



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

August 5, 2020

General Manager – DCS,
Dept. of Corporate Services,
BSE Ltd,
Floor 1, P.J.Towers,
Dalal Street,
Mumbai – 400 001
Scrip: 517421

Manager,
National Stock Exchange of India Ltd
Exchange Plaza,
BandraKurla Complex,
Bandra (E),
Mumbai – 400 051
Scrip: BUTTERFLY

Dear Sir,

**Butterfly Gandhimathi Appliances Limited – Results presentation
for the first quarter ended on 30.06.2020**

Enclosed please find the Company's Performance/Results presentation for the first quarter ended on 30.06.2020, which may please be uploaded on the website for information of our investors.

Thanking you,

Yours faithfully,
For Butterfly Gandhimathi Appliances Limited

K.S. Ramakrishnan
Company Secretary &
General Manager (Legal)

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Phone: +91-44-47415500 CIN No: L28931TN1986PLC012728,
E-mail: gmal@butterflyindia.com web : www.butterflyindia.com

Corporate Office: E-34, II Floor, Rajiv Gandhi Salai, Egattur Village, Navalur - 600 130, Kancheepuram District,
Phone: 044 - 49005100/5154, E- mail: butterflyho@butterflyindia.com

BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

RESULTS PRESENTATION

Q4 FY20
www.butterflyindia.com

Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, our ability to manage growth, competitive intensity in our industry of operations including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, sufficient availability of raw materials, our ability to successfully complete and integrate potential acquisitions, liability for damages on our contracts to supply products, the success of the companies in which Butterfly Gandhimathi Appliances Ltd has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Butterfly Gandhimathi Appliances Ltd may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company

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Outlook



1

Company Overview

About Us..

Leading manufacturer of Kitchen and Electrical Appliances

Market Leader in India for SS LPG Stoves & Table Top Wet Grinders and major supplier of Mixer Grinders & Pressure Cookers

The 'Butterfly' brand is a highly respected brand synonymous with quality

Established in 1986 by Shri V. Murugesu Chettiar – currently helmed by 2nd and 3rd generation of promoter family

Headquartered in Tamil Nadu with Pan India presence

Strong R&D focus which has led to several pioneering initiatives and continues to drive in-house development of new products

