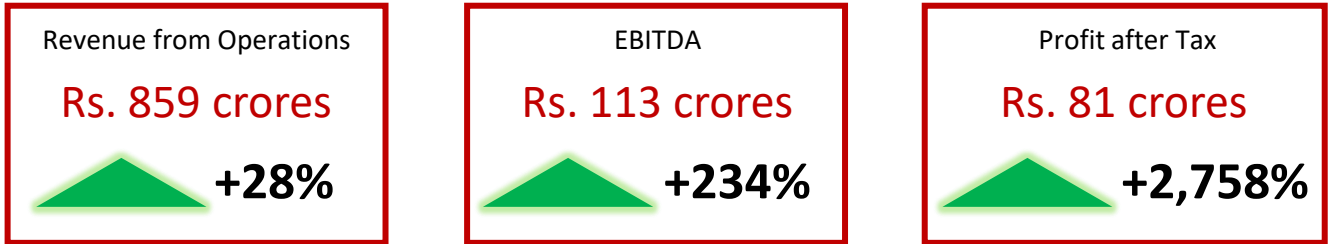




Investor Release

Stove Kraft Limited reports strong performance for FY21

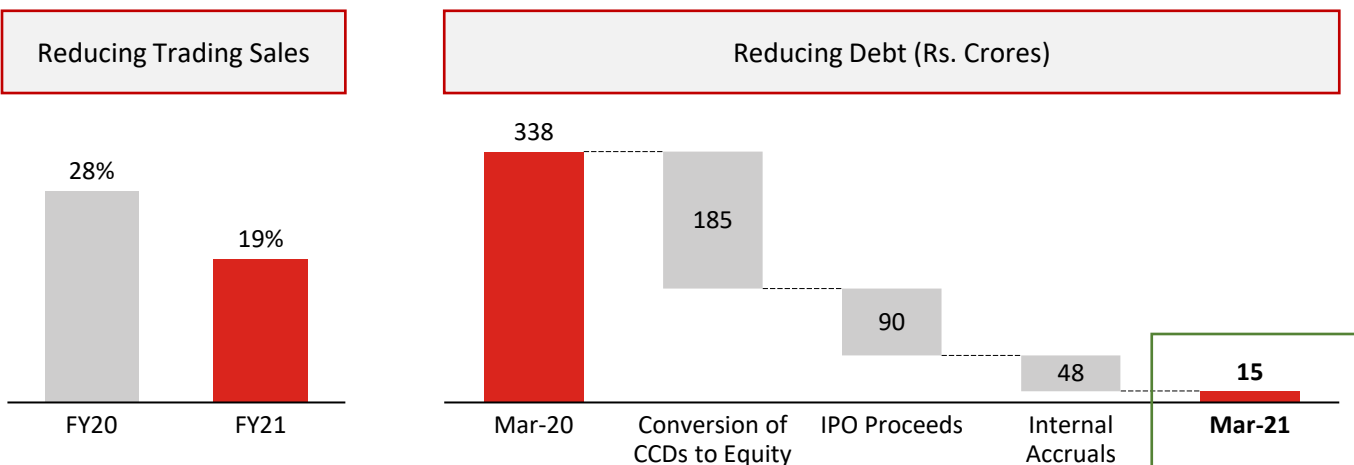
Karnataka, 25th May, 2021 – Stove Kraft Limited, one of the leading brands for home & kitchen appliances in India, one of the dominant players for pressure cookers and amongst the market leaders in the sale of free-standing hobs, cooktops and non stick cookware announced its Audited Financial Results for the Quarter and year ended 31st March 2021.



Key Financial Highlights:

Particulars (Rs. Crs.)	Q4 FY21	Q4 FY20	Y-o-Y	FY21	FY20	Y-o-Y
Revenues	235.4	154.0	53%	859.0	669.9	28%
EBITDA	25.2	-1.7	NA	112.8	33.8	234%
EBITDA Margins (%)	10.7%	-1.1%		13.1%	5.0%	
Profit After Tax	19.2	-10.4	NA	81.2	2.8	2,758%
PAT Margins (%)	8.2%	-6.8%		9.5%	0.4%	

- Return on Capital Employed (RoCE) is at 31.9% as on 31st March 2021
- Return on Equity (RoE) is at 26.8% as on 31st March 2021





Commenting on the Results, Mr. Rajendra Gandhi, Managing Director said,

“FY21 has been an extremely challenging year for all. It has been a year which truly tested the capabilities and competencies of our Company. The year began with a nationwide lockdown due to CoVID-19, but we have witnessed a sharp recovery in the been second half of the year.

Our Company delivered record revenues and profitability in FY21 on back of a strong volume growth of 32%, operational efficiencies, better product mix and cost rationalisation programmes.

Our widespread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the cookware and kitchen appliances industry. The digital platform and social media has enabled us to reach and engage with a wider audience and customize product offerings. Going forward, the Company plans to spend 3 - 4% of revenues on branding and marketing.

Our working capital cycle has improved from 37 days in March 2020 to 27 days as of March 2021. During the current financial year, the Company has reduced its Debt by Rs. 276 crores. The Company plans to be a zero debt Company in the near term.

We are witnessing a second wave of CoVID-19 infections, and this has once again resulted in disruption to our business as several states have announced restrictions. We are currently working at ~50% capacities but we expect this to increase once trade restrictions are lifted by state governments.

Our endeavour is to keep adding new and innovative products to our portfolio, enhance our addressable market through strengthening the distribution network across domestic & international markets and be a preferred brand for our customers.

With a constant focus on technology upgradation and increase the level of automation, the Company plans to achieve greater efficiencies and cost reductions resulting in operational efficiencies and higher profit margins on a sustainable basis.



About Stove Kraft Limited (SKL)

SKL is a kitchen solutions and an emerging home solutions brand. It is one of the leading brands for home and kitchen appliances in India, and one of the dominant players for pressure cookers and amongst the market leaders in the sale of free-standing hobs, cooktops and non stick cookware. SKL is also engaged in the manufacturing and retail of a wide and diverse suite of home and kitchen solutions under the Pigeon and Gilma brands and propose to commence manufacturing of home and kitchen solutions under the BLACK + DECKER brand, covering the entire range of value, semi-premium and premium home and kitchen solutions, respectively.

The flagship brands, Pigeon and Gilma, have enjoyed a market presence of over 15 years and enjoy a high brand recall amongst customers for quality and value for money. SKL has well-equipped and backward integrated manufacturing facilities at Bengaluru (Karnataka) and Baddi (Himachal Pradesh), which enables the Company to control and monitor the quality and costs.

SKL has a separate distribution network for each of the Pigeon, Gilma and BLACK + DECKER brands. Further, there is a separate distribution network for the Pigeon LED products. The manufacturing facilities in Bengaluru and Baddi are well connected with 9 strategically located C&F agents. Additionally, SKL has 651 distributors in 27 states and five union territories of India and 12 distributors for the products that are exported. The C&F agents and distributors are, in turn, connected with a dealer network comprising of over 45,500 retail outlets, which are driven through a sales force of 566 personnel.

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