



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

June 22, 2024

To, The Manager - Listing BSE Limited ("BSE") , Corporate Relationship Department, 2nd Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai - 400 001.	To, The Manager - Listing National Stock Exchange of India Limited ("NSE") , "Exchange Plaza", 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (East), Mumbai - 400 051.
BSE Scrip Code: 517421	NSE Symbol: BUTTERFLY
ISIN: INE295F01017	ISIN: INE295F01017
Our Reference: 27/2024-25	Our Reference: 27/2024-25

Dear Sir/Madam,

Sub: Intimation under Regulation 30 and 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of the 37th Annual General Meeting and Annual Report 2023-24

We wish to inform you that the 37th Annual General Meeting ("AGM") of Butterfly Gandhimathi Appliances Limited ("the Company") will be held on **Friday, July 19, 2024 at 3:00 P.M.** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") in compliance with the applicable circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") and that the deemed venue of the meeting shall be the Registered Office of the Company situated at 143, Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam, Chengalpattu District -603103.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, please find enclosed Notice convening the AGM and the Annual Report of the Company, including Business Responsibility and Sustainability Report for the Financial Year 2023-24.

In terms of Regulation 46 of the SEBI Listing Regulations, the said Notice of 37th AGM and Annual Report including Business Responsibility and Sustainability Report is also available on the website of the Company and can be accessed at <https://www.butterflyindia.com/investor-relations/>

Further, in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, the Company is providing the facility to its Members to exercise their right to vote by electronic means, through remote e-Voting services of National Securities Depository Limited ("NSDL") as well as e-Voting during the AGM. The e-Voting instructions and the process to join meeting through VC/ OAVM is set out in the AGM Notice.

Further, in accordance with applicable circular(s) issued by MCA and SEBI Circulars, the Notice of AGM along with the Annual Report is being sent through electronic mode to only those Members whose email addresses are registered with the Company/ Depository Participant(s).

Information at a glance:

Particulars	Details
Mode	Video Conference and Other Audio-Visual Means
Time and date of AGM	Friday, July 19, 2024, 3:00 P.M.
Participation through videoconferencing	https://www.evoting.nsdl.com
Helpline number for VC participation	1800 22 55 33

Regd.office : 143.Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam - Pin 603 103,
Chengalpattu District, Phone : +91-44-47415500 CIN No : L28931TN1986PLC012728.
E-mail : gmal@butterflyindia.com, Web : www.butterflyindia.com

Corporate office : E-34, 2nd Floor, Egattur Village, Rajiv Gandhi Salai, Navalur - 600130, Chengalpattu District.
Phone : 044-49005100 E-mail : butterflyho@butterflyindia.com,



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

Video recording and transcripts	https://www.butterflyindia.com/investor-relations/
Cut-off date for e-Voting	Friday, July 12, 2024
Remote e-Voting start time and date	Monday, July 15, 2024, 9.00 A.M. IST
Remote e-Voting end time and date	Thursday, July 18, 2024, 5.00 P.M. IST
Remote e-Voting website of NSDL	https://www.evoting.nsdl.com

You are requested to take the above information on record.

Thanking you,

For **Butterfly Gandhimathi Appliances Limited**

Viral Sarvaiya
Company Secretary & Compliance Officer
Membership No.: A33764

Encl: A/a

Regd.office : 143.Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam - Pin 603 103,
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BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

CIN: L28931TN1986PLC012728

Registered Office: 143, Pudupakkam Village, Vandalur – Kelambakkam Road, Kelambakkam, Chengalpattu District – 603 103

T: +91 44 4741 5500 E-mail: butterfly.investorrelations@butterflyindia.com

Website: www.butterflyindia.com

Notice of the 37th Annual General Meeting

NOTICE is hereby given that the 37th (Thirty Seventh) Annual General Meeting (the “AGM”) of the Members of Butterfly Gandhimathi Appliances Limited (the “Company”) will be held on **Friday, July 19, 2024 at 3.00 P.M. (IST)** through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) for which purpose the Registered Office of the Company situated at 143, Pudupakkam Village, Vandalur – Kelambakkam Road, Kelambakkam, Chengalpattu District - 603 103, shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following business(es):

ORDINARY BUSINESS

1. Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors (“the Board”) and the Auditors thereon.

2. Appointment of Mr. Shantanu Khosla (DIN:00059877) as a Director liable to retire by rotation

To appoint a Director in place of Mr. Shantanu Khosla (DIN:00059877) who retires by rotation and being eligible offers himself for re-appointment.

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of Members of the Company, be and is hereby accorded to re-appoint Mr. Shantanu Khosla (DIN: 00059877) as Director, who is liable to retire by rotation.”

SPECIAL BUSINESS

3. Ratification of remuneration payable to M/s. S. Mahadevan & Co., Cost Auditors of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, and other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company be and hereby ratifies the remuneration of

₹ 1,75,000 (Rupees One Lakh and Seventy Five Thousand Only) (exclusive of applicable taxes and re-imbursement of out of pocket expenses) payable to M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration Number 000007), who have been appointed by the Board of Directors basis the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending March 31, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) or the Key Managerial Personnel of the Company be and are hereby severally authorised to do all act(s), deed(s), matter(s) & thing(s) and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. Appointment of Ms. Swetha Sagar G as the Manager and Key Managerial Personnel designated as ‘Manager & Chief Business Officer’ of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended (including any statutory modifications(s) or re-enactment(s) thereof for the time being in force), subject to the provisions of the Articles of Association (“AoA”) of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee (“NRC”) and the approval of Board of Directors (“Board”) of the Company, the consent of the Members of the Company be and is hereby accorded for the appointment of Ms. Swetha Sagar G, as the Manager and Key Managerial Personnel, to be designated as ‘Manager and Chief Business Officer’ for the period of 5 (Five) years commencing from June 15, 2024, upto June 14, 2029, (both days inclusive), upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice;

RESOLVED FURTHER THAT in her capacity as the Manager, Ms. Swetha Sagar G is entitled to exercise all powers as are exercisable by the Manager of the Company

as permissible under the provisions of the Act, and any other statutes in order to manage the affairs of the Company, subject to the superintendence, control and directions of the Board;

RESOLVED FURTHER THAT any one of the Director(s) be and are hereby severally authorized to sign and execute the appointment letter (and any other agreement relating to compensation and benefits) between the Company and Ms. Swetha Sagar G inter-alia containing terms and conditions of appointment;

RESOLVED FURTHER THAT the Board of Director(s) of the Company be and are hereby authorised to alter and vary the terms and conditions as may be deemed appropriate in relation to the said appointment, based on the recommendations of the NRC of the Board and subject to terms as specified in explanatory statement, in compliance with the applicable provisions of the Act, including but not limited to Section 197 read with Section 198 of the Act and the rules made thereunder, as well as other applicable laws;

RESOLVED FURTHER THAT the Board of the Company be and is hereby further authorised to do all such act(s), deed(s), matter(s) and thing(s) and to execute any agreement(s), document(s), instrument(s) and writing(s) as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/ or Officer(s) of the Company to give effect to this resolution.”

5. Payment of Remuneration to Ms. Swetha Sagar G as the Manager & Chief Business Officer of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the provisions of Section 197, 198, Schedule V of the Companies Act, 2013, (“**Act**”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI Listing Regulations**”), subject to the provisions of the Articles of Association (“**AoA**”) of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee (“**NRC**”) and the approval of Board of Directors (“**Board**”) of the Company, the consent of the Members of the Company, be and is hereby accorded for payment of remuneration to Ms. Swetha Sagar

G, Manager & Chief Business Officer, for a term of 3 (Three) years with effect from June 15, 2024, to June 14, 2027, (as detailed out in the Explanatory Statement) and with an annual increment as may be approved by the NRC of the Board/ Board of Directors, subject to a maximum of 15% (Fifteen Percent) of the fixed pay and performance bonus in the immediate previous year;

RESOLVED FURTHER THAT pursuant to the proviso to Section II(A) of Part II of Schedule V to the Act, in the event, the Company has no profits or its profits are inadequate during the aforesaid tenure, the managerial remuneration as determined in terms of this resolution and as set out in the explanatory statement annexed to this Notice subject to annual increment as may be approved by the NRC shall be paid to Ms. Swetha Sagar G, as the Manager & Chief Business Officer, as the minimum remuneration for each financial year.

RESOLVED FURTHER THAT the Board of Directors/ NRC of the Company be and are hereby authorized to alter and vary the terms and conditions of the said appointment (including authority, from time to time, to determine the amount of salary, the type and amount of perquisites, bonus and other benefits payable to Ms. Swetha Sagar G), in such manner as may be agreed to between the Company and Ms. Swetha Sagar G, within the limits approved by the Members and to the extent the Board may consider appropriate;

RESOLVED FURTHER THAT the Board of Director(s) of the Company be and are hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it by or under this resolution to NRC/ Board of Directors of and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

By the order of the Board
For **Butterfly Gandhimathi Appliances Limited**

Viral Sarvaiya
Company Secretary & Compliance Officer
Membership No. A33764

Registered office
143, Pudupakkam Village,
Vandalur – Kelambakkam Road,
Kelambakkam, Chengalpattu
District – 603 103

Date: June 19, 2024

Place: Chennai

Notes

1. The Ministry of Corporate Affairs, Government of India (“MCA”) has permitted conducting Annual General Meeting (“AGM”) through video conferencing (“VC”) or other audio-visual means (“OAVM”). In this regard, MCA vide its General Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, General Circular No. 2/2022 dated May 5, 2022, followed by Circular No. 10/2022 dated December 28, 2022, and subsequent Circular No. 09/2023 dated September 25, 2023, (collectively referred as “MCA Circulars”), prescribing the procedure and manner of conducting the Annual General Meeting through VC/ OAVM without the physical presence of the Members at a common venue. The Securities and Exchange Board of India (“SEBI”) also vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, (collectively referred as “SEBI Circulars”) has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). In compliance with the applicable provisions of the Companies Act, 2013, (“the Act”), MCA Circulars, SEBI Circulars and SEBI Listing Regulations, the AGM of the Members will be held through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/ OAVM only. The proceeding of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
 2. An explanatory statement pursuant to Section 102(1) of the Act relating to special business as stated under Item No. 3 of the Notice dated **Wednesday, June 19, 2024**, is annexed hereto.
 3. A statement providing additional details of the Directors seeking re-appointment as set out in Item No. 2 of the Notice dated **Wednesday, June 19, 2024**, is annexed herewith as required under Regulation 36(3) of SEBI Listing Regulations as amended from time to time and Secretarial Standard-2 (“SS-2”) on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”).
 4. Since this AGM is being conducted through VC/ OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this notice.
 5. Institutional/ Corporate Members (i.e. other than individuals/ HUF/ NRI, etc.) intending to authorize their representatives to attend the AGM through VC/ OAVM on its behalf and to vote through electronic voting (“e-Voting”), are requested to send a certified scanned copy (PDF/ JPG Format) of its Board or governing body resolution/ authorisation letter to the Scrutinizer by e-mail through its registered e-mail address at alagar@geniconsolutions.com with a copy marked at evoting@nsdl.com
- Institutional Members (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/ Authority Letter, etc. by clicking on “**Upload Board Resolution/ Authority Letter**” displayed under e-Voting tab in their login.
6. The voting rights of Members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date.
 7. The Members can join the AGM in the VC/ OAVM mode 15 (Fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 (One Thousand) Members on first come first served basis. This will not include large Members (i.e. Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 8. Participation of Members attending AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 9. In accordance with the aforesaid MCA and SEBI Circulars, the financial statements including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith and the Notice of AGM are being sent in electronic mode to the Members whose e-mail addresses are registered with the Company or the Depositories/ Depository Participant(s) (“DPs”). In case any Member is desirous of obtaining physical copy of the Annual Report for the Financial Year 2023-24, kindly send a request to the Company by writing at butterfly.investorrelations@butterflyindia.com mentioning their Folio Number/ DP ID and Client ID.
- The Notice calling the AGM has been uploaded on the website of the Company at www.butterflyindia.com The Notice can also be accessed from the websites of the Stock Exchanges, i.e. BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) at www.bseindia.com and www.nseindia.com respectively and is also available on the website of National Securities Depository Limited (“NSDL”) (agency for providing the remote e-Voting facility), at www.evoting.nsdl.com
10. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their

shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and relevant documents referred to in the accompanying Notice and in the Explanatory Statement are requested to write to the Company on or before **Friday, July 19, 2024**, through e-mail on butterfly.investorrelations@butterflyindia.com. The same will be replied by the Company suitably.

All documents referred to in the Notice will also be available electronically for inspection, without any payment of fee, by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to butterfly.investorrelations@butterflyindia.com

11. To support the **“Green Initiative”**, Members who have not registered their e-mail address(es) are requested to register the same with the M/s. GNSA Infotech Private Limited, Company’s Registrar and Share Transfer Agent (**“RTA”**)/ their DPs, in respect of shares held in physical/ electronic mode, respectively.
12. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed with this Notice.
13. In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, on e-Voting facility provided by listed companies, the Company is providing facility for voting by electronic means (**“e-Voting”**) for all its Members to enable them to cast their vote electronically and the business(es) may be transacted through such e-Voting.

For this purpose, the Company has availed the services of NSDL for facilitating voting through electronic means, as the authorized agency, for casting votes using remote e-Voting system on all the resolution(s) set forth in this Notice.
14. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form No. SH-14. The said form can be downloaded from the Company’s website at <https://www.butterflyindia.com/investor-relations/#downcont>

Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the Company or RTA, in case the shares are held in physical form, quoting their folio numbers.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

15. Members are requested to check that the correct account number has been recorded with the Depository. Members holding shares in electronic form are requested to intimate any change in their address, e-mail ID, signature or bank mandates to their respective DPs with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to intimate such changes to the RTA of the Company by furnishing Form No. ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. The same are available on the website of the Company at <https://www.butterflyindia.com/investor-relations/#downcont>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
16. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form. Further, the transmission and transposition of securities shall also be effected only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or RTA for assistance in this regard.
17. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023, (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (**“ODR Portal”**) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
18. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/

MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

Transfer of Unclaimed/ Unpaid amounts to the Investor Education and Protection Fund (IEPF)

19. Pursuant to the provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016, as amended (“**the IEPF Rules**”), all unclaimed/unpaid all dividends, if not encashed for a period of 7 (Seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF. Further, all the shares in respect of which dividend has remained unclaimed for 7 (Seven) consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
20. Further, pursuant to Section 124 of the Act read with the IEPF Rules (“**IEPF Rules**”), all equity shares, in respect of which dividend has not been paid or claimed for 7 (Seven) consecutive years or more from the date of declaration, are also required to be transferred to an account, viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules. Further, all equity shares of the Company on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more, shall be transferred by the Company to the IEPF from time to time.
21. Adhering to the aforesaid statutory requirement, during the Financial Year 2023-24, unclaimed dividend for the Financial Year 2015-16 aggregating ₹ 5,82,689/- (Rupees Five Lakhs Eighty Two Thousand Six Hundred and Eighty Nine Only) and 2,97,583 (Two Lakh Ninety Seven Thousand Five Hundred and Eighty Three) unclaimed equity shares in respect of which dividend entitlements remained unclaimed for 7 (seven) consecutive years, were transferred by the Company to the IEPF established by the Central Government, pursuant to the provisions of Section 124 of the Act, read with the IEPF Rules.
22. Members holding shares in electronic form are requested to ensure that correct bank particulars are registered

against their respective Depository accounts which will be used by the Company for any payment of dividend in future. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the DP by the Members.

23. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at butterfly.investorrelations@butterflyindia.com

24. The instructions for Members for remote e-Voting and joining the AGM are as under

The remote e-Voting period commences from **Monday, July 15, 2024 at (9:00 A.M. IST)** and ends on **Thursday, July 18, 2024 at (05:00 P.M. IST)**. During this period, Members holding shares either in physical or dematerialized form, as on **Friday, July 12, 2024, (“Cut-off date”)**, may cast their votes electronically through e-Voting system from any place (“**remote e-Voting**”). The remote e-Voting module shall be disabled by NSDL for voting thereafter. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, July 12, 2024**. Members have the option to cast their vote on any of the resolution(s) using the remote e-Voting facility, either during the aforesaid period or during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolution(s) during the AGM.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “**Two Steps**” which are mentioned below:

Step 1: Access to the NSDL e-Voting system:


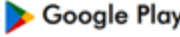


Step 2: Cast your votes electronically on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for individual Members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by listed companies and as a part of increasing the efficiency of the e-Voting process, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login method
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under “IDEAS” section, this will prompt you to enter your existing user ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com Select “Register Online for IDEAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.
<p>NSDL Mobile App is available on</p> <p>   </p> <div style="display: flex; justify-content: space-around;">   </div>	
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their DPs	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 022 - 4886 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to Login to NSDL e-Voting website?

Step 1

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “**Login**” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your user ID, your Password/ OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your user ID details are given below

Manner of holding shares i.e. Demat (NSDL Your user ID is or CDSL) or Physical

a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by folio number registered with the Company For example if folio number is 001*** and EVEN is 128873 then user ID is 128873001****

5. Password details for Members other than Individual Members are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - i. If your e-mail ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your ‘user ID’ and your ‘initial password’.
 - ii. If your e-mail ID is not registered, please follow steps mentioned below in e-mail IDs
6. If you are unable to retrieve or have not received the “**Initial password**” or have forgotten your password:
 - a) Click on “**Forgot User Details/ Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “**Terms and Conditions**” by selecting on the check box.
8. Now, you will have to click on “**Login**” button.
9. After you click on the “**Login**” button, the home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

1. After successful logging in following Step 1, you will be able to see all the companies “**EVEN**” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “**EVEN**” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “**VC/ OAVM**” link placed under “**Join General Meeting**”.
3. Now you are ready for e-Voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on “**Submit**” and also “**Confirm**” when prompted.
5. Upon confirmation, the message “**Vote cast successfully**” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for procuring user ID and password for e-Voting for those Members whose e-mail IDs are not registered with the Depositories/ Company and registration of e-mail IDs for e-Voting on all the resolutions set out in this notice

1. In case shares are held in physical mode and have not updated their e-mail address(es) with the Company, please provide folio number, name of Member, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card and Aadhar Card by e-mail to butterfly.investorrelations@butterfly.com for registering e-mail address.
2. In case shares are held in demat mode, please provide DP ID and Client ID (16 digit DP ID + Client ID or 16-digit beneficiary ID), name of Member, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card and Aadhar Card to butterfly.investorrelations@butterfly.com
3. Alternatively, Members may send a request to evoting@nsdl.com for procuring user ID and password for e-Voting by providing above mentioned documents.

General guidelines for Members

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon 5 (Five) unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot user Details/ Password?**” or “**Physical user Reset Password?**” option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (**FAQs**) for Members and the e-Voting user manual for Members available in the download section of www.evoting.nsdl.com or call on **toll free number: 022-48867000** or send a request to **Mr. Sanjeev Yadav - Assistant Manager** - NSDL at evoting@nsdl.com

25. The instructions for Members for e-Voting on the day of the AGM are as under

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

26. Instructions for Members for attending the AGM through VC/ OAVM are as under

- i. Member will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “**VC/ OAVM**” placed under “**Join meeting**” menu against Company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/ OAVM will be available in Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the user ID and Password for e-Voting or have forgotten the user ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through laptops for better experience.
- iii. Further, Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID

- and Client ID/ folio number, PAN, mobile number at butterfly.investorrelations@butterfly.com Those Members who have registered themselves as a speaker from **Thursday, July 11, 2024, to Tuesday, July 16, 2024**, upto 5:00 P.M (IST) will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- vi. Members who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, e-mail ID, mobile number at butterfly.investorrelations@butterfly.com The same will be replied by the Company suitably.
 - vii. Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes Member of the Company after the notice is send through e-mail and holding shares as of the cut-off date, i.e. **Friday, July 12, 2024**, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/ RTA. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “**Forgot user Details/ Password**” or “**Physical user Reset Password**” option available on www.evoting.nsdl.com or call on toll free no. **1800 22 55 33**. In case of individual Members holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date, i.e. **Friday, July 12, 2024**, may follow steps mentioned in the Notice of the AGM under “**Access to NSDL e-Voting system**”.
 - viii. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
 - ix. A Member will not be allowed to vote again on any resolution(s) on which vote has already been cast.
 - x. Members attending the AGM who have not cast their votes on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to cast their votes through e-Voting during the AGM. The Members who have casted their votes prior to the AGM may also attend/ participate in the AGM through VC/ OAVM but shall not be entitled to cast their votes again.
 - xi. The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting after 15 (Fifteen) minutes of the conclusion of the AGM.
 - xii. Any Member holding shares in physical form, and non-individual Members, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com However, if he/ she is already registered with NSDL for remote e-Voting, then he/ she can use his/ her existing user ID and password for casting the vote.
 - xiii. In case of individual Members holding securities in demat mode, who acquires the shares of the Company and becomes a Member of the Company after the Notice is sent and holding shares as of the cut-off date, may follow steps mentioned under “**Instructions for e-Voting**”.
- ## 27. Scrutiniser’s report and declaration of results
- i. The Board of Directors of the Company has appointed Mr. M. Alagar (Membership No. F7488 and or failing him Mr. D. Saravanan (Membership No. A60177), Partners of M/s. M. Alagar & Associates, Practicing Company Secretaries (ICSI Unique code: P2011TN078800), as the Scrutiniser to scrutinize the e-Voting process during the AGM and remote e-Voting in a fair and transparent manner.
 - ii. The Scrutiniser shall, immediately after the conclusion of the e-Voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least 2 (Two) witnesses not in the employment of the Company and submit, not later than 2 (Two) working days of conclusion of the AGM, a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
 - iii. The results declared along with the Scrutiniser’s Report shall be placed on the Company’s website www.butterflyindia.com and on the website of NSDL, i.e. www.evoting.nsdl.com immediately after the submission with the Stock Exchanges, where the shares of the Company are listed. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM, i.e. **Friday, July 19, 2024**.
- ## 28. Note to Members
- i. SEBI has mandated the submission of Permanent Account Number (“**PAN**”) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to the DPs with whom they maintain their demat accounts. Members holding

shares in physical form should submit their PAN to the Company/ RTA.

- ii. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their DPs in case the shares are held by them in dematerialised form and to the Company/ RTA.
- iii. Members are requested to quote their folio number or DP ID, Client ID, as the case may be, in all correspondence with the Company or the RTA.
- iv. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
- v. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication.
- vi. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details. Members may also refer to relevant FAQs published by SEBI on its website and can be viewed at the following link https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf
- vii. Further, in compliance to the SEBI Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, if the service requests are received by RTA (like Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange, endorsement, sub-division/ splitting, consolidation of securities certificates/ folios, transmission and transposition of securities) from those Members whose details, as mentioned in SEBI Circular dated November 3, 2021, are duly updated in the system, the RTA/ Company shall verify and process the service requests and issue a “**Letter of Confirmation**” in lieu of physical securities

certificate(s), to the securities holder/ claimant within 30 (Thirty) days of its receipt of such request after removing objections, if any, which shall be valid for a period of 120 (One Hundred and Twenty) days from the date of its issuance, within which the securities holder/ claimant shall make a request to the DP for dematerialising the said securities.

If the Members fail to submit the dematerialisation request within 120 (One Hundred and Twenty) days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Members can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

- viii. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at www.butterflyindia.com Members holding equity shares of the Company in physical form are requested to get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

By the order of the Board
For **Butterfly Gandhimathi Appliances Limited**

Viral Sarvaiya
Company Secretary & Compliance Officer
Membership No. A33764

Registered office

143, Pudukkamm Village,
Vandalur – Kelambakkam Road,
Kelambakkam, Chengalpattu
District – 603 103

Date: June 19, 2024

Place: Chennai

STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

Ratification of remuneration payable to M/s. S. Mahadevan & Co., Cost Auditors of the Company

Under the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a Cost Accountant. Further, in accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

Accordingly, the Board of Directors of the Company basis the recommendation of the Audit Committee, at their Meeting held on Tuesday, May 14, 2024, has approved the appointment of M/s. S. Mahadevan & Co, Cost Accountants (Firm Registration No. 000007) as Cost Auditors to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2025 at a remuneration ₹ 1,75,000 (Rupees One Lakh Seventy Five Thousand Only) (excluding all applicable taxes and reimbursement of out of pocket expenses, if any at actuals).

Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 3 of the accompanying Notice for ratification of the remuneration amounting to ₹ 1,75,000 (Rupees One Lakh Seventy Five Thousand Only) plus applicable taxes and out of pocket expenses on actual basis payable to the Cost Auditors for the Financial Year ending March 31, 2025.

The Board recommends the resolution as set out at Item No. 3 of the Notice for the approval of the Members of the Company as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Item No. 4 & 5

Item No. 4: Appointment of Ms. Swetha Sagar G as the Manager and Key Managerial Personnel to be designated as 'Manager & Chief Business Officer' of the Company,

Item No. 5: Payment of Remuneration to Ms. Swetha Sagar G as the Manager & Chief Business Officer of the Company

The Board of Directors, at its meeting held on April 4, 2024, approved the appointment of Ms. Swetha Sagar G as Product Line Head - Kitchen Appliances w.e.f. April 12, 2024, based

on the recommendation of the Nomination & Remuneration Committee ("NRC"). The services of Ms. Swetha have been seconded by Crompton Greaves Consumer Electricals Limited, i.e., the Holding Company, on the request of the Company in April 2024, for appointing her as a Product Line Head - Kitchen Appliances. Your Board of Directors approved her secondment effective from April 12, 2024, in terms of Section 188 of the Act. After considering Ms. Swetha's roles and responsibilities and aligning with the organisation's strategy to foster internal talent and drive growth in the Kitchen Appliances segment, she was elevated as Chief Business Officer of the Company w.e.f. May 14, 2024.

Mr. Rangarajan Sriram tendered his resignation from the position of Managing Director of the Company, effective from June 14, 2024. Subsequently, the NRC at its meeting held on June 13, 2024, recommended the appointment of Ms. Swetha Sagar G, as a Manager as defined under Section 2(53) of Companies Act, 2013, ("the Act") for the management of affairs of the Company effective June 15, 2024, subject to the superintendence, control and directions of the Board in place of Mr. Sriram.

The Board at its meeting held on June 13, 2024, approved the appointment of Ms. Swetha as the Manager and a Key Managerial Personnel, to be designated as 'Manager & Chief Business Officer' of the Company, for a period of 5 (Five) years, from June 15, 2024, to June 14, 2029, along with other terms and conditions inter alia including payment of remuneration for the period of 3 (Three) consecutive financial years from the date of her appointment subject to an annual increment upto a maximum of 15% (Fifteen Percent) of the fixed pay and performance bonus in the immediate previous year without any further reference to the Members of the Company in the General Meeting.

Profile of Ms. Swetha Sagar G

Ms. Swetha holds a Bachelor of Engineering in Electronics & Communication Engineering from TEC, Madras University. Additionally, she has completed the Advanced Program for Marketing Professionals from IIM Calcutta and holds an MBA in Marketing and HR from the Indian Institute of Planning & Management.

Ms. Swetha has over 19 (Nineteen) years of experience in various areas including P&L Management, Strategic Planning, New Market Assessment, Brand Management, and Channel Management. She was previously associated with Versuni India Home Solutions Limited and has worked with notable companies such as Hindustan Coca-Cola, Hutchison Essar, EID Parry, and Lavazza India etc.

Below are the broad particulars of the appointment and remuneration payable to Ms. Swetha Sagar G, Manager & Chief Business Officer, as may be approved by Board/ NRC of the Board from time to time and in accordance with the Nomination and Remuneration Policy of the Company:

Particulars	Details
Fixed Pay	Upto ₹ 1,05,48,783/- (One crore Five Lakhs Forty Eight Thousand Seven Hundred and Eighty Three only) per annum. The Fixed Pay includes the following benefits, perquisites and amenities, which is paid and/ or provided to her: i) Basic salary and special allowance; ii) Employer's contribution towards provident fund; iii) Gratuity; iv) Housing Rent Allowance (HRA) or Residential Accommodation; v) Leave Travel Concession (LTC); vi) Reimbursement of telephone expenses; vii) Reimbursement of fuel expenses; viii) Payment of driver salary; ix) Education and hostel allowance for children; x) Payment of premium towards Group Medclaim, as per the rules of the Company
Performance Bonus	Pay out of Rs. 21,09,757/- per annum (Rupees Twenty One Lakh Nine Thousand Seven Hundred Fifty Seven only) at Performance Factor of 100%. This Bonus is performance-linked and shall be paid on the basis of actual performance parameters (including sales growth, profit before tax (growth and as % to sales), cash from operations etc. and as may be fixed by the NRC and Board from time to time.
Stock Options	Restricted Stock Units ("RSU") of Crompton Greaves Consumer Electricals Limited, Holding Company worth of ₹ 1,90,00,000/- (Rupees One Crore and Ninety Lakh Only), as may be approved and announced, from time to time, or an equivalent cash payout.
Other benefits	i) Terminal benefits such as leave encashment, medical benefits and insurance benefits (such as death insurance, vehicle insurance, life insurance, accident insurance, etc.) of the Holding Company. ii) Ms. Swetha Sagar G will be paid annual increment subject to a maximum of 15% (Fifteen Percent) of the Fixed pay and performance bonus for the immediate previous year as approved by NRC and Board of Directors.

Other Key Terms

Tenure of Appointment Ms. Swetha Sagar G as the Manager & Chief Business Officer of the Company for a period of 5 (Five) years commencing from June 15, 2024, to June 14, 2029, (both days inclusive) subject to the approval of Members, along with other terms and conditions inter alia including payment of remuneration for the period of 3 (Three) consecutive financial years from the date of her appointment subject to an annual increment upto a maximum of 15% (Fifteen Percent) of the fixed pay and performance bonus in the immediate previous year without any further reference to the Members of the Company in the General Meeting.

Notice Period

Either the Company or the Manager & Chief Business Officer may give the other 3 (Three) months' notice in writing, prior to terminating the agreement except where reasons are justifiable.

Insurance

Insurance will be covered under the Company's Health Insurance Scheme; Personal Accident Insurance Scheme and Term Insurance as applicable to the employees of the Company. The premium for this will not form part of Fixed Compensation.

Non-Compete

The Manager & Chief Business Officer shall refrain from engaging with competitors for a particular period as mentioned in the letter of appointment, following her separation from the Company.

Employee Benefits

During the term of employment, the Manager & Chief Business Officer is entitled to participate in the employee benefit plans currently and hereafter maintained by the Company of general applicability to other employees of the Company.

Minimum Remuneration

In the event of inadequacy or absence of profit in any financial year of the Company during the term of Manager & Chief Business Officer, the minimum remuneration payable to her shall be by way of Fixed Pay, Performance Bonus, Stock Options/RSU and other benefits and the annual increment as set above subject to the provisions of Section 197 of the Act, and subject to compliances required under Schedule V of the Act.

Qualification

The Manager & Chief Business Officer is conditioned on her representation that she is not disqualified or prevented from acting as a Manager on the Board of the Company, under applicable law including the Act and SEBI Listing Regulations.

Disentitlements

The Manager & Chief Business Officer shall not be entitled to any sitting fees and/ or commission for attending the meetings of the Board of the Company or any Committee(s) thereof.

Duties

The Manager & Chief Business Officer shall perform such duties as shall from time to time be entrusted to her by the Board, subject to superintendence, guidance and control of the Board. Any variation to the terms and conditions of her appointment and remuneration, including Fixed Compensation and Performance Bonus, will be subject to review and approval

of the Board (or its Committee) and shareholders (if applicable) in accordance with the applicable law, including the Act and the SEBI Listing Regulations.

The Company has received all statutory disclosures/ declarations from Ms. Swetha, including (i) consent in writing to act as Manager in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“**the Appointment Rules**”). Ms. Swetha satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under Section 196(3) of the Act for being eligible for re-appointment.

For details Pursuant to the Sub-paragraph (iv) under second Proviso to Items (A) and (B) of section II of Part II of Schedule V to Companies Act 2013, the following statement is given

Sl. No.	Particulars	Details			
1.	Nature of Industry	Manufacturing and Marketing of a wide range of domestic kitchen and domestic electrical appliances.			
2.	Date or expected date of commencement of commercial production	The Company commenced commercial production on February 24, 1986			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4.	Financial performance based on given indicators as per audited financial results for the last 3 (Three) years	(₹ in Lakhs)			
		Particulars	2023-24	2022-23	2021-22
		Gross Revenue	93,128.25	1,05,655.24	95,985.86
		Profit after Tax	738.98	5,166.58	1,612.68
		Dividend	Nil	Nil	3.00
		EPS			
		Basis	4.13	28.90	9.02
		Diluted	4.13	28.90	9.02
		Net-worth	29,218.78	28,564.30	23,500.61
5.	Foreign Investments or collaborations if any	Not Applicable			

Information about the Appointee: Appointment of Ms. Swetha, as the Manager and a Key Managerial Personnel, to be designated as 'Manager & Chief Business Officer':

6.	Background details	<p>Ms. Swetha holds a Bachelor of Engineering in Electronics & Communication Engineering from TEC, Madras University. Additionally, she has completed the Advanced Program for Marketing Professionals from IIM Calcutta and holds an MBA in Marketing and HR from the Indian Institute of Planning & Management.</p> <p>Ms. Swetha has over 19 (Nineteen) years of experience in various areas including P&L Management, Strategic Planning, New Market Assessment, Brand Management, and Channel Management. She was previously associated with Versuni India Home Solutions Limited and has worked with notable companies such as Hindustan Coca-Cola, Hutchison Essar, EID Parry, and Lavazza India etc.</p>
7.	Past remuneration paid during F.Y. 2023-24	Not applicable as Ms. Swetha joined the Company w.e.f. April 12, 2024
8.	Recognition or awards	Ms. Swetha Sagar G, before joining Butterfly, achieved remarkable success by leading her previous brand to a Guinness World Record in 2019. Additionally, she has been also honored with prestigious awards such as the MADDYS, Pepper, and ET Brand Equity awards, highlighting her outstanding leadership and the brand's excellence in the industry.

Sl. No.	Particulars	Details
9.	Job Profile and her Suitability	Ms. Swetha as the Manager & Chief Business Officer under the directions of the Board of Directors of the Company will be taking care of all its day-to-day operations. Taking into consideration her qualifications and expertise, Ms. Swetha is best suited for the responsibilities currently assigned to her by the Board of the Company.
10.	Remuneration proposed	As stated in the Explanatory Statement at Item No. 4 & 5 of this AGM Notice
11.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. in the country of his origin)	In the organised sector of kitchen and electrical appliances industry manufacturing similar products there are only a few companies with similar synergies. The proposed remuneration of the appointee is in line with the prevailing remuneration in Industry, size of the Company, profile of the similar position, etc.
12.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Besides the remuneration paid/ payable to her, the Manager & Chief Business Officer does not have any other pecuniary relationship with the Company or relationship with the managerial personnel
Other Information		
13.	Reasons of loss or inadequate profits	The limited penetration in rural areas and among lower-income households is restricting the Company's potential for market share growth. Additionally, increasing competition from both established industry leaders and emerging brands is intensifying, exerting pressure on profit margins.
14.	Steps taken or proposed to be taken for improvement	To improve its performance, the Company is focusing on expanding demand for energy-efficient and environmentally friendly appliances, which are increasingly popular. Additionally, it aims to capitalise on rising urbanization and lifestyle shifts, which are driving demand for modern appliances. Targeting the growing middle-class population with higher disposable incomes is another strategic move. Finally, the company plans to penetrate untapped rural markets, opening new avenues for growth. The Company has also made suitable decisions to improve cash flow and ensure enough working capital availability. This method will help the Company stay financially resilient and thrive in the long run.
15.	Expected increase in productivity and profits in measurable terms	Butterfly intends to return to growth path in FY-25 post the corrective actions taken across channels and products commencing from H2 FY24.

Disclosures: The remuneration package of Ms. Swetha is provided in the respective resolution and explanatory statements annexed to this notice. Disclosures as required under Schedule V, Part II Section II Para (B)(iv)(IV) shall form part of the Report on Corporate Governance and Board of Directors for F.Y. 2024-25.

The detailed profile of Ms. Swetha and other requisite details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is provided in Annexure-A to this notice.

The Board of Directors recommend the appointment of Ms. Swetha, as the Manager and Key Management Personnel, to be designated as 'Manger & Chief Business Officer' of the Company and payment of remuneration, as set forth in Item No. 4 & 5 of this Notice, for approval by the Members of the Company as an Ordinary and Special Resolution, respectively.

Save and except Ms. Swetha and/or his relatives, none of the Directors and Key Managerial Personnel of the Company and/

or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 & 5 of this Notice.

