
Revenue from Operations	14.42	11.45	36.66	33.59
EBITDA	0.64	0.70	1.50	1.86
EBITDA % on Revenue	4.44	6.11	4.09	5.54
EBT	0.02	0.13	-0.35	0.10
EBT % on Revenue	0.14	1.14	-0.95	0.30

TAAL is engaged in manufacturing Auto Components through the Fine Blanking process.

- During the Quarter, in spite of revenue growth, there has been a decline in margins.
- This is due to higher material cost.
- Thai Automotive is looking for scope to enhance business volume through increased marketing efforts by adding new customers and actively pursuing price settlements with existing customers to make its bottom line positive.
- Pending price increase amount as on 31st December 2022 was ₹7.35 Lakh which will be realised in Q4.



Notes on Current Status After Takeover— Ramson Takeover

- Industrial Laundry Manufacturing Business was acquired from Ramson on 18 October, 2018.
- Due to the pandemic, our business was severely impacted as hotels, institutions were all closed for the major part of FY 2020–21 and FY 2021–22.
- After the pandemic, we started participating in exhibitions like Aahar, Laundrex, Medicaall etc and we received a good response with lots of enquiries and confirmed orders.
- Started in-house manufacturing of Dryers up to a capacity of 30 Kg.
- Development of machines are completed in the 11 Kg and new Xeros Technology segment. We have also started a Wet Cleaning Project.
- The orders in Laundry Equipments have improved significantly in the last three months to an average of ₹8 Crore per month and the effect of this has already started to reflect in the divisional P&L. Till December 2022, the average monthly turnover of ₹5 Crore has crossed ₹7 Crore in January 2023 and, in February/March the revenue will exceed ₹8 Crore per month.
- With a turnover of ₹8 Crore per month, PBDIT percentage is expected to reach over 10%.
- Financial highlights are summarised below:

Particulars	UOM	2019–20	2020–21	2021–22	2022–23*
Revenue	₹/Crores	41.36	30.76	45.86	52.96
PBDIT	₹/Crores	-4.20	-4.20	-1.03	3.79
PBDIT%	Percentage	-10.14	-13.07	-2.24	7.15
PBT	₹/Crores	-7.71	-7.65	-5.00	-0.29
PBT%	Percentage	-18.64	-24.86	-10.90	-0.54

*FY 2022–23 figures are till December 2022.

Stamping Division Takeover

- IFB Industries Ltd acquired the Stamping Division from IFB Automotive Pvt Ltd, in October 2019, to position its Engineering Division as a 'one-stop shop' for the Automobile Components Business.
- The Division could not achieve its revenue and margin targets due to reasons as stated below:
 1. FY 2020–21: Covid-19 outbreak.
 2. FY 2021–22: Outbreak of the 2nd wave of Covid-19 and global shortage of semi conductors which affected OEMs.
 3. Steep rise in commodity price, which affected margins.
 4. Marketing needs to do much more to ensure that the capacity is utilised for Stamping and Fine Blanking. Once the Stamping turnover per month reaches ₹7 Crore plus, we will achieve 15% PBDIT and the capacity will be fully utilised.
- In FY 2022–23, based on enhanced marketing efforts and improvement in the general business environment, the Division has improved its revenue and margin. Financial trends since FY 2019–20 till the current year (up to December 2022) are given below:

Particulars	UOM	2019–20	2020–21	2021–22	2022–23*
Revenue	₹/Crores	17.24	36.26	49.40	51.79
PBDIT	₹/Crores	2.25	3.63	5.62	7.13
PBDIT%	Percentage	13.05	10.01	11.38	13.77
PBT	₹/Crores	-1.42	-3.76	-1.72	0.10
PBT%	Percentage	-8.24	-10.37	-3.48	0.19

*FY 2022–23 figures are till December 2022.

Trishan Metals Takeover

- 51% equity of Trishan Metals Pvt Ltd (manufacturer of cold rolled strips) was acquired by IFBIL in July 2016. Remaining 49% was acquired on 31 October 2020. Finally, it was amalgamated with IFBIL with effect from 1 April 2022 as per the NCLT order.
- The key challenges of the business were:
 1. The unit was running at poor capacity utilisation and low order booking.
 2. Plant, mill equipment and electricals were not only outdated but obsolete.
 3. High turnover of employees—3 Plant Heads left in the last 5 years.
- Turnaround Strategy implemented
 1. Improvement in value addition through better product mix.
 2. An aggressive Marketing strategy to acquire new customers and provide orders for >90% mill capacity utilisation.
 3. Close monitoring of cost and reducing non prime generation in the mill.
 4. CapEx undertaken to increase volume and upgradation planned to enhance mill capacity and improve quality.
- Improved capacity utilisation and better value addition with an enriched product mix has enabled the unit to turn around. In the FY 2021–22, we posted PBIDT of ₹0.97 Crore with a cash profit of ₹0.62 Crore. In FY 2022–23, we expect to touch PBIDT of ₹3 Crore.
- Figures in the financials below are not comparable as Trishan Metals earlier was a subsidiary, but now has merged with IFBIL. After the merger, out of a total revenue of ₹104.20 Crore in FY 2022–23 internal sale to the FB Division is ₹63.21 Crore. Financials are summarised below:

