



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

October 31,2018

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 second quarter ended on 30.09.2018**

Enclosed please find the Company's Performance/Results presentation for the second quarter ended on 30.09.2018, which may please be uploaded on the website for information of our investors.

Thanking you,

Yours faithfully,
For Butterfly Gandhimathi Appliances Limited

k.f.k~~

Company Secretary &
General Manager (Legal)

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Phone: +91-44-4741 5500 CIN No. : L28931TN1986PLC012728

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Corporate Office: E-34, II Floor, Rajiv Gandhi Salai, Egattur Village, Navalur - 600 130, Kancheepuram District.

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BUTTERFLY
GANDHIMATHI
APPLIANCES LIMITED

RESULTS PRESENTATION

Q2 FY19

www.butterflyindia.com

Safe Harbour

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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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

|

IN INDIA
FOR SS LPG STOVES
& TABLE TOP WET GRINDERS

| 2.8%

BRANDED
REVENUE CAGR
FY10-18

IN THE TOP

3

IN INDIA FOR DOMESTIC
KITCHEN APPLIANCES

PRESENCE IN ALL

29

STATES IN INDIA

SALES OF BRANDED
PRODUCTS IN FY18

537

CRORE

500+

EXCLUSIVE
DISTRIBUTORS ACROSS
INDIA

| | 6

NET DEBT / EQUITY
RATIO

33.5%

REVENUE GROWTH
OVER FY18

5%

OF FY18
REVENUES FROM NON-SOUTH
STATES

Growth Levers

Initiatives

Wider Product Offering



Geographical Expansion



Premium Products

Capacity Expansion



Impact

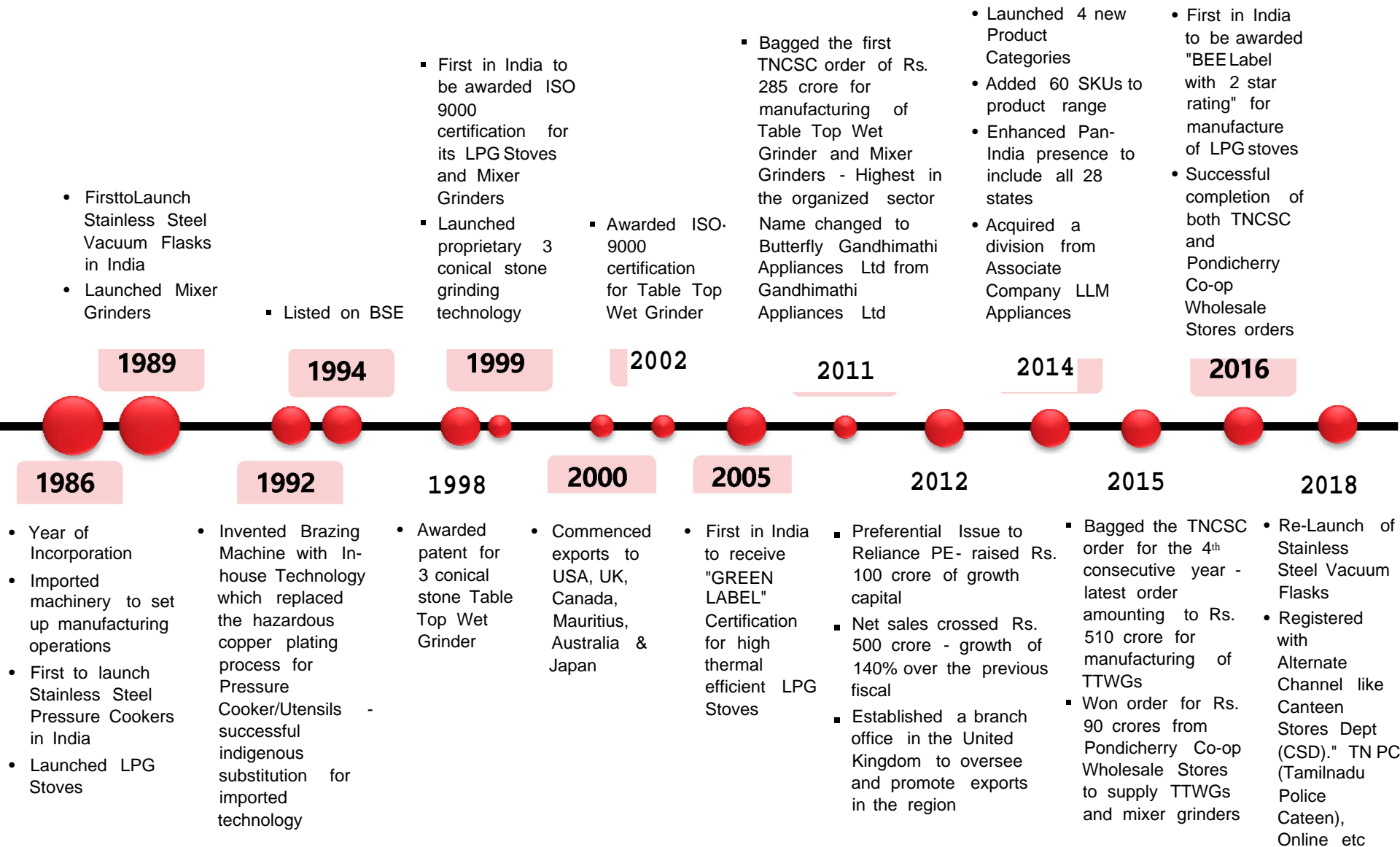
- o Fresh growth avenues in existing markets
- o Accelerated growth opportunity in new markets

