

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: 15/07/2019

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Subject: Disclosure of information pursuant to Regulations 30 read with Part A of Schedule III, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In compliance with Regulation 30 read with Part A of Schedule III, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly find enclosed herewith a copy of Half Yearly Financial Results presentation with respect to the H2 2019 audited Yearly Financial results for the year ended 31st March, 2019 of the Company.

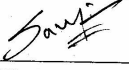
Kindly take the above information on record and oblige.

Thanking you.

Yours Faithfully.

For and on behalf of

Bhatia Communications & Retail (India) Limited


Sanjeev Harbanslal Bhatia
Managing Director
DIN: 02063671



Place: Surat



BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

2nd Half Year Ended & FY19 Update

Safe Harbour

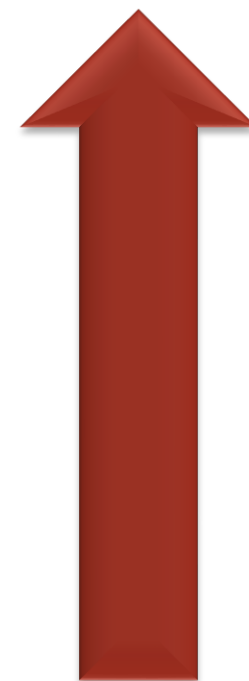
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CONTENT

- Key Financials
- Company at a Glance
- Sector Overview

Key Financials Highlights H2 FY19

	Total Revenue	EBITDA	PAT
H2 FY19	INR 919 Mn	INR 46 Mn	INR 28 Mn
	12% YoY	3% YoY	16% YoY
	3.5% Growth from H1 FY2019	19% Growth from H1 FY2019	21% Growth from H1 FY2019



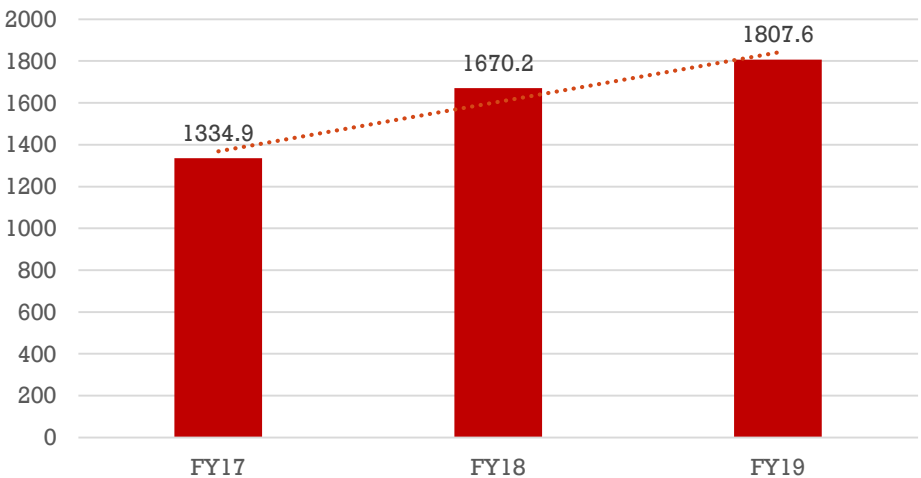
Key Financials: Profitability Highlights Half Year Ending FY19

6 months ending (in millions)	H2 FY18	H2 FY19	YoY
TOTAL REVENUE	818	919	12%
Purchase of Stock-in-trade	712	817	
Employee Benefit Expenses	29	20	
Other Expenditure	32	35	
EBITDA	45	46	3%
<i>EBITDA Margin</i>	<i>5.5%</i>	<i>5.04%</i>	
Depreciation	4	4	
Interest	4	3	
Exceptional Items	-	-	
PBT	37	39	
Tax Expenses	13	11	
PAT	24	28	16%
<i>PAT Margin</i>	<i>3%</i>	<i>3%</i>	

