



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

June 12, 2020

General Manager – DCS,
Dept. of Corporate Services,
BSE Ltd,
Floor I, 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 fourth quarter ended on 31.03.2020

Enclosed please find the Company's Performance/Results presentation for the fourth quarter ended on 31.03.2020, 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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Kancheepuram, District, Phone: +91-44-47415500

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Corporate Office: E-34, II Floor, Rajiv Gandhi Salai, Egattur Village, Navalur - 600 103. Kancheepuram District.
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CIN no. is I28931TN1986PLC12728



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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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

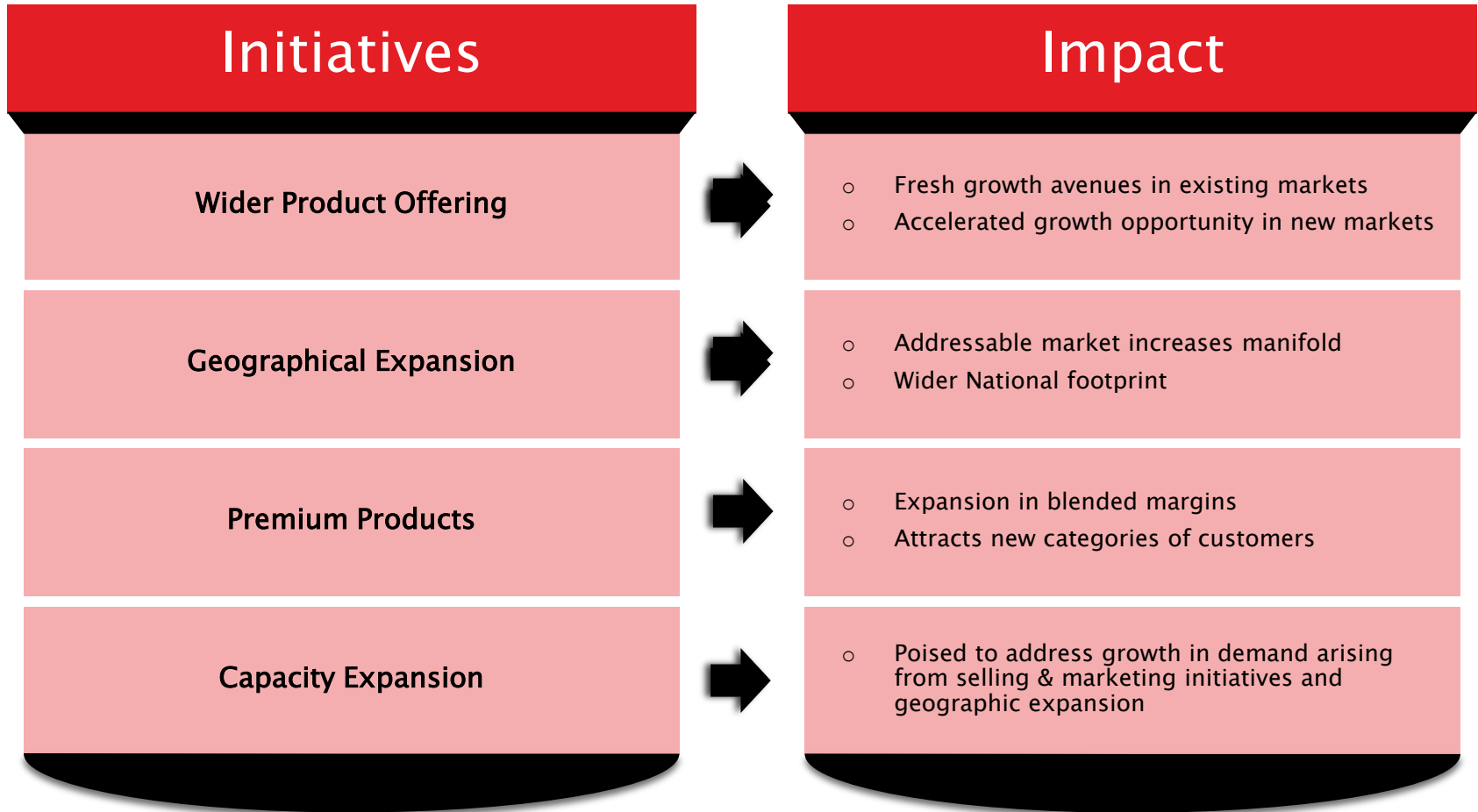