Quick Facts

#1

IN INDIA
FOR SS LPG STOVES
& TABLE TOP WET GRINDERS

19%

REVENUE CAGR
FY17-20

IN THE TOP

3

IN INDIA FOR DOMESTIC
KITCHEN APPLIANCES

NOW PRESENT IN ALL

29

STATES IN INDIA

SALES OF BRANDED
PRODUCTS IN FY20

679

CRORE

500+

EXCLUSIVE
DISTRIBUTORS ACROSS
INDIA

0.89

NET DEBT / EQUITY
RATIO

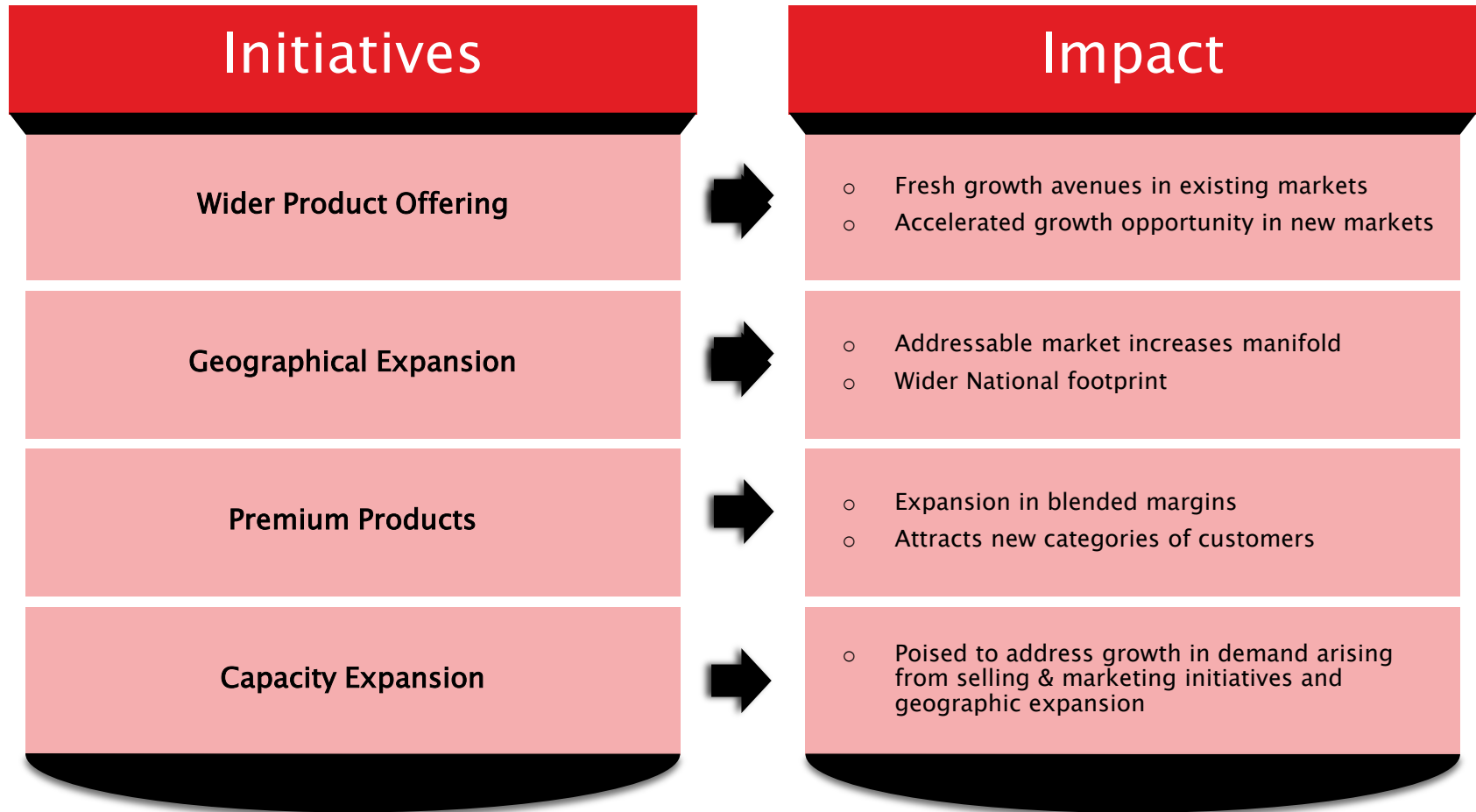
4%

REVENUE GROWTH