- o Addressable market increases manifold
- o Wider National footprint

- o Expansion in blended margins
- o Attracts new categories of customers

- o Poised to address growth in demand arising from selling & marketing initiatives and geographic expansion

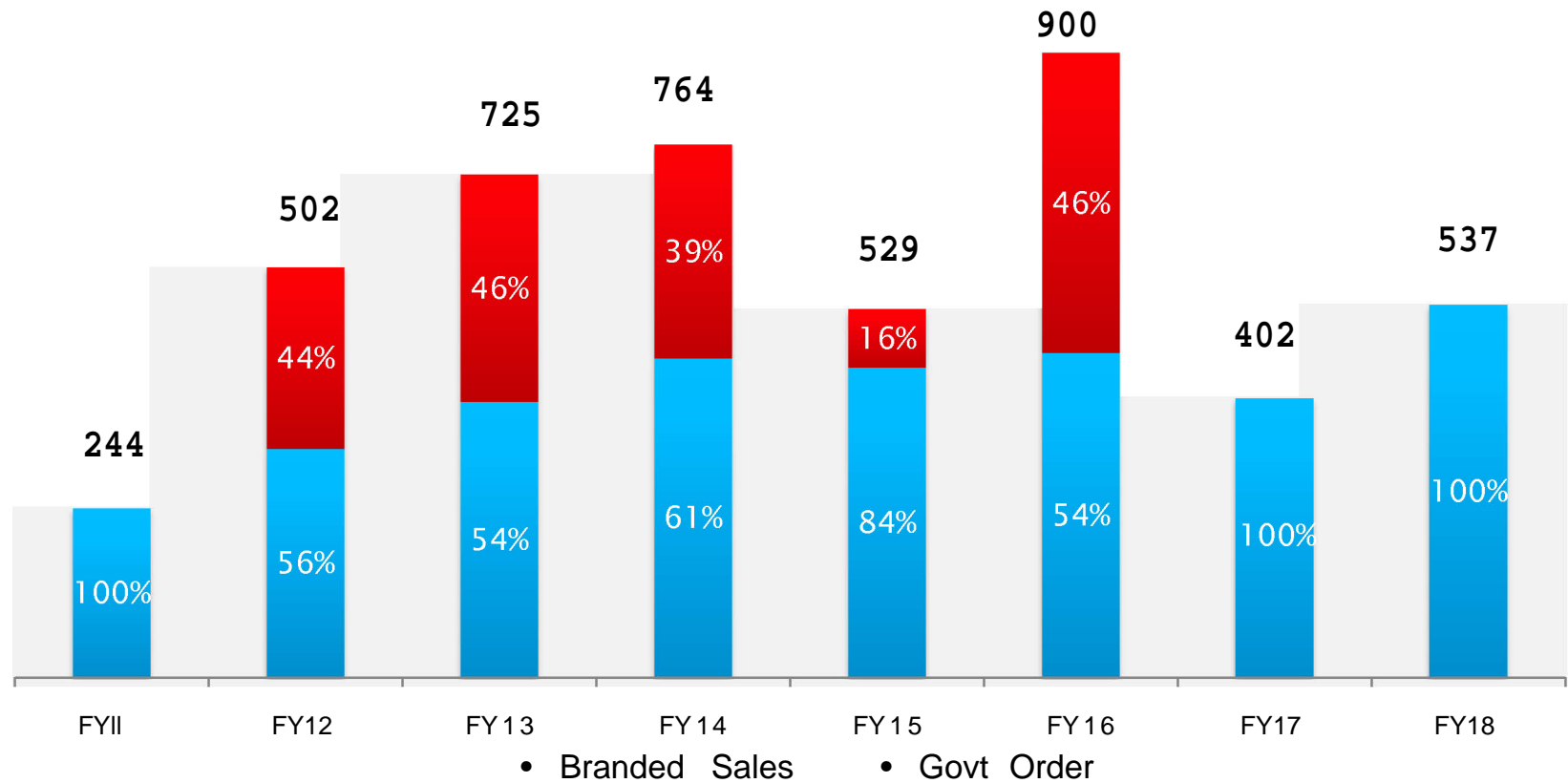
Overview Milestones



Revenue Profile

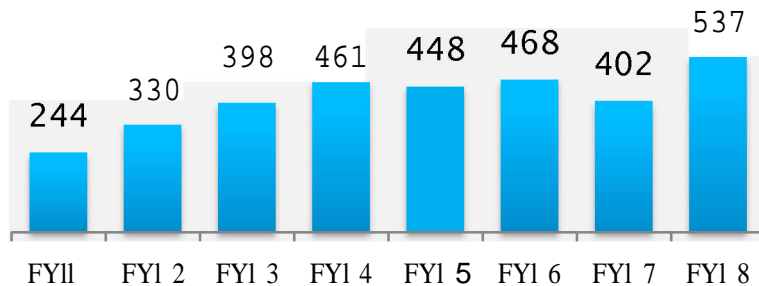
Revenue Excluding Excise
Duty / CST

Annual Net Revenue (Rs. crore)



Branded Retail Sales

Branded Net Sales (Rs. crore)



