

Crompton

Crompton Greaves Consumer Electricals Limited
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W: www.crompton.co.in CIN: L31900MH2015PLC262254

Date: November 03, 2023

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: 177/2023-24	Our Reference: 177/2023-24

Dear Sir/Madam,

Sub: Investor Presentation and Press Release

This is in continuation of our letter dated November 03, 2023 regarding Outcome of Board Meeting held on November 03, 2023 wherein the Company had approved Unaudited Financial Results for the quarter and half year ended September 30, 2023.

In this regard, please find enclosed herewith the following:

- a) Investor presentation;
- b) Press release

You are requested to take the same on your record and oblige.

Thanking you,

For Crompton Greaves Consumer Electricals Limited

Rashmi Khandelwal
Company Secretary & Compliance Officer
ACS - 28839

Encl: A/a

Crompton

Investor Presentation

Q2 FY24

3rd November 2023



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Crompton 2.0: Transformation in Progress



Environment Scan



Quarter Performance



Financial Statements

Crompton 2.0: Transformation in Progress

Crompton 1.0

- Pole position in core categories
- Successful foray into the kitchen
- Innovation capability built
- Extensive pan-India distribution
- Profitability led

Crompton 2.0

- Enabled & empowered **organization**
- Consumer need led **innovation**
- Premiumization** of the portfolio
- Supply chain excellence** (quality, cost)
- GTM excellence** (trade & alt. channel)
- Digital enablement** across the value chain
- Profit led**

1

Crompton

Premiumization

- Premium Fans saliency improved to 28% (+250 bps YoY)
- Brand Architecture of Mini-series in Pumps
- Improved premium saliency in Lights category

2

GTM excellence

- Doubled E-commerce business
- Alternate channel saliency improved to 17% vs 13% LY
- 2,500+ Retail outlets transformed so far

3

Brand Investments

- A&P spends grew by 31% YoY
- Rolled out high impact marketing campaign for Mixer Grinders garnering high Share of Voice

4

Innovation

- New launches in Premium Fans & BLDC categories
- Introduced new products in Water Heaters to fill portfolio gaps
- Launched new Wave 2 model in Hobs

1

Butterfly®

Restructuring channel mix

- Activities to reinvigorate channel led to growth in retail and modern trade amidst demand slowdown

2

Power of One

- Initiated Sales of Butterfly products through Crompton distribution network
- Business Integration underway and on track as per timelines

3

Brand Investments

- Won the prestigious title of 'Iconic Brand of India'
- Continued initiatives to drive customer engagement and marketing campaigns to support new product launches

4

Innovation

- Launched industry first star rated gas stoves
- Share of business from new products at 9% of Total Revenue

New Appointments



Mr. D. Sundaram

Chairman, Independent Director

- On Board of Crompton since 2015
- Currently Vice-Chairman & MD, TVS Capital
- 34+ years experience at HUL



Mr. Anil Chaudhry

Independent Director

- Ex CEO & MD of Schneider Electric India Pvt. Ltd., largest switchgear company in the country
- Over four decades of experience in energy, automation and infrastructure segments
- Champions Sustainability, Energy Efficiency, Diversity & Inclusion



Mr. Sanjiv Kakkar

Independent Director

- Distinguished career at Unilever spanning 38 years for India & oversea businesses
- Retired Executive Board member of HUL
- Ex-Executive VP, Unilever, heading North Africa, Middle East, Russia, Ukraine, Turkey & Central Asia

