



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

May 17, 2021

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 31.03.2021**

Enclosed please find the Company's Performance/Results presentation for the fourth quarter ended on 31.03.2021, which may please be uploaded on the website for information of our investors.

Thanking you,

Yours faithfully,
For Butterfly Gandhimathi Appliances Limited

V.M.Seshadri
Managing Director

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Butterfly Gandhimathi Appliances Limited

Q4 & FY21 Results Presentation



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.

#1

In India for SS LPG Stoves & Table Top Wet Grinders

21%

Revenue CAGR FY17-21

In the top **3**

In India for Domestic Kitchen Appliances

Now present in all **29**

States in India

870 Crore

Sales of Branded Products in FY21

500+

Exclusive Distributors across India

5 Crore

Net Cash as on 31.03.2021

28%

Growth in Revenue over FY20

24%

of FY21 Revenues from Non-South States

Agenda

01

Quarter Highlights

02

Company Overview

03

Historical Financial Overview

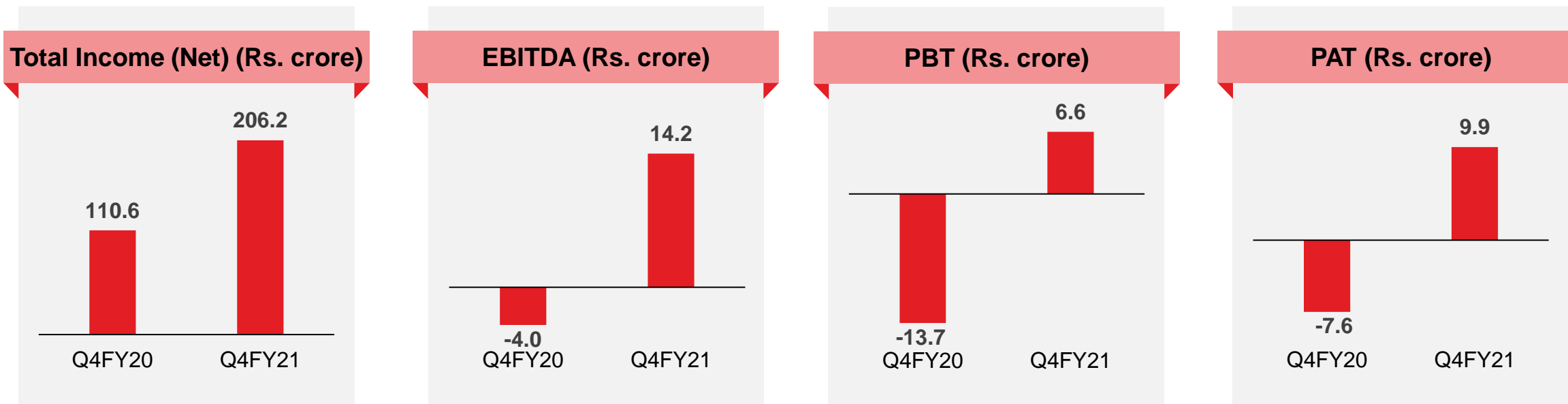
04

Outlook



RESULT HIGHLIGHTS

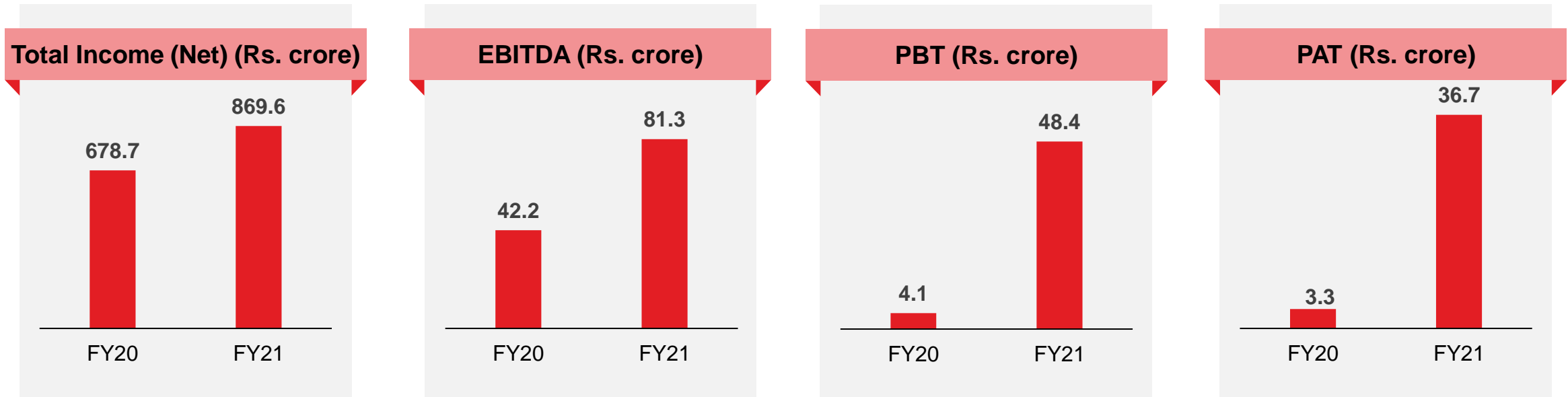




- Total Income (Net) during Q4 FY21 stood at Rs. 206.2 crore, as against Rs. 110.6 crore in Q4 FY20, a growth of 86.4% YoY
- EBITDA during Q4 FY21 stood at Rs. 14.2 crore, as against Rs. (4.0) crore in Q4 FY20
- PBT increased to Rs. 6.6 crore in Q4 FY21, as against Rs. (13.7) crore in Q4 FY20
- PAT increased to Rs. 9.9 crore in Q4 FY21, as against Rs. (7.6) crore in Q4 FY20 *

* The Company recognized the MAT credit for Rs.4.39 cr of earlier year in Q4 FY 21.

