

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

BHATIA'S
The mobile one stop shop

CIN: L32109GJ2008PLC053336

Regd Off: 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002
Email: info@bhatiamobile.com, Ph: 0261-2349892
Website : www.bhatiamobile.com

Date: 26/02/2021

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Script ID/Code : BHATIA/540956

Subject : Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly find enclosed herewith a copy of Results presentation with respect to the Financial results for the Quarter and Nine months ended 31st December 2020 of the company.

Kindly take the above information on record and oblige.

Thanking you,
Yours Faithfully,

For Bhatia Communications & Retail (India) Limited


Nikhil Harbanslal Bhatia
Wholetime Director
(DIN: 02063706)



Place: Surat

Bhatia Communications & Retail (India) Limited

Q3 FY2021 Earnings Presentation



BHATIA'S®
The mobile one stop shop

Safe Harbour

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BUSINESS OVERVIEW



Problem

Quality Electronic Products with after-purchase **customer service**.

Existing Alternatives

There are **regional players**, having minimal presence, but they're unable to provide end-to-end solution. However, there is competition from **large retail giants**, but we have been easily able to compete with them.

Solution

PAN Gujarat presence with **100+ outlets**, providing premium quality Electronic products of various brands.

Key Metrics

Conversion rate – 98%

Proportion of customers entering the store and ending up buying a product.

Unique Value Proposition

Bhatia Communications & Retail (India) Limited is moving up the value chain increasing outlets with multiple products.

After Sales customer service.

First-mover advantage with strategically locating new stores.

High Level Concept

Smart Phones and Electronic Gadgets are no more considered a luxury item, they are **necessities** for everyone.

Unfair Advantage

- Competitive pricing.
- Customer Service.
- Wide range of products.
- Strong distribution network in Gujarat.

Channels

Direct marketing, social media, ads along with tie-up with **Financial Channel Partners** is helping the company reach wider audience.

Customer Segments

- **18+** age group.
- Shift witnessed from low-range mobile phones to premium smart phones.
- Average range of smartphones ~ **₹10,000 - ₹15,000**.

Early Adopters

- The company is updated with the **current trend** in handsets and other electronic devices.
- Strategically opening stores in locations where no regional or big retail player has its presence gaining **first mover advantage**.

Major Costs

- **Stock Purchase.**
- **Employee Expenses.**

Revenue Streams

Diversification of Products:

Number of Multi Product Outlets have increased from **21 to 69 STORES** in this Quarter. Thus making sure, there is perennial flow of revenue.

BUSINESS OVERVIEW: TILT-SHIFT OF CONSUMERS FROM ONLINE TO OFFLINE

Our faith in our **BUSINESS MODEL** is bolstered by looking at the new expansion plan of online mammoths for further growth-

1. Amazon is buying offline stores companies.
2. BYJUs buying offline classes company.

ONLINE TO OFFLINE



BUSINESS OVERVIEW: OPENING OF NEW STORES

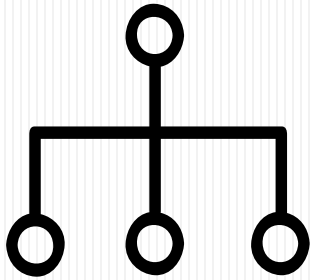


VIP ROAD, VESU



NEAR LP SAVANI SCHOOL

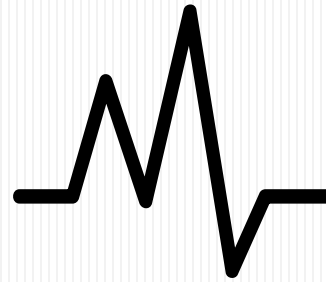
BUSINESS OVERVIEW: FOCUS AREAS



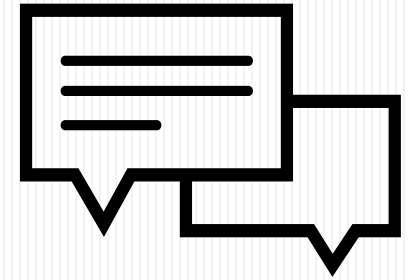
Marketing



Operations



Sales



Supply Chain

BUSINESS OVERVIEW: KEY MILESTONES

Number of Multi Product Outlets increased from **21 to 69 STORES** in this Quarter.



