

Crompton

Crompton Greaves Consumer Electricals Limited

Registered & Corporate Office: Tower 3, 1st Floor,

East Wing, Equinox Business Park, LBS Marg,

Kurla (West), Mumbai - 400 070.India

T: +91 22 6167 8499 F: +91 22 6167 8383

W: www.crompton.co.in CIN: L31900MH2015PLC262254

Date: November 24, 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: 201/2023-24	Our Reference: 201/2023-24

Dear Sir/Madam,

Sub: Investor Presentation

This is in continuation of our letter dated November 22, 2023, wherein the Company has intimated to the stock exchange(s) regarding schedule of Analysts/ Institutional Investor(s) Meeting(s) to be held from November 27, 2023 to December 1, 2023 with the various investors in the Non-Deal Roadshow(s) organized by CLS and Investec.

In this regard, please find enclosed a presentation to be made in the aforesaid investor meeting(s).

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  Butterfly®

Investor Presentation

NOVEMBER 2023



Disclaimer

This presentation does not constitute an offer from Crompton Greaves Consumer Electricals Ltd. or any of its affiliates (“Crompton”) to any party and the information contained herein will not form the basis of any contract. Neither Crompton nor any of their respective affiliates, shareholders, directors, employees, agents or representatives makes any warranty or representation as to the accuracy or completeness of the information contained herein (including statements of opinion and expectation, whether communicated in written, oral, visual or electronic form) or as to the reasonableness of any assumptions contained herein. In particular, no representation or warranty is given as to the achievement or reasonableness of, any information. Consequently, neither Crompton nor any of their respective affiliates, shareholders, directors, employees, agents or advisors shall be liable for any loss or damage (direct or indirect) suffered as a result of reliance upon any statements contained in, or any omission from this presentation and expressly disclaim any and all liability relating to or resulting from the use of this presentation. This presentation should not be distributed or reproduced, without the express consent of Crompton. Nothing contained in this presentation should be relied upon as a promise or representation as to the future. The information contained herein was prepared expressly for use herein and is based on certain assumptions and management's analysis of information available at the time this presentation was prepared. There is no representation, warranty or other assurance in this regard.

Index



Crompton at a glance



Crompton 2.0: Transformation in Progress



Quarter Highlights



Financial Statements

Crompton at a glance ...

Change in Chairman & New Appointments to Board

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

We are an independent Board-led and professionally managed company

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

... with business unit leaders having **125+ years of industry experience** ...

Business Unit Heads



Mr. Sriram Rangarajan¹
Kitchen Appliances

26+

2012



Mr. Sachin Phartiyal
Home Electricals

25+

2018



Mr. Rajat Chopra
Pumps

30+

1997



Mr. Shaleen Nayak
Lighting

23+

2023



Mr. Nitesh Mathur
New Business

25+

2021



Mr. Anand Kumar N.
Sales & Service

32+

1991

Industry Experience | Year of Joining Crompton

Note: 1. Managing Director of Butterfly Gandhimathi Appliances Ltd.; to also have oversight of the Crompton Small Domestic Appliances business unit