OVER FY19

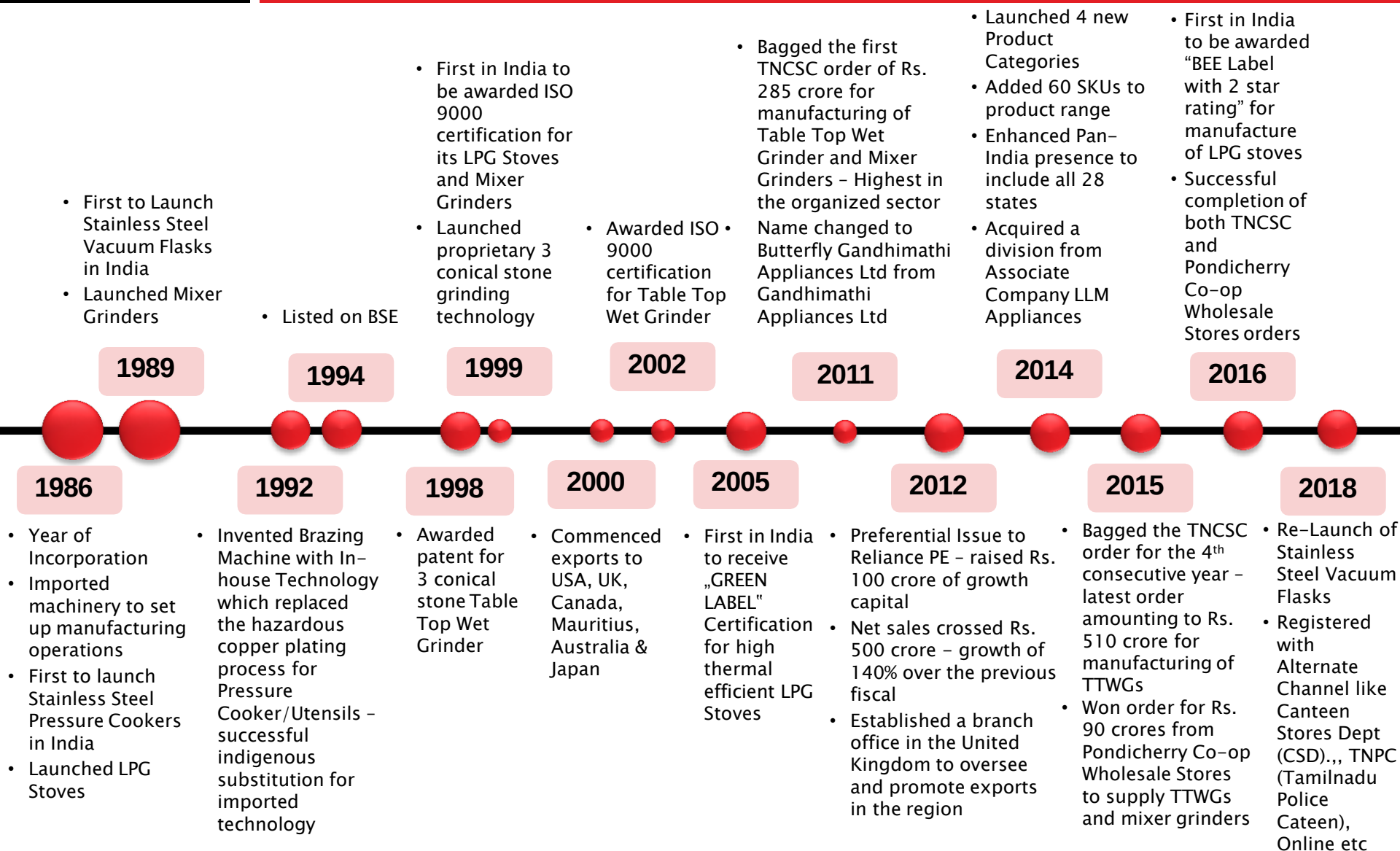
23%

OF FY20
REVENUES FROM NON-SOUTH
STATES

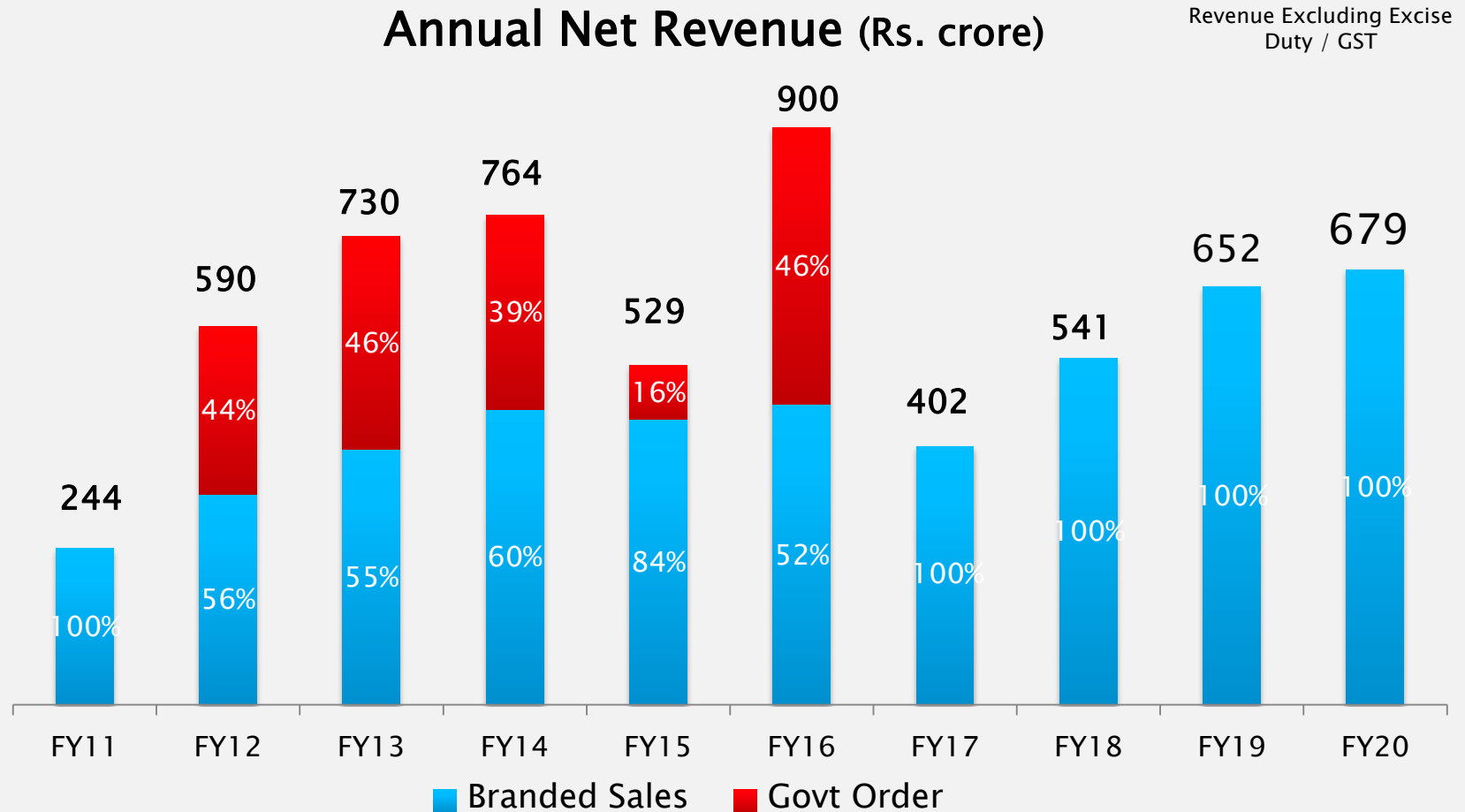
Growth Levers



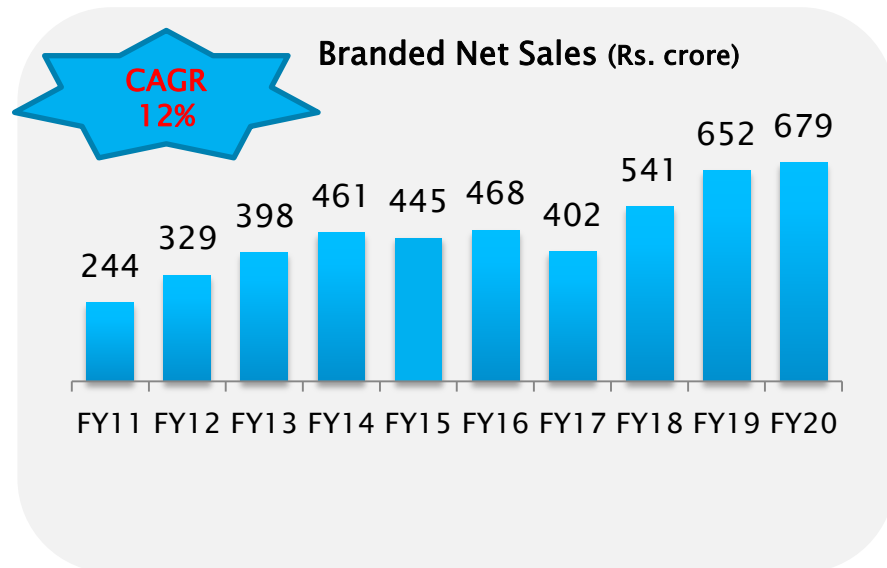
Overview Milestones



Revenue Profile



Branded Retail Sales



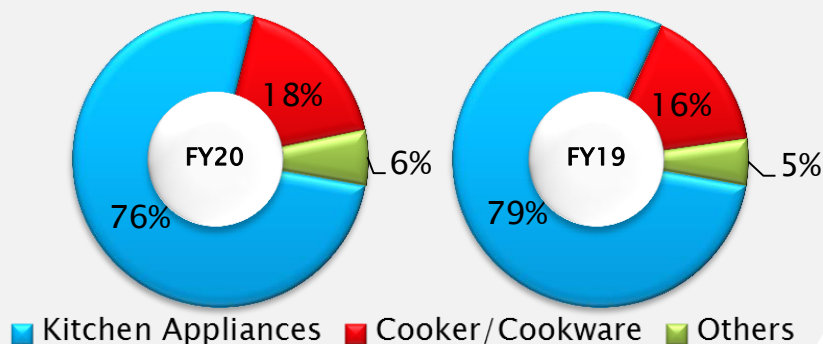
Through Oil Marketing Channel

- Tie ups with Gas dealers of IOCL, BPCL and HPCL
- Customers for new gas connection are provided with co-branded products manufactured by BGMAL

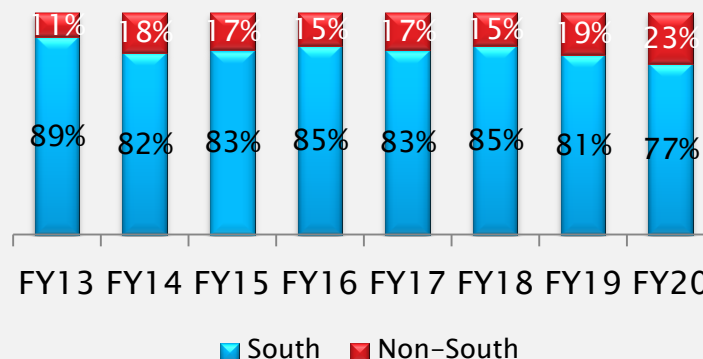
Through Retail Marketing

- Network of 500+ exclusive distributors
- Distributors supply to dealer network which is customer facing
- Tie-up with Modern Trade, Online, CSD, CPC, TNPC etc.
- 25000+ retail points across the Indian map

