

Crompton

Crompton Greaves Consumer Electricals Limited

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Date: August 13, 2025

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
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Our Reference: 73/2025-26	Our Reference: 73/2025-26

Dear Sir/Madam,

Sub: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) – Transcript of Earnings Call

With reference to our earlier intimations dated July 24, 2025, and August 07, 2025, regarding the Earnings Call on the Unaudited Financial Results for the quarter ended June 30, 2025, held on August 07, 2025, please find enclosed herewith the transcript of the same.

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

Thanking you,

For **Crompton Greaves Consumer Electricals Limited**

Rashmi Khandelwal
Company Secretary & Compliance Officer
ACS – 28839

Encl: A/a



Crompton Greaves Consumer Electricals Limited

Q1 FY26 Investor Conference Call

August 07, 2025

MANAGEMENT: **MR. PROMEET GHOSH – MANAGING DIRECTOR
AND CHIEF EXECUTIVE OFFICER – CROMPTON
GREAVES CONSUMER ELECTRICALS LIMITED
MR. KALEESWARAN ARUNACHALAM – CHIEF
FINANCIAL OFFICER – CROMPTON GREAVES
CONSUMER LIMITED ELECTRICALS LIMITED
MS. SWETHA SAGAR – CHIEF BUSINESS OFFICER –
BUTTERFLY GANDHIMATHI APPLIANCES LIMITED
MS. NATASHA KEDIA – HEAD – INVESTOR RELATIONS &
CORPORATE COMMUNICATION**

HOST ANALYST: MR. BHAVANI KUMAWAT – AXIS CAPITAL

Moderator: Ladies and gentlemen, good day, and welcome to Crompton Greaves Consumer Electricals Limited Q1 FY26 Investor Conference Call hosted by Axis Capital Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Please note that this conference is being recorded.

I now hand the conference over to Mr. Bhavani Kumawat from Axis Capital Limited. Thank you, and over to you.

Bhavani Kumawat: Yes. Thanks, Neerav. Good evening, everyone. On behalf of Axis Capital, I welcome you all to Crompton Greaves Consumer Electricals Limited Q1 FY26 Earnings Conference Call. Today, we have with us management represented by Mr. Promeet Ghosh, Managing Director and Chief Executive Officer; Mr. Kaleeswaran Arunachalam, Chief Financial Officer; Ms. Swetha Sagar, Chief Business Officer, Butterfly Gandhimathi Appliances; Ms. Natasha Kedia, Head Investor Relations and Corporate Communication.

We thank Crompton for giving us the opportunity to host the call and would now like to hand over the floor to MD for his opening remarks, post which we will open the floor for Q&A. Thank you, and over to you, sir.

Promeet Ghosh: Good evening, everyone. Thank you for joining this call. And thank you, Axis Capital for hosting this call. My colleagues on the table have already been introduced by Axis, and I'm sure you're familiar with them. So, I'm not going to introduce them again. Let me quickly jump into the quarterly earnings.

Before I dive into the details of the financial performance and the business performance this quarter, there are a few highlights that I do want to talk about. The theme of the Q1 results, we believe reflects our continuing resilience and agility. We do believe that our performance is ahead of the industry in various categories. And we know that we have recorded market share gains on a YoY basis.

Our high-growth categories, solar pumps and small domestic appliances led the way with SDA growing not only faster than the industry, but also a strong double-digit numbers. Significantly, our solar pumps business also demonstrated a very strong growth momentum. We, earlier in the quarter, secured the largest ever single order of Rs. 101 Cr. in solar pumps from the Maharashtra Energy Development Agency, demonstrating the continued strength of our position in solar pumps.

In the back to growth categories, areas that we've been focusing on over the last few quarters, lighting remained stable despite headwinds from continuing pricing pressures. Revenue was flat, while Butterfly grew in line with the market and expanded its market share in core categories.

