

Crompton Greaves Consumer Electricals Limited

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Date: January 28, 2022

To, BSE Limited ("BSE") , Corporate Relationship Department, 2 nd Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai – 400 001.	To, National Stock Exchange of India Limited ("NSE") Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
BSE Scrip Code: 539876	NSE Symbol: CROMPTON
ISIN: INE299U01018	ISIN: INE299U01018
Our Reference: 134/2021-22	Our Reference: 134/2021-22

Dear Sir/Madam,

Sub: Press Release & Highlights of Q-3 of FY 2021-22

This is in continuation of our letter dated January 28, 2022 regarding Outcome of Board Meeting held on January 28, 2022 wherein the Company had approved the Statement showing the Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended December 31, 2021.

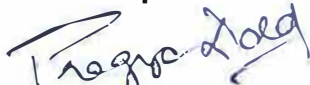
In this regard please find the following:-

1. Press release on the Unaudited Financial Results for the quarter and nine months ended December 31, 2021; and
2. Highlights of Q-3 of FY 2021-22

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

Thanking you,

For Crompton Greaves Consumer Electricals Limited



Pragya Kaul

Company Secretary & Compliance Officer

Encl: A/a

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Crompton Greaves Consumer Electricals Limited

Standalone Results for Quarter Ended December 31, 2021

**Business grew 7% with turnover of Rs 1410 crores.
Ongoing premiumisation, Cost reduction and measured pricing mitigated commodity cost inflation, enabling us to maintain superior margins.**

Mumbai, January 28, 2022: The Board of Directors, at its meeting held on January 28, 2022 approved the results of the Company for the quarter ended December 31, 2021. Revenue for the quarter at Rs. 1410 crores registered a growth of 7% YoY (2 Year CAGR: 15%). EBIDTA margins were 14.3% as compared to 14.8 % in the same period last year. PAT was at Rs. 148 crores vs 147 Cr LY.

Fans growth was driven by strong performance in the premium & decorative segments, leading to an all-time high market share. Appliances business continued to deliver robust growth based on excellent consumer offerings in the core categories of water heaters, mixer grinders and irons. B2C LED lighting grew in excess of 20%.

Input prices remained elevated and were largely offset through a combination of mix improvement, calibrated pricing and cost reduction programs. This enabled the company to maintain its superior margin profile despite doubling its advertising spend during the quarter.

We continue to invest in brand building, channel development and our R&D capabilities to innovate and bring futuristic products to our consumers. During the quarter, the company also opened a state-of-the-art R & D centre, housed in a 50000 sq. ft facility in Mumbai.

Commenting on the Quarter results, Company's Managing Director, Shantanu Khosla said "Health & safety of our employees continue to receive our highest attention, even as the third wave of the pandemic has created new challenges . The Electrical Consumer Durables business witnessed growth in most categories. B2C lighting business improved its growth trajectory. While commodity cost pressures sustained, timely actions have largely mitigated their impact and maintained margins."

About Crompton:

Crompton is India's market leader in fans, No. 1 player in residential pumps and has leading market positions in its other product categories. The Company manufactures and markets a wide spectrum of consumer products, ranging from fans, lamps and luminaries to pumps and household appliances such as water heaters, coolers, mixer grinders and irons. The Company has strong dealer base across the country and wide service network offering robust after sales service to its customers.

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**Information Update – Q3 FY22
(Standalone)**

January 2022

- Quarterly Update
- Key Highlights – Q3 FY 22
- Summary of Q3 Results
- Segment Details
- Cash Flow highlights
- Cash / (Debt)
- Key Financial Ratios

- Health and safety of our employees continues to be of utmost importance to the company
- We have implemented a strict WFH policy across all our offices since January 2022
- ~92% of our employees are fully vaccinated.
- Sales operations (dealers, distributors and retailers including e-commerce and modern trade), manufacturing and logistics operations continue to function smoothly.
- We have witnessed value led growth in most categories on back of higher base of Q3 LY which had impact of pent-up demand.
- Continue to invest aggressively in brand building initiatives despite commodity inflation led pressure on margins.
- Alternate channels such as Rural & E-Com continue to deliver.
- Commodity prices remained elevated in Q3.
- Cost reduction, mix improvement & pricing actions have mitigated the commodity led input cost increase.
- Pre-paid Rs 150 crores of NCD's during the quarter