Branded Product Distribution (%)



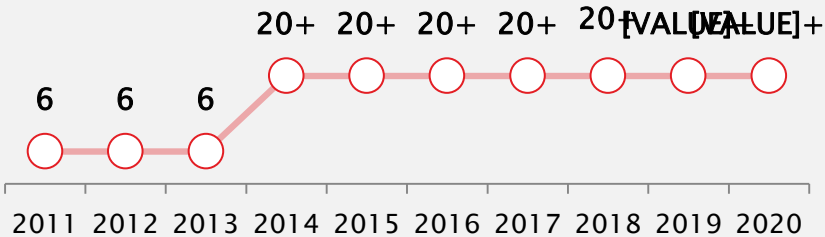
Region-wise Break-up



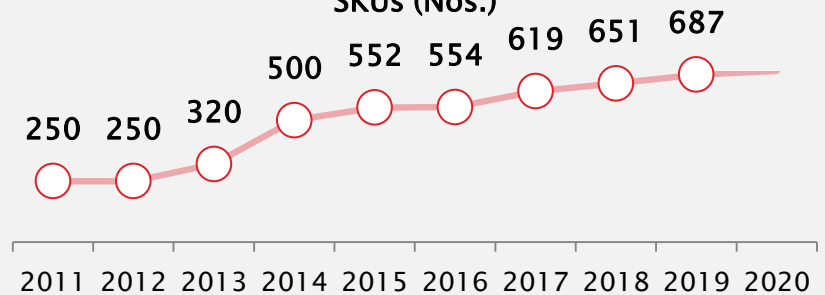
Augmenting Organic Growth

Increased Product Categories For Wider Product Portfolio And Higher Market Share

Product Categories (Nos.)

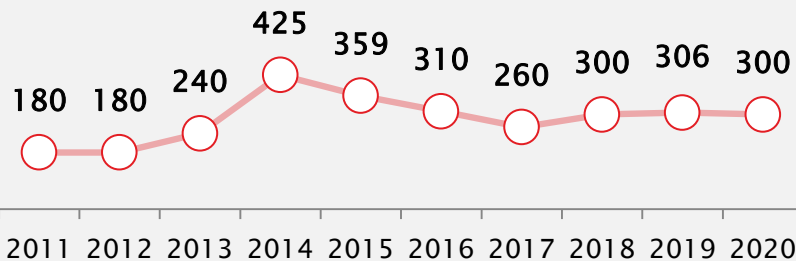


SKUs (Nos.)

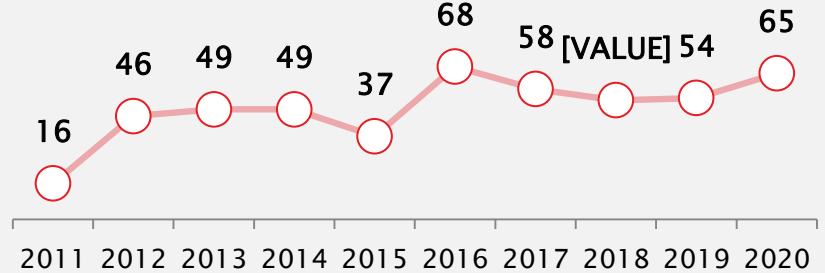


Enhancing Sales and Marketing Efficiency For Better Penetration And Brand Development

Sales Team (Personnel)



Marketing Spend (Rs. Cr)



Product Portfolio

Every product exhibits the highest standards in Safety, Durability, Efficiency, Aesthetics & Reliability



LPG Stove



Mixer Grinder



Table Top
Wet Grinder



Electric Chimney



Pressure Cooker



Non Stick Cookware



Induction Cooktop



Electric Rice Cooker



Juicer Mixer Grinder



Electric Kettle



Sandwich Maker

Product Portfolio

Other Pioneering Products



Juicer



Hand Blender



Vacuum Flasks



Electric Iron



Pop-up Toaster

Strong R&D Capabilities

R&D focused Company with a demonstrated track record in innovation

1st to introduce Stainless Steel Pressure Cookers in India

1st to manufacture Stainless Steel LPG Stoves in India

1st to introduce Stainless Steel Vacuum Flasks in India which deliver enhanced Heat Retention up to 72 hours compared to 8 hours with conventional products

Invented 3 conical stone grinding technology – awarded patent in 1998

Enhanced Fuel efficiency in LPG Stoves from 50% to over 68% at present

In-house design of moulds, tools and dies has resulted in improved manufacturing efficiency