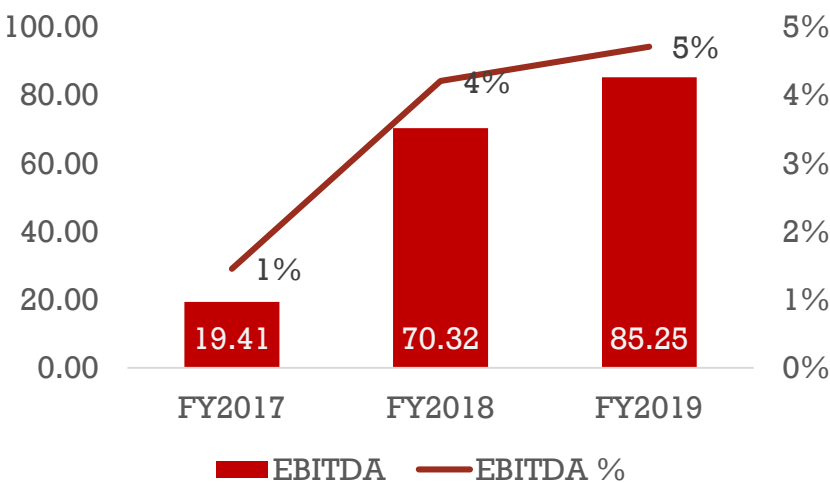


Key Financials

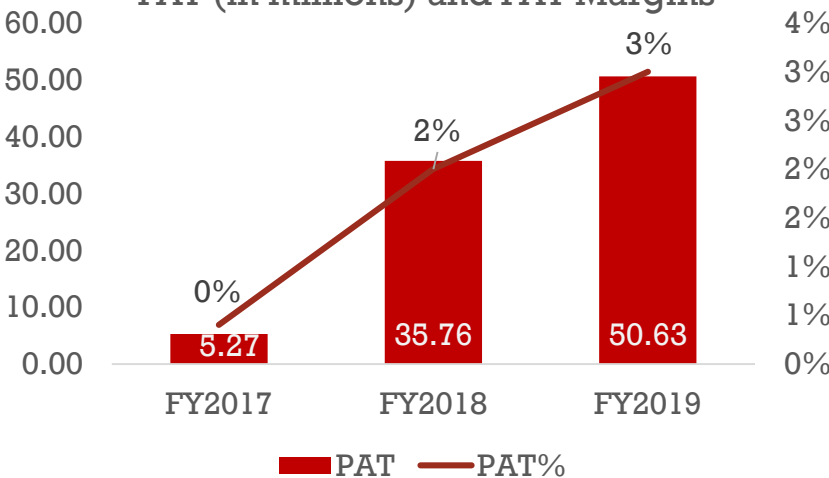
Revenue (in millions)



EBITDA (in millions) and EBITDA Margins



PAT (in millions) and PAT Margins



Promising Topline Growth Trajectory.

With the Multi-product Outlets, Revenue can be expected to grow at a higher rate.

Continuously Improving EBITDA and PAT profile with improved realization and addition of higher margin Products.

Increasing same Store Sales, can further improve Profitability margins.

Key Financials: Profitability Highlights FY19

(INR in millions)	FY18	FY19	YoY
TOTAL REVENUE	1670	1808	8%
Purchase of Stock-in-trade	1494	1614	
Employee Benefit Expenses	48	38	
Other Expenses	58	70	
EBITDA	70	86	23%
<i>EBITDA Margin</i>	<i>4%</i>	<i>5%</i>	
Depreciation	8	9	
Interest	9	5	
Exceptional Items	-	-	
PBT	54	72	
Tax	18	21	
PAT	36	51	42%
<i>PAT Margin</i>	<i>2.16%</i>	<i>2.82%</i>	



Key Financials: Balance Sheet Highlights – H2 FY19

(INR in millions)	Mar-18	Sep-18	Mar-19
Shareholders' Funds	282	305	333
Share Capital	63	63	125
Reserves & Surplus	220	243	208
Non-current liabilities	14	12	19
Long Term Borrowings	11	10	10
Deferred Tax Liabilities (Net)	1	0.5	1
Long-Term Provisions	2	2	2
Other long-term liabilities	-	-	6
Current Liabilities	162	138	169
Borrowings	6	2	43
Trade Payables	135	127	102
Other Current Liabilities	2	2	4
Short-term provisions	19	9	20
Total Equities & Liabilities	458	455	521

(INR in millions)	Mar-18	Sep-18	Mar-19
Non-current assets	82	86	99
Tangible Assets	55	59	71
CWIP	0	0	0
Intangible Assets	3	3	3
Non Current Investments	0	0	0
Deferred Tax Assets (Net)	0	0	0
Long-term Loans & Advances	24	25	26
Other Non-Current Assets	0	0	0
Current Assets	376	369	422
Inventories	155	197	164
Investments			
Trade receivables	46	42	55
Cash & Cash Equivalents	146	101	163
Short-term loans & Advances	29	29	41
Other Current Assets	0	0	0
Total Assets	458	455	521



Company at a Glance: Business Overview

BHATIA'S®
The mobile one stop shop

19+

**Years of
Experience**

- Business of trading Mobile Phones & Accessories, Tablets, LED TVs and other Electronic Equipments.
- The company sells cellular mobile devices and accessories through 20 franchisee retail chain dealers located in the South Gujarat region.
- Provides credit/EMI facilities to customers for buying products, tied up with major leading credit houses like Bajaj Finserv, Capital First etc.
- **80% Conversion Rate.**
- The team has more than 19 years of working Experience

Focused Approach to have Pan Gujarat presence

- Mr. Sanjeev Bhatia and Mr. Nikhil Bhatia, with their years of experience plan to increase Bhatia Communications & Retail's presence all over Gujarat within the next 3-5 years.

43 Number of Awards Won

Presence all over South Gujarat

Owned more than 76 retail outlets chain located all over South Gujarat region including Surat, Vapi, Valsad, Navsari and Vyara.