FY21 – Performance Highlights



- Total Income (Net) during FY21 stood at Rs. 869.6 crore, as against Rs. 678.7 crore in FY20, a growth of 28% YoY
- EBITDA during FY21 stood at Rs. 81.3 crore, as against Rs. 42.2 crore in FY20, an increase of 93% YoY
- PBT increased to Rs. 48.4 crore in FY21, as against Rs. 4.1 crore in FY20, an increase of 12x YoY
- PAT increased to Rs. 36.7 crore in FY21, as against Rs. 3.3 crore in FY20, an increase of 11x YoY

Q4 FY21 - Abridged Profit & Loss Statement



Particulars (Rs. crore)	Q4FY20	Q4FY21
Total Net Revenues (Incl. OI)	111.2	206.8
- Branded Net Revenues	110.6	206.2
- Other Income	0.5	0.6
Material Cost	61.6	121.8
- Cost of Materials Consumed	54.5	121.6
- Purchases of Stock-in-Trade	18.9	40.9
- Changes in Inventories	-11.8	-40.7
Gross Profit	49.6	85.08
<i>Gross Margin (%)</i>	<i>44.6%</i>	<i>41.1%</i>
Employee Expenses	18.2	22.0
Other Expenses	35.4	48.8
EBITDA	-4.0	14.2
<i>EBITDA Margin (%)</i>	<i>-3.6%</i>	<i>6.9%</i>
Depreciation	3.6	4.3
Finance Cost	6.1	3.2
Profit Before Tax	-13.7	6.6

Revenue grew by 86.4%

Gross Margin continuously healthy above 40%, in spite of increase in prices of raw material and components

EBITDA margin has improved because of operating leverage.

FY21 - Abridged Profit & Loss Statement



Particulars (Rs. crore)	FY20	FY21
Total Net Revenues (Incl. OI)	680.2	871.2
- Branded Net Revenues	678.7	869.6
- Other Income	1.5	1.6
Material Cost	390.2	506.1
- Cost of Materials Consumed	310.5	354.8
- Purchases of Stock-in-Trade	104.9	139.8
- Changes in Inventories	-25.3	11.5
Gross Profit	290.0	365.1
<i>Gross Margin (%)</i>	42.6%	41.9%
Employee Expenses	78.9	77.0
Other Expenses	168.9	206.8
EBITDA	42.2	81.3
<i>EBITDA Margin (%)</i>	6.2%	9.3%
Depreciation	13.9	15.6
Finance Cost	24.1	17.4
Profit Before Tax	4.1	48.3

Revenue has grown by 28% during FY21

Gross Margin continuously above 40%, due to Channel-Mix, Product-Mix etc.

EBITDA margin has improved due to operating leverage

Particulars (Rs. crore)	Q4FY20	Q4FY21	YoY Growth	FY20	FY21	YoY Growth
Kitchen Appliances	83.3	154.2	85.1%	517.8	671.1	29.6%
Cooker/Cookware	20.7	42.3	104.6%	123.4	160.3	29.9%
Others	6.5	9.6	48.4%	37.4	38.3	2.3%
Total	110.6	206.2	86.5%	678.7	869.7	28.1%

- The Company has grown across all the product categories.

Particulars (Rs. crores)	Mar-20	Mar-21
ASSETS		
Non-Current Assets	179.4	177.9
<i>Property, Plant and Equipment</i>	133.3	130.7
<i>Capital Work-in-Progress</i>	2.3	2.1
<i>Other Intangible Assets</i>	35.6	33.4
<i>Financial Assets</i>	2.0	7.4
<i>Others</i>	6.2	3.5
Current Assets	312.7	311.8
<i>Inventories</i>	170.1	177.9
<i>Trade Receivables</i>	116.9	74.4
<i>Cash & Cash equivalents*</i>	4.5	42.4
<i>Others</i>	21.2	17.2
Total Assets	492.1	488.8

The detailed Analysis on Debtors / Inventory is given in slide no. 15 and 16.

* Balances with bank is Rs 32.5 crores as on Mar-21

Particulars (Rs. crores)	Mar-20	Mar-21
EQUITY & LIABILITIES		
Shareholders' Funds	192.7	224.0
Non-current Liabilities (NCL)	35.7	13.9
<i>Long-term Borrowings</i>	32.3	11.6
<i>Other NCL</i>	3.4	2.3
Current Liabilities (CL)	263.7	251.0
<i>Short-term Borrowings</i>	126.9	0.0
<i>Trade Payables</i>	86.6	163.6
<i>Others CL</i>	52.7	87.3
Total Equity & Liabilities	492.1	488.8

The Company has not utilized short-term borrowing due to better working capital management

Gradual decline in Debt

(Rs Crore)	FY18	FY19	FY20	FY21
Short Term	145	104	127	0
Long Term**	63	50	43	28

- Debt decreased drastically due to lower working capital days

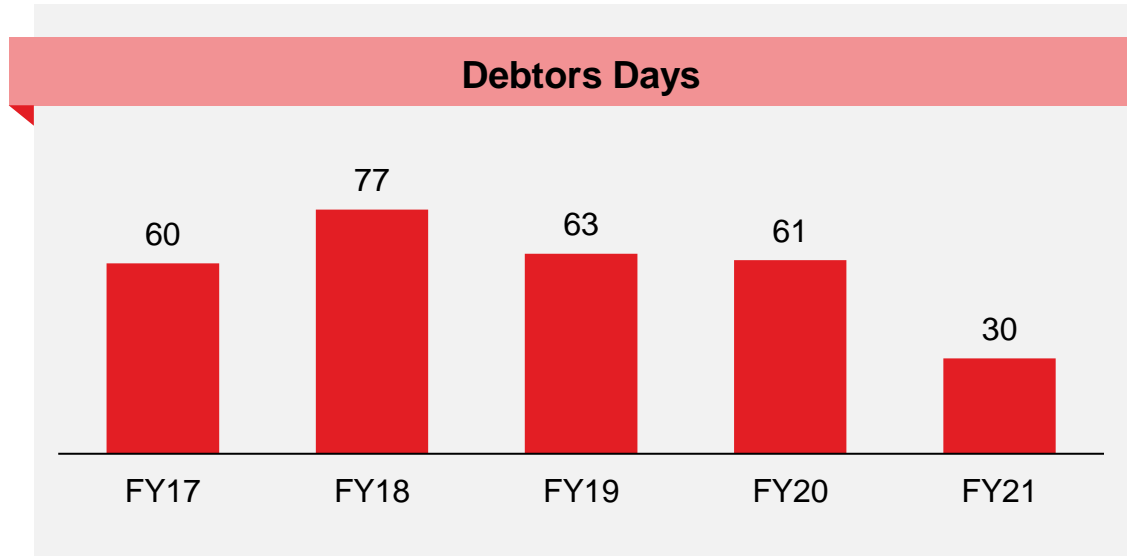
Interest Cost has reduced significantly

(Rs Crore)	FY18	FY19	FY20	FY21
Interest Charges	15.7	20.0	20.8	13.9
Other Charges*	2.4	2.5	3.3	3.5

