



31 July 2023

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001  
Scrip Code: 543260

National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051  
NSE Symbol: STOVEKRAFT

Dear Sir/Madam,

**Sub: Investor Presentation for Conference Call – Regulation 30(6).**

This has reference to our letter dated 26 July 2023 informing about conference call being organized by Orient Capital. In this connection please find attached a presentation to be made to analysts and the institutional investors at the conference call scheduled today.

After the conference call, a transcript of the discussion shall also be posted on the website of the Company, [www.stovekraft.com](http://www.stovekraft.com) for information of the investors.

Thanking you,

Yours faithfully,  
For Stove Kraft Limited

Shrinivas P Harapanahalli  
Company Secretary & Compliance Officer

**Stove Kraft Limited**

#81/1 Medamaranahalli Village, Harohalli Hobli, Harohalli Industrial Area,  
Kanakapura Taluk, Ramanagara District, Bengaluru, India - 562 112

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**STOVEKRAFT**<sup>®</sup>

# STOVEKRAFT LIMITED

Q1FY24 INVESTOR PRESENTATION



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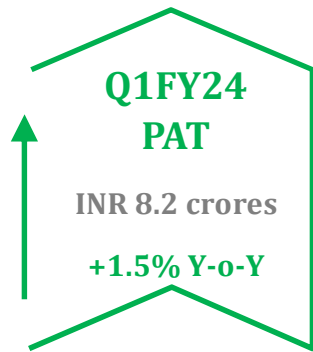
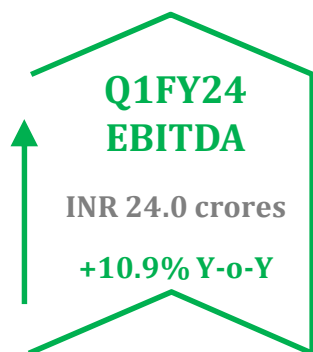
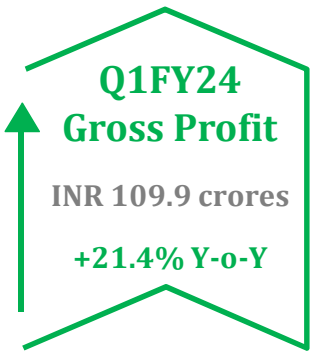
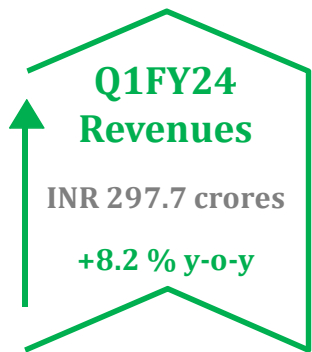
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*“The only way to do great work is to love what you do  
- Steve Jobs”*

# Q1 FY24 FINANCIAL PERFORMANCE

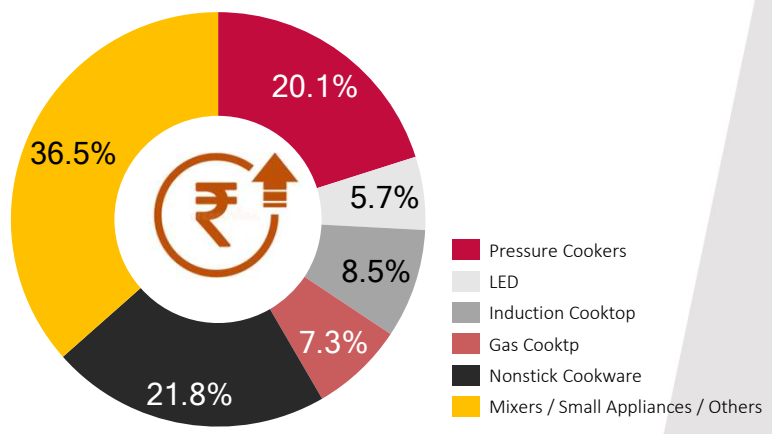
# Q1FY24 Performance (Y-o-Y)



## Q1FY24 growth in Product Category

Product Category	Y-o-Y Growth
➤ Cooker	-0.5 %
➤ Induction Cooktops	13.4 %
➤ Non-stick Cookware	-5.1 %
➤ Small Appliance	67.5 %
➤ Gas Cooktops	-22.9 %
➤ LED	-19.6%

## Revenue Breakup: Q1FY24



# Profit & Loss Statement – Q1FY24

<b>Profit &amp; Loss Statement (Rs. Crs.)</b>	<b>Q1 FY24</b>	<b>Q1 FY23</b>	<b>Y-o-Y</b>	<b>Q4 FY23</b>	<b>Q-o-Q</b>
Revenue from Operations	297.7	275.1	8.2%	278.1	7.1%
Cost of Materials Consumed	182.7	169.8		161.0	
Purchase of stock-in-trade	26.7	22.8		17.3	
Changes in Inventories of Finished Goods and Work in Progress	-21.5	-8.1		10.3	
<b>Gross Profit</b>	<b>109.9</b>	<b>90.5</b>	<b>21.4%</b>	<b>89.4</b>	<b>22.9%</b>
<b>GP %</b>	<b>36.9%</b>	<b>32.9%</b>		<b>32.2%</b>	
Employee Benefits Expense	38.9	31.5		36.5	
Other Expenses	44.0	36.7		45.5	
Allowance for ECL	3.0	0.8		1.5	
<b>EBITDA</b>	<b>24.0</b>	<b>21.6</b>	<b>10.9%</b>	<b>5.9</b>	<b>306.6%</b>
<b>EBITDA %</b>	<b>8.0%</b>	<b>7.9%</b>		<b>2.1%</b>	
Other Income	1.6	-1.5		1.7	
Depreciation and Amortisation Expense	10.3	6.6		9.4	
<b>EBIT</b>	<b>15.3</b>	<b>13.5</b>		<b>-1.8</b>	
Finance Costs	4.2	3.0		6.2	
<b>PBT</b>	<b>11.1</b>	<b>10.6</b>		<b>-8.0</b>	
Total Tax Expense	2.9	2.5		-2.0	
<b>Profit for the year</b>	<b>8.2</b>	<b>8.1</b>	<b>1.5%</b>	<b>-6.0</b>	<b>NA</b>
<b>PAT %</b>	<b>2.8%</b>	<b>2.9%</b>		<b>-2.2%</b>	