By the order of the Board

For **Butterfly Gandhimathi Appliances Limited**

Viral Sarvaiya
Company Secretary & Compliance Officer
Membership No. A33764

Registered office

143, Pudupakkam Village,
Vandalur – Kelambakkam Road,
Kelambakkam, Chengalpattu
District – 603 103

Date: June 19, 2024

Place: Chennai

ANNEXURE A

Details of Director/ Manager seeking Re-appointment/ Appointment, respectively in the forthcoming AGM

[In pursuance of Secretarial Standards on General Meetings (“SS-2”) and Regulation 36(3) of the SEBI Listing Regulations]

Name of the Director/ Officer	Mr. Shantanu Khosla	Ms. Swetha Sagar G
Director Identification Number	00059877	N.A.
Category	Non-Executive, Non-Independent Director	Manager and Key Management Personnel (to be designated as 'Manger & Chief Business Officer')
Date of Birth	January 25, 1960	February 01, 1982
Age	64 years	42 years
Nationality	Indian	Indian
Date of first appointment on the Board	March 30, 2022	June 15, 2024
Relationship with Directors, Managers and KMPs	There is no relationship with other Directors on the Board, Managers and KMPs	There is no relationship with other Directors and KMPs on the Board.
Brief Profile	Mr. Khosla holds a Bachelor's degree in Mechanical Engineering from Indian Institute of Technology, Bombay and MBA from Indian Institute of Management, Calcutta. He also served as the Managing Director and Chief Executive Officer of Procter & Gamble from July 2002 to June 2015. He has also served on the Board of Crompton Greaves Consumer Electricals Limited (Holding Company) till April 30, 2023, as Managing Director and from May 1, 2023, as Executive Vice Chairman until April 30, 2024, and thereafter w.e.f. May 1, 2024 he assumed the position of Non-Executive Vice Chairman.	Ms. Swetha has over 19 (Nineteen) years of experience in various areas including P&L Management, Strategic Planning, New Market Assessment, Brand Management, and Channel Management. She was previously associated with Versuni India Home Solutions Limited and has worked with notable companies such as Hindustan Coca-Cola, Hutchison Essar, EID Parry, and Lavazza India etc.
Qualification	Bachelor's degree in Mechanical Engineering from Indian Institute of Technology, Bombay and MBA from Indian Institute of Management, Calcutta	Ms. Swetha holds a Bachelor of Engineering in Electronics & Communication Engineering from TEC, Madras University. Additionally, she has completed the Advanced Program for Marketing Professionals from IIM Calcutta and holds an MBA in Marketing and HR from the Indian Institute of Planning & Management
Experience	38 years	19 (Nineteen) years
Expertise in specific functional area	Wide managerial experience in Consumer Products Industry	Wide managerial experience in Consumer Products Industry
Terms and Conditions of appointment or re-appointment	<ul style="list-style-type: none"> • To be appointed as a Non-Executive Director; • Liable to retire by rotation; • Eligible for re-appointment 	<ul style="list-style-type: none"> • To be appointed as a Manager & Chief Business Officer • Term of Appointment – For a period of 5 (Five) years commencing from June 15, 2024, to June 14, 2029 • Other terms and conditions – as stated in the Explanatory Statement at Item No. 4 & 5 of this AGM Notice
Remuneration sought to be paid	Sitting fees of ₹30,000/- (Rupees Thirty Thousand Only) per Board and Committee Meeting with the authority to Nomination and Remuneration Committee and Board of Directors to increase the fees up to the maximum limit of ₹1,00,000/- (Rupees One Lakh Only) per Meeting.	As stated in the Explanatory Statement at Item No. 4 & 5 of this AGM Notice
Remuneration last drawn	NIL	Not Applicable
Number of shares held in the Company (directly or as a beneficial owner)	NIL	NIL
Number of Meetings of the Board attended during the year	8 (Eight)	NA

Membership/Chairmanship of Committees of the Company	1. Corporate Social Responsibility Committee – Chairman 2. Audit Committee – Member 3. Nomination & Remuneration Committee – Member 4. Risk Management Committee – Member	NIL
Directorships held in listed Companies	Crompton Greaves Consumer Electricals Limited	NIL
Listed companies from which resigned in the past three years	NIL	NIL
Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL	NIL
Membership/Chairmanship of Committees across other Public Companies (listed as well as unlisted)	Crompton Greaves Consumer Electricals Limited • Corporate Social Responsibility Committee – Chairman • Stakeholders Relationship and Share Transfer Committee – Member	NIL

Information at a glance:

Particulars	Details
Mode	VC/ OAVM
Time and date of AGM	Friday, July 19, 2024, at 3:00 P.M. (IST)
Participation through VC	https://www.evoting.nsdl.com
Helpline number for VC participation	1800 22 55 33
Webcast and transcripts	www.butterflyindia.com
Cut-off date for e-Voting	Friday, July 12, 2024
Remote e-Voting start time and date	Monday, July 15, 2024, from 9:00 A.M. (IST)
Remote e-Voting end time and date	Thursday, July 18, 2024, till 5:00 P.M. (IST)
Remote e-Voting website of NSDL	https://www.evoting.nsdl.com
Name, address and contact details of e-Voting service provider	Contact details: Mr. Sanjeev Yadav - Assistant Manager National Securities Depository Limited 4 th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, India E-mail Id: sanjeevy@nsdl.com ; evoting@nsdl.com Contact number: 1800 22 55 33
Name, address and contact details of Registrar and Transfer Agent	Contact details: Mr. Krishnakumar N - Director & Compliance Officer M/s. GNSA Infotech Private Limited STA Department, Nelson Chambers, 4 th Floor, F-Block, No. 115, Nelson Manickam Road, Aminjikarai, Chennai – 600029, Tamil Nadu. E-mail ID: krishnakumar@gnsaindia.com / sta@gnsaindia.com Contact number: 044 – 42962025



Shaping the Future. Perfecting the Present.



Butterfly Gandhimathi Appliances Limited
Annual Report 2023-24

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To read this report online or to download please visit us at www.butterflyindia.com



Shaping the Future. Perfecting the Present.

In the kitchen appliances industry, Butterfly Gandhimathi Appliances Limited ("Butterfly") is renowned for its craftsmanship that blends timeless traditions with cutting-edge technology. Our Annual Report's theme, 'Shaping the Future, Perfecting the Present,' represents the forward-thinking spirit that drives us towards a brighter horizon.

Under the aegis of Crompton Greaves Consumer Electricals Limited, ("Crompton") Butterfly intends to soar to unprecedented heights, transcending from functional to lifestyle products. Leveraging our brand strength and integrated operations, we aim to unlock numerous possibilities in the kitchen space.

F.Y. 2023-24 performance

₹93,128.25 Lakhs

Revenue from operations

₹3,223.11 Lakhs

Operating EBITDA

Who we are

Inspiring innovation

Since our establishment in 1986, Butterfly has aspired to create a strong position in the kitchen space. With concentrated efforts across various areas, Butterfly is the #1 kitchen player in the South market and has cemented its reputation as a sectoral pioneer with the introduction of the first stainless steel pressure cookers and LPG stoves.

In partnership with Crompton, Butterfly continues to provide improved home experiences with a diverse range of advanced appliances. We are committed to infusing every household's cooking experiences with ease and exhilaration.

Our philosophy

Our philosophy is to offer our consumers high-quality kitchen and electrical appliances with ergonomic features and aesthetically pleasing designs at great value while upholding the fundamental principles of transparency, integrity, accountability, and compliance with the applicable laws. We continue to be dedicated to maximising shareholder value and embrace all stakeholders as partners in our success.

Our core values



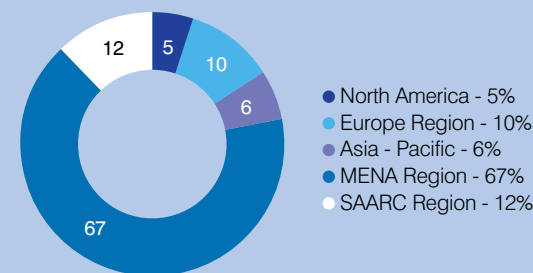
Collaborating for mutual progress

The combined forces of Crompton and Butterfly usher in an era of enhanced agility in the innovation within kitchen appliances domain, promising exciting new prospects for growth and customer-centric offerings.

Making cooking easier worldwide

We are strengthening our international presence by expanding our products across various regions, including the SAARC Countries, Middle East, East Asia, the UK, and the US where our customer base is experiencing growth.

Revenue breakup (%)



Advancing kitchens across homes

Each of Butterfly's products combines practicality, elegance, and affordability, focusing on improving life at home.



Electrical appliances

Mixer Grinders

Elevate your cooking game with Butterfly's range of mixer grinders – the secret ingredient for smoother blends, finer grinds, and a kitchen that works as hard as you do.



LPG Stoves

Turn up the heat without burning a hole in your pocket! Discover the power and precision of Butterfly's LPG stoves for a smarter cooking experience.



Pressure Cookers

Under pressure to create amazing meals? Butterfly's pressure cookers are here to make cooking a breeze – fast, efficient, and delivering delicious results every time.



#1
in South India for stainless steel
LPG Stoves and Wet Grinders

600+
SKUs

Top 3
in core categories of Mixers,
Cookers, Stoves in South India

Butterfly's top-notch kitchen appliances make cooking easier and breezier...

	<p>Tower Fans Stay cool and comfortable with Butterfly's tower fans – sleek, space-saving, and powerful enough to create a refreshing breeze in any room.</p>		<p>Iron Boxes Wrinkles be gone! Butterfly's iron boxes combine sleek design with powerful performance, ensuring your clothes look flawless with every press.</p>
<p>Wet Grinders Unlock the rich flavours of heritage recipes with Butterfly's wet grinders – designed to deliver the smoothest batters and finest pastes for an authentic cooking experience.</p>			<p>Kitchen Chimneys Upgrade your kitchen with Butterfly's kitchen chimneys – the silent guardians against cooking odours and smoke. Enjoy a fresh, clean culinary space every time you cook.</p>
	<p>Electric Rice Cookers Say goodbye to overcooked or underdone rice! Explore the ease of perfectly cooked grains with Butterfly's electric rice cookers – the smart choice for busy kitchens.</p>	<p>Power Hobs Cook with confidence and flair! Butterfly's power hobs redefine speed and efficiency, ensuring your kitchen is always at the cutting edge of culinary innovation.</p>	
<p>Electric Kettles Boil, brew, and savour with ease using Butterfly's electrical kettles – where speed meets style, bringing efficiency to your daily tea or coffee ritual.</p>			<p>Hand Blenders Simplify your kitchen prep with our hand blenders – ergonomic design, powerful performance, and endless culinary possibilities at your fingertips.</p>
	<p>Sandwich Makers Revolutionise your snack game with Butterfly's sandwich makers – creating gourmet sandwiches at home has never been easier, quicker, or more delicious!</p>		<p>Juicer Mixer Grinders From refreshing juices to perfectly ground spices, Butterfly's juicer mixer grinders are designed to cater to all your kitchen needs.</p>
<p>Vegetable Choppers Experience the joy of effortless chopping! Butterfly's vegetable choppers are designed for precision and speed, turning tedious tasks into quick and satisfying kitchen victories.</p>			
		<p>Vacuum Flasks Whether preserving the freshness of the morning brew or keeping soups piping hot for hours, our vacuum flasks are trusted companions for many. With sleek designs and unparalleled insulation technology, Butterfly's vacuum flasks are a statement of style and functionality.</p>	<p>Water Bottles Sip in style wherever you go! Butterfly's water bottles combine fashion and function, making hydration a statement of both health and trendiness.</p>

Turn the pages in our history

Butterfly is a brand that stands the test of time and continues to provide products that deliver superior experience.



1986-89

- Established the brand 'Butterfly'.
- Introduced India's first stainless steel pressure cookers and vacuum flasks.
- Launched LPG stoves and mixer grinders.

2016

Received a 'BEE Label with 2-star rating' for LPG stoves, a first in India.

1992-94

- Developed a safer brazing technique for mixer grinders, replacing toxic copper plating, marking a shift towards eco-friendly manufacturing.
- Got listed on the Bombay Stock Exchange.

2019

- Launched the Peerless line of tabletop wet grinders.
- Secured the international CE Mark, ESMA, and CACO certifications for mixer grinders.

1998-99

- Received a patent for the innovative three conical stone tabletop wet grinder design.
- Earned the distinction of being the first in India to obtain ISO 9000 certification for LPG stoves and mixer grinders.

2021

Launched the Cresta line of food processors.

2000-02

- Initiated international exports by foraying into US, UK, Mauritius, Australia, and Japan.
- Achieved ISO 9000 certification for tabletop wet grinders.

2022-Present

March 2022: Crompton acquired 55% equity share capital in Butterfly.

June 2022: Crompton acquired additional 26% equity share capital in Butterfly through open offer.

September 2022: Crompton sold 6% equity share capital in Butterfly to comply with Minimum Public Shareholding ("MPS") requirement.

Presently Crompton holds 75% equity share capital of Butterfly as promoters.

2003-06

Obtained India's first 'Green Label' for energy-efficient LPG stoves.

2012-14

- Got listed on the National Stock Exchange of India Ltd.
- Expanded the number of product lines to four.

The accolades that motivate us

We are honoured to have received these recognitions for our impactful work delighting our consumers through top-of-the-line products and solutions that add discernible value to their daily lives.

Recognitions that have built our legacy



Quality award from the Government of Tamil Nadu for excellence in quality of production in medium sector industries in 1991-92



National award for LPG stoves and appliances from the Ministry of Micro, Small & Medium Industries, Government of India in 2010



First manufacturer authorised to use 'BEE Label – 2 Star rating' for domestic gas stoves in 2016



India's best company of the year award 2023. Awarded by Berkshire Media Pvt. Ltd.



Butterfly's Kitchen Appliances recognised by ET Edge as one of the Iconic Brands of India in 2023



The latest awards shaping our future

'All India First Licence' for portable water bottles at the 77th (Seventy Seventh) BIS Foundation Day celebrations held in January, 2024



Certificate of Appreciation for 'Commitment to Quality' for performing exceedingly well over a period of 3 (Three) years by appraising samples at the factory and the market at the 77th (Seventy Seventh) BIS Foundation Day celebrations held in January, 2024'

Making the most of now to brighten the prospects of tomorrow



The sustainable offtake we have seen in traditional channels gives us the faith that Butterfly can go from strength to strength, and our market share reiterates the faith consumers have in us. We could have performed better compared to our peers. We will take what we learned from this year and emerge as more well-informed and well-prepared. Adaptability and foresight are essential as we navigate industry dynamics. We will reassess our channel strategy and foster a culture of innovation and resilience through talent management and infrastructure investments. This approach will allow us to relay our foundation and turn things around.”

Dear Members,

I am pleased to present to you Butterfly's Annual Report for the F.Y. 2023-24.

Before discussing Butterfly's performance, let's consider the electrical appliances sector in India. Despite challenges, the industry has displayed resilience. We witnessed degrowth owing to supply chain disruptions and economic uncertainties. Consumer preferences are gradually shifting towards energy-efficient and technologically advanced appliances.

Consumer at the core

At Butterfly, we consider the consumer, from raw materials to build and accreditations, at every stage. Our track record of getting BIS certifications across categories testifies to the effectiveness of this approach. Our strategy emphasises reaching consumers through diverse channels, balancing traditional and digital platforms. We aim to cater to conventional segments while expanding into rural and urban areas, leveraging our collaboration with Crompton to extend our reach across varied geographies.

Quality and Innovation

Our commitment to quality and innovation is persistent. We identify emerging consumer needs and deliver products that balance functionality and sustainability. We will also bank on Crompton's credentials and legacy, utilising resident knowledge transfer to scale our expertise in Research & Development ("R&D") and strive for industry-first innovation and robust New Product Development ("NPD"). We believe this innovation cycle will be mutually beneficial and will continue extending our product pipelines.

Product focus and sustainability

Our growing portfolio caters to evolving consumer demands while promoting environmental responsibility, fuel efficiency and value for money – from stoves to mixer grinders. We identify niche needs, pain points, white spaces, and latent needs that drive new product development. From offering India's first two-star rated stove, which makes cooking multiple recipes quicker, to promoting healthier lifestyles with our pressure cookers and mixer grinders, we aim to make the time spent in kitchens simpler and easier.

Performance commentary

While acknowledging room for improvement, we remain committed to efficiency and sustainability. Our strategic imperatives align our offerings with consumer preferences and assess channel strategies for sustainable growth. What makes us hopeful is that the acceptance and reception of our offerings is adequate. The initial response to the new releases is positive, and as consumers become more comfortable with purchasing, our prospects will improve.

Innovation and development

We aim to extend product lifecycles through solutions that resonate with consumer needs, such as commercial juicers equipped with a self-servicing toolkit that enhances user convenience by reducing downtime and discomfort. We have demonstrated the brand elasticity across categories and will assess and consolidate to make our non-core categories more profitable in the years ahead.

Supply chain management

Leveraging Crompton's expertise, we seek to expand into Eastern, Western, and Northern parts of India, where our presence is nascent. We intend to leverage active channel engagements with dealers and distributors, tap key accounts, and work in tandem to make the brand accessible and visible, whether through e-commerce or traditional channels. We optimise backend resources in sync with the parent company to lower costs and build our operating leverage.

Leadership and skill-building

We brought in professional talent to uplift the overall capability, infuse skillsets, and adopt a market-first approach. We introduced a new set of values, which we implemented throughout the organisation. As a subsidiary, we aim to live our values by streamlining talent and performance management across the workforce, both front end and back

end. We boosted sales leadership and self-learning in the backend by launching a learning tool to make our people self-sufficient. Additionally, we launched Channel Connect app to facilitate the operations of channel partners and understand their needs. A talent transfer journey has begun, and depending on materialising needs and future trends, this collaboration between Crompton and Butterfly will continue.

Looking ahead

The sustainable offtake we have seen in traditional channels gives us the faith that Butterfly can go from strength to strength, and our market share reiterates the faith consumers have in us. We could have performed better compared to our peers. We will take what we learned from this year and emerge as more well-informed and well-prepared. Adaptability and foresight are essential as we navigate industry dynamics. We will reassess our channel strategy and foster a culture of innovation and resilience through talent management and infrastructure investments. This approach will allow us to relay our foundation and turn things around.

In conclusion, our commitment to improving the kitchen space remains firm, led by our brand strength across categories and consumer relatability. Kitchens are evolving. When anyone walks into the kitchen, we aim to make their life easier.

We sincerely thank you, our Members, for your support and confidence in Butterfly.

Regards,

P M Murty
Chairman & Independent Director

Prioritising sustainable growth

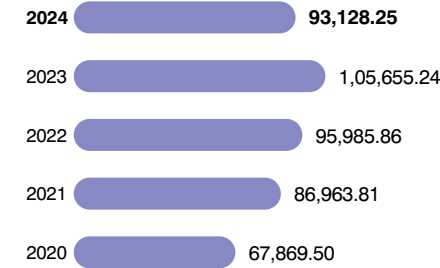
In the past year, we observed non-sustainable value and cashflow. A convergence of these factors has led to a decreased net profit margin due to lower sales and profits. Our determination to turn things around is stronger than ever as we undertake prudent initiatives to position us for future success in a dynamic environment. We are fully dedicated to overcoming these setbacks and emerging stronger.



Financial

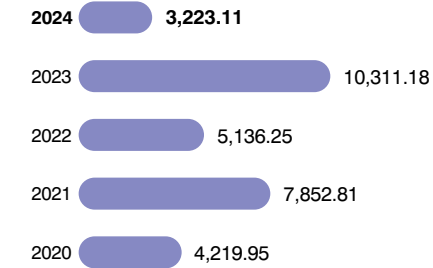
Revenues (₹Lakh)

₹93,128.25 Lakhs



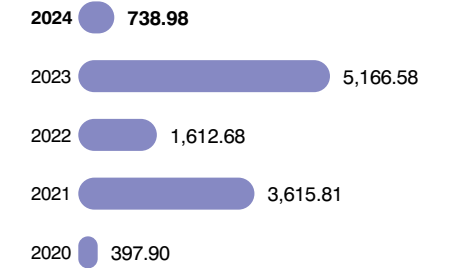
EBITDA (₹Lakh)

₹3,223.11 Lakhs



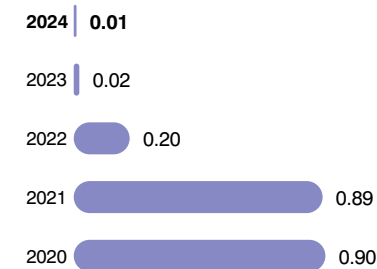
Profit after tax (₹Lakh)

₹738.98 Lakhs



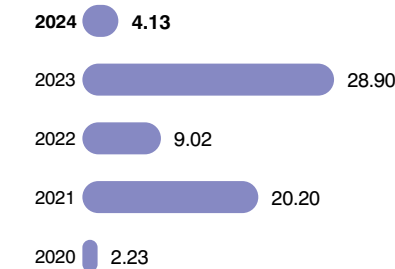
Net debt-equity ratio

0.01



Earnings per share (₹)

4.13



Sustainability

In addition to producing resource-efficient products, we also work hard to reduce greenhouse gas emissions during the production process and promote sustainable packaging. Through our Corporate Social Responsibility (“CSR”) initiatives, we are devoted to nurturing an environment that reinforces the inclusive development of the communities in which we operate.

CO₂ emissions intensity (Scope 1) (MT CO₂e/ ₹Lakh)

290 MT CO₂e



CO₂ emissions intensity (Scope 2) (MT CO₂e/ ₹Lakh)

4,474 MT CO₂e



Non-renewable energy capacity (MW)

24,297.00 GJ



CSR expenditure (₹Lakh)

107.59 Lakhs



Adaptive transformation journey

During the past year, we faced considerable challenges and went through a learning curve. We recognised the need to shed old ideas and adapt to new realities, striving to set new benchmarks in our sector. Despite the difficulties, we emphasised consumer convenience, energy efficiency, and performance optimisation, ushering in innovations that reflect our commitment to excellence through sustainability.

Delivering convenient culinary experiences

Our commitment to innovation led to the development of India's first-ever 3-star rated stainless-steel cooktop with BIS certification. This product offers superior performance and durability while embodying our promise of energy conservation.



Maintaining reliable quality and safety standards

Butterfly introduced the BIS-certified wet grinder, setting a new standard in food preparation safety and efficiency. Following this, we unveiled a BIS-certified water bottle, attesting to our adherence to qualitative excellence and consumer well-being.



Building on a legacy of firsts

From unveiling India's first stainless steel pressure cookers and vacuum flasks more than three decades ago, Butterfly has introduced a range of industry-first products and solutions, such as the recent Bolt Shakti 2-star-rated gas stove. These achievements set us apart from competitors and highlight our leadership in kitchen appliance innovation.

Helping create functional kitchens

Our mixers, stoves, and cookers meet the evolving needs of modern kitchens, blending aesthetic superiority, optimal performance, and health-focused features.



Mixers

Our mixers prioritise both convenience and aesthetics. We aim to enhance our mixer range with innovative designs for multifunctionality, ensuring each mixer offers utmost convenience.

Stoves

Our glass-top stoves, known for their durability and attractive design, elevate kitchen aesthetics and simplify cleaning. With our innovative lock-and-free system and burners of different sizes, we ensure energy efficiency and faster cooking.

Cookers

We are refining our cooker portfolio, focusing on aesthetics and functionality. Our goal is to minimise human intervention, ensure precision, reduce waste, and enhance safety.

Optimising space usage

We understand the constraints of modern kitchens, where space is limited amid numerous gadgets. Our focus is on launching multifunctional appliances to reduce clutter and maximise available space. Our goal is to simplify and expedite culinary tasks, promoting hygiene and energy efficiency.

Targeted product creation

Butterfly's approach to innovation revolves around a thorough understanding of the target audience. This understanding helps us to create appealing products that meet the demands of each consumer group. Our innovation efforts help our customers prepare great-tasting, healthier and more nutritious meals and reduce food waste.

26
New products launched

13,31,992
Mixer grinders sold

14,10,863
LPG stoves sold

3,60,997
Tabletop wet grinders sold

3,60,774
Water bottles sold

Commercial Juice Master



Triply Cookware



Pestle Mixer Grinder CFM



Magix Juicer MG



Magnum Cool Touch Kettle 1.2 and 1.5 L



Bolt Shakti 3B



Matchless Sandwich Maker 750W



Magnum Plus TTWG



Magnum 2B/ 3B/ 4B



Consumer-driven promotion

In recent decades, Butterfly has created engaging marketing campaigns around festive and media events across e-commerce and traditional channels. We seek to focus more on the multi-channel approach to generate positive word of mouth and make our presence felt in all segments by expanding our reach across more towns and cities via our association with our parent company's widespread footprint.



Prioritising convenience and connectivity
 Our dedication to comprehending and responding to consumer demands guides our product innovation, prioritising convenience, connectivity, and customisation in our marketing efforts to promote loyalty. Furthermore, our commitment to furthering our digital presence aims to explore new market opportunities nationwide.

Executing targeted branding efforts
 We initiated branding efforts focusing on packaging innovation, using vibrant yellow and blue colours to enhance product visibility on retail shelves. This strategic approach aims to capture customer attention, distinguish Butterfly's products in the crowded market, and align with the parent company's colour scheme for a unified brand identity. These actions were part of a broader strategy to enhance our visual appeal, ensuring the brand remains competitive and relevant in the marketplace.



Embracing multidimensional brand-building exercises
 We employ a flexible mix of above-the-line, below-the-line, and digital channels, a strategy that allows us to adapt and keep our marketing strategies current and build our brand equity. Our outreach spans targeted campaigns across television, newspapers, outdoor advertising, radio, cinema, and social media, ensuring a broad reach. Additionally, we design customised promotions to engage various consumer groups, improve response rates and reassure us about the future.

Focusing on digital marketing channels
 Embracing the shift towards digital, we have tapped into YouTube, Facebook, and Instagram to launch new-age marketing initiatives. Our strategy focuses on crafting innovative and accessible content customised to our audience, enhancing our online presence, and fostering engagement. Capitalising on our inherent adaptability, we have introduced festive digital campaigns, uploaded insightful product launch videos, and shared different recipes across our social platforms, demonstrating our commitment to forging enduring ties with the modern consumer.



Leveraging influencer-led marketing opportunities
 We collaborated with 13 (Thirteen) influencers in the Western and Southern Indian markets to boost awareness and generate interest in our premium products, reaching a total of 19 Lakhs views.
 We teamed up with actress Huma Qureshi to promote the movie Tarla, which reached an audience of 150 Lakhs on YouTube and achieved 62 Lakhs views combined on Facebook and Instagram.

Our creative campaigns

Our festive campaigns

Dazzling Diwali

Our Diwali campaign transformed the festival into a 'Diwowli,' featuring festive deals for our customers. We launched our campaign on various social media platforms in multiple languages to reach a broader customer spectrum and foray beyond South India. <https://www.youtube.com/watch?v=IEtQ2eToZWQ>

280 Lakhs
Reach

800 Lakhs
Impressions



Opulent Onam

During the festive season, our brand emerged as one of the most prominent in Kerala, contributing to our double-digit growth despite significant market challenges.

170 Lakhs
Reach

910 Lakhs
Impressions

Our strategic collaborations

Bigg Boss

As an associate sponsor for Season 7 of the Telugu edition of Bigg Boss, our brand reached a cumulative audience of 150 Lakhs women aged between 22 and 55 (urban+rural) over 100 days. This strategy solidified Butterfly's position as a household name in the region. Additionally, through a five-minute brand integration during a cooking task that showcased the use of Butterfly products by all contestants, we further strengthened our brand presence. Consequently, we contributed a 34% increase in sales of premium products during the period.



Proactive security measures

Safety remains a watchword for us at Butterfly, and we have implemented measures to optimise costs and improve efficiency while maintaining a proactive approach towards safety. We have integrated IT systems, internal digitalisation, and process integration to achieve this for overall resource optimisation. Furthermore, we have tightened security within the organisation by implementing firewalls and safe-listing computers on the network.



Seizing opportunities with both ‘wings’

The Indian household appliances market is diverse, with varying demands and preferences across regions. While urban areas, particularly metropolitan cities, boast higher adoption rates due to higher disposable incomes, better infrastructure, and greater exposure to global trends, rural areas are catching up as income levels rise and awareness about the benefits of home appliances increases. To succeed in this market, manufacturers must consider the unique regional preferences, cultural factors, and price sensitivities while devising our marketing and distribution strategies. By doing so, they can effectively reach and engage with their target audience, gain their trust and loyalty, and ultimately drive growth and success in this industry.

Demand for premium goods may lift consumer durables industry revenue by 8-10%



Our response

With a keen eye on the evolving market dynamics, we are not just participating in the trend towards premiumisation; we are leading it, promising our customers an unmatched blend of experience, performance, and style.

Burgeoning demand for home automation in the post-COVID-19 world



Our response

In our move to revolutionise the kitchen experience, we are instilling our cookers, mixers, and bottles portfolio with cutting-edge technology, integrating aesthetics with functionality for the modern home. Adopting auto-polishing, hydraulic press machines, and laser technology in production minimises manual handling, ensuring superior precision and safety. This tactical move diminishes waste and aligns our portfolio with the evolving landscape of smart home automation, setting new standards of convenience and efficiency for cooking appliances.

The strategic levers that determine our trajectory

As the disposable income of people in India continues to increase, they are willing to invest in home appliances that enhance their quality of life and provide convenience. With the trend towards urbanisation, living spaces are shrinking, leading to a greater reliance on appliances to maximise limited space and simplify daily tasks. Furthermore, incorporating advanced technologies like IoT and AI has revolutionised the home appliances industry, offering improved functionality and connectivity.

Our pillars	Key strategies
<p>Capitalising on consumer insights</p>	<ul style="list-style-type: none"> We constantly execute consumer research to identify consumers' pain points and preferences, launch differentiated products that genuinely solve consumer problems, and maintain an 'always on' marketing approach to engage consumers year-round. We are streamlining our product portfolios into specific categories, such as food processing, food preparation, cookware, and water solutions, aligning with our goal of being recognised as a kitchen essentials brand. Additionally, we emphasise the importance of product development as a significant revenue driver, with plans to ensure new launches continue to contribute substantially to business growth.
<p>Placing innovation at the core</p>	<p>Excelling in research and development, we have adopted consumer-centric design and cultivated continuous innovation</p> <ul style="list-style-type: none"> We prioritize developing efficient, consumer-friendly products by integrating customer feedback and using predictive methods to refine designs, reduce development cycles, and maintain high quality. We foster a culture of creativity and innovation by recognizing contributions, enhancing role clarity in R&D, and streamlining product development to motivate and value our team members. <p>Raising the sustainability bar</p> <ul style="list-style-type: none"> We commit to sustainability by minimising environmental impact throughout the product lifecycle. This methodology includes reducing non-recyclable materials, opting for energy-efficient designs, and ensuring we develop all new products with an eye towards environmental stewardship. We leverage materials science and eco-friendly technology advancements to lead the way with sustainable product offerings. <p>Optimising operational efficiency and quality assurance</p> <ul style="list-style-type: none"> We implement efficient lab processes to ensure all products meet safety and performance standards while maintaining agility to respond to market demands. We commit to operational excellence to enhance productivity, reduce waste, and ensure compliance with regulatory standards, differentiating Butterfly through quality. <p>Nurturing collaboration and building capabilities</p> <ul style="list-style-type: none"> We promote cross-functional collaboration to blend insights from different areas of expertise, enhancing the innovation process. We invest in training and development to equip the team with advanced design, simulation, and sustainable product development skills.

Our pillars	Key strategies
<p>Expanding business reach</p>	<p>With a strong market presence in South India, we will continue to expand our business all over India, as part of our strategic growth plan. This move aims to capture a larger market share and establish a more substantial presence in the region, which will likely contribute positively to Butterfly's growth.</p>
<p>Diversifying product portfolio and market channels</p>	<p>We have taken strategic actions to de-risk our business by diversifying our product portfolio and market channels. This mechanism includes launching product lines, such as energy-efficient gas stoves, and strengthening our distribution network to reduce dependency on specific channels or markets. Our goal is to ensure sustainable growth by catering to a broader customer base and adapting to market changes.</p>
<p>Building on premiumisation</p>	<p>We are embracing the growing consumer trend towards premium products by strategically consolidating our position in the high-quality, innovative kitchen appliances market. Our focus on the premium segment aims to meet the evolving demands of consumers and establish new benchmarks. By launching a diverse array of premium appliances, we cater to the incipient needs of contemporary homes, seizing opportunities to redefine excellence in our sector.</p>
<p>Investing in distribution expansion and capability building</p>	<p>We have significantly invested in footprint expansion and capability building to enhance our market presence and operational efficiency. This strategic initiative aims to widen Butterfly's reach and improve service delivery to effectively meet consumer demands.</p>



Dispersing the seeds of sustainability

With 81+ Lakhs appliances sold annually, Butterfly has long recognised the extent of our impact on the environment and society. Therefore, sustainability is a critical part of our strategy, and we have made it an integral part of everything we do.



Minimising resource consumption

We acknowledge the growing importance of sustainability performance and are mindful of the impact of our business operations and products on the planet and society. We continuously strive to make progress on sustainability and are proud to be recognised as a responsible corporate. We aim to minimise resource consumption and use more recycled materials to save costs. Our products are known for their optimal environmental performance, delivering incremental value while offsetting adverse impacts.

Reducing environmental impact

Conscious efforts are made during the development of new products to reduce the environmental impact of both the product itself and its development and manufacturing processes. Given the volume of products sold each year, a significant amount of packaging material is used. Special attention is therefore paid to ensuring that these materials are recyclable and to reduce the negative impact it has on the environment. We also make significant efforts to ensure ROHS compliance wherever applicable, thereby reducing the use of hazardous materials in our products. Butterfly is the first brand in India to launch a star-rated cooktop specifically designed to reduce energy consumption, underscoring our commitment to environmental sustainability.

Helping people spread their wings

At Butterfly, our workforce is what makes us stay abuzz with activity and flying high. Hence, we instil a progressive culture grounded in trust, transparency, and accountability. This nurturing environment promotes personal and professional development to their fullest.

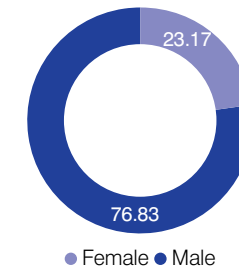
Our inclusive ethos offers equal opportunities, empowering a diverse workforce, particularly women from local semi-urban communities, driving social upliftment. Butterfly and Crompton's combined strengths and enhanced capabilities through cross-functional teamwork are setting the stage for the achievement of future milestones.



Letting a hundred flowers bloom with diversity and inclusion

Diversity & Inclusion are core values at Butterfly because we know that gaining perspectives from diverse sources improves our products, services, teams, and the organisation. While we acknowledge this as a continuous journey, we stay committed to realising newer, bolder goals and undertaking meaningful action to cultivate an even more robust, inclusive, and diverse workplace.

Employee gender mix (%)



People strength

(Permanent employees including permanent workers)



A kaleidoscope of people-oriented measures

Family engagement programmes

Implemented family visit days, enhancing the direct connection between employees' families and the organisation, offering a personalised view of the workplace and generating in-depth product feedback.

Safety culture reiteration

Utilised family engagement platforms to emphasise workplace safety and ensure peace of mind for family members regarding such practices.

Work anniversaries and birthdays acknowledgement

Launched an initiative celebrating employee milestones through SMS to boost morale and camaraderie.

Cross-functional learning and engagement

Introduced a competitive knowledge-sharing programme to broaden employees' understanding of different departmental functions and promote internal growth and cohesion.

Gender diversity in recruitment

Initiated campus recruitment to increase female representation, primarily targeting household appliance departments interacting with a majority female customer base.

Supervisory development programmes

Introduced a structured development programme for supervisory staff, combining theoretical learning with practical and work-related projects.

Flexible working hours

Adopted more flexible attendance policies to bolster work-life balance, accommodating personal needs without compromising operational efficiency.

Taking communities under our wings

In F.Y. 2023-24, we have demonstrated our commitment to corporate social responsibility through various education, infrastructure, and community development initiatives. Local authorities have recognised and appreciated our efforts, contributing to significant improvements in the communities we serve with a keen emphasis on administration and programme monitoring.



Education and infrastructure development

Your Company has made contributions to the education sector and infrastructure development, focusing on enhancing the learning environment in government schools. This initiative includes the provision of benches and desks to improve student seating arrangements, as well as the installation of smart class facilities to introduce modern learning tools. Additionally, investments were made in classroom tiles to ensure a safer and more comfortable environment for students. Steel lockers were also acquired to offer secure storage solutions for their belongings.

In terms of security and communication, your Company implemented CCTV systems with monitors and a microphone with speaker systems in schools. These measures aim not only to enhance security but also to facilitate better communication within the school premises, fostering a conducive atmosphere for education and development.

Our relentless efforts in the education and infrastructure sectors have not gone unnoticed. The District Collector, in a review meeting with District Educational Officers, hailed our contributions as a 'silent revolution'. This recognition is a testament to the effectiveness and impact of our initiatives. All smart boards we provide are proudly branded with our logo, serving as a constant reminder of our commitment. We also took a step further by inaugurating smart classes, elevating the learning experience for students. These achievements, and the recognition they have garnered, should reassure us all of the value and impact of our collective efforts.



Community development

Your Company's Community Development initiatives were meticulously designed to cater to the specific needs of our local area, focusing on enhancing infrastructure and delivering essential services. Throughout the funding period, we allocated resources to support various facets of community life. This included providing salary assistance to school teachers, enhancing public safety through CCTV installations, donation of a tractor-trailer to the village panchayat. Additionally, we invested in various equipment to promote health and well-being among community members. Furthermore, your Company organized a medical camp in Vadanemmeli village that not only provided essential healthcare services but also distributed spectacles to address vision needs within the community. These efforts reflect our commitment to fostering sustainable development and enhancing the overall quality of life for residents.

Butterfly's F.Y. 2023-24 CSR initiatives reflect our deep commitment to fostering lasting and positive educational, infrastructural, and community development changes. We are unwavering in our dedication to being a conscientious corporate entity and eagerly anticipate furthering our endeavours to bring about meaningful and enduring transformations in the future.



Integrity in full flight

At Butterfly, we have instilled a rigorous corporate governance ethos based on transparency, integrity, honesty, accountability, and adherence to legal standards. We view our stakeholders as crucial allies in this quest and commit ourselves to delivering optimum value to our shareholders.

We constantly seek ways to boost transparency and efficiency throughout our various business areas, regularly evaluating and enhancing our systems and practices. Our pledge to act as responsible corporate citizens is evident in our philosophy, which drives us to engage in activities and initiatives that benefit society and contribute to the sustainable development of the community at large. By ensuring our values and objectives are in harmony with the generation of shareholder value and business growth, we maintain strict adherence to the highest standards of corporate governance in every facet of our operations.



Framework

Our corporate governance structure places the Board at the heart of our management strategy, entrusting it with the critical task of strategy formulation and integrating external factors and stakeholder interests. Through the support of specialised committees, including audit, risk, nomination, and remuneration, the Board champions sound management practices to generate sustainable value for all stakeholders. Ensuring the Board remains abreast of important issues ranging from regulatory changes and corporate social responsibility efforts to strategic and sustainability updates is our top priority.

Code of Conduct

Our Code of Conduct prioritises ethical standards, emphasising integrity and legal compliance. It guides decision-making, even in legally grey areas, ensuring adherence to regulatory frameworks. This code, aimed at all employees, fosters a unified understanding and peak performance, embodying the principles central to our organisation's ethos.

Whistleblower policy mechanism

Our whistleblower policy enables reporting unethical acts or policy violations directly to the Audit Committee's Chairman, ensuring confidentiality and protection against retaliation. We bolster this mechanism with regular awareness updates, visible reporting channels, and training for new hires, affirming our commitment to ethical excellence and transparency.

Policies

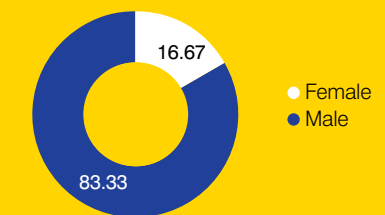
Our policies provide employees and stakeholders with clear principles and standards, serving as a decision-making framework that promotes consistency and fairness in operations. These well-communicated policies contribute to the development of a positive business culture. The Board has established and implemented well-defined codes, policies, charters, and practices to ensure ethical and transparent conduct.

Our Board of Directors

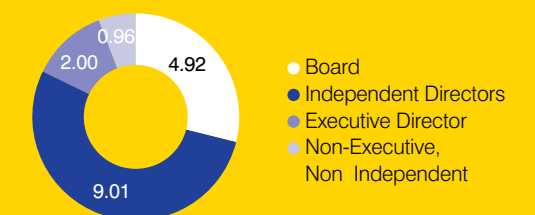
The Board of Directors ("Board") is responsible for the strategic supervision and overseeing the management performance and governance of the Company on behalf of the Members and other stakeholders. The Board has the ultimate responsibility of reviewing and guiding corporate law strategy, significant plans of action, risk policy, annual budgets, and business plans, setting performance objectives, monitoring and implementation of corporate performance, and overseeing major capital expenditures, general affairs, direction, performance and long-term success of the business as a whole. The Board actively participate in the deliberations of the Board and Committee meetings, providing valuable guidance and advice to management on various aspects of business, governance, and compliance.

