



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

May 12, 2022

General Manager – DCS,
Dept. of Corporate Services,
BSE Ltd,
Floor 1, P J Towers,
Dalal Street,
Mumbai – 400 001.
Scrip : 517421

Manager,
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051
Scrip : Butterfly

Dear Sir/Madam,

Sub: Press Release

This is in continuation of our letter dated May 11, 2022 regarding Outcome of Board Meeting held on May 11, 2022 please find enclosed the Press Release for the Q4 FY 2021-22.

You are requested to kindly take the above information on your record.

Thanking you,

**Yours faithfully,
For Butterfly Gandhimathi Appliances Limited**

**Priya Varshinee V M
Company Secretary & Compliance Officer**

Regd.office: 143,Pudupakkam Village,Vandalur - Kelambakkam Road, Kelambakkam - Pin 603 103,
Chengalpattu District, Phone: +91-44-47415500 CIN No: I28931TN1986PLC012728,
E- mail: gmal@butterflyindia.com web : www.butterflyindia.com

Corporate office: E-34,II Floor, Rajiv Gandhi Salai, Egattur Village, Navalur - 603 130. Chengalpattu District.
Phone: 044 - 49005100/5120, E- mail: butterflyho@butterflyindia.com



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PRESS RELEASE Q4 FY 2021-22

Date: 12th May 2022

Sub: Q4 FY 22 Performance

This was a quarter which witnessed change of ownership and control for the company, to the new promoters M/s Crompton Greaves Consumer Electricals Limited, with effect from 30th March 2022.

While the results of the Quarter ended 31st March 2022, declared yesterday show a dip in the profitability of the company, we would like to reiterate that the structural profitability of the organisation remains strong. The decline in profits for the quarter can be attributed to the following:

1. The uncertainty created by the transaction led the channel to reduce their stock levels and purchases (Revenue impact around 40-50 crs)
2. The lag between steep increase in commodity prices and pricing action impacted Gross Margins by about 5-6%. This is more a question of timing and the host of planned actions, including pricing will restore gross margins in the short term to their historical levels.
3. Management assessment on the need for some additional provisions, including provisioning for old & ageing inventory created a charge of about 12 crs.
4. Exceptional items by way of additional provisions for expected credit loss of Rs 6.6 crs

The Management would like to reiterate that the growth & structural profitability of Butterfly Gandhimathi Appliances Limited continues to be robust & recovery in revenue growth & margins is being witnessed on expected lines based on current trends. The New Management has communicated & established connect with all the stakeholders for assuring business continuity during the transition & business is back to normal levels in terms of offtake across all channels & geographies. This we believe, will also result in operating leverage which coupled with gross margin recovery will deliver operating margins at least in line with historical trends.

The integration efforts on all fronts viz business (revenues & costs), processes & systems, organisation & capability has been progressing well and as planned.

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