4%

REVENUE GROWTH
OVER FY19

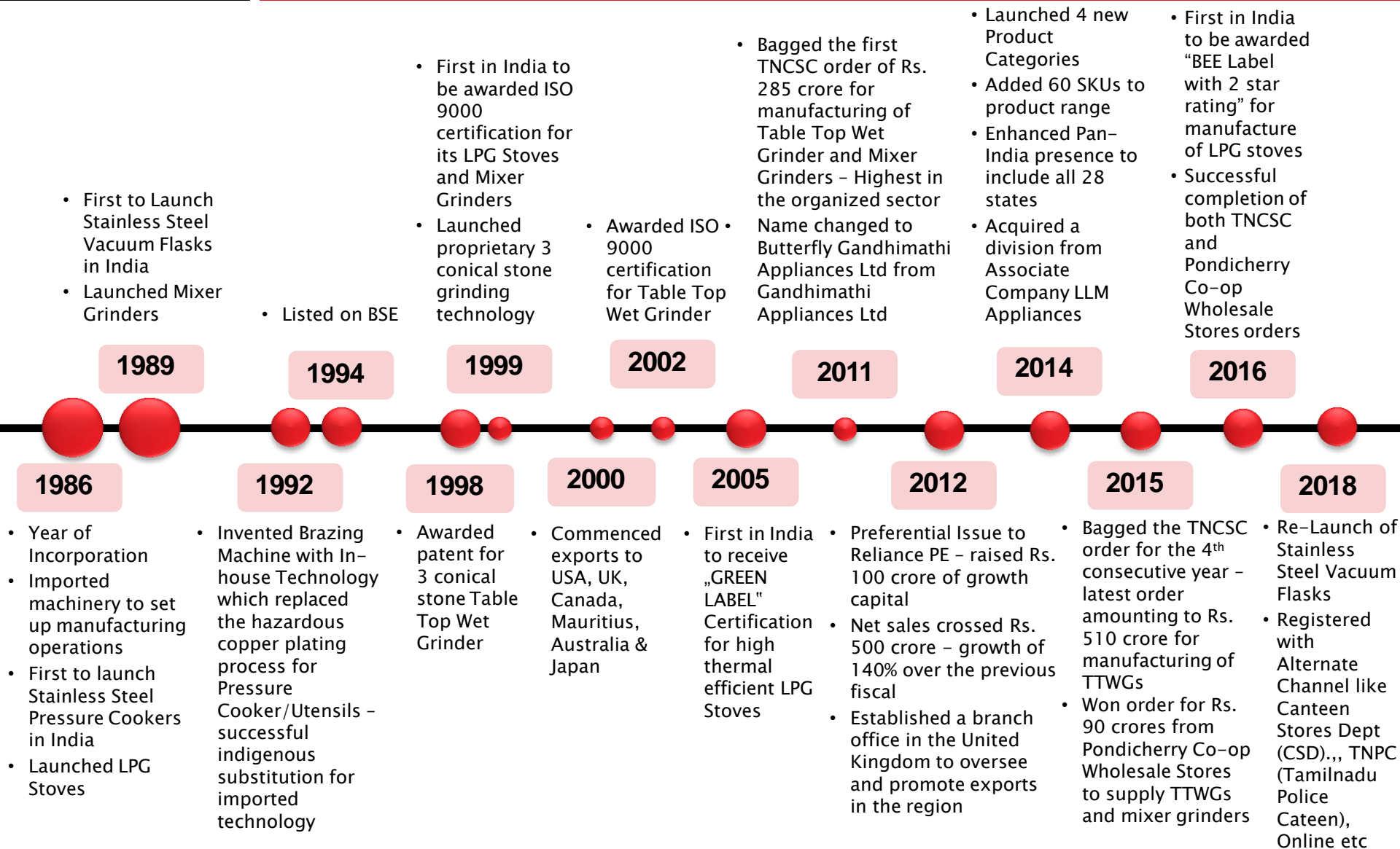
23%

OF FY20
REVENUES FROM NON-SOUTH
STATES

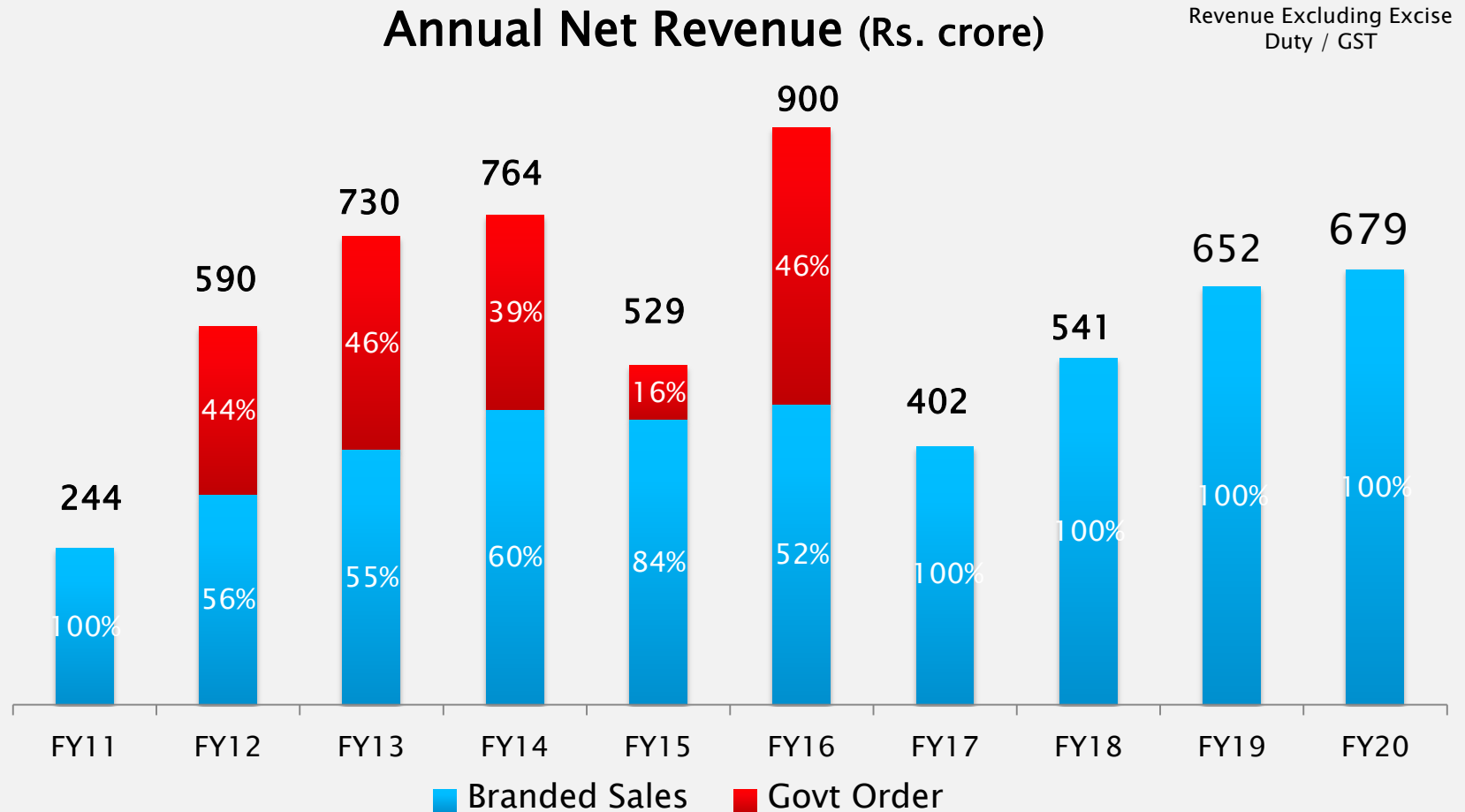
Growth Levers



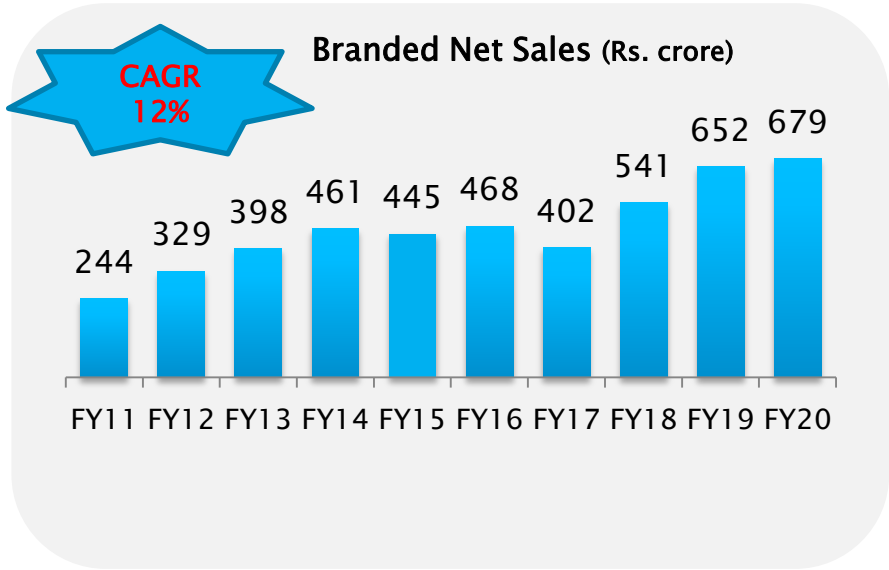
Overview Milestones



Revenue Profile



Branded Retail Sales

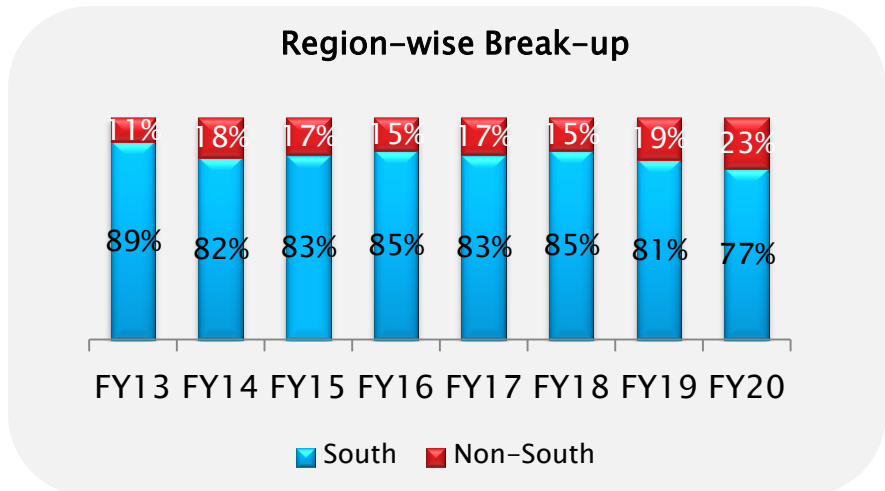
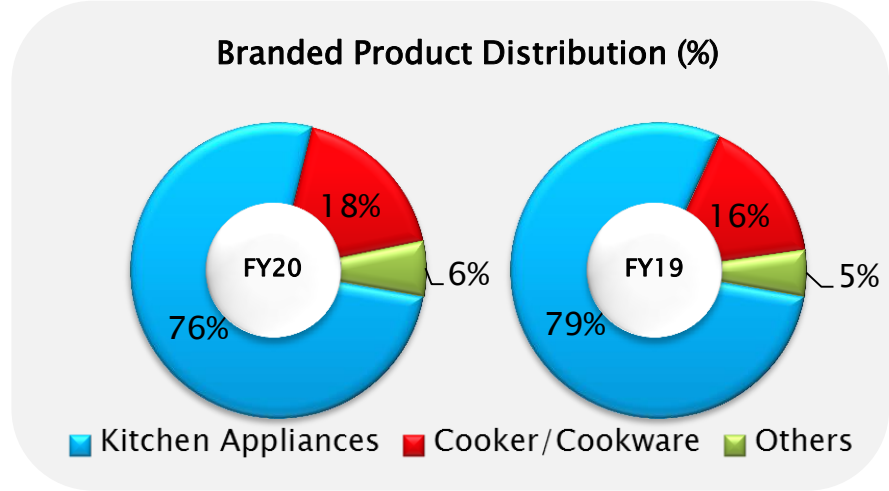


Through Oil Marketing Channel

- 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

