



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

October 27, 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 second quarter/half year ended on 30.9.2021**

Enclosed please find the Company's Performance/Results presentation for the second quarter/half year ended on 30.09.2021, which may please be uploaded on the website for information of our investors.

Thanking you,

Yours faithfully,
For Butterfly Gandhimathi Appliances Limited

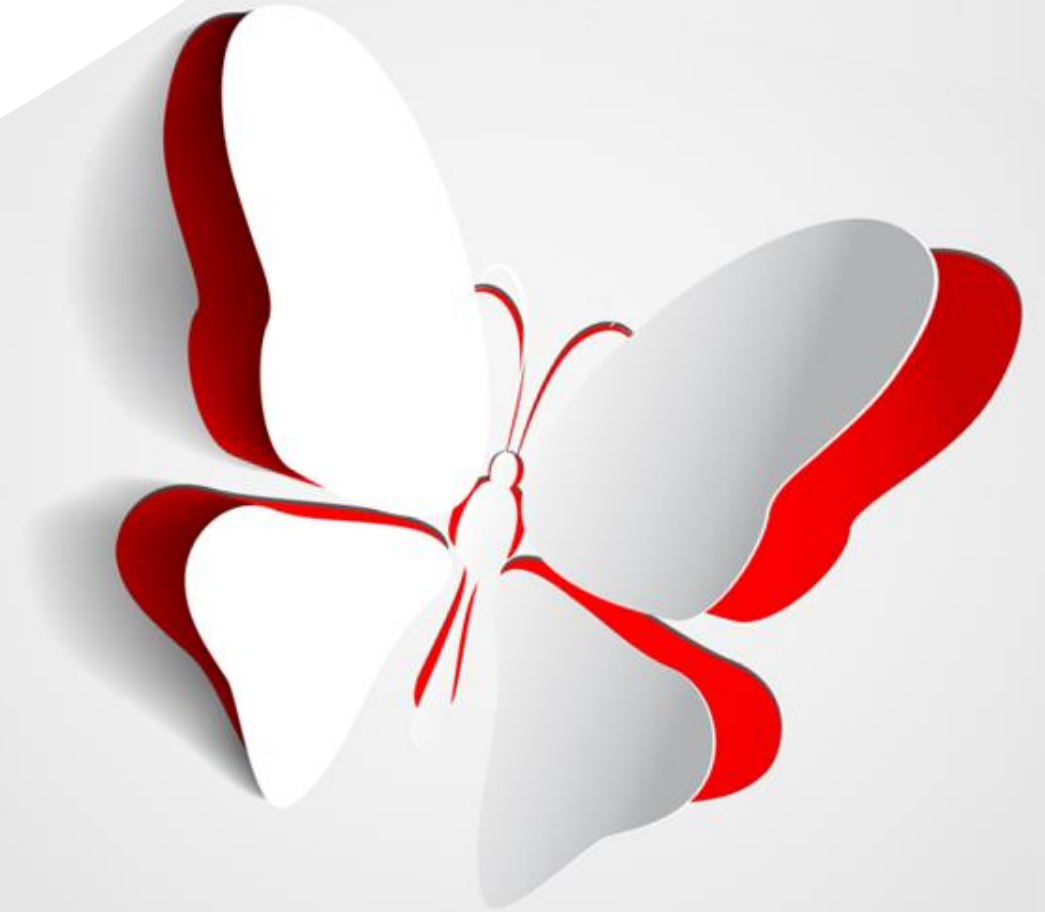
Priya Varshinee V M
Deputy Company Secretary cum
Compliance Officer

Regd.office: 143,Pudupakkam Village,Vandalur - Kelambakkam Road, Kelambakkam Pin 603 103.
Chengalpattu District, Phone: +91-44-47415500 CIN No: I28931TN1986PLC012728.
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Corporate Office: E-34,II Floor, Rajiv Gandhi Salai, Egattur Village, Navalur - 603 130. Chengalpattu District
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Butterfly Gandhimathi Appliances Limited