Improving same store Sales through **Intelligent Marketing**.



Diversification of Business with **majority outlets selling multiple products**.



Better **Inventory Management** through robust system.



Maintaining **price competitiveness**.



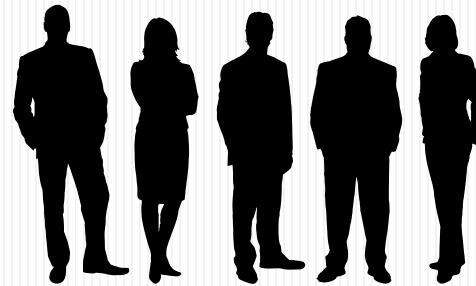
Increasing **number of Brands** for all **Electronic products**.



Strategically locating **Outlets** to **maximize Sales**.



10+ channel partners providing **EMI/credit facilities** to customers.



BUSINESS OVERVIEW: KEY METRICS

CONVERSION
RATE

98%

TOTAL
SQ. FEET

1,16,450

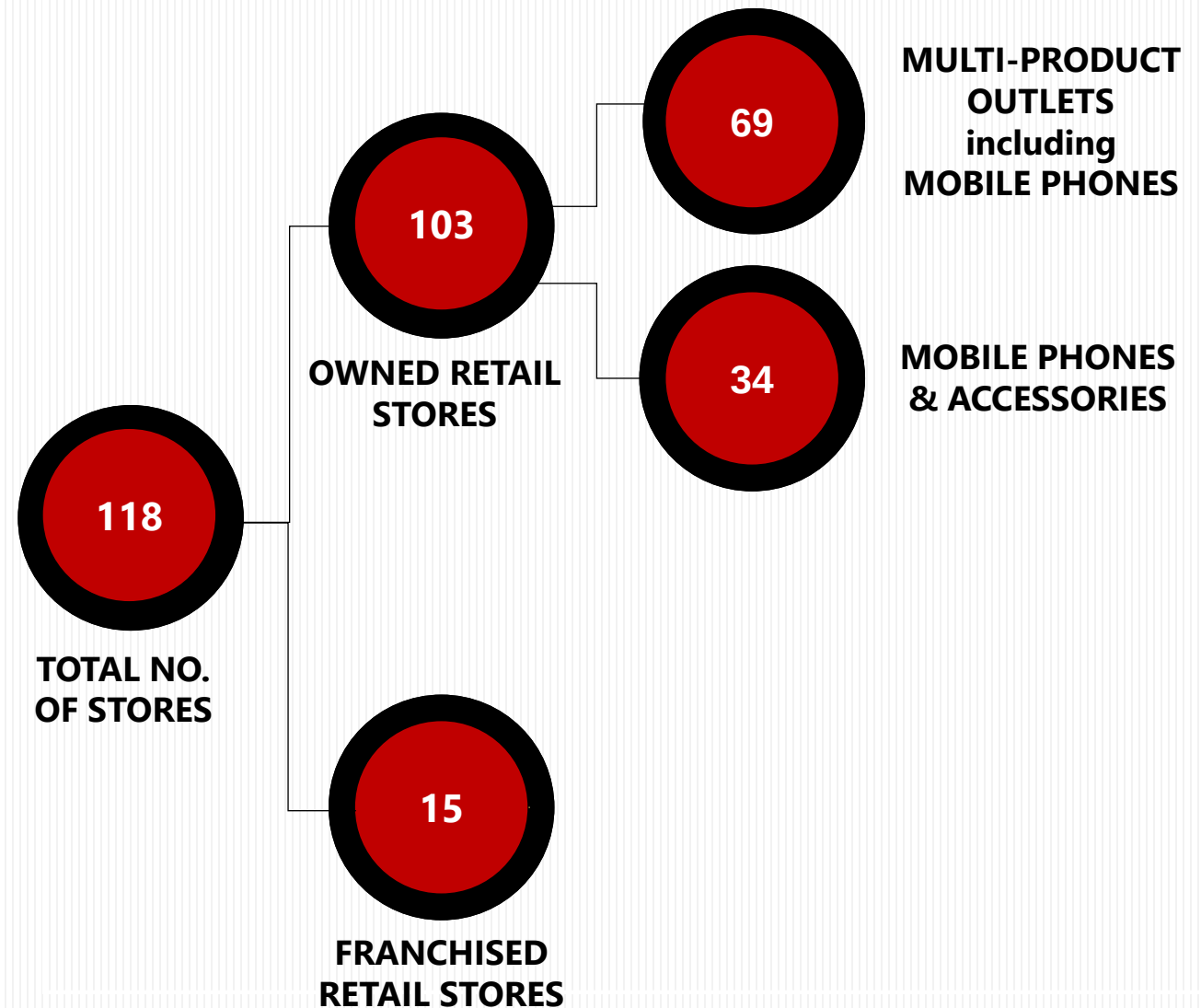
REVENUE
PER SQ. FEET

₹5250

December Quarter

****Conversion rate:** Proportion of customers entering the store and ending up buying a product.

BUSINESS OVERVIEW: NO. OF STORES



BUSINESS OVERVIEW: NO. OF MULTI PRODUCT OUTLETS



BUSINESS OVERVIEW: GROWTH STRATEGY

Bringing experience closer to consumers through stores.