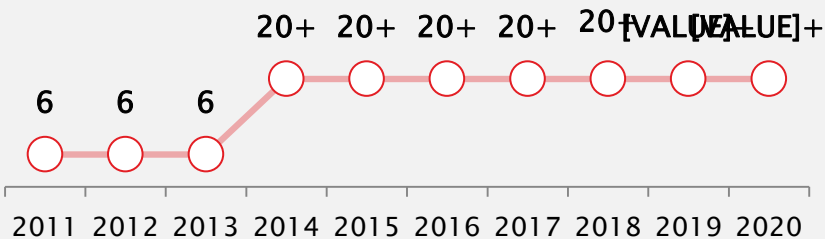
- Network of 500+ exclusive distributors
- Distributors supply to dealer network which is customer facing
- Tie-up with Modern Trade, Online, CSD, CPC, TNPC etc.
- 25000+ retail points across the Indian map



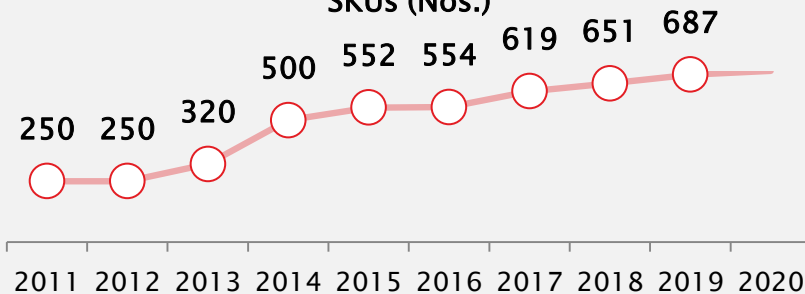
Augmenting Organic Growth

Increased Product Categories For Wider Product Portfolio And Higher Market Share

Product Categories (Nos.)

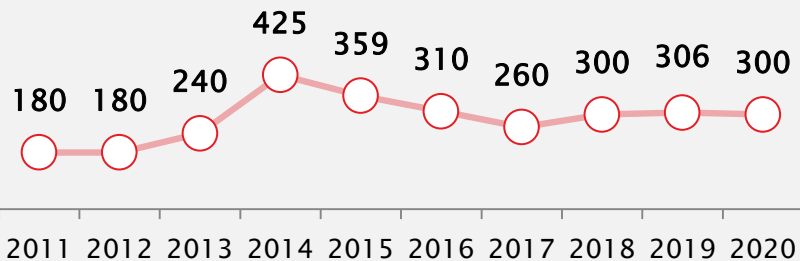


SKUs (Nos.)