360° R&D efforts focused on product efficiency, longevity and design

1st in India to get BEE label with 2 star rating for manufacture of LPG Stoves



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Financial Overview

Abridged Profit & Loss Statement

Rs. In crore

Particulars	FY 2018	FY 2019	FY 2020	Q4 FY20	Q1 FY20	Q1 FY21
Total Net Revenues (Incl. OI)	542.1	654.0	680.2	111.2	152.2	77.0
– Branded Net Revenues	540.5	652.0	678.7	110.6	152.1	76.8
– Government Net Revenues	–	–	–	–	–	–
– Other Income	1.6	2.0	1.5	0.5	0.1	0.2
Material Cost	315.2	390.0	390.2	61.6	88.7	43.9
– Cost of Materials Consumed	218.7	316.6	310.5	54.5	73.9	23.1
– Purchases of Stock-in-Trade	106.4	97.6	104.9	18.9	22.1	6.2
– Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	–9.9	–24.2	–25.3	–11.8	–7.3	14.6
Gross Profit	226.9	264.0	290.0	49.6	63.5	33.1
<i>Gross Margin (%)</i>	<i>42%</i>	<i>40%</i>	<i>43%</i>	<i>44.6%</i>	<i>41.7%</i>	<i>43.0%</i>
Employee Expenses	57.3	70.1	78.9	18.2	18.4	13.4
Other Expenses	133.2	146.1	168.9	35.4	33.2	23.5
EBITDA	36.3	47.7	42.2	–4.0	11.9	–3.8
<i>EBITDA Margin (%)</i>	<i>7%</i>	<i>7%</i>	<i>6.2%</i>	<i>–3.6%</i>	<i>7.8%</i>	<i>–5.0%</i>
Depreciation	12.4	12.9	13.9	3.6	3.7	3.7
Finance Cost	18.1	22.5	24.1	6.1	5.9	5.7
Profit Before Tax	5.8	12.4	4.1	–13.7	2.2	–13.2

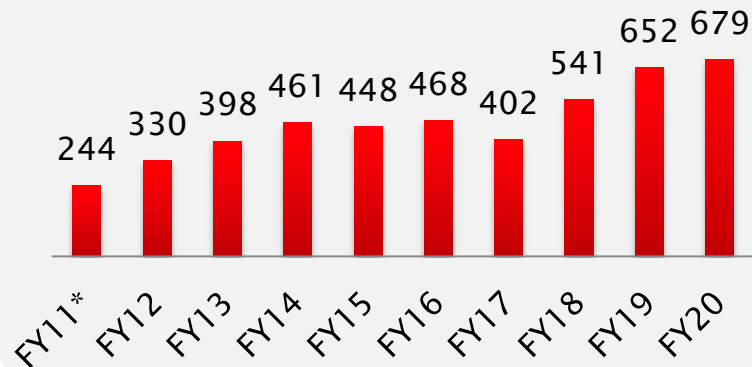
Due to Covid-19, the operations suspended from 23rd March to 7th May-20. Slowly billing is started from May 20 onwards.

Employee cost is reduced due to various cost cutting measures implemented for Top and Middle level management

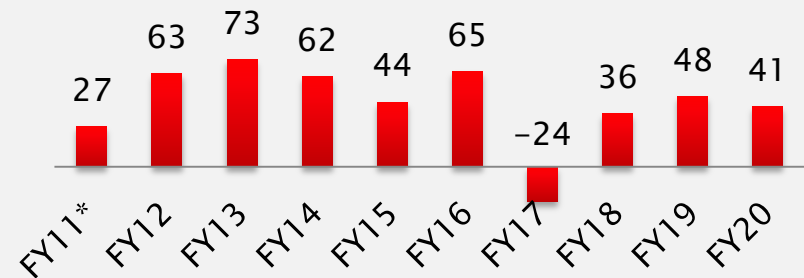
Q1 FY21 Profitability is hit because of loss of revenue due to COVID. However, the company is planning to coverup this loss in upcoming quarters.