Taking advantage of global movement towards in-store purchases.



Using tailwinds of revenge buying in white goods industry to our advantage.



GROWTH STRATEGY

BUSINESS OVERVIEW: SWOT ANALYSIS

STRENGTH

S

- Experienced Promoters and Management Team with a very Active Marketing Team.
- Strong work force of 100+ employees.
- Diversification of products.

OPPORTUNITY

O

- Under penetration of smart phone, smart TV, Air-Conditioner markets.
- People shifting from non-smart phones to smart phones.
- Rising Disposable Income of people.



W

WEAKNESS

- Limited Mobile Network Infrastructure in rural areas would make going PAN-Gujarat difficult.
- Lack of Resource Availability as compared to some of the big giants.

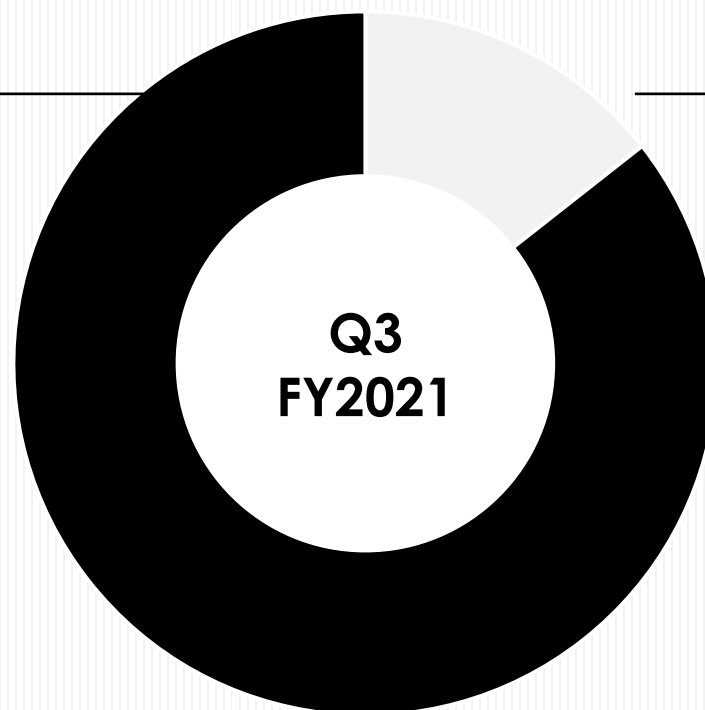
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THREATS

- Competition from both big and small Players.
- Low Entry barriers for new entrants.
- Online platform bringing in competition.

