



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

April 3, 2015

Listing Compliance Department,
National Stock Exchange Limited,
'Exchange Plaza', Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sir,

CRISIL's ratings on the Company's bank facilities

We attach herewith the CRISIL's ratings on the bank facilities of the Company, reaffirming the following ratings:

Long Term Rating	CRISIL A-/Stable (Reaffirmed)
Short Term Rating	CRISIL A2+ (Reaffirmed)

Kindly arrange uploading of the above CRISIL ratings on NSE website.

Thanking you,

Yours faithfully,
For Butterfly Gandhimathi Appliances Limited

Executive Director-cum-Company Secretary
Encl:a/a.

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E-mail : gmal@butterflyindia.com Web : www.butterflyindia.com / butterflygandhimathiappliances.com

Corporate Office : E-34, II Floor, Rajiv Gandhi Salai, Egattur Village, Navalur - 603 103, Kancheepuram District.
Phone : 044 - 4900 5100, 5120 E-mail : butterflyho@butterflyindia.com / butterflyco@butterflyindia.com

Rating Rationale
Butterfly Gandhimathi Appliances Limited

Ratings reaffirmed

Total Bank Loan Facilities Rated	3665 Million
Long Term Rating	CRISIL A-/Stable(Reaffirmed)
Short Term Rating	CRISIL A2+(Reaffirmed)

(Refer to Annexure 1 for details on facilities)

CRISIL's ratings on the bank facilities of Butterfly Gandhimathi Appliances Ltd (BGAL) continue to reflect the company's established brand presence, diversified product profile and strong financial risk profile, marked by healthy net worth and comfortable gearing. These rating strengths are partially offset by BGAL's exposure to intense competition in the kitchen appliances industry, working-capital-intensive operations, and susceptibility of its operating profitability to volatility in raw materials prices and foreign exchange (forex) rates.

Outlook: Stable

CRISIL believes that BGAL will continue to benefit over the medium term from its established brand, Butterfly, and its robust financial risk profile. The outlook may be revised to 'Positive' if BGAL significantly expands its geographic presence and product profile in the retail segment, while maintaining its profitability and capital structure, thereby improving its business risk profile. Conversely, the outlook may be revised to 'Negative' if BGAL's revenues and operating profits decline, resulting in lower-than-expected cash accruals; or if the company undertakes any larger-than-expected, debt-funded capital expenditure (capex) programme, thus weakening its financial risk profile.

About the Company

BGAL is part of the Butterfly group of companies. BGAL manufactures traditional kitchen appliances including liquefied petroleum gas (LPG) stoves, mixer-grinders, and table-top wet grinders, under the Butterfly brand. The company is the flagship entity of the Butterfly group. As on December 31, 2014, the promoters owned 65.13 per cent of the shareholding; the remaining is held by the public.

BGAL reported an unaudited net profit of Rs.19.4 million on net sales of Rs.3.79 billion during the nine months ended December 31, 2014. The company reported a PAT of Rs.224.1 million on net sales of Rs.7.64 billion for 2013-14, and a PAT of Rs.334.2 million on net sales of Rs.7.33 billion for 2012-13.