... and functional leadership & expertise of 150+ years

Functional Heads



Mr. Sanjeev Agrawal

Innovation & ESG



32+



2019



Mr. Pravin Saraf

Manufacturing & Quality



30+



2022



Mr. Manoj Kumar

Procurement



27+



2023



Ms. Pragya Bijalwan

Marketing



19+



2021



Mr. Kaleeswaran
Arunachalam

Finance & Transformation



20+



2022



Mr. Prasanth Nair

Human Resources



20+



2023



Mr. Vikram Sridharan

Digital & Information



18+

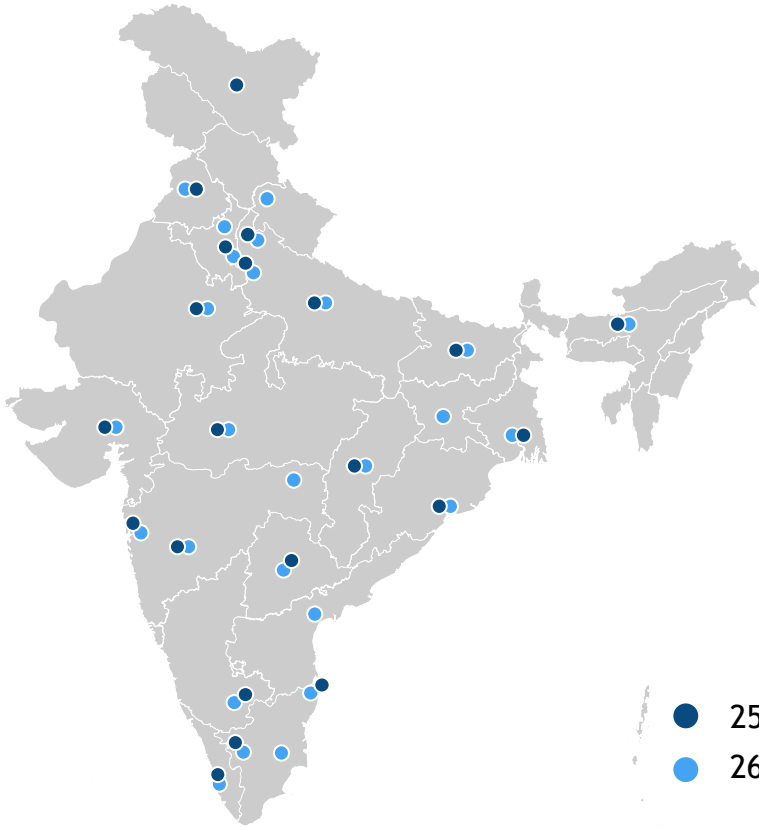


2023

We have a pan-India channel and manufacturing presence



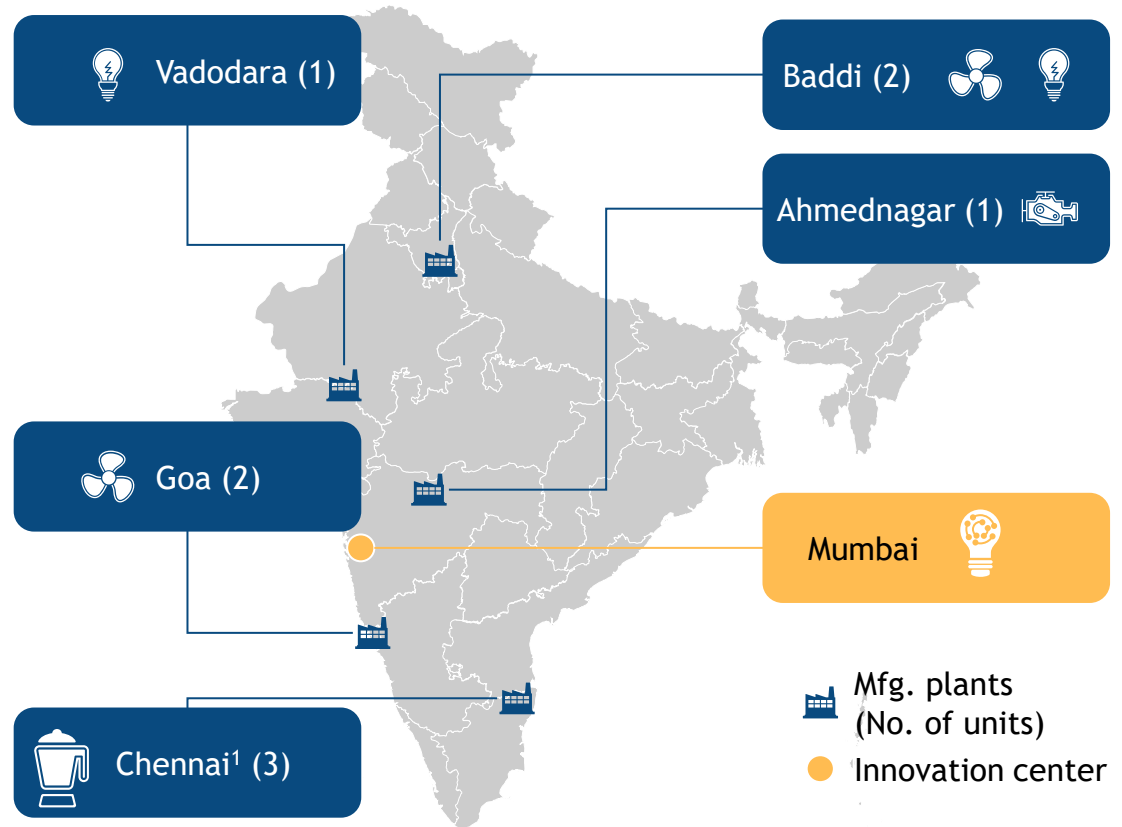
Pan India sales footprint (incl. Butterfly):
4.5k+ distributors, 175k+ retailers