# Updates on Exclusive Retail Channel

**Plan to enter new states (across India) as we continuously strengthen our presence in South India. This will help Brand in reaching out to new territories and customers...!**

**77**  
Stores

77 Stores operational in 5 states of South India. Added 25 new stores in Q1'23

**65,000**

Number of new customers added. 19% repeat purchase

**117,000**  
units sold

UPT of more than 2 per customer  
ASP of Rs.1530, almost double the Company Average

**3**  
Months

90% stores achieve operational break-even, in an average time period of 3 months post



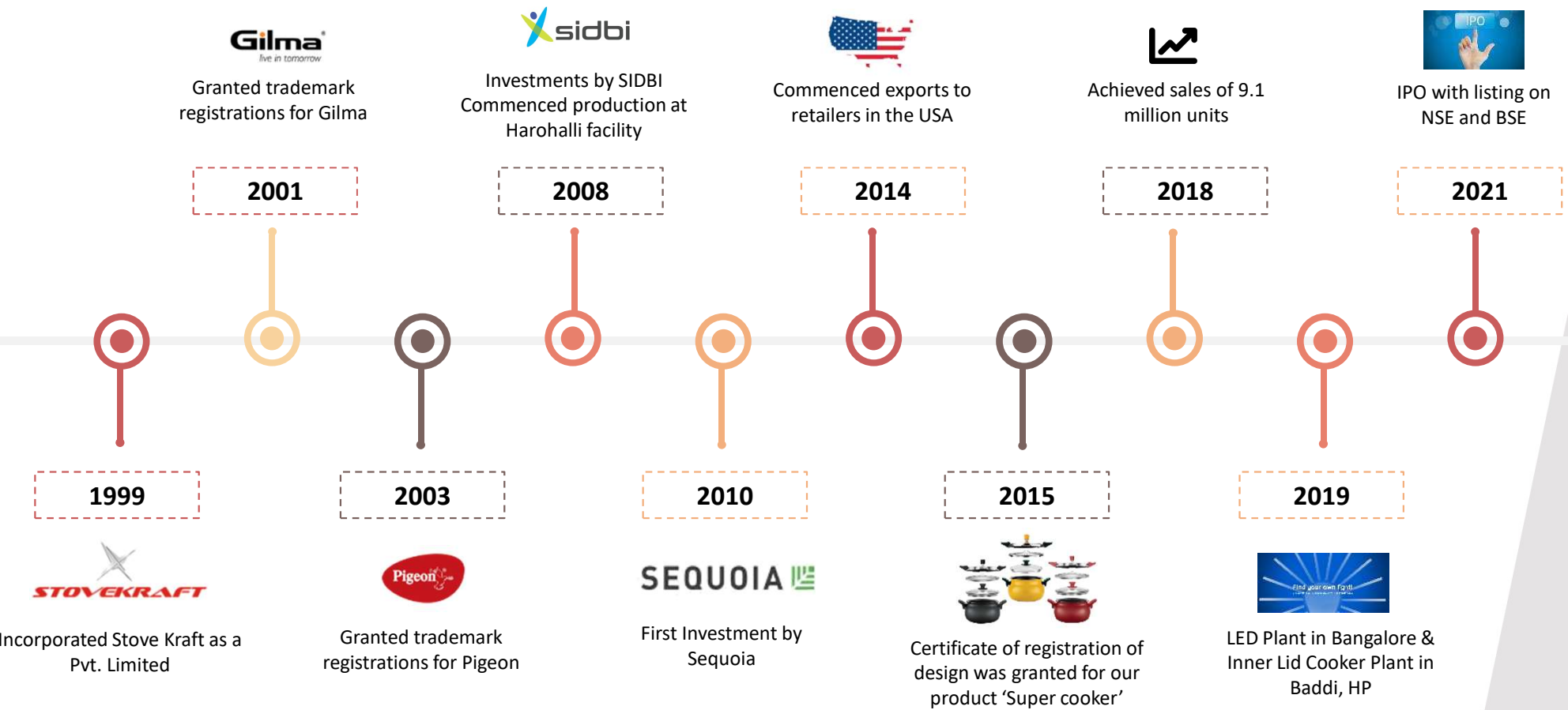


“Success is walking from failure to failure with  
no loss of enthusiasm  
- Winston Churchill”

# ABOUT STOVE KRAFT LIMITED



# Key Milestones



# Diverse range of products across consumer preferences...



## Multi-brand approach to capture the entire value chain...

### Value



20+ year old brand  
One of the market leaders for certain products such as cookware