We also have a bunch of businesses which have high exposure to season. These are categories like TPW, residential agri pumps and air coolers. While the industry saw a sharp slowdown. We also saw a slowdown due to the shorter than usual summer season and erratic monsoon pattern. However, the company performed relatively better, we believe gained market share. Despite the challenging environment on an overall basis, we have held on to our material margins.

I'd also like to highlight two major strategic priorities that are shaping Crompton future. First, we have embarked on a transformational journey, building on our Go-To-Market strengths. The focus is on expanding reach, improving counter share and enhancing consumer advocacy powered by stronger sales fundamentals, digital enablement and capacity development.

All of you know, that our products both impact and are impacted by the environment. Climate change is altering demand patterns and driving changes in consumer behavior. At the same time, we are mindful of the environmental impact of our products. As an industry leader, we are committed to delivering products that not only meet but also anticipate evolving consumer preferences. We see sustainability not just as a responsibility, but also as a driver of smarter choices, sharper innovation, product differentiation and consumer affinity. Doing good in business and doing well for shareholders is inextricably linked to also doing well for the environment. Importantly, we have both the scale and the capabilities of being able to offer sustainable products at affordable price points to consumers. We believe this is a major differentiator. Accordingly, we are today announcing ambitious sustainability goals, reflecting our commitment to responsible growth. By 2035, we are committing to reducing our Scope 1 and 2 greenhouse gas emissions by 50%. Additionally, we are also committing to reduce by 60% the emission intensity per unit of sales of our product by 2035, most particularly in our highest selling category, the fans category.

With that, let me get into the nuts and bolts of how we performed the last quarter. As you are all aware, weather-related disruptions clearly had an impact on the industry as they had with us. Our revenue this quarter on a standalone basis stood at Rs. 1,819 Cr. Material margins remained healthy, reflecting sound financial management and adaptability in a demanding environment. EBIT came in at Rs. 155 Cr and EBIT margin at 8.5%. This quarter, we also became a zero-debt company, having fully repaid the last loan that we had of a Rs. 300 Cr NCD. We, of course, remain a healthy net cash positive company. This underscores our commitment to financial discipline and long-term value creation. Our PAT for this quarter was Rs. 125 Cr with PAT margin at 6.9%.

Moving on to business specifics. In the fans category, performance was subdued, largely because of seasonal disruptions. However, we had a series of innovation-led launches. These included Fluido, Niteo and Nucleoid. These not only resonated well with consumers but strengthened our premium portfolio and brand position. While the ceiling fans category witnessed a downturn, we do believe that we did better than the industry, leading to market share gains. The TPW fans and air coolers businesses, both highly exposed to weather, witnessed a decline in line with industry levels.

In pumps, the business continued to see very strong momentum in the solar pumps segment. Our business has doubled over a similar period since last year. We successfully executed orders, and we have materially grown our order pipeline even apart from the order that we have publicly disclosed of about Rs. 101 Cr, which is the largest order we ever got. Agri pumps and residential pumps both, of course, got impacted by unseasonal rains. Having said that, we do believe that we are performing well in these segments compared to industry.

In appliances, the small domestic appliances business delivered strong double-digit growth, as I mentioned earlier. This is a business that has been demonstrating strong double-digit QoQ growth for the last several quarters and that has sustained in this quarter as well. The growth was underpinned by demand for our mixer grinders as well as for our induction cooktops. In large domestic appliances, we introduced an industry first 2000 TDS-certified anti-scaling technology in water heaters, backed by a whole lot of innovation work that we've done to come out with this product. While the air coolers business, again, this was the high season for air coolers and like everyone else, our business was impacted. Large kitchen appliances recorded a sales of Rs. 15 Cr and seems to have added and seems to be getting strong resonance with consumers in the cooktop segment, a slew of products being added to our cooktop range and that's doing very well. We have also broadened our chimney range in the large kitchen appliances business.