- 25 Branches
- 26 Warehouses



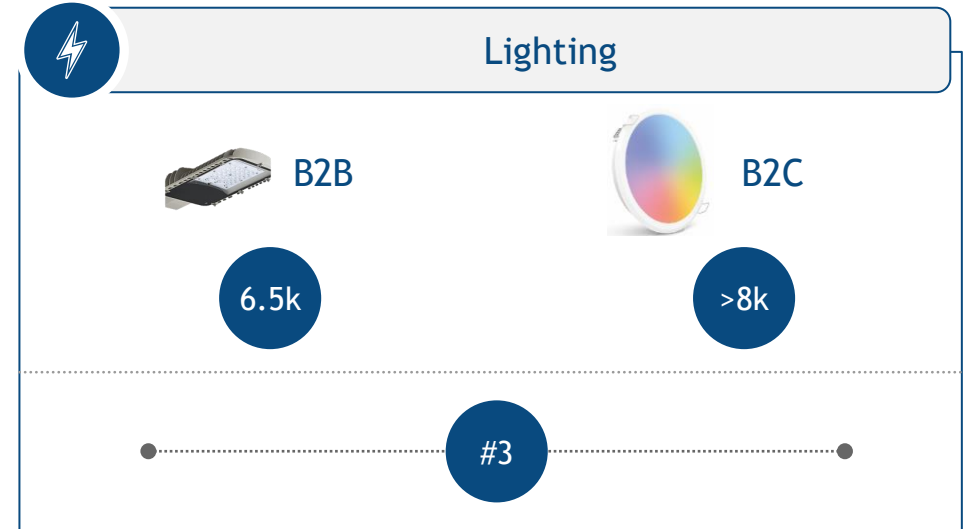
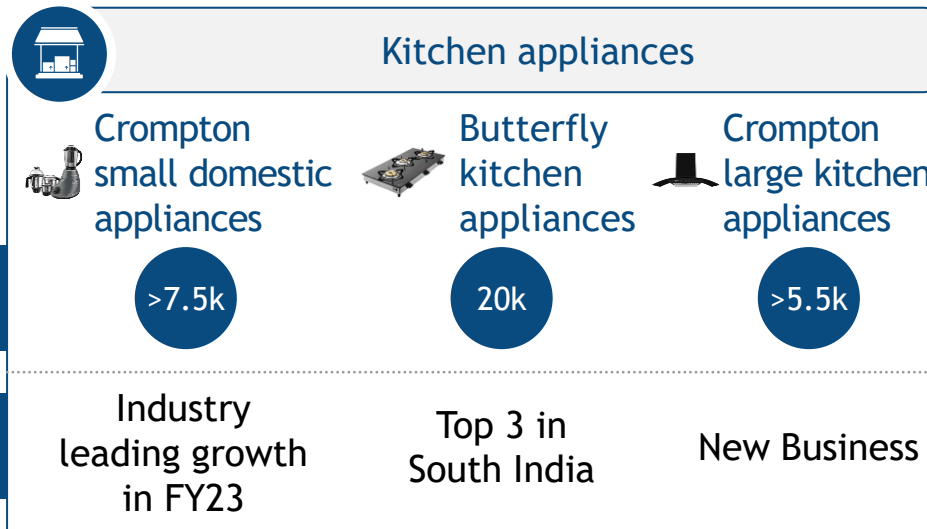
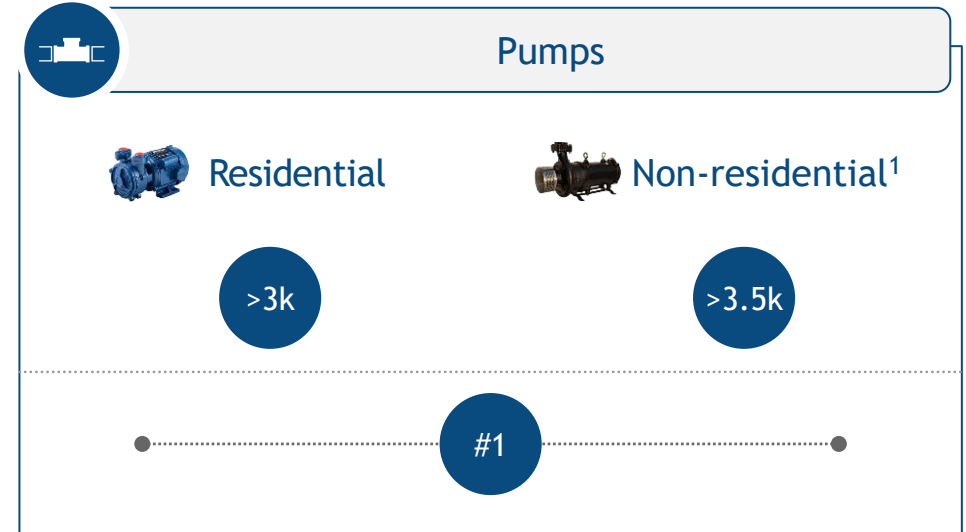
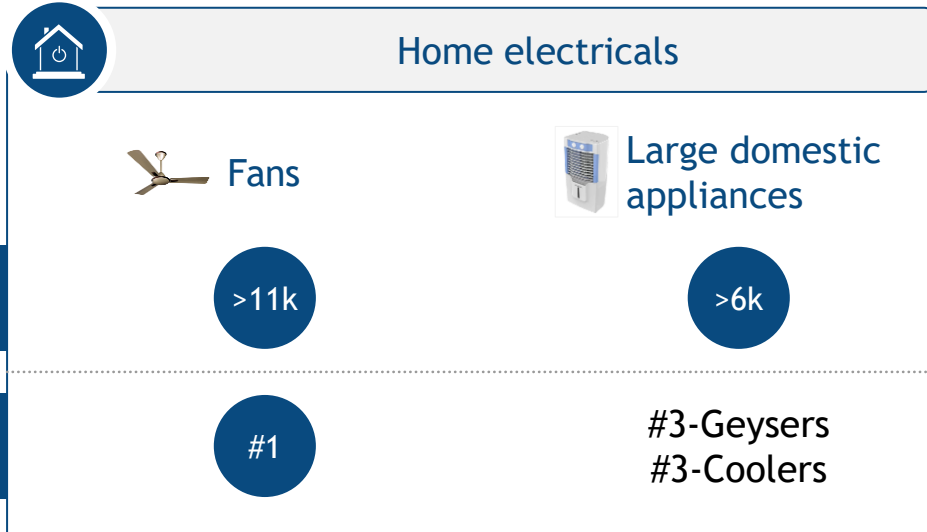
5 manufacturing locations