Board of Directors



Mr. D. Sundaram

Chairman, Independent Director



Mr. Shantanu Khosla

Executive Vice Chairman



Mr. Promeet Ghosh

Managing Director & CEO



Mr. P. M. Murty

Independent Director



Ms. Smita Anand

Independent Director



Mr. P. R. Ramesh

Independent Director



Ms. Hiroo Mirchandani

Independent Director



Mr. Anil Chaudhry

Independent Director

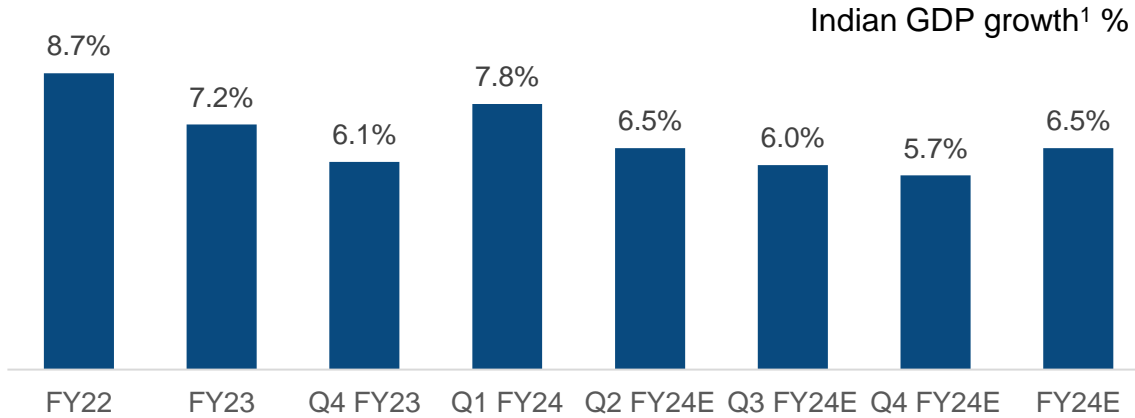


Mr. Sanjiv Kakkar

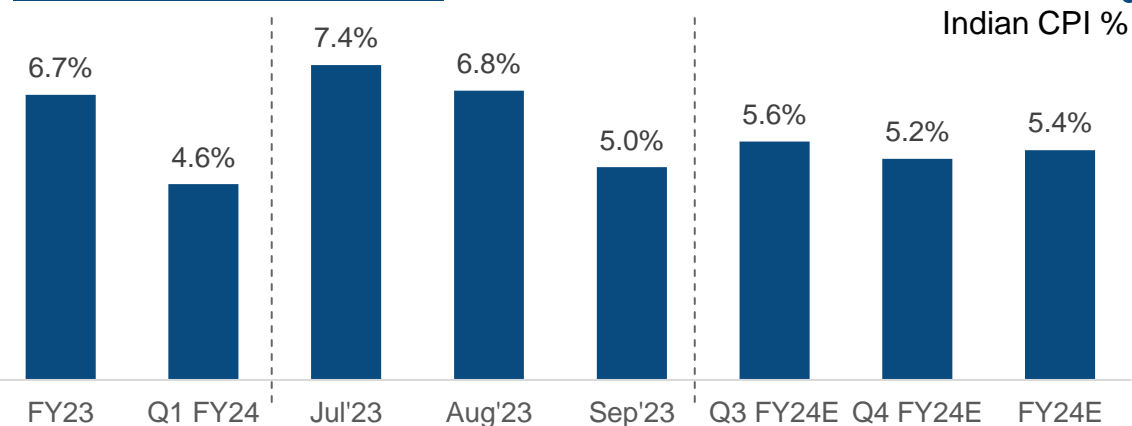
Independent Director

Environment Scan

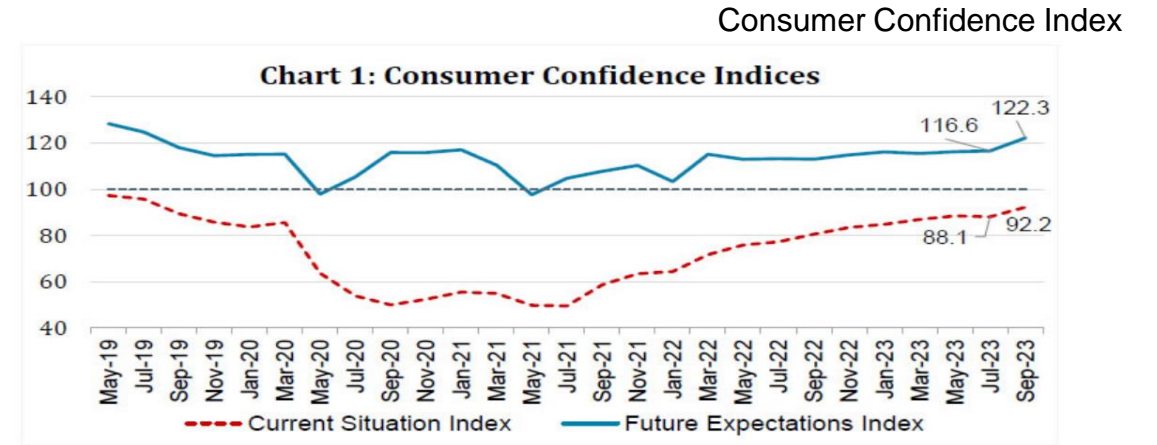
India GDP growth expected to slow down over the next 2 quarters – Lower GDP growth expectations for FY24 vs FY23