On to lighting. Industry-wide price erosion persists. Despite this, revenue was stable at Rs. 232 Cr. Remember, this is pure lighting products that we have currently in our portfolio. The standout this quarter was a sharp improvement in profitability. EBIT rose 41% YoY to Rs. 29 Cr. with margins expanding 370 bps to 12.6%. This is the result of our continued focus on improving product mix as well as operating efficiencies in our lighting business.

Our B2B lighting business was a key driver this quarter, delivering double-digit volume growth led by commercial, flood, high mask and poles categories. We also secured several project wins in the industrial segment, which contributed meaningfully to the performance. In the B2C segment, outdoor and decorative lighting witnessed traction as we continue to pivot towards higher-value designer-led design-led offerings.

Moving on to Butterfly. We have an exciting update. This quarter, we unveiled a refreshed brand positioning for Butterfly. Now as you know, Butterfly has been through a continued transformational trajectory and this is the latest update on that trajectory. We unveiled a new brand positioning, which is built around the philosophy of celebrating change. You've probably seen the new Butterfly brand logo, which talks about this. This positioning is designed to resonate with evolving consumer aspirations and is supported importantly by a series of innovative product launches under the Idea's first series with over 40 SKUs being introduced aimed at strengthening Butterfly's premium and differentiated portfolio.

Butterfly's growth revival continues. Its growth trajectory is in line with the industry. Revenue rose 3% to Rs.187 Cr and there was strong traction in mixer grinders, glass tubes and pressure cookers, all of which are the core business of Butterfly. In each one of these core categories, Butterfly gained share. EBITDA grew 39% YoY reflecting the product mix and operational efficiencies.

Overall, our kitchen portfolio, which includes Butterfly, SDA and large kitchen appliances performed very well this quarter. We continue to harness our brand equity and innovation capabilities to drive differentiation across categories. Our consumer-centric design approach backed by in-house R&D and marketing excellence has enabled us to launch high-impact products that address evolving consumer preferences and also reinforce our leadership in key segments.

With that, I will conclude my preliminary remarks. I assume you have also seen the presentation that has been put up on our website and there is also a press release. All of us here are happy to address questions that many of you may have. If I may ask of everyone please restricts your questions to one or two. If you have more questions please come back into the queue and allow other people to ask questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from line of Siddhartha Bera. Kindly provide your company name and proceed with your question.

Siddhartha Bera: Yes. Thanks for the opportunity. This is Siddhartha from Nomura. Sir, my first question is on the growth, if you can provide some color about how has been the growth or decline in the categories like fans, pumps and SDA in the quarter. And if you look at these categories which are more impacted like the TPW and air coolers, what percentage of our ECD revenue will be reach in the quarter?

Kaleeswaran A.: Siddhartha, if I understand your volume was a little feeble. If I understand the question, you wanted to know how these individual segments under ECD have performed and within this, how the seasonal categories has performed. Is that right?

Siddhartha Bera: Right.

Kaleeswaran A.: So one, as you know, we don't give specific details, but I just want to give you a few color on the overall ECD performance. Our ECD business has declined by about 8%. But when we did an industry benchmark, we saw the industry decline at about 11%. And then we collaborated with that, we saw significant progress has been made on market share across all the categories that we are in.

Now individually, if you look at it, a large part of this decline is attributable only to seasonal categories. Seasonal categories, I mean here would include table pedestal wall packs, air coolers and residential pumps. These are the categories that is impacted by the decline. If you look at our growth categories, which is solar pumps, we have doubled our business YoY.

Our SDA business, which we have been investing over a period of time continues to grow at healthy double-digit growth. It has got a trajectory of growing at about 15% to 18% and we are continuing on that. Our back-to-growth categories, which are two focus areas that we called out earlier, lighting is ahead of the industry growth and Butterfly is continuing to grow back on the growth track for the last two quarters.

So fundamentally, Q1 performance is largely impacted by seasonal businesses and significant amount of this decline is attributed to TPW and air coolers. Now within TPW and air coolers, if you look at industry benchmark, we have gained market share in both the categories, which means that our performance is superior compared to where the industry delivered for Q1.