An active, well-informed, diversified, and independent Board is necessary to ensure the highest standards of corporate governance. At Butterfly, the Board is at the core of our corporate governance practices. The Board oversees the management's functions and protects the long-term interests of the Company's stakeholders.

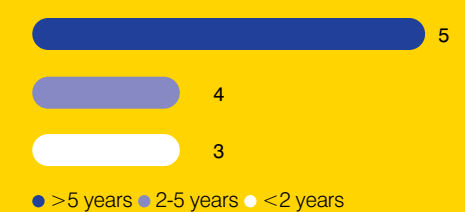
Board diversity and composition as of March 31, 2024 (%)



Average tenure in years (category-wise)



Present tenure of Directors in years



Mr. K E Ranganathan was appointed as as Non Executive, Independent Director on April 4, 2024

Piloting Butterfly ever onwards



Mr. P M Murty
Chairman & Independent Director



Mr. P M Murty joined the Board on April 1, 2022. He holds a postgraduate diploma in management from the Indian Institute of Management, Calcutta. Mr. P.M Murty brings over 41 years of experience from Asian Paints Limited (“APL”), serving in various senior roles including Managing Director from 2009 to 2012. He earned the “CEO of the Year” award by Business Standard for 2009-2010.



Mr. Rangarajan Sriram
Managing Director



Mr. Rangarajan Sriram joined the Board on March 30, 2022. He holds a Diploma in Mechanical Engineering, a Bachelor's degree in Business Administration and a Post Graduate degree in Marketing from SCDL, Pune. He has over 26 (Twenty Six) years of rich and varied work experience and a deep understanding of the consumer durables space, having worked with Kores Ltd., Matsushita (Panasonic) and with Whirlpool, before joining Crompton Greaves Ltd., in 2012. Post the demerger of the consumer business from Crompton Greaves Ltd., Mr. Sriram was heading the Fans business of Crompton Greaves Consumer Electricals Limited since August, 2015.



Ms. Smita Anand
Non-Executive Independent Director



Ms. Smita Anand joined the Board on April 1, 2022. She holds an MBA degree in Human Resources from Allahabad University. Ms. Smita Anand has over 30 years of experience in global management consulting and human resources. Her roles include serving as Managing Director at Leadership Consulting India, Asia head of Board/ CEO Succession Solutions at Korn Ferry, and President of Leadership and Lifelong Learning business. She also served as Regional Leader of Consulting businesses for the Asia Pacific region at AONHewitt in Shanghai from 2002 to 2011. Her early career included senior leadership roles at Ernst & Young and Head of Human Capital Services at PricewaterhouseCoopers.



Mr. A Balasubramanian
Non-Executive Independent Director



Mr. A Balasubramanian, a qualified Chartered Accountant, joined the Board on November 14, 2011. He started his career with Tata Group of Companies in Mumbai, where he worked in accounts and finance for about 5 (Five) years. Later, he joined Punjab National Bank, New Delhi, where he worked in different capacities before retirement as Chief General Manager. Mr. Balasubramanian's expertise lies in accounts, finance, credit administration, risk management, and other areas of banking.



Mr. Shantanu Khosla
Non-Executive Non-Independent Director



Mr. Shantanu Khosla joined the Board on March 30, 2022. He has a B. Tech. in mechanical engineering from IIT Mumbai and a master's degree in business administration from IIM Calcutta. Mr. Khosla is the Non-Executive Vice Chairman of Crompton. Mr. Shantanu Khosla is recognised for his strategic acumen, consumer focus, and thought leadership in building brand equity. Formerly the Managing Director and CEO of Procter & Gamble India, he expanded the business and drove innovation, enhancing P&G's global consumer goods standing.

He has received Distinguished Alumnus Awards from IIT Bombay and IIM Calcutta in 2012 and 2020 respectively.



Mr. Promeet Ghosh**
Non-Executive Non-Independent Director



Mr. Promeet Ghosh joined the Board on May 12, 2023. He holds a bachelor's degree in engineering (Electrical & Electronics) from the National Institute of Technology, Trichy and an MBA from the Indian Institute of Management, Calcutta. Mr. Promeet Ghosh is an experienced investment banker with over two decades of expertise. He has also spent 18 years at DSP Merrill Lynch, where he played a pivotal role in building its M&A franchise. Additionally, he held the position of deputy head at Temasek India, where he significantly expanded the firm's investments in India. Even after transitioning from his full-time position, Mr. Ghosh remained an advisor to Temasek until March 2023 and harbors a fervent dedication towards sustainability transition.



Mr. M Padmanabhan
Non-Executive Independent Director



Mr. M Padmanabhan, a Chartered Accountant, joined the Board on January 30, 1999. He has experience of over 48 years in the audit of public limited companies and nationalised/scheduled banks.



Mr. G S Samuel
Non-Executive Independent Director



Mr. G S Samuel joined the Board on May 11, 2012. He is a postgraduate in economics with postgraduate research in econometrics and a PGDBA from LIBA, Chennai. Mr. Samuel has over two decades of rich managerial experience in State Bank Group, including SBI Capital Markets. He also had a stint with leading companies in financial advisory, private equity placement, capital market services, debt restructuring, joint ventures, and mergers and acquisitions.

**Appointed w.e.f. May 12, 2023



Mr. T R Srinivasan
Non-Executive Independent Director



Mr. T R Srinivasan joined the Board on June 1, 2013. He has over 35 years of wide-ranging experience in policy planning and implementation in urban planning and development, forecasting food requirements, procurement, and planning and development of industrial infrastructure. Mr. Srinivasan retired as Vice Chairman of the Chennai Metropolitan Development Authority (“CMDA”) in 2008.



Ms. Maheshwari Mohan
Non-Executive Independent Director



Ms. Maheshwari Mohan joined the Board on March 31, 2015. She is a practising lawyer specialising in civil, corporate, intellectual property rights, and family law. She is also an academician who teaches young lawyers and law students legal drafting and is the founder of the Co-Draft Academy of Law.



Mr. Nithyanandam Anandkumar[#]
Non-Executive Non-Independent Director



Mr. N Anandkumar joined the Board on November 9, 2023. He is a seasoned professional in the consumer durables industry with rich experience spanning over three decades across varied consumer-facing product categories. Mr. Anandkumar is a pragmatic leader with an inclusive leadership style. He has a proven performance record in general management, product line head, market operations, sales capability, and leadership development. He holds a bachelor’s degree in mechanical engineering and an MBA in sales and marketing. He started his career as a management trainee in Crompton Greaves Electricals Limited (in the erstwhile Crompton Greaves Ltd.) in 1991. Anandkumar’s three-decade-long journey with Crompton has seen him taking roles of increasing responsibilities, including leadership roles in sales and distribution, business head for domestic and kitchen appliances and global head for customer service and delivering strategic objectives for the organisation consistently. He has a passion for coaching and takes pride in creating leaders. Mr. Anandkumar has led several transformational projects, such as the GTM excellence project in diverse markets and product categories and has led breakthrough innovation as business head. Currently, he is the Group Sales and Service Head for Crompton Greaves Electricals Limited, and his area of interest is working on critical transformative projects that help create future-ready organisations.



Mr. K E Ranganathan^{*}
Non-Executive Independent Director



Mr. K E Ranganathan joined the Board on April 4, 2024. He is a qualified Chartered Accountant, a Company Secretary and Fulbright Scholar. He has an in-depth understanding of corporate management within relevant laws and regulations. During his 40 (Forty) years of corporate career with two major business conglomerates i.e. TVS and Murugappa Group – Mr. Ranganathan has demonstrated versatility by working across pivotal functions. Initially, he dedicated 15 years to the core finance domain, followed by 8 (Eight) years in leadership roles encompassing sales, marketing, distribution, supply chain, IT, and HR. Since 2006, he has served as the Managing Director of renowned companies, where his adept leadership has consistently delivered commendable business outcomes. His extensive exposure to international business operations through parent companies such as Roca, Whirlpool, and Suzuki further amplifies his expertise, enabling him to navigate global markets effectively.



Mr. Kaleeswaran Arunachalam[#]
Non-Executive Non-Independent Director



Mr. Kaleeswaran Arunachalam joined the Board on November 9, 2023. He, with a career spanning over two decades, possesses extensive expertise in corporate finance, financial planning and analysis, business partnering, investor relations, fundraising, treasury management, strategic planning, audit, and risk management. In his most recent position as Global CFO of Eicher Motors Limited, Mr. Kaleeswaran played a pivotal role in establishing a platform for the next decade’s journey of Royal Enfield. This involved creating a robust business and financial model, emphasising portfolio pricing programs, driving cost leadership, achieving significant penetration in retail finance, and bolstering digital marketplace presence. During his tenure at Eicher Motors, he successfully established a Center of Excellence for internal controls and a shared services platform for global accounting and reporting.

Committees	Chairperson	Member	Committees	Chairperson	Member
Audit Committee	●	●	Risk Management Committee	●	●
Nomination & Remuneration Committee	●	●	Corporate Social Responsibility Committee	●	●
Stakeholders Relationship Committee	●	●			

^{*}Appointed as Non-Executive Independent Director w.e.f. April 4, 2024
[#]Appointed as Non-Executive Non-Independent Director w.e.f. November 9, 2023

Addressing red flags to growth

We proactively manage business risks to maintain seamless operations and prioritise the safety of people and assets. We collaborate with the Audit Committee and the top management to create a formidable risk mitigation framework by regularly evaluating potential threats and adopting strategies aligned to market shifts.

Our fundamental mitigation efforts include implementing robust internal controls, undertaking detailed risk assessments, having emergency plans in place, and upholding a persistent commitment to safety and compliance. Investment in top-tier security and open communication reinforce our readiness to deal with foreseeable and unforeseen contingencies. This all-encompassing approach aims to protect our enterprise and facilitate resilient growth.

Risk management process

Establishing the context

Effective risk management begins with identifying internal and external elements that could affect the realisation of objectives. This initial phase is critical as it lays the groundwork for a thorough risk identification and evaluation process, establishing the context needed for a structured approach to manage potential risks.

Assessment

This multi-step process starts by identifying potential risks that might impede an organisation's goals. The next step involves analysing their probability and impact. Finally, these risks are evaluated and ranked to decide how to manage them effectively.

Treatment

This component involves choosing actions to decrease the risks' probability and severity. The tactics range from avoiding and transferring risks to lessening their effects or accepting them when appropriate.

Monitoring, review, and reporting

After establishing a risk treatment plan, it is imperative to monitor and review its performance continuously, adjusting it as necessary to address any new risks. Regular evaluations and updates and transparent reporting to stakeholders are critical to supporting strategic decision-making.

The significant risks identified by the management cover those related to regulatory compliance, product quality, brand equity, supply chain management, sectoral competition, organisational culture, human resources, and information technology. We have summarised some of the critical risks we face and the ongoing mitigation actions we take below:

Risk

Regulatory risk

The absence of an acceptable compliance tracker/ monitoring mechanism to assure completeness and effectiveness of adherence to all applicable statutes can increase costs or limit growth prospects, lowering profits and investment returns.

Mitigation

- We conducted comprehensive assessment of key statutes applicable, and steps taken to address gaps.
- We initiated compliance tracker comprising relevant governmental acts updated by respective function heads on timely adherence.
- We introduced our pre-planned online compliance tool.

Environment, Health, and Safety (EHS)

The dearth of a safe operational culture, a well-formulated EHS policy, and non-adherence to established hazardous waste storage and disposal regulations can cause catastrophic failures, closures, hefty monetary penalties, and reputational damage.

- We implemented a robust safety initiative, integrating safety officers and champions to foster a strong safety culture.
- We conducted regular awareness sessions, leadership safety walks, and engaging events have been conducted, supported by safety displays and injury-free day celebrations.
- We deployed an emergency response team with defined roles and adopted comprehensive EHS policies.
- We ensured compliance with new extended producer responsibility regulations, including those pertaining to proper segregation and disposal of hazardous waste.
- We executed fire and electrical safety audits, addressing critical observations, and ensuring a safe work environment.

Product Innovation Risk

The inability to keep pace with evolving market trends, consumer needs, and cutting-edge technologies, as well as the failure to convert ideas into products quickly and delays in launching, can lead to disruptions and falling behind sectoral peers.

- We conducted in-depth market research to align our product development plan with consumer demands regarding convenience, health, aesthetics, and value.
- We formulated year-long calendars replete with weekly progress reviews, and feasibility studies to ensure adequate returns on investment.
- We continued enhancing our marketing and design capabilities and have initiated a stage-gated product development process.

Product Quality Risk

Insufficient capability and procedural consistency in quality assurance and controls, the want of a structured scorecard and monitoring mechanism about the quality inspection process can have a negative bearing on turnaround times, capital management, stakeholder satisfaction, and corporate reputation.

- We honed the skills of our quality team to institutionalise robust quality processes and assurance controls, utilising a comprehensive quality scorecard that monitors key parameters like internal quality control, product quality review and product development complaints.
- We set targets to reduce the cost of poor quality, initiating rigorous supplier audits and defining strict quality control measures to maintain our brand's reputation and manage costs effectively.

Risk	Mitigation
<p>Supply Risk</p> <p>Potential leakages and wastages due to inefficient buying, including single sourcing, and inconsistent parameter-setting in the vendor evaluation process can increase vulnerability and undesirably influence business continuity.</p>	<ul style="list-style-type: none"> • We streamlined vendor selection, qualification, and onboarding, alongside cost benchmarking, enhancing savings. • We undertook strategic renegotiations and alternate vendor development to ensure seamless procurements and enhance cost-competitiveness. • We evaluated vendors based on cost, quality, capacity, and compliance, ensuring optimal procurement efficiency and quality standards.
<p>Disruption Risk</p> <p>A limited geographic footprint and inadequate alternate channels amidst stiff competition across product categories, especially post-COVID-19, can adversely impact online consumer traffic/sales. At the same time, the absence of robust guiding principles on pricing strategy and benchmarking can affect margins. Furthermore, macroeconomic factors like an industrial slowdown and rampant inflation can also shrink offtake, diminish revenue collection, and lessen margins.</p>	<ul style="list-style-type: none"> • We laid down quarterly plans aim to improve retail and chain store presence, improve modern trade capabilities, and maintain an online channel mix • We took steps to launch an integrated channel expansion pilot project in collaboration with our parent company to grow in Northern, Eastern, and Western India. • We enhanced our product portfolio based on annual strategies and consumer insights . • We set retail and alternate channel pricing standards to improve competitiveness and explore alternate channels like corporate gifting and rural markets. • We carried out stock-keeping unit rationalisation, cost efficiency projects like Munnetram, Unnati and consumer-centric product launches as a part of our strategy to maintain our market position and expand our distribution network effectively.
<p>Customer Satisfaction Risk</p> <p>The absence of a feedback mechanism to gauge customer satisfaction levels and an ineffective framework to benchmark with the competition can lower sales and diminish brand equity.</p>	<ul style="list-style-type: none"> • We launched a service feedback certification programme with our direct channel partners and are rolling out free service camps across Southern India with plans in place to extend them pan-India on a quarterly basis. • We introduced a WhatsApp chatbot for efficient complaint registration. • We utilised geo-fencing technology to enhance complaint management. • We improved our service offerings, following a competition benchmarking exercise, including extended doorstep service for mixers, and revising after-sales remuneration to enhance client delight. • We developed a CRM-based interface to streamline product quality feedback to relevant stakeholders, demonstrating our commitment to continuous improvement and customer satisfaction.

Risk	Mitigation
<p>Inventory Risk</p> <p>Online forecast challenges, inefficient monitoring of ageing inventory with potential obsolescence, excessive accumulation of stock-keeping units across channels and inconsistent bill of materials maintenance can lead to significant stock differences and impact overall valuation.</p>	<ul style="list-style-type: none"> • We implemented sales and operations planning and centrally managed them to align our optimistic projections with weekly reality checks, facilitating immediate adjustments in supplies and liquidation of ageing stock. • We revamped our portfolio to rationalise stock-keeping units across major categories, sharpening our focus and enhancing outcomes. • We adopted a comprehensive inventory verification process, including perpetual checks and external counts. This mechanism involved validation of bills of materials, analyses of consumption versus norms at the production order level, and investigation into any additional consumption to identify root causes. • We instituted an inventory provisioning policy, with focused reviews by cross-functional teams monthly, aiming at the reduction or liquidation of slow-moving stock.
<p>Human Resources Risk</p> <p>Opacity regarding organisational policies, absence of change management when aligning with the code of conduct, unacceptable employee behaviours and conflicts of interest and lack of capability-building in critical positions and employee development initiatives can pose significant threats.</p>	<ul style="list-style-type: none"> • We enhanced our employee policies for a more robust framework and promoting transparent communication through townhall meetings led by the top management. • We institutionalised a detailed code of conduct addressing behaviour, culture and ethics and offered structured training to follow stringent norms. • We commenced performance management, targeted learning and development initiatives, skill training and a forthcoming career and succession planning framework to catalyse employee growth and reinforce organisational integrity.
<p>Information security and access controls risk</p> <p>Inadequate IT infrastructure and network security, potential data leakage risks, an ineffective data recovery mechanism, and the absence of access and control review can be detrimental.</p>	<ul style="list-style-type: none"> • We created an IT setup that relies on internal servers and manual backup systems to eliminate data breaches. • We performed an initial review of our IT infrastructure by leveraging the expertise of our parent company. • We kickstarted pre-vulnerability assessment and penetration testing activities. • We completed our annual disaster recovery drill. • We implemented critical and mandatory IT infrastructure and data security protocols and reviewed key authorisation checks and access controls to ensure robust security measures are in place.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian macroeconomic overview

The Indian economy has shown strong growth in the F.Y. 2023-24 given the improved consumer demand, proactive government policies, and momentum in key sectors like construction and manufacturing. The GDP growth in the third quarter was aided by a strong uptick in private investments. The index of industrial production of consumer durables and improved automobile sales indicated a revival in private consumption. The improvement in GST revenues and ease in retail inflation indicate GDP growth trajectory.

Outlook

While India's economy remains steady, the government's response to global economic shifts and focus on strengthening domestic production and enhancing infrastructure shall be key drivers for 2024-25 economic growth. A synchronous

global recovery next year will likely help improve exports while improved capital flows will drive higher investment and consumption. The rapid growth of the middle-income class has led to rising purchasing power and even created demand for premium luxury products and services.

Indian household appliances market

The market for household appliances in India has grown substantially in recent years because of increasing households, change in lifestyle, increasing importance for quality products. While the overall household appliances segment saw improved demand, but it was a challenging year for kitchen appliances. However, the kitchen segment witnessed popularity of premium, energy efficient and connected kitchen products. Online channel has been one of the biggest growth drivers for the industry wherein new categories are seeing significant traction.

SWOT analysis

Strengths

- Expanding national market with a substantial customer base
- High-tech innovations steering product modernisation
- Widespread distribution networks and retail presence
- Established brands with proven loyalty

Weaknesses

- Purchasing power issues in specific market divisions
- Limited penetration in rural areas and lower-income households
- Mounting rivalry among recognised players and emerging brands

Opportunities

- Expanding demand for energy-efficient and environmentally friendly appliances
- Rising urbanisation and lifestyle shifts
- Growing middle-class population and disposable earnings
- Penetration of untapped rural markets

Threats

- Volatile economic conditions and variations in consumer spending patterns
- Rapid technological advancements making certain products outdated
- Changing government regulations and policies affecting the industry
- Competition from other players

Company overview

Since its inception in 1986, Butterfly Gandhimathi Appliances Limited (**"BGMAL/ Butterfly"**) has been a leader in the domestic kitchen appliances industry, known for its focus on quality and innovation. The Company has achieved several industry-first milestones and is recognised as a pioneer in the field. BGMAL has a strong presence in both domestic and international markets. In March 2022, Crompton Greaves Consumer Electricals Limited (**"Crompton"**) acquired a majority stake in BGMAL. This strategic investment by Crompton will likely enhance the Company's market position and broaden its product range. Additionally, it will create synergies, simplify the corporate governance structure, and align the interests of both the companies stakeholders.

Products

Butterfly offers a wide range of domestic kitchen appliances, including LPG stoves, mixer grinders, wet grinders, pressure cookers, flasks, water bottles, kettles, and chimney hobs, made from stainless steel and aluminium.

Technology

The Company always works towards improving its processes and stay ahead of the competition. It invests in the latest technologies, including cutting-edge machinery, innovative materials, and automation, to ensure efficiency and excellent quality. Additionally, the Company understands the importance of digital acceleration and invests in technology and data analytics to make operations smoother, improve supply chain management, and enhance customer experiences. These strategic investments show the Company's commitment to staying ahead in a technology-driven market.

Presence

The Company sells high-quality products both in India and internationally across numerous countries. It holds a dominant position in the southern Indian market across core categories. The Company aims to maintain competitiveness through a focus on innovation, improving customer satisfaction, and delivering excellence. It takes pride in meeting varied consumer needs by providing exceptional value and quality.

Safety

The Company prioritises the safety and well-being of its employees. The Company formed a safety committee to ensure workforce safety and nominated safety champions across all departments. Monthly safety reviews and reminders of safety protocols are conducted, along with providing high-quality personal protective equipment and continuous employee training. These efforts have resulted in a significant decrease in safety incidents. The Company also emphasises compliance with all relevant laws and regulations, establishing a framework to ensure timely adherence.

Manufacturing

The Company has modern manufacturing plants that make a variety of high-quality domestic kitchen appliances. The Company has been working towards improving efficiency, product quality, and productivity in all its plants to become a leading player in the Indian market. These efforts show the Company's commitment to offering its customers top-quality products with great care and attention to detail.

Sales Performance

Following the COVID-19 pandemic, there has been considerable change in how Indian kitchens operate and in consumers' purchasing journeys. BGMAL has renewed its approach of connecting with consumers at various touch points. During the year under review, the Company focused on strengthening its presence in traditional trade in the South market and expanded its reach in the Non-South market, which has shown positive results. Butterfly has also streamlined product offerings, reducing non-core segments while strengthening the core category.

As a result, the growth momentum in the retail channel continues, and the market share in core categories remains robust. The share of premium products, led by new product launches, continues to improve. One key milestone of this year was the launch of the Shakti series, India's first star-rated gas stove, and new mixer grinders.

Acknowledging the space for improvement and the strength of the Butterfly brand, the Company aims to speed up the launch of new products and extend product life cycles. Strategic dealer engagements and pre-season meets have been vital in building market confidence and will continue to be pivotal to our strategy.

Operations

The Company focuses on thorough understanding of the latest concepts, tools, and techniques to ensure that its project-focused approach is sustainable and consistently delivers high quality. This approach helps the Company to reach its goals and establish new industry standards. The Company aims to improve its operations by increasing productivity, and reducing losses. To achieve this, the Company has established clear performance goals and is actively working on various projects at different stages of completion.

	(₹ in Lakhs)	
Product	F.Y. 2023-24	F.Y. 2022-23
Kitchen appliances	68,903.91	77,654.07
Cooker/cookware	18,765.89	23,238.30
Others	5,458.45	4,762.87
Total	93,128.25	1,05,655.24

Financial Performance

The Company's revenue stood at ₹93,128.25 Lakhs compared to ₹1,05,655.24 Lakhs in F.Y. 2022-23. The EBITDA stood at ₹3,223.11 Lakhs in F.Y. 2023-24 compared to ₹10,311.18 Lakhs in F.Y. 2022-23. The Company reported a PAT stood at ₹738.98 Lakhs in F.Y. 2023-24 compared to ₹5,166.58 Lakhs in F.Y. 2022-23. Certain factors, including the standardisation of operating procedures between Butterfly and Crompton and certain one-time settlements with channel partners, impacted the Company's performance last year. Furthermore, the full-year liability of extended producer responsibility (EPR) of ₹120.00 Lakhs crystallised in Q4 of F.Y. 2023-24. The re-organisation of bottles and flask sourcing resulted in an impact of ₹211.54 Lakhs in Q4 of F.Y. 2023-24.

The Board's Report for ready reckoning includes a summary of operating results. The Company has made suitable decisions to improve cash flow and ensure enough working capital availability. This method will help the Company stay financially resilient and thrive in the long run.

[₹ in Lakhs (except total debt)]		
Product	F.Y. 2023-24	F.Y. 2022-23
Net sales	93,128.25	1,05,655.24
Finance costs	642.44	650.59
Total net income	654.48	5,063.69
Long-term borrowings	-	-
Total debt (as times of equity)	0.01	0.02
Short-term borrowings	-	-
Depreciation	1,806.27	1,615.26
Capital Expenditure	1,658.38	1,871.51
Investments	3,216.98	34.92
EBIDTA	3,223.11	10,311.18
PBT	562.86	8,045.33
PAT	738.98	5,166.58

S. No.	Particulars	F.Y. 2023-24	F.Y. 2022-23	Change (%)	Explanation
1	Debtors' turnover ratio	7.29	9.76	(25.34)	Increase in debtors with sale concentration in channels with higher credit period and lower sales compared to previous year
2	Inventory turnover ratio	4.61	3.99	15.40	Reduction in inventory holding with effective stock norms and supply planning
3	Interest coverage ratio	5.02	15.85	(68.35)	Reduction due to decline in operating profits and lower sales
4	Current ratio	1.57	1.64	(3.97)	Reduction due to increase in current investment and provisions
5	Debt-equity ratio (%)	0.01	0.02	(26.00)	Improved self generated funds leading to non-utilisation of debt
6	Operating profit margin (%)	2.94	9.14	(67.83)	Reduction due to decline in operating profits and lower sales
7	Net profit margin (%)	0.79	4.89	(83.77)	Reduction due to decline in profits and lower sales
8	Return on net worth	2.56	19.91	(87.12)	Reduction due to decline in profits and lower sales

Sustainability

The Company seeks to create high-quality products that are energy-efficient and sustainable. This dedication demonstrates its long-term goal of reducing environmental impact. The Company is committed to building a cleaner, more sustainable future by prioritising sustainability and energy efficiency. Its focus on innovative, high-quality products aligns with its promise to minimise its environmental footprint.

Risk Management

The Company intends to achieve its essential and lasting goals through established a robust risk management policy, framework, and process. These steps help find, handle, and lessen potential risks effectively, protecting the Company's interests and ensuring its long-term success.

The Company manages risks by making well-informed decisions at all levels. It uses bottom-up and top-down

approaches to cover all business areas. The risk management team systematically identifies critical risks and regularly reviews mitigation actions. The Risk Management Committee oversees the effectiveness of the Risk Management Policy, Process, Structure, and Mitigation Mechanism. In addition, the Audit Committee oversees financial risks and controls, and the Internal Management Audit team assures the Board of Directors that the process is effective.

Internal Control Systems

The Company has implemented internal control systems and management to protect and use assets properly. It uses an Enterprise Resource Planning (ERP) system to provide the senior management team for data-driven insights. This approach helps monitor every aspect of the business in real time and make more informed and faster decisions. The Company follows all accounting standards and guidelines for keeping financial records and reporting. The Company's

internal control systems are in place to ensure that business operations run smoothly and comply with laws, regulations, and policies while providing the reliability of financial reporting. The Internal Auditors monitor and report on the effectiveness of the internal control systems in different areas of operations.

Human Resources

Our employees play a crucial role in today's ever-changing business world by developing new skills, creating plans, building robust systems, and nurturing a growth-oriented organisational culture. The Company had 1,217 employees as of March 31, 2024.

Key initiatives

Embedding a culture of safety	The Company used platforms to involve families in safety at work. This approach helped show that safety is essential and made their loved ones feel better.
Fostering cross-functional learning and engagement	The Company's knowledge-sharing programme aims to help employees learn from each other and work together better. It allows employees to learn about different parts of the Company and work more effectively towards the same goals. This approach helps the Company to remain unified and enable employees to develop careers.
Enhancing gender diversity in the workforce	The Company aims to increase the number of women in departments mainly serving female customers, such as household appliances. This effort promotes gender diversity and creates an inclusive work environment that meets the needs of all customers, leading to business growth.
Undertaking supervisory development programmes	The Company recently started a new training programme for supervisors. This programme combines classroom learning with hands-on projects to help staff grow in their roles. The Company strives to give its staff the tools they need to succeed in their careers.
Offering flexible working hours	The Company has a new attendance policy that supports employees in balancing work and personal life. This approach ensures that employees can handle personal matters without affecting work efficiency. It reflects the Company's dedication to creating a supportive work environment that prioritises its employees.

Cautionary statement

In accordance with the relevant laws and regulations, certain statements in the management discussion and analysis report relating to the Company's goals, forecasts, outlook, expectations, and estimates may be considered 'forward-looking statements.' Actual outcomes could differ from these predictions, expectations, and other statements, whether explicit or implicit. The operations of the Company could significantly change depending on several variables. These include environmental factors, macroeconomic factors that affect supply and demand, governmental policies and taxation, natural disasters, and other factors that the Company has no direct control over.

Board's Report

Dear Members,

The Board of Directors ("**Board**") are pleased to present the Company's 37th (Thirty Seventh) Annual Report on the business and operations of your Company ("**the Company**" or "**Butterfly**"), along with the audited Financial Statements for the Financial Year ended March 31, 2024.

1. State of the affairs of the Company

Various initiatives were taken to expand the market for the Company's products to new geographies, and for maximisation of efficiencies particularly in the area of cost reduction and working capital management.

The business contingency plans focused on digitalisation of sales process, innovative marketing strategies and careful optimisation of supplies to various channels as and when each channel became operational.

The performance of the business(es) of the Company are detailed out in the Management Discussion and Analysis Report ("**MDA**"), which forms part of this Annual Report.

2. Financial performance

The Company's financial performance for the year ended March 31, 2024, is summarised below:

Particulars	₹ in Lakhs)	
	F.Y. ended on March 31, 2024	F.Y. ended on March 31, 2023
Revenue from Operations (Net)	93,128.25	1,05,655.24
Other Income	485.77	659.03
Operating Expenditure	90,390.91	96,003.09
Operating Profit before Depreciation and Finance Cost	2,737.34	9,652.15
Profit before Depreciation, Finance Cost and Exceptional Items	3,223.11	10,311.18
Finance Cost	642.44	650.59
Depreciation	1,806.27	1,615.26
Profit before Exceptional Items and Tax	774.40	8,045.33
Exceptional Items	211.54	-
Profit before Tax	562.86	8,045.33
Income Tax/ Deferred Tax	(176.12)	2,878.75
Profit after Tax	738.98	5,166.58
Other Comprehensive Income net of tax	(84.50)	(102.89)
Total Comprehensive Income for the year	654.48	5,063.69
Earnings Per Equity Share (Face Value of ₹10 (Rupees Ten Only))	4.13	28.90

3. Performance at a glance

During the year under review, the Revenue from operations amounted to ₹93,128.25 Lakhs as against ₹1,05,655.24 Lakhs in the previous year.

EBITDA for the year stood at ₹3,223.11 Lakhs as against ₹10,311.18 Lakhs during the previous year.

Depreciation for the year stood at ₹1,806.27 Lakhs as against ₹1,615.26 Lakhs during the previous year.

Interest expense for the year stood at ₹642.44 Lakhs as against ₹650.59 Lakhs during the previous year.

Profit before Tax stood at ₹562.86 Lakhs as against ₹8,045.33 Lakhs, during the previous year.

No material changes or commitments have occurred between the end of the Financial Year and the date of this Report, which affects the Financial Statements of the Company with respect to the reporting year.

4. Dividend

The Board has not recommended any dividend for the Financial Year ended 2023-24.

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**the Listing Regulations**"), the Company has formulated a Dividend Distribution Policy. The

policy is given as **Annexure-1** to this Report. It is also available on the Company's website and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2021/04/Dividend-Distribution-Policy-20.10.2020.pdf>

5. Transfer to reserves

Your Company does not propose to transfer any amount to the General Reserve.

6. Report on MDA

As required under Regulation 34 read with Schedule V(B) the Listing Regulations, report on MDA is presented in a separate section, forming part of this Annual Report and are restricted to the areas which are relevant to the current scenario of the Company and outlook.

7. Share capital

During the year under review, there was no change in the share capital of the Company.

The total paid-up equity share capital of the Company as on March 31, 2024, stood at ₹1,787.96 Lakhs divided into 1,78,79,551 (One Crore Seventy Eight Lakhs Seventy Nine Thousand Five Hundred and Fifty One) equity shares of ₹10 (Rupees Ten Only) each.

8. Financial liquidity

Cash and cash equivalent as on March 31, 2024, stood at ₹4,091.10 Lakhs *vis-à-vis* ₹3,268.84 Lakhs in the previous year. The Company's working capital management is robust and involves a well-organised process, which facilitates continuous monitoring and control over receivables, inventories and other parameters.

9. Credit Ratings

CRISIL, a Credit Rating Agency has provided the Company's credit rating for its bank facilities. During the year under review credit rating for the long-term facilities were upgraded from CRISIL AA/ Watch Positive to CRISIL AA/ Stable. The details of the ratings are as below:

1. Long-Term Rating	CRISIL AA/Stable
2. Short-Term Rating	CRISIL A1+

10. Public deposits

No public deposits have been accepted or renewed by your Company during the Financial Year under review pursuant to the provisions of Section 73 and 74 of the the Companies Act, 2013, ("**the Act**") read together with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement with respect to furnishing of details relating to deposits covered under Chapter V of the Act or details of deposits which are not in compliance with the Chapter V of the Act is not applicable. The requisite return for F.Y. 2022-23 has been filed and the Company does not have any unclaimed deposits as of date.

11. Particulars of loans, guarantees or investments

During the year under review, the Company has not granted any Loans and/ or given any Guarantees and/ or provided any security and/ or made any investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014.

12. Internal control systems

12.1 Internal controls and its adequacy

Your Company prioritises reinforcing financial and operational controls to enhance transparency, accountability and efficiency in its processes. Your Company adheres to an internal control framework that includes key process coverage that impacts the reliability of financial reporting, periodic control testing to assure design and operational effectiveness, implementation of remedial measures and regular monitoring by Senior Management and the Audit Committee of the Board. Internal audits are conducted periodically and any design deficiencies or operational inefficiencies, if any, are reported and improvement measures are recommended. The adequacy of controls is reviewed by the Audit Committee of the Board and specific processes are assessed for improvement in systems and outcomes.

During the Financial Year under review, trainings were conducted to keep the employees informed of the Company's Code of Conduct ("**COC**"), Prevention of Sexual Harassment and Whistle-Blower rights. This ensures compliance and a controlled environment, while achieving our objectives. A certificate from the Managing Director ("**MD**") and Chief Financial Officer ("**CFO**") forms part of this Annual Report on the adequacy of internal control systems and procedures.

12.2 Internal controls over financial reporting

The Company's internal financial controls commensurates with the scale and complexity of its operations. These systems are designed keeping in view the nature of activities carried out at each location and the various business operations. The Company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

13. Vigil Mechanism/ Whistle-Blower Policy (“WB Policy”)

The Company has established a reputation for doing business with integrity and maintained zero tolerance towards any form of unethical behaviour. Your Company has formulated a Vigil Mechanism and WB Policy intending to provide a mechanism for employees to report violations. It also assures them of the process that will be observed to address the reported violation(s). The Vigil Mechanism and WB Policy also lays down the procedures to be followed for tracking complaint(s), giving feedback(s), conducting investigation(s), and taking disciplinary action(s), if required. It also provides assurance and guidelines on confidentiality of the reporting process and protection from reprisal to complainant(s). No personnel have been denied access to the Audit Committee of the Board. The Audit Committee oversees the functioning of the Vigil Mechanism and WB Policy. Protected disclosures can be made by a Whistle Blower through several channels to report actual or suspected fraud(s) and violation(s) under the Company’s COC.

The Vigil Mechanism and WB Policy also provides a mechanism to encourage and protect genuine Whistle Blowing amongst the Vendors.

Any incident that is reported is investigated and suitable action, if any, is undertaken in line with the Vigil Mechanism and WB Policy.

The Vigil Mechanism and WB Policy of your Company is available on the website of the Company and can be accessed at the weblink https://www.butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf

Your Company received 2 (Two) Whistle-Blower complaints during the F.Y. 2023-24 and suitable action was taken in accordance with the WB Policy.

14. Holding Company

Pursuant to Section 2(87)(ii) of the Act, Crompton Greaves Consumer Electricals Limited (“Crompton”), the Holding Company incorporated on February 25, 2015, *inter alia*, is engaged in the business of manufacturing, trading, selling and distribution of fans, lighting, pumps and appliances. The equity shares of Crompton are listed on BSE Limited and National Stock Exchange of India Limited (“NSE”).

Total revenue of Crompton on a consolidated basis for the F.Y. ended March 31, 2024, was ₹7,380.20 Crore (including ₹67.39 Crore as other income). Profit after Tax was ₹441.78 Crore as compared to ₹476.40 in the previous year.

Pursuant to Section 2(87)(ii) of the Act, Crompton holds 75% of the equity share capital of the Company.

15. Subsidiaries, Associates and Joint Venture Companies

The Company does not have any Subsidiaries, Associates or Joint Venture during the Financial Year or at any time after the closure of the Financial Year and till the date of this report.

16. Board of Directors and Key Managerial Personnel

Your Company’s Board comprises 13 (Thirteen) Members as on the date of this Report.

16.1 Directorate

a) Appointment(s)/ re-appointment(s) and Directors retiring by rotation

The appointment and remuneration of Directors are governed by a Policy devised by the Nomination and Remuneration Committee (“N&RC”) of your Company. The detailed Nomination and Remuneration Policy is available on the website of the Company and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2021/04/policy-for-appointment-and-evaluation-of-BOD-20.10.2020.pdf>

Further, there were following changes in the directorate during the year under review.

• Appointment/ Re-appointment

During the year under review, the Board of the Company at its Meeting held on November 09, 2023, and basis the recommendation of the N&RC of the Board considered and approved the appointment of Mr. Kaleeswaran Arunachalam (DIN:07625839) and Mr. Nithyanandam Anandkumar (DIN:10381096) as Additional Directors (Non-Executive, Non-Independent) of the Company liable to retire by rotation w.e.f. November 09, 2023.

The resolutions pertaining to the above appointments were duly approved by the Members of the Company, on December 21, 2023, by means of Postal Ballot.

Mr. Promeet Ghosh (DIN:05307658) was appointed as an Additional Director by the Board basis the recommendation of N&RC w.e.f. May 12, 2023. The Members of the Company at their Annual General Meeting (“AGM”) held on July 19, 2023, approved the appointment of Mr. Promeet Ghosh as Non-Executive, Non-Independent Director of the Company liable to retire by rotation.