Launched in 2016 and manufacturing commenced in 2019

### Semi - Premium



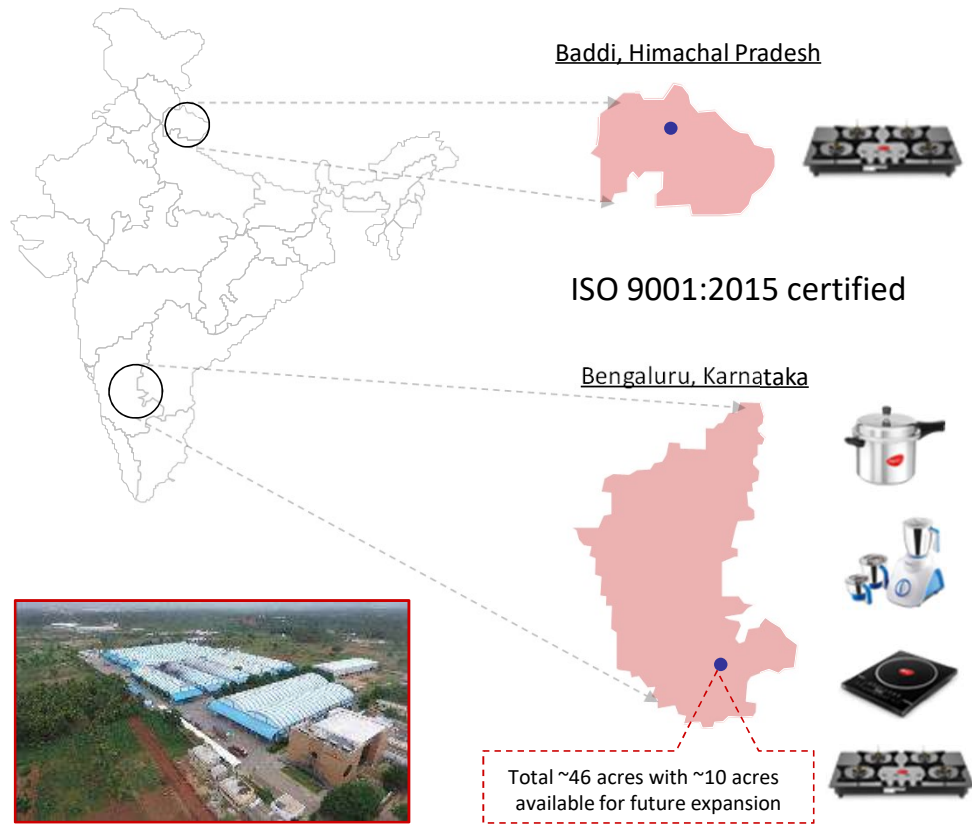
- Offers a modular kitchen experience
- Comprises chimneys, hobs and cooktops across price ranges and designs
- Sold exclusively through Gilma branded outlets, which are owned and operated by franchisees
- Gilma specific mobile application for customers to raise post sales service requests

### Premium



- Entered into an exclusive brand licensing agreement with Stanley Black & Decker Inc. in 2016
- Retailer for and provider of post-sales service for blenders, juicers, breakfast appliances, etc.
- Separate distribution spread across 10 states

# State of the Art Manufacturing Facilities with focus on quality



**Dedicated in-house R&D facility**

Comprising of 13 personnel and tie-ups with foreign companies for technology enablement

**Focus on quality is maintained at all stages**

Sourcing of raw materials  
Product development  
Manufacturing stage

**Rigorous review and monitoring process**

Subject to a rigorous review and monitoring process undertaken at our Bengaluru Facility

**Sourcing team and quality assurance team**

Dedicated sourcing team and quality assurance team based out of China

Both facilities have a high level of backward integration, and our manufacturing process is not dependent on third party suppliers and OEMs

# Professional Management Team

## Mr. Rajendra Gandhi Managing Director

- Founder of Stove Kraft with over 22 years of experience
- Entrepreneur who built Stove Kraft to one of the leading brands for kitchen appliances in India
- Continues to be closely involved in the day-to-day affairs of the Company and is instrumental in promoting Stove Kraft's culture of innovation

## Mr. Ramakrishna Pendyala Chief Financial Officer

- He holds a bachelor's degree in commerce and is a member of Institute of Chartered Accountants of India (ICAI) and Institute of Cost Accountants of India (ICMAI).
- Has more than 18 years of experience in the corporate finance, controlling, auditing, taxation, corporate governance and compliance fields.

## Mr. Rohit Mago Chief Revenue Officer

- B Sc, Government Autonomous Science College, Jabalpur; MBA, Rani Durgavati Vishwavidyalya; Post-graduate certificate in retail management, XLRI Jamshedpur
- 18+ years of experience including a 14-year stint with HPCL

## Mr. Vikash Gupta Chief Operating Officer

- He will lead the Operations function and will be responsible for on-time fulfilment of product requirements through robust production planning and ensuring manufacturing excellence by keeping quality at the core of all operations.
- He has more than three decades of rich experience in leading manufacturing operations in multinational companies, predominantly in automobile industry.

## Dr. Manu Nanda Chief Marketing Officer

- He will lead the Marketing and Products function. He will be responsible for strengthening marketing & branding at SKL as well as increasing the pull factor for its products across channels, categories and increasing the footprint of SKL across India.
- He has more than 2.5 decades of rich experience in establishing, achieving breakthrough performances in "Consumer Products" focused businesses.

## Mr. Janardhanan N Chief Human Resource Officer

- He would be an HR leader and responsible for driving People & Change agenda at SKL and in transforming SKL into a best in class people organisation.
- He has rich & extensive experience spanning 32 years, of which more than 1.5 decades were spent at Pfizer where he was part of the L&D function. He was later associated with Allergan India & Cadila as HR business partner.