- **ECD Performance**
(18% CAGR over Q3 FY20, Fans- 22% CAGR , Appliances- 28% CAGR; ECD 6% GoLY)
 - Broad based growth across all product lines.
 - Strong performance with a growth of 11% over last year in Fans driven by premium & deco fans
 - Appliance business continues growth trajectory with 13% GoLY driven by core categories Geysers & Irons.
 - Pump business was impacted by industry wide slowdown.
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- **Lighting Performance (B2C - 11% CAGR over Q3 FY20)**
 - B2C Lighting LED continue to witness healthy value growth of 22% over last year.
 - Lighting B2G business continue to face slow order pick up.
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- **Material margins remain healthy at 31.7%**
 - Our aggressive cost savings via Project Unnati, focus on premiumization and timely price hikes have enabled us to maintain material margins.
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- **Market Share gains and leveraging alternate channel**
 - We continued to gain market share in Fans (+2.3%)
 - E-commerce and MT channel continued to deliver as expected; Rural channel continued its superior growth of 198% YoY
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- **Cash Conversion**
 - We continue to maintain a healthy Balance sheet to support business requirements and invest in long term growth of the company.

Summary of Standalone Q3 Results

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Particulars	Q3 FY22 Rs. Cr	Q3 FY21 Rs. Cr	GoLY	Q2 FY22 Rs. Cr
Net Sales	1,410	1,323	6.6%	1,385
Less: Material Cost	963	896	7.6%	941
Material Margin	447	428	4.5%	443
as a % of Net Sales	31.7%	32.3%		32.0%
Employee Cost	94	93	1.3%	96
Advertisement	30	11	171.0%	7
Other Expenses	121	128	-5.8%	126
EBIDTA	202	195	3.3%	214
as a % of Net Sales	14.3%	14.8%		15.5%
Less: Depreciation & Amortization	10	7	47.9%	10
EBIT	191	188	1.7%	204
as a % of Net Sales	13.6%	14.2%		14.7%
Less: Finance Cost	7	11	-36.8%	8
Add: Other Income	14	20	-30.8%	28
Profit Before Tax	199	198	0.5%	224
as a % of Net Sales	14.1%	14.9%		16.2%
Tax Expenses	50	50	0.5%	54
Net Profit	148	147	0.5%	170
as a % of Net Sales	10.5%	11.1%		12.3%

- Continue to invest in brand building
- Other expenses higher in line with activity
- Finance cost lower vs LY due to NCD pre-payment

Segment Revenue

Particulars	Q3 FY22	Q3 FY21	GoLY	Q2 FY22
	Rs. Cr	Rs. Cr		Rs. Cr
Electrical Consumer Durables	1,099	1,036	6%	1,096
Lighting Products	311	287	8%	288
Total Income from Operation	1,410	1,323	7%	1,385

Segment EBIT

Particulars	Q3 FY22		Q3 FY21		Q2 FY22	
	Rs. Cr	EBIT %	Rs. Cr	EBIT %	Rs. Cr	EBIT %
Electrical Consumer Durables	213	19.4%	205	19.8%	230	21.0%
Lighting Products	33	10.5%	33	11.6%	33	11.4%
Total	246	17.4%	238	18.0%	263	19.0%

Cash Flow Highlights

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Particulars	Q3 FY 22	Q3 FY 21
	Rs Cr.	Rs Cr.
Profit before exceptional items and tax	199	198
Adjustments for:		
Depreciation	10	7
Interest and other adjustments	4	-3
(Increase) / Decrease in Working Capital	51	93
Cash from Operation	264	295
Taxes paid	-59	-70
Net Cash from Operating Activities (A)	206	225
Cash flows from Investing Activities		
Interest income	7	3
(Purchase) / sale of current investments (net)	29	220
Investment in bank deposits (net)	20	0
Purchase of Fixed Assets	-14	-6
Net Cash (used in) /from investing activities (B)	41	217
Cash flows from financing Activities		
Proceeds from issue of shares	1	1
Proceeds from Short Term Borrowings (Net)	127	-
Payment of dividend including dividend distribution tax	-0	-188
Proceeds from debentures issued	-150	-
Repayment of Lease Liability	-4	-3
Interest paid and Cost of debentures repaid	-6	-0
Net Cash (used in) /from financing activities (C)	-32	-190
Net increase / (decrease) in cash and Bank balances	215	252
Opening balance of Cash/Bank Balances	130	189
Closing Balance of Cash/Bank Balances	345	442