While CPI inflation eased to 5.0% in Sep'23, it continues to cross RBI's upper tolerance medium-term target of 4%; MPC raises FY24 inflation forecast to 5.4%



Consumer confidence on it's recovery path after a brief pause in Jul'23



Global Macro Economic Updates: Geopolitical tension & warming world will present new challenges to business

- Escalating tensions in the Middle East amid ongoing geopolitical issues related to the Ukraine war could worsen global supply chain challenges.
- The Middle East crisis may not immediately threaten oil supplies unless it spreads to other countries in the region, rising crude oil prices pose a risk of high inflation in the global economy.
- The increased focus on climate technologies is expected to increase demand for critical inputs such as metals and materials, putting additional pressure on these resources
- An expected slowdown in inflation will bolster retail volume growth but depleted savings, high food prices may act as dampener

Quarter Highlights

1

Industry leading growth of 17% YoY in **ECD** due to strong momentum in **Fans & Small Domestic Appliances**. **Pumps** registered growth of 10% YoY

2

Lighting EBIT margins improved by 250 bps with absolute EBIT growth of 16% YoY. Industry level challenges continued in B2C leading to price erosion and thereby revenue decline.

3

For **Butterfly**, retail and modern trade channel continued to grow amidst demand slowdown. Shift in festive season to Q3 has resulted in delayed pre-buying.

4

Investments into **Brands** continues with higher spends across ATL, BTL and Digital platforms

5

Focus continues on increasing distribution network, both in terms of width & depth; Strong growth in **Alternate Channels**, especially E-commerce and Rural

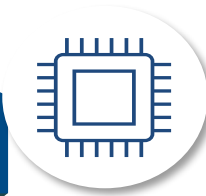
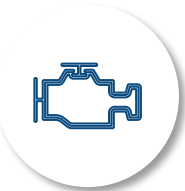
6

Built-in Kitchen Appliances is gaining traction; 75th Signature Store opened

Crompton Consolidated Segment Performance

Rs. Cr

Segment Revenue	Q2 FY24	Q2 FY23	YoY	Q1 FY24	QoQ	H1 FY24	H1 FY23	YoY
ECD	1,238	1,062	17%	1,429	-13%	2,667	2,409	11%
Lighting	239	270	-11%	229	4%	468	532	-12%
Butterfly	306	368	-17%	219	40%	525	621	-16%
Total	1,782	1,700	5%	1,877	-5%	3,659	3,562	3%



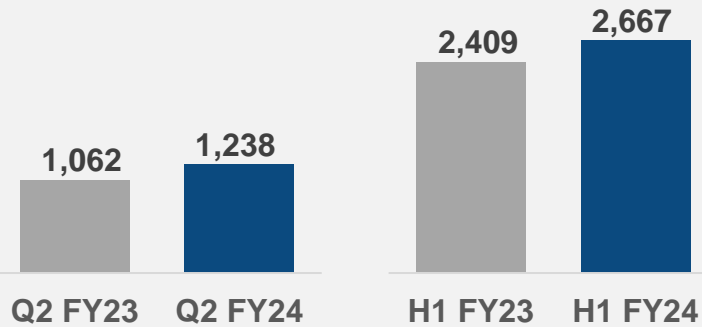
Rs. Cr

Segment EBIT	Q2 FY24	Q2 FY23	YoY	Q1 FY24	QoQ	H1 FY24	H1 FY23	YoY
ECD	176	181	-3%	182	-3%	357	410	-13%
ECD %	14.2%	17.1%	-290 bps	12.7%	+150 bps	13.4%	17.0%	-360 bps
Lighting	25	22	16%	27	-9%	52	45	17%
Lighting%	10.5%	8.0%	+250 bps	11.9%	-140 bps	11.2%	8.4%	+280 bps
Butterfly	20	40	-50%	16	27%	36	62	-42%
Butterfly%	6.6%	11.0%	-440 bps	7.3%	-70 bps	6.9%	10.0%	-310 bps
Total	221	243	-9%	225	-2%	446	517	-14%