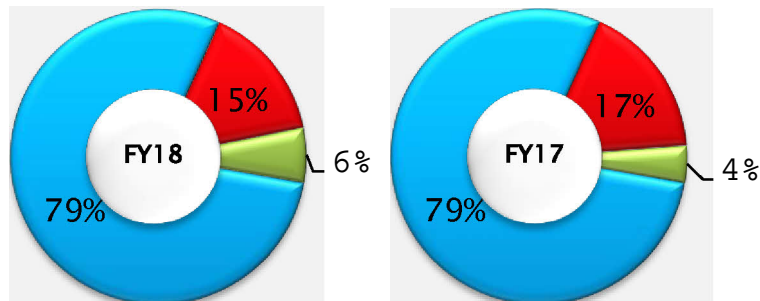
Through Institutions

- Tie ups with Gas dealers of IOCI, BPCI and HPCI
- Customers for new gas connection are provided with co-branded products manufactured by BGMAI

Through Retail Marketing

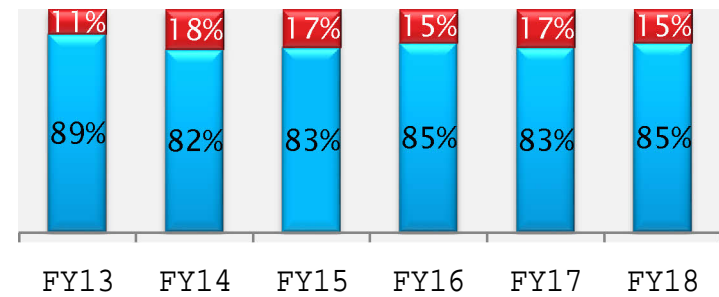
- Network of 550+ exclusive distributors
- Distributors supply to dealer network which is customer facing
- Tie-up with Modern Trade, CSD, CPC, TNPC etc.
- 22000+ retail points across the Indian map