- Working capital reduction on back of production/inventory rationalization

- Pre-payment of debentures

- Cash / Bank includes FD's with maturity less than 3 months

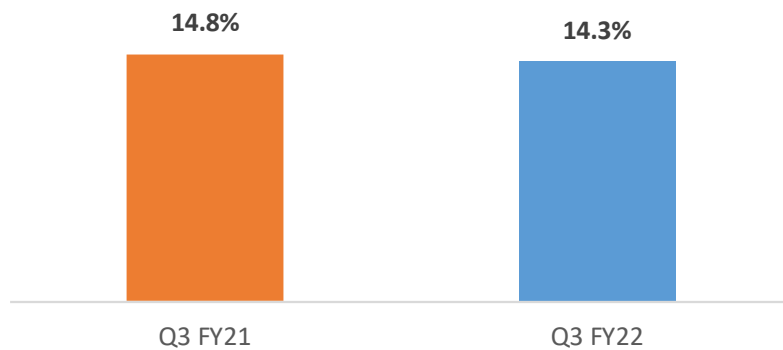
Particulars	As on Dec21 Rs. Crs	As on Dec 20 Rs. Crs	As on Sep 21 Rs. Crs
Cash and Cash Equivalent	345	442	130
Other Bank Balances	52	24	72
Current Investment	962	812	984
Less: Total Debt*	276	479	300
Net Cash / (Debt)	1,083	799	886
Net Debt/Equity	NA	NA	NA
Net Debt/EBIDTA (Annualised)	NA	NA	NA

**Excludes Interest Accrued on debt*

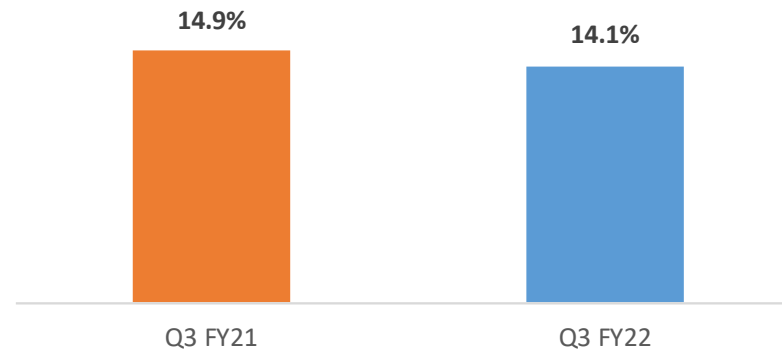
Key Financial Ratios

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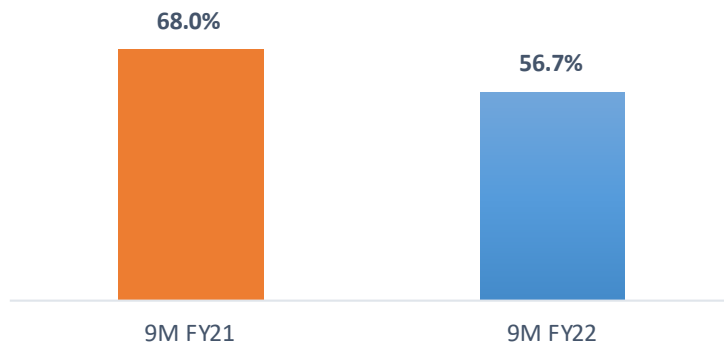
EBIDTA Margins



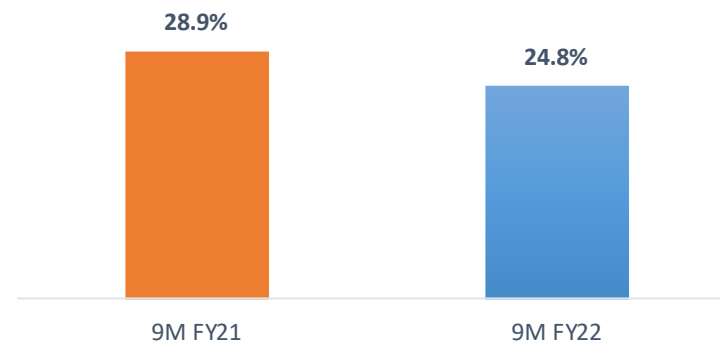
PBT Margins



RoCE



RoE



RoE and RoCE computed for 9 months have been annualised

Thank You