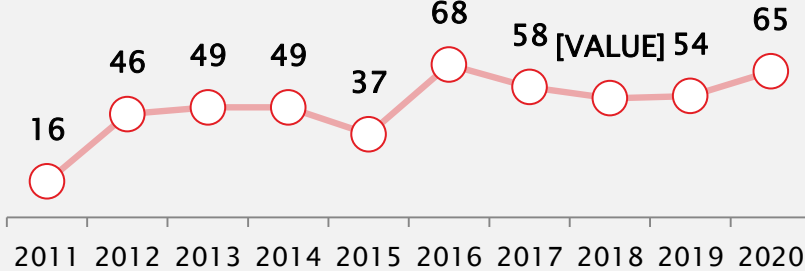


Enhancing Sales and Marketing Efficiency For Better Penetration And Brand Development

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



2

NEW PRODUCTS LAUNCHED

New Product Launches during FY 20



Ruby



Opal



Signature



Peerless

New Product Launches during FY 20



Duo



Trio



Radiant

New Product Launches during FY 20

New Launches



Home & Office



Urban



Leisure



Voyage

New Product Launches during FY 20

New
Launches



Rock Die -Cast NS Flat Tawa 310mm



Superb Plus HA NS Kadai 280mm



Rock Die Cast Kadai 240mm



Rock Die Cast Grill pan 240mm

New Product Launches during FY 20

New
Launches



Trendy 2L



Compact 2L



Kroma NS Jumbo Grill Pan

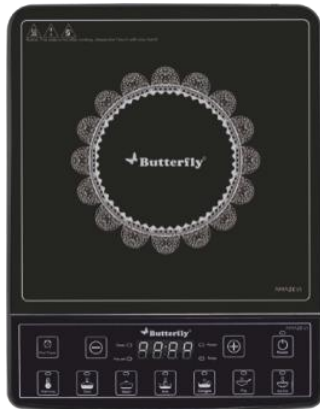


Kroma NS Oothappam Tawa

New Product Launches during FY 20

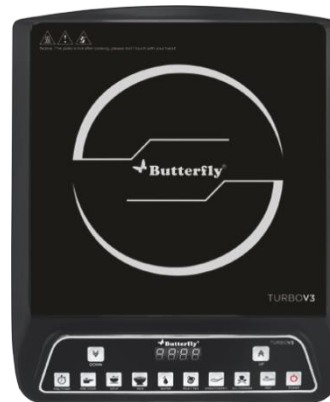
New Launches

2000w



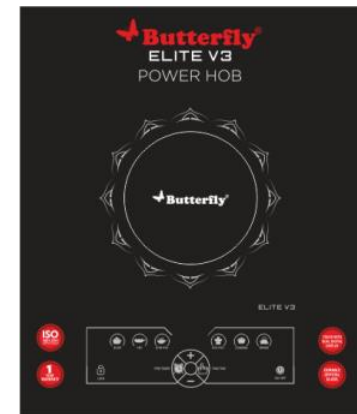
Amaze

1800w



Turbo V3

2200w



Elite V3

New Product Launches during FY 20

New Launches



Food Processor Utilities



Food Processor Utilities



Mini Chopper



Citrus Juicer



Slicer Blade



Food Processor Utilities



3

Financial Overview

Abridged Profit & Loss Statement

Rs. In crore

Particulars	FY 2017	FY 2017 IND-AS	FY 2018 IND-As	FY 2019 Ind-As	Q4 FY 20 Ind-As	12M FY20 Ind-As
Total Net Revenues (Incl. OI)	405.5	406.6	542.1	654.0	111.2	680.2
- Branded Net Revenues	402.3	404.9	540.5	652.0	110.6	678.7
- Government Net Revenues	-	-	-	-	-	-
- Other Income	3.2	1.7	1.6	2.0	0.5	1.5
Material Cost	251.7	247.3	315.2	390.0	61.6	390.2
- Cost of Materials Consumed	145.9	149.1	218.7	316.6	54.5	310.5
- Purchases of Stock-in-Trade	49	78.8	106.4	97.6	18.9	104.9
- Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	1	19.4	-9.9	-24.2	-11.8	-25.3
Gross Profit	153.8	159.3	226.9	264.0	49.6	290.0
<i>Gross Margin (%)</i>	38%	39%	42%	40%	44.6%	42.6%
Employee Expenses	50	50.4	57.3	70.1	18.2	78.9
Other Expenses	127.5	126.9	133.2	146.1	35.4	168.9
EBITDA	-23.7	-18	36.3	47.7	-4.0	42.2
<i>EBITDA Margin (%)</i>	-3%	-4%	7%	7%	-3.6%	6.2%
Depreciation	11.6	11.6	12.4	12.9	3.6	13.9
Finance Cost	21.2	23.3	18.1	22.5	6.1	24.1
Profit Before Tax	-56.6	-53.1	5.8	12.4	-13.7	4.1

The Revenue has grown across all the retail channel. However the estimated revenue fell short by Rs.40 Crs due to Covid.

Gross Profit is very healthy because of raw material purchase price benefit and product mix.

Q4 Profitability is hit because of sudden loss of revenue due to COVID. However the company is planning to minimize the impact in FY21 by reducing costs.