- Vadodara (1)
 - Baddi (2)
 - Ahmednagar (1)
 - Goa (2)
 - Chennai¹ (3)
 - Mumbai
- Mfg. plants (No. of units)
 Innovation center

1. Owned by Butterfly Gandhimathi Appliances Ltd.

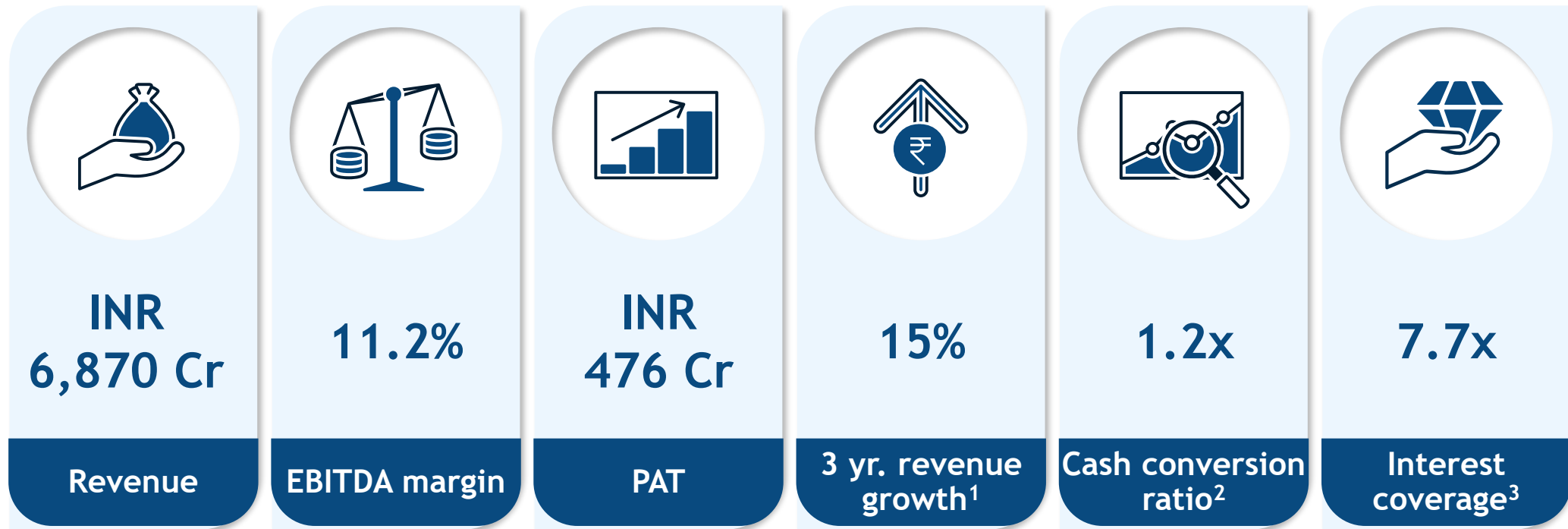
We have reinforced market leadership in core categories, and forayed into new growth categories



1. Market leader in residential pumps, limited presence in non-residential
 Note: All numbers are as of FY23, market numbers are as per available industry data

Strong financial performance in FY23, with industry leading EBITDA margins and strong cash generation

