

May 12, 2023

**Listing Department
National Stock Exchange of India Limited**

Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

**Department of Corporate Services -Listing
BSE Limited**

Phiroze JeeJeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001

Trading Symbol: ORIENTELEC

Scrip Code: 541301

Sub.: Investors' Release – Audited Financial Results – March 31, 2023

Dear Sir / Madam,

This is in continuation of our earlier letter of today's date and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), please find enclosed herewith the copy of Investors' Release on the Audited Financial Results of the Company for the quarter and year ended March 31, 2023.

Investors' Release will also be available on the website of the Company, www.orientelectric.com.

You are requested to take the enclosed document on your record.

Thanking you,

Yours Sincerely,

For **Orient Electric Limited**

Hitesh Kumar Jain
Company Secretary

Encl.: as above



 **CK BIRLA GROUP**



Orient Electric Limited

Earnings Presentation

Q4FY23 & FY23



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Q4FY23 Snapshot

Strong growth in Lighting & Switchgear. Strengthening net cash position



Sales

Rs 658cr

-12.7% YoY

-11.0% QoQ

+5.3% 3Y CAGR



ECD

Rs 458cr

-20.3% YoY

-15.1% QoQ

+0.2% 3Y CAGR



Lighting & Switchgear

Rs 200cr

+11.8% YoY

flat QoQ

+22.6% 3Y CAGR



Gross Profit

Rs 186cr

-11.1% YoY

-11.8% QoQ

28.3% Gross Margin
(+51bps YoY; -28bps QoQ)



EBITDA

Rs 46cr

-42.5% YoY

-15.5% QoQ

7.0% EBITDA Margin
(-366bps YoY; -38bps QoQ)



PAT

Rs 25cr

-48.4% YoY

-21.7% QoQ

3.9% PAT Margin
(-267bps YoY; -53bps QoQ)



Net Cash Position

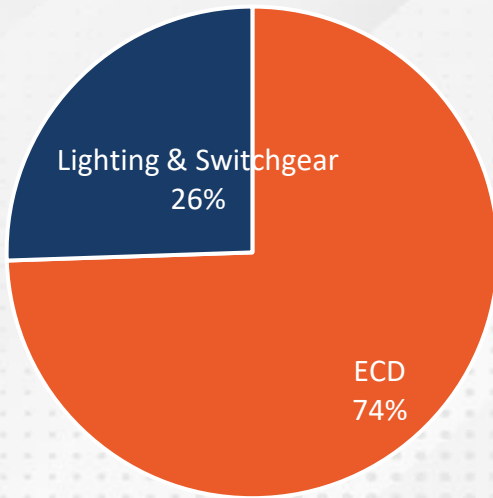
Rs 154cr

+13.5% YoY



Lighting and Switchgear driving the portfolio growth

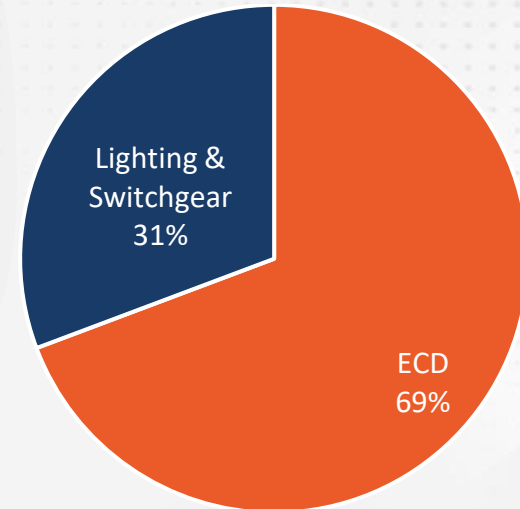
FY21 Sales Split



Share of Lighting and Switchgear in the portfolio +5ppt



FY23 Sales Split



- ✓ Market leading growth in the category with CAGR 22.4% in the last two years
- ✓ Increased share of Lighting and Switchgear within the portfolio to 31% in FY23 vs 26% in FY21
- ✓ Better Product mix aiding continued increase in the margins