Q2 FY22 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

40.0 Crore

Net Cash and Bank Balance as on 30.09.2021

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

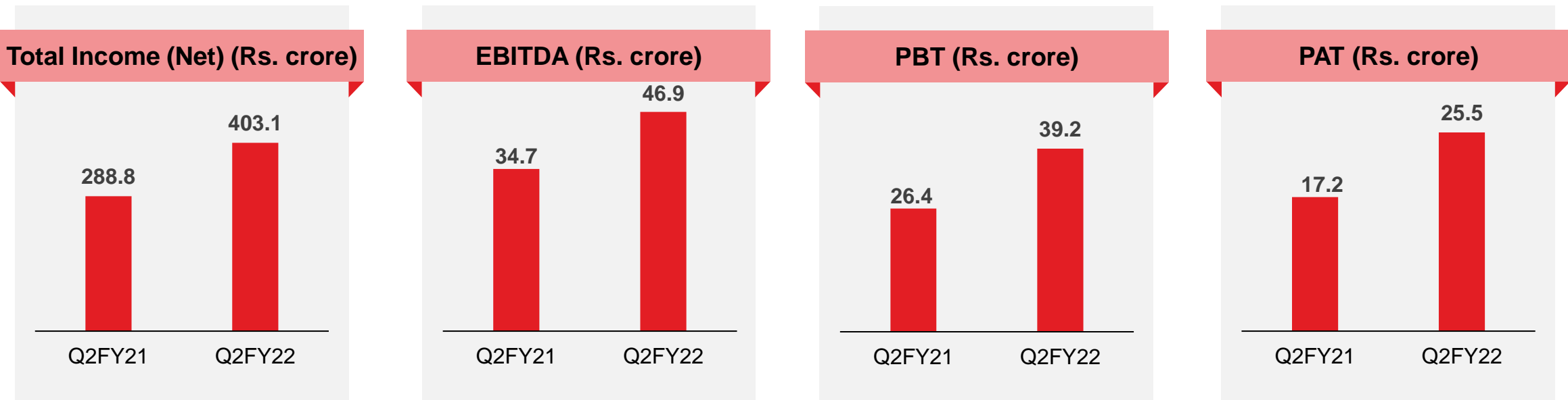
04

Outlook



RESULT HIGHLIGHTS





- Highest ever Total Income (Net) reported in a quarter, a growth of 40% YoY
- EBITDA during Q2 FY22 stood at Rs. 46.9 crore, as against Rs. 34.7 crore in Q2 FY21.
- PBT increased to Rs. 39.2 crore in Q2 FY22, as against Rs. 26.4 crore in Q2 FY21.
- PAT stood at Rs. 25.5 in Q2 FY22, as against Rs. 17.2 crore in Q2 FY21, a growth of 48% YoY.

Q2 FY22 - Abridged Profit & Loss Statement



Particulars (Rs. crore)	Q2FY21	Q2FY22
Total Net Revenues (Incl. OI)	289.2	403.5
- Branded Net Revenues	288.8	403.1
- Other Income	0.4	0.4
Material Cost	166.8	251.7
- Cost of Materials Consumed	99.8	184.6
- Purchases of Stock-in-Trade	44.5	67.0
- Changes in Inventories	22.5	0.1
Gross Profit	122.3	151.8
<i>Gross Margin (%)</i>	42.3%	37.6%
Employee Expenses	19.0	25.6
Other Expenses	68.6	79.3
EBITDA	34.7	46.9
<i>EBITDA Margin (%)</i>	12.0%	11.6%
Depreciation	3.7	4.4
Finance Cost	4.6	3.3
Profit Before Tax	26.4	39.2

Revenue grew by 40% led by growth across all Channels and all product categories

Gross Margin lower due to increase in raw material prices

EBITDA margin is maintained due to higher revenue

Particulars (Rs. crore)	Q2FY21	Q2FY22	YoY Growth
Kitchen Appliances	230.5	308.0	33.6%
Cooker/Cookware	52.0	84.3	62.0%
Others	6.2	10.9	74.0%
Total	288.8	403.1	39.6%

- The Company has grown across all the product categories.

Particulars (Rs. crores)	Sep-18	Sep-19	Sep-20	Sep-21
ASSETS				
Non-Current Assets	171.1	172.5	173.2	176.6
<i>Property, Plant and Equipment</i>	123.8	132.2	130.4	129.0
<i>Capital Work-in-Progress</i>	2.7	1.5	2.4	6.4
<i>Other Intangible Assets</i>	40.2	37.3	34.1	31.4
<i>Financial Assets</i>	4.4	1.4	1.6	6.3
<i>Others</i>	-	0.1	4.7	3.5
Current Assets	330.4	397.6	306.8	451.8
<i>Inventories</i>	139.1	150.7	137.6	211.6
<i>Trade Receivables- TNCSC/PCWS</i>	3.8	3.8	1.9	1.9
<i>Trade Receivables-Branded</i>	160.2	224.3	124.2	137.7
<i>Cash & Cash equivalents*</i>	6.9	5.4	30.0	72.1
<i>Others</i>	20.4	13.4	13.1	28.5
Total Assets	501.5	570.1	480.1	628.4

The detailed Analysis on Debtors / Inventory is given in slide no. 14 and 15.

* Balances with bank is Rs.65.3 crores as on Sep-21

Particulars (Rs. crores)	Sep-18	Sep-19	Sep-20	Sep-21
EQUITY & LIABILITIES				
Shareholders' Funds	187.8	199.6	200.9	250.1
Non-current Liabilities (NCL)	41.9	37.3	36.8	23.7
<i>Long-term Borrowings</i>	39.2	34.5	33.3	14.5
<i>Other NCL</i>	2.8	2.8	3.5	9.1
Current Liabilities (CL)	271.8	333.3	242.4	354.6
<i>Short-term Borrowings</i>	119.6	136.1	24.0	11.2
<i>Trade Payables</i>	118.4	161.2	171.4	242.2
<i>Others CL</i>	33.8	36.0	47.0	101.2
Total Equity & Liabilities	501.5	570.1	480.1	628.4

Current Maturities of Long Term Borrowing,

H1 - Abridged Profit & Loss Statement



Particulars (Rs. crore)	H1FY21	H1FY22
Total Net Revenues (Incl. OI)	366.1	548.3
- Branded Net Revenues	365.5	547.5
- Other Income	0.6	0.8
Material Cost	210.7	338.3
- Cost of Materials Consumed	122.9	251.6
- Purchases of Stock-in-Trade	50.7	90.4
- Changes in Inventories	37.1	-3.7
Gross Profit	155.4	209.9
<i>Gross Margin (%)</i>	<i>42.4%</i>	<i>38.3%</i>
Employee Expenses	32.5	46.1
Other Expenses	92.1	108.7
EBITDA	30.8	55.1
<i>EBITDA Margin (%)</i>	<i>8.4%</i>	<i>10.1%</i>
Depreciation	7.4	8.2
Finance Cost	10.3	6.3
Profit Before Tax	13.2	40.6