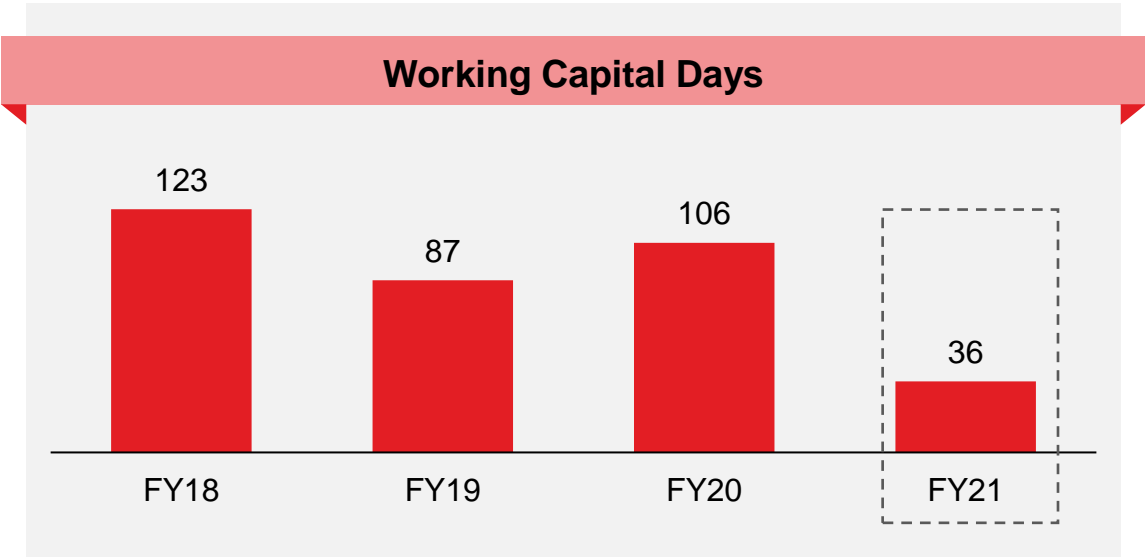
(Rs Crore)	Q4 FY20	Q4 FY21
Interest Charges	4.97	2.38
Other Charges*	1.12	0.87

*LC opening / clearing and Processing charges, etc.

** Includes maturities of current liabilities



- Relentless focus on improving Branded business debtors days have now started yielding results
 - Currently stands at 30 days in FY21 vs 61 days in FY20
- Measures driving the improvement includes:
 - Inventory Tracking: Real time inventory tracking at distributor and dealer level as resulted in streamlining of channel inventory. This has helped in increasing ROI for distributors and reduction in debtors for the Company
 - Business mix: Lower share of gas dealer channel business; 6% currently as compared to 30% 3 years ago
 - Bill Discounting: Successful implementation of bill discounting facility has reduced the debtors by Rs. 28.47 crores. The bill discounting facility can go up to Rs 50 crores in the medium term
- Detailed breakup of debtors available in slide No.29



- Net working capital days has come down considerably in last 3 years from 123 days in FY18 to 36 days in FY21
 - Debtors days (explained in slide 15)
 - Inventory days
 - Real Time tracking of inventory has helped the Company to manufacture goods that are in demand leading to lower holding days of finished goods
 - Increase in revenue is also bringing down inventory holding period
 - Creditors days
 - Increase in revenue is helping the company to negotiate better credit terms
 - Focus on doing tie up for vendor bill discounting to increase creditor days

	FY18	FY19	FY20	FY21
Inventory Days	84	80	91	75
Debtors Days	77	63	61	30
Creditors Days	38	56	46	69

Duo Plus 2B SS Frame



Trio Plus 3B SS Frame



Butterfly® matchless PREMIUM EDITION MIXER GRINDER



Butterfly® matchless Prime MIXER GRINDER



Butterfly® Cyclone 4J MIXER GRINDER



Butterfly® STALLION MIXER GRINDER



Bloom 2.0 TTG



Flora 2.0 TTG



Blossom 2.0 TTG



Choppers



Premium Vegetable Chopper 600 Premium Vegetable Chopper 900

Reflection Plus



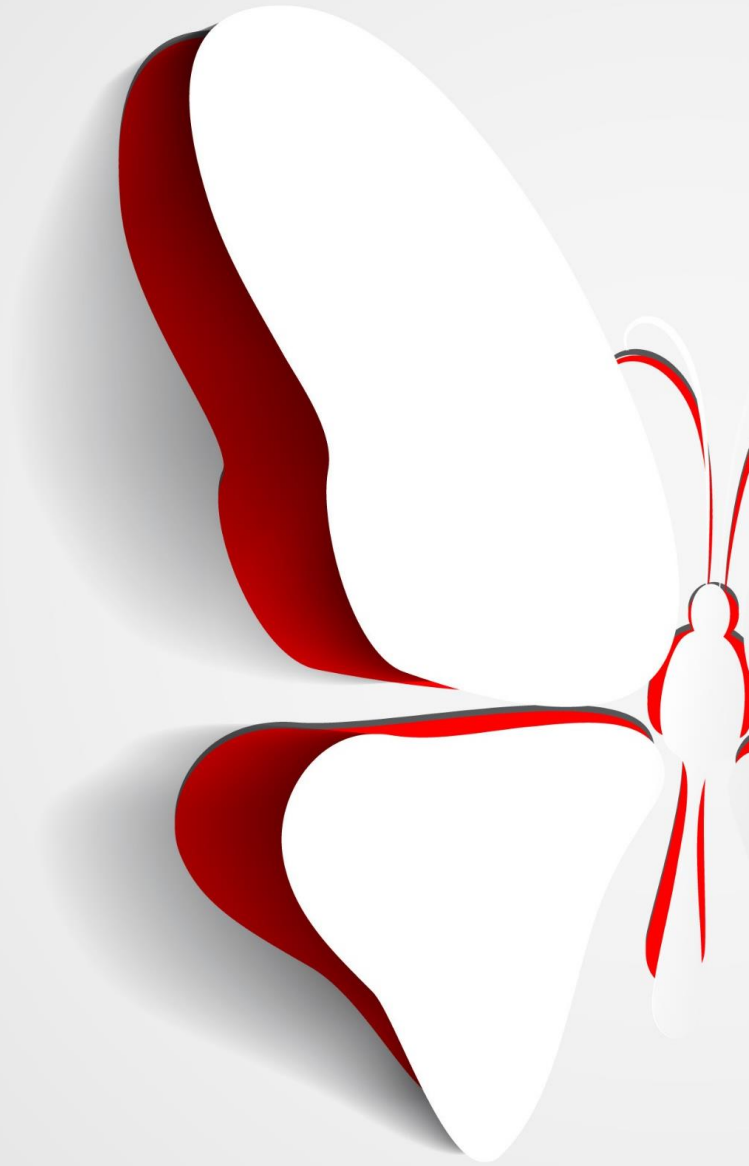
- 60CM & 90CM
- Suction power: 1200 m³/h
- One baffle filter
- Stainless steel finish
- 3 speed touch control, Digital display
- 2*1.5W LED Lights
- SS oil collector
- Motion sensor
- Heat Auto Clean
- Noise Level <58 dB
- Indian 3-pin Plug
- 1.8m Aluminium exhaust pipe