Siddhartha Bera: Understood, sir. So, second question is, again, I mean, if we go ahead, given that this unseasonal impact is likely to be restricted only to Q1, are we seeing any green shoots of improvement now as we go ahead into Q2 for these segments? And second, again, is on this fan, we did showcase

and launch multiple new categories across induction and BLDC fans. So, what percentage of the revenues are currently being contributed by these categories? And how should we look at the ramp-up going ahead for these categories?

Kaleeswaran A.:

Yes. So let me take this into two or three buckets. From a macro perspective, we see that the long-term demand is pretty much intact, and we see the long-term demand is positive. And across categories, we believe there is right to grow for us on various initiatives that we have been discussing in the past.

On top of it, we have also talked about a few new categories that we are entering, one of them being solar rooftop that we announced in last quarter. You will also see progress update on this as we move forward in the coming quarters. Now within the segments that you talked about, particularly you wanted to know about fans and some of the new category announcements or subcategory announcements that we made in the new platforms. We are very pleased to share with you that the two new launches that we have made on BLDC under the Nucleus platform, Nucleoid plus the other SKUs doing extremely well. We are actually not even completed a pan-India launch on that because demand is outweighing supply. We are trying to see how do we cater to the demand as we move forward. It is doing very well. And as you would know, we continue to be the number two player in BLDC and endeavor is to become the number one player in BLDC. And these launches are pretty much supporting us. And there are a few more launches planned in the subsequent quarters within BLDC to strengthen our portfolio presence and drive on the BLDC category growth and further gain market share.

Promeet Ghosh:

To answer your question, Siddhartha, I suspect this is a question that has come up repeatedly. I will tell people the broader indications from the market are also positive.

Siddhartha Bera:

Great to hear that, sir. Thank you a lot. I will come back in the queue.

Moderator:

Thank you. Next question is from the line of Aniruddha Joshi. Kindly proceed with the company name?

Aniruddha Joshi:

Aniruddha Joshi from ICICI Securities. Sir, two questions on solar pumps. Congrats for the great set of numbers. In terms of if you can share more details regarding the business model, how are we doing the sourcing arrangements? Again, what are the margins in this business? And again, what are the working capital? Are these numbers closer to what Crompton's consol numbers are? And secondly, in terms of rooftop solar, which you alluded to in earlier quarter, we are entering in rooftop solar, So any further progress updates, if you want to share on that? Yes. Thanks. That's it from my side.

Promeet Ghosh:

We are responsible for the entire product. The installation is executed by a partner of ours, okay. This is the model that we followed, one partner. This is the model that we followed for the last two years. In so far as margins are concerned, at the EBIT level, the margins are very similar to the overall margin that Crompton records. And working capital in this business is, what should I say, is comparable to the working capital that we have in other businesses. Return on capital in this business is strong. I should clarify here that the way that we've been going about our business is why even as we ramp up our position in the field, we've obviously also

simultaneously been careful about how we ensure that the essence of the business and the business fundamentals remain very robust.

Aniruddha Joshi: Okay. Sure, sir. And on rooftop solar, if you can indicate about the launch?

Promeet Ghosh: Yes. So, I think, as we said, we are entering this business. Needless to say, we made the announcement after we've done a bunch of work on how we are going to execute, building the team for that, building up the supply chain for that product. As and when we secure orders, we will come back and disclose them to you.

Moderator: Thank you, sir. We'll take the next question from Natasha Jain. Natasha, you can go ahead with your question. Thanks.