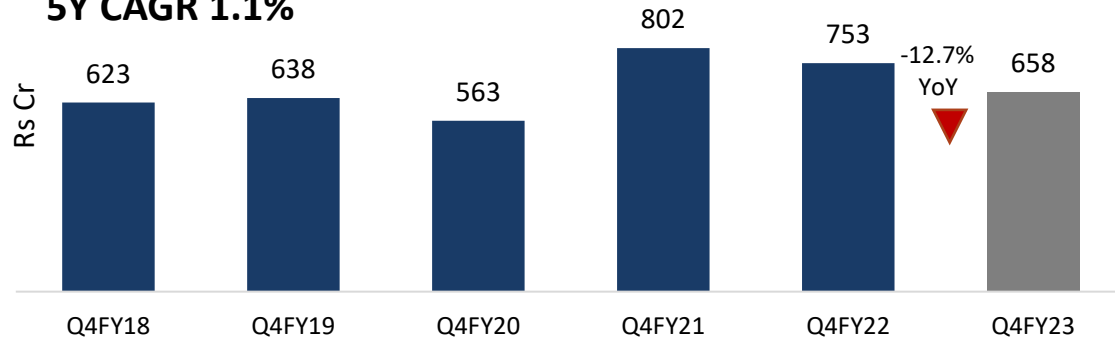
Q4FY23 Highlights

Lighting & Switchgear outperforms in the quarter

Q4 FY23 Revenue

3Y CAGR 5.3%

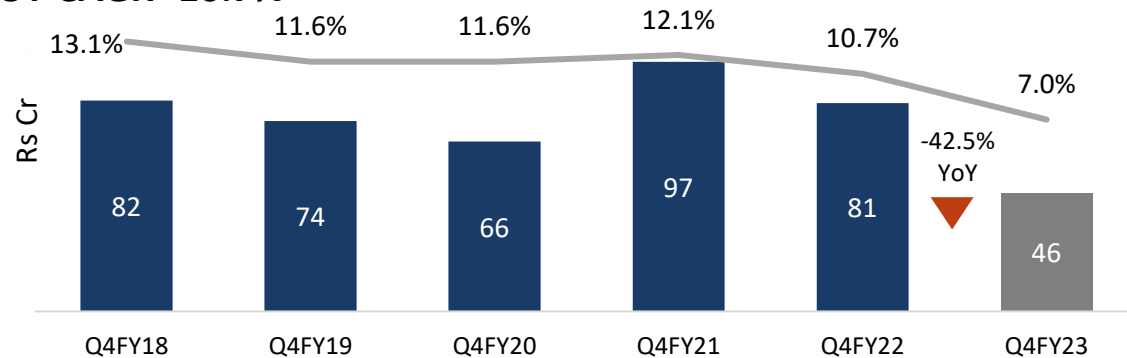
5Y CAGR 1.1%



Q4 FY23 EBITDA

3Y CAGR -10.9%

5Y CAGR -10.7%



- **Q4 revenue at Rs 658cr** de-grew by 12.7% YoY due to muted demand trends in the ECD segment, offset by outperformance in Lighting & switchgear
- **Strong momentum in Lighting and Switchgear** continued, growth of 11.8% YoY with healthy growth across B2B and consumer lighting
- **ECD segment** (-20.3% YoY) was lagged by fans due to stock buildup in the trade channel partners & erratic weather conditions during the quarter
- **Digital Revenue** recorded high double-digit growth
- **Exports** grew in high-teens. Entered Northern and Southern Africa
- **Gross Margin** was 28.3%, +51bps YoY owing to better price realization and product mix
- Consecutively, **EBITDA Margin** was 7.0%, -366bps YoY and -38bps QoQ, due to operating deleverage, higher investments in brand and capability building initiatives
- **PAT Margin** was 3.9%, compared with 6.5% in the similar period last year