Performance Track Record – Annualized

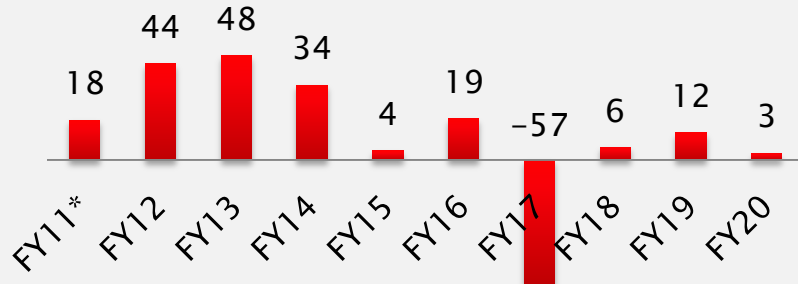
Total Revenue (Rs crore)



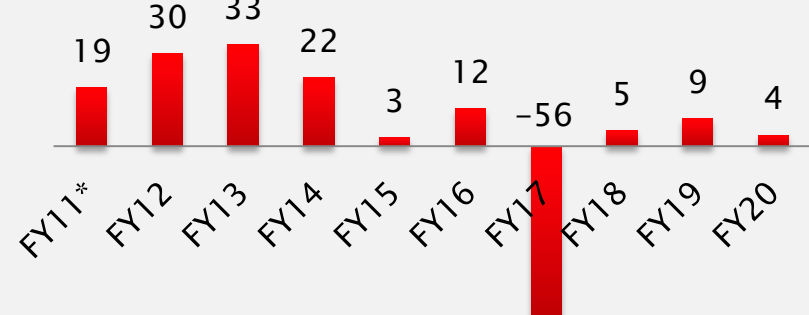
EBITDA (Rs crore)



Profit Before Tax (Rs crore)

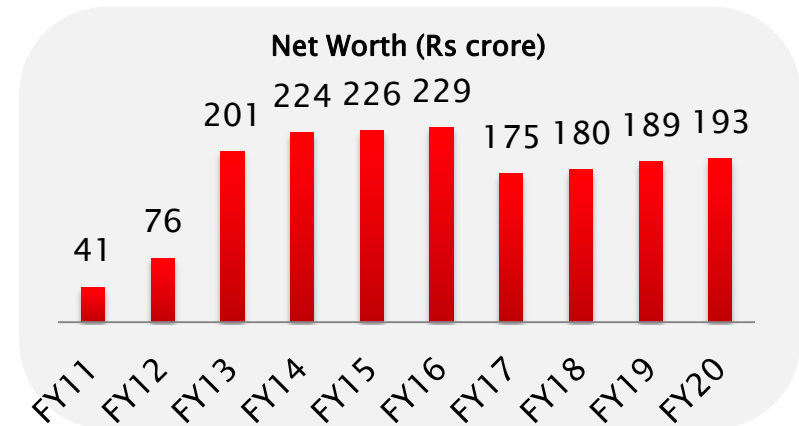
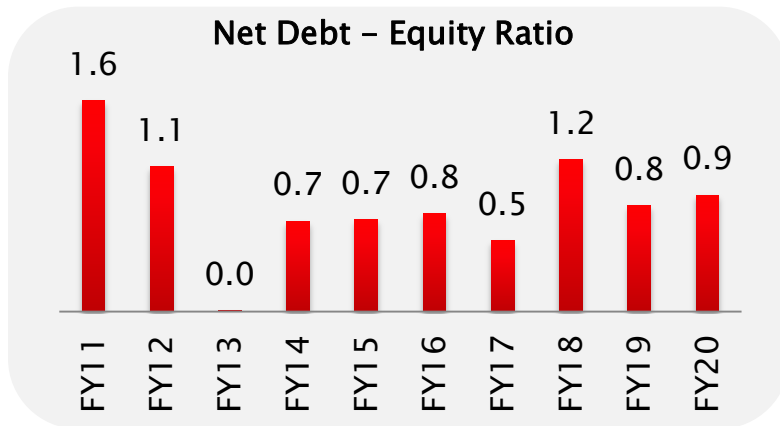
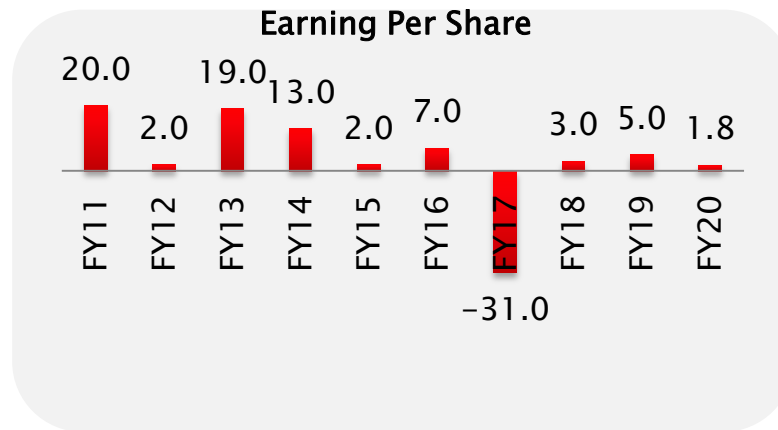


Profit After Tax (Rs crore)



NOTE : * FY11 was for period of 9 months ended on 31.03.2011. The figures above represent the annualized numbers in order to facilitate a comparison.