BUSINESS OVERVIEW: REVENUE BREAK-UP

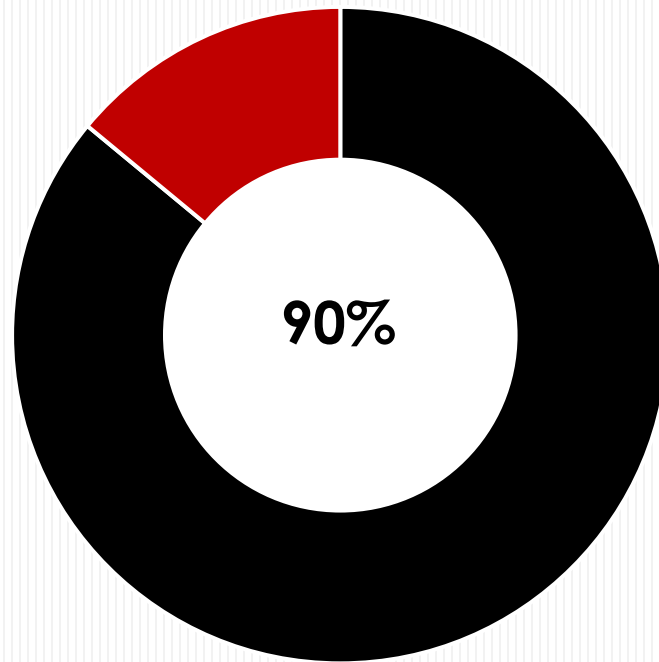
OWNED RETAIL OUTLETS
90% of TOTAL REVENUE



FRANCHISED STORES
10% OF TOTAL REVENUE

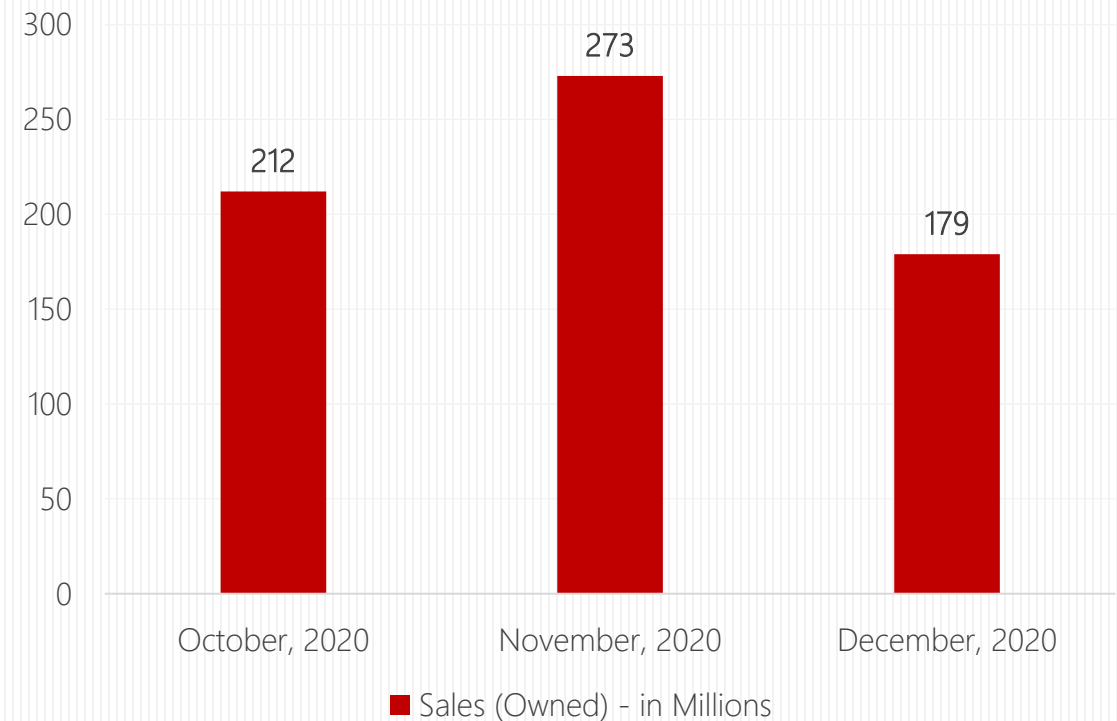
BUSINESS OVERVIEW: OWNED RETAIL STORES

OWNED RETAIL OUTLETS



(Q3 FY21)