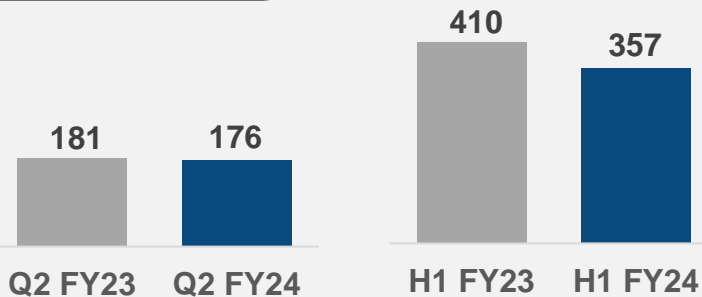
Crompton Performance

Performance

Revenue (Rs. Cr)



EBIT (Rs. Cr)



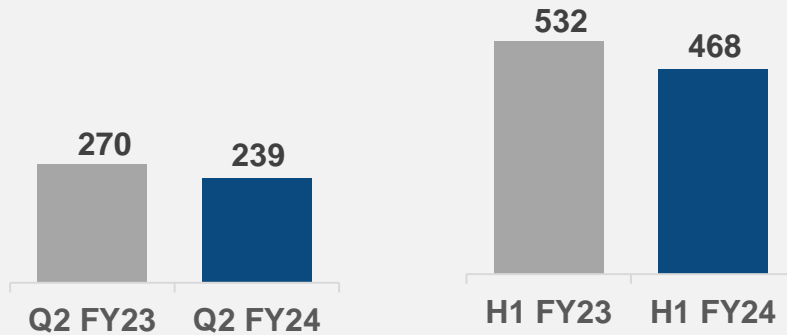
Highlights

Industry leading segment growth of 17% YoY in Q2; H1 FY24 growth of 11% YoY

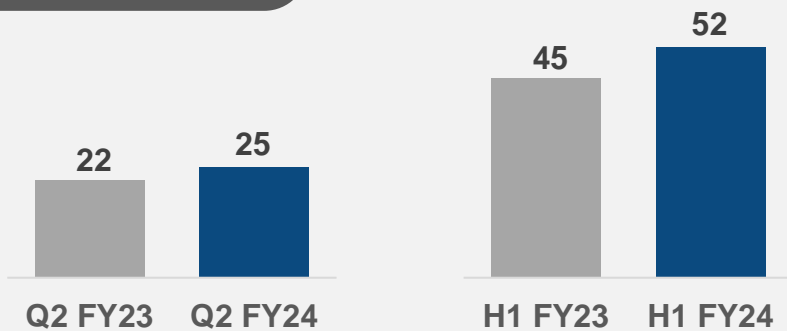
- ❑ **Fans** witnessed strong growth of 18% YoY in Q2 driven by strong performance in Ceiling Fans & TPW categories;
 - Significant growth in Premium Fans driven by new product launches
 - Gained significant share in E-commerce
 - Undertook pricing actions across product categories w.e.f 1st September 2023
 - Efforts continue to improve gross margins through pricing and cost actions
- ❑ **Pumps** exhibited growth of 10% YoY led by robust traction in both Agriculture and Residential segments; New product launches & pricing actions aided growth;
 - Received Rs. 25 Cr order under PM KUSUM scheme for Solar pumps
- ❑ **Appliances** segment delivered significant growth of 17% YoY
 - Kitchen appliances largely driven by growth in Mixer Grinders
 - Water Heaters delivered highest ever quarterly volume along with significant growth in E-commerce; No. 1 Brand on E-commerce
- ❑ **Built-in Kitchens** Q2 Revenue at Rs. 14 Cr; EBITDA loss of Rs. 6.5 Cr; Introduced 75th Signature Store

Performance

Revenue (Rs. Cr)



EBIT (Rs. Cr)