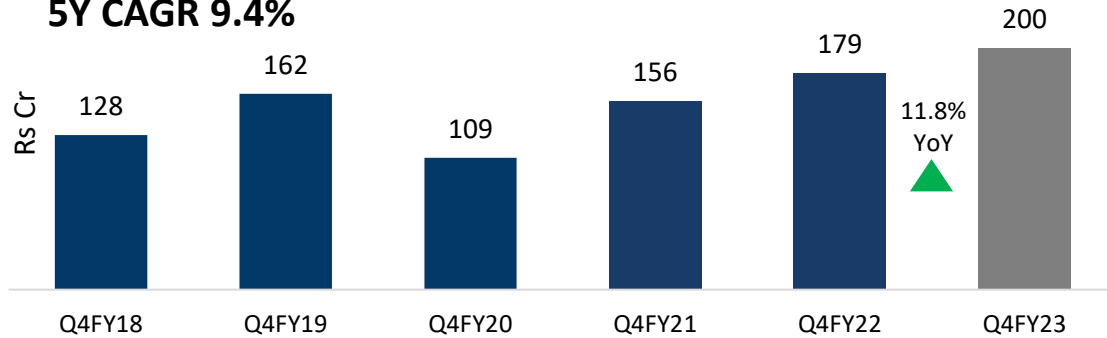


Q4FY23 Segment Highlights – Lighting & Switchgear

Consistent and robust growth. B2B sustains high growth

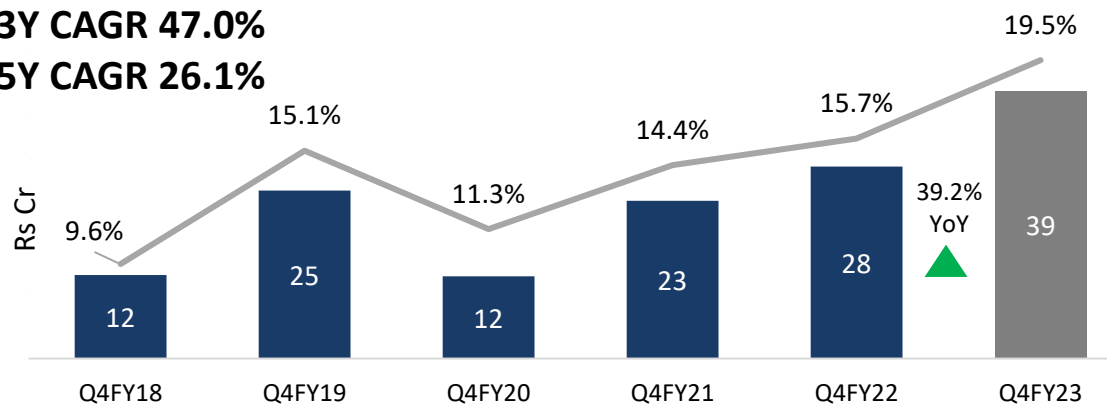
Q4 FY23 Revenue

3Y CAGR 22.6%
5Y CAGR 9.4%



Q4 FY23 EBIT

3Y CAGR 47.0%
5Y CAGR 26.1%



- **Lighting and Switchgear** revenue up 11.8% YoY
- Strong value growth in **B2C** driven by C-Lum
- Consistent, strong growth across **B2B and Consumer Lighting**
- **B2B channel** including Professional Luminaries and Facade Lighting up 20%+ in Q4FY23
- With high govt push on infrastructure and realty sector, B2B segment emerging as a strong growth driver
- Projects completed in façade lighting : Srinagar Smart city project, Rail Bhawan, Baroda House & Dwarkadhis Highway Bridge Project
- **House Wires** gaining good acceptance amongst trade partners and influencers, accelerating growth of switchgear portfolio
- **EBIT Margin** was 19.5%, +385bps YoY and +396bps QoQ, led by better product mix, despite lower realization