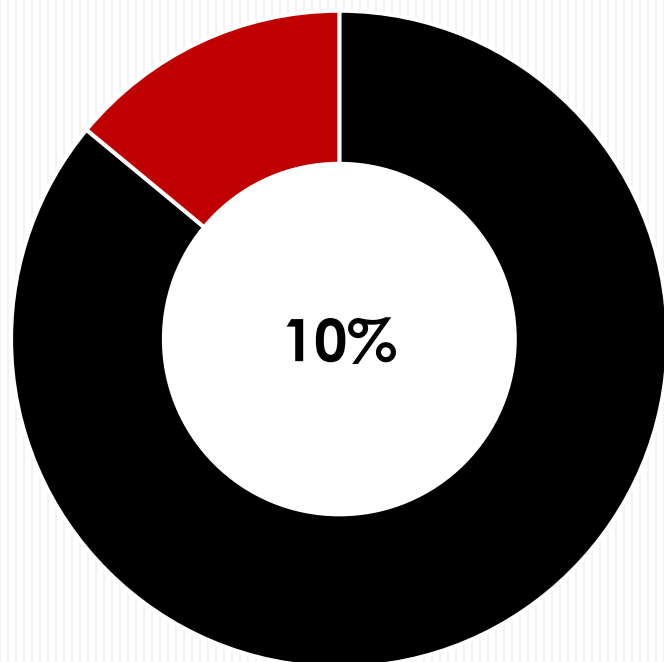
Q3 Sales FY2021 – In Millions (Owned Retail Outlets)



**** Sales amount (without) net of returns; after GST**

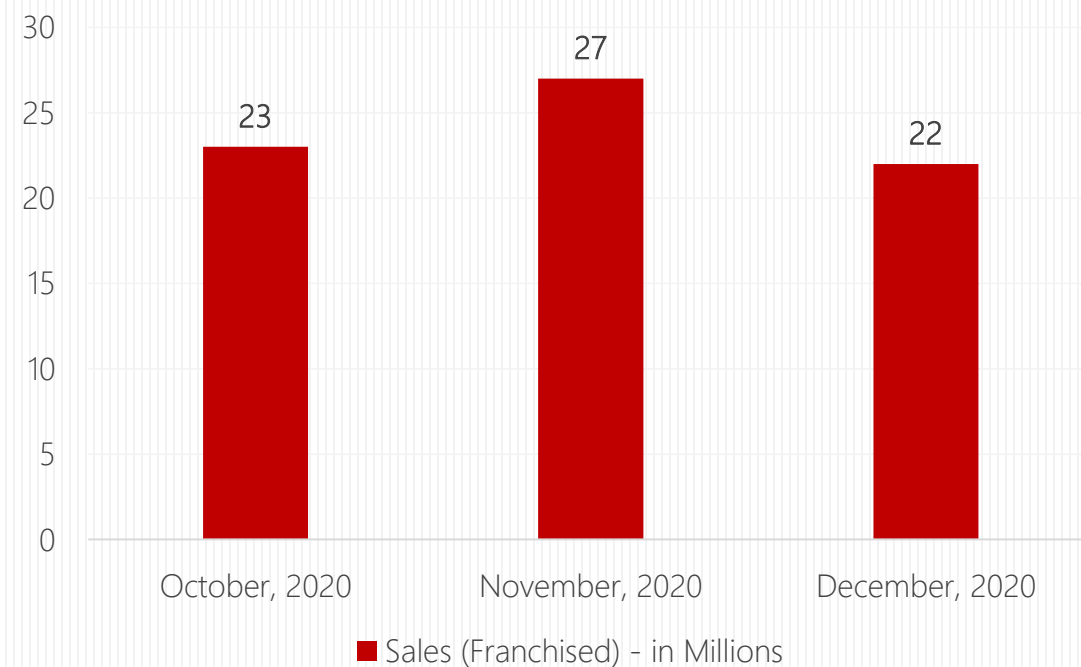
BUSINESS OVERVIEW: FRANCHISED RETAIL STORES

FRANCHISED STORES



(Q3 FY21)

Q3 Sales FY2021 – In Millions (Franchised Stores)