Particulars	UOM	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23*
Revenue	₹/Crores	31.48	74.38	119.64	72.11	71.26	116.71	104.20
PBDIT	₹/Crores	-3.72	-1.12	-0.11	-1.19	-0.19	0.97	2.83
PBDIT%	Percentage	-11.82	-1.51	-0.09	-1.65	-0.27	0.83	2.72
PBT	₹/Crores	-5.52	-3.69	-3.18	-4.14	-2.65	-0.63	1.28
PBT%	Percentage	-17.53	-4.96	-2.66	-5.74	-3.72	-0.54	1.23

*FY 2022–23 figures are till December 2022.

Automotive Motor Division Takeover

The Motor Division of IFB Industries acquired the Automotive Motor Division of IFB Automotive Pvt Ltd in October 2019. The rationale for acquiring the Automotive business was to bring synergy between the two divisions for substantial savings and scale.

IFB already has a Washing Machine Motor Business. Post acquisition, substantial reduction in fixed costs was done and prices of commodities were renegotiated, this action resulted in cost savings.

During Covid-19, the business was affected badly and the subsequent increase in commodity prices neutralised the gains that were achieved.

The business has since recovered. We expect to close this FY with a revenue of ₹75 Crore and EBIDTA of 5%. Our order book for the next FY looks healthy and we aim to achieve sales of ₹100 Crore in the next financial year.

Once the BLDC Motor is manufactured it will result in capacity utilisation—sales will increase and this will ensure higher margins in this vertical. The financial trend of the Division is given below:

Particulars	UOM	2020-21	2021-22	2022-23*
Revenue	₹/Crores	33.68	49.26	54.68
PBDIT	₹/Crores	-3.40	-1.30	2.69
PBDIT%	Percentage	-10.10	-2.64	4.92
PBT	₹/Crores	-5.43	-2.91	1.50
PBT%	Percentage	-16.12	-5.91	2.74

*FY 2022-23 figures are till December 2022.

STANDALONE INCOME STATEMENT

	QTR (₹ in Crore)	
	31 Dec, '22	31 Dec, '21
Total Sale of Products	1,179.76	1,157.52
Less: Trade Scheme and Discounts	253.01	266.20
Net Sales	926.76	891.33
- Sale of Services	26.19	22.46
- Other Operating Revenues	23.85	19.00
Revenue from Operations	976.79	932.79
Other Income	4.00	4.87
Total Income	980.79	937.66
EBDITA	33.07	30.69
EBDITA Margin (%)	3.4	3.3
Depreciation and Amortisation Expense	29.54	28.77
EBIT	3.53	1.92
EBIT Margin (%)	0.4	0.2
Finance costs	7.00	8.04
Profit Before Tax	(3.47)	(6.12)
Profit After Tax	(1.38)	(4.02)
PAT Margin (%)	(0.1)	(0.4)
Total Comprehensive Income (TCI)	(1.83)	(5.26)
Total TCI Margin (%)	(0.19)	(0.56)
No of Shares (in Crore)	4.05	4.05
Earnings Per Share (₹) (Not Annualised)	(0.34)	(0.99)

STANDALONE BALANCE SHEET

(₹ in Crore)

	31 Dec, '22	31 Dec, '21
ASSETS		
Property, Plant and Equipment*	657.31	666.44
Investment in Subsidiaries	81.60	47.90
Investment in Equity Shares	2.25	2.25
Inventories	638.38	580.27
Investment in Mutual Funds	138.55	236.62
Trade Receivables	360.66	265.59
Cash and Bank Balances	84.21	81.84
Other Assets	136.98	168.00
TOTAL	2,099.94	2,048.91
EQUITY AND LIABILITIES		
Equity Share Capital	41.28	41.28
Other Equity	619.35	641.86
Borrowings (Including Current Maturities of Long-term Debts)	161.32	227.54
Trade Payables	909.60	785.11
Other Provisions and Liabilities	368.39	353.12
TOTAL	2,099.94	2,048.91

*Including CWIP, Right to Use Assets, Investment Property, Goodwill, Other Intangible Assets and Intangible Assets Under Development.