Highlights

1

Lighting segment declined by 11% YoY

- Industry level challenges continue in B2C
- Price erosion was witnessed across players as competition remains taut
- Signs of recovery in B2B with flattish demand
- Focus continues on growing distribution reach through strengthening Direct Dealer network as well as e-commerce and modern trade
- Working on building comprehensive portfolio with focus on ceiling lights, the fastest growing segment
- Completed the sales team restructuring in Sep'23

2

EBIT Margin improved to 10.5% vs 8.0% in Q2 FY23; EBIT growth of 16% YoY

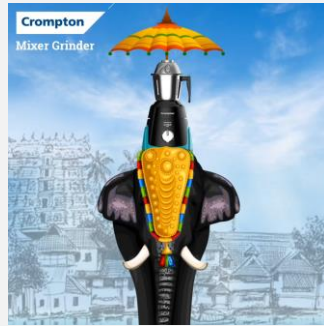
- Improvement in margin by 250 bps YoY on account of cost optimization initiatives & product mix

Glimpse of Marketing Activities rolled-out in Q2 to strengthen brand awareness



Mixers campaign to drive awareness

High Impact Campaign for Mixers launched; 40%+ Reach



Social media creatives across categories



Digital: Influencer videos to drive discoverability

Fans

6 Influencer Videos, 3.8 Mn+ Subscribers, 1Lakh+ Views



Appliances

15 Influencer Videos, 8 Mn+ Subscribers, 3.5 Lakh+ Views



Fans

Ceiling Fans:

- **Hyperjet** – Fan with remote control, high air delivery, Anti rust aluminium blades, modern slim motor design
- **Cookie** - Wide voltage range, metal body construction, remote control, Premium aesthetics
- **Groove Plus**- Stylish attractive colours, 60% energy saving, remote control

Lights

Lighting:

- **Senso Batten (20W)**- superior performance & built quality
- **Laser Ray Xtreme (40W/50W)**– surge protection up to 4KV, metal body, up to 50 % energy savings

Appl.

Mixer Grinders:

- **BOLTMIX series**- 750W mixer range, heavy duty powertron motor & motor venti X technology
- **QuestaRyl X**- 750W, powertron motor, Inbuilt pulse switch, Ergonomic Jar handles

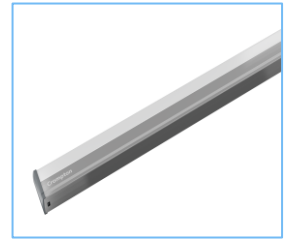
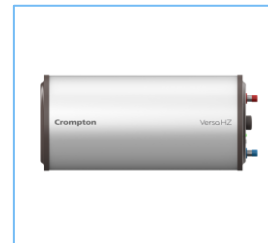
Water Heaters:

- **Versa Horizontal**- 10/15/25 L horizontal water heater suitable for low ceilings
- **Acqua DLX 3L**- 5 star rated IWH

Pumps

Sewage Pump:

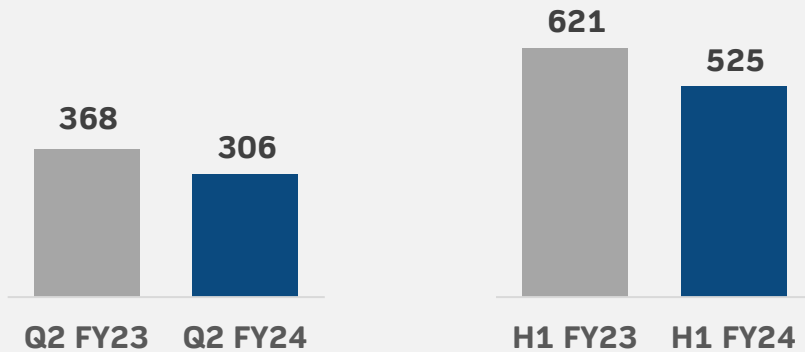
- **STP Series**- Anti Rust coating, Handles fibrous solids
- **CCP series**- Anti rust CED coating, single phase pump, fitted with float switch