96 Number of Retail Stores

1000+ Number of Expert
Advisors



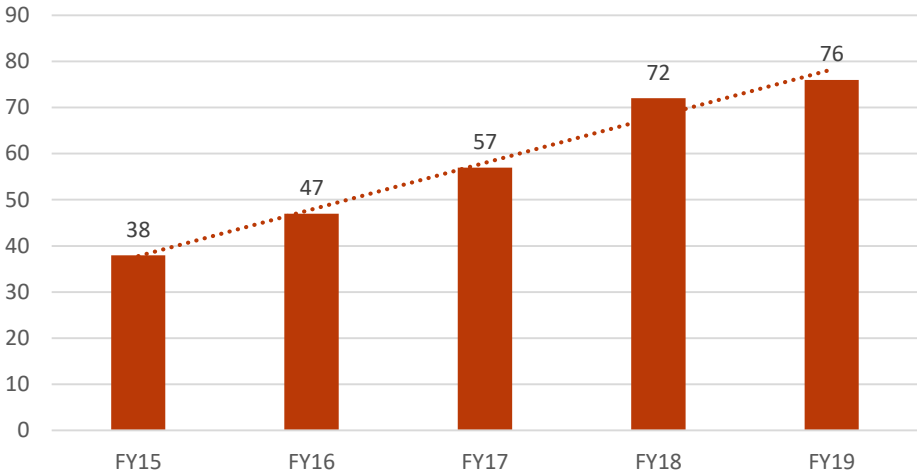
Company at a Glance: Business Overview



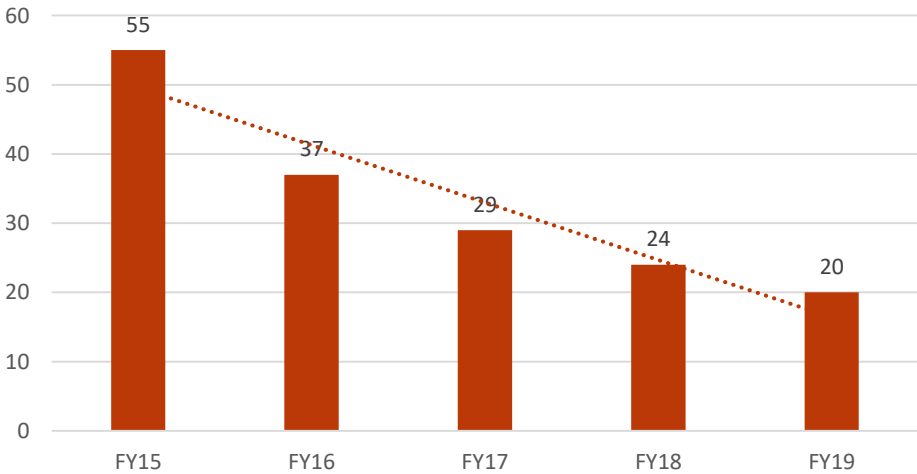
Product Range:

- Mobile Phones
- Tablets
- Mobile Accessories
- Smart TVs
- TVs (LEDs and LCDs)
- Refrigerators
- Air Conditioners
- Air Coolers
- Microwave
- Washing Machine
- Other Home Appliances

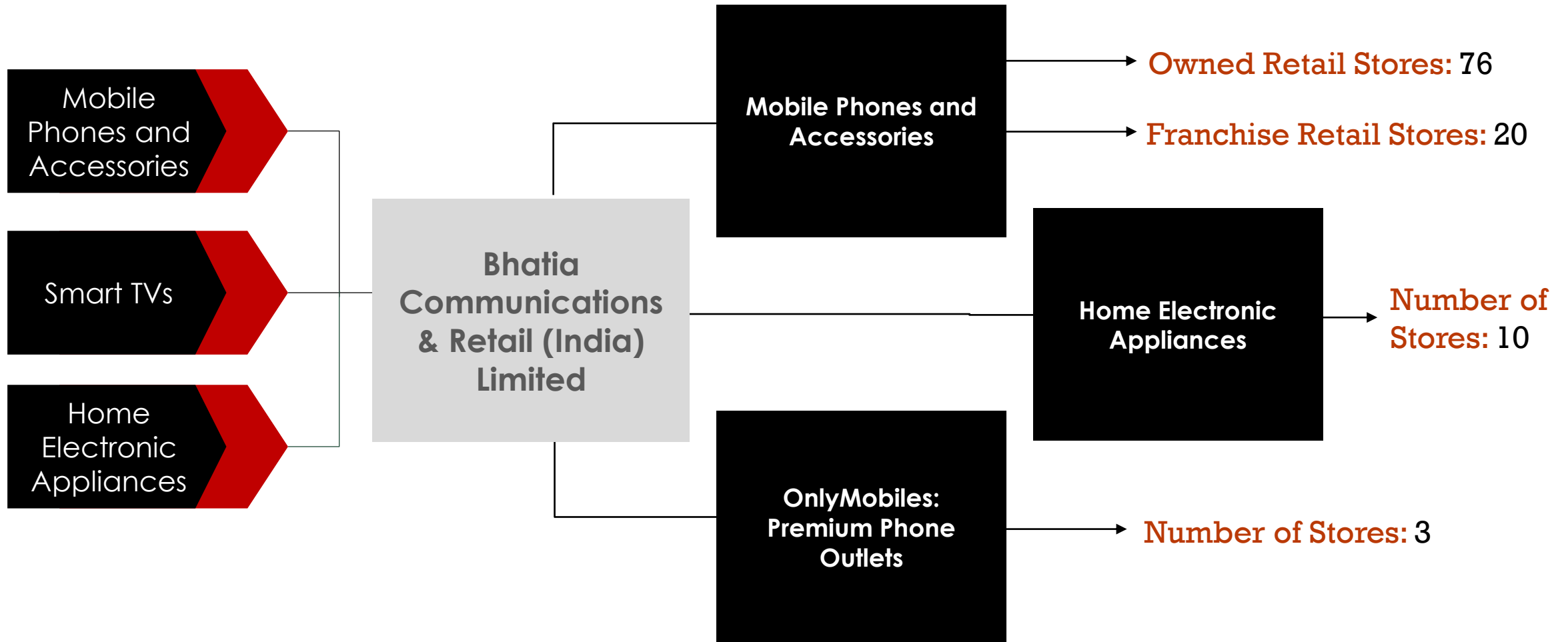
Number of Retail Stores



Number of Franchise Retail Stores



Company at a Glance: Business Overview



Bhatia Communications & Retail (India) Limited now becomes **“The one stop shop”** for all Electronic Products, ranging from Mobile Phones to all Home Appliances.