## Mr. Mayank Gupta Chief Growth Officer

- Mayank is the CGO at SKL. He is responsible for designing and execution of growth strategy for emerging brands and retail stores at SKL.
- Mayank has a rich and diverse experience of more than 16 years in spearheading retail business verticals & in establishing new business across product categories.

## Mr. Navin Singhania Chief Technology Officer

- Mr. Singhania has a rich & diverse industry experience or around 30 years across FMCG, Telecom, Healthcare verticals in IT transformation, Digital journey, ITSM, CRM and ERP
- Previously he was associated with large reputed organizations like Hindustan Unilever Ltd., Idea Cellular, Pfizer Ltd etc.

# Backed by Experienced Board

## Mr. Rajendra Gandhi Managing Director

- Founder of Stove Kraft with over 22 years of experience
- Entrepreneur who built Stove Kraft to one of the leading brands for kitchen appliances in India
- Continues to be closely involved in the day-to-day affairs of the Company and is instrumental in promoting Stove Kraft's culture of innovation

## Mrs. Sunita Gandhi, Non-Executive Director

- She is promoter of the Company and appointed as an additional non-executive director.
- Completed her senior secondary certification from SS Jain V High School. She was also director of the Company from 10<sup>th</sup> July'04 till 30<sup>th</sup> Sep'16.

## Mrs. Neha Gandhi, Executive Director

- Holds a Bachelor's Degree in Business Administration from Christ University (Bengaluru) and completed Post Graduation Certificate Program in Sales and Marketing Management from MICA
- Served as a Graduate Trainee at Viacom18

## Mr. Natrajan Ramakrishna Independent Director

- He is a qualified Chartered Accountant with an experience of over forty years in the accounting profession focusing mainly on Generally Accepted Accounting Principles (GAAP), IFRS, IndAS and Auditing.
- He has a proven track record of work spread over various sectors focusing on IT, Financial Services, FMCG

## Ms. Shubha Rao Mayya Independent Director

- Holds a bachelor's degree in commerce from the University of Mumbai and is a chartered accountant with the Institute of Chartered Accountants of India
- Prior experience includes ICICI Limited, ICICI Prudential Life Insurance Company and Tata Consultancy Services
- Serves as a Director on the board of Ace Manufacturing System Limited

## Mr. Avinash Gupta Independent Director

- He is highly experienced, execution-focused senior leader with a strong, global background and brings more than 3 decades of experience and a vast network of business relationships.
- Avinash has worked extensively in financial services including M&A, equity and debt financing, private equity placement and advisory across

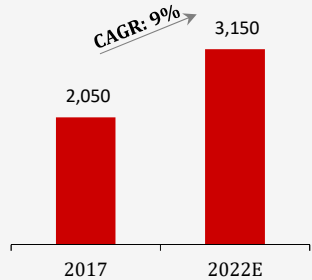
## Mr. Anup S Shah Independent Director

- Mr. Anup S Shah is an Additional Independent Director of the Company. He holds a Bachelor's Degree in Commerce from HR College, Mumbai and a degree in law from Government Law College, Mumbai.
- He has over 36 years of experience in the field of law, specifically real estate law. He is the founder partner of Anup S Shah Law Firm in Bangalore

# Shift in Consumption Patterns and Favorable Governments Policies

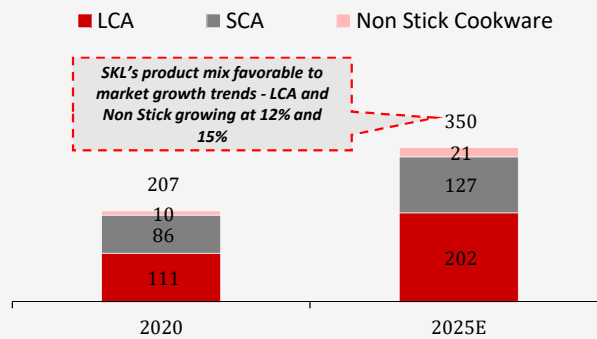
## Indian Consumer Appliance Market expected to grow @CAGR of ~9%

### Indian Appliance and Consumer Electronics (ACE) Market



### Kitchen Appliances Market

(INR Bn)



## Key Growth Drivers

01

Moving towards Aspirational Lifestyle from functional Kitchen tools.

02

Need for Space Utilization –Emerging Concept of Modular Kitchen

03

Growth of E-Commerce and easy Financing options

04

Awareness of Cookware through Mass Media and Reality Programs

05

Health and Environment Concerns

06

Technological Advancements

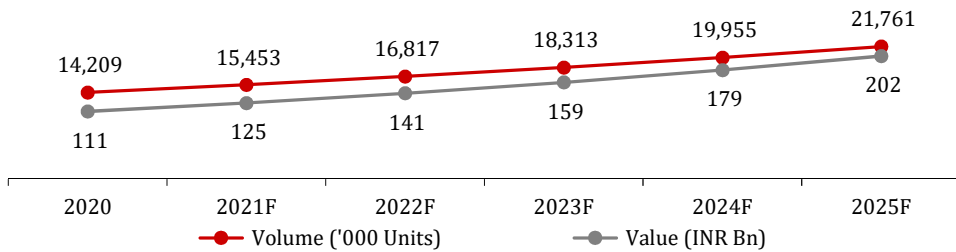
## India Government's Policies Favourable For The Consumer Appliances Industry

- Shift from unorganized sector to organized sector in Indian manufacturing with the GST Implementation
- Lower tax brackets (5%, 12% and 18%) used for Indian Kitchen Items vs excise +VAT taxed at ~31%
- Make In India Initiative gave ACE market necessary boost which fostered Retail Manufacturing
- Pradhan Mantri Ujjwala Yojana – Target to provide 5 Crore LPG connection to under privileged women
- Majority Kitchen appliances are electricity driven, electricity consumption tripled since 2000
- Niche market for foreign investors, as Govt. allowed 100% FDI through automatic route in the electronic hardware manufacturing sector