Desire Plus



- 60CM & 90CM
- Suction power: 1200 m³/h
- Filter less
- Black Powder Coating
- 3 speed touch control, Digital display
- 2*1.5W LED Lights
- SS oil collector
- Motion sensor
- Heat Auto Clean
- Noise Level <58 dB
- Indian 3-pin Plug
- 1.8m Aluminium exhaust pipe

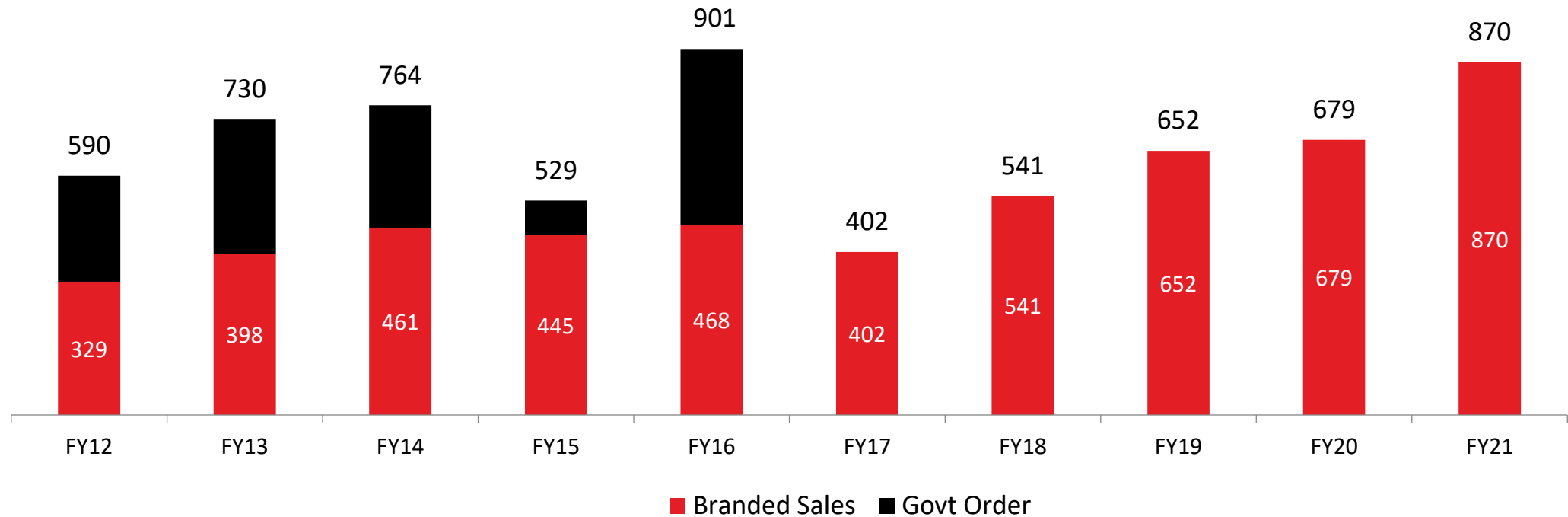
COMPANY OVERVIEW



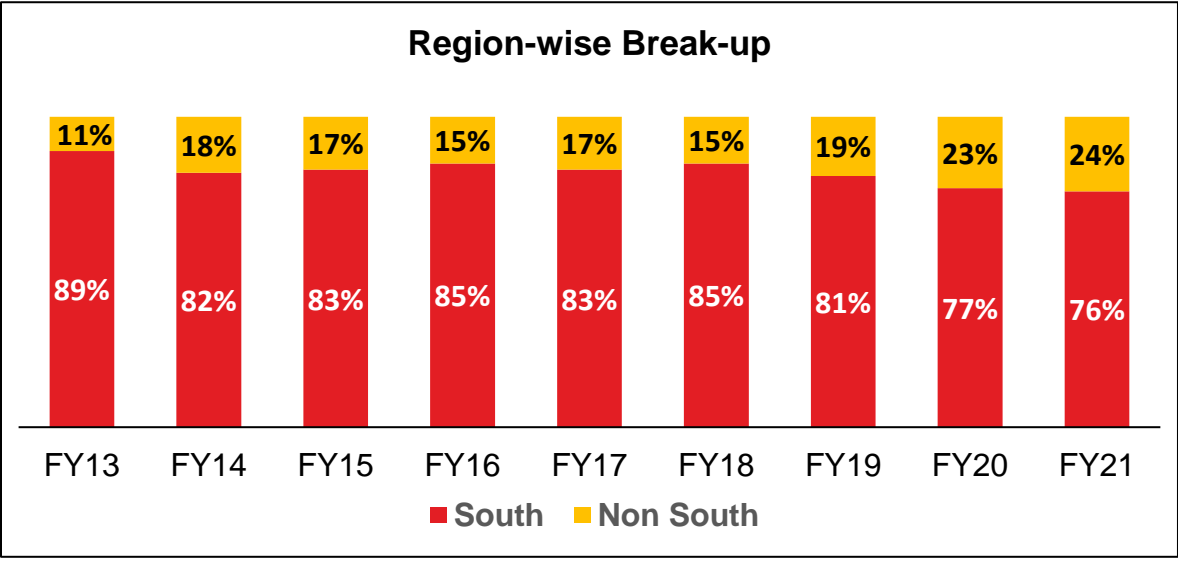
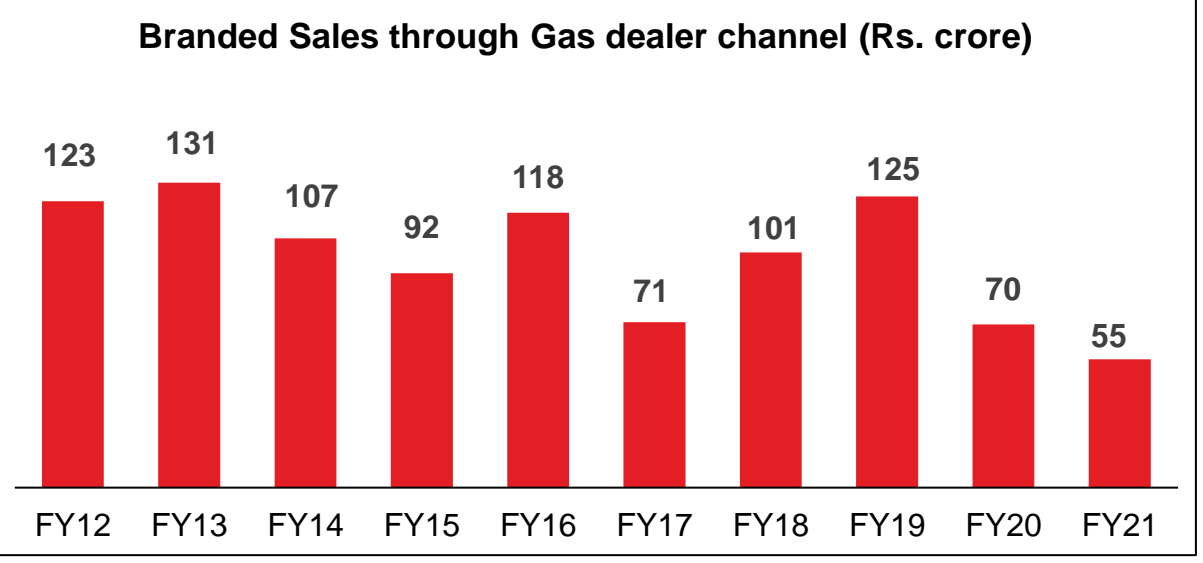
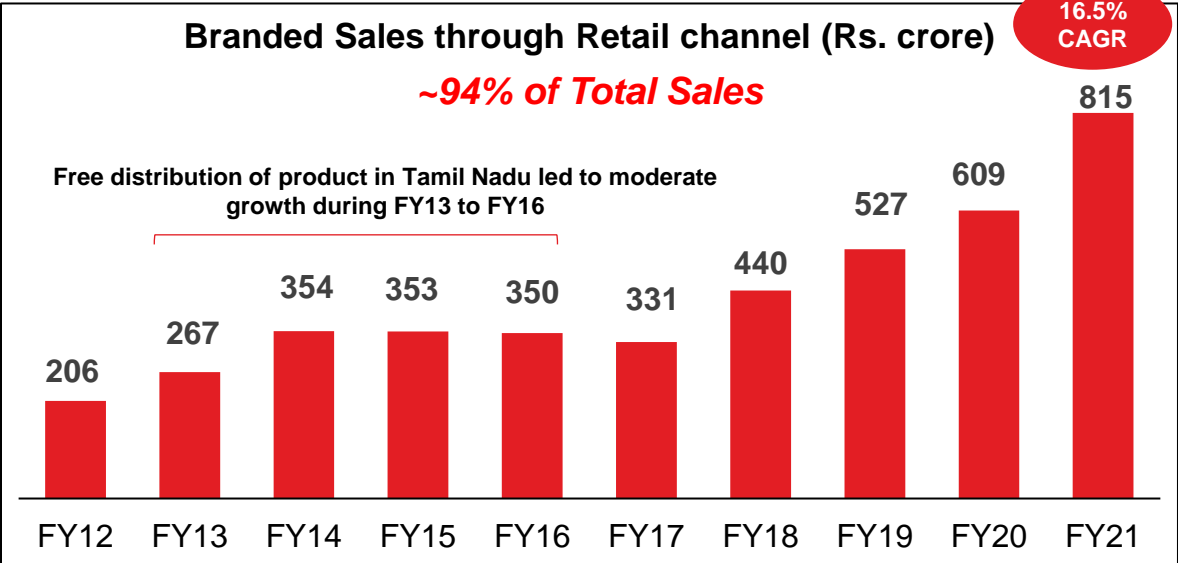
- Established in 1986 by late Shri V. Murugesu Chettiar, the Company is one of the leading manufacturer of Kitchen and Electrical Appliances in the country
- The Company sells its products branded as “Butterfly” across the country through distributors, direct dealers, modern trade, online channels, gas dealer channel etc.
- The Company is a market leader in India for SS LPG Stoves & Table Top Wet Grinders and major supplier of Mixer Grinders & Pressure Cookers
- Strong R&D focus which has led to several pioneering initiatives and continues to drive in-house development of new products
- Butterfly Gandhimathi is headquartered in Tamil Nadu and has a pan India presence

PRODUCTS	Kitchen Appliances				Cooker/Cookware		Others			
	 LPG Stoves  Mixer Grinder  Electric Rice Cookers  Juicer Mixer Grinder  Wet Grinder  Chimney  Power Hobs  Built In Hobs	   Non-Stick Cookware  Pressure Cookers	 Hand Blender  Hand Mixer  Pop Up Toaster  Sandwich Maker  Flasks  Electric Kettles  Water Bottles							

Annual Net Revenue* (Rs. crore)



*Further break down of branded sales is given in next slide



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

Through Gas Dealer Channel

- Tie ups with Gas dealers of Oil Marketing Companies
- Customers for new gas connection are provided with Butterfly brand manufactured by BGMAL

- Year of Incorporation
- Imported machinery to set up manufacturing operations
- First to launch Stainless Steel Pressure Cookers in India
- Launched LPG Stoves