Abridged Balance Sheet

Rs. In crore

Application Of Funds	FY 2017	FY 2017 **	FY 2018**	FY 2019**	FY 2020**
a) Non-current Assets	176.0	177.9	171.6	176.4	179.4
a) Current Assets	231.3	240.5	296.0	287.5	312.7
- Inventories	108.8	108.8	125.1	142.1	170.1
- Trade Receivables- TNCSC/PCWS	21.8	21.8	17.3	3.8	3.8
- Trade Receivables-Branded	66.2	66.2	113.3	113.3	113.1
- Cash & cash equivalents	28.2	31.4	22.7	9.8	4.5
- Others	13	12.3	17.6	18.5	21.2
Total	407.3	407.3	467.6	463.8	492.1
Branded Revenue	402	402	541	652	680
Working Capital Days	112	105	123	87	94
Inventory Days*	99	99	84	80	91
Debtors Days (branded)	60	60	77	63	61
Creditors Days*	47	54	38	56	58

The Inventory increased due to Covid-19, because of revenue loss.

Net working capital increased because of higher inventory.

Abridged Balance Sheet

Rs. In crore

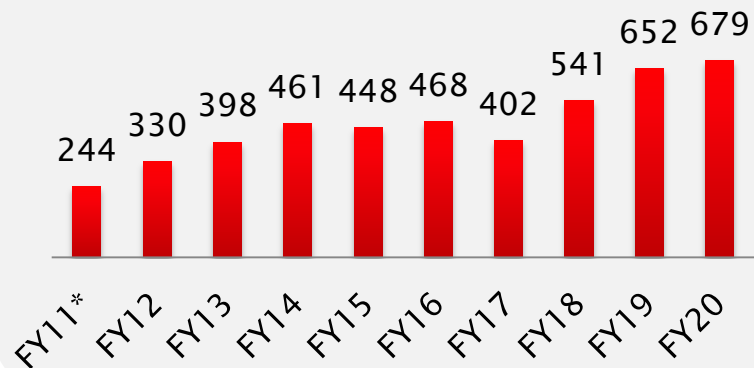
Sources of Funds	FY 2017	FY 2017**	FY 2018**	FY 2019**	FY 2020
a) Shareholders' Funds	179.9	175.2	180.2	189.4	192.7
b) Non-current Liabilities (NCL)	68	62.5	45.8	42.2	35.7
- Long-term Borrowings	60	62.5	45.8	39.4	32.3
- Other NCL	8	-	-	2.8	3.4
c) Current Liabilities (CL)	159.4	180.7	241.6	232.2	263.7
- Short-term Borrowings	65	83.9	145.4	104.3	126.9
- Trade Payables	52	59.7	56.1	99.4	107.5
- Other CL	42.4	37.1	40.1	28.5	29.4
Total	407.3	418.4	467.6	463.8	492.1
Net Debt – Equity Ratio	0.5	0.91	1.16	0.81	0.88

Long term borrowing reduced due to repayment of term loans

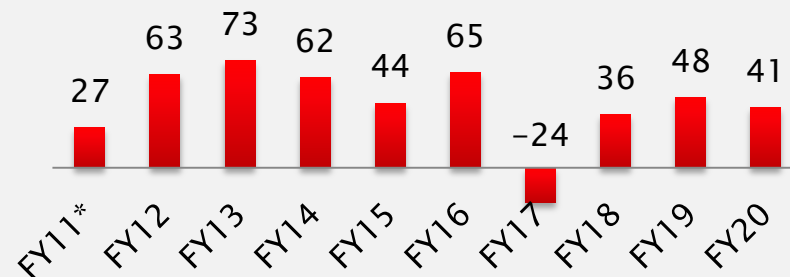
The Short term borrowing is increased because of lower collection from trade partners due to lockdown

Performance Track Record – Annualized

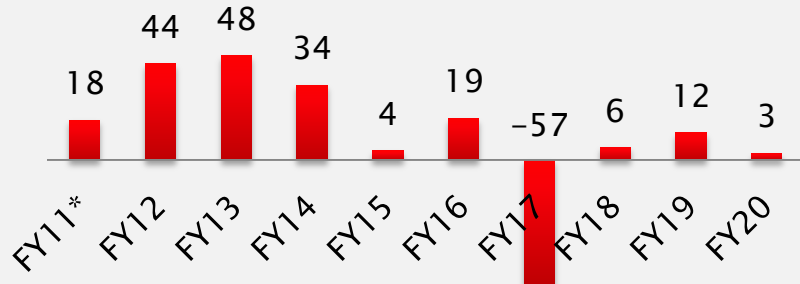
Total Revenue (Rs crore)



