

ELIN ELECTRONICS LIMITED

ELIN HOUSE, 4771, BHARAT RAM ROAD, 23 DARYA GANJ, NEW DELHI-110 002
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30th May, 2023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai - 400 001

Symbol: ELIN

Scrip Code: 543725

ISIN: INE050401020

Dear Sir/Ma'am,

Subject: Investor Presentation on Audited financial results of the Company for the Q4 & FY ended March 2023 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Pursuant to the Regulation 30 read with Schedule III (Part A) (15) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached investor presentation on Audited financial results of the Company for the Q4 & FY ended March 2023.

We request you to take the above information on record.

Thanking You

Yours faithfully,

For Elin Electronics Limited


Lata Rani Pawa
Company Secretary & Compliance Officer
M. No.: A30540
cs@elinindia.com



Factories:-

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L-84, Verna Industrial Area, Electronic City, Verna, Goa - 403722.

Village: Beli Khol, Post: Manpura - 174101, Teh: Nalagarh, District: Solan (Himachal Pradesh)

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CIN : L29304WB1982PLC034725

GSTIN: 09AAACE6449G1ZJ

Elin Electronics Limited

Q4FY23 Earnings Presentation

May 2023

FY23 Snapshot

Revenue

INR 10,754 million
down ~2% from
INR 10,937 million

EBITDA

INR 674 million
down ~16% from
INR 799 million

Profit After Tax

INR 268 million
down ~32% from
INR 392 million

Cash from Operations

INR 623 million
up ~9% from
INR 571 million

Net Cash / (Debt)

INR 460 million
from
INR (1,013) million

Net WC Days

65 Days
from
66 days

Q4FY23 Snapshot

Amounts in INR million	Q4-FY22	Q4-FY23	FY22	FY23
Revenue	3,170	2,687	10,937	10,754
EBITDA	253	107	799	674
Margin %	8.0%	4.0%	7.3%	6.3%
Adjusted EBITDA	253	187	799	754
Margin %	8.0%	6.9%	7.3%	7.0%
PAT	129	16	392	268

- ▶ Revenue grew ~33% on a QoQ basis, but was down ~15% on a YoY basis impacted by weak macro
- ▶ EBITDA margin was impacted due to certain one - offs and non - recurring charges as well which are detailed below:
 - ▶ Made an additional provision for warranty of ~INR 15 million (non-cash)
 - ▶ Made an additional provision for slow & non-moving inventory of ~INR 30 million (non-cash)
 - ▶ One time revenue expenditure on account of introduction of SAP of ~INR 5 million (in addition to amount capitalized as 'Software')
 - ▶ Legal & professional charges on account of IPO related expenses of ~INR 30 million

Revenue Breakdown

Amounts in INR million	Q4-FY22	Q4-FY23	FY22	FY23
Lighting, Fans & Switches	973	909	3,326	3,551
Small Appliances	834	700	2,551	2,505
FHP Motors	645	464	2,369	1,952
Other EMS	108	119	309	373
Total EMS	2,560	2,191	8,555	8,380
Precision Components & Others	590	496	2,215	2,253
Medical Cartridges	20	-	167	121
Total Non-EMS	610	496	2,382	2,374
Total Revenue	3,170	2,687	10,938	10,754

Expenditure Analysis

	Q4-FY22	Q4-FY23	FY22	FY23
Cost of Material Consumed	74.7%	74.8%	74.6%	74.1%
Employee Benefits	10.8%	12.7%	11.5%	12.0%
Other Expenses	6.6%	9.2%	6.7%	7.9%
EBITDA	8.0%	4.0%	7.3%	6.3%
Adjusted EBITDA	8.0%	6.9%	7.3%	7.0%
Finance Costs	1.2%	0.9%	1.2%	1.2%
Depreciation	1.2%	2.2%	1.3%	1.7%
Profit Before Tax	5.6%	0.8%	4.8%	3.3%
Tax	1.5%	0.2%	1.3%	0.8%
Profit After Tax	4.1%	0.6%	3.6%	2.5%

Lighting, Fans & Switches

Amounts in INR million	Q4-FY22	Q4-FY23	FY22	FY23
Lighting	672	675	2,352	2,529
Flashlights	77	64	310	329
Fans	186	137	517	528
Switches	38	32	146	165
Total	973	909	3,326	3,551

- ▶ Lighting revenue (ex-flashlights) was flat YoY on a quarterly basis but showed ~8% growth in FY23, we expect this trend to continue in FY24
- ▶ Fans revenue was impacted in Q4FY23 due to:
 - ▶ Reduction of ceiling fans from INR 129 million in Q4FY22 to INR 51 million in Q4FY23 on the back of excess inventory in sales channels due to changes in regulatory environment
 - ▶ New product launches (TPW fans and BLDC fans) were delayed from Q4FY23 to Q1FY24
- ▶ While fans revenue growth was flat in FY23, expect strong growth in FY24 primarily on the back of new product launches (TPW fans and BLDC fans)

Small Appliances

Amounts in INR million	Q4-FY22	Q4-FY23	FY22	FY23
Kitchen & Home Care	619	448	1,972	1,781
Personal Care	215	252	579	724
Total	834	700	2,551	2,505