Gradual decline in Debt

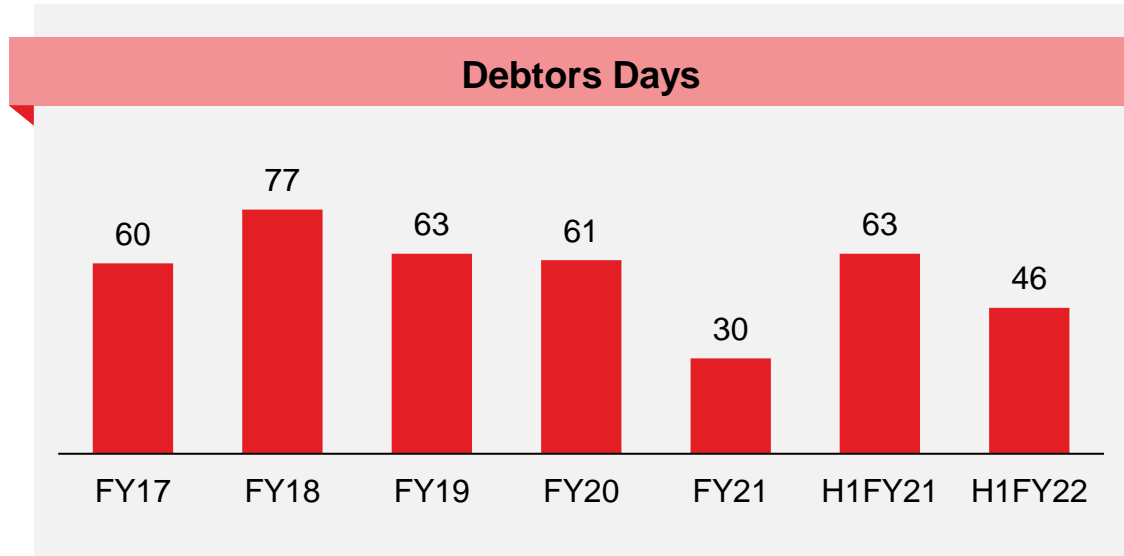
(Rs Crore)	FY18	FY19	FY20	FY21	Q2FY22
Short Term	145	104	127	0	0
Long Term**	63	50	43	28	25

Interest Cost has reduced significantly

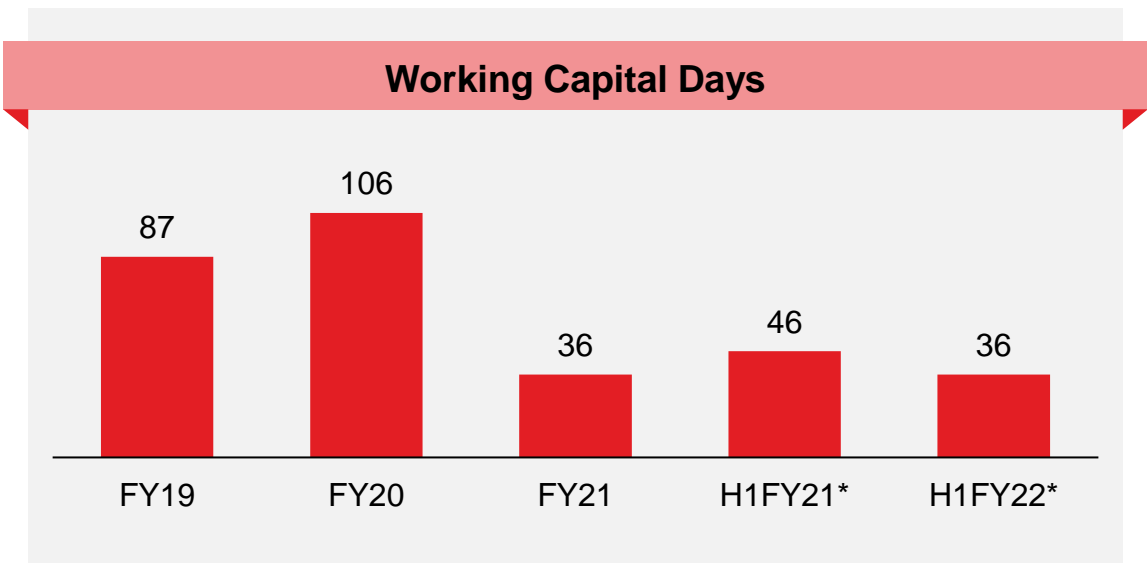
(Rs Crore)	FY18	FY19	FY20	FY21	(Rs Crore)	Q2FY21	Q2FY22
Interest Charges	15.7	20.0	20.8	13.9	Interest Charges	3.8	2.4
Other Charges*	2.4	2.5	3.3	3.5	Other Charges*	0.8	0.9

*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 46 days in H1FY22 vs 63 days in H1FY21
- 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; 5% currently as compared to 30% 3 years ago
 - Bill Discounting: Successful implementation of bill discounting facility has reduced the debtors by Rs. 28.1 crores. The bill discounting facility can go up to Rs 50 crores in the medium term



- Net working capital days has been reduced from 46 days in H1FY21 to 36 days in H1FY22.
 - Debtors days (explained in slide 14)
 - Inventory and Creditor days are in-line with last year

	FY19	FY20	FY21	H1FY21*	H1FY22*
Inventory Days	80	91	75	69	71
Debtors Days	63	61	30	63	46
Creditors Days	56	46	69	86	81

* Calculated by annualizing H1 Sales



Butterfly®
Bhima
MIXER GRINDER



Butterfly®
rapidPlus 5J
MIXER GRINDER



Butterfly®
JET ELITE PLUS
MIXER GRINDER



Butterfly®
HERO Plus
MIXER GRINDER

4 BURNER
5 YEAR WARRANTY



Butterfly®
Quadroplus
GLASS TOP LPG STOVE



Butterfly®
CRESTA

- 1 HP** Motor for Max Performance
- 4 SPEED** Next-gen Control Dial
- 5 JARS**
 - High Capacity
 - Efficient
 - Multi-functional