Company at a Glance: Future Growth Strategy

Plan for Pan Gujarat		Growth Strategy		
Our Focus	Retail Space - Scaling up retail presence every year. - Total 76 owned store retail Space - Revenue per sq. ft: 19,600 (FY19)	Price Competitiveness - Brand Association with almost every Top Brands in Mobile Phones & Electronic Items. - Strong Banking Channel Partners forming 25% of Sales	Customer Satisfaction 1000+ Expert Advisors ensuring rich Customer Experience. 80% Conversion Rate	
	Branding Strategy and Marketing Campaigns - Providing Mobile Phones and Accessories with attractive offers. - Marketing through various platforms	Moving up the Value Chain - Launched Smart LED TV in Surat, Gujarat under HOM brand. - The Company is premium trade partner for HOM.	Focus on same store Sales Growth - This will increase revenue without any increase in the Fixed costs. - Introduced Multi-product outlets thus pushing same store sale.	
	Technology enabled Inventory Management System - Improved Operational Efficiency - Likely to impact bottomline in the coming years	Focus on Retail Presence - Owned 76 retail outlets chain located all over South Gujarat. - Increasing Retail Presence through 20 franchisee retail chain dealers.	Focusing on diversifying across all product range The Company expanded its product Portfolio by including Electronic Appliances such as TV, Refrigerator, Air Conditioners, etc.	

Company at a Glance: Retail Space and Presence

Top 10 Retail & Franchise Store Location

Location	Area (Sq. ft.)
IBC, Piplod	4,000
Krishna Market	4,000
Krishna Market	2,000
Poddar Arcade	1,500
Ring Road	1,250
Ved Road	750
Pandesra	700
Kamrej	560
Kim	540
Gunjan, Vapi	500



Average Ticket Size
~ Rs. 9000

Revenue
~ Rs. 19,600 per sq. ft
(for FY19)

Total Retail Space:
92,000 sq. ft.
(Own Branch: 76,000 sq. ft.
Franchise: 16,000 sq. ft)

With more stores, outside Surat, like in Vapi and Navsari.

Company at a Glance: Retail Space and Presence

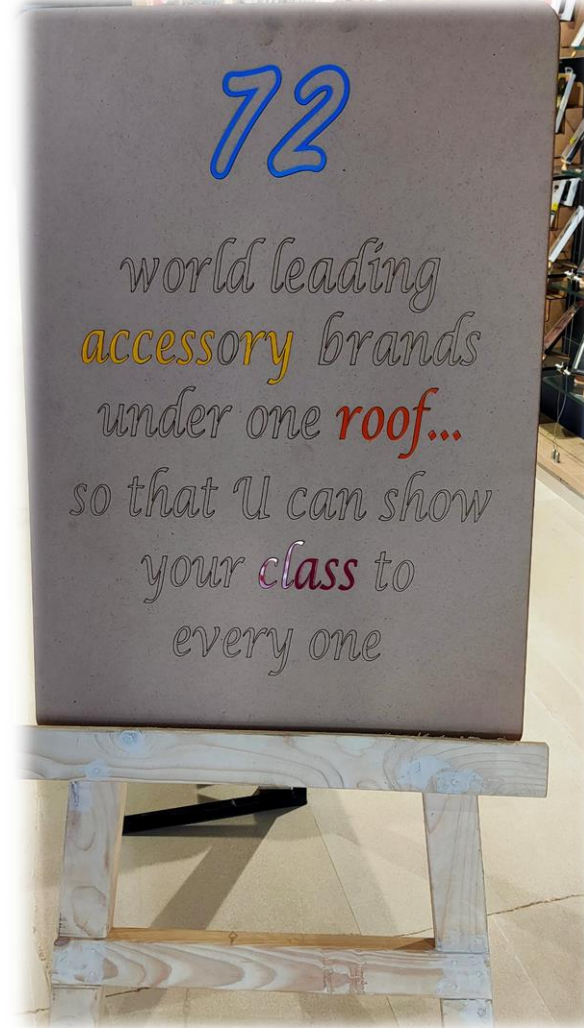


- ✓ Newer and Bigger Stores in Surat
- ✓ Bhatia Mobile associated with all Top Mobile Brands
- ✓ Customer Experience given top priority
- ✓ Association with Top Accessories Brands as well.



Company at a Glance: Retail Space and Presence

Association with Top Accessory Brands



**Accessory Business
is a Repeat Business
Model.**

**Mostly all
consumers buy
some accessory
when they buy
Mobile Phones,
Tablets or any other
Electronic Gadget.**

Company at a Glance: Retail Space and Presence



OnlyMobiles – New Retail Format



Rich Customer Experience



Minimum 150 sq. Retail space



Only Smartphone & Premium Electronic Products



Minimum Ticket Size: Rs. 12,000

CURRENTLY 3 stores under OnlyMobiles Brand Name

Multi Product Retail Outlets



Krishna Market, Ms Ring Road (Surat).



Total Area Sq. ft: 16,000



Brand Association with almost all top brands like LG, Samsung, Whirpool, etc.



The Multi-product stores received good response in its first year of Operation.

CURRENTLY 10 stores are Multi Product Outlets, with 2 being the major one.

Company at a Glance: Multi Product Outlet



**Home Appliances
sold through 10
different Outlets.**

**Includes Air-
conditioners,
Washing Machines,
Refrigerators, LED
TVs, and other
Appliances.**



**The company
received good
response in the first
year of Operations.**

Company at a Glance: Brand Association for Multi Product Outlets

AKAI



KENSTAR

Panasonic Haier



VOLTA

USHA

Company at a Glance: Multi Product Retail Outlets

ભાટીયા મોબાઇલ ઓફર 

32" HD LED TV Y-PRO

SPECIAL OFFER PRICE ₹7777/-

Limited Time Offer

HD DISPLAY | 2 USB PORT | 12 W X 2 SPEAKERS
VGA PORT | 2 HDMI PORT | PC CONNECTIVITY



2 YEARS REPLACEMENT WARRANTY FREE INSTALLATION ACROSS GUJARAT

PRE-BOOK START NOW

ભાટીયાના દરેક શોરૂમ પર ઉપલબ્ધ

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 **BHATIA'S**
The mobile one stop shop