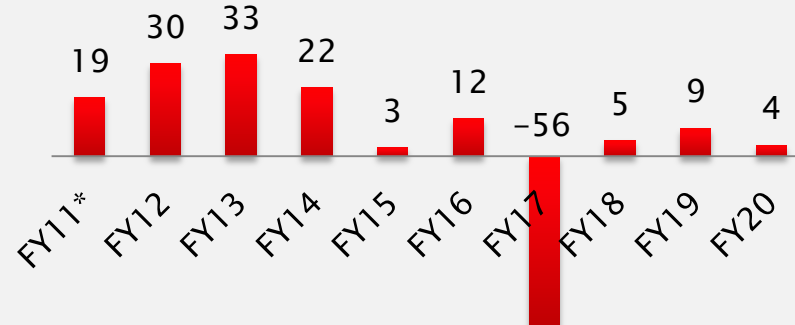
EBITDA (Rs crore)



Profit Before Tax (Rs crore)

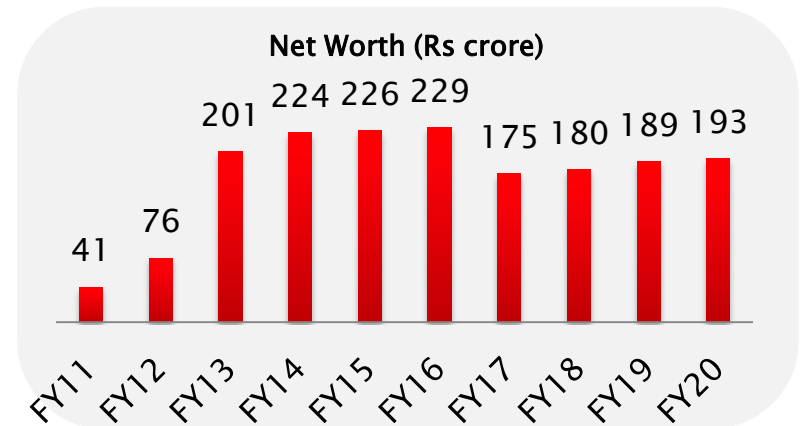
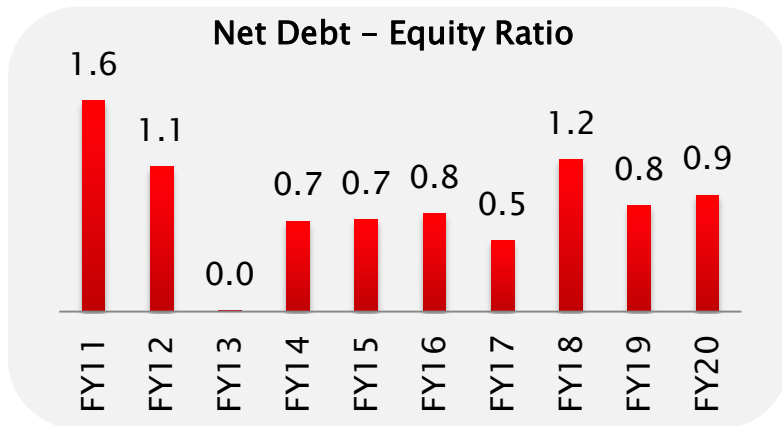
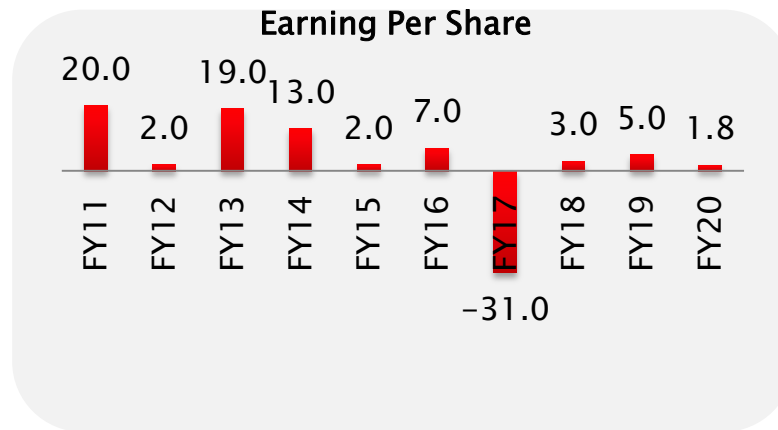


Profit After Tax (Rs crore)



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.



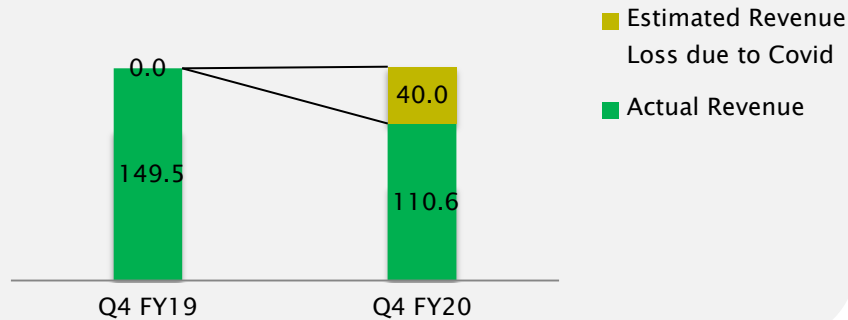
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Q4 FY20 Operating Performance & Highlights