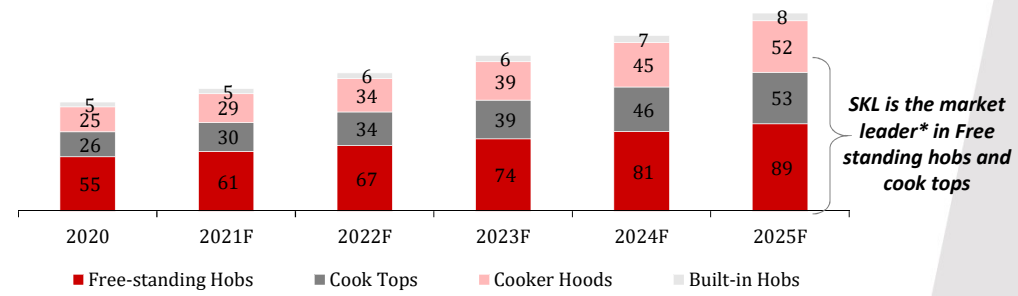
# Indian Large & Small Cooking Appliance Market

**Increasing Market for Large Cooking Appliances (LAC)**

## Large Cooking Appliances

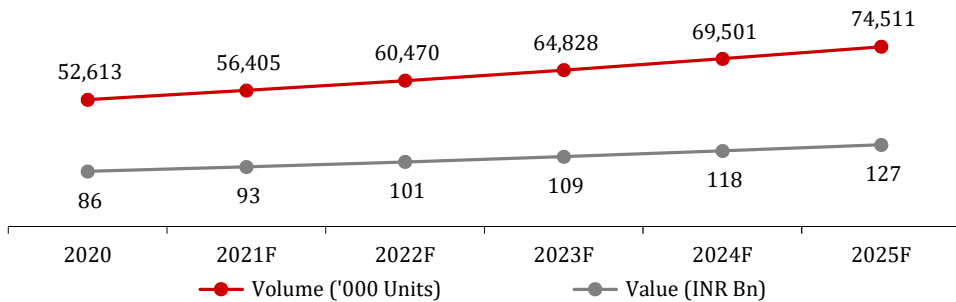


**Increasing Trend by Sub Segments – Value (INR Billion)**

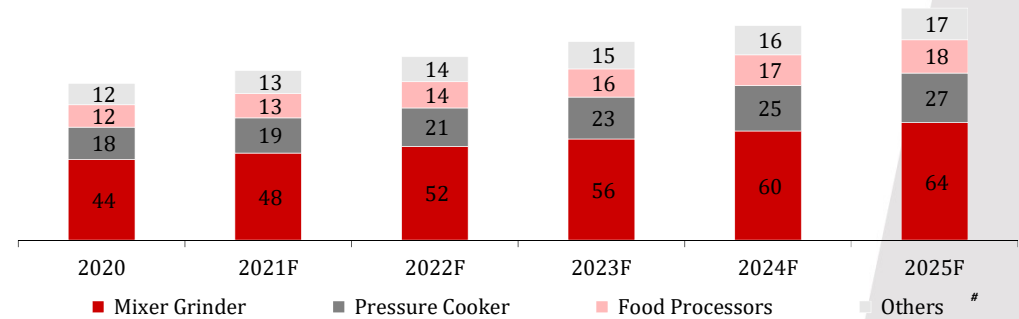


**Increasing Market for Small Cooking Appliances (SAC)**

## Small Cooking Appliances



**Increasing Trend by Sub Segments –Value (INR Billion)**

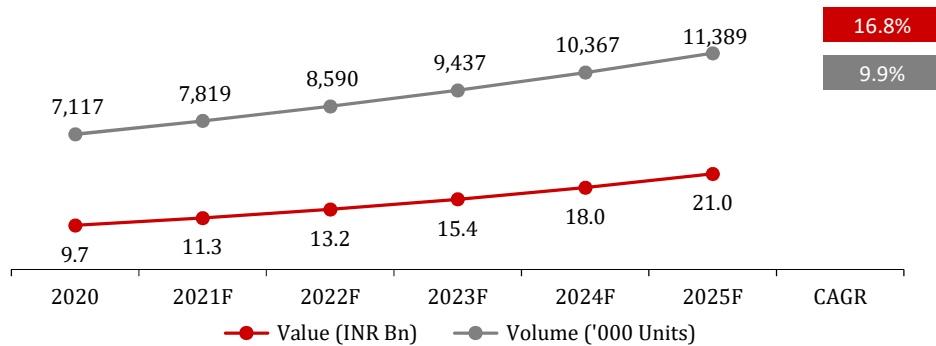


\* As per market share of retail sales volume; # Others include electric rice cooker, blenders, electric kettle, coffee maker and juice extractor