Natasha Jain: Yes. Hi, sir. Good evening. Sir, my first question is on the ECD segment. Now, barring fans, your pumps you said have done very well. Appliances have done very well. And I presume appliances, again, is a very high margin business here. Then if I remove those two, probably the de-growth in terms of fans is sharper when I talk about margins. Now, that number when I compared to your peers, I think, probably, we have underperformed some peers, given that all the peers' numbers are out. So, we've been talking about a lot of new product developments on the BLDC side. These are high margin products and then fans comparatively is slightly less seasonal than other product categories. So, that BLDC should have probably saved our margins a little more. So, can you explain is this completely reverse leverage or something else is kind of pulling the growth here downward?

Promeet Ghosh: No. Actually, Natasha, I'm not sure the conclusions you arrived at are robust. Insofar, let's take each one of these in turn. You said that the appliances business has strong margins. The answer is that it has good margins, not necessarily better margins than our fans business or our pumps business. The overall movement in margins in fan is very similar to the movement in margin products in our ECD business. In fact, it is not at all particularly impacted.

Insofar as each one of these businesses is concerned, there are seasonal products and non-seasonal products. In the fans business, there is the ceiling fans business, which is more replacement, and therefore, less seasonal, but seasonal nevertheless. Having said that, there is the TPW part of the business, which is very seasonal. A significant portion of our annual TPW sales happen in the first quarter. In ceiling fans also, the first quarter is the best quarter. And by the fact that replacements happen most particularly when the weather is warm.

Now, insofar as our pumps business is concerned, again, pumps is related to water scarcity. We have three segments that we are in. There is solar pumps, there is residential pumps and agri pumps. Both resi and agri are impacted by weather. Not in this case by hot weather, but by extensive rains. In fact, you would have noticed that even the solar pump business is impacted by unseasonal monsoon rains. So, our own estimate is that the solar pump business has at best on an industry level been flat. Our performance is a different matter, right. So, I would certainly not make the attributions that you are making, Natasha.

Natasha Jain: Fair enough, sir. I appreciate your detailed answer on that. It helps in terms of understanding a little further. Just last question on fans again. I mean, can you call out how's the inventory as of

now and any festive feelers in terms of the other appliance category? How are we seeing them and any green shoots on the ground? That's it.

Promeet Ghosh: Yes, Natasha. I'll go back to saying what I said earlier and so far the indication. Yes, the indications are positive. What we've seen so far in this quarter, indications are that we have some green shoots going forward. The second question that you said was what the fans inventory is, yes, there is fans inventory in the channel. It's beginning to clear and that's also hit by some of the green shoots that you're seeing. What tends to happen, I do want to clarify this and sometimes I think we underestimate. The channel is the same channel. Sometimes the channel is the channel which has fans. It also sells water heaters. It also sells air coolers. It also sells TPW. Occasionally, there is overlap with other products as well. And when the season doesn't go off, as well as was anticipated, then inventory buildup means that the ability of the channel partners to invest also gets constrained. So, it does tend to impact businesses which are not explicitly seasonal.

Natasha Jain: Fair enough, sir. That's all. Thank you so much.

Moderator: Thank you. Next question is from the line of Umang Mehta from Kotak.

Umang Mehta: Hi. Thank you for the opportunity. Sir, just on Butterfly, you had a slightly slower start, but would you still hold on to your guidance that you look at double-digit growth this year? That's the first question.

Kaleeswaran A.: Yes, that's what we're looking at Umang. The trajectory is good, while the quarter ended at a single-digit growth, but the exit of the quarter already gave us positive indication towards double-digit growth.

Umang Mehta: The second one was on the new category foray. So now we see that you've made some changes in your MOA and a whole host of categories are added there, including large durables. I mean while obviously, you can't share which categories they are, but can we safely assume that large durables is not being considered at this point?

Kaleeswaran A.: Yes. Large durables is not considered at this point.

Umang Mehta: And just the third one was on solar rooftop. Any broad aspirational numbers you can share? I mean I know it's early days, but any feelers you've got from your performance?

