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FINANCIAL PERFORMANCE ANALYSIS OF LEADING KITCHEN APPLIANCE BRANDS: A STUDY ON BUTTERFLY GANDHIMATHI APPLIANCES LTD. AND TTK PRESTIGE LTD

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ABSTRACT
The Indian kitchen appliance market has become a dynamic battlefield of innovation, consumer preferences, and domestic brand loyalty. Among the key contenders are Butterfly Gandhimathi Appliances Ltd. and TTK Prestige Ltd. – two homegrown names that have etched a strong presence in Indian households. This article presents a comparative financial performance analysis between these two companies from 2021 to 2024. Through profitability, liquidity, leverage, and valuation ratios, we examine how each brand has navigated challenges such as post-pandemic recovery, inflationary pressures, and shifts in consumer behavior. TTK Prestige stands out with robust fundamentals and a resilient market approach, while Butterfly shows commendable gains through focused retail expansion and digital adaptation.

KEYWORDS: *Kitchen Appliances, Butterfly Gandhimathi, TTK Prestige, Financial Analysis, Indian Consumer Market, Ratio Analysis*

INTRODUCTION

From cooking to cleaning, kitchen appliances have transformed Indian households over the past two decades. In this competitive space, Butterfly and Prestige have played a crucial role—not just as brands, but as storytellers of Indian middle-class aspirations.

TTK Prestige, the older of the two, is synonymous with pressure cookers and trusted quality. On the other hand, Butterfly Gandhimathi, rooted in southern India, has steadily risen to national recognition through stylish product offerings and strategic alliances, including a merger interest with Crompton Greaves.

This article analyses the financial narratives behind these two names, shedding light on how business fundamentals align with brand perception.

INDUSTRY SNAPSHOT

Market Size & Trends

The Indian kitchen appliances market is estimated to be worth ₹35,000 crores, growing at a CAGR of 11–13%, driven by urbanization, rising disposable incomes, and a shift towards modular kitchens.

Key Growth Drivers

- Shift from unorganized to organized sector
- Online retail boom and e-commerce penetration
- Demand for energy-efficient and smart kitchen appliances
- Government push towards 'Make in India'

COMPANY OVERVIEW

Butterfly Gandhimathi Appliances Ltd.

Founded in 1986, Butterfly started as a pressure cooker company and rapidly diversified into a complete kitchen solutions brand. Known for innovative design and affordability, it has recently benefited from its strategic tie-up with Crompton Greaves Consumer Electricals.

Recent Strategic Moves

- Strengthened e-commerce distribution post-2020
- Focus on rural and Tier 2 markets
- Expansion into chimneys, hobs, and mixers

TTK Prestige Ltd.

Established in 1955, TTK Prestige is a household name with an expansive product range—cookers, gas stoves, induction cooktops, grinders, and home cleaning solutions. The company enjoys a robust pan-India presence with over 600 exclusive outlets.

Recent Strategic Moves

- Launched premium product lines to tap into the aspirational middle class
- Digitized its supply chain and customer service infrastructure
- Investing in export diversification

REVIEW OF LITERATURE

Patel and Sharma (2019) highlighted that financial ratios like ROCE and NPM are crucial in evaluating profitability and operational efficiency in consumer durable companies.

Their findings support using such metrics to compare Butterfly and TTK Prestige.

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Kapoor and Aggarwal (2020) emphasized the importance of financial planning and product diversification in sustaining growth in the kitchen appliance sector.

TTK Prestige was identified as a market leader in managing these strategies effectively.

Iyer (2023) reported that Butterfly faced financial stress due to rising input costs but could improve post its acquisition by Crompton Greaves. *This aligns with the study's focus on strategic restructuring impacts.*

Ramesh and Kannan (2022) compared Butterfly and TTK using financial ratios, concluding that TTK showed better capital efficiency, while Butterfly excelled in seasonal sales growth.

The study provides a solid framework for comparative ratio analysis.

Banerjee and Thomas (2021) explored how macroeconomic factors like inflation and import costs affect the kitchen appliance industry, with Butterfly being more vulnerable.

This adds context to the financial risks discussed in the study.

Mukherjee (2024) noted TTK's retail expansion and its role in boosting operational margins and brand equity. *This complements the study's insight into long-term growth strategies of leading brands.*

OBJECTIVES OF THE STUDY

- To assess and compare the financial performance of Butterfly and Prestige between FY 2021–24
- To identify key financial strengths and limitations
- To interpret the implications of performance trends on market strategy
- To suggest actionable improvements for stakeholders

RESEARCH METHODOLOGY

Design: Descriptive and analytical

Data Sources: Company annual reports, BSE filings, Money control, Economic Times Market

Tools Used: Ratio analysis, Year-on-year trend comparison, Strategic commentary

FINANCIAL ANALYSIS

1. Profitability Ratios

TTK Prestige shows a stronger profitability profile than Butterfly, owing to efficient operations and brand strength.

Metric	Butterfly (2024)	Prestige (2024)
Net Profit Margin	4.2%	10.8%
Return on Equity (ROE)	8.5%	17.6%
Return on Assets (ROA)	4.1%	12.3%

2. Liquidity Ratios

Prestige enjoys a safer liquidity position compared to Butterfly, providing flexibility for short-term obligations.

Metric	Butterfly	Prestige
Current Ratio	1.3	2.5
Quick Ratio	0.9	1.9

3. Leverage Ratios

Butterfly operates with higher financial risk due to greater leverage, while Prestige adopts a conservative approach.

Metric	Butterfly	Prestige
Debt to Equity	0.72	0.18
Interest Coverage	3.4x	14.6x

4. Market Valuation

Investor optimism for Butterfly is rising despite Prestige's higher earnings, pointing to future growth expectations.

Metric	Butterfly	Prestige
EPS (₹)	8.1	56.7
Price/Earnings (P/E)	25x	30x

STRATEGIC CHALLENGES

Butterfly

- Needs to optimize operating margins amid rising raw material costs
- Integration with Crompton must be seamless to avoid culture or logistics clashes

TTK Prestige

- Balancing its traditional identity with premium rebranding efforts
- Expanding global footprint without losing focus on the Indian core market

FUTURE OUTLOOK

Butterfly

- Likely to benefit from co-branded product development with Crompton
- Strong growth potential in e-commerce and Tier 2 cities

Prestige

- Will continue leading in premium segments
- Exploring smart appliance innovation to stay ahead of the curve

SUGGESTIONS

- Butterfly should invest in automation and digitialsation to improve margin efficiency.
- Prestige can increase R&D expenditure to develop IoT-integrated kitchen appliances.
- Both companies should align closer to ESG standards to attract global investors.

CONCLUSION

TTK Prestige and Butterfly are more than just companies; they're reflections of India's evolving culinary culture. While Prestige holds ground with trust and legacy, Butterfly is striving to carve new milestones through strategic evolution. Their financial journeys tell a tale of two brands—one maintaining its lead, the other catching up with agile ambition. Both remain vital players in the story of India's kitchen revolution.

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