- First to Launch Stainless Steel Vacuum Flasks in India
- Launched Mixer Grinders

1986-1989

- Awarded patent for 3 conical stone Table Top Wet Grinder
- First in India to be awarded ISO 9000 certification for its LPG Stoves and Mixer Grinders
- Launched proprietary 3 conical stone grinding technology

1998-1999

1992-1994

- Invented Brazing Machine with in-house Technology which replaced the hazardous copper plating process for Pressure Cooker/Utensils – successful indigenous substitution for imported technology
- Listed on BSE

2000-2002

- Commenced exports to USA, UK, Canada, Mauritius, Australia & Japan
- Awarded ISO • 9000 certification for Table Top Wet Grinder

- First in India to receive “GREEN LABEL” Certification for high thermal efficient LPG Stoves
- Bagged the first TNCSC order of Rs. 285 crore for manufacturing of Table Top Wet Grinder and Mixer Grinders – Highest in the organized sector
- Name changed to Butterfly Gandhimathi Appliances Ltd from Gandhimathi Appliances Ltd

2005-2011

2012-2014

- Preferential Issue to Reliance PE – raised Rs. 100 crore of growth capital
- Established a branch office in the United Kingdom to oversee and promote exports in the region
- Launched 4 new Product Categories
- Added 60 SKUs to product range
- Enhanced Pan-India presence to include all 28 states
- Acquired a division from Associate Company LLM Appliances

- Bagged the TNCSC order for the 4th consecutive year – latest order amounting to Rs. 510 crore for manufacturing of TTWGs
- Won order for Rs. 90 crores from Pondicherry Co-op Wholesale Stores to supply TTWGs and mixer grinders
- First in India to be awarded “BEE Label with 2-star rating” for manufacture of LPG stoves
- Successful completion of both TNCSC and Pondicherry Co-op Wholesale Stores orders

2015-2016

2017-Present

- Re-Launch of Stainless Steel Vacuum Flasks
- Registered with Online, Alternate Channel like Canteen Stores Dept (CSD), TNPC (Tamil Nadu Police Canteen), etc.