Kaleeswaran A.: See the way I would like to put it across is, you have seen the acceleration that we have done in our solar box business. From 1x to 4x in one year. And already that 4x, we will be feeding it down pretty early in the year as we look at the current financial year. That's the kind of scale that we have. Probably we didn't have an experience in solar when we started solar pumps. Today, we have got a library of business execution capabilities that we have built both on the technology side, procurement side and on SITC. So our aspirations are high. And the category size is also pretty high. Total addressable market is available here for us to take a meaningful market share and grow.

Moderator: Next question is from the line of Achal Lohade from Nuvama.

Achal Lohade: Sir, just building on to the solar pumps part of it. Can you help us understand given the PM-KUSUM, the scheme is ending in March'26, what is your thought process on this particular line of business? What shape and form and size are you looking at? What are the figures you're getting from the government agencies? That's my first question.

Kaleeswaran A.: Yes. See, fundamentally, our understanding is, yes, today, there is a good amount of pie facilitated by the PM-KUSUM scheme. We also need to keep in mind this initiative is not only towards saving the energy cost for the government and moving into sustainable power. It is also to ensure that the power availability is continuous for the farmers.

Today, if you look at the rural areas, continuous powerability is a question mark. Farmers end up spending reasonable amount of money in buying diesel. And today, for example, if they have to trade that off to a solar pump at an affordable EMI, the payback would be around 2 to 2.5 years. So that's one case is without subsidy, right. So fundamentally, one, we have already seen how FAME-1 and FAME-2 has played out in EV. Even when the subsidies are off, the initial trajectory has showed that the sector is moving towards EV. So we do think a similar thing is what would happen in solar pumps also. Subsidy is an initial pickup, but keeping the consumer or a farmer requirement here, which is beyond free electricity, but more about continuous power availability at an affordable cost of operation, solar seems to be much more sustainable than agri.

Second, to look at this over a period of time, you will find that agri market itself will transition into solar. On an annual basis, you see agri market has got a potential to scale up to USD 4 billion to USD 5 billion. Today, solar is very, very small compared to that as an industry size. So, it's a few state phenomenon.

As this moves into a national plan, as this moves into replacing agri, we see the headroom for this category to grow even stronger with or without the subsidy.

Achal Lohade: Got it. The second question I have, if I look at in terms of the seasonality, so one part is the fans, which has gone by. Obviously, there would be some regular sales as well. But if I see from a seasonality perspective, the pumps will see an impact given the rains are abundant. So I presume even agri pumps also takes a hit and so is the case with the residential. Is that understanding right?

Kaleeswaran A.: Yes. Promeet mentioned it a little earlier. Solar pumps even, for example, if you look at industry as a whole at best was flat, but we have doubled our solar business. So yes, there are certain segments where you will find that as to yes, the weather does play a role in this entire thing. But by and large, the impact was significantly higher in air coolers and TPW. So, if I take air coolers, TBW and to an extent, residential pumps, rest of the portfolio at an aggregate level, we have grown the business in Q1 also.

Achal Lohade: Understood. And just a clarification, fans, what is the extent of decline for the industry and for us broadly?

Kaleeswaran A.: No, we don't give specific data. So, we have gained market share. That's the way we are looking at it. We have gained market share both in TPW and in ceiling fans. That's the indicator that probably we have done better than the industry. So, as we said, the way we need to look at this,

we have kept our financial model tight, which is why the material margin has been held up in spite of where the industry has been and have also been prudent in our overall spending.

Therefore, we could ensure that the overall impact on a season or a season like this is not fully impacting the overall gross margin or PAT delivery. But aside that, market share gain is the right way to look at it where we see that is on the positive direction.

Moderator: Next question is from the line of Praveen from PL Capital.

Praveen: So it's maybe a repeat question because in the MOA, you had mentioned a lot of products where you are not in actually, whether it's a drone or several products. So I just wanted to know like because the several products which are mentioned in the future, do you believe want to venture out in such products?