FPSS TECHNOLOGY Food Processor Selective Speed Technology



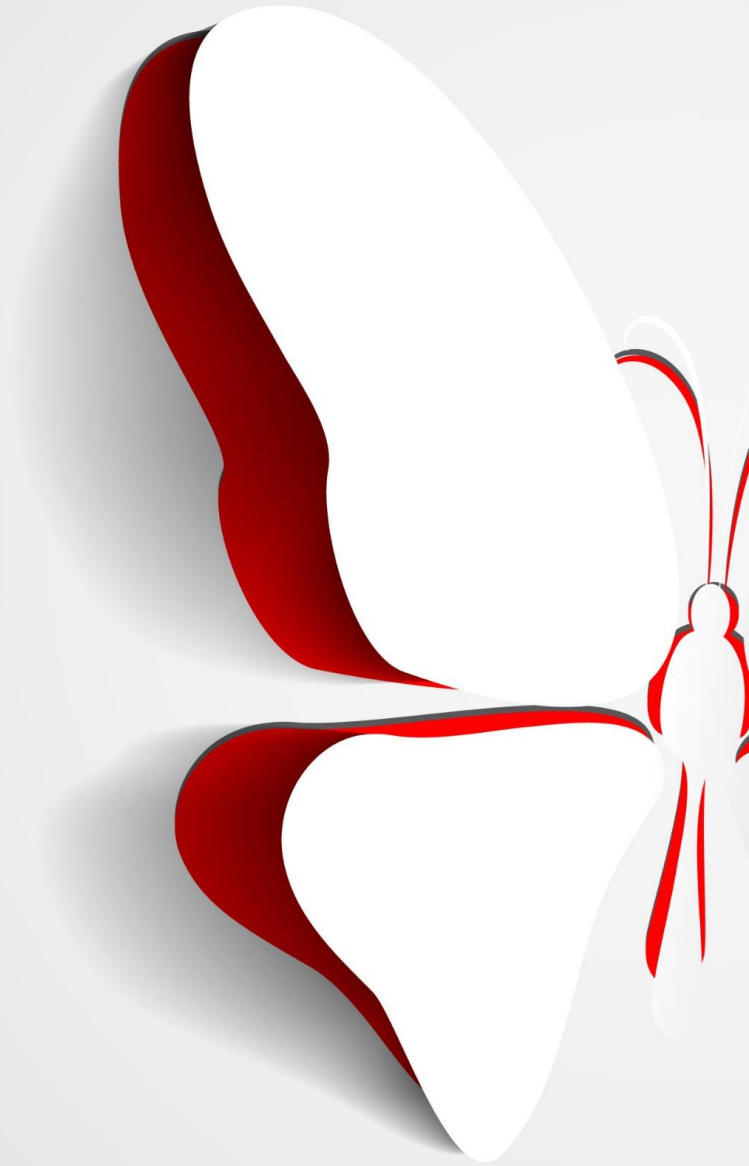
Butterfly®
sapphire
TABLE TOP WET GRINDER