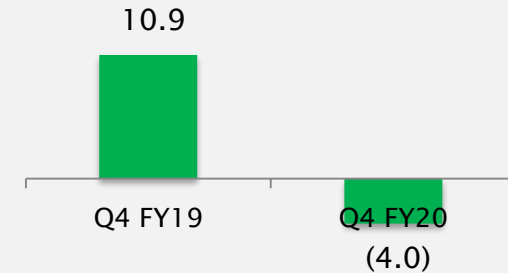


Q4 FY20 – Performance highlights

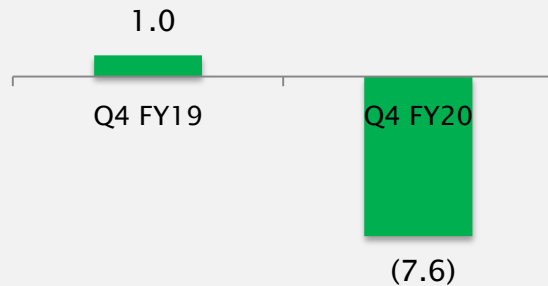
Total Income (Net) (Rs. crore)



EBITDA (Rs. crore)



PAT (Rs. crore)



- Total Income during Q4 FY20 stood at Rs. 110.7 crore, as against Rs.149.5 crore in Q4 FY19
 - Estimated revenue decreased to the extent of Rs.40 Crs in Q4 FY20 due to Covid.
 - EBITDA / PAT decreased due to revenue loss

NOTE : Results are as per Ind-AS standards

Key Highlights

Branded Sales

(Rs. crore)

Product	Q4 FY20	Q4 FY19	Q3 FY20	Y-o-Y Growth	Q-o-Q Growth
Branded Market					
Kitchen Appliances	83.3	114.4	133.4	-27.2%	-37.6%
Cooker/Cookware	20.7	22.0	33.8	-5.7%	-38.6%
Others	6.5	13.1	7.3	-50.3%	-10.8%
Grand Total	110.6	149.5	174.5	-26.0%	-36.6%

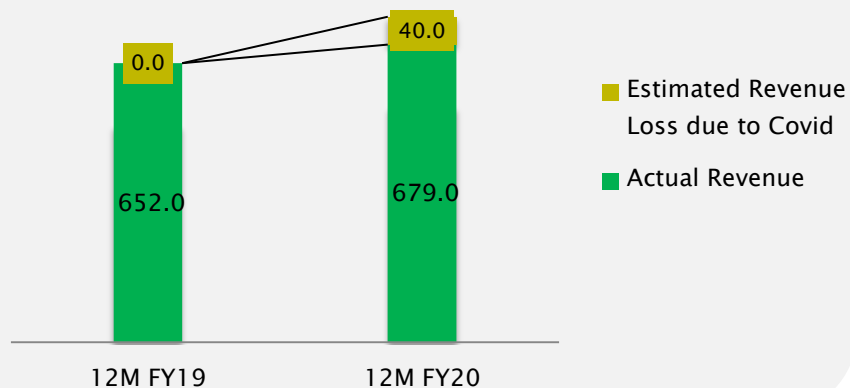


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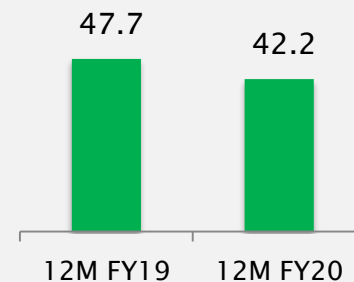
12 Months FY20 Operating Performance & Highlights

12M FY20 – Performance highlights

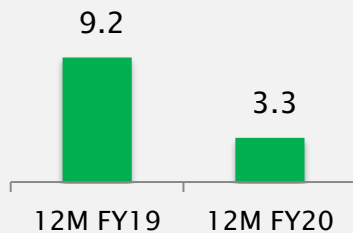
Total Income (Net) (Rs. crore)



EBITDA (Rs. crore)



PAT (Rs. crore)



- Total Income during 12M FY20 stood at Rs.678.70 crore, as against Rs.651.98 crore in 12M FY19
 - The Company was on track to deliver the growth target of more than 10% but was hit due to sudden COVID situation
 - The Company ended up with growth of 4.14%

NOTE : Results are as per Ind-AS standards

Key Highlights

Branded Gross Sales

(Rs. crore)

Product	12M FY20	12M FY19	Y-o-Y Growth
Branded Market			
Kitchen Appliances	517.8	514.3	0.7%
Cooker/Cookware	123.4	104.4	18.2%
Others	37.4	33.3	12.3%
Grand Total	678.7	652.0	4.1%



5

Outlook



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 debt as on March'21 is expected to be at similar levels as compared to March'20. The debt may go up during the year but is expected to come down by March'21.

Outlook

CATEGORY	12M FY20 CONTRIBUTION	MARKET ENVIRONMENT	OUTLOOK
Retail Channel Sales	85 – 90% of Branded Sales in 12M FY20	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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