Kaleeswaran A.: I think there was similar to the question that was answered last time, large durables is not something that we're looking at. But having said that, over a period of time, there are categories that we think there is right to win beyond that. It is not necessary to state that all those categories we will be entering it. It is basis a priority, it is basis unit economics, scalability for us and the right to win. And as we discussed about this in the earlier calls also, we wouldn't be getting into a category on a participatory basis. The idea is to, can we become a top 3 player in that. Those are the criteria on which will be looked at.

Promeet Ghosh: I think we've said this before. Obviously, there are a whole bunch of things that are actually and so there's only that much that you can read into that MOA. Importantly, I want to reiterate that the Crompton brand is strong. The Crompton right to win in various categories is also robust.

Having said that, the policy that we've been following is that when the time is right, we make an announcement about entering the category, not beforehand, that doesn't make sense, right. So, it is true that also over the last 2 years, we have spent a fair amount of time in strengthening our capabilities in various areas. So yes, we will enter new categories, which those are, I'm sorry, I cannot tell you just now, but you will progressively see. And when we do enter those categories, it will be with the belief that we can be one of the leading players in those categories.

Praveen: Next question is related to Butterfly. As you had mentioned, the 40 SKUs have been launched and you are focusing on the major 3 categories there. Is there any geographical expansion is also on the card?

Promeet Ghosh: Shweta, you want to take that, please? Yes. Maybe you also want to give him a sense of the introductions as well as the brand re-launch, I wouldn't be doing enough justice to that.

Swetha Sagar: Sure. So before that, I think just a quick view into our journey into the new brand Refresh that we have gotten. I think Butterfly had a journey of about 40 years, and we are here in the kitchen appliances business. Post our understanding of how we would want to take Butterfly in the next 5 years and 10 years, I think the first one that we wanted to address was what space that we would occupy with the consumer's mind space. So, from there, I think we did speak about our human study that we commenced about 1.5 years, understanding where consumers are moving to their attitudes towards life, kitchen, home and various other things. So from there, it became

very imperative for us to be a brand that speaks to the generation today and tomorrow. It was very important that we redefine ourselves but yet stay rooted to what you are as a brand. And that's how we moved into the positioning of getting into celebrating change. Basically speaking to the millennials, the micro generation between millennials and Gen Z who look forward to what's in it for future, but yet rooted to the space where they are today. So predominantly from there, then it called for a revamp in the way the look of the brand is basically, starting from the pneumatic to the logo.

So, then we started working around the whole piece of celebrating change. And we came up with a pneumatic where the fingerprint of the individual gets converted into a Butterfly, and that's how we came up with the pneumatic, basically emphasizing the fact that as individuals, we might change, celebrate change that's happening around us, but the core of the consumer or the personality doesn't change. And that's what Butterfly is also about. Quite individualistic and very specific to you, which doesn't change, but then you as an individual evolve with the environment around it. So celebrating change calls for taking it forward to the consumer in terms of experience also needs a variety of portfolio interventions, first of which is the revision of our brand architecture that we spoke about that we are working on in the last quarter.

Out of which the first, the Idea First series, a completely new set of products, which are industry-first innovations, talking and solving problems with very specific to consumer problems, which are very thoughtful and that make a real difference to the consumer's lifestyle. So those products are right now in the key categories, which are mixer grinders, gas stoves and pressure cookers. So that's how the new brand launch and the portfolio expansion has happened to us.

Now coming to expansion outside of South, Butterfly even today plays outside of South and considerable business does come from outside of South because we are a strong brand, a strong player in e-commerce and e-commerce is available in multiple other places outside of South and we serve as per the pin codes that are available. Having said that, the new portfolio and the new brand Refresh helps us accelerate our business thought process in non-South as well. So, we will be looking at increasing our market share and going as per whatever is our milestone that we have laid for ourselves outside of South that's all.

Moderator: Next question is from the line of Keshav Lahoti. Kindly unmute. Provide your company name and proceed with your question.