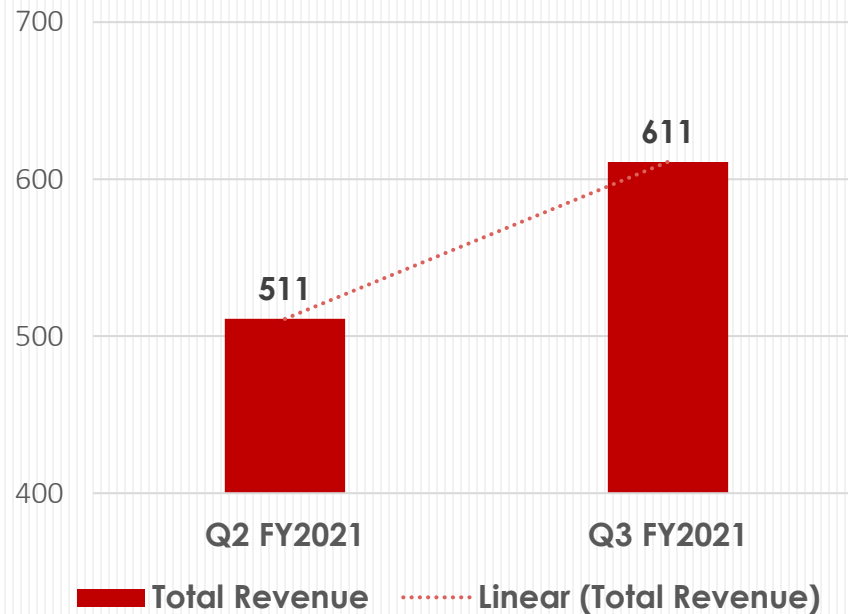


**** Sales amount (without) net of returns; after GST**

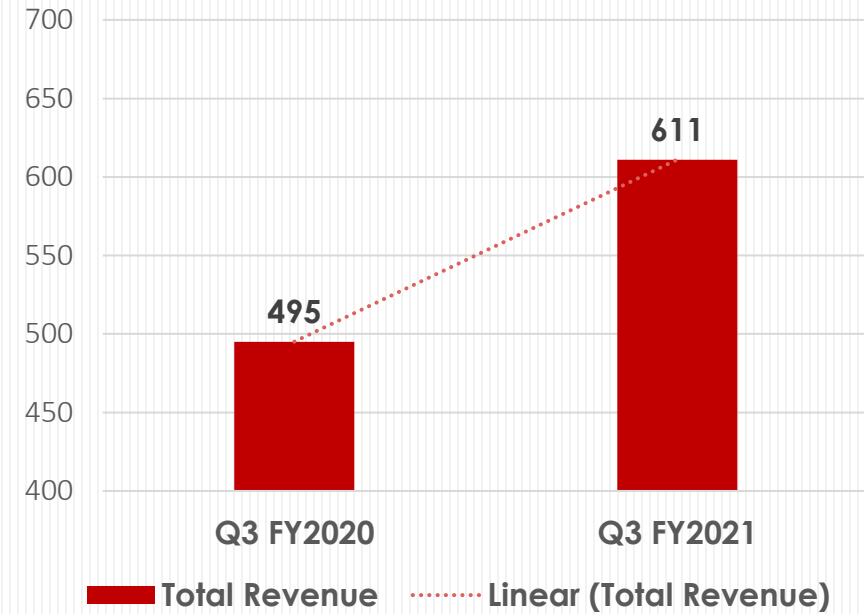
KEY FINANCIALS

FINANCIAL PERFORMANCE: Q3 FY2021

QoQ comparison
Total Revenue (in millions)