The Company has 1 state of the art R&D facility, with in-house design studio with a dedicated team of 15 people

- Entire function operated on SAP environment (All modules).
- Product wise traceability (Bar Coding) of all the products
- 5 stage Quality control systems.
- Fully integrated manufacturing facility

Manufactures the following 5 products:

1. LPG Stoves
2. Mixer Grinders
3. Pressure Cooker
4. Table-Top Wet Grinders
5. Vacuum Flasks and Bottle

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

1st

- To introduce Stainless Steel Pressure Cookers in India
- To manufacture Stainless Steel LPG Stoves in India
- To introduce Stainless Steel Vacuum Flasks in India which deliver enhanced heat retention up to 72 hours compared to 8 hours with conventional products
- In India to get BEE label with 2-star rating for manufacture of LPG Stoves

Invented 3 conical stone grinding technology – awarded patent in 1998

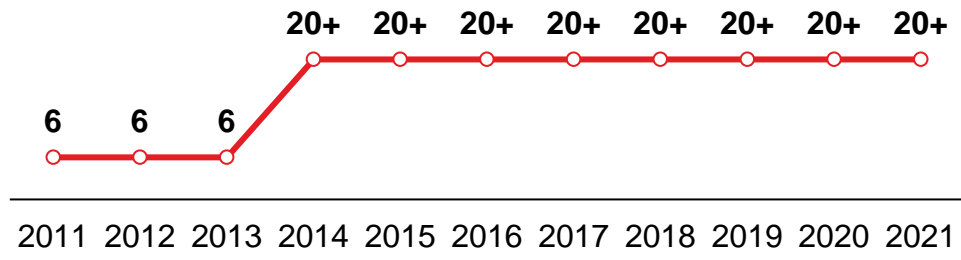
Enhanced Fuel efficiency in LPG Stoves from 50% to over 68% at present

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

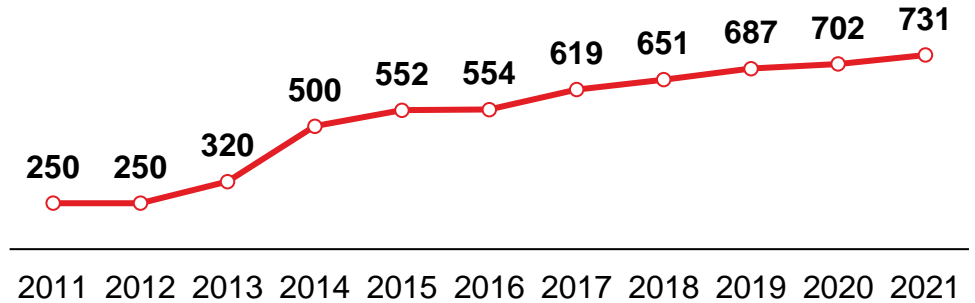
360° R&D efforts focused on product efficiency, longevity and design

Increased Product Categories For Wider Product Portfolio And Higher Market Share

Product Categories (Nos.)

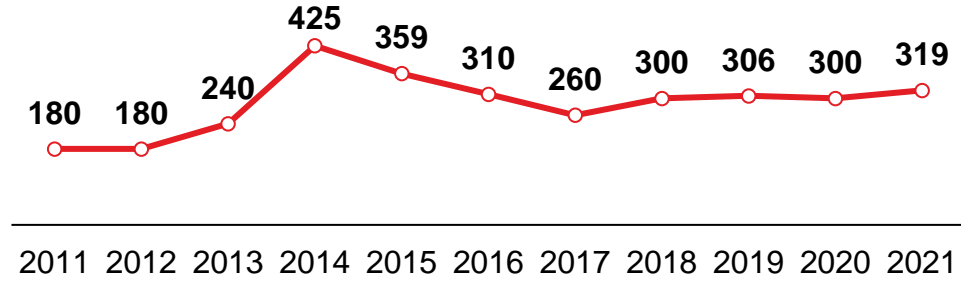


SKUs (Nos.)

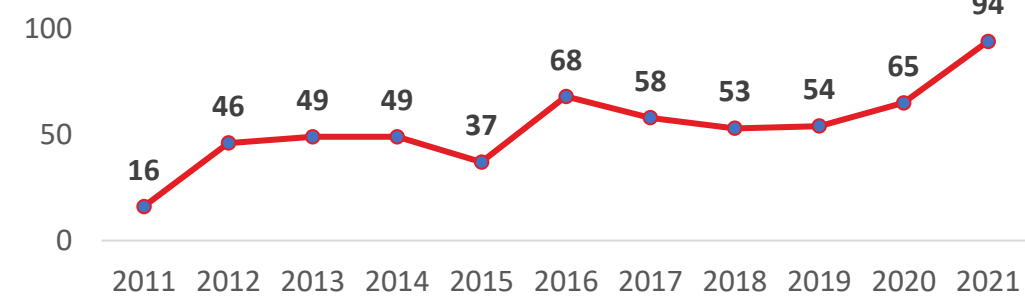


Enhancing Sales and Marketing Efficiency For Better Penetration And Brand Development

Sales Team (Personnel)



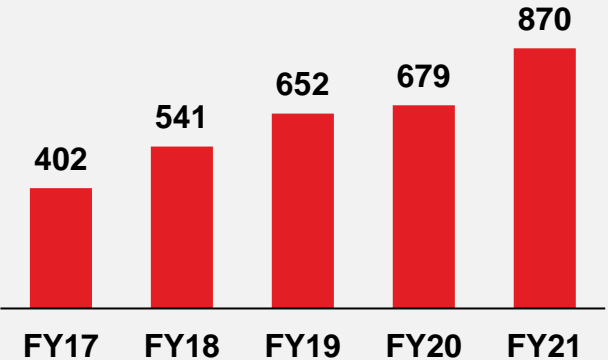
Marketing Spend (Rs. crore)