The Board of Directors of the Company at its meeting held on April 4, 2024, basis the recommendation of the N&RC of the Board and based on the evaluation of the balance of skills, knowledge, experience and expertise considered and approved the appointment

of Mr. Kunnawalkam Elayavalli Ranganathan (DIN:00058990) (“Mr. K E Ranganathan”) as Additional Director (Non-Executive, Independent) for a period of 5 (Five) consecutive years commencing from April 4, 2024, to April 3, 2029, not liable to retire by rotation.

• Re-appointment of the Managing Director

The Board of the Company, basis the recommendation of N&RC of the Board, re-appointed Mr. Rangarajan Sriram (DIN:09550640) as the Managing Director of the Company for a further term of 2 (Two) years commencing from March 30, 2024, liable to retire by rotation.

The aforesaid re-appointment of Mr. Sriram was subsequently approved by the Members on March 30, 2024, through postal ballot.

• Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 of the Act and the Company’s Articles of Association, Mr. Shantanu Khosla (DIN:00059877), Non-Executive, Non-Independent Director, is liable to retire by rotation at the forthcoming AGM and being eligible has offered himself for re-appointment. The Board recommends re-appointment of Mr. Khosla for the consideration of the Members at the forthcoming AGM. The relevant details including profile of Mr. Khosla are disclosed under the Notice of AGM and Report on Corporate Governance forming part of this Annual Report.

• Cessation

During the year under review, Mr. Mathew Job (DIN:02922413), Non-Executive, Non-Independent Director, tendered his resignation from the Board w.e.f. April 30, 2023 to pursue other career interests. Mr. Job had also confirmed that there were no other material reason other than those stated above. The Board expressed its appreciation towards Mr. Job for the valuable guidance and services rendered by him during his tenure as a Director of the Company.

16.2 Key Managerial Personnel (“KMP”)

In accordance with the provisions of Section 2(51) and Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the following are the KMPs of the Company as on the date of this Report:

1. Mr. Rangarajan Sriram, Managing Director
2. Mr. V A Joseph, Chief Financial Officer

3. Mr. Viral Sarvaiya, Company Secretary & Compliance Officer

During the year under review, Mr. R Nagarajan, Chief Financial Officer, resigned w.e.f. April 5, 2023. Ms. B Ananda Shalini was appointed as Chief Financial Officer w.e.f. April 6, 2023, and resigned w.e.f. October 20, 2023. Mr. V A Joseph was appointed as Chief Financial Officer w.e.f. November 9, 2023.

16.3 Independent Directors

The Company’s Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company’s Code of Conduct. The terms and conditions of appointment/ re-appointment of the Independent Directors are placed on the website of the Company and can be accessed at <https://www.butterflyindia.com>

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the varied fields and holds high standards of integrity.

All the Independent Directors of the Company have registered themselves with Indian Institute of Corporate Affairs, Manesar (“IICA”) for the inclusion of their names in the data bank maintained by IICA. In terms of Section 150 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, since all the Independent Directors of the Company have served as Directors for a period of not less than 3 (Three) years on the Board of Listed Compan(ies) as on the date of inclusion of their names in the database, they were not required to undertake online proficiency self-assessment test conducted by IICA, except for Mr. K E Ranganathan who shall complete the online self assessment proficiency test within the designated timeline as stipulated in the Act.

As on the date of this Report, Mr. P M Murty, Ms. Smita Anand, Mr. A Balasubramanian, Mr. M Padmanabhan, Mr. G S Samuel, Mr. T R Srinivasan, Ms. Maheshwari Mohan and Mr. K E Ranganathan are the Non-Executive Independent Directors of the Company. The details of the membership of committees and the qualifications and expertise of all the Directors is covered in the Report on Corporate Governance which forms part of this Annual Report.

16.4 Non-Independent Directors

As on the date of this Report, Mr. Shantanu Khosla, Mr. Promeet Ghosh, Mr. Kaleeswaran Arunachalam, and Mr. Nithyanandam Anandkumar are the Non-Executive, Non-Independent of the Company. Mr. Rangarajan Sriram, Managing Director is the only Executive Director on the Board.

16.5 Board effectiveness

Familiarisation programme for Independent Directors

Your Company has in place a structured programme for induction of new Directors as well as other initiatives to update the existing Directors on a continuous basis. The Familiarisation Programme of the Company provides information relating to the Company, operational activities, business model, geographies in which Company operates, etc. The Programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company, budget and control process of the Company.

Regular presentations and updates on relevant statutory changes encompassing economic outlook, market trends, peer trends, changes in laws where Company is operating were made to the Directors at regular Board Meetings of the Company.

The Managing Director along with senior leadership team delivers presentation(s) on the performance and strategic initiatives of the Company.

Evaluation of the Board's performance

In terms of requirements of the Act read with the Rules issued thereunder and the Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, its Committees and Individual and Independent Directors. Your Company believes that the process of performance evaluation at the Board level is pivotal to its Board Engagement and Effectiveness. Criteria for Board evaluation is duly approved by N&RC. Performance evaluation is facilitated by the Chairman of the Board who is supported by the Chairperson of the N&RC.

The process of Board evaluation is conducted through structured questionnaires for the Board as a whole, its Committees, Individual and Independent Directors.

The parameters for performance evaluation of the Board *inter alia* includes the composition of the Board, process of appointment of the Board, common understanding of the roles and responsibilities of the Board Members, timelines for circulating Board papers, content and quality of the information provided to the Board, attention to the Company's long-term strategic issues, evaluating strategic risks, overseeing and guiding acquisitions, strengths of Board Members and their contribution, governance etc.

Some of the performance indicators for the evaluation of the Committees *inter alia* includes understanding the terms of reference, the effectiveness of discussions at the Committee Meetings, the information provided to the Committee to discharge its duties/ obligations and performance of the Committee, support provided to the Board *vis-à-vis* its responsibilities.

The performance of Individual Directors was evaluated based on parameters such as attendance at the Meeting(s), contribution to Board deliberations, engagement with colleagues on the Board, ability to guide the Company in key matters, knowledge, and understanding of relevant areas, and responsibilities towards stakeholders. All the Directors were subject to self-evaluation and peer evaluation.

The performance of the Independent Directors was evaluated taking into account the above factors as well as independent decision-making and non-conflict of interest. Further, the evaluation process was based on the affirmation received from the Independent Directors that they meet the independence criteria as required under the Act and the Listing Regulations.

In addition to the questionnaires, detailed one-on-one in-sighting was carried out by the Chairperson of the N&RC with individual Board Members. A quantitative analysis and Board Effectiveness brief with in-sighting feedback and trends was shared by the Chairperson of the N&RC to all the Board Members. Thereafter, the following process was followed to assimilate and process the feedback:

- A separate Meeting of the Independent Directors was held, wherein performance of Non-Independent Directors including the MD, Chairman of the Board and of the Board as a whole was evaluated;
- The entire Board discussed the findings of the evaluation with the Independent Directors and also evaluated the performance of the Individual Directors including the MD, the Board as a whole and all Committees of the Board; and
- As an outcome of the above process, individual feedback was shared with each Director.

The Board Evaluation discussion was focused on how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was apprised of relevant business issues and related opportunities and risks. The Board discussed various aspects of its functioning and that of its Committees such as structure, composition, meetings, functions and interaction with management and what needs to be done to further augment the effectiveness of the Board's functioning.

The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board. They were functioning well with periodic reporting by the Committees to the Board on the work done and progress made during the reporting period. The Board also noted that the actions identified in the past questionnaire-based evaluations had been acted upon.

During the F.Y. 2023-24, the Company enacted the feedback from the Board evaluation process conducted in the F.Y. 2022-23. The Board noted the key

improvement areas that emerged from this exercise in the F.Y. 2023-24 and action plans to address the same were in progress.

Remuneration Policy and criteria for selection of candidates for appointment as Directors, KMPs and Senior Management

The Company has in place a policy for remuneration to Directors, KMPs and Senior Management as well as a well-defined criterion for the selection of candidates for appointment to the said positions, which has been approved by the Board. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive and Non-Executive Directors (by way of sitting fees and commission), KMPs and Senior Management.

The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the N&RC and the Board. The Policy on remuneration to Directors, KMPs and Senior Management is given as an Annexure to Report on Corporate Governance and is also available at the website of the Company and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2021/04/policy-for-appointment-and-evaluation-of-BOD-20.10.2020.pdf>

17. Number of Meetings of the Board and its Committees

17.1 Board Meetings

Regular Meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses. The schedule of the Board/ Committee Meetings to be held in the forthcoming Financial Year is circulated to the Directors in advance to enable them to plan their schedule for effective participation in the Meetings. Due to business exigencies, the Board also approves several proposals via circular resolution from time to time.

Your Board of Directors met 8 (Eight) times during the F.Y. 2023-24. The details of the Meetings and the attendance of the Directors are mentioned in the Report on Corporate Governance which forms part of this Annual Report.

17.2 Board Committees

The Board has established Committees as a matter of good corporate governance practice and as per the requirements of the Act and the Listing Regulations.

The Company has the following 6 (Six) Board-level Committees, which have been established in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

1. Audit Committee
2. Nomination & Remuneration Committee ("N&RC")

3. Corporate Social Responsibility Committee ("CSR Committee")
4. Stakeholder Relationship Committee ("SRC")
5. Share Transfer Committee ("STC")
6. Risk Management Committee ("RMC")

The composition, terms of reference, number of Meetings held and business(es) transacted by the Committees are given in the Report on Corporate Governance which forms part of this Annual Report.

The details of Composition of the Mandatory Committees of the Board are as follows:

17.2.1 Audit Committee

The Audit Committee comprises 6 (Six) Members out of which 5 (Five) are Non-Executive Independent Directors. The Committee is chaired by Mr. A Balasubramanian, Non-Executive Independent Director. The other Members of the Committee are Mr. P M Murty, Ms. Smita Anand, Mr. M Padmanabhan, Mr. G S Samuel all of whom are Non-Executive Independent Directors and Mr. Shantanu Khosla who is a Non-Executive, Non-Independent Director. Details of the role and responsibilities of the Audit Committee, the particulars of Meetings held and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

17.2.2. Nomination & Remuneration Committee ("N&RC")

The N&RC comprises 6 (Six) Members out of which 5 (Five) Members are Non-Executive Independent Directors. The Committee is chaired by Ms. Smita Anand, Non-Executive Independent Director. The other Members of the Committee are Mr. P M Murty, Mr. A Balasubramanian, Mr. G S Samuel, Mr. M Padmanabhan, all of whom are Non-Executive Independent Directors and Mr. Shantanu Khosla is a Non-Executive, Non-Independent Director. Details of the role and responsibilities of the N&RC, the particulars of Meetings held and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report.

During the year under review, all the recommendations made by the N&RC were accepted by the Board.

N&RC is responsible for, *inter alia*, recommendation and approval of remuneration of the Directors, KMPs and Senior Management. N&RC is also entrusted with the responsibility of framing the criteria for evaluation of the individual Directors, Chairman of the Board, the Board as a whole and its Committees. It also routinely evaluates the working and effectiveness of the Board and manages the succession planning for Board and KMPs.

17.2.3 Corporate Social Responsibility (“CSR”) Committee

The CSR Committee comprises 7 (Seven) Members out of which 5 (Five) are Non-Executive, Independent Directors. The Committee is chaired by Mr. Shantanu Khosla, Non-Executive, Non-Independent Director. The other Members of the Committee are Mr. P M Murty, Ms. Smita Anand, Mr. G S Samuel, Ms. Maheshwari Mohan, Mr. T R Srinivasan all of whom are Non-Executive Independent Directors and Mr. Rangarajan Sriram, Managing Director. Details of the roles and responsibilities of the CSR Committee, the particulars of the Meetings held and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report.

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Company has set up CSR Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR activities forms part of this Report as **Annexure-2**. The CSR Policy as recommended by the CSR Committee and approved by the Board is available on the website of the Company and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>

17.2.4 Stakeholders’ Relationship Committee and Share Transfer Committee (“SRC” and “STC”)

Stakeholders’ Relationship Committee (“SRC”)

The SRC comprises 5 (Five) Members out of which 3 (Three) Members are Non-Executive Independent Directors. The Committee is chaired by Mr. Promeeet Ghosh Ghosh, Non-Executive, Non-Independent Director. The other Members of the Committee are Ms. Smita Anand, Mr. M Padmanabhan, Mr. T R Srinivasan all of whom are Non-Executive Independent Directors and Mr. Rangarajan Sriram, who is the Managing Director.

Details of the roles and responsibilities of the SRC, the particulars of Meetings held and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report. During the year under review, all the recommendations made by the SRC were accepted by the Board.

Share Transfer Committee (“STC”)

The STC comprises 5 (Five) Members out of which 3 (Three) Members are Non-Executive Independent Directors. The Committee is chaired by Mr. Promeeet Ghosh, Non-Executive, Non-Independent Director. The other Members of the Committee are Ms. Smita Anand, Mr. M Padmanabhan, Mr. T R Srinivasan all of

whom are Non-Executive, Independent Directors and Mr. Rangarajan Sriram who is the Managing Director.

Details of the roles and responsibilities of the STC the particulars of meetings held and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report.

SRC and STC are collectively responsible for *inter alia* various aspects of interest of the stakeholders, monitoring the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when the need arises, resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends and issue of duplicate certificates, etc.

17.2.5 Risk Management Committee (“RMC”)

The RMC comprises 8 (Eight) Members out of which 6 (Six) are Non-Executive Independent Directors. The Committee is chaired by Mr. M Padmanabhan, Non-Executive Independent Director. The other Members of the Committee are Mr. P M Murty, Ms. Smita Anand, Mr. G S Samuel, Mr. A Balasubramanian, Ms. Maheshwari Mohan all of whom are Non-Executive Independent Directors, Mr. Rangarajan Sriram, the Managing Director and Mr. Shantanu Khosla who is a Non-Executive, Non-Independent Director. Details of the roles and responsibilities of the RMC, the particulars of Meetings held and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report. During the year under review, all the recommendations made by the RMC were accepted by the Board.

RMC assists the Board in monitoring and reviewing the risk management plan and implementation of the risk management and mitigation framework of the Company. The main objective of the RMC is to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of risks including risks related to cyber security.

18. Risk Management Framework

The Board formulated the Company’s Risk Management Policy identifying the elements of risk that the Company may face, such as strategic, financial, credit, market, liquidity, security, property, legal, regulatory and other risks, pursuant to the provisions of Section 134(3)(n) of the Act, which has been exhibited on the Company’s website and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2022/04/Risk-Management-Policy.pdf>

19. Particulars of contracts or arrangements with related parties

In accordance with the requirements of the Act and the Listing Regulations, your Company has a Policy on Related Party Transactions (“RPTs”) uploaded on the Company’s website and can be accessed at https://www.butterflyindia.com/wp-content/uploads/2022/06/RPT-Policy_15.06.2022.pdf

Your Company did not enter into any RPTs during the year under review, which could be prejudicial to the interest of minority shareholders.

All the RPTs are placed before the Audit Committee for their review and approval and also before the Board, wherever required. An omnibus approval from the Audit Committee and the Board is obtained for all the transactions which are of a foreseen and repetitive nature. A statement giving details of all RPTs is placed before the Audit Committee for their noting/ approval every quarter.

All transactions with related parties entered into during the year under review were in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the Listing Regulations and your Company’s Policy on RPTs.

During the Year under review, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act.

However, the details pertaining to transactions which were not at arm’s length basis is disclosed in Form No. AOC-2, along with details of all the RPTs entered into by the Company during the year under review, as a measure of adoption of good corporate governance practices and forms part of this report as **Annexure-3**.

None of the Directors and the KMPs has any pecuniary relationships or transactions *vis-à-vis* the Company.

Pursuant to the provisions of Regulation 23 of the Listing Regulations, your Company has filed half yearly disclosures with the stock exchanges on the date of publication of its financial results and the same is uploaded on the Company’s website and can be accessed at https://www.butterflyindia.com/wp-content/uploads/2024/05/RPT_31.03.2024.pdf

Your Directors draw attention of the Members to the Notes in the financial statements that sets out the disclosure of RPTs.

20. Transfer of unpaid/ unclaimed amounts and shares to Investor Education and Protection Fund (“IEPF”)

Pursuant to the applicable provisions of the Section 125 and 124 of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the IEPF Rules”), the dividend amount that remains unpaid or unclaimed for a period of 7 (Seven) years

or more is required to be transferred to the IEPF administered by the Central Government. Further, in accordance with the IEPF Rules, the shares on which dividend has not been paid or claimed by the Members for 7 (Seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year under review and in terms of the applicable provisions of the Act read with IEPF Rules as amended from time to time, unclaimed dividend for the F.Y. 2015-16, aggregating to ₹5,82,689 (Rupees Five Lakhs Eighty Two Thousand Six Hundred Eighty Nine Only) was transferred to the IEPF Fund.

Further, during the year under review, in compliance with the requirements of the IEPF Rules, the Company had transferred 2,97,583 (Two Lakhs Ninety Seven Thousand Five Hundred Eighty Three) equity shares of ₹10 (Rupees Ten Only) each in respect of which dividend has not been claimed for a period of 7 (Seven) consecutive years to the demat account of the IEPF Authority.

The Members may note that both the said unclaimed dividend and corresponding shares transferred to the IEPF Authority including all the benefits accruing on such shares, if any, can be claimed by the Members from the IEPF Authority after following procedure prescribed in the Rule 7 of the said IEPF Rules for refund of shares/ dividend etc.

21. Significant and material orders passed by the Regulators, Courts, Tribunals, Statutory and Quasi-Judicial Body

No significant or material orders were passed by the Regulators, Courts, Tribunals, Statutory and Quasi-Judicial Body that would impact the going concern status and Company’s operations in the future.

During the year under review, the Board of the Company at their Meeting held on March 25, 2023, considered and approved the Scheme of Amalgamation of the Company with the Crompton Greaves Consumer Electricals Limited (“**Transferee Company**”) and their respective Members and creditors under Sections 230 to 232 and other applicable provisions of the Act read with rules made thereunder (“**Scheme**”). The Scheme was filed with BSE Limited and The National Stock Exchange of India Limited (“**Stock Exchanges**”) on April 07, 2023, and subsequently, it was approved by the stock exchanges on July 21, 2023 & July 24, 2023, respectively.

Further, the Company filed the Scheme Application with the Hon’ble National Company Law Tribunal, Chennai Bench (“**NCLT**”) on August 20, 2023, and pursuant to the order issued by NCLT on September 12, 2023, the Company had convened an Extra-Ordinary General Meeting for the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company on October 28, 2023. However, approval of the majority of the public shareholders of the Company was not

received in favor of the Scheme, and accordingly, the Scheme was not acted upon.

This does not have any impact on the Company's growth strategy and both the Companies continued to operate as separate entities and work towards fulfilling their mutual strengths, thereby creating value for all the stakeholders.

22. Risk arising out of litigation, claims and uncertain tax positions

The Company is exposed to a variety of laws, regulations, and interpretations, particularly in the areas of direct taxation and legal matters. In the normal course of business, provisions and contingencies may arise due to uncertain tax positions and legal issues.

Management uses significant judgment when evaluating risks and determining the amount to provide for potential exposures related to these matters. These estimates may change substantially over time as new facts emerge, so they are reviewed regularly. When expert opinions are needed, the Company consults with top legal counsel.

23. Auditors

a) Statutory Auditors

M/s. ASA & Associates LLP, Chartered Accountants (Firm Registration Number: 009571N/ N500006), were appointed as the Statutory Auditors of the Company by the Members at their 35th AGM held on July 14, 2022, to hold office as Statutory Auditors for a second term of 5 (Five) consecutive years, commencing from the conclusion of the 35th AGM till the conclusion of the 40th AGM.

The Board of Directors at their Meeting held on May 14, 2024, and basis the recommendation of the Audit Committee approved a remuneration of M/s. ASA & Associates at ₹31,50,000 (Rupees Thirty One Lakhs and Fifty Thousand Only) for the F.Y.2024-25.

The Auditors' Report for the F.Y. 2023-24 does not contain any reservation, qualification or adverse remark, on the Financial Statements of the Company. The Auditors' Report is self-explanatory and therefore, does not require further comments and explanation. The Auditors' Report on the Financial Statements of the Company forms part of this Annual Report.

Further, in terms of Section 143 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended read with any notifications/circulars issued by the Ministry of Corporate Affairs from time to time, no fraud has been reported by the Auditors of the Company nor they have reason to believe that an offence involving fraud has been committed in the Company by its' officers or employees and therefore no details are

required to be disclosed under Section 134(3)(ca) of the Act.

The Audit Committee reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process.

b) Cost Auditors

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records as specified by the Central Government. Accordingly, the Company has maintained the requisite cost accounts and records in the prescribed manner and the same are audited by a Cost Accountant.

The Board at its Meeting held on May 14, 2024, based on the recommendation of the Audit Committee, approved the appointment of M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration Number 000007) as the Cost Auditors of the Company to conduct audit of the cost records of the Company for the F.Y. 2024-25 at a remuneration of ₹1,75,000 (Rupees One Lakh and Seventy Five Thousand Only) plus applicable taxes and out-of-pocket expenses subject to the ratification of such fees by the Members at the ensuing AGM. Accordingly, the matter relating to the ratification of the remuneration payable to the Cost Auditors for the F.Y. 2024-25 will be placed at the ensuing AGM. Your Company has received consent, eligibility and status of independence certificate from M/s. S. Mahadevan & Co.

M/s. S. Mahadevan & Co., have confirmed that the cost records of the Company for the F.Y. 2023-24, are free from any disqualifications as specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act.

c) Secretarial Auditors and Secretarial Audit Report

The Board at its Meeting held on May 12, 2023, appointed M/s. M. Alagar & Associates, Company Secretaries, as the Secretarial Auditors of the Company to conduct the Secretarial Audit for F.Y. 2023-24. The Secretarial Audit Report is annexed as **Annexure-4** to this Report. There has been no qualification, reservation, or adverse remark given by the Secretarial Auditors in their Report.

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board at its Meeting held on May 14, 2024, based on recommendation of the Audit Committee approved the appointment of M/s. M. Alagar & Associates, Company Secretaries (ICSI Unique Code: P2011TN078800) as the Secretarial Auditors to conduct audit of the secretarial

records of the Company for the F.Y. 2024-25 at a remuneration of ₹1,40,000 (Rupees One Lakh and Forty Thousand Only).

d) Internal Auditors

Pursuant to the provisions of Section 138 of the Act, the Board, at its Meeting held on May 12, 2023, and based on the recommendation of the Audit Committee approved the appointment of M/s. Grant Thornton Bharat LLP (Identity number AAA-7677) to conduct the internal audit of your Company for the F.Y. 2023-24.

The Board of Directors at their Meeting held on May 14, 2024, had re-appointed M/s. Grant Thornton Bharat LLP as the Internal Auditors of your Company for the F.Y. 2024-25 a remuneration of ₹26,00,000 (Rupees Twenty Six Lakhs Only).

24. Material changes and commitments affecting financial position between the end of the Financial Year and date of the Report

There are no material changes and commitments affecting the financial position of your Company, which has occurred between the end of the Financial Year of the Company, i.e. March 31, 2024, and the date of this Report, i.e. May 14, 2024.

25. Awards and recognitions

The detailed section on awards and recognitions forms part of this Annual Report.

26. Enhancing Stakeholders value

Your Company is committed to creating and returning value to its stakeholders. Accordingly, the Company is dedicated to achieving high levels of operating performance, cost competitiveness, and striving for excellence in all areas of operations. The Company firmly believes that its success in the marketplace and good reputation are among the primary determinants of its' stakeholders value. Its close relationship with customers and a deep understanding of their challenges and expectations drive the development of new products and services. Anticipating customer requirements early and being able to address them effectively requires a strong commercial backbone. Your Company continues to develop this strength by institutionalising sound commercial processes and building world-class commercial capabilities across its marketing and sales teams. The Company uses an innovative approach in the development of its products and services, as well as execution of growth opportunities. The Company is also committed to creating value for all its stakeholders by ensuring that its corporate actions positively impact the economic, societal and environmental dimensions of the triple bottom line.

27. Business Responsibility and Sustainability Report ("BRSR")

Pursuant to the Regulation 34(2)(f) of the Listing Regulations, the initiatives taken by the Company from an environmental, social, and governance (ESG) perspective are provided in the BRSR and forms part of this Annual Report.

28. Corporate Governance

The Board of Directors re-affirm their continued commitment to good corporate governance practices. During the year under review, the Company has complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from the Company's Auditors' confirming compliance of the Corporate Governance norms as stipulated in Regulation 34(3) of the Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Annual Report as **Annexure-5**.

29. Particulars of employees

There was 1 (One) employee who was in receipt of remuneration of not less than ₹ 1,02,00,000 (Rupees One Crore and Two Lakh Only), if employed for the full year and 2 (Two) employees who were in receipt of remuneration of not less than ₹ 8,50,000 (Rupees Eight Lakh and Fifty Thousand Only) per month, if employed for part of the year.

Disclosures concerning the remuneration of Directors, KMPs and Employees as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-6** to this Board's Report. Your Directors affirm that the remuneration is as per the remuneration policy of the Company.

Details of Employee remuneration as required under provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection by the Members at the Registered Office of your Company during working hours. The Annual Report along with Financial Statement are being sent to the Members excluding the aforesaid exhibit. Any Member interested in obtaining such information may write to the Company Secretary & Compliance Officer at butterfly.investorrelations@butterflyindia.com

30. Reporting of fraud by Auditors

During the year under review, neither the Statutory Auditors, the Secretarial Auditor, the Cost Auditors nor the Internal Auditors have reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

31. Annual Return

As required under 92(3) and 134(3)(a) of the Act, the Annual Return of the Company is uploaded on the Company's website and can be accessed at <https://www.butterflyindia.com/investor-relations/>

32. Compliance with Secretarial Standards ("SS-1 and SS-2")

Your Directors state that the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") i.e. SS-1 and SS-2 relating to Meetings of the Board of Directors and General Meetings respectively have been duly followed by the Company.

33. Conservation of Energy, Technology, Absorption and Foreign Exchange Outgo

Information relating to Energy Conservation, Technology Absorption, Foreign Exchange earned and spent, and Research and Development activities undertaken by the Company during the year under review in accordance with Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are given in **Annexure-7** of this Board's Report.

34. Mergers and acquisitions

During the year under review, the Board of the Company at their Meeting held on March 25, 2023, considered and approved the Scheme of Amalgamation of the Company ("**Transferor Company**") with the Crompton Greaves Consumer Electricals Limited and their respective Members and creditors under Sections 230 to 232 and other applicable provisions of the Act read with rules made thereunder ("**Scheme**"). The Scheme was filed with the Stock Exchanges on April 07, 2023, and subsequently, it was approved by the stock exchanges on July 21, & July 24, 2023.

Further, the Company filed the Scheme Application with the Hon'ble NCLT on August 20, 2023, and pursuant to the order issued by NCLT on September 12, 2023, the Company had convened an Extra-Ordinary General Meeting for the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company on October 28, 2023. However, approval of the majority of the public shareholders of the Company was not received in favor of the Scheme, and accordingly, the Scheme was not acted upon.

This does not have any impact on the Company's growth strategy and both entities continued to operate as separate entities and work towards fulfilling their mutual strengths, thereby creating value for all the stakeholders.

35. Disclosures pertaining to the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is an equal opportunity employer and is committed to creating a healthy working environment that enables employees to work without fear of prejudice and gender bias. Your Company is committed to ensure that every employee is treated with dignity and respect and works in a conducive work environment, which promotes professional growth of employee and encourages equality of opportunity. The Company has zero tolerance towards any act on the part of any executive, which may fall under the ambit of "**Sexual Harassment**" at workplace, and is fully committed to uphold and maintain the dignity of every woman executive working in the Company. Further, to provide an empowering and enabling atmosphere to women employees, the Company has continuously endeavoured to build the work culture, which promotes the respect and dignity of all women employees across the organisation.

The Company has formulated a comprehensive Policy in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**POSH**"). The said Policy has been made available on the website of the Company. The Company has constituted Internal Complaints Committee ("**ICC**") under POSH and has complied with the provision relating to the same. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The constitution of ICC includes an external member who is an independent POSH consultant with relevant experience. The POSH Policy is gender inclusive, and the framework ensures complete anonymity and confidentiality of complaints received, if any. During the year under review, no complaint was received.

Further, the employees are sensitised from time to time in respect of matters connected with prevention of sexual harassment. Training programmes on POSH were conducted at unit levels to ensure that employees uphold the dignity of their female colleagues at workplace.

36. Registrar & Share Transfer Agent ("RTA")

M/s. GNSA Infotech Private Limited is the RTA of the Company. Their contact details are mentioned in the Report on Corporate Governance and same can be accessed at <https://www.butterflyindia.com/investor-relations/>

37. Listing with stock exchanges

The equity shares of your Company are listed on NSE and BSE Details of the Company in the Stock Exchanges are as follows:

NSE Symbol	BUTTERFLY
BSE Scrip Code	517421
ISIN	INE295F01017

Your Company has paid the Annual Listing Fees for the F.Y. 2023-24 and F.Y. 2024-25 to both NSE and BSE, with whom the equity shares of the Company are listed within the statutory timeline(s).

38. Directors' Responsibility Statement

Your Directors would like to assure the Members that the Financial Statements for the year under review confirm in their entirety to the requirements of the Act and guidelines issued by the SEBI. Pursuant to the provisions of Section 134(3)(c) of the Act, to the best of their knowledge and based on the information and explanations received from the Company, your Directors confirm that:

- in the preparation of the annual accounts for the Financial Year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures if any;
- the accounting policies selected and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profit and loss of the Company for that year;
- sufficient care has been taken and that adequate accounting records have been maintained for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- the systems devised to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

39. Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has instituted a comprehensive Code titled as "**Policy on Determination of Legitimate Purpose for Sharing UPSI**" which lays down guidelines and advises the Directors and Employees of the Company on procedures to be followed and disclosures to be made while dealing in securities of the Company same can also be accessed at <https://www.butterflyindia.com/wp-content/uploads/2021/04/14.Policy-on-Determination-of-Legitimate-Purpose-for-Sharing-UPSIs-20-10-2020.pdf>.

40. General

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the Financial Year under review:

- The Company has not resorted to any buy-back of the equity shares during the Financial Year under review;
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- The Company has not issued sweat equity shares to the employees of the Company;
- There has been no change in the nature of business of the Company as on the date of this report;
- There was no revision in the Financial Statements;
- There were no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016, as amended, before NCLT or other courts during the year under review;
- No instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act;
- Disclosure of reason for difference between valuation done at the time of taking loan from bank and at the time of one-time settlement. There was no instance of one-time settlement with any Bank or Financial Institution; and
- Suggested to be deleted as already stated under Statutory Auditors section and also under Fraud reported by Auditors.

41. Rights of Members

- right to participate in, and to be sufficiently informed of, decisions concerning fundamental corporate changes;
- opportunity to participate effectively and vote in General Meeting(s);
- being informed of the rules, including voting procedures that govern General Meeting(s);
- opportunity to ask questions to the Board at General Meeting(s);
- effective participation of the Members in key corporate governance decisions such as election of Members of the Board;
- exercise of ownership rights by all Members, including institutional investors;
- adequate mechanism to address the grievances of the Members;
- protection of minority Members from abusive actions by, or in the interest of, controlling Members acting either directly or indirectly, and effective means of redressal;
- to receive dividends and other corporate benefits like rights, bonus etc., if approved;
- to inspect statutory registers and documents, including minutes books of the General Meeting(s), as permitted under law; and
- any other rights as specified in the statutory enactments from time to time.

42. Acknowledgement

Your Directors wish to convey their gratitude and appreciation to all the employees of the Company posted at all its locations for their tremendous personal efforts as well as collective dedication and contribution to the Company's performance. Your Directors would also like to thank the members, customers, dealers, suppliers, bankers, government and all other business associates, consultants and all the stakeholders for their continued support extended to the Company and the Management.

43. Cautionary statement

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company is not obliged to publicly amend, modify or revise any forward-looking statement, on the basis of any subsequent development, information or events or otherwise.

For **Butterfly Gandhimathi Appliances Limited**

Place: Chennai
Date: May 14, 2024

P M Murty
Chairman
DIN:00011179

Annexure - 1

Dividend Distribution Policy

1. Background

This Policy is formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 introduced on 8th July 2016. This policy will be effective from 2nd April 2020, being the date of its approval by the Board of Directors of the Company.

2. Objective

The objective of this Policy is to lay down the criteria and parameters that are to be considered by the Board of Directors of the Company while deciding on the declaration of Dividend from time to time. This Policy is applicable to dividend declared/recommended on the equity shares of the Company and does not cover dividend on preference shares, if any, where the rate of dividend is governed by the terms of the issue of preference shares or any other form of dividend.

3. Parameters to be considered for declaration of Dividend

The Board of Directors may declare interim dividend/ recommend final dividend for consideration of shareholders of the Company.

As in the past, subject to the provisions of applicable laws, the Company's dividend pay-out will be determined by the Board of Directors from time to time based on the available financial resources, investment requirements and other factors more fully described hereunder.

The Board of Directors of the Company will consider the following parameters while recommending/ declaring Dividend:

3.1 Financial Parameters/Internal Factors

1. Standalone/ net operating profit after tax;
2. Operating cash flow of the Company for the year;
3. Liquidity position, aggregate Debt of the Company, debt service coverage position etc.;
4. Loan repayment and Working Capital requirements;
5. Capital expenditure requirements;
6. Resources required for funding acquisitions, mergers and/ or new businesses;
7. Cash flow required for meeting tax demands and other contingencies;
8. Regulatory (and growth requirement of) Capital Adequacy;

9. Regulatory (and growth requirement of) Solvency;
10. Trend of dividends paid in the past years;
11. Any windfall, extraordinary or abnormal gains made by the Company; and
12. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

3.2. External Factors

1. Prevailing legal requirements, regulatory restrictions laid down under the applicable laws including tax laws and changes made in accounting laws;
2. Dividend pay-out ratios of companies in the same industry;
3. Any other factor that has a significant influence/ impact on the Company's working/ financial position of the Company.

The Board of Directors may additionally recommend special dividend in special circumstances.

4. Circumstances under which the shareholders may not expect Dividend

The shareholders of the Company may not expect Dividend under the following circumstances:

- 4.1 In the event of inadequacy of profits or whenever the Company has incurred losses;
- 4.2 Significant cash flow requirements towards higher working capital requirements/ tax demands/ or others, adversely impacting free cash flows;
- 4.3 An impending/on-going capital expenditure program or any acquisition or investment in joint ventures requiring significant allocation of capital;
- 4.4 Allocation of cash required for buy back of securities;
- 4.5 Any of the above referred internal or external factors restraining the Company from considering dividend;

5. Utilisation of retained earnings

The Company may declare dividend out of the profits of the Company for the year or out of the profits of any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this policy, Profits retained in the business will be invested in the business/ operations of the Company and may be used for augmenting working capital, repayment of borrowings, funding capital expenditure/ acquisition(s) and for all other corporate purposes.

6. Parameters to be adopted with regard to various classes of shares

Presently, the Authorised Share Capital of the Company is divided into equity shares of ₹10/- (Rupees Ten Only) each. At present, the issued and paid-up share capital of the Company comprises only equity shares.

Currently, the Company has issued one class of equity shares with equal voting rights. As and when the Company issues different class of shares, the Board of Directors may suitably amend this Policy.

7. Procedure

7.1. The dividend proposal placed before the Board for consideration shall be in terms of this Policy.

7.2. The Company shall ensure compliance of provisions of applicable Laws and this Policy in relation to Dividend declared by the Company.

8. Effective Date

This Policy, as approved by the Board of Directors, at its meeting held on July 8, 2016 which was further amended on February 3, 2011 and is hosted on the website of the Company <https://www.butterflyindia.com/wp-content/uploads/2021/04/Dividend-Distribution-Policy-20.10.2020.pdf>

9. Disclosure

The Company shall make appropriate disclosures as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

10. General

10.1 This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorised from time to time, on the subject matter.

10.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

10.3 In case of any amendment(s), clarification(s), circular(s) etc., issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

Annexure - 2

Annual Report on Corporate Social Responsibility (CSR) Activities

For the F.Y. 2023-24

[Pursuant to the Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company

The Company have always been contributing to CSR activities much before it was mandated under the Companies Act 2013. The Company focusses on fulfilling its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/ projects and programmes for welfare, sustainability and development of community at large. The activities or projects that will be undertaken by the Company shall include one or more of the activities specified in CSR Policy as may be recommended by the CSR Committee and approved by the Board of Directors.