Consolidated financials



Crompton 2.0: Transformation in Progress

Mega trends are creating tailwinds for consumer consumption

Macro-economic trends in India



Increasing urbanization



Growing per capita income

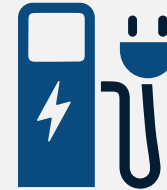


Increasing share of women in workforce



Rising focus on sustainability

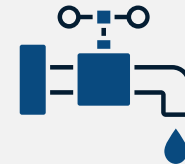
Government of India initiatives



Accelerated electrification



Cooking gas: Increase in coverage



Potable water availability

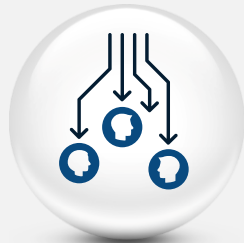


Development of affordable housing

...industry also evolving rapidly, we see **multiple opportunities for growth**



Multi-category presence by companies



Bespoke GTM models



Move towards **omnichannel & D2C sales**



Consumers **willing to pay premium** for differentiated offerings¹



Shortened cycle from **consumer insights to product launch**








Continuous disruptions and multiple new entrants²

1. Differentiated offerings include offerings of enhanced features, convenience, sustainability

2. New entrants includes players outside of the consumer electricals industry

Crompton 2.0: Key tenets to drive future growth

Crompton 1.0

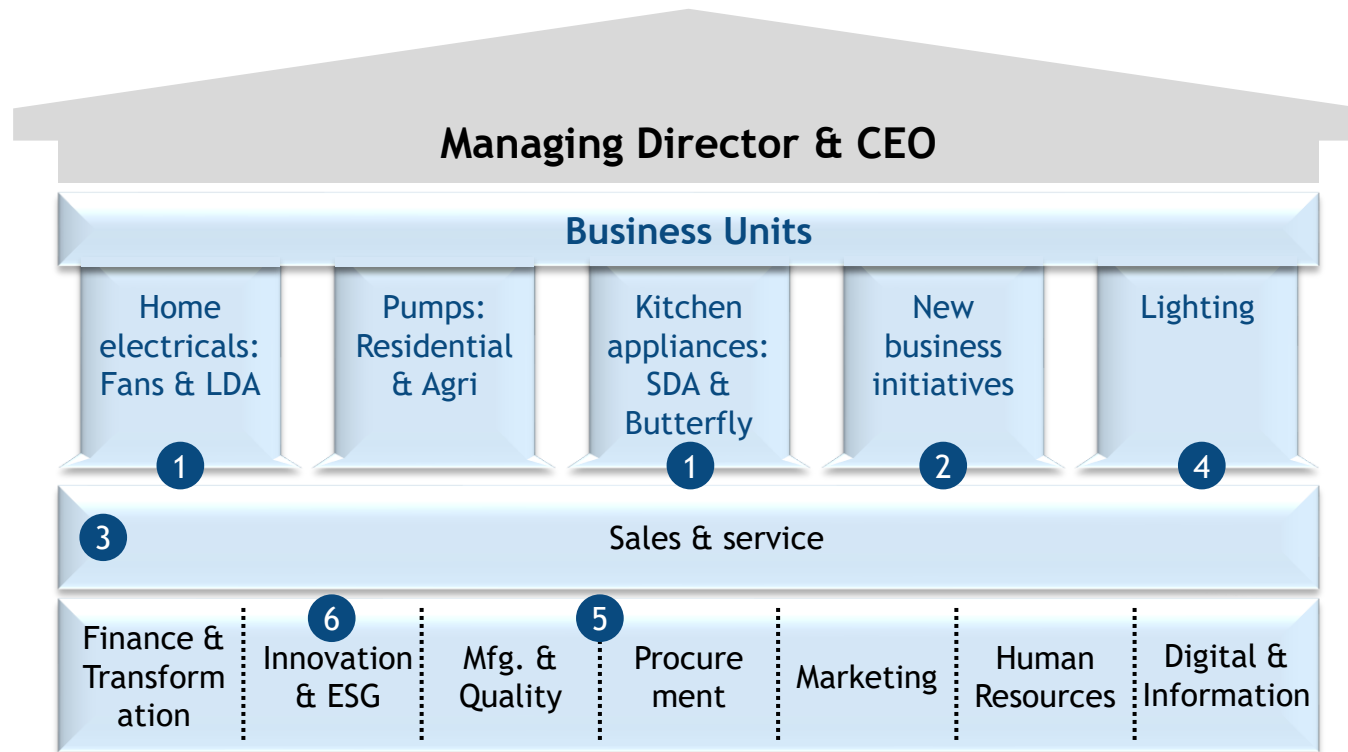
-  Pole position in core categories
-  Successful foray into the kitchen
-  Innovation capability built
-  Extensive pan-India distribution
-  Profitability led

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**

Organization structure revamped to drive company objectives

New organization structure



Key org. structure changes

-  **1** | BUs clustered basis common segments
-  **2** | New BU created for strategic initiatives
-  **3** | Sales & GTM excellence team created under global sales head
-  **4** | Dedicated sales structure within lighting BU
-  **5** | Centralization of manufacturing, procurement, supply chain
-  **6** | Innovation head responsible for leading ESG initiatives

Note: Only major modifications in the org structure are highlighted;
LDA - Large Domestic Appliances; SDA - Small Domestic Appliances

Transformation in Progress: Crompton 2.0 Update



Fans

- Premium Fans saliency improved to 28% (+250 bps YoY) in Q2
- Largest range of premium BLDC fans in the industry
- Market leading growth of 18% YoY in Q2



GTM Excellence

- Alternate channel saliency improved to 17% in Q2 vs 13% LY
- Doubled E-commerce business to deliver Rs. 100 Cr+ in Q2
- 2,500+ Retail outlets transformed so far



Pumps

- Sustainable volume growth coming back in pumps (vol: +14% YoY; val: +10% YoY)
- Received Rs. 25 Cr order for Solar pumps under PM KUSUM scheme