- ▶ Kitchen & home care revenue was impacted primarily by lower sales of mixer grinders from INR 256 million in Q4FY22 to INR 134 million in Q4FY23 and irons from INR 320 million to INR 282 million in the same period
- ▶ Under high inflationary situation, customers tend to down-trade from a premium brand to a more affordable brand; our customers are all in the 'premium' range and as such our revenues have been affected substantially
- ▶ To overcome this challenge, we are currently in the process of setting up an additional assembly line of mixer grinders in Ghaziabad, which will reduce cost (savings expected on packing & freight of motors) helping us to attract the more entry & mid-range brands
 - ▶ Expected to be complete by Sep 2023 but expect full benefit of this to come only in FY24
- ▶ Personal care segment saw broad based growth, expect growth to continue in FY24 led by trimmers and new launches of heated hair-brush and sterilizers

Fractional Horsepower Motors

Amounts in INR million	Q4-FY22	Q4-FY23	FY22	FY23
Consumer Durables	350	318	1,696	1,396
Fans	246	84	530	349
Others	49	62	143	207
Total	645	464	2,369	1,952

- ▶ Motors of Consumer durables comprise mixer grinders, hand blenders and chimney
 - ▶ Adverse impact was seen in sales of mixer grinder motors from INR 329 million in Q4FY22 to INR 270 million in Q4FY23 whereas chimney motors saw a healthy growth from INR 18 million to INR 43 million in the same period
- ▶ Motors of fans were impacted due to:
 - ▶ Table fan motors declined from INR 204 million in Q4FY22 to INR 60 million in Q4FY23 while exhaust fan motors declined from INR 42 million to INR 24 million in the same period
 - ▶ One large customer shifted a substantial part of the 'table fan' motor manufacturing in house
- ▶ Others represents increase in revenue from synchronous motors

Capex Overview

Amounts in INR million	Ghaziabad	Baddi	Goa	Total (FY23)
Land & Building	75	23	-	98
Plant & Machinery	151	50	18	219
Electrical Installation	70	3	0	74
Tools, Dies & Moulds	58	27	13	98
Others	28	2	4	35
Total	383	105	36	524

Note: Pursuant to the registration of land in Bhiwadi, it was capitalized i.e. moved from 'Loans & Advances' to 'Fixed Assets'. Since this was a fully paid for asset, this amount has not been shown above

- ▶ Land & Building, creating additional space at our Ghaziabad facility, expected to be complete by FY24 end; post expansion by FY24 end we will have ~45,000 sqft additional space
- ▶ Plant & Machinery, addition of new SMT lines (primarily for connected lighting), moulding machines, motor assembly lines, new products related machinery (trimmers, heated hair-brush, AC ODU motor etc)
- ▶ Electrical Installation, erection of 33 kVA line at our Ghaziabad facility at a cost of INR 34 million and PNG genset of INR 23 million – these are both one-time capex
- ▶ Tools, Dies & Moulds, represent tooling development for new products viz. trimmer, AC ODU motor, TPW fans & LED lighting – majority of these tooling investments will come into revenue in FY24e

Key Initiatives Undertaken/To be taken

Description	Status
Introduction of SAP	<ul style="list-style-type: none">• Has gone live from Jan 1, 2023• We expect to drive efficiencies in inventory reduction and manpower planning via real time data availability
Installation of 33 KVA line in Ghaziabad factory	<ul style="list-style-type: none">• Reduction in per unit electricity cost resulting in a monthly savings of INR 3 lacs per month• Since there is no load shedding, genset usage will reduce resulting in saving in diesel of INR 3 lacs per month• Uninterrupted power supply helps in higher throughput of plant & machinery
Streamlining labour cost	<ul style="list-style-type: none">• Hired a process consultant for Ghaziabad factory with the aim to deliver ~3% savings in labour cost by Q4FY24 via streamlining processes to reduce headcount and some degree of automation
ODM Revenue Growth	<ul style="list-style-type: none">• Hired an ODM design & development head, design work on ODM models for Small Appliances has begun
Hiring Key People	<ul style="list-style-type: none">• To hire a sales & marketing head, in process

Status of New Product Launches

Description	Category	Current Status
BLDC Fans	Lighting, Fans & Switches	Launched in Q1FY24, 1 more customer to be added in Q2FY24
TPW Fans	Lighting, Fans & Switches	Product ready, launch in Q1FY24
Heated Hair-Brush	Small Appliances	Product under development, launch in Q2FY24
Electric Sterilizer	Small Appliances	Product under development, launch in Q2FY24
Trimmer 3000	Small Appliances	Product under development, launch in FY25
Oil Filled Radiator	Small Appliances	Product under development, launch in Q2FY24
Chimney	Small Appliances	Product under development, launch in FY25
OTG	Small Appliances	Product under development, launch in Q4FY24
BLDC MG Motor	FHP Motors	Product under development, launch in Q2FY24
AC ODU Motor	FHP Motors	Product ready, launch in Q3FY24

Thank You