2. Composition of CSR Committee

S. No.	Name of Director(s)	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Shantanu Khosla	Chairman - Non-Executive, Non-Independent Director	1	1
2.	Mr. P. M. Murty	Member - Non-Executive, Independent Director	1	1
3.	Ms. Smita Anand	Member - Non-Executive, Independent Director	1	1
4.	Mr. Rangarajan Sriram	Member - Managing Director	1	1
5.	Mr. T. R. Srinivasan	Member - Non-Executive, Independent Director	1	1
6.	Mr. G. S. Samuel	Member - Non-Executive, Independent Director	1	1
7.	Ms. Maheshwari Mohan	Member - Non-Executive, Independent Director	1	1

3. Provide the web-link where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company

- Composition of CSR committee: <https://www.butterflyindia.com/investor-relations/>
- CSR Policy: <https://butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>

4. Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable

5. (a) Average net profit of the Company as per Section 135(5): **₹5379.33 Lakhs**
- (b) Two percent of average net profit of the Company as per Section 135(5): **₹107.59 Lakhs**
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: **Nil**
- (d) Amount required to be set off for the Financial Years, if any: **Nil**
- (e) Total CSR obligation for the Financial Years (5(b)+5(c)- 5(d)): **₹107.59 Lakhs**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹109.35 Lakhs**
- (b) Amount spent in Administrative Overheads: **₹0.09**
- (c) Amount spent on Impact Assessment, if applicable: **Nil**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹109.44 Lakhs**
- (e) CSR amount unspent for the Financial Year: **Nil**
- (f) Excess amount for set-off, if any: **₹1.85 Lakhs**

7. Details of unspent CSR amount for the preceding three Financial Years

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR account under sub-section (6) of Section 135 (in ₹)	Balance amount in unspent CSR account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2022-23	64,000	Nil	64,000	64,000	July 18, 2023	Nil	NA
2.	2021-22	NA	NA	NA	NA	NA	Nil	NA
3.	2020-21	NA	NA	NA	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not applicable**

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

For **Butterfly Gandhimathi Appliances Limited**

Place: Chennai
Date: May 14, 2024

Rangarajan Sriram
Managing Director
DIN:09550640

Shantanu Khosla
Chairman of CSR Committee
DIN:00059877

Annexure - 3

FORM NO. AOC -2

Particulars of contracts/ arrangements made with related parties

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This form pertains to the disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in Section 188(1) of the Act, including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

The details of contracts or arrangements or transactions not at arm's length basis for the Financial Year ended March 31, 2024, are as follows:

Particulars	Nature of relationship	Duration of contract	Date of approval by Board	Salient Terms	Justification	Date of special resolution	Amount paid as advances	Amount (in Lakhs)
Nature of Contract								
Availing of services								
Crompton Greaves Consumer Electricals Limited ("Crompton")	Holding Company	2 years (June 1, 2022, to May 31, 2024)	May 12, 2022		Receiving management resources for marketing on Secondment from Crompton (Mr. Anil Gurnani)	NA	Nil	61.10
		2 years (November 1, 2022, to October 31, 2024)	October 15, 2022		Receiving management resources for Human Resources/ IT/ Procurement on Secondment from Crompton (Mr. Rajasekar T./ Mr. Gaurishankar Mathapati Mr. Vaibhav Kunkolienkar)			223.94
		2 years (February 2, 2023, to February 1, 2025)	January 23, 2023		Receiving management resource for all Planning & Logistics related activities on Secondment from Crompton (Ms. Shristi Gupta)			43.86
		2 years (March 25, 2023, to March 24, 2025)	March 25, 2023		Receiving management resources for all Secretarial related activities on Secondment from Crompton (Mr. Viral Sarvaiya)			20.69
		2 years (March 30, 2022, to March 29, 2024) renewed for further 2 years March 30, 2024, to March 29, 2026	March 30, 2022 Renewed on February 05, 2024	Secondment of Employee(s)	Receiving management resources on Secondment to oversee business operations and provide the identified services from Crompton (Mr. Rangarajan Sriram)			290.39
		2 years (March 30, 2022, to March 29, 2024)	March 30, 2022 Modified on April 5, 2023		Receiving management resources on Secondment to oversee business operations and provide the identified services from Crompton (Ms. B Ananda Shalini)			56.40
		2 years (August 12, 2023, to August 11, 2025)	July 31, 2023		Receiving management resources to oversee finance related activities on Secondment from Crompton (Mr. Rishabh Bengani)			24.45
		2 years (November 9, 2023, to November 8, 2025)	November 9, 2023		Receiving management resources for overseeing finance functions on Secondment from Crompton (Mr. V A Joseph)			61.68

Details of material contracts or arrangements or transactions at arm's length basis: Not Applicable**Details of contracts or arrangements or transactions at arm's length basis**

The details of material contracts or arrangements or transactions at arm's length basis for the Financial Year ended March 31, 2024, are as follows:

Particulars	Nature of relationship	Duration of contract	Date of Approval by Board*	Salient Terms	Amount (in Lakhs)
Nature of Contract					
Sale of Goods					
Crompton	Holding Company	April 1, 2023, to March 31, 2024	January 23, 2023, and May 12, 2023	Sale of Products	967.26
Purchase of Goods					
Crompton	Holding Company	April 1, 2023, to March 31, 2024	January 23, 2023	Purchase of Goods	11.90
Leasing of property					
Crompton	Holding Company	August 11, 2023, to March 31, 2024	July 31, 2023	Consideration for usage of warehouse space of the Crompton	5.35
		April 1, 2023, to March 31, 2024	January 23, 2023	Royalty Fees for using Crompton's trademark	56.53
Availing or rendering of services					
Crompton	Holding Company	April 1, 2023, to March 31, 2024	January 23, 2023	Management fees for legal support	20.00
		August 11, 2023, to March 31, 2024	July 31, 2023	Manpower Sharing Service	43.41

*All the transaction(s) were approved by the Audit Committee and noted by the Board.

Note:

The transactions mentioned above are not material as per the provisions of the Act and the Listing Regulations as amended. However, the same is disclosed under AOC-2 as a matter of good corporate governance practice.

For **Butterfly Gandhimathi Appliances Limited**

P M Murty
Chairman
DIN:00011179

Place: Chennai
Date: May 14, 2024

Annexure - 4

FORM NO. MR-3
Secretarial Audit Report

for the Financial Year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Butterfly Gandhimathi Appliances Limited
143, Pudupakkam Village, Kelambakkam,
Kancheepuram District – 603103

We have conducted the Secretarial Audit in compliance of applicable statutory provisions and the adherence to good corporate practices by **Butterfly Gandhimathi Appliances Limited** herein after called ("**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2024 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "**the Company**" for the Financial Year ended March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 ('Act') and the rules made thereunder, as amended from time to time including applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and as mandated by the Companies Act, 2013.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder, as amended from time to time;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as amended from time to time;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as amended from time to time; (**Not applicable for the Company for the Audit period**)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**There were no events requiring compliance during the audit period**);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**There were no events requiring compliance during the audit period**);
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding dealing with client;
- (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable for the Company for the Audit period**)
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**There were no events requiring compliance during the audit period**) and
- (j) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (**There were no events requiring compliance during the audit period**)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc., mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to

them at least seven days in advance or as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, except the events listed below no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clauses thereto which are applicable:

- i. During the Financial Year, the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors were held on October 28, 2023 in accordance with the NCLT order dated September 12, 2023, for approving the Scheme of Amalgamation ("**Scheme**") of Butterfly Gandhimathi Appliances Limited ("**Transferor Company**") with Crompton Greaves Consumer Electricals

Limited ("**Transferee Company**") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. However, the approval of the Scheme from majority of the public shareholders of the Butterfly was not received in favour of the Scheme. Hence due to non-receipt of the requisite approval from public shareholders of the Butterfly, the proposed merger was discontinued.

For M. Alagar & Associates
(Practising Company Secretaries)
Peer Review Certificate No:1707/2022

M. Alagar
Managing Partner
FCS No: 7488
COP No: 8196
UDIN: F007488F000369731

Place: Chennai
Date: May 14, 2024

This Report is to be read with our letter of even date which is annexed as **Annexure - A** and forms an integral part of this report.

Annexure to Secretarial Audit Report

To
The Members

Butterfly Gandhimathi Appliances Limited

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M. Alagar & Associates
Practising Company Secretaries
Peer Review Certificate No:1707/2022

M. Alagar
Managing Partner
FCS No: 7488
COP No: 8196
UDIN: F007488F000369731

Place: Chennai
Date: May 14, 2024

Annexure - 5

Report on Corporate Governance

In compliance with Regulation 34(3) read with Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), we hereby submit the report addressing the matters outlined in Schedule V and demonstrate the practices adopted by our Company. This report serves as a testament to our unwavering commitment to adhere to the SEBI Listing Regulations, ensuring transparency and integrity in our corporate governance framework.

Butterfly’s philosophy on code of governance

Butterfly Gandhimathi Appliances Limited (“Butterfly/ the Company”) is committed to deliver high quality kitchen and electrical appliances characterised by ergonomic features and attractive design, all while ensuring excellent value for our customers. Our foremost priority is to provide service that exceeds customer satisfaction, while upholding our core values of transparency, integrity, honesty, accountability, and compliance with laws. We view stakeholders at all levels as partners in our success and are dedicated to maximising value for our Members. Continuously, we strive to review, strengthen, and upgrade our systems and processes across various business segments, aiming to enhance transparency and efficiency throughout the organisation.

The philosophy of the Company is deeply rooted in fulfilling our responsibility as a corporate entity, guiding us to undertake socially beneficial activities, projects, and programmes aimed at the welfare, sustainability, and development of the community at large. To ensure adherence to our values and principles, we have adopted a comprehensive Code of Conduct (“COC”) for all employees, including the Managing Director (“MD”), which includes an effective mechanism for reporting any concerns related to non-compliance with the Code.

As trustees to our stakeholders, the Board of Butterfly ensures that our values and objectives are aligned with the creation of Member’s value and sustainable growth. Upholding sound principles of corporate governance is a cornerstone of our Board’s responsibilities and commitment to fostering transparency, integrity, and accountability within the Company.

Further, your Company has complied with the following discretionary requirements as listed out in Part-E of Schedule II of the SEBI Listing Regulations which are elaborated as under:

1. The office of the Chairman is occupied by a Non-Executive Independent Director of the Company;
2. The Company has a distinct Non-Executive Independent Director as the Chairman and a Managing Director, who are not related to one another;
3. The Audit Report on the Company’s Financial Statements for the F.Y. ended March 31, 2024 is unmodified;
4. The Internal Auditors of the Company directly reports to the Audit Committee of the Board; and

5. The Company follows a robust process of communicating with the Members which has been elaborated in the underlying Report under the heading “Means of Communication”.

Board of Directors

The Board of Directors (“the Board”) of any company serves as the guiding force, steering its trajectory towards success, sustainability, and ethical governance. At Butterfly, our Board is a diverse amalgamation of seasoned professionals, each bringing a wealth of experience, expertise, and insight to the table. The Board oversees the management’s functions and protects the long-term interests of its stakeholders.

The Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these objectives for value creation through sustained growth. The Board seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of stakeholders are fulfilled. It also sets out standards of corporate behaviour and ensures compliance with laws and regulations impacting the Company’s business.

The primary role of the Board is that of trusteeship to protect and to enhance Member’s value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to Member’s value.

Availability of information to Board Members

The Board of Directors at our Company enjoys unrestricted access to all Company-related information, including employee data. At Board Meetings, functional heads are invited to provide supplementary insights, fostering informed decision-making. Continuous information flow enables Board Members to review, contribute inputs, and provide approvals. Strategic plans, annual budgets, and financial statements are regularly presented, which are initially scrutinised by Committees before being recommended to the Board for approval. Information is provided well in advance of meetings, with inputs from Directors incorporated into agendas and documents. The Board actively engages in discussions, offering valuable inputs on strategic and operational matters.

Committees of Directors

Throughout the year, the Independent Board Committees are actively engaged in delivering best-in-class governance practices. Recognising the substantial contributions of these Committees in assisting the Board of Directors in fulfilling its duties and responsibilities, the Board closely monitors various areas of the business through their efforts. The Committees of the Board function as an extended arm of the Board and play a pivotal role in ensuring good governance while also periodically monitoring the affairs of the Company.

The Committees of the Board are:

- (i) Audit Committee
- (ii) Nomination & Remuneration Committee (“N&RC”)
- (iii) Stakeholders’ Relationship Committee (“SRC”)
- (iv) Share Transfer Committee (“STC”)
- (v) Corporate Social Responsibility Committee (“CSR”)
- (vi) Risk Management Committee (“RMC”)

Composition of Board

Your Company has developed and implemented a comprehensive Policy for appointment, remuneration & evaluation of Board and Senior Management, aiming to ensure that the composition of the Board is optimum, balanced, and enriched with diverse perspectives, fresh ideas, and extensive experience. Your Board comprises of Members from varied backgrounds, possessing skills and expertise in critical areas such as manufacturing, global finance, taxation banking, legal, entrepreneurship, and general management. Many of our directors have held prominent positions in senior management roles, providing them with a profound understanding of the global business landscape.

Regular reviews of the Board’s strength and composition are conducted to ensure alignment with both statutory requirements and the evolving needs of our business. This practice allows us to maintain a dynamic and effective Board that can effectively steer the Company towards its strategic objectives while upholding the highest standards of corporate governance.

The Board of Directors of Butterfly is structured to include a mix of Independent and Non-Independent Directors, as mandated under Regulation 17 and 17A of the SEBI Listing Regulations read with Section 149 of the Act. The Board has 2 (Two) Woman Independent Directors and the MD is the only Executive Director on the Board.

Mr. Rangarajan Sriram is the Managing Director. Mr. P M Murty is the Non-Executive Independent Chairman, Ms. Smita Anand, Mr. A Balasubramanian, Mr. M Padmanabhan, Mr. G S Samuel, Mr. K E Ranganathan, Mr. T R Srinivasan and Ms. Maheshwari Mohan are the Non-Executive Independent Directors in terms of Regulation 17 of the SEBI Listing Regulations and the Act. Mr. Shantanu Khosla, Mr. Promeet Ghosh, Mr. Kaleeswaran Arunachalam and Mr. N Anandkumar are the Non-Executive Non-Independent Directors.

Mr. Promeet Ghosh (DIN:05307658) was appointed as an Additional Director by the Board on the recommendation of N&RC w.e.f. May 12, 2023, his appointment was subsequently approved by the Members at the Annual General Meeting (“AGM”) of the Company held on July 19, 2023, as Non-Executive, Non-Independent Director, liable to retire by rotation.

Further, Mr. Mathew Job (DIN:02922413) had resigned from the position of Non-Executive, Non-Independent Director w.e.f. close of business hours of April 30, 2023. Mr. Kaleeswaran Arunachalam (DIN:07625839) and Mr. N Anandkumar (DIN:10381096) were appointed as an Additional Directors by the Board basis the recommendation of N&RC w.e.f.

November 9, 2023, and their appointment was subsequently approved by the Members vide resolutions passed on December 21, 2023, by means of Postal Ballot, as Non- Executive & Non-Independent Director, liable to retire by rotation.

Furthermore, Mr. Rangarajan Sriram (DIN:09550640) was re-appointed as the Managing Director of the Company for a further period of 2 (Two) years by the Board basis the recommendation of N&RC w.e.f. March 30, 2024, upto March 29, 2026 (both days inclusive), liable to retire by rotation, and his appointment was subsequently approved by the Members vide resolution passed on March 30, 2024, by means of Postal Ballot.

Mr. K E Ranganathan (DIN:00058990) was appointed as an Additional Director (Non-Executive, Independent) of the Company w.e.f. April 04, 2024.

There are no *inter-se* relationships between our Board Members. The Company does not have any pecuniary relationship with any of the Non-Executive Non Independent Directors.

As on March 31, 2024, the Board of your Company comprises of 12 (Twelve) Directors, out of which Eleven (11) Directors were Non-Executive Directors (**91.67% NED’s representation on the Board**). The Chairman of the Board is a Non-Executive Independent Director. Out of 7 (Seven) Independent Directors (“ID’s”), which comprises more than half of the Board, Two (2) are Women Directors (**16.67% women representation on the Board**). The composition of the Board of your Company is in conformity with the SEBI Listing Regulations as well as provisions of the Act.

As on the date of this Report, the Board of your Company comprises of 13 (Thirteen) Directors, out of which 8 (Eight) Directors are Non-Executive, Independent Directors (“NEDs & IDs”) (**61.54% NEDs & IDs representation on the Board.**) Out of 8 (Eight) NEDs & IDs which comprises more than half of the Board, 2 (Two) are Women NEDs & IDs (**15.38% women representation on the Board**).

During the year under review, none of the Independent Director(s) on the Board of the Company have resigned.

In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company submits requisite disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on periodical basis. On the basis of such disclosures, it is confirmed that as on March 31, 2024, none of the Directors of the Company:

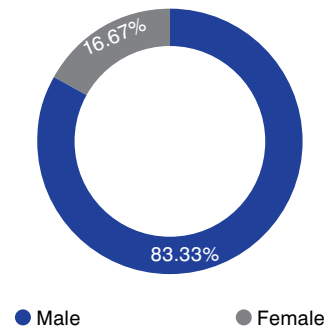
- holds Directorship positions in more than 20 (Twenty) companies [including 10 (Ten) public limited companies and 7 (Seven) listed companies;]
- holds Executive Director position and serves as an Independent Director in more than 3 (Three) listed companies;
- is a Member of more than 10 (Ten) Committees and/ or Chairperson of more than 5 (Five) Committees, across all the Indian public limited companies in which they are Directors; and

- All necessary approvals under SEBI Listing Regulations and the Act are in place for the appointment or continuation of any director who have attained the age of 75 (Seventy-Five) years.

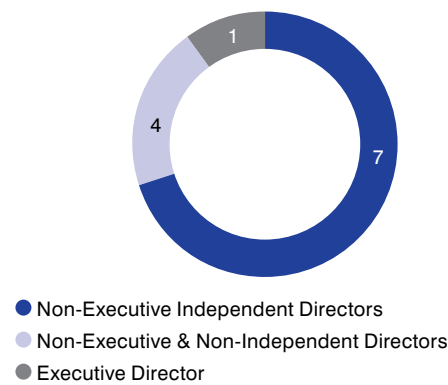
For the purpose of determining the limit of the Board Committees, Chairpersonship(s) and Membership(s) of the Audit committee and the Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the SEBI Listing Regulations.

Size and composition of the Board as on March 31, 2024

Board Diversity as on March 31, 2024



Composition of Directors



Duties and functions of the Board

The Board's primary responsibility is to foster the Company's short and long-term success through sustainable continuance and progress of its business and thereby create value for its stakeholders. To this end, the Board of Directors sets out the corporate culture, lays down high ethical standards of corporate behaviour and ensures transparency in their dealings.

The Board has the responsibility to oversee the conduct of the Company's business and to supervise and support the Management, who is responsible for the day-to-day operations. It does this by providing strategic guidance, monitoring operational performance and ensuring that robust policies and procedures are in place. The Board through its various Committees also reviews the identified risks and the mitigation measures undertaken/ to be undertaken in respect thereof, ensures integrity in the Company's accounting and financial reporting systems, adequacy of internal controls and compliance with all relevant laws and discharges its functions towards CSR. In particular, the Board basis the recommendation of Audit Committee reviews and approves quarterly/ half-yearly unaudited financial results and the audited annual financial statements, corporate strategies, business plans, annual budgets, sets corporate objectives and monitors their implementation and oversees major capital expenditure. It monitors overall operating performance, Environment, Health & Safety ("EHS") performance and reviews such other items which requires Board's attention. It directs and guides the activities of the Management towards achieving set goals and seeks accountability. The agenda for the Board Meeting(s) covers items as set out in the SEBI Listing Regulations to the extent that they are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions. The agenda is sent to the Directors within the period stipulated in the Secretarial Standards. The Board processes are also in consonance with the requirements of the Secretarial Standard-1 ("SS-1") relating to the meetings of the Board and its Committees. All the recommendations of the various Committees of the Board have been accepted by the Board and none of the Directors are influenced by the Management.

Post-meeting follow-up system

The important decisions taken at the meetings of the Board and its Committees are tracked till their closure and the status of Action Taken Report ("ATR") is placed before Board and Committee Meeting(s) for their noting. The Board of your Company met at least 4 (Four) times a year, with a maximum time gap of 120 (One Hundred and Twenty) days between any 2 (Two) meetings which is in line with requirements of the Act and the SEBI Listing Regulations. During the year under review, total 8 (Eight) meetings of the Board were held.

Managing Director ("MD")

The Managing Director is at the helm of operations and is responsible for the Company's day-to-day operations, which *inter alia* includes implementation of strategy, monitoring of the external and internal competitive landscape, new

industry developments, standards, identifying opportunities for expansion, acquisition, building relationships with customers, markets with an eye to enhance Member's value, implementation of the organisation's vision, mission & overall direction, provides strategic directions, lays down policy guidelines and ensures the implementation of the decisions of the Board through its various Committees. The Managing Director acts under the guidance of the Board of Directors and is a link between the Board & the Management.

Independent Directors ("IDs")

IDs play an eminent role in the governance processes of the Board, by virtue of their varied expertise and experience, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making and safeguards the interests of all stakeholders.

The appointment of IDs is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations. The N&RC identifies candidates based on certain laid down criteria and takes into consideration the need for diversity on the Board and accordingly makes its recommendations to the Board of Directors.

The Board confirms that based on the written affirmations received from each IDs, they fulfill the conditions as stipulated in the Regulation 16(1)(b) of the SEBI Listing Regulations, as as amended from time to time, read with Section 149(6) of the Act along with rules framed thereunder and are independent of the Management.

Further, all the IDs have also registered their names in the Databank maintained by the Indian Institute of Corporate Affairs ("IICA") as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014, as amended from time to

time and are have exempted/ completed the online proficiency self-assessment test. In terms of Section 150 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, since all the Independent Directors of the Company have served as Directors for a period of not less than 3 (Three) years on the Board of Listed Company(ies) as on the date of inclusion of their names in the database, they were not required to undertake online proficiency self-assessment test conducted by IICA, except Mr. K E Ranganathan who shall complete the online self-assessment proficiency test within the designated timeline as stipulated in the Act. None of the IDs have any other material pecuniary relationship or transaction with the Company or Directors, or Senior Management which, in their judgement, would affect their independence. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the disclosures received from all IDs and in the opinion of the Board, all the IDs fulfils the criteria relating to their independence as specified in the SEBI Listing Regulations and the Act.

Key skills, expertise, competence of the Board

The Board comprises of professionals, distinguished, qualified and experienced members who bring in the requisite skills, expertise and competence that allows them to make a valuable contribution to the Board and its Committees. The Board Members take an active part in the Board and Committee Meetings and provide valuable guidance to the Management on various aspects of business, governance and compliance, amongst others. The Board's guidance provides foresight, enhances transparency and adds value in decision-making.

Table below summaries the key skills, expertise and competence required for the Company and is taken into consideration while nominating candidates to serve on the Board:

Skill Identified	Coverage
Industry Acumen	Industry experience through detailed knowledge of the Company or the sector in which it operates, as well as those who understand the broader industry environment.
Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Technology and Innovation	An appreciation of emerging trends in product design and development, research, disruptions in technology and in business models.
Mergers and Acquisitions	A history of leading growth through acquisitions and other business combinations, with the ability to assess "Make or Buy" decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.
Board Service and Governance	Service on other public company boards, to develop insights about maintaining board and management accountability, protecting Members interests, and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance brand reputation.
Strategy & Operations	Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities and demonstrated strengths in developing talent, succession planning, driving change and long-term growth.
Compliance & Risk	Experience in identifying and evaluating the significant risk exposures to the business strategy of the Company and assess the Management's actions to mitigate the strategic, legal and compliance, and operational risk exposures.
General Management	Experience in leading well-governed large organisations, possessing intrinsic leadership skills including the ability to appropriately represent the Company, set appropriate Board and organisation culture.
Sustainability, and Environmental, Social and Governance ("ESG")	Experience in leading the sustainability and ESG visions of organizations, to be able to integrate these into the strategy of the Company.
Cybersecurity	Experience in assessing and managing cybersecurity-related risks and implementing the cybersecurity policies, procedures, and strategies.
Talent Development	Experience in Leadership Development and ensuring an ongoing process exists which continuously enhances the knowledge and capability of key talent to enable these managers to effectively lead the organisation in achieving key strategic initiatives.

Brief details of Directors as on March 31, 2024, are mentioned as under:

Mr. P M Murty
Non-Executive Independent Director

Nationality	Indian
Age	73 years
Date of Initial Appointment	April 1, 2022
Date of Re-Appointment	-
Shareholding	Nil
Board Membership – Indian Listed Companies	1. Butterfly Gandhimathi Appliances Limited 2. Crompton Greaves Consumer Electricals Limited

Areas of expertise

Mr. A Balasubramanian
Non-Executive Independent Director

Nationality	Indian
Age	75 Years
Date of Initial Appointment	November 14, 2011
Date of Re-Appointment	August 1, 2019
Shareholding	Nil
Board Membership – Indian Listed Companies	1. Butterfly Gandhimathi Appliances Limited 2. Nelcast Limited

Areas of expertise

Mr. Rangarajan Sriram
Managing Director

Nationality	Indian
Age	51 Years
Date of Initial Appointment	March 30, 2022
Date of Re-Appointment	March 30, 2024
Shareholding	Nil
Board Membership – Indian Listed Companies	Butterfly Gandhimathi Appliances Limited

Areas of expertise

Mr. Shantanu Khosla
Non-Executive, Non-Independent Director

Nationality	Indian
Age	64 years
Date of Initial Appointment	March 30, 2022
Date of Re-Appointment	-
Shareholding	Nil
Board Membership – Indian Listed Companies	1. Butterfly Gandhimathi Appliances Limited 2. Crompton Greaves Consumer Electricals Limited

Areas of expertise

Ms. Smita Anand
Non-Executive Independent Director

Nationality	Indian
Age	64 years
Date of Initial Appointment	April 1, 2022
Date of Re-appointment	-
Shareholding	Nil

Board Membership – Indian Listed Companies

- Butterfly Gandhimathi Appliances Limited
- Crompton Greaves Consumer Electricals Limited
- Lemon Tree Hotels Limited

Areas of expertise

Mr. M Padmanabhan
Non-Executive Independent Director

Nationality	Indian
Age	74 years
Date of Initial Appointment	January 30, 1999
Date of Re-Appointment	August 1, 2019
Shareholding	Nil

Board Membership – Indian Listed Companies

- Butterfly Gandhimathi Appliances Limited
- Quintegra Solutions Limited

Areas of expertise

Mr. Nithyanandam Anandkumar
Non-Executive Non-Independent Director

Nationality	Indian
Age	57 years
Date of Initial Appointment	November 9, 2023
Date of Re-Appointment	-
Shareholding	Nil

Board Membership – Indian Listed Companies

Butterfly Gandhimathi Appliances Limited

Areas of expertise

Mr. G S Samuel
Non-Executive Independent Director

Nationality	Indian
Age	72 years
Date of Appointment	May 11, 2012
Date of Re-Appointment	August 01, 2019
Shareholding	Nil

Board Membership – Indian Listed Companies

- Butterfly Gandhimathi Appliances Limited
- Swelect Energy Systems Limited

Areas of expertise

Mr. T R Srinivasan
Non-Executive Independent Director

Nationality	Indian
Age	75 years
Date of Initial Appointment	June 01, 2013
Date of Re-Appointment	August 01, 2019
Shareholding	Nil

Board Membership – Indian Listed Companies

Butterfly Gandhimathi Appliances Limited

Areas of expertise

Mr. Kaleeswaran Arunachalam
Non-Executive, Non-Independent Director

Nationality	Indian
Age	43 years
Date of Initial Appointment	November 9, 2023
Date of Re-Appointment	Nil
Shareholding	Nil

Board Membership – Indian Listed Companies

Butterfly Gandhimathi Appliances Limited

Areas of expertise

Ms. Maheshwari Mohan
Non-Executive Independent Director

Nationality	Indian
Age	55 years
Date of Initial Appointment	March 31, 2015
Date of Re-Appointment	August 21, 2020
Shareholding	Nil

Board Membership – Indian Listed Companies

- Butterfly Gandhimathi Appliances Limited
- Nelcast Limited

Areas of expertise

Mr. K E Ranganathan
Non-Executive Independent Director

Nationality	Indian
Age	63 Years
Date of Initial Appointment	April 4, 2024
Date of Re-Appointment	-
Shareholding	Nil

Board Membership – Indian Listed Companies

Butterfly Gandhimathi Appliances Limited

Areas of expertise

Mr. Promeet Ghosh
Non-Executive Non-Independent Director

Nationality	Indian
Age	55 Years
Date of Initial Appointment	May 12, 2023
Date of Re-Appointment	Nil
Shareholding	Nil

Board Membership – Indian Listed Companies

- Butterfly Gandhimathi Appliances Limited
- Crompton Greaves Consumer Electricals Limited

Areas of expertise

Notes:-

- The absence of a mark against a Board Member's name does not necessarily indicate that the Director does not possess the corresponding skill, expertise or competence
- The date of appointment is as per the MCA Portal
- Nationality of all the Directors is Indian

Details of Directorship and Membership(s)/ Chairpersonship(s) of Committees of the Director(s)

Name	Category	No. of Directorship(s) held in other Public Companies*	Directorship held in listed companies* (Including Butterfly)	Committee(s) position (Including Butterfly)**	
				Member	Chairperson
Mr. P M Murty	Chairman, Non-Executive Independent Director	2	Butterfly Gandhimathi Appliances Limited	4	-
			Crompton Greaves Consumer Electricals Limited		
Mr. Rangarajan Sriram@	Managing Director	-	Butterfly Gandhimathi Appliances Limited	1	-
Mr. Shantanu Khosla	Non-Executive Non-Independent Director	1	Butterfly Gandhimathi Appliances Limited	2	-
			Crompton Greaves Consumer Electricals Limited		
Mr. Promeet Ghosh#	Non-Executive and Non-Independent Director	1	Butterfly Gandhimathi Appliances Limited	2	1
			Crompton Greaves Consumer Electricals Limited		
Mr. Kaleeswaran Arunachalam ^	Non-Executive Non-Independent Director	-	Butterfly Gandhimathi Appliances Limited	-	-
Mr. N Anandkumar ^	Non-Executive Non-Independent Director	-	Butterfly Gandhimathi Appliances Limited	-	-
Ms. Smita Anand	Non-Executive Independent Director	2	Butterfly Gandhimathi Appliances Limited	2	-
			Crompton Greaves Consumer Electricals Limited		
			Lemon Tree Hotels Limited		
Mr. M Padmanabhan	Non-Executive Independent Director	1	Butterfly Gandhimathi Appliances Limited	4	1
			Quintegra Solutions Limited		
Mr. A Balasubramanian	Non-Executive Independent Director	2	Butterfly Gandhimathi Appliances Limited	3	3
			Nelcast Limited		
Mr. G S Samuel	Non-Executive Independent Director	1	Butterfly Gandhimathi Appliances Limited	3	2
			Swelect Energy Systems Limited		
Mr. T R Srinivasan	Non-Executive Independent Director	Nil	Butterfly Gandhimathi Appliances Limited	1	-
Ms. Maheshwari Mohan	Non-Executive Independent Director	1	Butterfly Gandhimathi Appliances Limited	-	-
			Nelcast Limited		

*Excludes directorship held in private limited companies, foreign companies and companies registered under Section 8 of the Act.

**For the purpose of calculating the above, Committee(s) considered are Audit Committee and SRC.

@Re-appointed as the Managing Director for a further period of 2 (Two) years w.e.f. March 30, 2024 to March 29, 2026.

#Appointed w.e.f. May 12, 2023.

^Appointed w.e.f. November 9, 2023.

Note: Based on the intimations/ disclosures received from the Directors, none of the Directors of the Company hold Memberships/ Chairpersonships of Board/ Committees, more than the limits prescribed under the Act and the SEBI Listing Regulations.

Senior Management (SMPs)

The Company identifies following under category of SMP pursuant to the provisions of Regulation 16(1)(d) and Schedule V of the SEBI Listing Regulations. Details of SMPs as on March 31, 2024, and the changes thereunder during the year under review are as follows:

S. No.	Name	Designation	Changes, if any (Yes/ No)	Nature of change and Effective date
1.	Mr. G Pazhaniswamy	Head – Operations	No	NA
2.	Mr. Vinayak Anandram	Head – Category Marketing	No	NA
3.	Mr. Hareesh Sundar	Head – Sales	No	NA
4.	Mr. Rajsekar T*	Head – Human Resources	Yes	Resigned w.e.f. May 17, 2024
5.	Mr. Gaurishankar Mathapati	Chief Information Officer	No	NA
6.	Mr. Vaibhav Kunkolienkar	Head – Procurement	No	NA
7.	Mr. Thiyagu P S*	Head – R & D	Yes	Resigned w.e.f. June 10, 2024
8.	Mr. R. Anand	Head – After Sales Service	No	NA
9.	Mr. Siva Kumar S R	Head – Quality Control	No	NA
10.	Mr. Rajesh N S	Head – International Business	No	NA
11.	Mr. Viral Sarvaiya	Company Secretary & Compliance Officer	No	NA
12.	Mr. V A Joseph	Chief Financial Officer	Yes	Appointed w.e.f. November 09, 2023
13.	Mr. R Nagarajan	Chief Financial Officer	Yes	Resigned w.e.f. April 05, 2023
14.	Ms. Ananda Shalini	Chief Financial Officer	Yes	Appointed w.e.f. April 06, 2023 and Resigned w.e.f. October 20, 2023
15.	Mr. Sundarrajan C.	AVP – Operation	Yes	Resigned w.e.f. August 31, 2023
16.	Ms. Swetha Sagar G*	Chief Business Officer	Yes	Appointed as PL Head - Kitchen Appliances w.e.f. April 12, 2024, and elevated to Chief Business Officer w.e.f. May 14, 2024
17.	Mr. Krushnakant Sinojia*	Head – R & D	Yes	Appointed as Head - Research & Development w.e.f. June 11, 2024
18.	Anil Gurnani	Head - Marketing	Yes	Resigned w.e.f. May 5, 2023

*Noted/ Approved at the Board Meeting held on May 14, 2024

Board and Committee Meeting(s)

The Board and Committee Meeting(s) of the Company are systematically pre-scheduled, with tentative annual calendar circulated to all Board and Committee Members at the beginning of the Financial Year. This approach helps members to plan their schedules effectively and ensures their participation in the Meeting(s). However, in instances where any urgent business arises, the Company conducts necessary transactions by passing resolution(s) through circulation, as permitted by law. These resolutions are noted and confirmed at the subsequent Meeting, ensuring compliances and timely decision-making.

A detailed notice and agenda, along with supporting materials such as notes and presentations, are prepared and sent to Directors at least 7 (Seven) days prior to the scheduled Board and Committee Meetings, facilitating Directors for informed decision-making. In cases involving Unpublished Price Sensitive Information (“**UPS**”), agenda items are circulated with shorter notice, subject to prior approval from the Board. The setting of agendas is a collaborative effort led by the Company Secretary in consultation with the Chairman or MD incorporating inputs and feedback from Board Committee Members to ensure thorough discussion and effective governance practices.

The Directors of the Company receive the agenda and pre-reads materials via their registered email address, ensuring timely access to the relevant information. The Meetings are usually convened at the Corporate Office of the Company located at “**E-34, 2nd Floor, Rajiv Gandhi Salai, Egattur Village, Navalur – 600 130 Chengalpattu District**”. Additionally, the Company facilitates Video/ Audio conferencing facilities for the Director(s) who are unable to attend physically due to their prior commitments, travels or remote locations, ensuring their meaningful participation in Meeting(s).

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director apprise the Board at every Meeting of the overall performance of your Company, followed by presentation(s) by the others. A detailed functional report is also presented at the Board Meeting(s). The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, the performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company’s governance practices for enhancing the stakeholders’ value.

Apart from the Board Members and the Company Secretary, the Board and Committee Meetings are also attended by Chief Financial Officer (“**CF**”) and other departmental/ functional heads wherever required.

The Board has complete access to all Company-related information, including that of employees. Information is provided to the Board Members on a continuous basis for their review, inputs and approval.

Minimum Attendance in Board Meetings as mandated by law – 33.33%

The Board of Directors met 8 (Eight) times during F.Y. 2023-24 i.e. on April 4, 2023, May 12, 2023, May 22, 2023, July 31, 2023, September 15, 2023, October 19, 2023, November 9, 2023, and February 5, 2024.

The details of the Members participation at the Board Meeting are as under

58.33% Independence	12 Members	8 Meetings	95.42% Attendance
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Attendance of Directors at the Board Meetings and Annual General Meeting

Board of Directors	Date of Meeting(s)									Meeting(s) Entitled to attend	Meeting(s) Attended	% of attendance
	April 4, 2023	May 12, 2023	May 22, 2023	July 31, 2023	September 15, 2023	October 19, 2023	November 9, 2023	February 5, 2024	AGM July 19, 2023			
Mr. P M Murty										8	8	100.00
Mr. Rangarajan Sriram										8	8	100.00
Mr. Shantanu Khosla										8	8	100.00
Mr. Mathew Job ^		NA	NA	NA	NA	NA	NA	NA	NA	1	1	100.00
Mr. A Balasubramanian										8	8	100.00
Ms. Smita Anand										8	7	87.50
Mr. Promeet Ghosh*	NA									7	4	57.14
Mr. M Padmanabhan										8	8	100.00
Mr. G S Samuel										8	8	100.00
Mr. T R Srinivasan										8	8	100.00
Ms. Maheshwari Mohan										8	8	100.00
Mr. Kaleeswaran Arunachalam#	NA	NA	NA	NA	NA	NA			NA	2	2	100.00
Mr. N Anandkumar#	NA	NA	NA	NA	NA	NA			NA	2	2	100.00
% of attendance	100.00	100.00	90.00	100.00	90.00	100.00	83.33	100.00	100.00			

^ Resigned w.e.f. April 30, 2023

*Appointed w.e.f. May 12, 2023

#Appointed w.e.f. November 9, 2023

Attended in Person	Attended through video conference	Leave of absence
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Committees of the Board

The Board Committees plays a pivotal role in the governance framework of the Company, established to address specific areas or activities as mandated by relevant regulations and Acts. These Committees are formed under formal approval of the Board, each tasked with clearly defined roles that are typically associated with the responsibilities of Board Members. Through their focused efforts and expertise, the Board Committees contribute significantly to the effective oversight and management of key aspects of the Company's operations, enhancing transparency, accountability, and overall governance practices.

Each Committee demonstrates the highest levels of governance standards and has the requisite expertise to handle issues relevant to their fields. These Committees spend considerable time and provide focused attention to various issues placed before them and the guidance provided by these Committees lend immense value and support, enhancing the qualitative Ness of the decision making process of the Board. In order to strengthen governance, the Board has adopted terms of reference for majority of Committees of the Company.

The Board reviews the functioning of these Committees from time to time. The meetings of each of these Committees are convened by the respective Chairpersons, who also appraised the Board about summary of discussion held at their meetings. The minutes of the Committee meetings are sent to all members of respective committee individually for their comments and approval as prescribed in SS-1 and after the minutes are duly approved, the same is being placed before the Board for review in immediate next meeting.

The Committees of the Board are:

1. Audit Committee ("AC")
2. Nomination & Remuneration Committee ("N&RC")
3. Stakeholders' Relationship Committee ("SRC")
4. Share Transfer Committee ("STC")
5. Risk Management Committee ("RMC")
6. Corporate Social Responsibility Committee ("CSR")

Audit Committee

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. More than 2/3rd (Two Third) of the Members of the Committee, including the Chairman are IDs.

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the SEBI Listing Regulations. All the Members of the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. The Chairman of the Committee possesses professional qualifications in the field of Finance and Accounting.

As on March 31, 2024, the total strength of the Audit Committee is 6 (Six) Members out of which 5 (Five) Members are IDs. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Audit Committee also receives the report on compliance under the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle-Blower Policy.

The Audit Committee also meets the Internal Auditors and Statutory Auditors without the presence of the management.

Meetings of the Audit Committee are also attended by the other Directors and Chief Financial Officer. The representatives of the Statutory Auditors have attended all the meetings held during the year at which Financial Statements have been placed for review and approval. The representatives of Internal and Cost Auditors are invited to attend the Meetings at which their respective reports are presented for discussion. The Company Secretary acts as the Secretary of the Audit Committee.

Internal audit reports on the various areas of operations and records of the Company are being periodically submitted before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies, if any, on the working of the various departments. The Board have appointed M/s. Grant Thornton Bharat LLP as the Internal Auditors to conduct the internal audit of the various areas of operations and records of the Company.