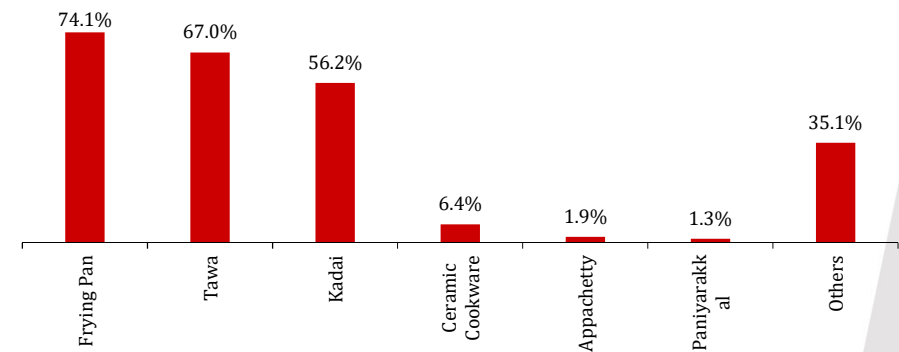
All information on this slide is obtained from the industry report prepared by Frost & Sullivan (India) Ltd. titled "Kitchen Appliances Market in India" dated December 16, 2019, read with the revised industry report dated November 24, 2020 ("F&S Report"); "F" signifies Forecasted

# Non – Stick Cookware and Indian Household Utility Products

## Increasing Market for Non-Stick Cookware



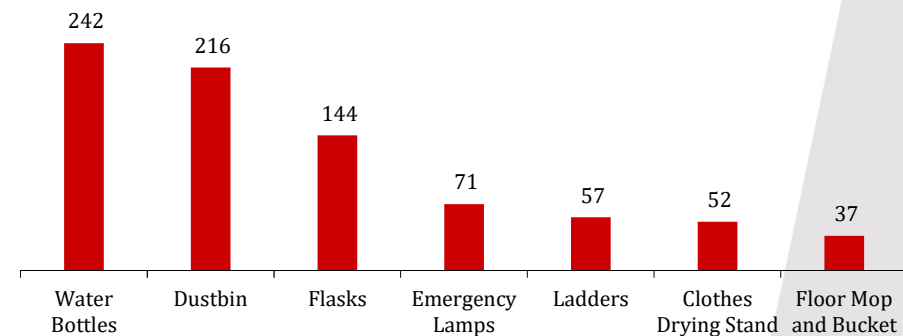
## Types of Non-Stick Cookware Used (%) in 2020



## Company has prominent position in South India for non-stick cookware

- Stove Kraft Limited is the 3rd largest market share (12.4%) by volume in Non- Stick Cookware
- It enjoys a prominent position in the Non-Stick cookware market in the southern region
- Stove Kraft Limited has one of the few facilities in India to have an automated roller coating line for manufacturing of non-stick cookware
- It offers special range of products which cater to the regional cuisine of Southern India
- Latest innovation aimed at product efficiency and user convenience includes a new MIO™ non-stick cookware range
  - Developed using latest Italian technology
  - ensuring high durability and smoothness
  - Range has 5 layer ‘Scandia’ coating

## Household Utility Products – Market INR Billion in 2018





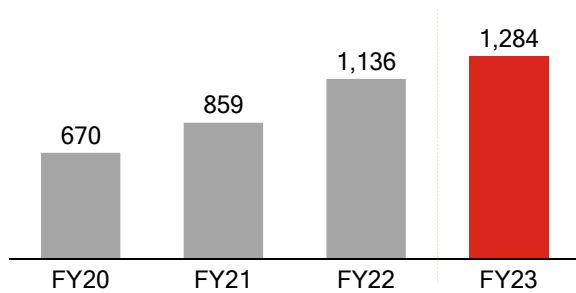


“Success is walking from failure to failure with no loss of enthusiasm  
- Winston Churchill”

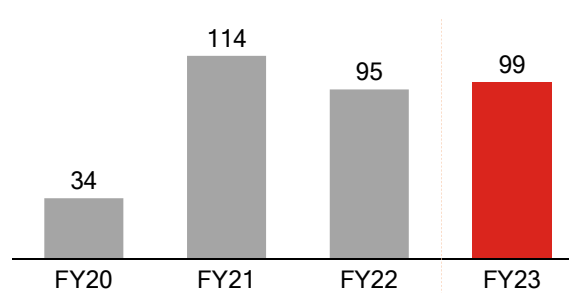
## Historical Financials

# Consolidated Operating Performance

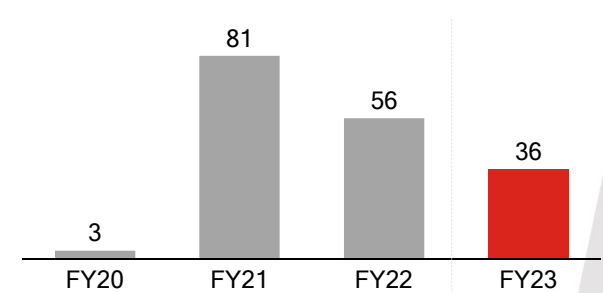
Revenues (Rs. Crs.)



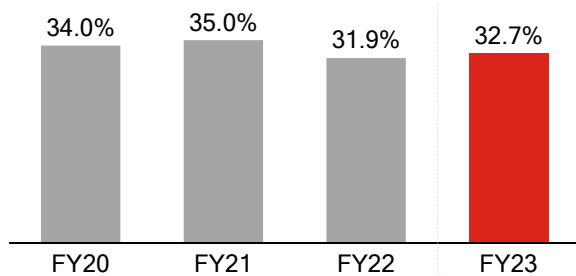
EBITDA (Rs. Crs.)



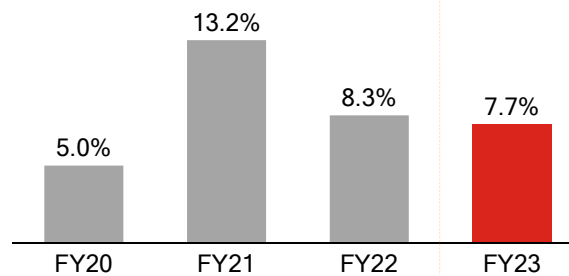
PAT (Rs. Crs.)