Key Financials



NOTE : * FY11 was for period of 9 months ended on 31.03.2011. The figures above represent the annualized numbers in order to facilitate a comparison.

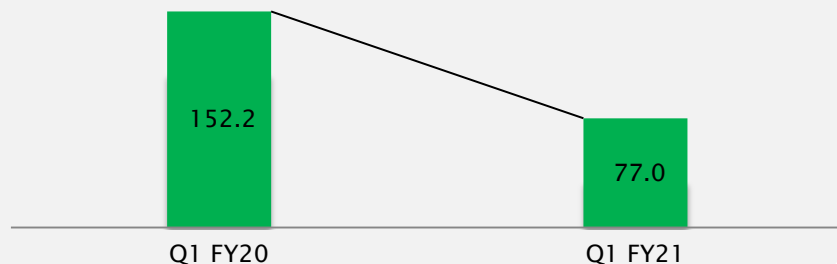


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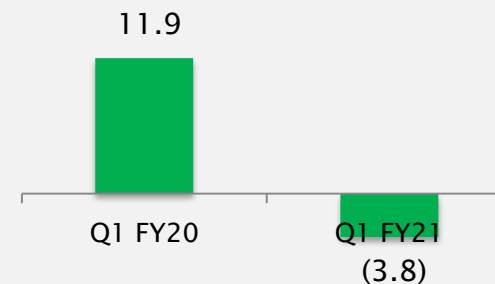
Q1 FY21 Operating Performance & Highlights

Q1 FY21 – Performance highlights

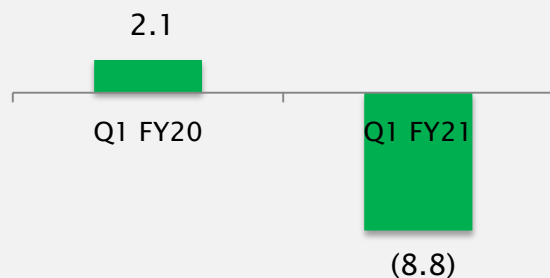
Total Income (Net) (Rs. crore)



EBITDA (Rs. crore)



PAT (Rs. crore)



- Total Income during Q1 FY21 stood at Rs. 76.95 crore, as against Rs.152.23 crore in Q1 FY20
- Due to Covid-19, the operations suspended from 23rd March to 7th May-20. Slowly billing is started from May 20 onwards. Post the lifting of lockdown, demand is coming back, we are seeing improvement on daily basis.
- EBITDA / PAT decreased due to revenue loss. However, the Company is planning to cover-up this loss in upcoming quarters, because of market demand is positive trend.

NOTE : Results are as per Ind-AS standards

Key Highlights

Branded Sales

(Rs. crore)

Product	Q1 FY21	Q1 FY20	Q4 FY20	Y-o-Y Growth	Q-o-Q Growth
Branded Market					
Kitchen Appliances	64.4	111.4	83.3	-42.2%	-22.7%
Cooker/Cookware	8.0	26.0	20.7	-69.4%	-61.6%
Others	4.4	14.7	6.5	-70.1%	-32.6%
Grand Total	76.8	152.1	110.6	-49.5%	-30.6%



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Outlook



The global economy is affected due the novel coronavirus pandemic which has forced businesses across the world to suspend operations.

There will be revenue loss in FY21 because of very weak Q1 due to lockdown. However we expect there will be better opportunity from Q2 onwards because of increased cooking in homes for safety.

The Company has taken steps to reduce fixed costs to achieve breakeven in profitability.

The Company has taken steps to reduce working capital days by availing channel financing. This will help us to reduce the debt as on March'21 as compared to March'20.

Outlook

CATEGORY	12M FY20 CONTRIBUTION	MARKET ENVIRONMENT	OUTLOOK
Retail Channel Sales	85 – 90% of Branded Sales in 12M FY20	- Retail channel started doing well in across South. - Alternate channels are also expected to do well from Q2 onwards.	The Company is targeting to achieve 85% to 90% of FY21 revenue
Oil Marketing Channel Sales	10– 15 %of Branded Sales in 12M FY20	The company is estimated to do business with this channel less than 10% of total revenue of the company.	This segment will remain weak this financial year also
TOTAL BRANDED SALES	Rs. 679 crore		

Thank you

any queries please contact Mr.V.M.G.Mayuresan, vmgm@butterflyindia.com