The periodical reports of the said Internal Auditors are regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

As per the provisions of Section 177 of the Act and Regulation 18(3) of Part-C of Schedule II to the SEBI Listing Regulations, the brief terms of reference to the Audit Committee of the Company, *inter alia* includes:

- i. Oversight of the Company's financial reporting process and the disclosures of its financial statements/ results and information submitted to the stock exchanges, regulatory authorities or the Members to ensure that the financial statement reflect a true and fair view correct and the same time sufficient and credible;

- ii. Recommend to the Board the appointment, re-appointment, terms of reference and, if required the replacement or removal of the Statutory Auditors, Cost Auditors and Secretarial Auditors considering their independence and effectiveness and also recommend the audit fees;
- iii. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Director's Responsibility Statement;
 - b) changes, if any, in accounting policies and practices and reasons for the same,
 - c) major accounting entries involving estimates based on the exercise of judgement by management,
 - d) significant adjustments, made, if any, in the financial statements arising out of audit findings,
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualification/ modified opinion, if any, in draft audit report.
- iv. Review accounting adjustments, if any, that are noted or proposed by the statutory auditors but were 'passed' (as immaterial or otherwise);
- v. Monitoring the end use of funds raised through public offers/ private placements/ debt issues and related matters;
- vi. Approval or any subsequent modification of transactions of the Company with related parties. Such approval can be in the form of omnibus approval of Related Party Transactions ("RPTs") subject to conditions specified in Regulation 23 of SEBI Listing Regulations;
- vii. Review of RPTs on a quarterly basis;
- viii. Scrutiny of inter-corporate loans and investments;
- ix. Valuation of undertakings or assets of the Company, wherever it is necessary;
- x. Review of the Management Discussion & Analysis of financial condition and result of operations;
- xi. Give approval of all auditing and permissible non-auditing services (services other than those services which cannot be rendered by the Statutory Auditors as per Section 144 of the Act) to be rendered by the Statutory Auditors and determining the remuneration for all such services;
- xii. Evaluation of internal financial controls and risk management systems;
- xiii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiv. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

- xv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xvi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xviii. Meet separately with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed separately;
- xix. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xx. To review the functioning of the whistle-blower mechanism;

- xxi. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- xxii. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
- xxiii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its Members.

There were 10 (Ten) Audit Committee Meetings held during F.Y. 2023-24.

The Composition of Audit Committee as on March 31, 2024, and details of the Members participation at the Meeting are as under:

83.33% Independence	6 Members
10 Meetings	96.67% Attendance

Name of the Member(s)	Designation	Date of Meeting(s)										Meetings entitled to attend	Meeting Attended	% of attendance
		April 04, 2023	May 05, 2023	May 12, 2023	May 22, 2023	July 31, 2023	September 15, 2023	October 19, 2023	November 9, 2023	February 5, 2024	March 29, 2024			
Mr. A Balasubramanian	Chairman											10	10	100
Mr. P M Murty	Member											10	10	100
Ms. Smita Anand	Member											10	8	80
Mr. Shantanu Khosla	Member											10	10	100
Mr. M Padmanabhan	Member											10	10	100
Mr. G S Samuel	Member											10	10	100

- c) Formulate criteria for determining qualifications, attributes and Independence of a Director;
- d) Identify persons who are qualified to become Directors in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- e) Formulate the criteria for evaluating the performance of the Independent Directors/ Board of Directors;
- f) Formulate a policy relating to the remuneration for the Directors, KMP and SMPs;
- g) Identify individuals for appointment as KMP and who may be appointed in senior management, recommend to the Board their appointment and removal. The Committee may consider any recommendations made by the Board and/ or parent company in this regard;
- h) Specify the manner for effective evaluation of performance of Board, its committees, individual Directors and review its implementation and compliance;
- i) Review the performance evaluation of the Directors and KMP;

- j) Administration of the Employee Stock Option Schemes (“ESOP”);
- k) Recommend to the Board, all remuneration, in whatever form, payable to SMPs; and
- l) For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates.

There were 5 (Five) N&RC Meetings held during the F.Y. 2023-24.

The Composition of N&RC as on March 31, 2024, and details of the Members participation at the Meeting(s) are as under:

83.33% Independence	6 Members	5 Meetings	96.67% Attendance
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Name of the Member(s)	Designation	Date of Meeting(s)					Meetings entitled to attend	Meeting Attended	% of attendance
		April 04, 2023	May 12, 2023	May 22, 2023	November 9, 2023	February 5, 2024			
Ms. Smita Anand	Chairperson						5	4	80
Mr. P M Murty	Member						5	5	100
Mr. A Balasubramanian	Member						5	5	100
Mr. Shantanu Khosla	Member						5	5	100
Mr. M Padmanabhan	Member						5	5	100
Mr. G S Samuel	Member						5	5	100

Nomination and Remuneration Committee (“N&RC”)

The N&RC of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. As on March 31, 2024, the total strength of the N&RC is 6 (Six) Members, all of whom are Non-Executive Directors, out of which 5 (Five) Members are IDs. The Chairperson of the Committee along with 2/3rd (Two Third) of the Members of the Committee are IDs. The Chairman of the Board is a Member of the Committee but does not chair the N&RC.

The MD and CFO also attends the meetings wherever required, for discussion of certain agenda items.

The Company Secretary of the Company acts as the Secretary to the Committee.

The N&RC is responsible for formulating, evaluating policies and reviewing all major aspects of Company’s HR processes relating

to hiring, training, talent management, succession planning and compensation structure of the Directors, Key Managerial Personnel (“KMP”) and Senior Management. The N&RC is also responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The Committee also anchored the performance evaluation of the Individual Directors.

Terms of reference of N&RC are

The brief terms of reference are in accordance with the provisions of Section 178 of the Act and Regulation 19(4) of Schedule II Part D to the SEBI Listing Regulations, *inter alia* includes:

- a) Review the Succession Policy of the Company under the overall guidance of the Board of Directors and succession policy of the Company;
- b) Devise a policy on Board Diversity, if required;

Stakeholders’ Relationship Committee and Share Transfer Committee (“SRC and STC”)

The SRC and STC oversees the various aspects of interests of security holders of the Company, resolving the grievances of Members, ensuring expeditious share transfer process in line with the proceedings of the SRC, evaluating performance and service standards of the Registrar and Share Transfer Agent (“RTA”) of the Company and recommends measures for overall improvement of the quality of investor services as and when the need arises. As on March 31, 2024, the total strength of the SRC and STC was 5 (Five) Members, which consist of 1 (One) Executive Director and 3 (Three) IDs and 1 (One)

Non Independent Directors and fulfils the criteria of composition as per Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

Mr. Mathew Job, Chairman of the Committee resigned w.e.f. April 30, 2023, and Mr. Promeet Ghosh was appointed as the Chairman w.e.f. May 12, 2023.

The Executive Director and CFO also attended the Meeting(s) held during the Financial Year.

The Company Secretary of the Company acts as the Secretary to the SRC and STC.

Stakeholders Relationship Committee (“SRC”)

Terms of reference for SRC are:

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|--|---|
| <p>a) To review the steps taken to resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc;</p> <p>b) To review the measures taken for effective exercise of voting rights by Members;</p> <p>c) To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the RTA;</p> <p>d) To review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the Members of the Company;</p> <p>e) To approve issue of duplicate share certificates for shares reported lost, defaced or destroyed as per the laid down procedure;</p> <p>f) To issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates;</p> | <p>g) To issue and allot right shares/ bonus shares pursuant to a Rights Issue/ Bonus Issue subject to such approval as may be required;</p> <p>h) To monitor dematerialisation of shares and all matters incidental or related thereto;</p> <p>i) To authorise the Company Secretary & Compliance Officer/ other officers of the Share Department to attend to take such actions as necessary or deemed fit by the Committee for any matter and to monitor action taken;</p> <p>j) To monitor Investor Relation activities of the Company and give guidance on the flow of information from the Company to the Investors;</p> <p>k) Review of transfer of unpaid/ unclaimed dividend/ shares to the Investor Education and Protection Fund of the Government of India in line with the relevant applicable laws;</p> <p>l) All other matters incidental or related to shares of the Company; and</p> <p>m) Perform such other functions as may be required by law, the Company’s Articles of Association or as may be assigned by the Board.</p> |
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There were 2 (Two) SRC Meeting held during the F.Y. 2023-24.

The Composition of SRC as on March 31, 2024, and details of the Members participation at the Meeting are as under:

60% Independence	5 Members	2 Meetings	90.00% Attendance
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Name of the Member(s)	Designation	Date of Meeting(s)				
		September 15, 2023	February 5, 2024	Meetings entitled to attend	Meeting Attended	% of attendance
Mr. Promeet Ghosh ^	Chairman			2	1	50
Ms. Smita Anand	Member			2	2	100
Mr. M Padmanabhan	Member			2	2	100
Mr. T R Srinivasan	Member			2	2	100
Mr. Rangarajan Sriram	Member			2	2	100

Attended in Person	Attended through video conference	Leave of absence
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Mr. Mathew Job ceased to be Chairman & Member w.e.f. April 30, 2023

^ Appointed as Chairman & Member w.e.f. May 12, 2023

Number of Investor complaints received during the F.Y. 2023-24:

Total Complaints from received the Investors	7
No. of Complaints pending	0
No. of Complaints Not Solved	0
No. of Complaints Resolved	7

Share Transfer Committee (“STC”)

Terms of reference for STC are:

- To review approve, reject the request for transfer and transmission of securities of the Company;
- To review, approve, reject the split, subdivision, consolidation, renewal of the share certificates; and
- To review, approve, reject the request of duplicate share certificates and loss of share certificates.

The Composition and details of the Members participation at the Meeting of STC are as under:

60% Independence	5 Members	2 Meetings	90% Attendance
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Name of the Member(s)	Designation	Date of Meeting(s)				
		September 15, 2023	February 05, 2024	Meetings entitled to attend	Meeting Attended	% of attendance
Mr. Promeet Ghosh ^	Chairman			2	1	50
Ms. Smita Anand	Member			2	2	100
Mr. M Padmanabhan	Member			2	2	100
Mr. T R Srinivasan	Member			2	2	100
Mr. Rangarajan Sriram	Member			2	2	100

Attended in Person	Attended through video conference	Leave of absence
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Mr. Mathew Job ceased to be Chairman & Member w.e.f. April 30, 2023

^ Mr. Promeet Ghosh was appointed as Chairman & Member w.e.f. May 12, 2023

Risk Management Committee (“RMC”)

Knowing the importance of managing and pre-empting risks effectively for having a sustainable business, the Company has constituted a RMC, in line with the SEBI Listing Regulations.

Regulation 21 of the SEBI Listing Regulations mandates constitution of the RMC. This Committee is entrusted with the responsibility of outlining procedures to keep the Board informed about risk assessment and minimisation strategies. Furthermore, it is the Board’s duty to develop, execute, and oversee the Company’s risk management plan. The SEBI Listing Regulations underscores the importance of robust risk management practices in safeguarding the Company’s interests and ensuring compliance with regulatory requirements.

The Committee reviews the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD and the CFO that the mitigation plans are finalised and up to date, owners are identified, and the progress of mitigation actions are monitored. The Company Secretary of the Company acts as the Secretary to the Committee.

Terms of reference for RMC are as under:

- To periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard;
- To formulate a detailed Risk Management Policy which shall also include;

- A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - The measures for risk mitigation including systems and processes for internal control of identified risks; and
 - Business continuity plan;
- To review the Risk Management Policy periodically, considering the changing industry dynamics and evolving complexity;
 - To monitor and oversee the implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
 - To formulate and ensure that appropriate methods, processes and systems are in place to monitor and evaluate the risks associated with the business of the Company;
 - To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
 - To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

- viii. The RMC shall evaluate risks related to cyber security and ensure appropriate procedures are placed to mitigate these risks in a timely manner;
- ix. To approve the Risk Management Framework of the Company periodically;
- x. Monitor the organisation's risk profile - its on-going and potential exposure to risks of various types;
- xi. Ensuring compliance with regulatory requirements and best practices with respect to risk management; and
- xii. Providing management and employees with the necessary tools and resources to identify and manage risks.

The MD, CFO and Head Audit - Risk & Control also attended the meetings.

The Company Secretary of the Company acts as the Secretary to the Committee.

There were 3 (Three) RMC Meetings held during the F.Y. 2023-24.

The Composition of RMC as on March 31, 2024, and details of the Members participation at the Meeting are as under:

75% Independence		8 Members		3 Meetings		95.83% Attendance	
Name of the Member(s)	Designation	Date of Meeting(s)					
		May 12, 2023	July 31, 2023	December 20, 2023	Meetings entitled to attend	Meeting Attended	% of attendance
Mr. M Padmanabhan	Chairman				3	3	100
Mr. P M Murty	Member				3	3	100
Ms. Smita Anand	Member				3	2	66.67
Mr. Shantanu Khosla	Member				3	3	100.00
Mr. Rangarajan Sriram	Member				3	3	100.00
Mr. A Balasubramanian	Member				3	3	100.00
Mr. G S Samuel	Member				3	3	100.00
Ms. Maheshwari Mohan	Member				3	3	100.00

- x. To advise the Board on significant stakeholder concerns relating to CSR;
- xi. Such other related matters which the CSR Committee may deem appropriate, required by law or assigned to the Committee by the Board from time to time; and

The CFO also attended the meeting(s) held during the Financial Year.

The Company Secretary of the Company acts as the Secretary to the Committee.

There was 1 (One) CSR Committee Meeting held during F.Y. 2023-24.

The Composition of CSR Committee as on March 31, 2024, and details of the Members participation at the Meeting are as under:

71.43% Independence		7 Members		1 Meeting		100% Attendance	
Name of the Member(s)	Designation	Date of Meeting(s)					
		July 31, 2023	Meetings entitled to attend	Meeting Attended	% of attendance		
Mr. Shantanu Khosla	Chairman		1	1	100		
Mr. P M Murty	Member		1	1	100		
Ms. Smita Anand	Member				100		
Mr. Rangarajan Sriram	Member		1	1	100		
Mr. T R Srinivasan	Member		1	1	100		
Mr. G S Samuel	Member		1	1	100		
Ms. Maheshwari Mohan	Member		1	1	100		

Attended in Person Attended through video conference

Corporate Social Responsibility ("CSR") Committee

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and CSR activities to be undertaken by the Company, recommending the amount of expenditure to be incurred and reviewing the performance of the Company in the areas of CSR and to strive for overall sustainable development in the conduct of Company's business. The total strength of the CSR Committee is 7 (Seven) Members. The Act requires at least 1 (One) of the Members to be an Independent Director and the Company has complied with the same.

Terms of reference of the CSR Committee are as under:

- i. To review from time to time the CSR policy of the Company and to ensure that the CSR policy is in line with Schedule VII of the Act as amended from time to time;
- ii. To review CSR projects with a view to ensure that they are in line with CSR objectives and CSR Policy of the Company;
- iii. To ensure that the Company's overall business strategy reflects its long-term objectives on CSR;
- iv. To consider and recommend the Board and the Management on various CSR projects to be implemented by the Company;
- v. The Committee shall formulate and monitor the implementation of the CSR annual action plan, in accordance with the Company's CSR policy and provisions of applicable laws from time to time. The Committee shall recommend the CSR annual action plan and any modification(s) thereto during the F.Y. for the approval of the Board from time to time;
- vi. To prepare budget and recommend to the Board the amount of expenditure to be incurred on various CSR programmes/ activities either directly or through the CCF or any other trusts/ Company registered under Section 8 of the Act (considering criteria given)/ registered society;
- vii. Modalities of utilisation of CSR funds;
- viii. To oversee impact assessment of CSR projects of the Company and place before the Board;
- ix. Monitor and report to the Board of the projects/ programmes undertaken by the Company;

Committee of IDs

The Committee of IDs constitutes 7 (Seven) Directors which are as follows:

Name	Designation
Mr. P M Murty	Member
Ms. Smita Anand	Member
Mr. A Balasubramanian	Member
Mr. M Padmanabhan	Member
Mr. T R Srinivasan	Member
Mr. G S Samuel	Member
Ms. Maheshwari Mohan	Member

During the year under review, a meeting of an IDs was held on May 12, 2023, *inter alia* to take a note the following:

- evaluation of the performance of Non-Independent Directors and the Board as a whole;
- evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- evaluation of the quality, quantity and timelines of flow of information between the management and the Board that

is necessary for the Board to effectively and reasonably perform their duties.

Confirmation by the Board on acceptance of recommendation of mandatory/ non-mandatory committees

In terms of the SEBI Listing Regulations, the Board of Directors confirmed that during the year, it has accepted all recommendations received from its mandatory/ non-mandatory committees.

Familiarisation programme

All new Directors on their appointment are taken through a detailed induction programme and familiarisation programme when they join the Board. The Directors are taken through the history of the Company, the milestones achieved by the Company since the date of its inception, the details of the important events taken place in the Company and the growth of the Company over the decades. The Directors are also given the details of present structure and an overview of the businesses and functions. Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company conducted various familiarisation programmes for its Directors including review of Industry Outlook at the Board Meetings, regulatory updates at Board and Audit Committee Meetings, presentations on Internal Control over Financial

Reporting, CSR Strategy, Statutory Compliance, Investor Grievances, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI Listing Regulations, framework for RPTs, etc. The details of familiarization programmes imparted to IDs are disclosed on the Company's website and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2024/04/Familiarization-Programme-for-FY-23-24.pdf>

Performance evaluation criteria for Independent Directors

Performance Evaluation Criteria for the Board, its Committee Committees and IDs is detailed out under Board's Effectiveness section of the Board's Report which forms part of this Annual Report.

Remuneration of Directors

Remuneration policy

In terms of Section 178 of the Act and corresponding provisions contained in the SEBI Listing Regulations, your Company has a well-defined Policy for Remuneration of the Directors, KMP and other Employees.

The salient features of the Policy as follows:

- Matters to be dealt with, perused and recommend to the Board by the N&RC, which *inter alia* includes size and composition of Board, positive attributes of Directors, succession plans, evaluation of performance of every Director, Board diversity etc.;
- Appointment and Removal of Directors, KMP and SMPs;
- Remuneration for Directors, KMP and SMPs;
- Formulation of criteria for evaluation of IDs and the Board;
- Devising a Policy on Board diversity.

N&RC while deciding the basis for determining the compensation, both fixed and variable to the Non-Executive Directors, takes into consideration various factors such as Directors' participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Act and the SEBI Listing Regulations and such other factors as the N&RC may deem fit.

Non-Executive and IDs remuneration

The Board has approved payment of sitting fees to the IDs, i.e. ₹30,000 (Rupees Thirty Thousand Only) for attending the Board and the Committee Meetings. Apart from payment of sitting fees, the Members had at their 35th AGM of the Company held on July 14, 2022, has also approved payment of commission to the Company's Non-Executive, Independent Directors, collectively, upto 1% of the net profits, as permitted by the Act.

Additional commission is paid to the Chairman of the Board, Audit Committee and the Chairperson of the N&RC for their enhanced roles and responsibilities.

Executive Director(s) Remuneration

As on March 31, 2024, Mr. Rangarajan Sriram, MD was the only Executive Director on the Board of the Company. The annual remuneration package of Mr. Sriram constitutes a fixed salary component including a basket of allowances/ reimbursements, a variable pay component and stock options from Crompton Greaves Consumer Electricals Limited ("**Crompton/ Holding Company**"), as approved by the N&RC and Board of the Holding Company from time to time. The variable pay of MD was paid annually which is determined by N&RC after factoring in the individual performance, i.e. KPIs achieved and the Company's performance. There is no claw back provision in the remuneration paid to MD of the Company. In terms of applicables laws in India, there is no mandatory stock ownerships requirements for MD.

The Board of the Company on February 5, 2024, basis the recommendation of the N&RC approved the re-appointment of Mr. Rangarajan Sriram as the Managing Director for a further period of 2 (Two) years w.e.f. March 30, 2024, till March 29, 2026. The aforementioned re-appointment was subsequently approved by the Members of the Company on March 30, 2024 vide postal ballot.

Additionally, the Managing Director was entitled to grant of employee stock options under various Employee Stock Option Scheme(s) and performance share plans from the Holding Company.

The remuneration paid to Directors is in accordance with the provisions of the Act and does not exceed the thresholds specified in the Act and in Regulation 17(6)(ca) of the SEBI Listing Regulations.

None of the Directors of the Company have any pecuniary relationship with the Company apart from receiving remuneration.

In accordance with the SEBI Listing Regulations, no employee including KMP Director(s), Promoter of a listed entity, shall enter into any agreements for himself or on behalf of any other person, with any Member or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, without prior approval from the Board as well as from Members by way of an ordinary resolution. No such instances were reported during the F.Y. ended March 31, 2024.

The details of the remuneration of Director(s) during the F.Y. 2023-24 is given below:

(₹ in Lakhs)

Name of the Directors	Salary and allowances	Variable pay*	Perquisite	ESOP	Sitting fees	Commission	Total
Executive Director							
Mr. Rangarajan Sriram	215.88	40.75	7.24	21.70	-	-	285.57
Non-Executive, Independent Director(s)							
Mr. P M Murty	-	-	-	-	8.10	-	8.10
Ms. Smita Anand	-	-	-	-	7.80	-	7.80
Mr. M Padmanabhan	-	-	-	-	9.00	-	9.00
Mr. A Balasubramanian	-	-	-	-	7.80	-	7.80
Mr. G S Samuel	-	-	-	-	8.10	-	8.10
Mr. T R Srinivasan	-	-	-	-	3.90	-	3.90
Ms. Maheshwari Mohan	-	-	-	-	3.60	-	3.60

*Variable Pay is for the F.Y. 2022-23 and paid in the F.Y. 2023-24.

Related Party Transactions ("RPTs")

All RPTs entered into by the Company during the year with related parties were approved by the Audit Committee as well as by Board as and when required. The policy on related party transactions has been placed on the Company's website and can be accessed at https://www.butterflyindia.com/wp-content/uploads/2022/06/RPT-Policy_15.06.2022.pdf There have been no materially significant transactions with related parties that could potentially conflict with the interests of the Company as a whole. Throughout the review period, no material RPTs were proposed requiring approval from Members. Furthermore, in line with the SEBI Listing Regulations, no related party, regardless of involvement in the specific transaction, is permitted to vote to approve said transaction.

Vigil mechanism/ Whistle-Blower policy ("WB Policy")

Your Company is committed to high standards of corporate governance and stakeholder responsibility. The Company have a WB Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and ensures that no discrimination is made towards any person for a genuinely raised concern. No personnel have been denied access to the Audit Committee.

In accordance with the provisions of Section 177(9) of the Act and the Rules made thereunder and also Regulation 22 of the SEBI Listing Regulations, WB Policy of the Company is also available on the website of the Company and can be accessed at https://www.butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf

Code of Conduct ("COC")

Your Company has a COC for Board and SMP that reflects its high standards of integrity and ethics. The Directors and SMP of the Company have affirmed their adherence to this COC for F.Y. 2023-24. As required under Regulation 34 of the SEBI

Listing Regulations, Mr. Rangarajan Sriram, Managing Director has signed a declaration stating that the Board and SMP of the Company have affirmed compliance with this Code of Conduct, which is annexed to this Report. This Code is available on the Company's website and can be accessed at https://www.butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf

Compliance with mandatory/ non-mandatory requirements

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance as specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations and has obtained a certificate from M/s. ASA & Associates LLP, Chartered Accountants, regarding compliance of conditions of corporate governance, which is annexed to this Report.

Fees to Statutory Auditors

M/s. ASA & Associates LLP, Chartered Accountants, were re-appointed as the Statutory Auditors of the Company at the 35th Annual General Meeting ("**AGM**") held on July 14, 2022, for conducting audit for a period of 5 (Five) years, till the conclusion of the 40th AGM of the Company.

The details of the total fees to the Statutory Auditors are as follows:

(₹ in Lakhs)

Type of Service	F.Y. 2023-24	F.Y. 2022-23
Audit Fees	22.00	22.00
Fees for Tax Audit	7.50	7.50
Other Services & Certifications	2.80	3.65
Total	32.30	33.15

Information on General Body Meetings

Details of last 3 (Three) Annual General Meetings (“AGMs”) and Extra Ordinary General Meeting(s) (“EGMs”):

Event	Financial Year	Venue/ Deemed Venue	Mode	Day, Date & Time	Special Resolutions passed
36 th AGM	2023-24	143, Pudupakkam Village Kelambakkam Chengalpattu District – 603 103	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	July 19, 2023	No Special Resolution was passed
35 th AGM	2022-23	143, Pudupakkam Village Kelambakkam Chengalpattu District – 603 103	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	July 14, 2022	Alteration of Articles of Association of Company
34 th AGM	2021-22	143, Pudupakkam Village Kelambakkam Chengalpattu District – 603 103	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	July 29, 2021	i. Re-appointment of Mr. V M Gangadharam as the Whole Time Director of the Company. ii. Re-appointment of Mr. V M Kumaresan as Executive Director – Technical of the Company. iii. Approval to contribute to Bonafide Charitable and other Funds

Postal Ballot

During the F.Y. 2023-24, pursuant to Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company had passed the following resolution(s) through postal ballot:

Postal Ballot-1

Date of Postal Ballot Notice	November 18, 2023
Voting Period	Wednesday, November 22, 2023 (9:00 a.m. IST) till Thursday, December 21, 2023 (5:00 p.m. IST)
Date of Declaration of Result	December 21, 2023
Date of Approval	December 21, 2023

Details of Voting Pattern

S. No	Particulars of the Resolution & type of Resolution	Votes cast in favour of the Resolution		Votes cast against the Resolution		Invalid votes
		No.	%	No.	%	
1	Appointment of Mr. Kaleeswaran Arunachalam (DIN:07625839) as a Non-Executive Non-Independent Director of the Company - Ordinary Resolution	1,48,51,659	99.99	420	0.01	Nil
2	Appointment of Mr. Nithyanandam Anandkumar (DIN:10381096) as a Non-Executive Non-Independent Director of the Company - Ordinary Resolution	1,48,51,692	99.99	422	0.01	Nil

Ms. Alifya Sapatwala (ACS-24091), Partner, M/s. Mehta & Mehta, was appointed as the Scrutiniser for conducting Postal Ballot process (including e-voting) in a fair and transparent manner.

Postal Ballot-2

Date of Postal Ballot Notice	February 05, 2024
Voting Period	Friday, March 01, 2024 (9:00 a.m. IST) till Saturday, March 30, 2024 (5:00 p.m. IST)
Date of Declaration of Result	March 30, 2024
Date of Approval	March 30, 2024

Details of Voting Pattern

S. No	Particulars of the Resolution	Votes cast in favour of the resolution		Votes cast against the resolution		Invalid votes
		No.	%	No.	%	
1	Re-appointment of Mr. Rangarajan Sriram (DIN:09550640) as the Managing Director of the Company - Special Resolution	1,45,51,003	99.99	362	0.003	Nil
2	Alteration of Object Clause of the Memorandum of Association - Special Resolution	1,45,50,841	99.99	519	0.004	Nil
3	Amendment to Clause III (B) of the Memorandum of Association of the Company - Special Resolution	1,45,50,818	99.99	520	0.004	Nil

Ms. Shikha Purohit, (FCS-9180), Proprietor, M/s. Shikha Purohit & Company, Company Secretaries, was appointed as the Scrutinizer for conducting Postal Ballot process (including e-voting) in a fair and transparent manner.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Annual Report.

Means of communication to the Members

a) Financial results

- The quarterly unaudited financial results and the annual audited financial results of the Company, in the prescribed proforma, are taken on record by the Board and are submitted to the Stock Exchanges in a timely manner.
- The results are normally published in Trinity Mirror, (English Daily) and Makkal Kural (Tamil Daily) within 48 (Forty-Eight) hours of the conclusion of the meeting of the Board in which they were approved.
- The Company also hosts the results on its website with a detailed information update and media release discussing the results. The results are displayed on the Company's website at <https://www.butterflyindia.com/investor-relations/>

b) News/ events/ presentations

All the official news releases are disseminated on the Company's website whenever necessary at <https://www.butterflyindia.com/investor-relations/>

c) Annual Report

Members have been provided with an opportunity to provide their e-mail ID for receiving correspondence, financial results and Annual Report in electronic form. The Annual Report has been sent in electronic form to the Members who have provided their e-mail ID. Physical copies of the Annual Report have been issued to those Members who have specifically requested for the same.

Annual Report is also posted on the Company's web site and can be accessed at <https://www.butterflyindia.com/investor-relations/> and also on the website of the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

Procedure for postal ballot

In compliance with Regulation 44 of the SEBI Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the MCA, the Company provided e-Voting facility to all its members.

The Company engaged the services of NSDL for the purpose of providing e-Voting facility to all its Members. The Postal Ballot Notice was sent to the Members in electronic form at their email addresses registered with the depositories/ Company's RTA.

Further, pursuant to the MCA Circulars, the Company had also published a public notice in the newspaper for all the Members to update their email addresses and mobile numbers with the depositories prior to the circulation of postal ballot notice.

The Notice of Postal Ballot was sent in electronic mode only to all those Members who had registered their e-mail addresses with the Company or Depository Participant/ Depository/ M/s. GNSA Infotech Private Limited (“RTA”). Further, the Members had the option to vote only through remote e-Voting and voting through physical ballot papers was not provided.

The Company had also published a notice in the newspaper declaring the details and requirements for postal ballot as mandated by the Act and applicable rules post circulation of postal ballot notice to all the Members. Voting right(s) were reckoned on the paid-up value of shares registered in the name of the Member as on the cut-off date. The scrutiniser completed their scrutiny and submitted the report to the Chairman/ MD and the consolidated results of the voting were announced by the Chairman/ Authorised Officer. The results were also displayed on the Company's website and can be accessed at https://www.butterflyindia.com/investor-relations/#postal_ballot besides being communicated to the Stock Exchanges, Depositories and RTA.

d) Investors

SEBI processes investor complaints in a centralised web based complaints redressal system i.e. SCORES. Through this system a Member can lodge a complaint against the Company for redressal of their grievance. The Company uploads the action taken report on the complaint which can be viewed by the Member. The Company and Member can seek and provide clarifications online through SEBI.

e) Board of Directors

Your Company continues to use a digital platform for sharing the information with the Directors and maintains a seamless and safe flow of information between the Management and the Board. While being secure and user friendly, it is also a quick and efficient means for sharing updates with the Board in an environment friendly manner.

General shareholder information

37th Annual General Meeting

(a)	Date	July 19, 2024
	Day	Friday
	Time	3:00 p.m.
	Venues	The Annual General meeting will be held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”). The Registered Office i.e. 143, Pudupakkam Village, Kelambakkam Chengalpattu District – 603 103, shall be deemed to venue of the AGM.
(b)	Particulars of financial calendar of the Company	
	Financial Year	April 01, 2024, to March 31, 2025
	First Quarter Results	On or before August 14, 2024
	Unaudited Second Quarter Results	On or before November 14, 2024
	Unaudited Third Quarter Results	On or before February 14, 2025
	Last Quarter Results and Annual Audited Results	On or before May 30, 2025
	Date of Book Closure	Not Applicable
	Date of remote e-Voting	Monday, July 15, 2024, (From 9:00 a.m.) to Thursday, July 18, 2024, (Till 5:00 p.m.)
(c)	Dividend payment date	Not Applicable
(d)	Name and address of Stock Exchanges where the Company’s shares are listed and confirmation of payment of annual listing fees	
	NSE	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
	BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001
	The Company has paid the Annual Listing fees to both the Stock Exchanges for the Financial Year 2023-24 and 2024-25 where the Company’s securities are listed	
(e)	Stock code	
	BSE	517421
	International Securities Identification Number (ISIN)	INE295F01017 (NSDL & CDSL)
	Symbol	BUTTERFLY

Registrars and share transfer agent and address for correspondence

For any queries/ complaints relating to the securities of the Company, correspondence may please be addressed to M/s. GNSA Infotech Private Limited at:

Nelson Chambers, 4th Floor, F Block, No.115, Nelson Manickam Road, Aminjikarai, Chennai – 600 029

T: 044-42962025

E-mail: sta@gnsaindia.com

Website: www.gnsaindia.com

Contact Person: Mr. R Balasubramanian

Designation: Assistant Manager- STA Functions

SEBI Registration: INR200003967

For the benefit of Members, documents will continue to be accepted at the Registered Office of the Company at

Butterfly Gandhimathi Appliances Limited

Address: No. 143, Pudupakkam Village, Vandalur – Kelambakkam Road, Kelambakkam, Chengalpattu District – 603103

T: 044-49005154

E-mail: butterfly.investorrelations@butterflyindia.com

Website: www.butterflyindia.com

Members are requested to quote their Folio No./ DP ID & Client ID, e-mail address, if any, telephone number and full address while corresponding with the Company and its RTA.

Share transfer system

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 01, 2019, including in case of transmission or transposition of securities w.e.f. January 25, 2022. All share transfers and other share related issues are processed by the RTA of the Company.

Shareholding as on March 31, 2024

(i) Shareholding pattern as on March 31, 2024

	Category	No. of shares held	% of Shareholding
A	Promoter’s holding	1,34,09,663	75.00
B	Non-Promoters Holding	0	0.00
1	INSTITUTIONAL INVESTORS		
	i. Foreign Portfolio Investor	206	0.00
	ii. Mutual Funds/ UTI	11,31,390	6.33
	iii. Financial Institutions/ Banks	0	0.00
	iv. Alternative Investment fund	0	0.00
	v. Others	0	0.00
2	CENTRAL/ STATE GOVERNMENTS	0	0
3	NON-INSTITUTIONAL INVESTORS		
	i. Bodies Corporate	3,21,349	1.80
	ii. Indian Public	26,54,857	14.85
	iii. NRIs	63,469	0.35
	iv. Clearing Members	283	0.00
	v. Clearing House	351	0.00
	vi. Trust	0	0.00
	vii. IEPF	2,97,583	1.66
	Viii. Unclaimed Suspense account	400	0.00
	GRAND TOTAL	1,78,79,551	100

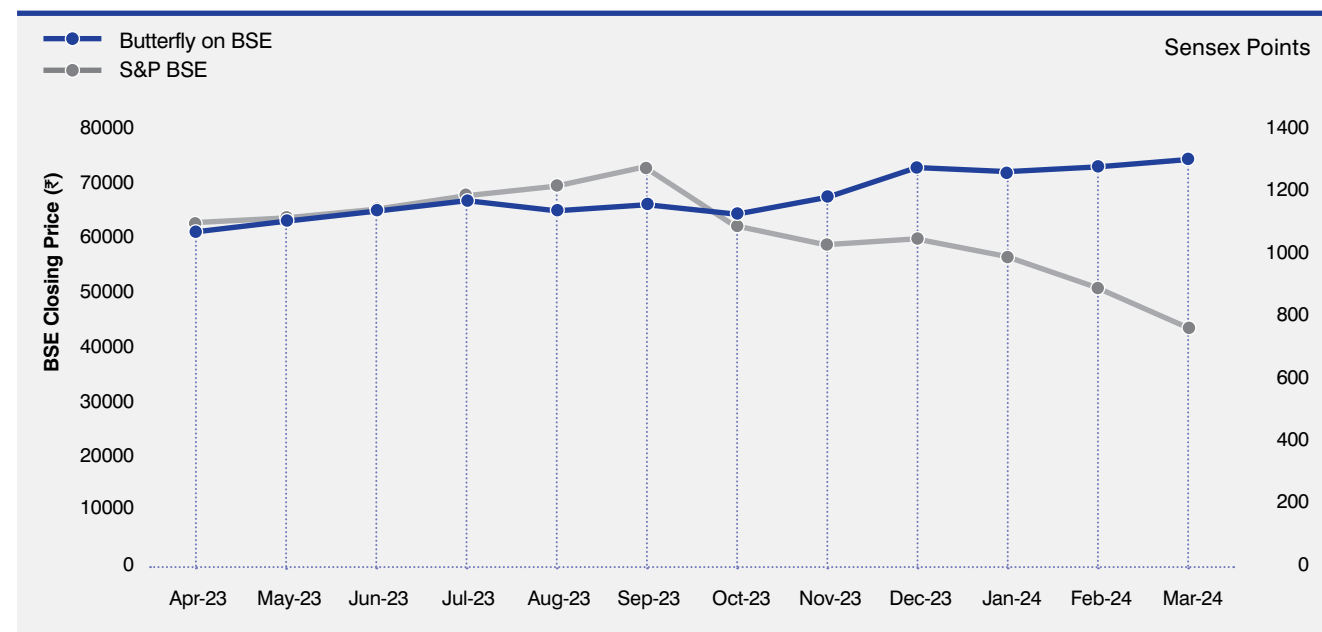
(ii) Distribution of shareholding as on March 31, 2024

Number of Shares held	No. of Members	% of Members	No. of Shares	% of Shareholding
1 to 500	15,939	97.58	8,42,552	4.71
501 to 1,000	230	1.41	17,57,68	0.98
1,001 to 2,000	61	0.37	85,619	0.48
2,001 to 3,000	29	0.18	73,672	0.41
3,001 to 4,000	16	0.10	55,786	0.31
4,001 to 5,000	7	0.04	32,327	0.18
5,001 to 10,000	20	0.12	1,31,118	0.73
Above 10,000	33	0.20	1,64,82,709	92.19
Total	16,335	100.00	1,78,79,551	100.00

Butterfly Share Price on BSE vis-à-vis BSE Sensex April, 2023 – March, 2024

Month	S&P BSE	High Price (in ₹)	Low Price (in ₹)	Close (in ₹)	Turnover (₹ in Crore)	No. of shares traded during the month
Apr 2023	61,112.44	1,230.05	1,084.25	1,097.65	0.74	6,463
May 2023	62,622.24	1,185.00	980.65	1,112.35	1.92	17,559
Jun 2023	64,718.56	1,220.80	1,108.45	1,138.45	1.22	10,570
Jul 2023	66,527.67	1,262.15	1,120.05	1,175.75	1.96	16,624
Aug 2023	64,831.41	1,290.85	1,150.00	1,209.80	2.30	19,032
Sep 2023	65,828.41	1,299.90	1,170.05	1,265.05	1.02	8,271
Oct 2023	63,874.93	1,276.30	1,070.85	1,088.10	1.30	11,137
Nov 2023	66,988.44	1,194.95	1,004.90	1,022.00	1.02	9,566
Dec 2023	72,240.26	1,085.00	1,003.40	1,040.35	1.49	14,348
Jan 2024	71,752.11	1,130.50	979.85	984.70	1.97	18,960
Feb 2024	72,500.30	999.60	873.25	891.60	2.48	26,956
Mar 2024	73,651.35	917.85	756.80	764.05	1.49	18,252

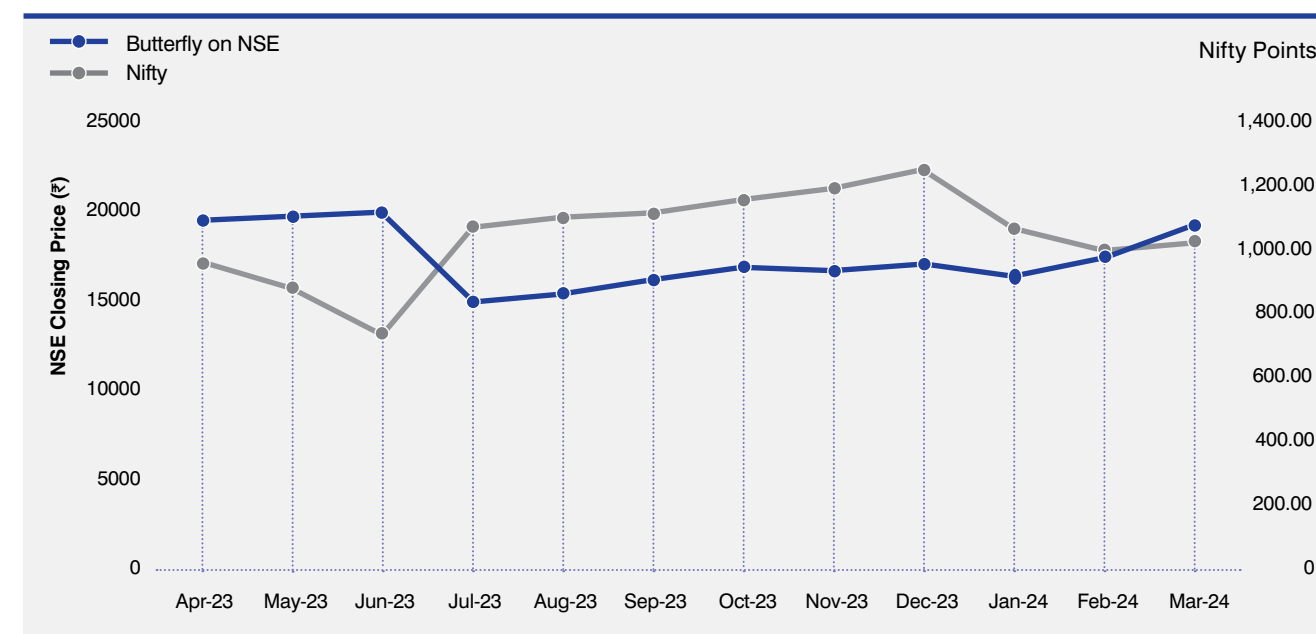
The performance of your Company's shares relative to the BSE Sensex is given in the chart below



Butterfly's Share Price on NSE vis-à-vis NSE Nifty 500 April, 2023 – March, 2024

Month	NSE Nifty 500 Close	High Price (in ₹)	Low Price (in ₹)	Close (in ₹)	Total Traded Quantity	Turnover (₹ in Crore)
Apr 2023	15,219.55	1,252.10	1,089.95	1,097.45	10,026	20.36
May 2023	15,766.4	1,190.1	977.55	1,117.6	20,649	31.87
Jun 2023	16,430	1,216.95	1,106.4	1,135.5	21,154	22.67
Jul 2023	17,059	1,247.1	1,127	1,176.7	37,706	28.38
Aug 2023	16,924.3	1,297.95	1,150.35	1,212.3	40,133	37.55
Sep 2023	17,292.6	1,308.4	1,186.95	1,266.3	29,238	30.73
Oct 2023	16,801.1	1,287	1,077.15	1,085.4	20,988	18.98
Nov 2023	17,987.95	1,114.95	1,010	1,020.5	18,026	11.74
Dec 2023	19,429.15	1,059	1,004.5	1,039.95	18,861	11.64
Jan 2024	19,802.1	1,134.2	979.95	983.35	30,057	24.70
Feb 2024	20,090.05	1,000	864.95	898.65	29,618	23.75
Mar 2024	20,255.15	920	756	762.95	20,193	14.29

The performance of your Company's shares relative to the NSE Nifty 500 Index is given in the chart below



Dematerialisation of shares and liquidity

As on March 31, 2024, 98.81% of the total shares of your Company representing 1,76,67,410 equity shares were held in dematerialised form.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity

No such instruments have been issued by the Company.