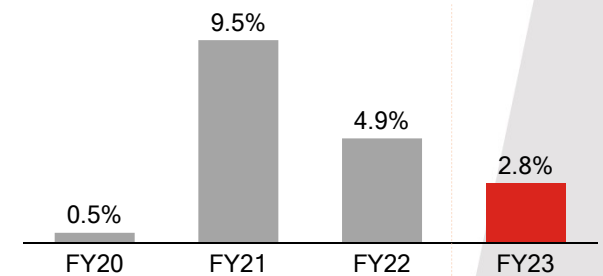
Gross Profit Margins



EBITDA Margins

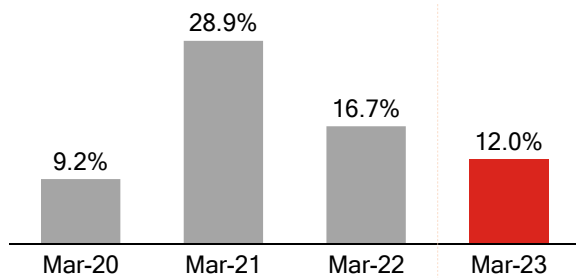


PAT Margins

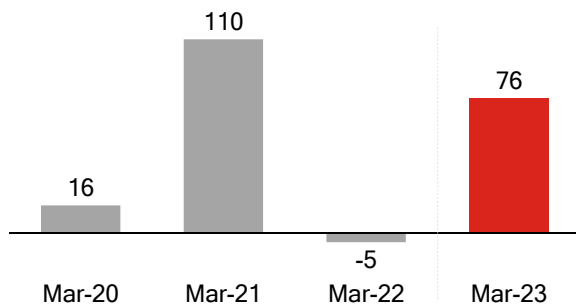


# Key financial metrics

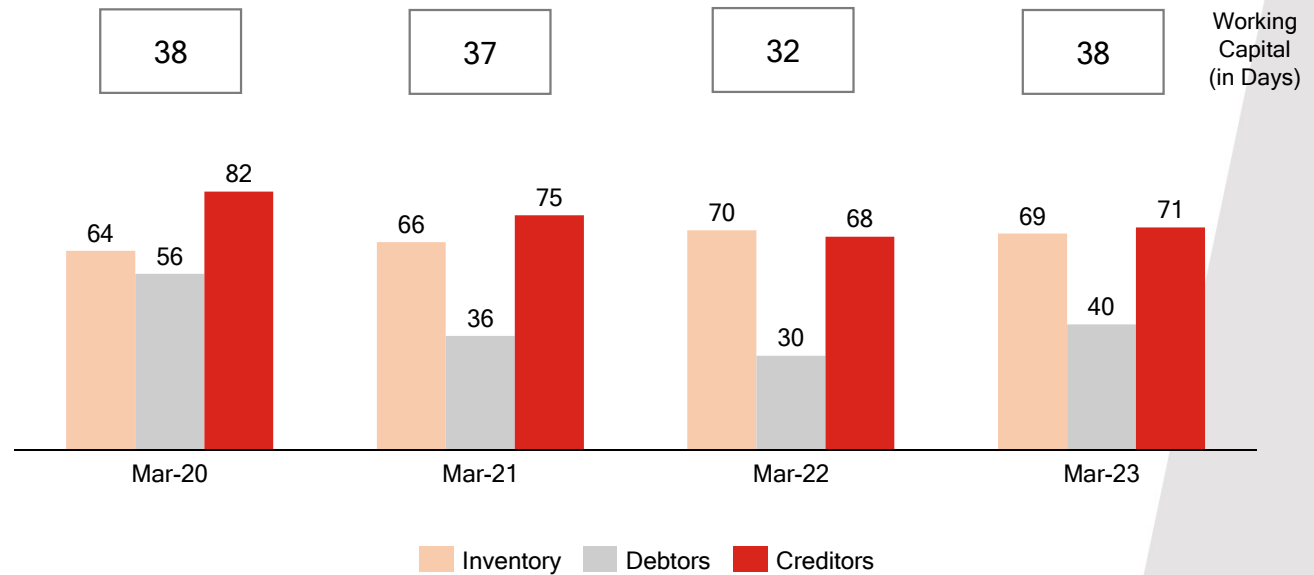
## RoCE



## Cash Flow from Operations (Rs. Crs.)



## Working Capital (in Days)



\* Includes trade payables, other current liabilities net of other current assets

# Historical Profit & Loss Statement

Profit & Loss Statement (Rs. Crs.)	FY23	FY22	FY21	FY20
Revenue from Operations	1,283.8	1,136.4	859.0	669.9
Cost of Materials Consumed	746.1	702.6	442.4	323.2
Purchase of stock-in-trade	113.8	110.9	125.2	128.8
Changes in Inventories of Finished Goods and Work in Progress	3.5	-40.1	-9.4	-10.1
<b>Gross Profit</b>	<b>420.4</b>	<b>362.9</b>	<b>300.7</b>	<b>228.0</b>
<b>GP %</b>	<b>32.7%</b>	<b>31.9%</b>	<b>35.0%</b>	<b>34.0%</b>
Employee Benefits Expense	142.9	112.4	80.6	82.0
Other Expenses	174.2	142.4	102.3	112.2
Allowance for ECL	4.3	13.3	4.0	0
<b>EBITDA</b>	<b>99.0</b>	<b>94.8</b>	<b>113.8</b>	<b>33.8</b>
<b>EBITDA %</b>	<b>7.7%</b>	<b>8.3%</b>	<b>13.2%</b>	<b>5.0%</b>
Other Income	-3.5	-1.6	0.5	3.1
Depreciation and Amortisation Expense	31.7	19.7	14.2	12.4
<b>EBIT</b>	<b>63.8</b>	<b>73.6</b>	<b>100.1</b>	<b>24.5</b>
Finance Costs	16.5	11.0	18.8	20.9
<b>PBT</b>	<b>47.3</b>	<b>62.5</b>	<b>81.3</b>	<b>3.6</b>
Total Tax Expense	11.5	6.3	0.0	0.4
<b>Profit for the year</b>	<b>35.8</b>	<b>56.2</b>	<b>81.3</b>	<b>3.2</b>
<b>PAT %</b>	<b>2.8%</b>	<b>4.9%</b>	<b>9.5%</b>	<b>0.5%</b>