WORLD CUP 2019 SPECIAL OFFER

BLACK 32" HD LED TV Y-PRO

INDIA  

SILVER 32" HD LED TV Y-PRO

Rs. 7777/- Only

2 YEAR'S WARRANTY Free Installation Free wall mount

TOLL FREE NUMBER 1800-2331-336

www.ycled.in  

BHATIA'S  Xiaomi

Mi TVs FOR A SMART HOME

Mi LED TV 4X PRO 55 ₹39,999

Mi LED TV 4A PRO 49 ₹29,999



Association with
TOP BRANDS

Offering
BEST DEALS

Company at a Glance: Smart LED TV Segment



- Smart TV
- Full HD Display
- 1-GB RAM | 8 -GM ROM
- 1.29 GHz (Processer)
- Quad Core - 1.51 GHz
- In Built Wi-Fi
- PC Connectivity

Launched Smart LED TV in Surat, Gujarat under HOM brand in FY19.

Price Range from INR 9,500 to INR 39,510.

Size of Smart TV launched:

- 32 inch
- 48 inch
- 55 inch

Premium Trade Partner for HOM



Brand owned by HOC LLP

HOM Smart TV sold through 10 outlets.

Company at a Glance: Association with Top Mobile Brands

High-End
Mobile Phones



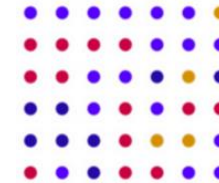
SAMSUNG

Medium and
Low- End
Mobile Phones

vivo

SONY

SAMSUNG



ba11

Panasonic

oppo



realme

Redmi

honor



NOKIA

Company at a Glance: Banking Channel Partners form 25% of Sales



Company at a Glance: Management



Sanjeev Bhatia (Managing Director)

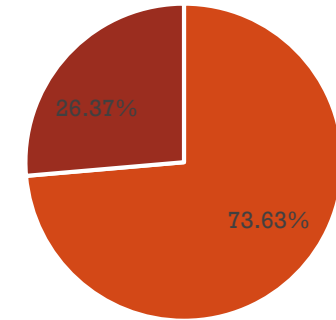
Sanjeev Bhatia, aged 40 years, is having vast experience of 19 years and looks after Finance, Franchise Outlet and General Administration functions.



Nikhil Bhatia (Whole Time Director)

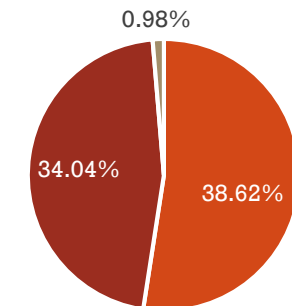
Nikhil Bhatia, aged 37 years, have vast experience of 13 years in the Field of Finance and Sales and look after Sales, Purchase, Finance and Accounts.

Bhatia Communications & Retail (India) Limited Holding



■ Promoter & Promoter Group ■ Public

Promoter and Promoter Group Holding



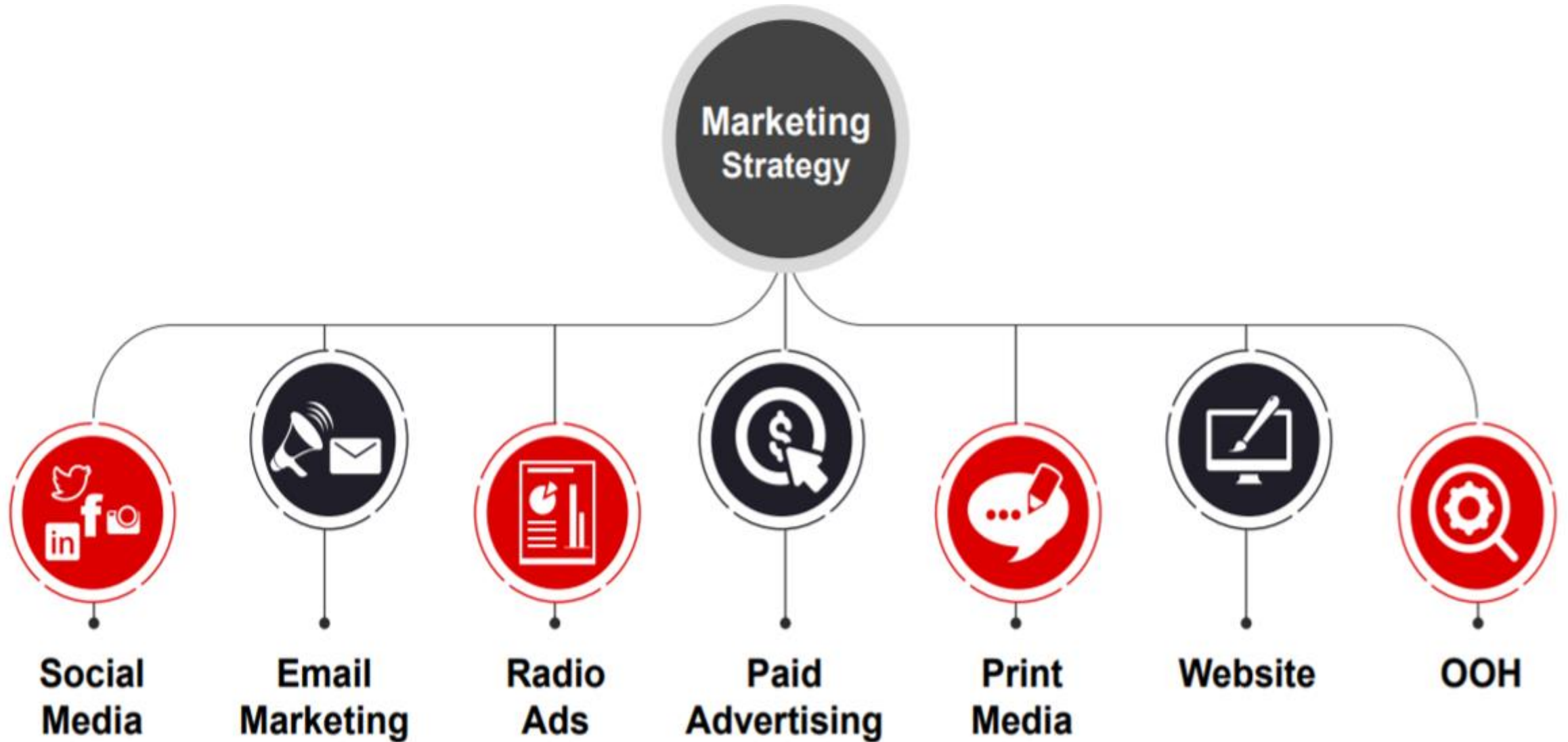
■ Nikhil Kumar Bhatia ■ Sanjeev Harbanslal Bhatia
■ Hema Sanjeev Bhatia