Branded Product Distribution (96)



Kitchen Appliances Cooker/Cookware Others

Region-wise Break-up



FY13 FY14 FY15 FY16 FY17 FY18

South Non-South

Augmenting Organic Growth

Increased Product Categories For Wider Product Portfolio And Higher Market Share

Product Categories (Nos.)							
6	6	6	20+	20+	20+	20+	20+
O	O		O	O	O	O	O
2011	2012	2013	2014	2015	2016	2017	2018

SKUs (Nos.)							
250	250	320	500	552	554	619	651
O	O	O	O	O	O	O	O
2011	2012	2013	2014	2015	2016	2017	2018

Enhancing Sales and Marketing Efficiency For Better Penetration And Brand Development

Sales Team (Personnel)							
180	180	240	425	359	310	260	300
O	O	O	O	O	O	O	O
2011	2012	2013	2014	2015	2016	2017	2018

Marketing Spend (Rs. Cr)							
16	46	49	49	37	68	58	57**
O		O	O	O	O		O
2011	2012	2013	2014	2015	2016	2017	2018

** Including Rs.3 Cr spent on new channels

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



Air Cooler

Product Portfolio

Other Pioneering Products



Juicer



Hand Blender



Electric Iron



Pop-up Toaster



Vacuum Flasks



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NEW PRODUCTS LAUNCHED



NEW PRODUCT LAUNCHES during FY 2018-19

LPG Stoves / Mixer Grinder / Table Top Wet Grinder

Curve 2B 55 LPG Stove



Mixer Grinder - Tulip - 4J 750 w



Mixer Grinder - Tornado 3J 750 w



Cyclone Mixer grinder 3J



Pebble Mixer Grinder - 750 W



Wet Grinder - Rhino 2.0 - Red and White



Wet Grinder - Rhino 2 ltr - Blue



NEW PRODUCT LAUNCHES - Non-Stick Cookware Items

Matchless - Sauce Pan with Glass Lid - 250 mm



Matchless-Casserole 250 mm with Glass Lid



Matchless Gold Fry Pan 240 mm



Matchless - Handi Gold - 2.5 ltr



Matchless - Kadai with Glass Lid 240 mm



Matchless - Omni Tawa 280 mm



NEW PRODUCT LAUNCHES - Electric Chimney and Power Hob

Electric Chimney Fortis 60



Electric Chimney Fusion 60



Electric Chimney Aura 60



Electric Chimney Sleek 60 Black



Electric Chimney Matchless + 90 and 60



Electric Chimney Curve + 90 and 60



Turbo 2.0 Power Hob



NEW PRODUCT LAUNCHES - Hand Blender and Hand Mixers

Hand Blender - HPB-I 7



KEY FEATURES

- ~ Full stain less steel body
- @ Ergonomically designed to hold with comfort while in use
- (R) 2-speed setting

Hand Blender - HBE-17



KEY FEATURES

- @ Full ABS body
- @ Ergonomically designed to hold with comfort while in use
- (R) 2-speed setting

Hand Mixer - Swirl 400



KEY FEATURES

- ~ Aesthetically designed ABS body
- ~ Multi-recipe support with 5-speed control with turbo speed
- ~ One-year warranty

Hand Mixer Jazz 300



KEY FEATURES

- ~ Aesthetically designed ABS body
- ~ Multi-recipe support with 5-speed control with turbo speed
- ~ One-year warranty

Hand Mixer Swing 300



KEY FEATURES

- ~ Aesthetically designed ABS body
- ~ Multi-recipe support with 5-speed control with turbo speed
- ~ One-year warranty