Keshav Lahoti: This is Keshav from HDFC securities. Sir, the EBITDA margin guidance which you have given for Butterfly slight improved by 100 bps in this year that still holds after weak Q1?

Promeet Ghosh: Yes, that holds.

Keshav Lahoti: Got it. Is it possible to getting know more about each segment, possibly how much would be the seasonal category in your overall revenue mix?

Kaleeswaran A.: See, we don't give a specific impact to that data. Allow us not to share that, Keshav.

Promeet Ghosh: Keshav, again I want to reemphasize something I said earlier. It is not a great exercise to only look at what the seasonal demand categories are, right. The seasonal demand categories are

TPW, air coolers and pumps, resi and agricultural pumps. But the kind of season that we have does have an impact on other areas as well. I mean to give you an example, if you are anticipating a great air cooler season and you don't sell as much of air cooler, not us, but the channel does tend to have large quantities of spare constraints, glass space being occupied by air coolers, which also has an impact on the rest of their sales. We're not only talking about the cash rotation. So I think you need to look at it in a slightly more broader context.

Keshav Lahoti: Right, sir. I agree. And last question from my side. So what is the capex for upcoming one to two years? And the greenfield you are expanding, so, can you give us some sense on greenfield, when it will commence, what will be the capex outlay?

Promeet Ghosh: Yes. So we have announced that we are going to put up a greenfield unit, which is going to manufacture for India and abroad. Our indicative capex for that unit is about Rs. 350 Cr. That should be spent in about 2-3 years.

Keshav Lahoti: And when you plan to start this?

Promeet Ghosh: You will hear soon enough on that.

Moderator: Next question is from line of Deepak from Unifi Capital.

Deepak: Sir, first question on the ECD segment. You mentioned that we have seen green shoots in pumps and fans. So is this an industry affair or specific just to Crompton? And if this is the case, if you can help us with the growth that we should be looking at for the remainder of the year for the ECD segment?

Promeet Ghosh: We are not going to give you a forward guidance on what for the year is. As to whether this is an industry phenomena or a Crompton phenomena, my sense is that there is some broad-ranging green shoots. How much of that is Crompton special phenomena? Frankly, with in our pocket, I can't really tell you. But my hope and belief is that going forward, it will be a broader phenomenon.

Deepak: Sure. Okay. The second question is on the Lighting segment. We have seen good margin recoveries at least in the last 2 quarters. So just wanted to check on the sustainability of this margin profile for the Lighting segment?

Promeet Ghosh: See, let's understand. Like I told you, the margin improvement is underpinned by improvements in product mix, right. We have, over a period of time, told you that we are pivoting away from a B2C product portfolio, which is substantially bulb and battery. And we are growing our panels business, and we are growing our flood lights business and our outdoor lighting business. What you see are the benefits of those coming through. These segments now have an account for a large share of business. I could go so far as to say that panels now are the largest segment in our portfolio and these businesses also continue to grow, so you take away what you want to from the sustainability of margins in the business.

Moderator: Thank you. Ladies and gentlemen, we'll take that as the last question. I now hand the conference over to the management for closing comments.

Promeet Ghosh: Well, thank you very much for joining us today. I hope you were able to get answers to many of the questions that you had. In any event, if you don't, if some of these were left unanswered, you know Natasha is always at hand. And you can always circle with her and get further inputs from our side. And I must tell you, we are very excited.

And I know no questions got asked about this, but this is an important time for us because like I said, we announced that we are committing that our greenhouse footprint will half by 2035. The greenhouse footprint of our products will come down by 60%. The reason that we are able to say this is that we believe we have the scale, we believe we have the technology.

We believe we have the capabilities to be able to cater to more sustainable products at reasonable prices. That's the trick. So well, we'll see how this pans out. But I personally am very, very proud that we are able to meet that commitment today.

Moderator: Thank you very much.

Promeet Ghosh: Thank you.

Natasha Kedia: Thank you.

Moderator: Thank you, sir. On behalf of Axis Capital Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.