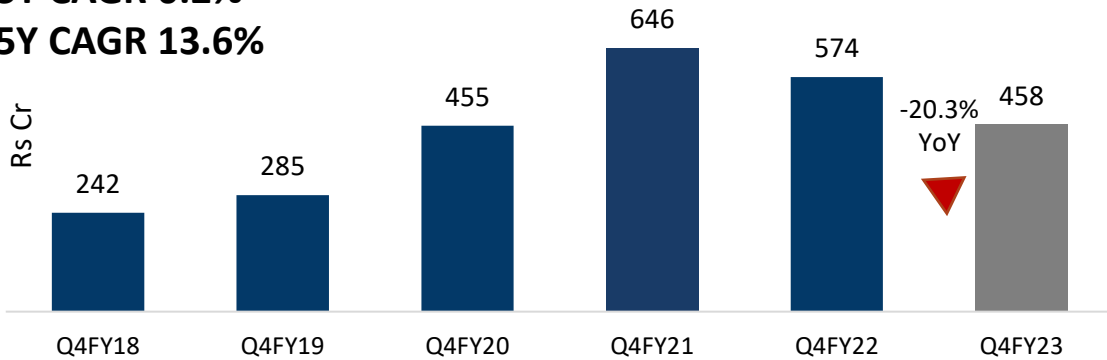


Q4FY23 Segment Highlights- ECD

Fans mirror industry trends; Strong growth in Air coolers and Water heaters

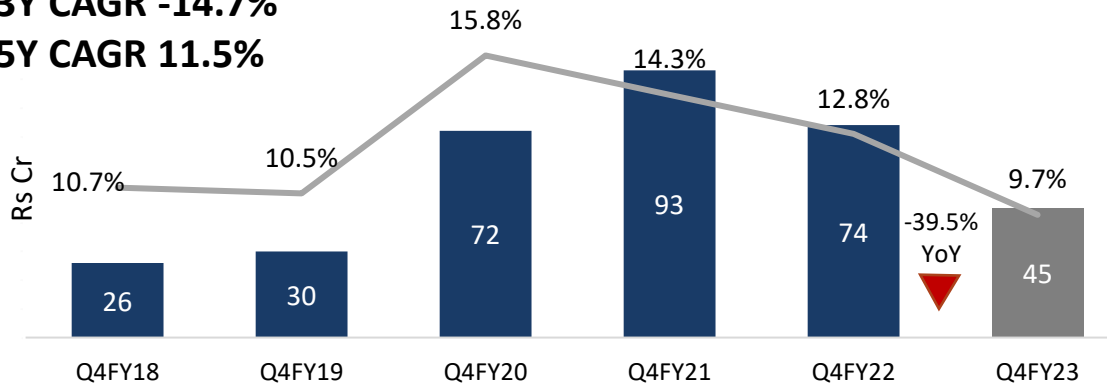
Q4 FY23 Revenue

3Y CAGR 0.2%
5Y CAGR 13.6%



Q4 FY23 EBIT

3Y CAGR -14.7%
5Y CAGR 11.5%



- **ECD** revenue was Rs 458cr in Q4FY23, -20.3% YoY and -15.1% QoQ with lackluster consumer demand
- **Fans** saw high channel stocking owing to BEE star rating transition, muted consumer demand and erratic weather conditions
- **Direct To Market (DTM)** states grew 15% YoY, gaining market share
- **Water Heaters** grew by 2x, and **Air coolers** grew mid-teens during Q4FY23
- **Gross margin** of fans was at par with last quarter as cost reduction initiatives offset cost increases for star-rated products.
- **EBIT margin** was 9.7%, -309bps YoY and -224bps QoQ, due to lower sales in fans and higher investments



Strategic Growth Drivers

Five pillars of value creation



Go-to-market

Fans

- Ramp up investment in building focus product segments
- Initiatives in-place to drive overall distribution expansion and strengthening sales infrastructure with continued focus on growing DTM
- Expand BLDC product portfolio

Lighting

- Network expansion in key states
- Continued marketing investment to build market share



Lighting and Switchgear

- B2B: Grow P-Lum with focus on business development, key account management and solution capability (product & design) buildout. Strengthen design capabilities in Façade Lighting
- B2C: Strengthen new product categories, distribution scale up and increase share of value added products in the portfolio to maintain high value growth



Digital

- Significantly scale up E-Commerce business across categories especially Appliances
- Continued adoption of digital tools to optimize offline channel efficiency



Cost Reduction

- 'Spark Sanchay' cost savings about **Rs 60cr** in FY23
- Further institutionalize cost optimizing initiatives through Cost and Manufacturing Centers of Excellence



Overseas

- Explore new markets and category expansion



New Product Launch - Cloud 3

Advanced Cloud-Chill technology that brings down the temperature by up to 12 degrees*



*Under defined test conditions



Promotions & Advertisement Campaigns

CK BIRLA GROUP

orient electric

Air delivery zyada,
Bijli bachat ka vaada.