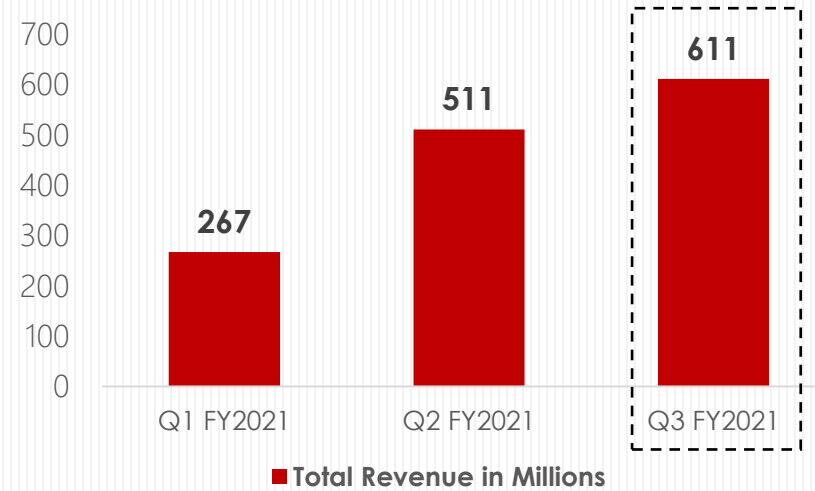


YoY comparison
Total Revenue (in millions)

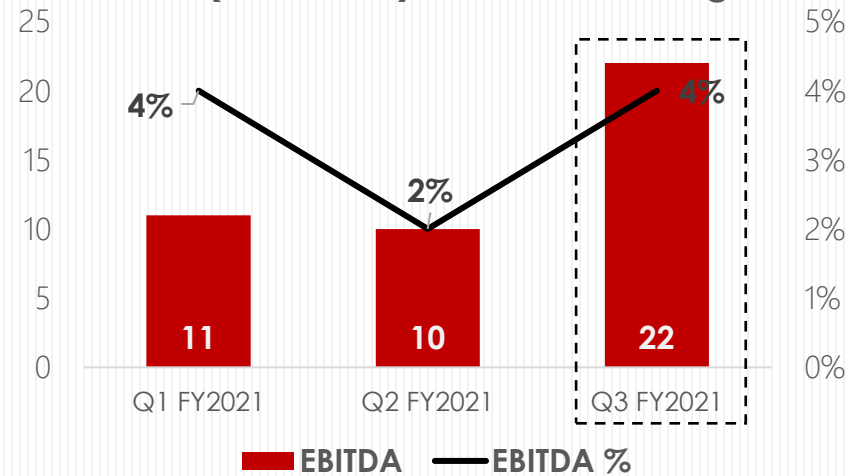


FINANCIAL PERFORMANCE: Q3 FY2021

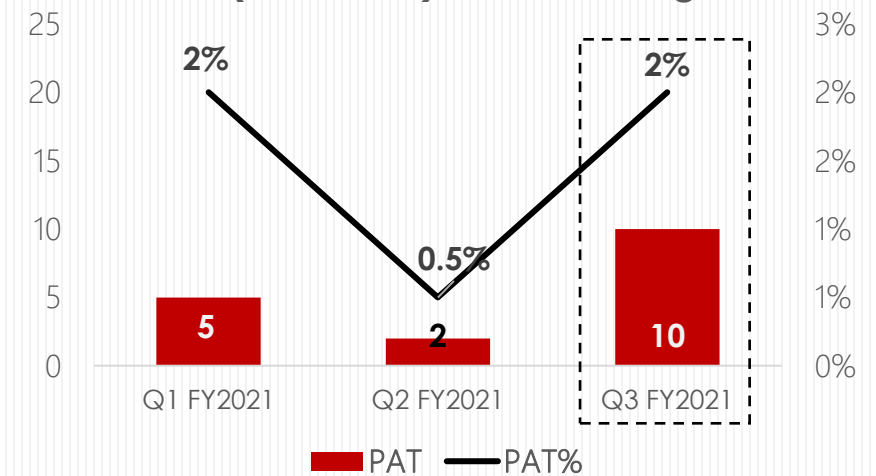
Revenue (in millions)