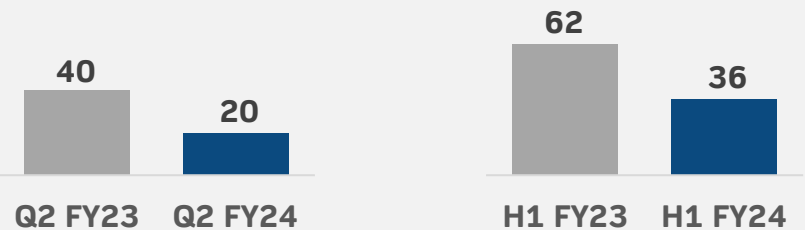
Butterfly Performance

Performance

Revenue (Rs. Cr)



EBIT (Rs. Cr)



Highlights

1

Q2 Revenue at Rs. 306 Cr (-17% YoY); Retail and Modern Trade continued to grow amidst demand slowdown

- Shift in festive season to Q3 has resulted in delayed pre-buying; One-off corporate sales in Q2 FY23
- However, Onam festival in Sep'23 boosted sales, especially in Kerala
- Several activities were conducted to drive customer engagement and reinvigorate channel
- Investments into capability building, strengthening the 'Butterfly' brand, optimizing operations and R&D continue

2

Material Margin at 37.0% (+170 bps)

- Driven by rebound in trade channel, value engineering and cost optimization initiatives

Marketing Campaigns

Strategic ATL Interventions

1) presence in out-of-home; “One of the most visible brands in Kerala this season”



2) Big Boss Season 7 Kitchen Partner Sponsorship



3) SIIMA Awards (South) Associate Sponsorship



Digital Campaigns

Reach: 62.5 Mn;
Engagement: 1.45 Cr



Consumer Interactions

On-ground events:

Kalyanamalai and The Hindu “One State One Taste” Cooking Competition in Karnataka & Tamil Nadu



Distributor Meet

High-octane Distributor Meet:

100+ Channel Partners gathered for a 2-day event at Grand Hyatt, Kochi



Cooking



Shakti Series
(Bolt 3B Shakti/Ace Shakti)



Magnum Series

Food Processing



Commercial Juicer
(Juice Master)



Economical Food Processor
(Online exclusive)



JMG (Magix)



TTWG (Magnum Series-2l/1.5l)

Cookware Range & Water Solutions



Coral Non-stick Cookware



Matchless Multi-Kettle



Tez Tri-ply cookware



Vacuum Flasks



Blueline Thermal cooker



‘Butterfly’ brand was honored with the prestigious title of 'Iconic Brand of India' at the 6th edition of the Iconic Brands of India (IBI) event, presented by The Times Group.

Financial Performance

Crompton Consolidated Q2 Financial Performance: Revenue growth at 5% YoY; Margins remained muted

Rs. Cr

Particulars	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q
Net Sales	1,782	1,700	5%	1,877	-5%
Less: Material Cost	1,224	1,153	6%	1,298	-6%
Material Margin	558	546	2.2%	579	-4%
as a % of Net Sales	31.3%	32.1%		30.8%	
EBITDA	175	193	-10%	186	-6%
as a % of Net Sales	9.8%	11.4%		9.9%	
Less: Depreciation & Amortization	32	28	14%	29	10%
EBIT	142	165	-14%	157	-9%
as a % of Net Sales	8.0%	9.7%		8.3%	
Less: Exceptional Item	0	0	0%	0	
Less: Finance Cost	22	30	-28%	21	5%
Add: Other Income	15	18	-19%	20	-25%
Profit Before Tax	136	153	-11%	156	-13%
as a % of Net Sales	7.6%	9.0%		8.3%	
Tax Expenses	35	23	55%	34	3%
Net Profit	101	131	-23%	122	-17%
as a % of Net Sales	5.7%	7.7%		6.5%	
EPS					
(a) Basic	1.52*	2.06*		1.86*	
(b) Diluted	1.52*	2.05*		1.85*	

Highlights

- Revenue growth of 5% YoY driven by industry leading growth in ECD at 17% YoY, especially in Fans & Appliances
- EBITDA Margins at 9.8% (-160 bps) partly due to lower material margins and higher investments in brand & capability building
- PAT declined by 12.7% YoY for Q2 FY24 excluding one off (tax adjustment)

CSR

Several initiatives implemented in Q2



Care for community

Empowering drought hit villages to improve water security and sustaining farmers' livelihood through integrated watershed development program