Widest range of BLDC fans

ORIENT BLDC
GHOOMEGA
TOH INDIA
JHOOMEGA

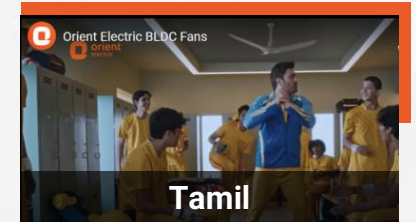
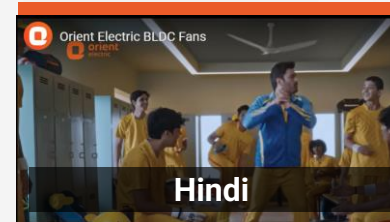
orient
BLDC FANS

POWER SAVING GUIDE

Powerful Air Delivery Zero-noise Electricity Savings

FANS • HOME APPLIANCES • LIGHTING • SWITCHGEAR Product also available at: orient electric Smart Shop Follow us on: f i g y t w i n

- **Wide Range** of BLDC fans in market across price segments
- Strongly supported by Marketing to **gain market leading position** in this segment
- Launch of new campaign **“Orient BLDC Ghoomega Toh India Jhoomega”** in 6 languages for Pan India appeal

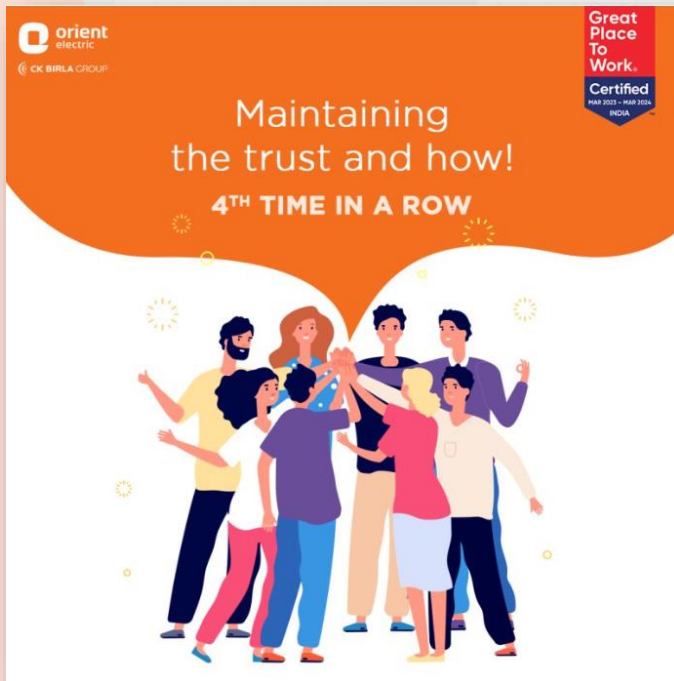


*YouTube hyperlinks

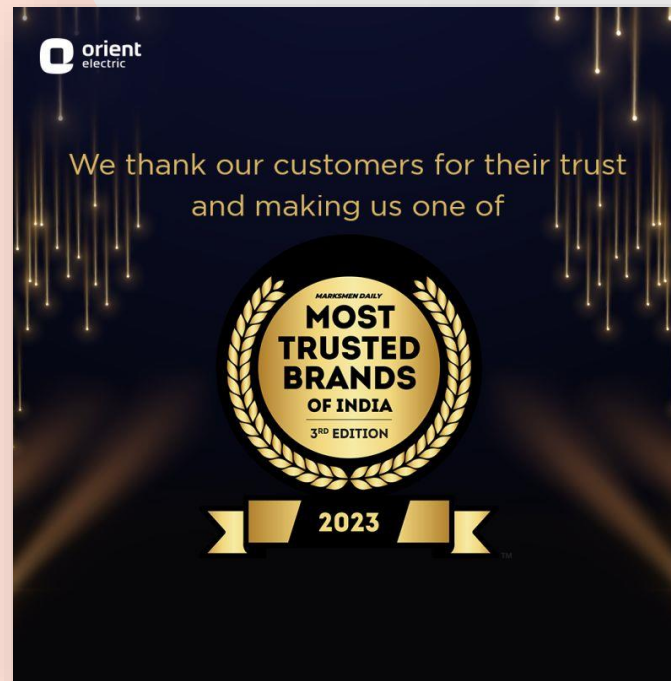


Awards and Recognitions

4th time for
Great Place To Work!



**Most Trusted Brand
of India 2023**



Retains Status
India's Superbrand!





Q4FY23 & FY23 - Profit & Loss Statement

Particular (in Rs Crore)	Q4FY23	Q4FY22	YoY %	Q3FY23	QoQ%	FY23	FY22	YoY
Revenue from Operations	658	753	-12.7%	739	-11.0%	2529	2448	3.3%
COGS	471	544	-13.3%	528	-10.6%	1824	1767	3.3%
Gross Profit	186	210	-11.1%	212	-11.8%	705	682	3.4%
Gross Margin %	28.3%	27.8%	+51bps	28.6%	-28bps	27.9%	27.8%	+3bps
Employee Expenses	45	46	-1.9%	57	-21.4%	193	190	1.1%
Other Expenses	95	83	14.4%	99	-4.3%	361	260	39.0%