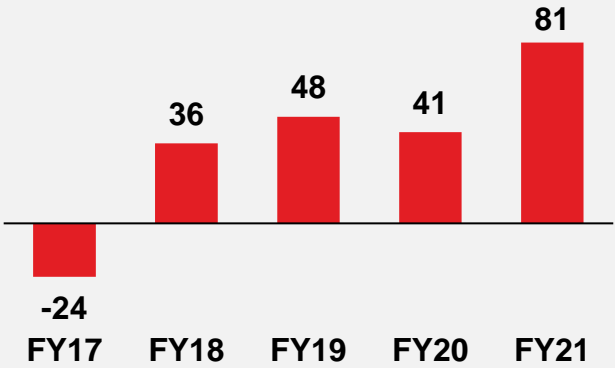
ANNUAL FINANCIAL OVERVIEW



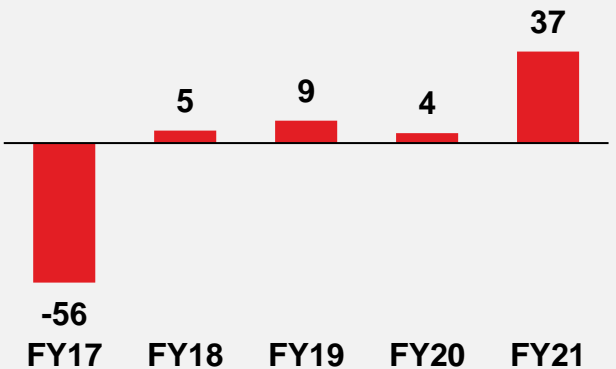
Revenue from Operations (Rs. crore)



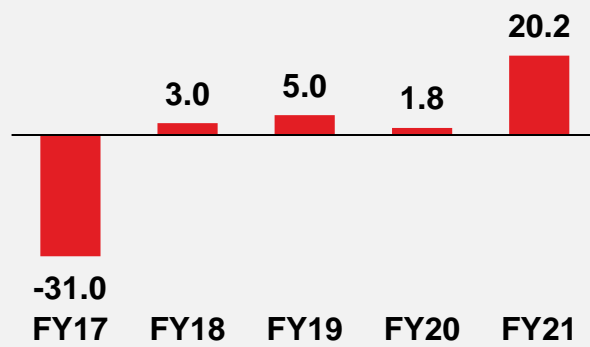
EBITDA (Rs. crore)



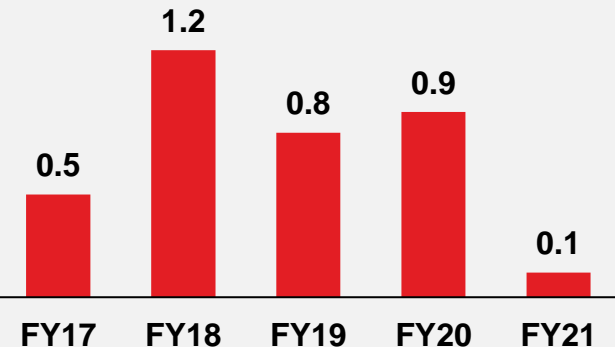
Profit After Tax (Rs. crore)



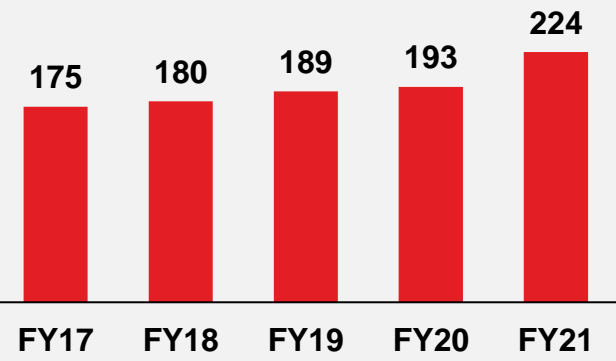
EPS (Rs.)



Debt - Equity Ratio



Net Worth (Rs. crore)



Historical Profit & Loss



Particulars (Rs. crore)	FY17	FY18	FY19	FY20	FY21
Total Net Revenues (Incl. OI)	407	542	654	680	871
- Branded Net Revenues	405	541	652	679	870
- Government Net Revenues	-	-	-	-	-
- Other Income	2	2	2	2	1
Material Cost	247	315	390	390	506
- Cost of Materials Consumed	149	219	317	311	355
- Purchases of Stock-in-Trade	79	106	98	105	140
- Changes in Inventories	19	-10	-24	-25	12
Gross Profit	159	227	264	290	365
<i>Gross Margin (%)</i>	39%	42%	40%	43%	42%
Employee Expenses	50	57	70	79	77
Other Expenses	127	133	146	169	207
EBITDA	-18	36	48	42	81
<i>EBITDA Margin (%)</i>	-4%	7%	7%	6%	9%
Depreciation	12	12	13	14	16
Finance Cost	23	18	23	24	17
Profit Before Tax	-53	6	12	4	48

Company grew by 29% across all product categories

Branded Net Revenue has witnessed CAGR of 21% over FY17 to FY21.

Gross Margin continuously maintained above 40% in spite of increase in the raw material prices