NEW PRODUCT LAUNCHES - Slice Toasters, Sandwich Maker and Electric Kettle

Slice Toaster BSTE-1 7-1 8



BSTE-1 7-1 8
700 WATTS

PRODUCT HIGHLIGHTS 4

- Cool touch 2-slice toaster
- eject button
- Slide-out crumb tray; easy to clean
- One-year Warranty

Slice Toaster - BSTP 17-18



BSTP17-18A
800 WATTS

PRODUCT HIGHLIGHTS 4

- Cool touch 2-slice toaster
- Reheat, defrost, cancel button
- Slide-out crumb tray; easy to clean
- One-year warranty

Sandwich Maker BSWR17

BSWR17
750 WATTS



PRODUCT HIGHLIGHTS ...

- 2-slice fixed sandwich maker
- Fuse for overheat protection
- One-year Warranty

Sandwich Maker BSWG17



BSWG17
750 WATTS

PRODUCT HIGHLIGHTS 4

- 2-slice fixed sandwich maker
- Non-stick coating plate
- Indication light for on/off
- One-year warranty

Water Kettle - EKN 1.5

EKN 1500 WATTS
1.5 LTR



KEY FEATURES

- Superior quality stainless steel body
- Auto cut-off facility
- One-year warranty

Electric Kettles - Wave 1.2

WAVE 600 WATTS
1.2 LTR



KEY FEATURES

- Durable and elegant stainless steel body
- Temperature control knob and auto switch-off
- One-year warranty

NEW PRODUCT LAUNCHES

Chopper and Blender

Butterfly®

MINI CHOPPER & BLENDER



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 BEF label with 2 star rating for manufacture of LPG Stoves



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Financial Overview



Abridged Profit & Loss Statement

Rs. crare

Particulars	111111			FY2017 *	FY2018 *
				Ind-AS	Ind-AS
	533.3	906.3	405.5	406.6	542.1
	447.5	468.2	402.3	404.9	540.5
	84.3	432.7			
	1.5	5.4	3.2	1.7	1.6
	317.5	621.9	251.7	247.3	315.2
	248.3	566.6	145.9	149.1	218.7
	65.3	31.5	49	78.8	106.4
	3.9	23.8	1	19.4	-9.9
	215.8	284.4	153.8	159.3	226.9
	40%	31%	38%	39%	42%
	60.3	61.3	50	50.4	57.3
	111.5	157.9	127.5	126.9	133.2
	44	65.2	-23.7	-18	36.3
	8%	7%	-3%	-4%	7%
	10.2	11.5	11.6	11.6	12.4
	29.6	34.5	21.2	23.3	18.1
	4.2	19.1	-56.6	-53.1	5.8

6.5
11.1
9.4

EBIDTA increased 2.5% due to operating leverage

NOTE: *results are as per IND-AS standards.

Abridged Balance Sheet

• Rs. crore

Sources of Funds	Q1 FY18	Q2 FY18	Q3 FY18	FY 2017**	FY 2018**	H1 FY18	H1 FY19**
a) Shareholders' Funds	225.6	238.1	179.9	175.2	180.2	181.9	187.8
b) Non-current Liabilities (NCI)	77	52.8	68	62.5	45.8	68.1	41.9
- Long-term Borrowings	68.3	43.4	60	62.5	45.8	64.9	39.2
- Other NCL	8.7	9.4	8			3.2	2.8
c) Current Liabilities (Cl)	266.3	266.3	159.4	180.7	241.6	237.0	271.8
- Short-term Borrowings	106.3	148.8	65	83.9	145.4	80A	119.6
- Trade Payables	118.3	105	52	59.7	56.1	102.9	118A
- Other CL	41.7	42.5	42.4	37.1	40.1	53.7	33.8
Total	568.9	587.2	407.3	418.4	467.6	487.0	501.5
Net Debt - Equity Ratio	0.7	0.8	0.5	0.91	1.16	0.88	0.90