EBITDA	46	81	-42.5%	55	-15.5%	151	231	-34.7%
EBITDA Margin %	7.0%	10.7%	-366bps	7.4%	-38bps	6.0%	9.4%	-348bps
Depreciation	14	12	15.4%	14	-0.9%	54	47	13.6%
Financial Cost	6	6	2.9%	6	1.5%	22	20	9.2%
Other Income	6	3	136.6%	9	-26.4%	27	6	358.0%
Profit Before Tax (PBT)	33	65	-49.8%	44	-24.6%	102	170	-40.0%
Other comprehensive income	1	1	81.4%	0	-923.1%	1	0	252.6%
Tax	8	17	-52.6%	11	-22.7%	26	43	-39.2%
Profit After Tax (PAT)	25	49	-48.4%	32	-21.7%	76	127	-39.8%
PAT Margin %	3.9%	6.5%	-267bps	4.4%	-53bps	3.0%	5.2%	-216bps
Earning Per Share in Rs.	1.2	2.3	-45.9%	1.5	-19.0%	3.6	6.0	-40.2%



FY23 Snapshot

Strengthening Net Cash position



Sales

Rs 2,529cr

+3.3% YoY
+7.0% 3Y CAGR



ECD

Rs 1,752cr

-2.6% YoY
+5.5% 3Y CAGR



Lighting & Switchgear

Rs 777cr

+19.8% YoY
+10.9% 3Y CAGR



Gross Profit

Rs 705cr

+3.4% YoY
27.9% Gross Margin
+3bps YoY



EBITDA

Rs 151cr

-34.7% YoY
6.0% EBITDA Margin
-348bps YoY



PAT

Rs 76cr

-39.8% YoY
3.0% PAT Margin
-216bps YoY



Net Cash Position

Rs 154cr

+13.5% YoY



FY23 – Financial Highlights

Financial ratios	FY20	FY21	FY22	FY23
ROCE (pre-tax)	30.6%	38.8%	34.2%	20.9%
Current Ratio	1.32	1.37	1.56	1.46
Net Working Capital (in days)	47	11	28	24
Debt-Equity ratio	0.27	0.03	0.03	0.02

Position as on March end (Rs cr)	FY20	FY21	FY22	FY23
Cash	7	258	151	164
Borrowings*	99	15	15	10
Net Cash	-91	242	136	154