- OVERLOAD PROTECTOR**
- DUAL WIPER**
- EASY WATER INLET**
- 2 LITRE CAPACITY**
- 5 YEARS WARRANTY**

New Model Launches



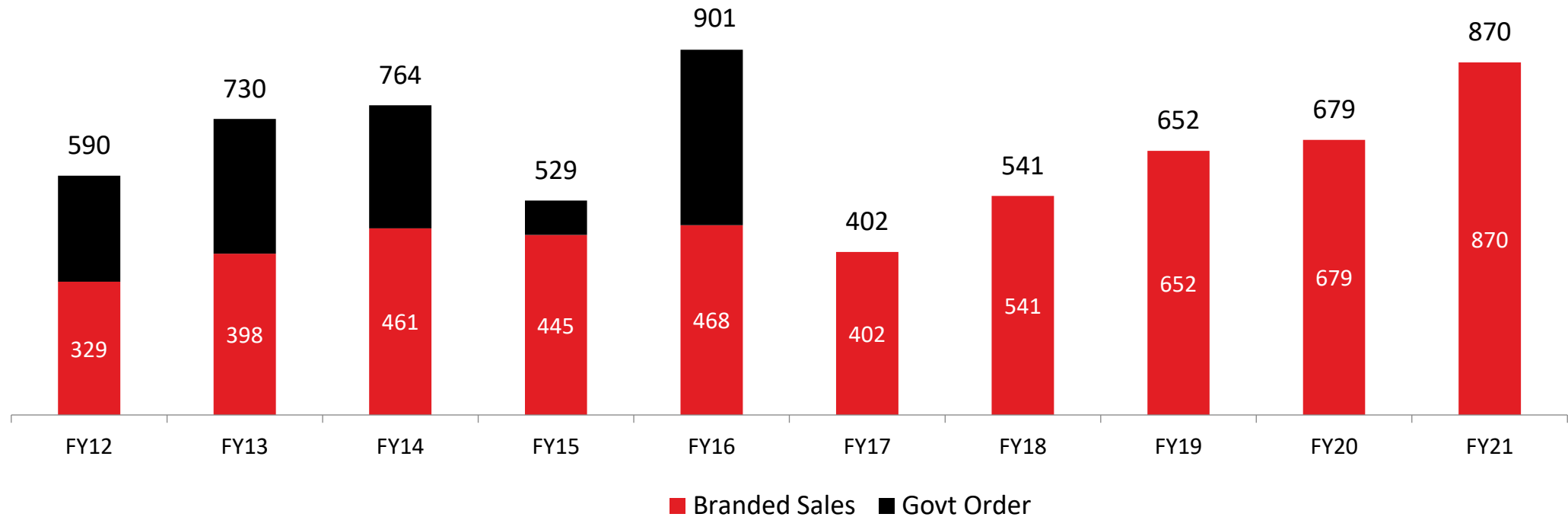
COMPANY OVERVIEW



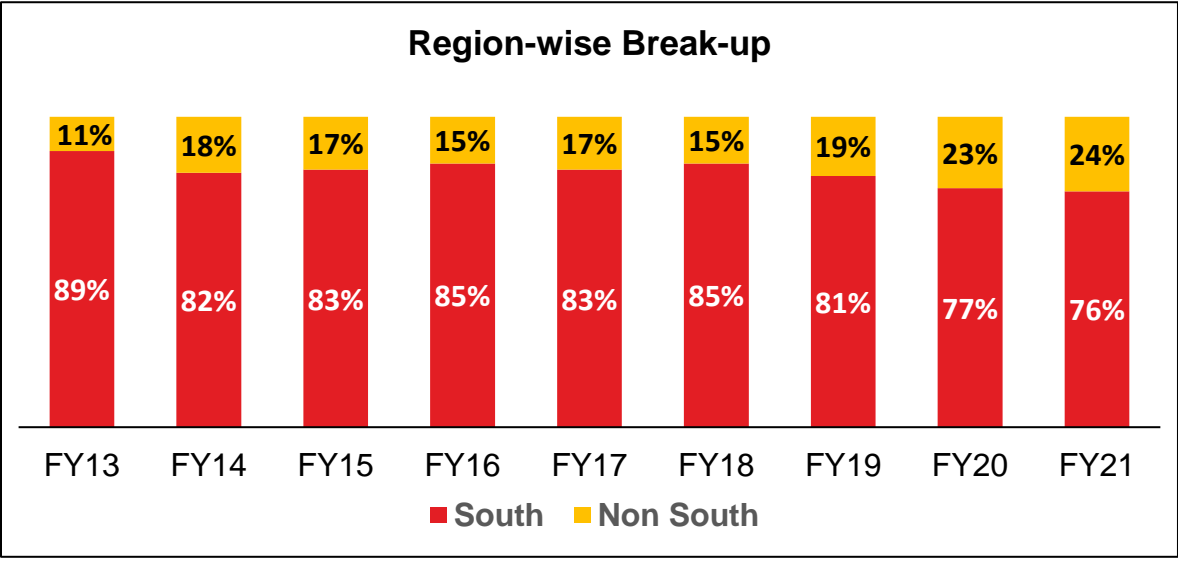
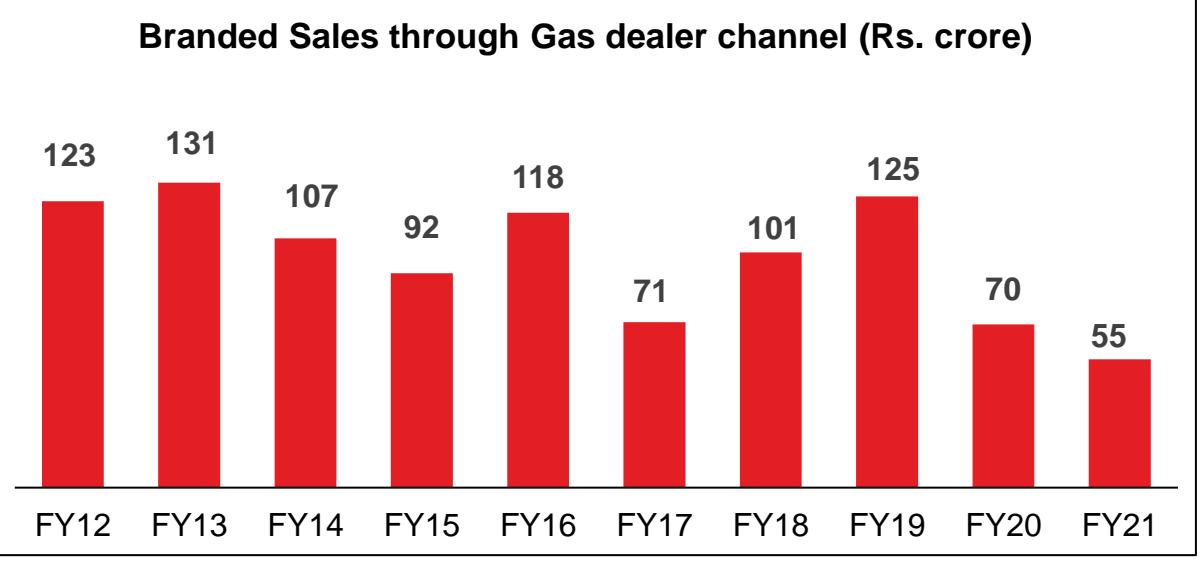
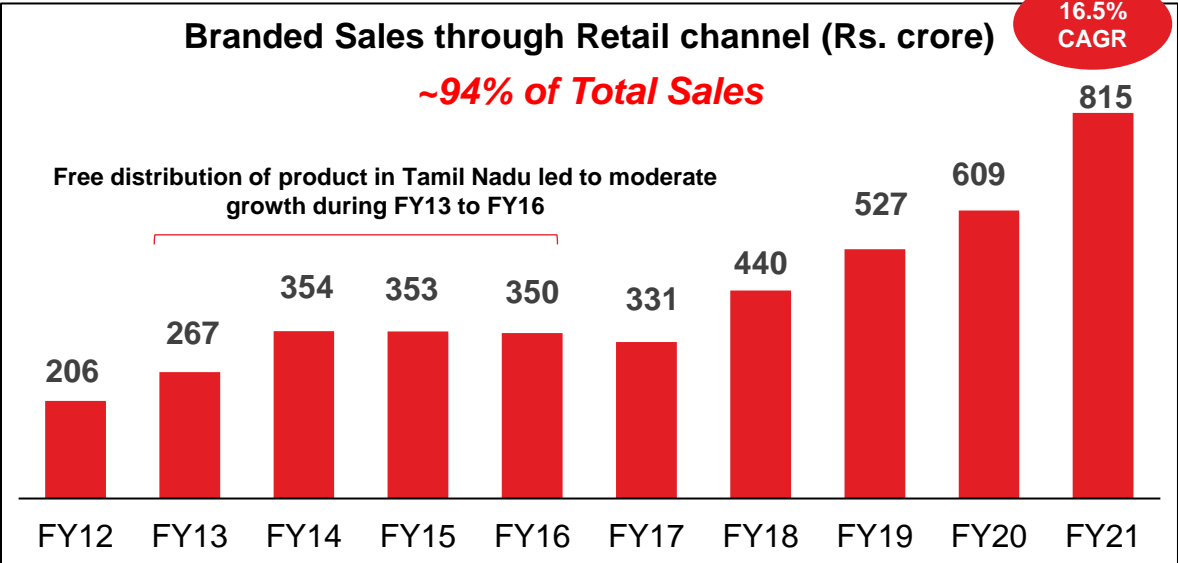
- Established in 1986 by late Shri V. Murugesu Chettiar, the Company is one of the leading manufacturer of Kitchen and Electrical Appliances in the country
- The Company sells its products branded as “Butterfly” across the country through distributors, direct dealers, modern trade, online channels, gas 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			
										