Key Distinctive Features: Bhatia Communications & Retail (India) Limited

Inventory Risk	Very Low
Control Over Product	Low
Range of Products	High
Profitability	Medium
Scalability (Number of Shops)	96 (grew at a CAGR of 19% last 5 years)
Investment Required in People and Stores	Comparatively lesser than Bigger Players



Company at a Glance: Branding Strategy



SAMSUNG **BHATIA'S**
The mobile one stop shop

Happy Rath Yatra

અખાટી બીજના શુભદિવસે આનંદ માણો સેમસંગને સંગ

Galaxy

A2 Core	A10	A20	A30	A50	A50	A70	S10e	S10+
(1/16)	(2/32)	(3/32)	(4/64)	(4/64)	(6/64)	(6/128)	(6/128)	(8/128)
₹5290/-	₹7990/-	₹11490/-	₹15490/-	₹18490/-	₹21490/-	₹28990/-	₹50900/-	₹64900*/-

BHATIA'S®

Galaxy A30 | A20 | A10

Now available in Gold and White



NO COST EMI ₹ 699

Built for the Era of Live

Galaxy A30
₹15,490/-

Galaxy A20
₹11,490/-

Galaxy A10
₹7,990/-

Attractive offers on the one of the most promising series of Samsung.

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realme

realme U1

AI 25MP, India's Selfie Pro

Now starting from ₹8999/-
3GB | 32GB



BHATIA'S®
The mobile one stop shop



Redmi Y3

32MP Super Selfie

Model	Scheme	EMI	Scheme Code
Redmi Y3 (4GB+64GB Prime Black)			
Redmi Y3 (4GB+64GB Elegant Blue)	8 2	1562	5006914
Redmi Y3 (4GB+64GB Bold Red)			
Redmi Y3 (4GB+64GB Prime Black)			
Redmi Y3 (4GB+64GB Elegant Blue)	9 3	1389	5006915
Redmi Y3 (4GB+64GB Bold Red)			

DBD - 1.5% + GST & Customer PF - 399

W.E.F
FROM 24TH JUNE
₹8999/-

*T&C Apply



BHATIA'S®

OnePlus 7

Available in stores



₹ 3000 Discount On SBI Cards

Tie-up with top Banking Channel Partners helping Company to give better deals across Brands.

Strength

- Experienced Promoters and Management Team with a very Active Marketing Team.
- Trained Work force with 1000+ Advisors.
- Wide range of Products ranging from Mobile Phones to Home Appliances.
- Sales coming in from both high-end and low-end market segments.