# Historical Balance Sheet- 1/2

<b>EQUITY AND LIABILITIES (Rs. Crs.)</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Equity share capital	33.0	32.9	32.6	24.7
Other equity	370.3	331.1	270.1	-83.4
<b>Total Equity</b>	<b>403.4</b>	<b>364.0</b>	<b>302.7</b>	<b>-58.7</b>
Financial liabilities				
Borrowings	10.0	15.3	20.7	204.8
Lease Liabilities	32.3	0.0	-	-
Other Financial Liabilities	27.3	19.0	17.1	10.8
Provisions	6.5	6.2	6.3	6.3
<b>Total Non-Current Liabilities</b>	<b>76.0</b>	<b>40.5</b>	<b>44.0</b>	<b>221.9</b>
Financial liabilities				
Borrowings	118.8	63.1	36.6	122.1
Lease liabilities	2.2	0.0	0.0	0.2
Trade payables	177.5	127.4	152.5	151.2
Suppliers Credit	44.2	57.9	-	-
Other financial liabilities	27.1	27.9	6.9	28.7
Provisions	6.9	5.4	3.1	1.7
Other current liabilities	41.3	42.0	25.2	4.8
Current tax liabilities (net)	0.1	0.4	0.0	0.0
<b>Total Current Liabilities</b>	<b>418.1</b>	<b>324.0</b>	<b>224.3</b>	<b>308.8</b>
<b>Total Liabilities</b>	<b>494.1</b>	<b>364.5</b>	<b>268.3</b>	<b>530.7</b>
<b>Total Equity and Liabilities</b>	<b>897.5</b>	<b>728.5</b>	<b>571.0</b>	<b>472.0</b>

# Historical Balance Sheet- 2/2

ASSETS (Rs. Crs.)	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-20
Property, plant and equipment	362.4	309.4	217.7	193.4
Capital work-in-progress	9.5	9.2	19.1	4.2
Intangible assets	4.0	3.0	3.2	3.6
Right to Use Assets	35.6	0.0	0.0	0.0
Goodwill on Amalgamation	0.1	0.0	0.0	0.0
Financial Assets				
Investments	-	0.0	0.0	0.9
Other Financial assets	8.1	8.2	5.3	5.0
Income Tax Assets (Net)	1.4	3.2	0.3	0.2
Current Tax Assets	1.3	0.2	0.0	0.0
Other non-current assets	39.7	20.7	9.8	4.1
<b>Total Non-Current assets</b>	<b>462.2</b>	<b>353.8</b>	<b>255.4</b>	<b>211.5</b>
Inventories	243.3	217.4	156.0	116.6
Financial Assets				
Trade receivables	140.9	96.7	84.7	103.0
Cash and cash equivalents	2.5	0.4	29.5	14.4
Bank balances	17.2	11.6	7.9	4.4
Loans	-	0.0	0.5	0.4
Other current financial assets	1.0	1.5	2.9	1.3
Other current assets	30.3	46.9	34.0	20.5
<b>Total current assets</b>	<b>435.3</b>	<b>374.6</b>	<b>315.6</b>	<b>260.5</b>
<b>Total Assets</b>	<b>897.5</b>	<b>728.5</b>	<b>571.0</b>	<b>472.0</b>

# Historical Cash Flow Statement

Cash Flow Statement (Rs. Crs.)	Mar-23	Mar-22	Mar-21	Mar-20
Cash Flow from Operating Activities				
Profit before Tax	47.3	62.5	81.2	2.8
Adjustment for Non-Operating Items	52.9	46.0	36.8	34.4
<b>Operating Profit before Working Capital Changes</b>	<b>100.1</b>	<b>108.5</b>	<b>117.9</b>	<b>37.2</b>
Changes in Working Capital	-12.6	-104.8	-14.9	-27.5
<b>Cash Generated from Operations</b>	<b>87.6</b>	<b>3.7</b>	<b>103.0</b>	<b>9.7</b>
Less: Direct Taxes paid	-11.3	-9.0	-0.1	-0.0
<b>Net Cash from Operating Activities</b>	<b>76.3</b>	<b>-5.3</b>	<b>102.9</b>	<b>9.7</b>
<b>Cash Flow from Investing Activities</b>	<b>-104.0</b>	<b>-115.3</b>	<b>-65.5</b>	<b>-18.4</b>
<b>Cash Flow from Financing Activities</b>	<b>29.8</b>	<b>91.6</b>	<b>-22.3</b>	<b>-1.8</b>
<b>Net increase/ (decrease) in Cash &amp; Cash equivalent</b>	<b>2.1</b>	<b>-29.0</b>	<b>15.1</b>	<b>-10.6</b>
Cash and cash equivalents at beginning of the year	0.4	29.4	14.4	25.0
Cash and cash equivalents at the end of the year	2.5	0.4	29.5	14.4



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