Commodity price risk or foreign exchange risk and hedging activities

Your Company actively monitors the foreign exchange movements and takes forward/ options covers as appropriate to reduce the risks associated with transactions in foreign currencies.

Your Company also undertakes short-term commodity hedging activities to prevent future adverse price movement.

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018, is not applicable.

Plant locations of the Company

The Company as on the date of report has 2 (Two) Plants located in the state of Tamil Nadu for operations of its Business. The details of the plant locations are as follows:

S. No	Area	Address
1	Pudupakkam	143, Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam - 603 103 Chengalpattu District, Tamil Nadu
2	Mambakkam	26, Vandalur-Kelambakkam Road, Mambakkam, Chennai – 600 048

Address for correspondence

All communication regarding share transactions, change of address, bank mandates, nominations etc. should be addressed to the RTA and to the Registered Office of the Company at the following addresses:

Registered Office Address	RTA
M/s. Butterfly Gandhimathi Appliances Limited 143, Pudupakkam Village Kelambakkam Road, Kelambakkam, District – 603 103 E-mail: butterfly.investorrelations@butterflyindia.com Website: https://www.butterflyindia.com/	M/s. GNSA Infotech private Limited, STA Department, Nelson Chambers, 4th Floor, F-Block, No.115, Nelson Manickam Road, Aminjikarai, Chennai – 600 029 E-mail: sta@gnsaindia.com Website: www.gnsaindia.com T: 044-42962025

Credit Rating

CRISIL Ratings Limited, (“CRISIL”) has provided the Company’s credit rating for its bank facilities as follows:

Long-Term Rating	CRISIL AA/ Stable
Short-Term Rating	CRISIL A1+

Disclosures

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large

During the year under review, there were no materially significant RPTs that may have potential conflict with the interest of the Company at large.

Disclosure of non-compliance of any requirement of Report on Corporate Governance

The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under sub-para (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations.

Loans and advances in the nature of loans to firms/ companies in which Directors are interested disclosure relating to adoption of discretionary requirements

No Loans and Advances in the nature of loans to firms/ companies in which Directors are interested were given during the Financial Year.

Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Company does not have any subsidiary and hence reporting under this section is not applicable.

Directors and Officers Insurance (“D&O”)

In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken D&O for all its Directors and KMPs for quantum and risks as determined by the Board of the Company.

Managing Director and Chief Financial Officer Certification

The Managing Director and Chief Financial Officer’s annual certificate on financial reports and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations forms part of this Annual Report. The Managing Director and Chief Financial Officer also jointly issue a quarterly compliance certificate on financial results and place the same before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.

Other Disclosures

The Board: The Chairman of the Company is Non-Executive Independent Director.

Members Right: Financial results are published in one English and one Vernacular Newspaper and also posted on the website of the Company at <https://www.butterflyindia.com/investor-relations/> and on the Stock Exchanges where the Company is listed.

Modified Opinionin Audit Report: The auditors have issued an unmodified opinion on the financial statements of the Company.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and accordingly no penalties or strictures were imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

The securities of the Company were not suspended from trading at any time during the F.Y..

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges, Securities Exchange Board of India (“SEBI”) or any other Statutory Authorities on any matter related to capital markets, during the last three years

There was no non-compliance by the Company, penalties or strictures imposed on the Company by Stock Exchange(s), SEBI, or any other Statutory Authority or any matters relating to capital market during the last 3 (Three) Financial Years.

Details of compliances with mandatory requirements and adoption of the non-mandatory requirements of the clause

All the applicable mandatory requirements of corporate governance norms as enumerated under Schedule II to the SEBI Listing Regulations were complied with.

Web-link where policy for determining ‘material’ subsidiaries is disclosed

The Company has no subsidiary.

Web-link for policy on dealing with RPTs

The Company’s policy for dealing with RPTs can be viewed at its website at https://www.butterflyindia.com/wp-content/uploads/2022/06/RPT-Policy_15.06.2022.pdf

Policy for prohibition of insider trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), the Company has formulated the “Code of Conduct for Prevention of Insider Trading” and “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information”, which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in Company’s shares. It also prohibits dealings in the Company’s shares to Directors, Designated

Persons, Connected Persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company’s share is closed.

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations.

A structured digital database of the entire designated employees is being digitally maintained by the Company on its internal server. These contain the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the PIT Regulations.

The Company Secretary has been appointed as the Compliance Officer to ensure the implementation of the Code for fair disclosure and conduct.

The Board of Directors, Designated Persons and other Connected Persons affirmed compliance with the Code. The code of the Company can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2022/03/Code-of-Conduct-10.02.2022.pdf>

Management Discussion and Analysis Report

This is given separately, which forms part of the Annual Report.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations

The Company has not raised funds through preferential allotment or qualified institutions placement during the Financial Year under review.

Certificate from Company Secretary in practice

The Certificate, as mandated under Part C of Schedule V of the SEBI Listing Regulations, has been obtained from M/s. M. Alagar & Associates, Practicing Company Secretaries. This certificate confirms that none of the Directors on the Board of the Company were debarred or disqualified for the Financial Year ending on March 31, 2024, from serving or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any relevant statutory authority. It was presented before the Board during their meeting on May 14, 2024, and is enclosed with this Annual Report.

Disclosure of certain types of agreements binding listed entities

The Company has not entered into any agreements with any Companies or third parties that are binding on the Company during the F.Y. under review.

Unclaimed Dividends

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (“IEPF Rules”), all unclaimed/ unpaid dividend remaining unpaid or unclaimed for a period of 7 (Seven) years from the date it is transferred to unpaid dividend account/ they become due

for payment, are required to be transferred to the Investor Education and Protection Fund (“IEPF”) administered by the Central Government.

Further, pursuant to Section 124 of the Act read with the IEPF Rules, all equity shares, in respect of which dividend has not been paid or claimed for 7 (Seven) consecutive years or more from the date of declaration, are also required to be transferred to an account, viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules. Further, all equity shares of the Company on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more, shall be transferred by the company to the IEPF from time to time.

During the Financial Year 2023-24, unclaimed dividend for the Financial Year 2015-16 aggregating ₹5,82,689/- (Rupees Five Lakhs Eighty Two Thousand Six Hundred and Eighty Nine Only) and 2,97,583 (Two Lakh Ninety Seven Thousand Five Hundred and Eighty Three) unclaimed equity shares in respect of which dividend entitlements remained unclaimed for 7 (Seven) consecutive years, were transferred by the Company to the IEPF established by the Central Government in accordance with the provisions of Section 124 of the Act read with the IEPF Rules.

Members may claim their unclaimed dividend for the years prior to and including the F.Y. 2014-15 and the shares from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form can be accessed on the website of the IEPF Authority at <https://www.iepf.gov.in/IEPF/corporates.html>

The statutory timelines for claiming unclaimed and unpaid dividends declared by the Company for the F.Y. ended March 31, 2017, and thereafter is provided as under:

Financial Year	Date of declaration of dividend	Statutory timeline for claiming unpaid/ unclaimed dividend
2016-17	No Dividend was declared	Not Applicable
2017-18	No Dividend was declared	Not Applicable
2018-19	No Dividend was declared	Not Applicable
2019-20	No Dividend was declared	Not Applicable
2020-21 (Interim)	November 11, 2020	December 16, 2027
2020-21 (Interim)	March 2, 2021	April 7, 2028
2021-22 (Interim)	November 2, 2021	December 7, 2028

Cyber security incidents or breaches and loss of data/ documents

In the rapidly evolving landscape of technology, it has become imperative for every organization to embrace digitalisation and newer technologies to remain competitive, agile, and facilitate ease of doing business. In alignment with this imperative, our Company has proactively adopted and implemented digitalisation and advanced technologies across various facets of its operations. By integrating these innovations into our business processes, we aim to enhance efficiency, responsiveness, and overall effectiveness, thereby positioning ourselves strategically in today’s dynamic market environment.

In line with adoption of technology, there always subsist a risk, which is called a Cyber Risk, being one of the key risks, Company is focused on maintaining a positive cybersecurity culture within the organization, thus making cybersecurity a sustainable and repeatable process throughout the organization.

In the past year(s), while our employees operated efficiently as a remote and hybrid workforce, we continued to remain vigilant about the evolving cyber security threat landscape.

To continue to have robust cyber security processes, the team has remained abreast of emerging cyber security events so as to achieve higher and continued sustenance.

During the year under review, there was no incident or breach and loss of data/ documents have occurred.

Disclosure on Compliance with Corporate Governance requirements

The Company has complied with all the requirements of Corporate Governance specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, wherever applicable.

Disclosure of Accounting treatment

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (“IndAS”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH”)

Your Company has constituted Internal Complaints Committee (“ICC”) to consider and resolve all sexual harassment complaints. The constitution of ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Committee includes an external member who is an independent POSH consultant with relevant experience.

Details of sexual harassment complaints for the year ended March 31, 2024, as required under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, and the SEBI Listing Regulations are furnished:

S. No.	Particulars	No of Complaints
1.	Number of Complaints filed during the year	Nil
2.	Number of Complaints Disposed during the year	Nil
3.	Number of Complaints pending during the year	Nil

Report on Corporate Governance

This Chapter read together with the “Annexure to Corporate Governance” constitutes the Compliance Report on Corporate Governance for the F.Y. 2023-24.

For and on behalf of the Board of Directors

P M Murty
Chairman
DIN:00011179

Place: Chennai
Date: May 14, 2024

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
Butterfly Gandhimathi Appliances Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Butterfly Gandhimathi Appliances Limited** having CIN: **L28931TN1986PLC012728** and having its registered office at 143, Pudupakkam Village, Kelambakkam, Kancheepuram Dist – 603103 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with **Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal <http://www.mca.gov.in>) as considered necessary and explanations furnished to us by the Company & its officers, **we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies** by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority;

S. No	Name	DIN	Designation	Date of appointment
1	Mr. Pangulury Mohan Murty	00011179	Chairperson (Non-Executive & Independent Director)	01.04.2022
2	Mr. Sriram Rangarajan	09550640	Managing Director (Executive & Non-Independent)	30.03.2022
3	Mr. Shantanu Maharaj Khosla	00059877	Non-Executive & Non Independent Director	30.03.2022
4	Mr. Meleveetil Padmanabhan	00101997	Independent Director	30.01.1999 (Re-appointment 01.08.2019)
5	Mr. Srinivasan Tanjore Ramamurthy	00367302	Independent Director	01.06.2013 (Re-appointment 01.08.2019)
6	Mr. A Balasubramanian	00490921	Independent Director	14.11.2011 (Re-appointment 01.08.2019)
7	Mr. Gnanasekar Sukumar Samuel	05284689	Independent Director	11.05.2012 (Re-appointment 01.08.2019)
8	Ms. Sunder Maheswari Mohan	07156606	Independent Director	31.03.2015 (Re-appointment 21.08.2020)
9	Ms. Smita Anand	00059228	Independent Director	01.04.2022
10	Mr. Promeet Ghosh*	05307658	Non-Executive & Non-Independent Director	12.05.2023
11	Mr. Mathew Job#	02922413	Non-Executive - Non Independent Director	30.03.2022 (Resignation w.e.f 30.04.2023)
12	Mr. Kaleelswaran Arunachalam*	07625839	Non-Executive & Non Independent Director	09.11.2023
13	Mr. Nithyanandam Anandkumar*	10381096	Non-Executive & Non Independent Director	09.11.2023

#Mr. Mathew Job has resigned from the post of Non-Executive - Non Independent Director with effect from 30.04.2023

*Mr. Promeet Ghosh was appointed as Non-Executive & Non Independent Director with effect from 12.05.2023 and Mr. Kaleelswaran Arunachalam and Mr. Nithyanandam Anandkumar was appointed as Non-Executive & Non Independent Director with effect from 09.11.2023

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M. Alagar & Associates**
Practising Company Secretaries
Peer Review Certificate No:1707/2022

M. Alagar
Managing Partner
FCS No. 7488
CoP No. 8196
UDIN: F007488F000377231

Place: Chennai
Date: May 14, 2024

Compliance Certificate Under Regulation 17(8) of Part B of Schedule-II of SEBI (LODR) Regulation 2015

To,
The Board of Directors,
Butterfly Gandhimathi Appliances Limited
Chennai

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, improvement in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take for such improvement.

D. We have indicated to the auditors and the Audit Committee that:

- (1) There is no significant changes in internal control over financial reporting during the year ended March 31, 2024;
- (2) There is no significant changes in accounting policies during the year March 31, 2024, and they are in compliance with Ind AS excepting those disclosed in the notes to the financial statements; and
- (3) There were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Rangarajan Sriram
Managing Director

Date: May 14, 2024
Place: Chennai

V A Joseph
Chief Financial Officer

Declaration of Compliance with Code of Conduct Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended March 31, 2024.

Place: Chennai
Date: May 14, 2024

Rangarajan Sriram
Managing Director
DIN:09550640

Auditors' Certificate on Compliance of Conditions of Corporate Governance under Schedule (E) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
Butterfly Gandhimathi Appliances Limited

This certificate is issued in accordance with the terms of our engagement with **Butterfly Gandhimathi Appliances Limited** ("the Company"). We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024 as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes preparation and maintenance of all relevant supporting records and documents, the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2024.

We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction of Use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the aforesaid Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

G N Ramaswami
Partner
Membership No. 202363
UDIN:24202363BKEYVW4130

Place: Chennai
Date: May 14, 2024

Annexure – 6

Details pertaining to remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2023-24

The median remuneration of employees of the Company during Financial Year 2023-24 was ₹ 3,96,588 (Rupees Three Lakh Ninety Eight Thousand Three Hundred and Sixty Four Only) and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the F.Y. 2023-24 is provided in the table below:

Sl. No.	Name of Director(s)	Category	Increase/ Decrease in Remuneration in F.Y. 2023-24	Ratio of remuneration to the median remuneration of the Company's employees
1	Mr. Rangarajan Sriram	Managing Director*	59.85	67.75
2	Mr. P M Murty	Independent Director ^	(159.17)	2.04
3	Ms. Smita Anand	Independent Director ^	(160.95)	1.97
4	Mr. A Balasubramanian	Independent Director ^	(122.83)	1.97
5	Mr. M Padmanabhan	Independent Director ^	(105.50)	2.27
6	Mr. G S Samuel	Independent Director ^	(106.12)	2.04
7	Mr. T R Srinivasan	Independent Director ^	(281.93)	0.98
8	Ms. Maheswari Mohan	Independent Director ^	(263.76)	0.91

*The remuneration for F.Y. 2023-24 includes fixed pay, variable pay and excluding perquisite value on exercise of Stock options whereas for remuneration for F.Y. 2022-23 includes only fixed pay.

^The decrease in the remuneration of Independent Directors in F.Y. 2023-24 is because the remuneration of F.Y. 2023-24 consists of sitting fees only, whereas the remuneration paid for F.Y. 2022-23 consists of sitting fees and commission.

2. The percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the Financial Year

The percentage increase/ decrease in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer Company Secretary or Manager, if any, in F.Y. 2023-24 is provided in the table below:

Sl. No.	Name of Director(s)	Category	Increase/ Decrease in Remuneration in F.Y. 2023-24
1	Mr. Rangarajan Sriram ^	Managing Director	59.85%
2	Ms. B Ananda Shalini*	Chief Financial Officer	Not Applicable
3	Mr. V A Joseph**	Chief Financial Officer	Not Applicable
4	Mr. Viral Sarvaiya#	Company Secretary & Compliance Officer	Not Applicable

^The remuneration for F.Y. 2023-24 includes fixed pay, variable pay and excluding perquisite value on exercise of Stock options whereas for remuneration for F.Y. 2022-23 includes only fixed pay.

*Appointed w.e.f. April 6, 2023, and resigned w.e.f. October 20, 2023.

**Appointed w.e.f. November 9, 2023.

#Appointed w.e.f. March 25, 2023.

3. The percentage increase in the median remuneration of employees in the Financial Year

In the F.Y. 2023-24, there was an increase of 21.17% in the median remuneration of employees.

4. The number of permanent employees on the rolls of Company

There were 1217 permanent employees on the rolls of Company as on March 31, 2024.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase made in the salaries of employees other than the managerial personnel in the F.Y. i.e., 2023-24 was 7.80 % whereas the increase in managerial remuneration for the last F.Y. 2023-24 was 16% (Calculated as per Weighted Average).

The remuneration of IDs consists of sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees etc., were taken into consideration.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

“Median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one. If there is an even number of observations, the median shall be the average of the two middle values.

For and on behalf of the Board of Directors

Place: Chennai
Date: May 14, 2024

P M Murty
Chairman
DIN:00011179

Annexure – 7

Conservation of Energy, Technology Absorption and Foreign Exchange Outgo

(A) Conservation of energy

The Company has a well-organized, structured, and continuous focus on improvement in efficiency of the machine, utility, and infrastructure. Some of the key initiatives for conserving energy saving during the Financial Year 2023-24 were:

- i. Implementation of timer cut-off for machine running, preventing idle running time and conserving power across 30 (Thirty) Machines;
- ii. Introduction of timer for granular crushing machine in IMM, leading to a daily energy saving of 200 (Two Hundred) units;
- iii. Initiation of motion sensor implementation in conference rooms and restrooms to optimize energy usage ;
- iv. Rerating of motor horsepower for well motor and cooling tower pumping, resulting in a daily energy saving of 200 (Two Hundred) units;
- v. Adoption of energy-efficient lights in MG Assembly, reducing power consumption from 7080W to 4050W per shift, resulting in a saving of 25 (Twenty - Five) units;
- vi. Installation of 1 solar streetlight, with plans for further implementation in the coming year; and
- vii. Introduction of thermal-efficient LPG stoves in Sakthi series models, saving one LPG cylinder per year and improving thermal efficiency from 68% to 74%.

(B) Technology Absorption

(i) The efforts made towards technology absorption

Regular initiatives were taken in updating the technology in the process area. Some of the areas of technology focus and initiatives were:

- i. Implementation of LASER cutting machine for pressure cooker and MG jar circle cutting, reducing human fatigue and enhancing Safety;
- ii. Introduction of Hydraulic press with transfer mechanism for pressure cooker forming process, leading to increased; productivity improvement and safety;
- iii. Introduction multi folding device for pressure cooker Lid Folding improving productivity and safety;
- iv. Introduced pressure cooker Lid Trimming machine and eliminate lathe trimming and enhancing Safety;
- v. Adoption of Auto Trimming and Beading machine for MG jar, replacing Manual operation;
- vi. Implementation of MG Jar indexing mechanism for Spot welding process, enhancing Safety;
- vii. Reduction of workstations by introducing combination piercing tool for pressure cooker lid. Combining 3 (Three) operations into one tool for improved productivity and safety;
- viii. Development of tooling for 750ml Jar deep drawing to eliminate spinning process, reducing workstations; and
- ix. Introduction of Auto ejecting Bulging tool for pressure cooker bottom, improving Safety.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

- i. Ensuring effective governance and traceability of product data is crucial for any company. To achieve this, our Company has implemented a robust system and process for managing product data;
- ii. The Company has proactively implemented EHS measures within its corporate office. By prioritising EHS in our corporate office, we not only protect the well-being of our employees but also minimise our environmental footprint and contribute to the overall sustainability of our operations; and
- iii. We have also embraced new technologies such as connectivity, Internet of Things (IoT), and data analytics to align with changing consumer trends.

(iii) Imported technology - Nil

- (a) The details of technology imported - **No technology has been imported**
- (b) The year of import - **Not Applicable**
- (c) Whether the technology been fully absorbed - **Not Applicable**
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - **Not Applicable**

(iv) Expenditure incurred on Research and Development.

		(₹ in Lakhs)	
S. No	Particulars	2023-24	2022-23
1.	Capital	323.92	44.18
2.	Recurring	152.89	345.22
	Total	476.81	389.40

(C) Foreign Exchange Earnings and Outgo

		(₹ in Lakhs)	
Particulars	2023-24	2022-23	
Foreign exchange earnings	1,683.68	1,691.27	
Foreign exchange outgo	3,906.39	3,894.30	

For and on behalf of the Board of Directors

Place: Chennai
Date: May 14, 2024

P M Murty
Chairman
DIN:00011179

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L28931TN1986PLC012728
2.	Name of the Listed Entity	Butterfly Gandhimathi Appliances Limited
3.	Year of incorporation	1986
4.	Registered office address	143, Pudupakkam – Village, Vandalur – Kelambakkam Road, Kelambakkam, Chengalpattu District – 603103.
5.	Corporate address	E-34, 2 nd Floor, Rajiv Gandhi Salai, Egattur, Village, Navalur, Chengalpattu District – 600130.
6.	E-mail	cs@butterflyindia.com
7.	Telephone	044-47415500
8.	Website	www.butterflyindia.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited
11.	Paid-up Capital	₹17,87,95,510
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Swetha Sagar G Chief Business Officer Email Id: cs@butterflyindia.com Tel No: 044-47415501
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/ services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Kitchen Appliances & Domestic Electrical Appliances	Manufacturing	100%

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/ Service	NIC Code	% of total Turnover contributed
1	Kitchen Appliances	47593	73.99%
2	Other Domestic Electrical Appliances	29309	26.01%

III. Operations

18. Number of locations where plants and/ or operations/ offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	35 (Branches 26 + Corporate Office 1 + Sales Office 8)	37
International	NIL	NIL	NIL

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	11
International (No. of Countries)	19

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports to the total turnover is 2%.

c. A brief on types of customers:

Butterfly Gandhimathi Appliances Limited is one of the leading manufacturers of domestic kitchen and electrical appliances in India and sells wide range of products that includes LPG Stoves, Mixer Grinders, Table-Top Wet Grinders, Pressure Cookers, Stainless Steel Vacuum Flasks and Non-Stick Cookware. Other products comprises of Juicers, Hand Blenders, Electric Irons, Power Hobs, Electric Rice Cookers, Electric Water Kettle, Fans. A strong distribution and channel network, and a dynamic on-line platform enables the Company to serve a diverse consumer base in India and International Market.

A mix of Distributors, Retailers, Institutional Buyers and Large Format Stores.

IV. Employees

20. Details as at the end of Financial Year, i.e. March 31, 2024:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/ A)	No. (C)	% (C/ A)
EMPLOYEES						
1.	Permanent (D)	662	627	94.71%	35	5.29%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	662	627	94.71%	35	5.29%
WORKERS						
4.	Permanent (F)	555	308	55.50%	247	44.50%
5.	Other than Permanent (G)	697	300	43.04%	397	56.96%
6.	Total workers (F + G)	1252	608	48.56%	644	51.44%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/ A)	No. (C)	% (C/ A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	Total differently abled employees (D + E)	NIL	NIL	NIL	NIL	NIL
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5.	Other than permanent (G)	NIL	NIL	NIL	NIL	NIL
6.	Total differently abled workers (F + G)	NIL	NIL	NIL	NIL	NIL

21. Participation/ Inclusion/ Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/ A)
Board of Directors	12*	2	16.67%
Key Management Personnel	3#	0	0.00%

*Mr. Mathew Job resigned w.e.f. April 30, 2023, Mr. Promeet Ghosh was appointed as Non-Executive Non-Independent Director w.e.f. May 12, 2023, Mr. Kaleeswaran Arunachalam & Mr. Nithiyandam Anandkumar were appointed as Non-Executive Non-Independent Director w.e.f. November 9, 2023. Mr. Kunawalkam Elayavalli Ranganathan was appointed as the Non-Executive Independent Director w.e.f. April 4, 2024. As on the date of Report, there are 13 (Thirteen) Directors on the Board of the Company.

#During the year under review, Mr. R Nagarajan resigned as the Chief Financial Officer w.e.f. April 5, 2023; Ms. B Ananda Shalini was appointed as the Chief Financial Officer w.e.f. April 6, 2023 and she resigned from the position w.e.f. October 20, 2023. Mr. V A Joseph was appointed as the Chief Financial Officer w.e.f. November 9, 2023.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.82%	1.41%	14.23%	10.85%	0.68%	11.53%	9.94%	0.91%	10.85%
Permanent Workers	6.25%	1.02%	7.27%	2.03%	1.66%	3.69%	3.72%	1.06%	4.78%

V. Holding, Subsidiary and Associate Companies (including joint ventures):

23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures:

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Joint Venture Associate	% of shares held by listed entity	Does the entity indicated at column A, participate in the business responsibility initiatives of the listed entity? (Yes/ No)
1	Crompton Greaves Consumer Electricals Limited ("Crompton")	Holding Company	75%	No

VI. Corporate Social Responsibility ("CSR") Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/ No) Yes

The Company aims at contributing to CSR activities much before it was even mandated under the Companies Act, 2013. The Company focusses on fulfilling its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/ projects and programmes for sustainable welfare and development of community at large.

(ii) Turnover (in Rs.): ₹93,128.25 Lakhs

(iii) Net worth (in Rs.): ₹29,218.78 Lakhs

VII. Transparency and Disclosures Compliances:

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities ¹	YES	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders) ²	YES	NIL	NIL	NA	NIL	NIL	NA
Shareholders ²	YES	7	NIL	Complaints received from the Shareholders were replied within stipulated time and resolved.	29	1	Complaints received from the Shareholders were replied within stipulated time and resolved.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers ³	YES	NIL	NIL	Minor complaints are resolved by the respective SPOC, location wise	NIL	NIL	Minor complaints are resolved by the respective SPOC, location wise
Customers ⁴	YES	6,37,707	20	80% of complaints were resolved within the D1 (Day 1). 97% of complaints were resolved within the D7 (Day 7).	6,13,292	NIL	80.4% of complaints were resolved within the D1 (Day 1). 97% of complaints were resolved within the D7 (Day 7)
Value Chain Partners ⁵	YES	NIL	NIL	NA	NIL	NIL	NA
Other (please specify)	NIL	NIL	NIL	NA	NIL	NIL	NA

Your Company is committed to encourage openness, promoting transparency and reporting improvements without fear of rebuttal. The organisation is committed to creating a culture that encourages high standards of ethics and upholds decent and safe working conditions for the entire workforces.

¹Communities while interacting, during the community engagement programmes, can report their grievances.

²Investors, Shareholders and stakeholders can correspond with the Company by sending an email to butterfly.investorsrelations@butterflyindia.com or by calling on 044-4741 5500.

³Employees and workers can report any grievance by sending an e-mail to wb@butterflyindia.com or in a physical form in a sealed envelope.

⁴Customers can report grievances by sending an e-mail service@butterindia.com or by calling on 93620 19362.

⁵Value chain partners reach out to the respective point of contacts in any functions with escalation to management.

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/ O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Compliance to laws and regulation	R	The corporate regulatory and legal landscape undergoes constant changes, leading to an increasingly arduous, strict, and intricate compliance framework.	Compliance calendar are in place which is placed before the Board in every quarterly meetings. Secretarial auditor periodically reviews all the filings and compliances and gives a report for every financial year. Having the Regular updates regarding the government policies and circulars.	Negative
2	Cyber Security/ Information Security	R	Data leak can expose sensitive information to unauthorized parties, including financial data, and confidential business information. This can lead to reputational damage, loss of customer trust, legal and regulatory penalties and financial losses.	Developing of an inhouse IT team, Establishing the Local LAN Security, Frequent Change of Password, Spoofing Restrictions, Blocking of unwanted website, and having the Firewall for all the system.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/ O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Health and safety of employees and workers	R	Failing to implement health and safety measures may have serious consequences for a business, such as higher expenses in legal proceedings, reduced workforce, and demotivated employees.	The Company ensures workplace safety through comprehensive measures including employee training, provision of PPE, and insurance coverage. Regular safety audits and a strong safety culture are promoted, supported by weekly reviews with leadership. An Emergency Response team is equipped for crisis management. The Company complies with regulatory requirements like EPR and PCB renewals, and works towards reducing hazardous materials. These efforts demonstrate a firm commitment to maintaining a safe and compliant workplace environment.	Negative
4	Risk Management	O	Robust risk management ensure sustainable business growth with stability, establish a structured and intelligent approach to Risk Management and to promote the confidence amongst the company's stakeholders in the effectiveness of its business management process and its ability to plan & meet its strategic objectives.	Company has its own risk management committee that assist the Board of Directors in fulfilling its corporate governance oversight responsibilities with regard to identification, evaluation and mitigation of strategic, operational, and external environment risks monitoring and approving the risk management framework and associated practices of the Company.	Positive
5	Product Risk – Innovation & Quality	O	Innovation not in line with market/ consumer needs/ emerging technologies and slow pace in converting ideas into development, delays in product launch leading to disruption by competition, Capability challenges in marketing and R&D, Inadequate capability and process in Quality assurance and Controls.	Assessing consumer needs and defining NPD plan by extensive market research, consumer insight and conducting workshops to define broader framework for Product Innovation. Appointed Quality Head for leading the Quality and assurance controls.	Positive
6	Supply Risk	R	Potential leakages and wastages due to inefficient buying, including single sourcing – cost, pay-terms, quality etc., causing contract termination, Inadequate vendor evaluation process etc.	The Company has established process for Vendor/ Supplier Identification, Qualification, and Onboarding. Onboarded alternate vendors for high procurement category business and has started doing evaluation of Key Vendors/ suppliers in terms of cost, quality etc.	Negative
7	Operational Risk – Inventory	O	Challenges faced while maintaining inventory such as lack of monitoring on ageing inventory which are outdated, focus lag due to too many SKUs and inconsistent BOM maintenance leading to significant stock differences and valuation issues.	The Company has initiated SNOP process, driven through central Planner to balance on optimistic outlook, with weekly reality check and immediate corrections in supplies and ageing stock liquidation reducing the inventories to 70 days from 120 days in previous year.	Positive
8	Customer Satisfaction	O	Absence of Feedback mechanism to assess the Customer satisfaction, Inadequate framework to benchmark with Competition.	The Company has initiated service feedback certification from Direct Channel partners, setting free camps across pan India, extending door step services in Mixers category etc. Plan to conduct internal customer satisfaction survey for two way flow of information.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.butterflyindia.com/investor-relations/#policies								
2. Whether the entity has translated the policy into procedures. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	To emphasise the values of transparency and ethical behaviour, empowerment, and accountability, the Company has formalised the 'Code of Conduct' for the Directors and employees of the Company. The Code lays down principles and standards that govern the actions of the employees during the conduct of the Company's business. It covers all dealings with vendors, consumers, and other business partners.								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	List of standards in which the Company achieved certification are: 1. Star Label program Certification for high thermal efficient LPG Stoves from M/ S BEE. 2. CE Mark, ESMA & CACO Certifications received for Mixer Grinders. 3. Operates with seven BIS Certification Marks Licenses (ISI Mark Scheme). 4. ISO 9001 Quality Management System Certification. 5. ISO 9001 certificate surveillance audit for Pressure Cooker completed successfully. 6. CE certificate surveillance audit completed successfully. 7. BIS Certification Marks Licenses (ISI Mark Scheme) for Water bottle and Flask.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer to the Chairman's Message and Management Discussion and Analysis Report ("MDA") for our management approach and commitments.								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	The Company continues to focus its efforts towards user friendly, convenient safe, efficient and affordable products through sustainable and durable materials/ processes.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Company's purpose statement is " Shaping the Future. Perfecting the Present ". Please refer to the Chairman's Message, MDA for our management approach and commitments.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Ms. Swetha Sagar G Chief Business Officer Email Id: cs@butterflyindia.com Tel No: 044-47415500								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes/ No). If yes, provide details.	The Company doesn't have a specific Director responsible for decision making on sustainability related issues, but the company practices sustainability through our CSR framework. A Risk Management Committee chaired by a Independent Director, is responsible for the review of risk management processes within the Company, and for overseeing the implementation of the requirements of this policy.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The policies of the Company are reviewed periodically or on need-based basis by the Board of Directors, department heads, and business heads. During this assessment, the efficacy of the policies is reviewed, and necessary changes to the policies and procedures, if any are implemented.									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	A Compliance report across all statutory requirements is submitted to the Audit Committee on a quarterly basis.									Quarterly								
Principles										P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.										Internal and external auditors, where needed, assess these policies during their audits and reviews. However, no formal evaluation by any internal or external agency has been conducted.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:
Not Applicable as all principles are covered

List of Policies	Website Links
Code of Conduct	https://www.butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf
Vigil Mechanism and Whistle Blower Policy	https://www.butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf
Code of Conduct to Regulate, Monitor and Report trading by Insiders	https://www.butterflyindia.com/wp-content/uploads/2022/03/Code-of-Conduct-10.02.2022.pdf
Prevention of Sexual Harassment Policy	https://www.butterflyindia.com/wp-content/uploads/2022/03/Prevention-of-Sexual-Harassment-10.02.2022.pdf
Corporate Social Responsibility Policy	https://www.butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf
Maternity Leave Policy	This policy is available internally in the company.
Product Service Policy	This policy is available internally in the Company and has been made available to the product service centres

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	30	Familiarisation programmes are carried out by way of exhaustive presentations on various topics and areas like 1. Overall industry in which the Company operates, Company's operations and Strategy and Annual Budget of the Company; 2. Internal Financial Control Systems; 3. Statutory Compliance; 4. Corporate Social Responsibilities framework; 5. Enterprise Risk Management; 6. Regulatory updates at Board and Audit Committee Meetings; 7. Information Technologies; 8. Investor Grievances etc.	100

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Employees other than BoD, KMPs & Workers	42	<ul style="list-style-type: none"> 5S Awareness Positive Safety Culture through 5Cs Electrical Safety Environmental awareness Incident reporting & Investigation First Aid – Snack Bite Chemical Safety Machine Safety Statutory Requirement Awareness Consequence Management Permit Work Emergency Preparedness HIRA & Aspect/ Impact ISO 45001 & 14001 Internal Auditor Training Fire Fighters Training Forklift Driving Training Safety Orientation & 5S Training Safety Training 	100%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?(Yes/ No)
Penalty/ Fine	NA	The Honorable Supreme Court of India	₹18,98,62,093/-	Demand is raised for differential Excise duty between valuation under Section 4 (Duty on Basic Value) and Section 4(a) (Duty on MRP less Abatement) against the products supplied to TNCSC (Tamil Nadu Civil Supplies Corporations) under Central Excise Act, for the financial year 2011-12 to 2013-14.	Yes
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred?(Yes/ No)
Penalty/ Fine	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Demand is raised for differential Excise duty between valuation under Section 4 (Duty on Basic Value) and Section 4(a) (Duty on MRP less Abatement) against the products supplied to TNCSC (Tamil Nadu Civil Supplies Corporations) under Central Excise Act, for the financial year 2011-12 to 2013-14.	The Honorable Supreme Court of India

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes, the Company places great emphasis on maintaining high ethical and legal standards and is dedicated to implementing appropriate regulatory frameworks to govern its business practices. The Company's code of conduct and whistle-blower policy aligns with the relevant anti-corruption and anti-bribery frameworks. The link to access the policy is https://www.butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf and https://www.butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

There were no cases of corruption or conflicts of interest that required action by regulators, law enforcement agencies, or judicial institutions.