Brand Investments

- Continued increased A&P spends; growth by 46% YoY in H1 and 31% YoY in Q2
- Rolled out high impact marketing campaigns across categories
- Improved digital discoverability on E-com



Appliances

- Highest-ever quarterly sales in water heaters
- Continued disproportionate growth in SDA despite industry-wide slowdown
- Large kitchen appliances run-rate up from Rs. 60 Cr to Rs. 90 Cr over last 6 months



People Capabilities

- Completed implementation of new company structure; Central Business Service (CBS) commenced operations for Finance vertical
- Significant reduction in front-line attrition
- Enhanced employee engagement



Lighting

- Range expansion driving mix improvement; focus on higher wattage lamps/battens, ceiling lights, decorative & strip lighting
- Won high-value orders such as Mumbai Coastal Road Project and Noida International Airport



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

Project Unnati to continue driving **cost excellence**



Ongoing VAVE¹ & commercial initiatives



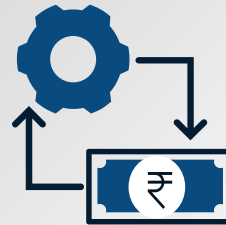
Fans:
Cost & energy effectiveness



Pumps & Lights:
Cost leadership



Appliances:
Enhanced features while sustaining margins



Project Unnati
Cost Excellence



Reinvest savings from new areas into growth



Drive Butterfly-Crompton synergy:
Increase utilization of Butterfly manufacturing assets & consolidate vendors



Ensure consolidated spend effectiveness across trade & indirect costs



Category landscape

Market statistics

>11k

FY23 Mkt. size (INR Cr)

>7%

FY 18-23 Mkt. CAGR

FY 18-23 Mkt. CAGR



Premium¹

>15%



Mid-Mass

<5%



Growth levers

Strengthen the core & increase share in premium segments



Greater innovation & agility in new product introductions



Bolster leadership position in 'Bharat'



GTM excellence for premium segment

1. More than INR 3k value per fan
Note: Market numbers are as per available industry data

Large domestic appliances | Reach, range expansion to drive growth



Category landscape

Market statistics



FY23 Mkt. size (INR Cr)



FY 18-23 Mkt. CAGR

FY 18-23 Mkt. CAGR



Water Heater



Coolers



Growth levers

Continue to drive market leading growth



Leverage synergy in the home electricals category



Range expansion across segments



Further build E-Commerce presence

Pumps | Consolidate leadership in residential pumps, expand agricultural pumps portfolio



Category landscape

Market statistics

>7k

FY23 Mkt. size (INR Cr)

~1%

FY 18-23 Mkt. CAGR

FY 18-23 Mkt. CAGR



Residential

>2%



Agricultural

-4%



Solar & Specialty

>5%



Growth levers

Redefine brand position & increase agri-footprint



Residential:
Extend brand architecture across the portfolio



Agricultural:
GTM focus & range expansion



Solar and Specialty:
New product launch

Small domestic appliances | Focus on synergies between Crompton and Butterfly



Category landscape

Market statistics

~20k

FY23 Mkt. size (INR Cr)

>10%

FY 18-23 Mkt. CAGR

FY 18-23 Mkt. CAGR



Mixer Grinders

>15%



Cooktops

>9%



Pressure Cookers

>6%



Growth levers

Leverage mutual strengths to grow market position & reach



Define brand architecture across kitchen appliances



Enhance brand awareness & build-out kitchen appliances portfolio



GTM Synergies (Crompton + Butterfly)

Large kitchen appliances | Foray led by differentiated product offering - annual revenue run rate of INR ~60cr



Category landscape

Market statistics



FY23 Mkt. size (INR Cr)



FY 18-23 Mkt. CAGR

FY 18-23 Mkt. CAGR



Chimneys & Hobs



Dishwasher



Growth levers

Expand category through continued product differentiation



Next wave of product innovations



Expand reach to next 20 cities



Scale up Omnichannel

Lighting | Business transformation to drive growth



Category landscape

Market statistics

~15k

FY23 Mkt. size (INR Cr)

~7%

FY 18-23 Mkt. CAGR

FY 18-23 Mkt. CAGR



B2C

<10%



B2B

~5%



Growth levers

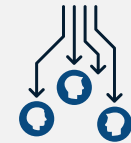
Growth led by product & execution excellence