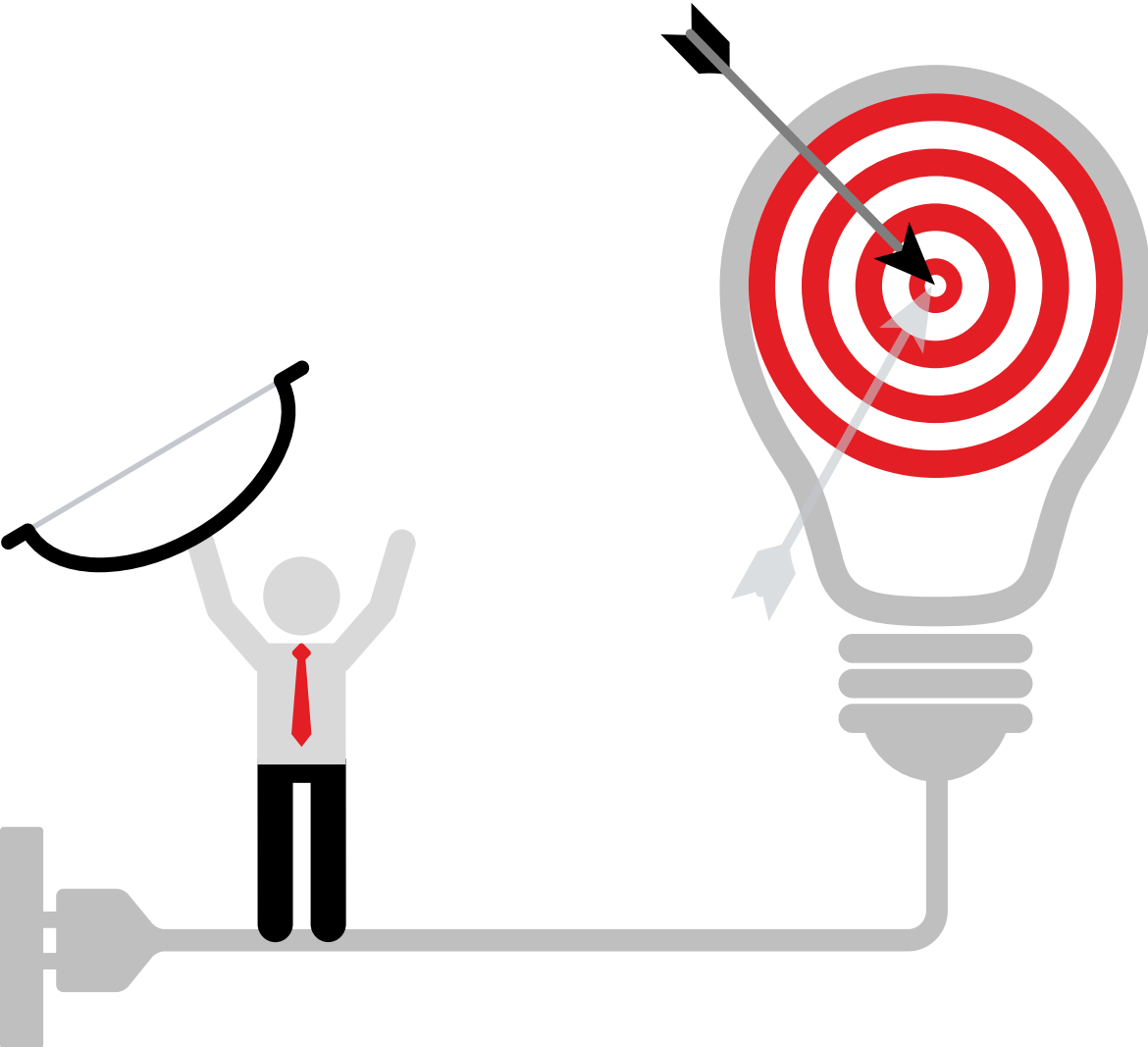
EBITDA margin is healthy of above 9%

Particulars (Rs. crore)	FY17	FY18	FY19	FY20	FY21
ASSETS					
Non-Current Assets	178	172	176	179	177
Current Assets	241	296	287	313	312
Inventories	109	125	142	170	178
Trade Receivables- TNCSC/PCWS	22	17	4	4	2
Trade Receivables-Branded	66	113	113	113	72
Cash & cash equivalents	31	23	10	4	37
Others	12	18	18	21	22
Total Assets	418	468	464	492	489
Branded Revenue	402	541	652	680	870
Working Capital Days	105	123	87	106	36
Inventory Days	99	84	80	91	75
Debtors Days (branded)	60	77	63	61	30
Creditors Days	54	38	56	46	69

Particulars (Rs. crore)	FY17	FY18	FY19	FY20	FY21
EQUITY & LIABILITIES					
Shareholders' Funds	175	180	189	193	224
Non-current Liabilities (NCL)	63	46	42	36	14
Long-term Borrowings	63	46	39	32	12
Other NCL	-	-	3	3	2
Current Liabilities (CL)	181	242	232	264	251
Short-term Borrowings	84	145	104	127	0
Trade Payables	60	56	99	108	164
Others CL	37	40	29	29	87
Total Equity & Liabilities	418	468	464	492	489
Debt – Equity Ratio	0.91	1.16	0.81	0.88	0.12

OUTLOOK





FY22

- Revenue growth of ~10-15% vs FY21
- EBIDTA margin expansion of 25 bps
- Net working capital days 35 to 45 days
- Net Debt / EBIDTA : less than 0.5x

- [Butterfly Opal Mixer Grinder Diwali Film 35Sec With Offer Tamil HD](#)
 - [Butterfly Standard Plus Pressure Cooker Tamil](#)
 - [Butterfly Reflections Stove Tamil](#)
 - [Butterfly Matchless Table Top Wet Grinder Tamil](#)
 - [Butterfly Electric Rice Cooker Tamil](#)
 - [Butterfly Blue Flame Tamil](#)
 - [Butterfly Desire Mixer Grinder Tamil](#)

 - [Butterfly Power Hob Hindi](#)
 - [Butterfly Matchless Table Top Wet Grinder Hindi](#)
 - [Butterfly Standard Plus Pressure Cooker Hindi](#)
 - [Butterfly Electric Rice Cooker Hindi](#)
 - [Butterfly Matchless Mixer Grinder Hindi](#)

 - [Butterfly Matchless Mixer Grinder Kannada](#)
 - [Butterfly Desire Mixer Grinder Kannada](#)
 - [Butterfly Blue Flame Kannada](#)
- [Butterfly Matchless Mixer Grinder Malayalam](#)
 - [Butterfly Blue Flame Malayalam](#)
 - [Butterfly Power Hob Malayalam](#)
 - [Butterfly Matchless Table Top Wet Grinder Malayalam](#)
 - [Butterfly Reflections Stove Malayalam](#)
 - [Butterfly Electric Rice Cooker Malayalam](#)
 - [Butterfly Blaze LPG Stove Malayalam](#)

 - [Butterfly Matchless Mixer Grinder Telugu](#)
 - [Butterfly Desire Mixer Grinder Telugu](#)
 - [Butterfly Blue Flame Telugu](#)
 - [Butterfly Electric Rice Cooker Telugu](#)
 - [Butterfly Matchless Table Top Wet Grinder Telugu](#)

 - [Butterfly Power Hob Kannada](#)
 - [Butterfly Matchless Table Top Wet Grinder Kannada](#)
 - [Butterfly Reflections Stove Kannada](#)

Thank You

Mayuresan VMG

Vice President – Finance & Strategy

Butterfly Gandhimathi Appliances Limited

Email: vmgm@butterflyindia.com