Weakness

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

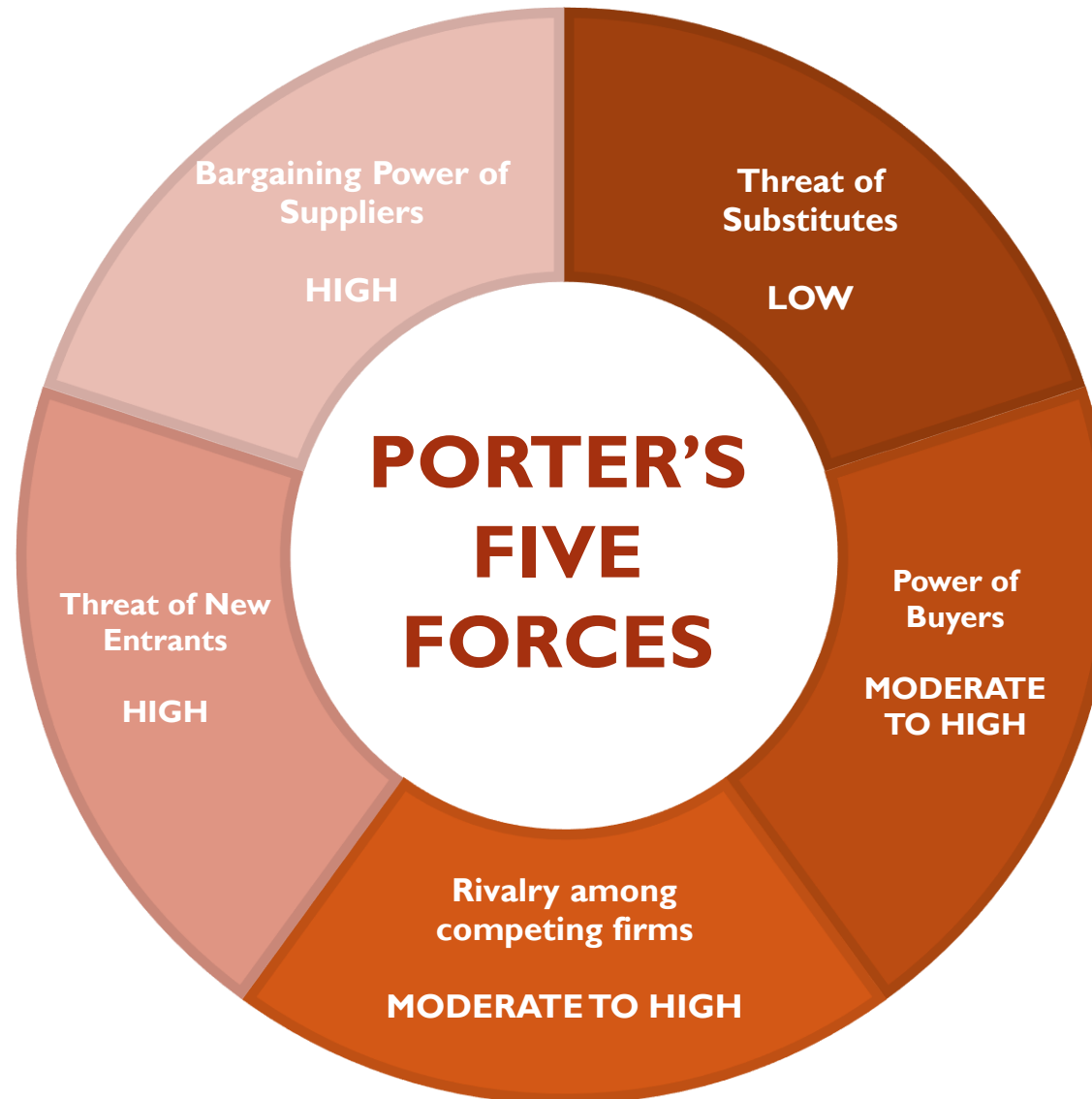
SWOT Analysis

Opportunities

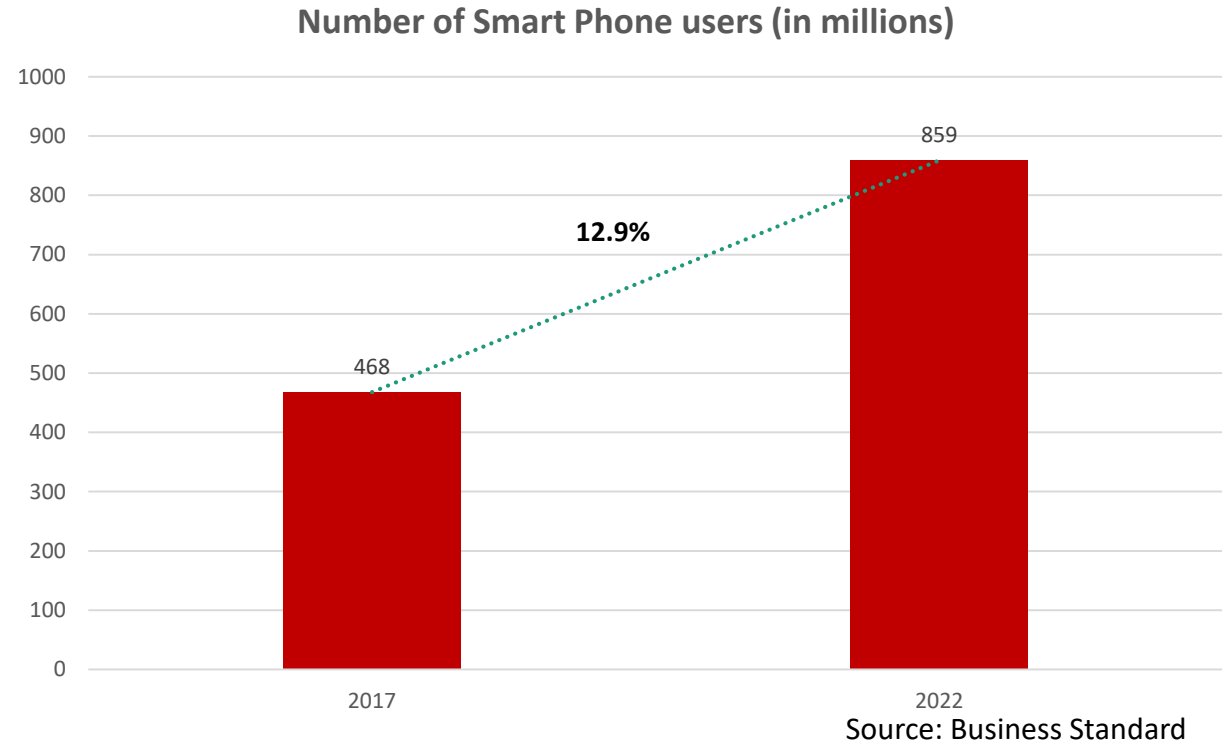
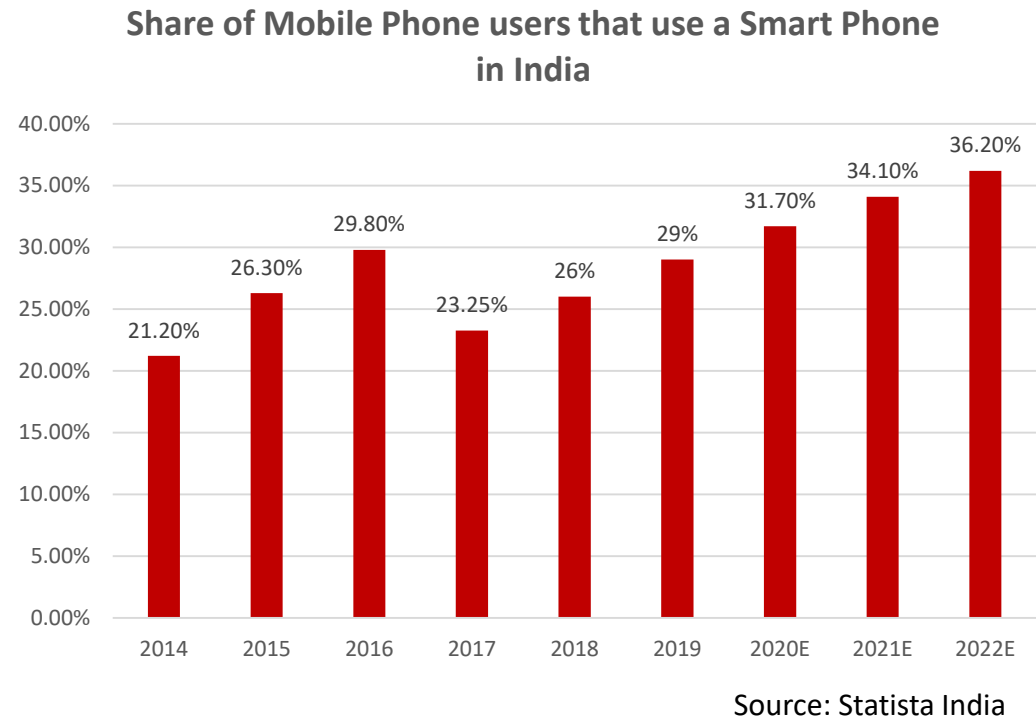
- Expansion of market across Gujarat.
- Credit/ EMI Facilities provided by leading Credit houses.
- Under penetration of smart phone, smart TV, Air-Conditioner markets.
- People shifting from non-smart phones to smart phones.
- Rising Disposable Income of people.