LongTerm
Borrowing
reduced due
to repayment
of Term Loan

11
11

Abridged Balance Sheet

• Rs. crore

Application Of Funds	FY 2015	FY 2016	FY 2017	FY 2017 **	FY 2018**	H1 FY18**	H1 FY19 **
a) Non-current Assets	175.4	173.6	176.0	177.9	171.6	177.1	171.1
a) Current Assets	393.5	413.6	231.3	240.5	296.0	309.9	330.4
- Inventories	168.9	123.8	108.8	108.8	125.1	119.2	139.1
- Trade Receivables- TNCSC/PCWS	84	137.46	21.8	21.8	17.3	17.3	3.8
- Trade Receivables-Branded	108.9	119.96	66.2	66.2	113.3	141.0	160.2
- Cash & cash equivalents	15.4	13.4	28.2	31.4	22.7	17.3	6.9
- Others	16.3	19	13	12.3	17.6	15.1	20.4
Total	569.2	587.2	407.3	407.3	467.6	487.0	501.5

Receivables increased, due to higher sales.

// ~ " " 1

Branded Revenue	447.5	468.2	402.3	402.3	537.3	288.7	342.4
Working Capital Days	130	108	112	105	124	98	95
Inventory Days*	138	97	99	99	85	74	73
Debtors Days (branded)	89	94	60	60	77	88	84
Creditors Days*	96	82	47	54	38	64	62

Net working capital has decreased compared to Mar-18.



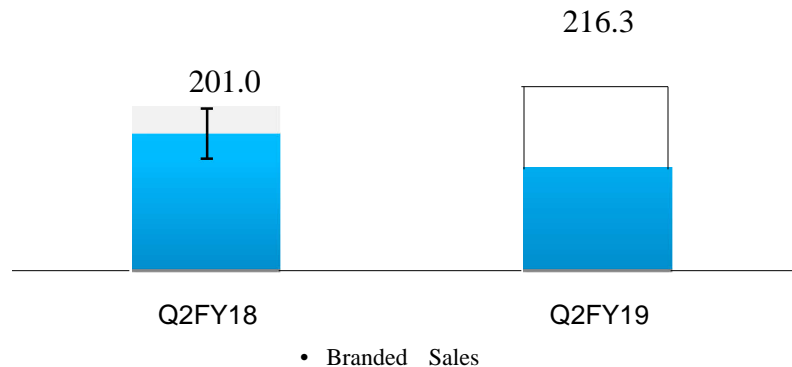
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Q2 FY19 Operating Performance & Highlights



Q2 FYI 9 - Performance highlights

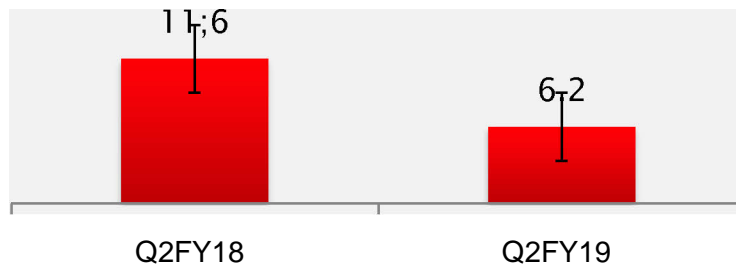
Total Income (Net) (Rs. crore)



EBITDA (Rs. crore)



PAT (Rs crore)



Total Income (Net) during Q2 FY19 stood at Rs. 216.3 crore, as against Rs.201.0 crore in Q2 FY18

Branded sales was higher by 7.6% on a Y-o-Y basis. The growth lower compare to Q2 FY18 because of higher base of last year, due to GST restocking and early festival season.

PAT stood at Rs. 6.2 cr in Q2 FY19

NOTE: Results are as per Ind-AS standards

Key Highlights

Branded Sales

(Rs crore)

Product	Q2 FY20	Q2 FY19	Q1 FY20	YoY	QoQ
Branded Market					
Kitchen Appliances	175.1	163.3	96.4	7.2%	81.6%
Cooker /Cookware	33.1	30.2	18.5	9.5%	78.8%
Others	8.1	7.5	8.2	7.7%	-1.5%
Grand Total	216.2	201.0	123.1	7.6%	75.7%

- Overall the branded business grew by 7.6%.