Building great place to work

A dynamic framework that embodies our values and aspirations. The 6Cs Care, Connect, Collaborate, Create, Conquer and Celebrate



Prioritizing environment Impact

Sustainable product development to ensure responsible production, consumption and disposal



Awards & Recognitions



Award by Water Management and Plumbing Skill Council for CSR Project Samrudhi



CSR Impact Award for Project Swabhiman



Top 20 CSR leaders by Transformers Forum

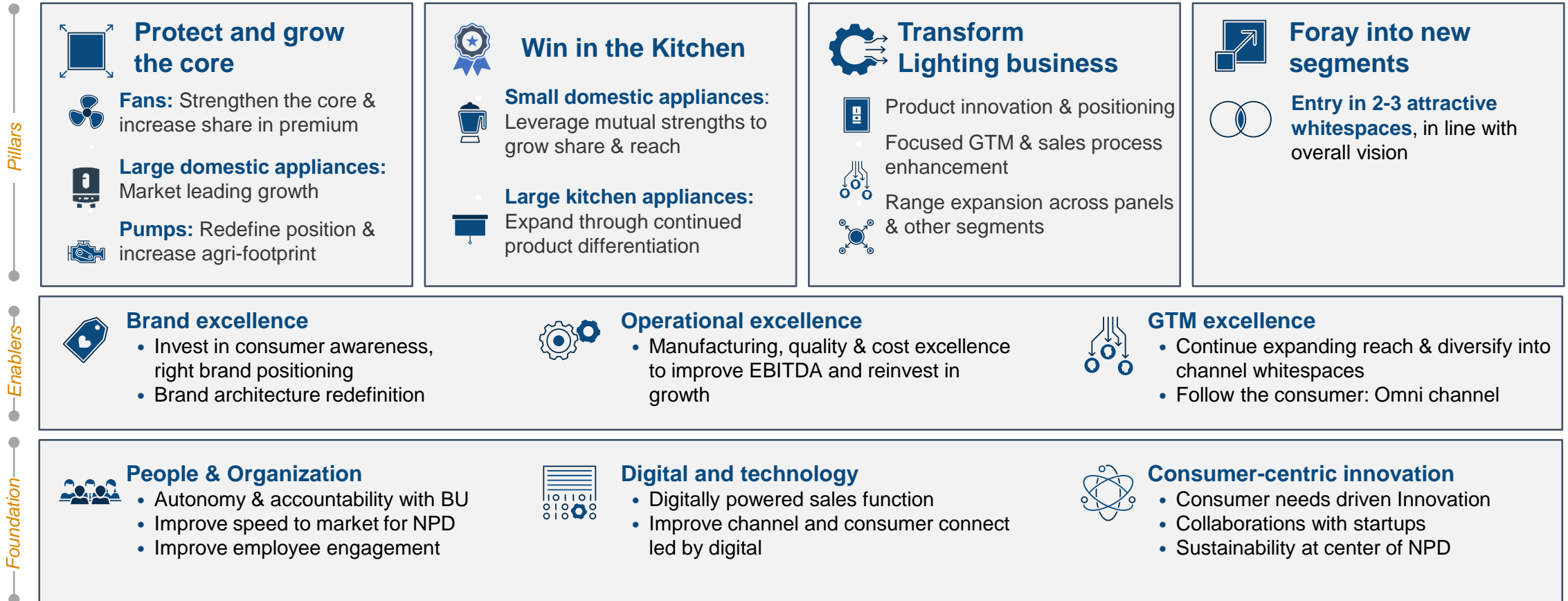


Best Employee Participation in Safety Awareness Award by Safe Tech

Key Strategic Tenets

Crompton 2.0:

Accelerated growth at healthy margins to deliver strong TSR



Crompton

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For any query, please write us at:

crompton.investorrelations@crompton.co.in

Connect with us on www.crompton.co.in



**Crompton Greaves Consumer Electricals Ltd.
Announces its Results for Q2 FY24**

**Strong growth of 17% YoY in ECD led by Fans and Appliances categories;
Lighting delivered robust margins in the face of competitive intensity**

Mumbai, 3rd November 2023: Crompton Greaves Consumer Electricals Ltd. ('Company'), India's leading Consumer Durables player, reported its standalone and consolidated financials for the second quarter ended 30th September 2023.