Threats

- Competition from both big and small Players.
- Low Entry barriers for new entrants.
- Online platform bringing in competition.
- Price of products are prone to exchange rate fluctuations.



India Smartphone Market



India accounts for more than 10% of the global smartphone market

India ranks 3rd in the list of Smart Phone Market after China and the US.

India' mobile data consumption is expected to skyrocket from 3.5 GB per month (2017) to 18 GB by 2022.

By 2022, 36% of mobile phone users in the country would use a smartphone, up from 26 percent in 2018.

India Home Appliances and Consumer Electronics Market

Key Factors driving demand

Electrification of Rural Sector

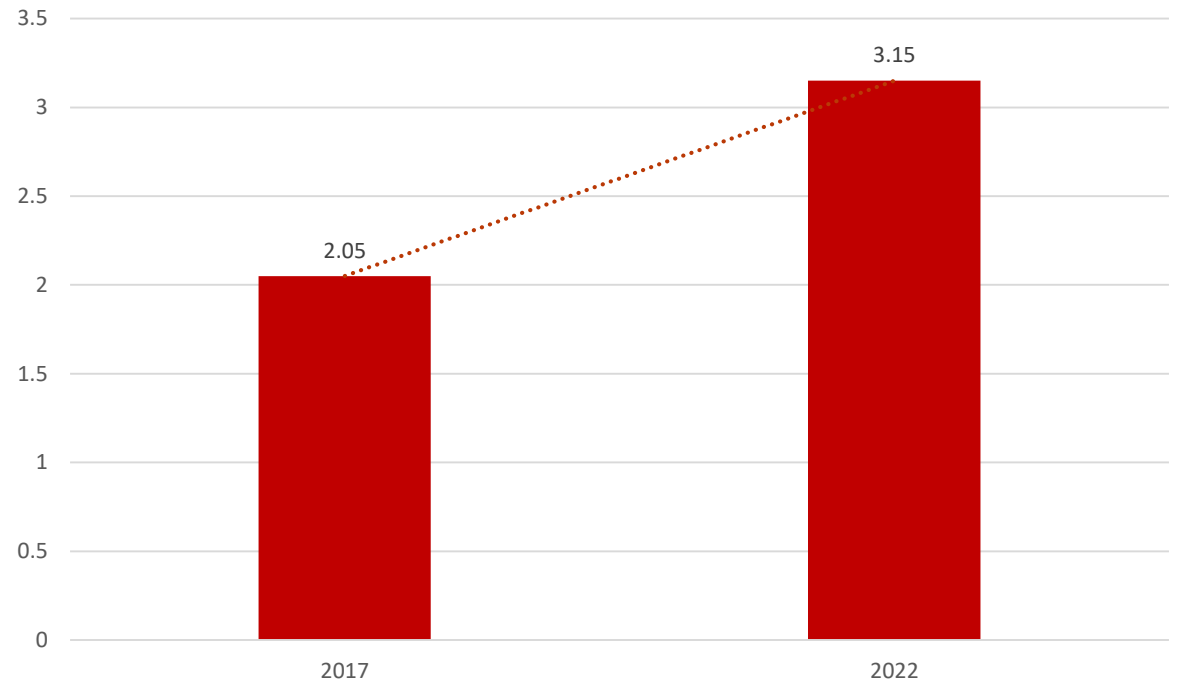
Low Penetration in Air Conditioners (4% in India) and Refrigerators market.

Rise in Disposable Income with easy accessibility to credit.

Growing awareness and changing lifestyles.



Indian Appliances and Consumer Electronics Market Size (in INR trillion)



The Indian Appliances and Consumer Electronics Industry is expected to reach a market size of 3.15 trillion.



Thank You