Product innovation & improved positioning



Focused GTM & sales process enhancement

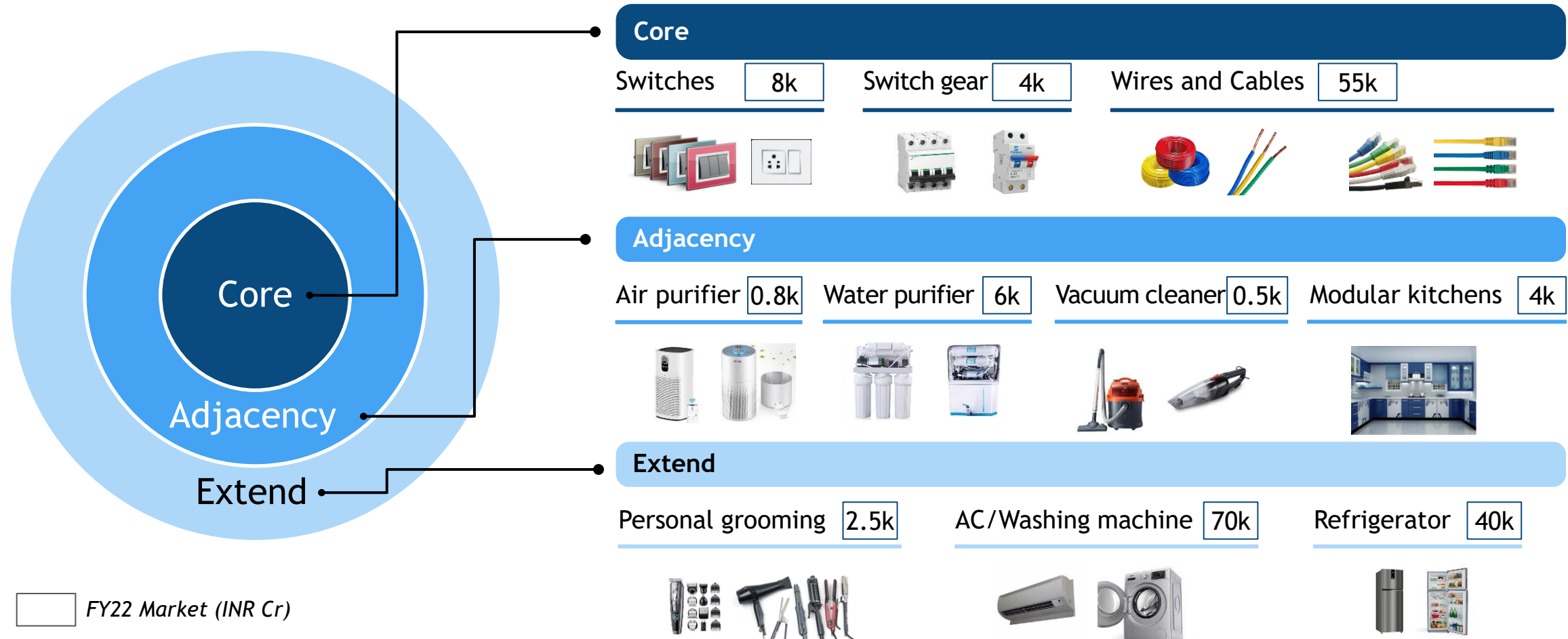


Range expansion across panels & under penetrated categories

We will continue our journey of thoughtfully diversifying into **new categories**

Non-exhaustive

Multiple potential plays; to be evaluated for whitespaces and synergies



 FY22 Market (INR Cr)