Financial Highlights:

Consolidated Revenue for the quarter at Rs. 1,782 Crs. EBITDA at Rs. 175 Crs and PAT Rs. 101 Crs.

Standalone Revenue for the quarter at Rs. 1,476 Crs, EBITDA at Rs. 151 Crs, PAT at Rs. 95 Crs.

Segment Highlights:

ECD segment registered a growth of 17% YoY led by strong momentum in Fans (+18% YoY) and Appliances (+17% YoY). Growth in Fans driven by continued improvement in premium ceiling fans saliency. In Appliances, Mixer Grinders led the growth in kitchen appliances segment and Water Heaters & Air Coolers improved share on E-commerce. In Pumps, received an order of Rs. 25 Crs in solar business under PM KUSUM scheme.

Lighting EBIT margins improved by 250 bps with absolute EBIT growth of 16% YoY. Industry level challenges continued in B2C leading to price erosion and thereby revenue decline. In B2C, implemented a structured Go-To-Market strategy and focused actions on expanding the product range. In B2B, acquired prestigious orders of Mumbai Coastal Roads and Noida International Airport.

In **Butterfly Gandhimathi Appliances Ltd.** retail and modern trade channel continued to grow amidst demand slowdown. Shift in festive season to Q3 has resulted in delayed pre-buying. Continued focus on strengthening Go-To-Market. 'Butterfly' brand was awarded the title of 'Iconic Brand of India' by The Times Group.

Commenting on the CGCEL's performance, **Promeet Ghosh, MD & CEO**, said, "Amidst macroeconomic challenges, ECD delivered strong performance of 17% YoY led by Fans & Appliances. Growth in Pumps was led by Agriculture segment. In Lighting, high-competitive intensity continued with price erosion in B2C. Green shoots of recovery were witnessed in B2B. Despite these challenges, Lighting EBIT margin by 250 bps. Built-in Kitchen Appliances gained momentum with the 75th Signature store opened during the quarter. Higher investments in brand building were made across platforms. We continue to build our distribution network across alternate channels."

Standalone Financials:

Particulars (Rs. Crs)	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q
Revenue	1,476	1,332	11%	1,657	-11%
Material Margin	445	416	7%	487	-9%
Material Margin (%)	30.1%	31.3%	-120 bps	29.4%	+70 bps
EBITDA	151	151	0%	166	-9%
EBITDA Margin (%)	10.2%	11.3%	-110 bps	10.0%	+20 bps
PAT	95	132	-28%	115	-18%
PAT Margin (%)	6.4%	9.9%	-350 bps	7.0%	-60 bps

Consolidated Financials:

Particulars (Rs. Crs)	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q
Revenue	1,782	1,700	5%	1,877	-5%
Material Margin	558	546	2.2%	579	-4%
Material Margin (%)	31.3%	32.1%	-80 bps	30.8%	+50 bps
EBITDA	175	193	-10%	186	-6%
EBITDA Margin (%)	9.8%	11.4%	-160 bps	9.9%	-10 bps
PAT	101	131	-23%	122	-17%
PAT Margin (%)	5.7%	7.7%	-200 bps	6.5%	-80 bps

Segment Financials:

Particulars (Rs. Crs)	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q
ECD					
Revenue	1,238	1,062	17%	1,429	-13%
EBIT	176	181	-3%	182	-3%
EBIT Margin (%)	14.2%	17.1%	-290 bps	12.7%	+150 bps
Lighting					
Revenue	239	270	-11%	229	4%
EBIT	25	22	16%	27	-9%
EBIT Margin (%)	10.5%	8.0%	+250 bps	11.9%	-140 bps
Butterfly					
Revenue	306	368	-17%	219	40%
EBIT	20	40	-50%	16	27%
EBIT Margin (%)	6.6%	11.0%	-440 bps	7.3%	-70 bps

About Crompton Greaves Consumer Electrical Ltd. (CGCEL):

CGCEL 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 - Fans, Lights, Pumps and Appliances including Kitchen Appliances. The Company has strong dealer base across the country and wide service network offering robust after sales service to its customers.

For further queries, please contact:

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Email: crompton.investorrelations@crompton.co.in