STANDALONE KEY RATIOS

	QTR		YTD	
	31 Dec, '22	31 Dec, '21	31 Dec, '22	31 Dec '21
Earnings Per Share (In ₹) (Not Annualised)	(0.34)	(1.04)	6.12	(5.45)
Book Value per Share (In ₹)	163.04	168.68	163.04	168.68
Current Ratio (#)	1.12	1.23	1.12	1.23
Quick Ratio (#)	0.57	0.68	0.57	0.68
EBDITA/Total Income (%)	13.5	3.2	4.6	3.0
Net Profit Margin (%)	(0.6)	(0.5)	0.8	(0.9)
Net Worth (In Crore)	549.55	572.06	549.55	572.06
RONW (%) (On PAT)	(0.3)	(0.7)	4.5	(3.9)
Return on Capital Employed (%) (On EBIT)	0.4	0.2	6.3	(1.0)
No of Equity Shares (In Crore)	4.05	4.05	4.05	4.05
Closing Market Price on Period End	901.70	1124.75	901.70	1124.75
Market Capitalisation (In Crore)	3653.58	4555.24	3653.58	4555.24
Head Counts (Numbers)	2694.00	2552.00	2694.00	2552.00
Total Income Per Employee (₹ in lakh)	36.41	36.35	116.26	95.88
PBT Per Employee (₹ in lakh)	(0.1)	(0.3)	1.4	(1.3)
Fixed Asset Turnover Ratio	7.6	6.9	8.1	6.0
Days Sundry Debtors Outstanding	27	21	26	24
Inventory Holding (In Days)	49	46	46	53

(#) includes current Investments and short term working capital loans and current maturities of long term loans.

STANDALONE CASH FLOW STATEMENT

(₹ in Crore)

	Nine Month Ended	
	31 Dec, '22	31 Dec, '21
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	37.75	(32.45)
Non-Cash and Other Adjustments	93.00	96.90
Operating Profit Before Working Capital Changes	130.75	64.45
Movement in Working Capital	(17.18)	25.70
Cash Generated from Operations	113.57	90.15
Income Taxes Paid	(2.25)	(4.96)
Net Cash Generated from Operating Activities	111.32	85.19
Net Cash Generated from/(Used in) Investing Activities	15.34	(99.52)
Net Cash Used in Financing Activities	(117.38)	(12.29)
NET CHANGE IN CASH AND CASH EQUIVALENTS	9.28	(26.62)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	64.79	95.35
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	74.07	68.73

CONSOLIDATED HIGHLIGHTS

(₹ in Crore)

	Q3 ('22-'23)	Q3 ('21-'22)
Total Income	1003.20	958.11
Earning Before Depreciation, Interest & Tax	33.74	32.05
Earning Before Interest and Tax	3.70	2.79
Profit Before Tax	(3.35)	(5.31)
Profit After Tax	(1.14)	(3.21)
Earnings Per Share (₹) (Not Annualised)	(0.28)	(0.79)
Cash & Liquid Investments	228.23	327.65

CONSOLIDATED INCOME STATEMENT

QTR (₹ in Crore)

	31 Dec, '22	31 Dec, '21
Revenue from operations	999.16	953.12
Total Income	1003.20	958.11
EBDITA	33.74	32.05
EBDITA Margin (%)	3.36	3.35
EBIT	3.70	2.79
EBIT Margin (%)	0.4	0.3
Profit Before Tax	(3.35)	(5.31)
Profit After Tax	(1.14)	(3.21)
Attributable to Owners of the Parent	(1.14)	(3.21)
Attributable to Non-controlling Interest	0.00	0.00
Total Comprehensive Income (TCI)	0.61	(4.23)
Attributable to Owners of the Parent	0.61	(4.23)
Attributable to Non-controlling Interest	0.00	0.00
Earnings per share (₹) (not annualised)	(0.28)	(0.79)

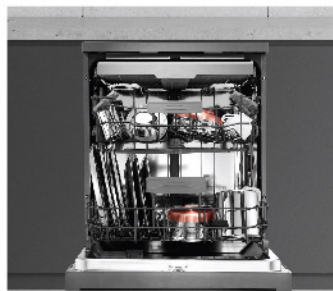
CONSOLIDATED BALANCE SHEET

(₹ in Crore)

	31 Dec, '22	31 Mar, '22
ASSETS		
Property, Plant and Equipment*	683.96	712.76
Investment in Equity Shares	62.25	2.25
Inventories	643.34	576.82
Investment in Mutual Funds	138.55	227.22
Trade Receivables	381.38	310.31
Cash and Bank Balances	89.68	92.87
Other Non-current Assets	138.03	108.23
TOTAL	2,137.19	2,030.46
EQUITY AND LIABILITIES		
Equity Share Capital	41.28	41.28
Other Equity	632.66	606.98
Borrowings (Including Current Maturities of Long-term Debts)	166.91	238.61
Trade Payables	927.56	811.99
Other Provisions and Liabilities	368.78	331.60
TOTAL	2,137.19	2,030.46

*Including CWIP, Right of Use Assets, Investment Property, Goodwill, Other Intangible Assets and Intangible Assets Under Development.

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.

TRUSTED BY OVER **7 MILLION** SATISFIED CUSTOMERS



Microwave Oven

Built-in Oven

Dishwasher

Chimney / Built-in Hob

Top Load

Front Load

100% Clothes Dryer

Air Conditioner

Contact

Prabir Chatterjee

Director and Chief Financial Officer

Phone +91 33 39849475/9524 Mobile +91 9331648802/9674686372 Fax +91 33 39849676

Email probirchatterjee@ifbglobal.com