EBITDA (in millions) and EBITDA Margins

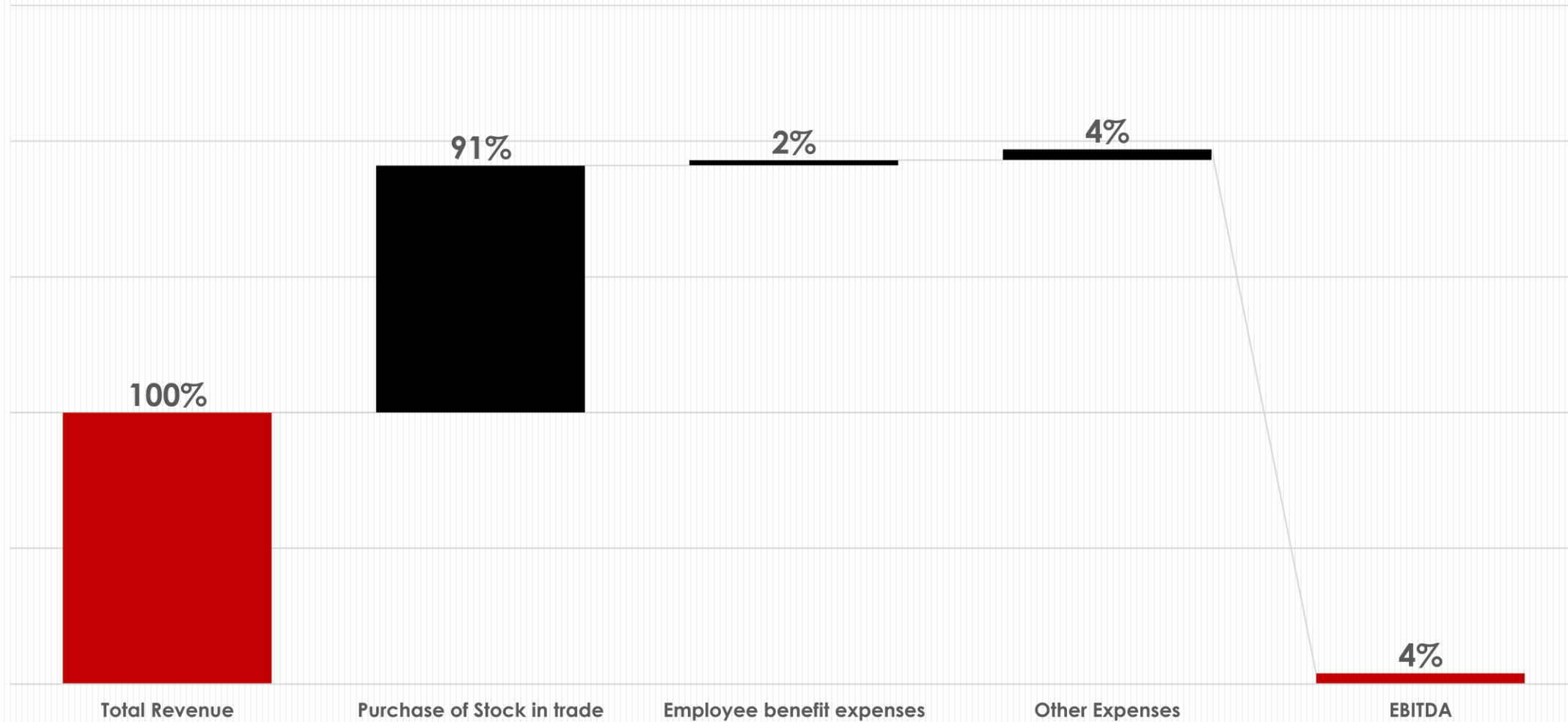


PAT (in millions) and PAT Margins



FINANCIAL PERFORMANCE: MARGIN PERCENTAGE BRIDGE

****The percentages have been rounded off.**



FINANCIAL PERFORMANCE: PROFITABILITY HIGHLIGHTS

3 months ending (in millions)	Q3 FY21	Q2 FY21	Q3 FY20
TOTAL REVENUE	611	511	495
Purchase of Stock-in-trade	556	473	441
Employee Benefit Expenses	9	9	9
Other Expenditure	24	19	17
EBITDA	22	10	28
EBITDA Margin	4%	2%	6%
Depreciation	3	3	3
Finance Costs	4	3	4
Exceptional Items	-	-	-
PBT	15	4	21
Tax Expenses	6	1	6
PAT	10	2	16
PAT Margin	2%	0.5%	3%



**We are committed
to growth.**

Thank You

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