ESG will continue to be a focus area for Crompton

Independent Board-led and professionally managed company



Embedded sustainability initiatives



Integrated annual reporting



Board-led ESG committee



Consistent dividend payout ratio: 40% for FY23

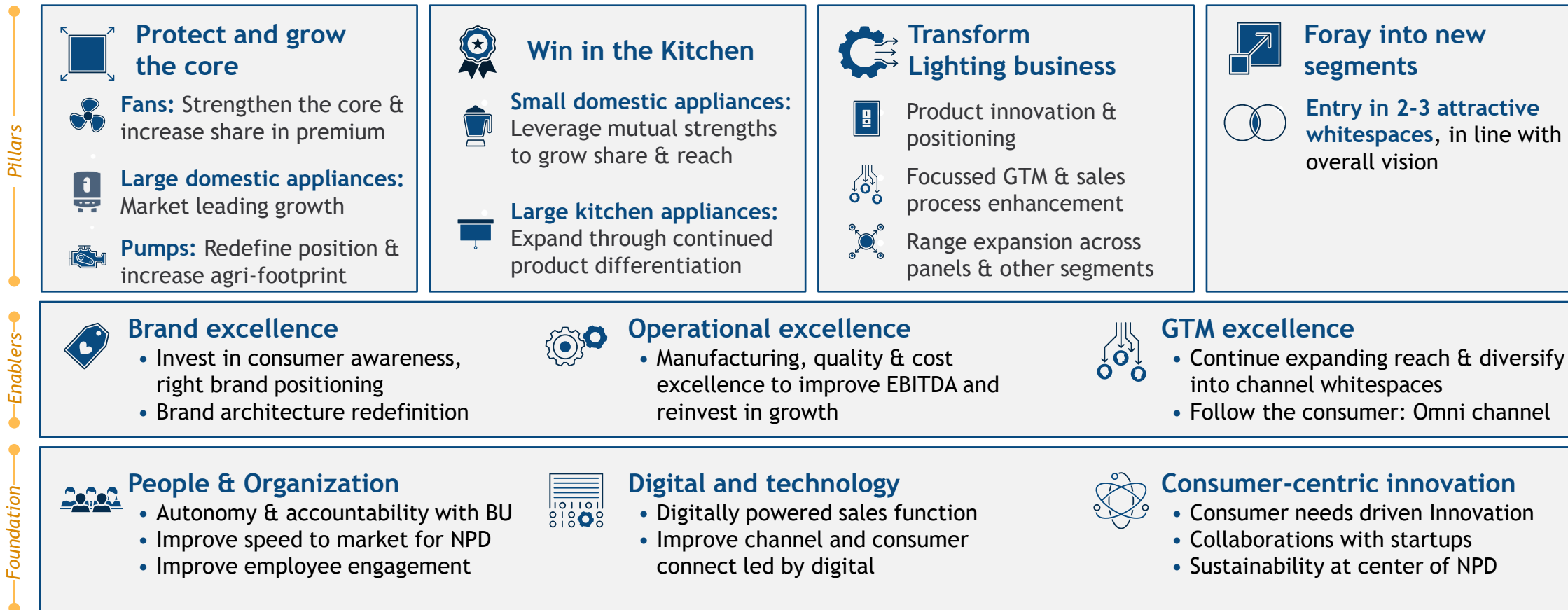


CSR - responsible growth

Strategic tenets for a future-ready Crompton

Crompton 2.0:

Accelerated growth at healthy margins to deliver strong TSR



Quarter Highlights

Key Highlights for the Quarter

- 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

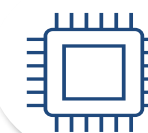
Crompton Consolidated Segment Performance

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%



Financial Statements

Consolidated Q2 Profit & Loss Statement

Particulars	Rs. Cr				
	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)

Consolidated Balance Sheet - H1 FY24

₹ crore

I. ASSETS	30-Sep-23	31-Mar-23
(1) Non-current assets		
(a) Property, plant and equipment	408	408
(b) Capital work-in-progress	6	5
(c) Right to use assets	89	76
(d) Goodwill	1,285	1,285
(e) Other intangible assets	1,456	1,481
(f) Intangible Assets Under Development	40	21
(g) Financial assets		
(i) Investments	-	0
(ii) Trade receivables	13	15
(iii) Others	19	19
(h) Deferred tax assets (net)	1	-
(i) Non-current tax assets (net)	9	9
(j) Other non-current assets	82	76
Total non-current assets	3,409	3,396
(2) Current assets		
(a) Inventories	824	744
(b) Financial assets		
(i) Investments	493	548
(ii) Trade receivables	666	671
(iii) Cash and cash equivalents	118	77
(iv) Bank balances other than (iii) above	52	33
(v) Loans	0	1
(vi) Others	21	19
(c) Current tax assets (net)	1	20
(d) Other current assets	192	147
Total current assets	2,366	2,258
TOTAL ASSETS	5,776	5,654

₹ crore

II. EQUITY AND LIABILITIES	30-Sep-23	31-Mar-23
Equity		
(a) Equity share capital	128	127
(b) Other equity	2,602	2,533
(c) Non-controlling interests	455	448
Total equity	3,185	3,108
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	298	597
(ii) Lease Liabilities	64	56
(iii) Trade payables	14	13
(b) Deferred tax liabilities (net)	7	12
(c) Provisions	149	131
Total non-current liabilities	532	810
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	625	325
(ii) Lease Liabilities	32	27
(iii) Trade payables	992	1,035
(ii) Other financial liabilities	68	74
(b) Other current liabilities	88	98
(c) Provisions	218	168
(d) Current tax liabilities (net)	35	9
Total current liabilities	2,058	1,737
Total liabilities	2,591	2,547
TOTAL EQUITY AND LIABILITIES	5,776	5,654

Registered Office:

Crompton Greaves Consumer Electricals Limited, Equinox
Business Park, 1st Floor, Tower 3, LBS Marg, Kurla (W),
Mumbai - 400070, Maharashtra, India

+91 22 6167 8499

For any query, please write us at:

crompton.investorrelations@crompton.co.in

Connect with us on www.crompton.co.in



Abbreviations

Abbreviation	Full form
B2B	Business to Business
B2C	Business to Consumer
B2G	Business to Government
BLDC	Brushless Direct Current
BU	Business Unit
CAGR	Compound Annual Growth Rate
CGCEL	Crompton Greaves Consumer Electricals Limited
CSR	Corporate Social Responsibility
D2C	Direct to Consumer
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECD	Electronic Consumer Durables
EHS	Environment, Health and Safety
EPS	Earnings Per Share

Abbreviation	Full form
ESG	Environmental, Social, and Governance
GSSH	Group Sales and Services Head
GM	Gross Margin
GTM	Go To Market
LDA	Large Domestic Appliances
MOR	Modern Retail
MTO	Made To Order
NPD	New Product Development
NSM	National Sales Manager
PAT	Profit After Tax
SDA	Small Domestic Appliances
SKU	Stock Keeping Unit