										

Annual Net Revenue* (Rs. crore)



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

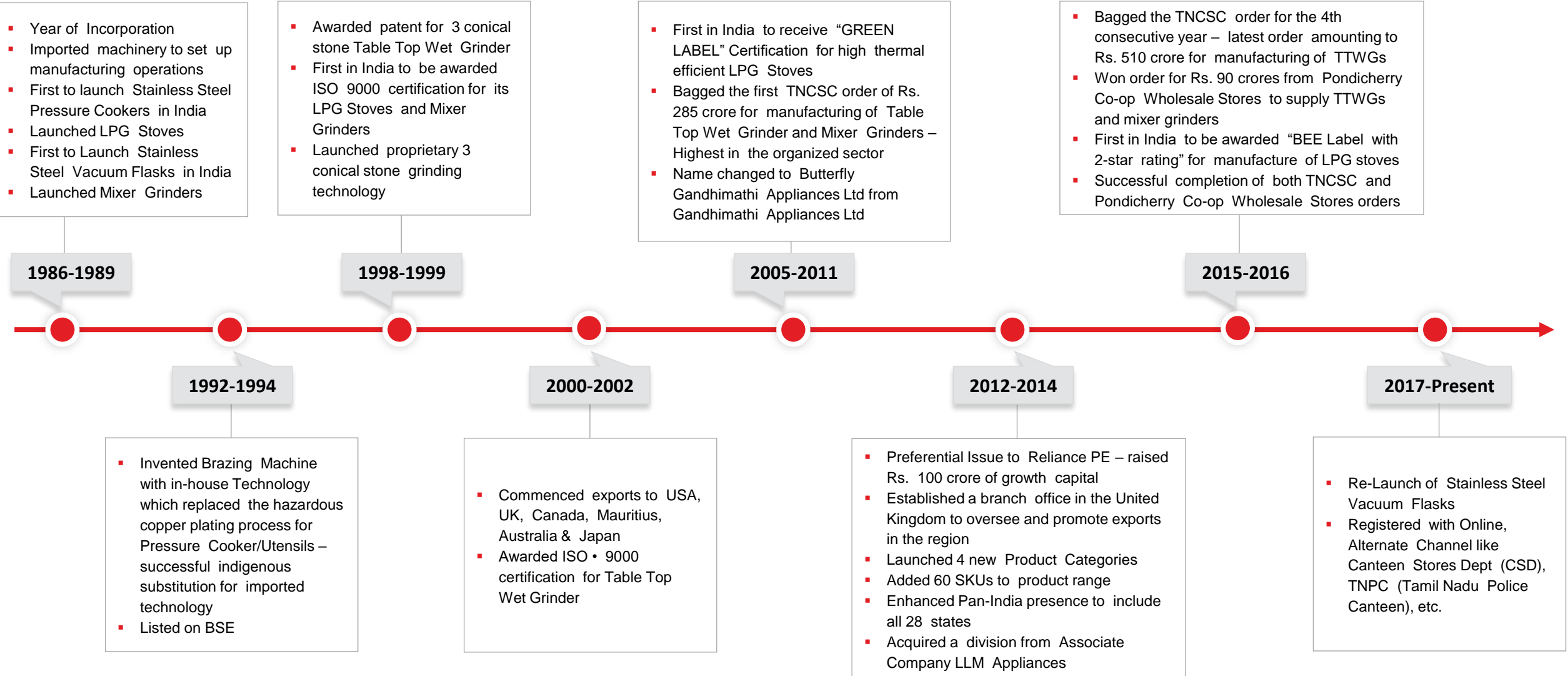


Through Retail Marketing

- 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





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

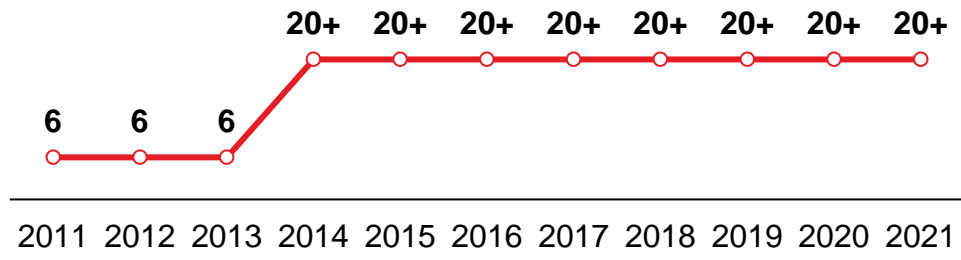
Enhanced Fuel efficiency in LPG Stoves from 50% to over 68% at present