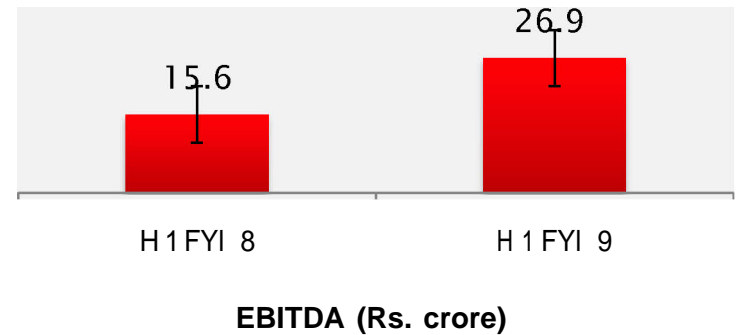
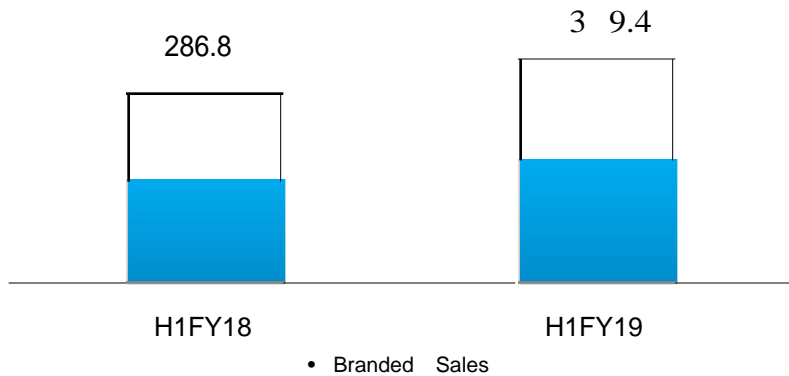
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H1 FY19 Operating Performance & Highlights

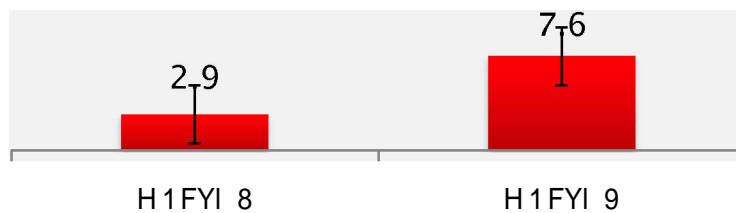


H2 FYI 9 - Performance highlights

Total Income (Net) (Rs. crore)



PAT (Rs crore)



Total Income during H1 FY19 stood at Rs.339.4 crore, as against Rs.286.8 crore in H1 FY18

Branded sales was higher by 18.396 on a H1 FY19 vs H1 FY18 basis on net of Excise Duty basis

PAT stood at Rs.7.6 crore in H1 FY19

NOTE: * Results are as per INDAS standards

Key Highlights

Branded Gross Sales

(Rs crore)

Product	HI FY19	HI FY18	Y-o-Y Growth
Branded Market			
Kitchen Appliances	270.7	240.2	12.7%
Cooker /Cookware	51 .6	42.3	22.0%
Others	17. 1	13. 1	30.5%
Grand Total	339.4	295.6	14.896
Less: Excise Duty		8.8	
Grand Total	339.4	286.8	18.396

- Overall the company had a very good half year and is looking forward for a good financial year.
- We are on track to achieve the targets set for the year



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Outlook



Outlook

The objective and focus of the plan is completely on delivering better Profit for FY18-19 also, improving balance sheet liquidity and reduction of debt

1. Improving working capital ratio of the Company
 - a. Focus on collections. Channel Financing is expected to reduce the Debtors in the coming quarters.
 - b. Increase in supplier credit days
 - c. Reduction in Inventory levels through optimised sales planning

2. For FY2018-19 Company is targeting a growth of 2096.

Thank you

any queries please contact Mr.V.M.G.Mayuresan, vrngm@butterflyindia.com