*Borrowings include short-term borrowings



FY23 – Balance Sheet

Particular (Rs in Crore)	FY23	FY22
Equities & Liabilities		
Equity and Share Capital	21.28	21.22
Other Equity	563.36	520.09
Total Equity	584.64	541.31
Non-Current Liabilities		
Borrowings	-	-
Lease liabilities	66.70	37.76
Long term provisions	18.56	22.63
Other Non-Current liabilities	11.17	13.46
Total Non-Current Liabilities	96.43	73.85
Current Liabilities		
Borrowings	10.10	14.72
Lease liabilities	20.45	15.06
Trade Payables	452.97	449.47
Other Current Financial Liabilities	41.27	33.20
Short term provisions	31.14	30.51
Other Current Liabilities	27.63	29.25
Total current liabilities	583.56	572.21
Total Equity & Liabilities	1,264.63	1,187.37

Particular (Rs in Crore)	FY23	FY22
Assets		
Non-Current Assets		
Property, Plant and Equipment	127.18	142.39
Capital work in progress	82.71	1.52
Intangible Assets	21.59	23.43
Right of use asset	80.28	47.65
Financial Assets		
Trade Receivables	15.82	25.51
Other Financial Assets	14.80	9.76
Deferred Tax Assets (net)	25.45	26.27
Non current tax assets	10.15	10.92
Other non current assets	17.08	4.94
Total non-current assets	395.06	292.39
Current Assets		
Inventories	284.64	326.07
Trade Receivables	355.98	390.36
Cash & Bank Balance	164.22	150.52
Other Financial Assets	2.18	0.08
Current Tax Assets	11.86	-
Other current assets	34.57	27.95
Total current assets	853.45	894.98
Asset Held for Sale	16.12	-
Total Assets	1,264.63	1,187.37

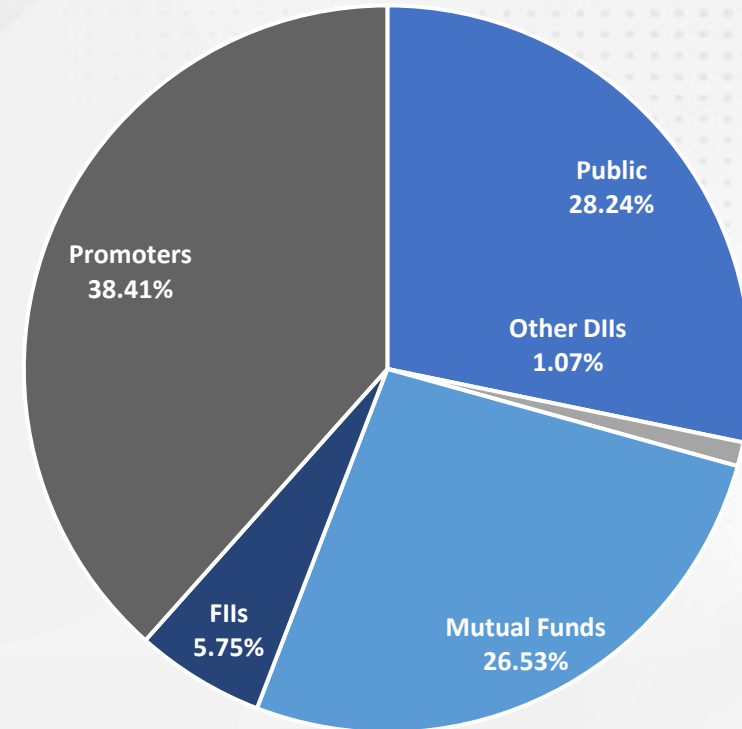


Stock Information

Shareholding Pattern – March 31, 2023

Stock Data

Bloomberg Ticker	ORIENTEL IN
BSE Ticker	ORIENTELEC
NSE Ticker	ORIENTELEC
Market Capitalization (INR Cr.)- March 31, 2023	5,750
No. of Shares Outstanding (Cr.)	21.28





 **CK BIRLA GROUP**

 **orient
electric**

Orient Electric Limited

CIN : L31100OR2016PLC025892



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