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

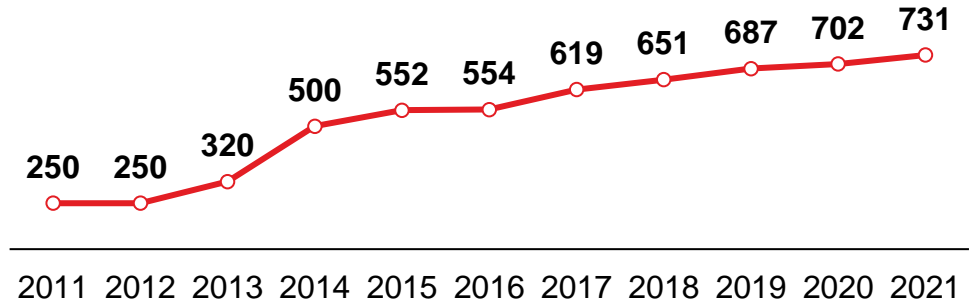
360° R&D efforts focused on product efficiency, longevity and design

Increased Product Categories For Wider Product Portfolio And Higher Market Share

Product Categories (Nos.)

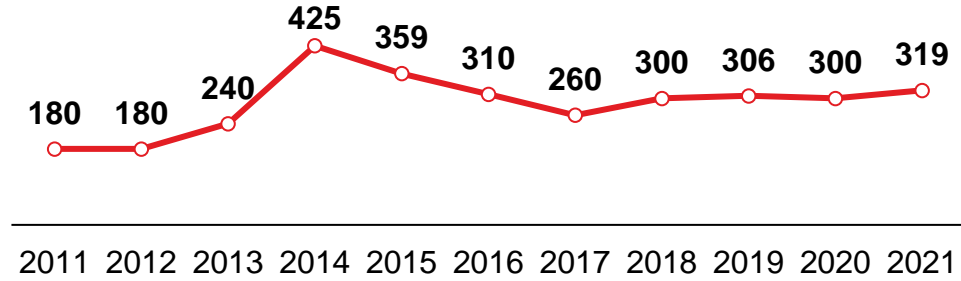


SKUs (Nos.)

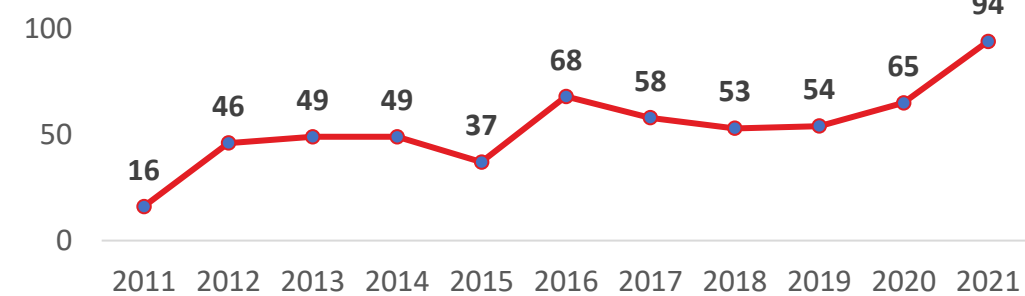


Enhancing Sales and Marketing Efficiency For Better Penetration And Brand Development

Sales Team (Personnel)



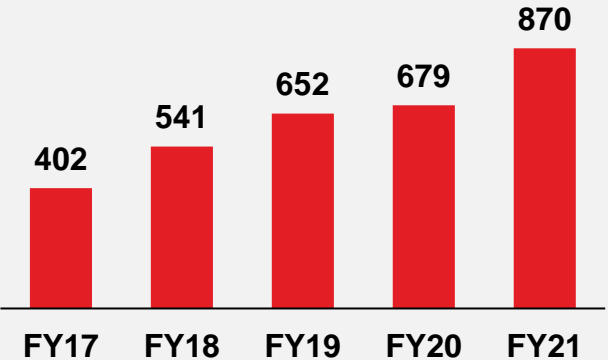
Marketing Spend (Rs. crore)



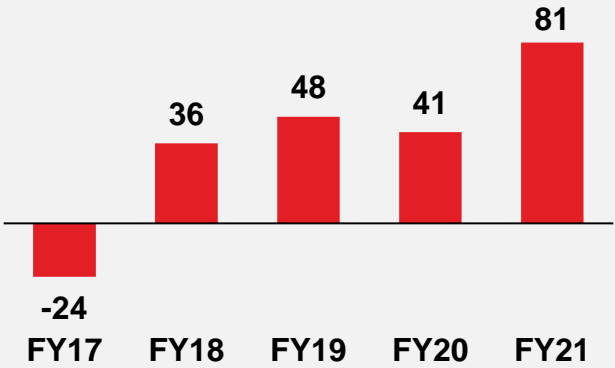
ANNUAL FINANCIAL OVERVIEW



Revenue from Operations (Rs. crore)



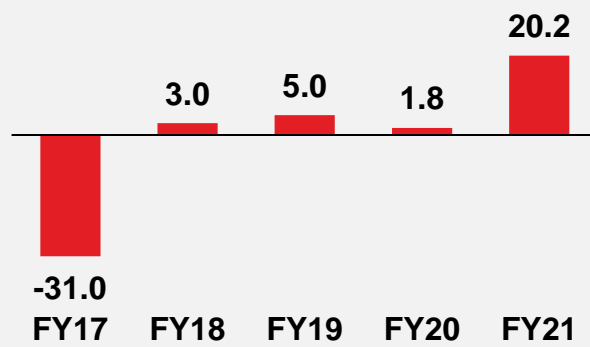
EBITDA (Rs. crore)



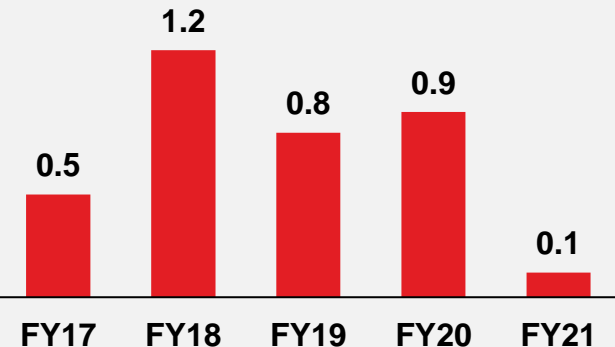
Profit After Tax (Rs. crore)



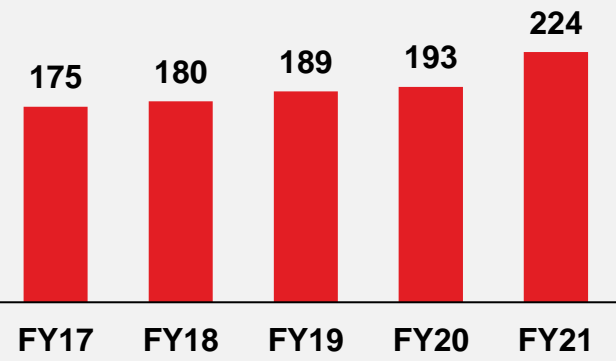
EPS (Rs.)



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 above 40% inspite of increase in the raw material prices

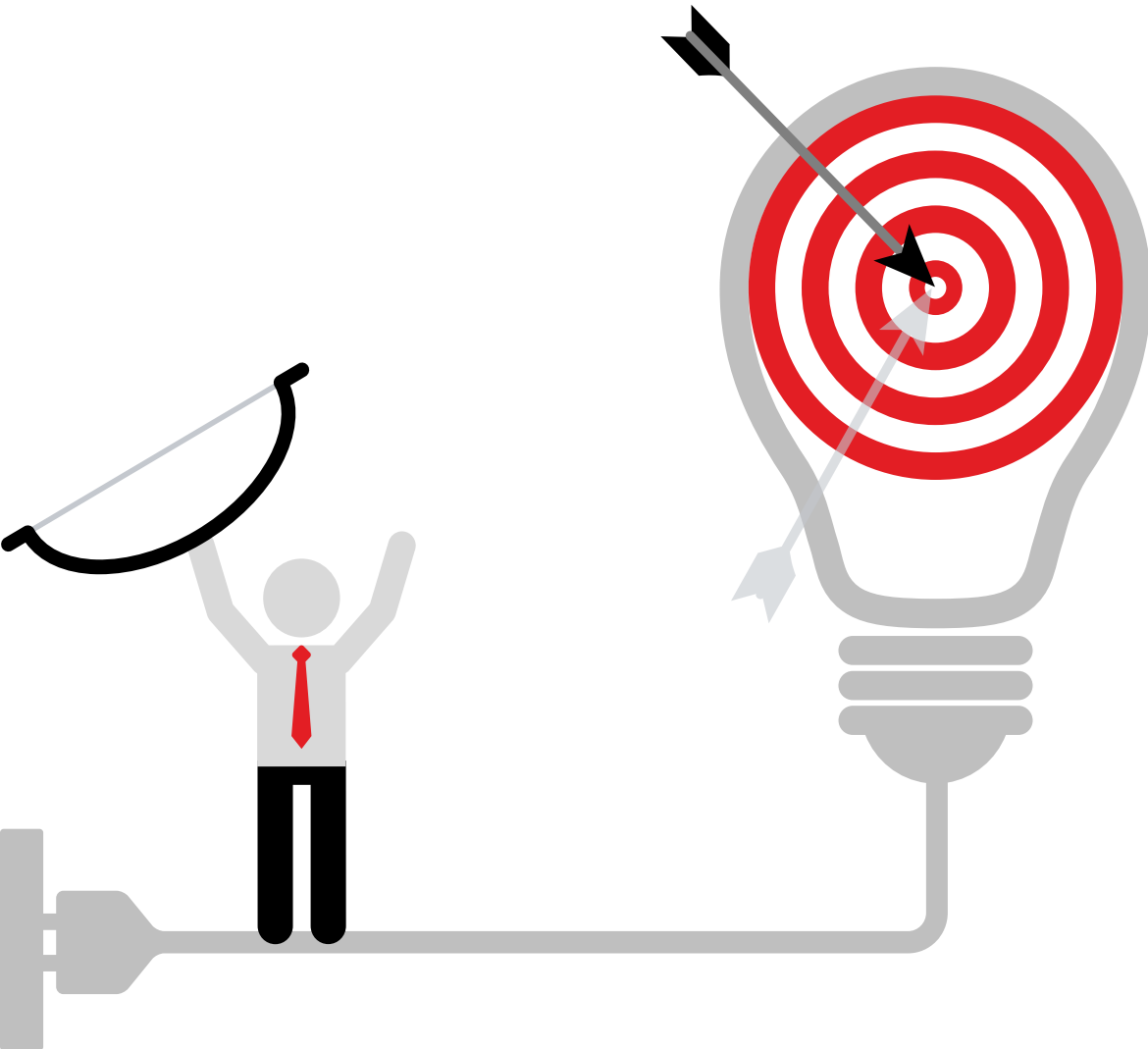
EBITDA margin is healthy at above 9%

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 20 to 25% growth rate with EBITDA margins similar to last year (+/- 50bps)
- 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