8. Number of days of accounts payables ((Accounts payable *365)/ Cost of goods/ services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	76	68

9. Openness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	NA	NA
	b) Number of trading houses where purchases are made from	NA	NA
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a) Sales to dealers/ distributors as % of total sales	49.22%	45.61%
	b) Number of dealers/ distributors to whom sales are made	693	606
	c) Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	15.07%	16.54%

Parameter	Metrics	FY 2023-24	FY 2022-23
Share of Related Party Transactions ("RPTs") in	a) Purchases (Purchases with related parties/ Total Purchases)	0.02%	10.60%
	b) Sales (Sales to related parties/ Total Sales)	1.04%	0.77%
	c) Loans & advances (Loans & advances given to related parties/ Total loans & advances)	NIL	NIL
	d) Investments (Investments in related parties/ Total Investments made)	NIL	NIL

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/ principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
12	<ul style="list-style-type: none"> 5S Awareness Positive Safety Culture through 5Cs Electrical Safety Environmental awareness Incident reporting & Investigation First Aid – Snack Bite Chemical Safety Machine Safety Statutory Requirement Awareness Consequence Management Permit Work Emergency Preparedness HIRA & Aspect/ Impact ISO 45001 & 14001 Internal Auditor Training Fire Fighters Training Forklift Driving Training Safety Orientation & 5S Training 	100

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same:

Yes, the COC encourages all its Board Members to refrain from participating in activities that could result in a conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

The Company follows an innovation-led and customer centric approach to product development. The Company has its own dedicated R&D team that works on providing customers with the most advanced and useful kitchen appliances. The Company has 25+ acre campus with an integrated manufacturing facility to design and develop products. The Company is constantly revamping their portfolio to fulfil customer expectations for performance and durability of products.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	67.93%	11.35%	1. Usage of LDPE (Low density Polyethylene packaging buffers instead of Thermocol); 2. Using 100% Copper for motors for longer life; 3. Implementation of 2 Star rated cooktop in market; 4. Efficiency Improvement from 74% to 76% resulting in gas consumption saving.
Capex	32.07%	88.65%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/ No)

Yes, to ensure that suppliers also contribute to long-term sustainability, the Company employs ethical procurement practices and stringent selection criteria that promote environmental protection, social benefits and the optimisation of product and service quality. Through several programs, the Company is aiming to increase suppliers' understanding of their legal obligations, sustainable business practices and the importance of employee health and safety. The Company adheres to international standards, including ISO 9001 and other Environmental, Health, and Safety ("EHS") requirements.

b. If yes, what percentage of inputs were sourced sustainably? 87.5%

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:

The Company has shown its commitment to responsible and sustainable manufacturing practices by obtaining ROHS certification for compliance with the restriction on hazardous substances, as well as adhering to PCB statutory compliance for the proper disposal of Bakelite and plastic waste, which ensures environmental compliance and protection of human health and safety.

Plastic- The standards established by the PCB determine the amount of plastic used in the product. In addition, a procedure for the receipt and disposal of plastic is in place and complies with the current statutory regulations.

EPR- Plastic Waste Management Authorisation issued for Domestic and applied for Import, the organization has submitted the EPR application to Central Pollution Control Board ("CPCB").

E-waste- The Company complied with EPR for E-waste management with the CPCB.

For EPR- Battery Waste Management Authorization, the organization has submitted the EPR application to CPCB.

For E waste and plastics packaging waste- As an organization fulfilling its EPR obligations, Butterfly received the target from CPCB for channeling its plastics waste across the country.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Yes, EPR applies to the Company's business and obtained EPR Authorization for Plastic Waste & E-waste. The Company has applied for EPR Certification for Plastic Import & Battery Waste.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Not applicable as we have not conducted LCA for any of our products.

2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Spent Oil	43%	51%
Plastic	5%	5%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	51.20	51.20	254.51 MT	-	58.61	479 MT
E-waste	-	-	7.27 MT	-	-	0.63 MT
Hazardous waste	-	-	135.98 MT	-	-	171 MT
Other waste	-	-	1,269.71 MT	-	-	1,651.53 MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Damaged material comes to the depots and is disposed off through the contracting process. The quantum of the amount is almost negligible

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	627	0	0%	602	96.01%	NA	NA	NA	NA	Yes	-
Female	35	0	0%	24	68.57%	35	100%	NA	NA	Yes	-
Total	662	0	0%	626	94.56%	35	5.29%	-	-	-	-
Other than Permanent employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	308	0	0%	138	44.81%	NA	NA	NA	NA	NA	NA
Female	247	0	0%	3	1.21%	247	100%	NA	NA	Yes	-
Total	555	0	0%	141	25.41%	247	44.50%	NA	NA	-	-
Other than Permanent employees											
Male	300	0	0%	5	1.67%	NA	NA	NA	NA	NA	NA
Female	397	0	0%	0	0%	397	100%	NA	NA	Yes	-
Total	697	0	0%	5	0.72%	397	56.96%	NIL	NIL	NIL	NIL

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well being measures as a % of total revenue of the company	0.04%	0.03%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/ N/ N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/ N/ N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	Eligibility as per ESIC Act					
Others – please specify	NA					

3. Accessibility of workplaces:

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard?

The Company is implementing appropriate measures to provide its employees with a better, more accessible work environment.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

The Company is committed to ensuring that existing employees, job applicants and workers are treated fairly in an environment free from discrimination based on race, gender, religion or beliefs, disability, age, sexual orientation, gender identity, gender expression, and so on. The Company promotes equal treatment and opportunities for all employees.

The link to the policy is https://www.butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	NIL	NIL
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

Gender	Yes/ No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

The Company is committed to promoting transparency across all levels of the organization. Employees are encouraged to openly discuss any concerns they may have with their managers, while contracted workers are urged to bring up any issues with their respective managers.

In addition, workers are also encouraged to share their concerns with the worker representative, primary manager, or HR SPOC available at different locations. Contracted workers have the option to raise their concerns with the contractor representative or the Company HR SPOC, including supervisors and contractors. In cases where an employee or worker has violated the Company's COC policy, appropriate actions are taken against them.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

	FY 2023-24			FY 2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/ A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/ C)
Total Permanent Employees	662	0	0	701	0	0
- Male	627	0	0	655	0	0
- Female	35	0	0	46	0	0
Total Permanent Workers	555	0	0	648	0	0
- Male	308	0	0	386	0	0
- Female	247	0	0	262	0	0

8. Details of training given to employees and workers*:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No. (C)	% (C/ A)		No. (E)	% (E/ D)	No. (F)	% (F/ D)
Employees										
Male	627	74	11.80%	21	3.35%	655	110	16.79%	92	14.05%
Female	35	2	5.71%	0	0%	46	19	41.30%	2	4.35%
Total	662	76	11.48%	21	3.17%	701	129	18.40%	94	13.41%
Workers										
Male	308	50	16.23%	0	0%	386	56	14.51%	84	21.76%
Female	247	19	7.69%	0	0%	262	126	48.09%	37	14.12%
Total	555	69	12.43%	0	0%	648	182	28.09%	121	18.67%

*The above data pertains to Blue Collar and White Collar on roll employees

9. Details of performance and career development reviews of employees and worker:

	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/ A)	Total (C)	No. (D)	% (D/ C)
Employees						
Male	627	627	100%	655	655	100.00%
Female	35	35	100%	46	46	100.00%
Total	662	662	100%	701	701	100.00%
Workers						
Male	308	308	100%	386	386	100.00%
Female	247	247	100%	262	262	100.00%
Total	555	555	100%	648	648	100.00%

The above data pertains to Blue Collar and White Collar on roll employees

10. Health and safety management system:

(a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. The Company is committed to implementing an Occupational Health and Safety (“OHS”) system in accordance with the guidelines of IS14489. Currently, the ISO 45001 implementation of the OHS system is in progress.

(b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company is committed to ensure the safety and well-being of its staff and personnel, through a robust safety management system that includes regular safety audits, safety inspection, safety walk, permit system, compliance with ISO 14001/ ISO 45001 -2018, periodical safety review, ensuring 100% risk assessment for all process, machines, and materials before they are introduced into the system.

(c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks? (Yes/ No)

Yes, the Company provides training to all workmen(s) on reporting near miss incidents, unsafe acts, and unsafe conditions as part of its employee engagement efforts. Through this training, the Company aims to encourage workmen to actively participate in maintaining a safe working environment by reporting any potential hazards or risks. The Company's commitment to provide this training is a testament to its dedication to create a safe and healthy workplace for all its employees.

(d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company is dedicated to promote the welfare of its workmen by providing them with several benefits. Workmen of the company are covered under various schemes, such as Employee State Insurance (ESI), Employee Provident Fund (EPF), and other similar schemes to ensure their financial security.

11. Details of safety related incidents, in the following format*:

Safety Incident/ Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.15	0.21
Total recordable work-related injuries	Employees	0	0
	Workers	2.2	3.17
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	0	0

*Including the contract workforce.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company is committed to ensuring the safety of their people and has implemented a number of initiatives to minimize injuries at the workplace and promote safety awareness. These initiatives include conducting various safety campaigns, implementing a reward and recognition program, utilizing engineering controls, and providing adequate training for comprehensive incident and injury reporting and tracking system. It allows the Company to identify issues and devise mitigation plans that help to prevent incidents in future. The Company also have a safety committee that includes representatives from all functional areas of the Company. The committee meets regularly to review safety performance, identify opportunities for improvement, and develop action plans.

13. Number of Complaints on the following made by employees and workers:

Safety Incident/ Number	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	No complaints have been received			No complaints have been received		
Health Safety	No complaints have been received			No complaints have been received		

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	NIL
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions:

All near miss incidents and injuries being investigated by safety professional and appropriate corrective actions are taken. As a proactive measure, machinery and process risk assessment are currently in progress.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/ N) (B) Workers. (Yes/ No)

(A) Employees – **Yes**

(B) Workers – **Yes**

All Employees and Workers are covered under Group Term Life Insurance Policy.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

The Company tracks the legal compliances within proper dates as applicable. Stakeholders are trained to ensure compliance. The Company also undertakes monthly audits with its value chain partners.

3. Provide the number of employees/ workers having suffered high consequence work related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Safety Incident/ Number	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the transition assistance programmes is provided in cases of retirement and only on need-basis.

5. Details on assessment of value chain partners:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners:

Not Applicable

PRINCIPLE 4: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

The Company interacts with a wide range of stakeholders including investors, consumers, suppliers, and workers, through various channels. The Company have its own stakeholder relations committee to engage with their stakeholders and monitor redressal of stakeholder's complaints/ grievances. The policy is available on the website of the Company and can be accessed at <https://www.butterflyindia.com/wp-content/uploads/2021/04/POLICY-OF-STAKEHOLDERS-RELATIONSHIP-COMMITTEE-20.10.2020.pdf>

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> Meetings/ Town hall briefings Employee engagement activities and surveys Team building, workshops, capability building and training Performance management system Employee newsletters Rewards and recognitions Family visits, Quiz Programs 	Continuous Basis	The Company recognizes the invaluable contribution of its employees to its long-term success. They are considered the most important asset and a key factor in increasing the Company's competitiveness and maintaining its market leadership.
Community	Yes	<ul style="list-style-type: none"> Community Meeting Website CSR Events 	Need Based	The Company understands the importance of empowering the community for its long-term business sustainability. It has undertaken various upliftment projects and activities aimed at developing strong and enduring relationships with the communities it serves.
Suppliers	No	<ul style="list-style-type: none"> Emails Telephonic Conversations One to one Meetings 	Continuous	The Company understands that collaborating with suppliers is vital to maintain smooth business operations. The Company places a high value on efficient procurement practices as they play a significant role in ensuring a reliable supply chain and fostering strong relationships with its suppliers.
Consumers (B2B), (B2C)	No	<ul style="list-style-type: none"> Emails Telephonic Conversations Physical Meetings Online Platforms Advertisements Website 	Need Based	The Company recognizes that customers' purchasing habits significantly influence its operations. Therefore, maintaining continual contact with customers is essential to understand their evolving needs and desires.
Investors/ Shareholders	No	<ul style="list-style-type: none"> Online Platforms, Website, Newspaper, Advertisement Annual General Meeting Financial result declarations Media releases Investor calls and meets 	Quarterly & Annually	Investors provide vital support to the Company by strengthening its financial position and helping to secure its long-term viability.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

The Company's stakeholder relationship committee monitors all redressal of stakeholder's complaints/ grievances.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics? (Yes/ No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

After stakeholder consultation, the Company has identified significant environmental and social concerns. Material topics were shortlisted and prioritised according to their influence on stakeholders and businesses.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

There are no reportable concerns of vulnerable/ marginalised groups. However, the Company undertakes various CSR activities in local areas that serve the vulnerable/ marginalised stakeholder group.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

The Company operates in an open, fair, and transparent manner and is dedicated to upholding the highest ethical standards and practices. To expose unethical conduct and encourage professionalism and ethical behaviour among its staff, the whistle-blower and COC policies are in place. Trainings conducted on COC policy.

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/ A)	Total (C)	No. of employees/ workers covered (D)	% (D/ C)
Employees						
Permanent	662	80	12.08%	701	NIL	NIL
Other than permanent	NIL	NIL	NIL	NIL	NIL	NIL
Total Employees	662	80	12.08%	701	NIL	NIL
Workers						
Permanent	555	NIL	NIL	648	NIL	NIL
Other than permanent	697	NIL	NIL	1,151	NIL	NIL
Total Employees	1,252	NIL	NIL	1,799	NIL	NIL

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/ A)	No. (C)	% (C/ A)		No. (E)	% (E/ D)	No. (F)	% (F/ D)
Employees										
Permanent	662	-	0%	662	100%	701	-	-	701	100
Male	627	-	0%	627	100%	655	-	-	655	100
Female	35	-	0%	35	100%	46	-	-	46	100
Other than Permanent	0	-	0	0	0	0	-	-	0	0
Male	0	-	0	0	0	0	-	-	0	0
Female	0	-	0	0	0	0	-	-	0	0
Workers										
Permanent	555	3	0.54%	552	99.46%	648	23	3.55%	619	95.52%
Male	308	1	0.32%	307	99.68%	386	5	1.30%	381	98.70%
Female	247	2	0.81%	245	99.19%	262	18	6.87%	238	90.84%
Other than Permanent	697	450	64.56%	247	35.44%	1,151	861	74.80%	290	25.20%
Male	300	182	60.67%	118	39.33%	522	315	60.34%	207	39.66%
Female	397	268	67.51%	129	32.49%	629	546	86.80%	83	13.20%

3. Details of remuneration/ salary/ wages:

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10	8,10,000	2	5,70,000
Key Managerial Personnel	3	61,58,535	NIL	NIL
Employees other than BoD and KMP	627	6,36,228	35	4,17,888
Workers	308	3,16,818	247	2,48,400

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Safety Incident/ Number	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	20.41%	21.11%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No):

Yes, the Company recognizes the importance of human rights violations and is committed to maintaining a safe and productive workplace. To achieve this, the Company has implemented a POSH policy and a whistle-blower policy, with regular training sessions for employees to understand the implications of these policies and human rights issues. The Company has a zero tolerance policy towards human rights violations, which is one of its key focus areas. Any reported violations shall be investigated by the management, following the Company's COC policy.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The Company is deeply committed to universally recognized human rights standards and principles across all of its operations. In order to prevent any violations of these fundamental rights, the Company has established clear policies and practices, including the implementation of POSH and whistleblower procedures to enable employees to report any concerns. Transparency and accountability are highly valued by the company, which is dedicated to promote a safe, respectful, and inclusive work environment for all employees. Through these efforts, the Company strives to ensure that human rights are respected at all times, and that all individuals associated with the Company are treated with dignity and respect.

6. Number of Complaints on the following made by employees and workers:

Safety Incident/ Number	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the	Remarks	Filed during the year	Pending resolution at the	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL				
Child Labour	NIL	NIL				
Forced Labour/ Involuntary Labour	NIL	NIL				
Wages	NIL	NIL				
Other human rights related issues	NIL	NIL				

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees/ workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

The Company has established a robust whistle-blower policy that provides clear guidelines to prevent any retaliation against a complainant. The policy ensures that a complainant has the right to remain anonymous, except when mandated by law enforcement agencies. By implementing such measures, the Company demonstrates its commitment to providing a safe and secure environment for its employees to voice their concerns without fear of retribution.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/ No)

Yes, the Company has a process in place to ensure that all new vendors or suppliers onboarded are in compliance with human rights requirements. The Company recognizes that its suppliers and vendors are essential to its success and viability, and it places great importance on their adherence to ethical standards. Regular engagement activities are organized by the Company to foster a collaborative relationship with its suppliers and vendors. These activities helps to build trust and promote transparency, allowing for open communication about ethical and sustainable practices. By working closely with its suppliers and vendors, the Company can ensure that all stakeholders share the same values and principles, creating a supply chain that benefits both the Company and society as a whole.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NIL
Forced/ involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	100%
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 10 above:

No complaints related to child labour, forced labour, involuntary labour, or discriminatory employment were received during the reporting year, and none are pending at the end of the reporting year.

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints:

The Company regularly updates its employees about the COC through various training programmes.

2. Details of the scope and coverage of any Human rights due-diligence conducted:

None

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to providing accessibility to all visitors, including those with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. To fulfill this commitment, the Company is in process of implementing appropriate measures to ensure that its premises and offices are designed and equipped to meet the needs of differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company has a strong expectations that its value chain partners maintain the same ethical values, principles, and business practices upheld by the Company in all their dealings. However, no detailed evaluations of its value chain partners' adherence to these requirements have been made.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above:

No corrective action pertaining to Question 4 was necessitated by the Company during the year under review.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources	NA	NA
Total electricity consumption (A)	NA	NA
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	NA	NA
Total energy consumed from renewable sources (A+B+C)	NA	NA

Parameter	FY 2023-24	FY 2022-23
From non-renewable sources		
Total electricity consumption (D)	20,388	21,344.60
Total fuel consumption (E)	3,909	3,215.50
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	24,297	24,560.10
Total energy consumed (A+B+C+D+E+F)	24,297	24,560.10
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.00	0.00
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	NA	NA
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/ No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

No, the Company does not fall under the PAT scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	34,402	35,453
(iii) Third party water	3,153	3,217
(iv) Seawater/ desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	37,555	38,670
Total volume of water consumption (in kilolitres)	37,555	38,670
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	0.00	0.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	NA	NA
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

4. Provide the following details related to water discharged:

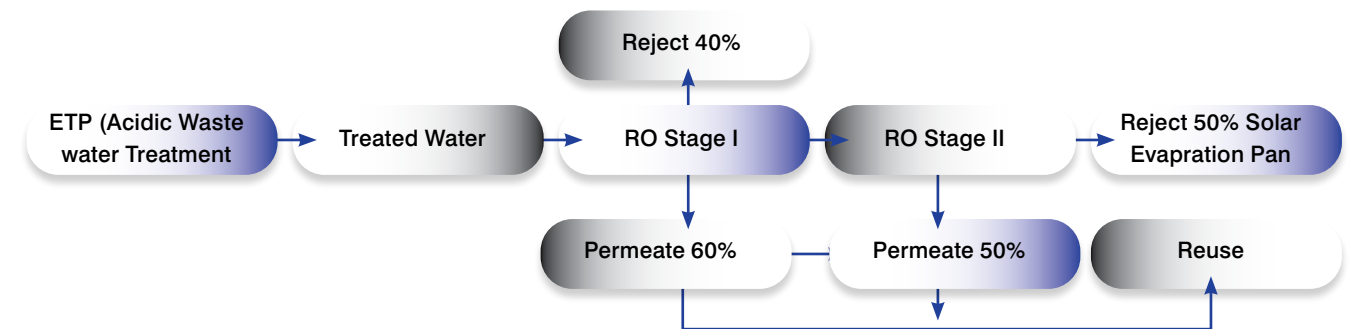
Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA

Parameter	FY 2023-24	FY 2022-23
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	19,155	17,877
Total water discharged (in kilolitres)	19,155	17,877

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, the Company has implemented a mechanism for Zero Liquid Discharge. The process flow diagram is as follows:-



6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	µ/m3	11	46
SOx	µ/m3	9	11
Particulate matter (PM)	µ/m3	68	69
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	290	238.9
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,474	4,685
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Metric tonnes of CO ₂ equivalent/ INR	0.00	0.00

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. NA

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	302.20	688.65
E-waste (B)	7.27	0.63
Bio-medical waste (C)	0.05	0.00
Construction and demolition waste (D)	NA	NA
Battery waste (E)	2.21	0.76
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	135.98	175.68
Other Non-hazardous waste generated (H). Please specify, if any.	NA	NA
(Break-up by composition i.e. by materials relevant to the sector)	1,269.71	1,355.64
Total (A+B + C + D + E + F + G + H)	1,717.41	2,221.16
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	NIL	NIL
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	NA	NA
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	51.20	-
Total	51.20	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	132.12	175.68
(ii) Landfilling	-	-
(iii) Other disposal operations	1,583.50	1,355.64
Total	1,715.62	1,531.32

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

The Company's operational units are responsible for ensuring that all hazardous materials are delivered to a State Pollution Control Board-approved authorized disposal operator. The Company ensures responsible waste management practices involving 100% recycling of plastic waste as per EPR PWM. The disposal of e-waste is overseen by a licensed recycler who has been approved by the CPCB. Moreover, the waste generated within the plant gets segregated at the source through colour-coded waste collection bins, awareness on waste management, disposal according to the law of the land, etc.

The Company has adopted waste management systems in each of its locations to promote sustainability and reduce waste. Through the implementation of technological interventions and ongoing initiatives, such as sustainable packaging and waste source segmentation, the Company has been successful in further reducing waste. The Company focused on capacity optimization, enhanced process efficiencies, enhancing technology through install new updated model machines in press line reducing down time, waste elimination, and productivity improvement. These efforts demonstrate the Company's commitment to promoting sustainability and continuous improvement in their operations, delivering value to their customers, and making a positive impact on the environment.

11. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

No, the Company does not have any offices or plants located around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder? (Yes/ No) If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is committed to complying with all applicable environmental laws and regulations. The Company has not incurred any significant fines related to environmental compliance during the F.Y. 2023-24.				

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

- (i) Name of the area – **Not Applicable**
- (ii) Nature of operations - **Not Applicable**
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	34,402	35,453
(iii) Third party water	3,153	3,217
(iv) Seawater/ desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	37,555	38,670
Total volume of water consumption (in kilolitres)	37,555	38,670
Water intensity per rupee of turnover (Water consumed/ turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA

Parameter	FY 2023-24	FY 2022-23
(ii) Into Groundwater	NA	
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	
- No treatment	NA	NA
- With treatment – please specify level of treatment	19,155	16,021
Total water discharged (in kilolitres)	19,155	16,021

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The Company is in the process of setting up the system for tracking scope 3 emissions. The same can be published in the forthcoming years.

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover	NA	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. **No**

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Not Applicable			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

Yes, the Company has implemented a comprehensive disaster management plan to proactively address any potential disruptions that may impact their business activities or processes. By conducting regular evaluations of their existing systems and processes, the Company can confidently prevent and recover from any potential threats. This plan ensures that the Company can continue to deliver their products or services at pre-defined acceptable levels, even in the face of unexpected challenges. Regular training on the operation of equipment such as fire extinguishers and emergency treatments is provided. Audits and mock exercises are performed on a regular basis to enhance the system.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

There is no significant adverse impact on the environment arising from the value chain of the entity.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

NA

PRINCIPLE 7: Businesses should respect and promote human rights

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: 1

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Bureau of Indian Standards	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
For the financial year, the Company has not received any adverse orders from regulatory bodies, hence, no corrective actions were required.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
The Company is a key member of the BIS technical committee, where it works on specifications, standards, upgrades, and interfaces with BEE/ ISO standards.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community:

The Company has its dedicated CSR committee that supervise and monitor progress of various projects and activities whether carried out directly by the Company or through implementing agencies. The CSR policy can be accessed on the website of the Company at <https://www.butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	87.53%	70.57%
Directly from within India	12.47%	48.39%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24	FY 2022-23
Rural	55.77%	60.28%
Semi-urban	12.91%	12.99%
Urban	0.34%	0.28%
Metropolitan	30.99%	26.45%

(Place to be categorized as per RBI Classification System - rural/ semi-urban/ urban/ metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
		NIL	

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/ No) No

(b) From which marginalized/ vulnerable groups do you procure? NA

(c) What percentage of total procurement (by value) does it constitute? NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
				NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
		NA

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
			NIL

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place team to receive and respond to consumer complaints and feedback:

The Company has dedicated customer care service team to address customer grievances. Consumers can also address their issues by calling the customer service number as provided on the company's website.

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

	As a % to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/ or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	6,37,707	1,449		6,13,292	2,452	
Restrictive Trade Practices	NIL	NIL		NIL	NIL	
Unfair Trade Practices	NIL	NIL		NIL	NIL	
Other	NIL	NIL		NIL	NIL	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		NA
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy:

The Company has a privacy policy in place that provides safety measures to protect user and device data security. The policy is present on the Company's website and can be accessed using this link <https://www.butterflyindia.com/wp-content/uploads/2022/03/Privacy-Policy-10.02.2022.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services – NA

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches: **NIL**
- b. Percentage of data breaches involving personally identifiable information of customers: **NIL**
- c. Impact, if any, of the data breaches: **NIL**

Leadership Indicators

1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available):

The products of the company can be accessed on below links:

- Website: <https://www.butterflyindia.com/product/>
- Linkedin: <https://www.linkedin.com/company/butterfly/>
- Instagram: https://www.instagram.com/butterfly_kitchen_appliances/
- Facebook: <https://www.facebook.com/butterflyindia/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services:

The Company provides Warranty Manual Book along with the product for safe installation and usage.

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services:

The Company takes measures to ensure that consumers are well-informed of any potential risks of disruption associated with their products. To achieve this, the Company provides consumers with a warranty manual book along with their purchased products, which contains relevant information on any potential risks and disruptions that may arise.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No)

Yes, the Company ensures that the information required to be disclosed on the product's labels or manuals is specified. All of the Company's goods that require installation come with instruction manuals demonstrating how to safely install and use the devices. It includes dos and don'ts to ensure proper usage of the products.

Independent Auditor’s Report

To the Members of **Butterfly Gandhimathi Appliances Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements (“the financial statements”) of Butterfly Gandhimathi Appliances Limited (“the Company”), which comprise the balance sheet as at March 31, 2024, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit including other comprehensive income (loss), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SA”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr No	Key Audit Matter	Auditor’s Response
1	<p>Inventories:</p> <p>The Company has inventory with the carrying value of ₹ 13,272.87 lakhs as at the year end. The inventory is valued at the lower of cost and net realizable value. We considered the value of the inventory as key audit matter given the relative size of the balance in the financial statements and significant judgement involved in determining the appropriate valuation of inventory based upon a detailed analysis of slow-moving inventory, net realisable value below cost etc.</p>	<p>Audit Procedures:</p> <p>We understood and tested the design, implementation and operating effectiveness of controls as established by the management in determination of cost, provision for slow-moving inventory and net realizable value of inventory. We have verified the closing stock valuation as at the year end. We considered various factors including the actual selling price prevailing around and subsequent to the year end. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. Verified the provision created for slow-moving inventory, as per the policy of the Company. Further, we have verified the physical verification working papers of the Company and performed physical verification independently on a sample basis.</p>

Other Information other than the Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility and Sustainability Report and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon. These reports are expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and the Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
 - (g) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act, and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial statements – Refer Note No. 5.1 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. During the year, the Company has transferred a sum of ₹ 5.83 Lakhs to Investor Education and Protection Fund with a delay of 10 days.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 22 (v) to the financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 22 (vi) to the financial statement, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No. 202363

UDIN: 24202363BKEYVU2311

Place: Chennai

Date: May 14, 2024

Annexure- A

referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

- (i) (a) (A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) A portion of the Property, Plant and Equipment were physically verified during the year by the management in accordance with phased program of verification, which in our opinion covers all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of audit procedures performed by us, the title deeds of all of the immovable properties included in Property, Plant and Equipment are held in the name of the Company.
- (d) According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) According to information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The inventory, except goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets. According to information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company, except as follows:

(₹ in lakhs)

Name of the Banks	Quarter	Amount as reported in the Quarterly Return/ Statement	Amount as per books of account	Amount of Differences	Reason for Discrepancies (As explained by the management)
State Bank of India, South Indian Bank, Indusind Bank, IDBI Bank Limited.	Jun-23	13,799	14,721	(922)	Provisions, Regrouping, Final Entries are not part of Bank data, the details get shared with initial reports.
	Sep-23	15,549	16,525	(976)	
	Dec-23	20,763	19,959	804	
	Mar-24	17,255	15,352	1,903	

- iii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability Partnerships or any other parties during the year except for First Loss Default Guarantee (FLDG), as detailed below.
- a. The company does not have any subsidiaries, joint ventures or associates. Accordingly, reporting under clause 3(iii) (a) (A) is not applicable.
- b. The company has not issued any guarantee during the year and the outstanding balance of guarantee as at the year-end is ₹ 1,400 Lakhs.
- b) The terms and conditions of the guarantee are not prejudicial to the interest of the company.

- iv. According to information and explanations given to us and audit procedures performed by us, the Company has neither made any investments nor has given loans or security and therefore the relevant provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable to the Company. In respect of guarantee issued by the Company, the provisions of Section 186 of the Companies Act, 2013 have been compiled with.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of its manufactured goods and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of customs, duty of excise, Value Added Tax, Cess and other material statutory dues applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day they becomes payable.
- (b) According to the information provided and explanations given to us, the details of duty of Excise, Goods & Service Tax, Value added tax which have not been deposited with the appropriate authorities on account of dispute are as under:

Sl. No	Name of the Statute	Nature of the dues	Amount (₹ in Lakh)	Period to which the amount relates	Forum where the dispute is pending
1	Central Excise Act, 1944	Excise Duty	66.24	FY 2012-13	Customs, Excise, Service Tax Appellate Tribunal (CESTAT)
2	Tamil Nadu Value Added Tax Act, 2006	Value Added Tax (VAT)	64.70	FY 2006-07 to 2008-09	Assistant Commissioner (CT)
3	Tamil Nadu Value Added Tax Act, 2006	Value Added Tax (VAT)	33.78	FY 2009-10 to 2012-13	Sales Tax Appellate Tribunal
4	Maharashtra Value Added Tax Act, 2002	Value Added Tax (VAT)	30.18	FY 2015-16	Joint Commissioner (Appeals)
5	Maharashtra Goods and Service Tax, 2017	Goods and Service Tax (GST)	7.33	FY 2017-18	Deputy Commissioner (ST)
6	Andhra Pradesh Goods and Service Tax, 2017	Goods and Service Tax (GST)	144.85	FY 2017-18 to 2019-20	Assistant Commissioner
7	Tamil Nadu Goods and Service Tax, 2017	Goods and Service Tax (GST)	76.21	FY 2017-18	Assistant Commissioner
8	Kerala Goods and Service Tax, 2017	Goods and Service Tax (GST)	1.85	FY 2018-19	Superintendent
9	Karnataka Goods and Service Tax, 2017	Goods and Service Tax (GST)	17.22	FY 2017-18	Assistant Commissioner
10	Assam Goods and Service Tax, 2017	Goods and Service Tax (GST)	1.38	FY 2017-18	Assistant Commissioner

- viii. According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not availed any loans or borrowings during the year and hence reporting under clause 3 (ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year and accordingly reporting under clause 3 (ix)(e) and clause 3 (ix)(f) of the Order are not applicable to the Company.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year accordingly reporting under clause 3 (xi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, No report under sub-section 12 of section 143 of the Act, in ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) has been filed by the auditors during the year and hence clause 3 (xi)(b) of the order is not applicable.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit.
- xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the year under audit.
- xv. According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No. 202363

UDIN: 24202363BKEYVU2311

Place: Chennai

Date: May 14, 2024

Annexure - B

to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Financial Statements of Butterfly Gandhimathi Appliances Limited (the "Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

A company's internal financial control with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system with reference to the Financial Statements and such internal financial controls with reference to the Financial Statements were operating effectively as at March 31, 2024, based on the internal control with reference to the Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No. 202363

UDIN: 24202363BKKEYU2311

Place: Chennai

Date: May 14, 2024

Balance Sheet

as at March 31, 2024

Particulars	Notes	₹ in Lakhs	
		As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3.1	13,107.15	13,506.15
(b) Capital Work-in-Progress	3.1.3	552.52	290.94
(c) Other Intangible Assets	3.2	2,600.08	2,785.85
(d) Intangible Assets Under Development	3.2.1	266.45	61.51
(e) Financial Assets			
(i) Investments	3.3	-	34.92
(ii) Other Financial Assets	3.4	272.68	282.44
(f) Other Non-Current Assets	3.5	127.00	233.67
Total Non-Current Assets		16,925.88	17,195.48
(2) Current Assets			
(a) Inventories	3.6	13,272.87	12,509.43
(b) Financial Assets			
(i) Investments	3.7	3,216.98	-
(ii) Trade Receivables	3.8	13,187.65	12,370.80
(iii) Cash and Cash Equivalents	3.9	4,091.10	3,268.84
(iv) Bank Balances other than (iii) above	3.10	423.43	2,890.51
(v) Other Financial Assets	3.11	24.19	88.40
(c) Current Tax Assets (net)	3.12	436.82	-
(d) Other Current Assets	3.13	1,911.01	1,947.06
Total Current Assets		36,564.05	33,075.04
(3) Assets Held for Sale	5.3	100.00	-
Total Assets		53,589.93	50,270.52
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	3.14	1,787.96	1,787.96
(b) Other Equity	3.15	27,430.82	26,776.34
Total Equity		29,218.78	28,564.30
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	3.16	270.72	373.48
(b) Long Term Provisions	3.17	267.83	-
(c) Deferred Tax Liabilities (net)	3.18	576.44	1,130.64
Total Non-Current Liabilities		1,114.99	1,504.12
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	3.19	102.76	119.90
(ii) Trade Payables	3.20		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises; and		2,540.99	2,756.93
b) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		9,753.06	9,744.03
(iii) Other Financial Liabilities	3.21	9,171.79	5,524.71
(b) Other Current Liabilities	3.22	1,031.84	1,054.57
(c) Short Term Provisions	3.23	655.72	875.14
(d) Current Tax Liabilities (net)	3.24	-	126.82
Total Current Liabilities		23,256.16	20,202.10
TOTAL EQUITY AND LIABILITIES		53,589.93	50,270.52

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 009571N/N500006

G.N.RAMASWAMI
Partner
Membership No. 202363

For and on behalf of the Board of Directors

P.M. MURTY
Non- Executive Independent Chairman
DIN:00011179

A.BALASUBRAMANIAN
Independent Director
DIN:00490921

VIRAL SARVAIYA
Company Secretary & Compliance Officer
Membership No. A33764

RANGARAJAN SRIRAM
Managing Director
DIN:09550640

V. A. JOSEPH
Chief Financial Officer

Place: Chennai
Date: May 14, 2024

Statement of Profit and Loss

for the year ended March 31, 2024

Particulars	Notes	₹ in Lakhs	
		2023-24	2022-23
Income			
I. Revenue from Operations	4.1	93,128.25	1,05,655.24
II. Other Income	4.2	485.77	659.03
III. Total Income (I+II)		93,614.02	1,06,314.27
IV. Expenses			
Cost of Materials Consumed	4.3	45,135.03	42,692.32
Purchase of Stock in Trade		16,033.74	19,315.84
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	4.4	(1,792.99)	4,802.51
Employee Benefits Expense	4.5	11,566.13	10,135.64
Finance Costs	4.6	642.44	650.59
Depreciation and Amortisation Expense	4.7	1,806.27	1,615.26
Other Expenses	4.8	19,449.00	19,056.78
Total Expenses (IV)		92,839.62	98,268.94
V. Profit Before Exceptional Items and Tax (III- IV)		774.40	8,045.33
VI. Exceptional Items	5.3	211.54	-
VII. Profit Before Tax (V- VI)		562.86	8,045.33
VIII. Tax Expense			
Current Tax		349.67	2,183.00
Deferred Tax (credit)/ charge		(525.79)	695.75
Total Tax Expense (VIII)		(176.12)	2,878.75
IX. Profit for the Year (VII- VIII)		738.98	5,166.58
X. Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined Benefit Plan Actuarial losses		(112.92)	(158.16)
Income Tax effect on above	3.18.2	28.42	55.27
		(84.50)	(102.89)
XI. Total Comprehensive Income for the Year (IX+ X)		654.48	5,063.69
XII Earnings Per Equity Share (Face Value of ₹10 each)	14		
(1) Basic in ₹		4.13	28.90
(2) Diluted in ₹		4.13	28.90

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 009571N/N500006

G.N.RAMASWAMI
Partner
Membership No. 202363

For and on behalf of the Board of Directors

P.M. MURTY
Non- Executive Independent Chairman
DIN:00011179

A.BALASUBRAMANIAN
Independent Director
DIN:00490921

VIRAL SARVAIYA
Company Secretary & Compliance Officer
Membership No. A33764

RANGARAJAN SRIRAM
Managing Director
DIN:09550640

V. A. JOSEPH
Chief Financial Officer

Place: Chennai
Date: May 14, 2024

Statement of Changes In Equity

for the year ended March 31, 2024

A. Equity Share Capital

	₹ in Lakhs
Balance as at April 01, 2022	1,787.96
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2023	1,787.96
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2024	1,787.96

B. Other Equity

Particulars	Reserves and Surplus					Revaluation Surplus	Other Comprehensive Income (OCI)	Total
	General Reserve	Security Premium	Capital Profit		Retained Earnings			
			Capital Reserve *	Capital Redemption Reserve**			Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2022	538.56	9,701.53	1.73	142.10	11,228.38	80.08	20.27	21,712.65
Profit for the Year	-	-	-	-	5,166.58	-	-	5,166.58
Movement in Other Comprehensive Income for the Year	-	-	-	-	-	-	(102.89)	(102.89)
Balance as at March 31, 2023	538.56	9,701.53	1.73	142.10	16,394.96	80.08	(82.62)	26,776.34
Profit for the Year	-	-	-	-	738.98	-	-	738.98
Movement in Other Comprehensive Income for the Year	-	-	-	-	-	-	(84.50)	(84.50)
Balance as at March 31, 2024	538.56	9,701.53	1.73	142.10	17,133.94	80.08	(167.12)	27,430.82

The accompanying notes form an integral part of these Financial Statements

*Forfeited Shares (Transferred from Share Capital)

**On Redemption of Preference Shares.

As per our report of even date attached
For ASA & Associates LLP
 Chartered Accountants
 Firm Regn No. 009571N/N500006

For and on behalf of the Board of Directors

G.N.RAMASWAMI
 Partner
 Membership No. 202363

P.M. MURTY
 Non- Executive Independent Chairman
 DIN:00011179

RANGARAJAN SRIRAM
 Managing Director
 DIN:09550640

A.BALASUBRAMANIAN
 Independent Director
 DIN:00490921

V. A. JOSEPH
 Chief Financial Officer

VIRAL SARVAIYA
 Company Secretary & Compliance Officer
 Membership No. A33764

Place: Chennai
 Date: May 14, 2024

Statement of Cash Flows

for the year ended March 31, 2024

Particulars	₹ in Lakhs	
	2023-24	2022-23
	Audited	Audited
Cash Flows from Operating Activities		
Profit Before Tax	562.86	8,045.33
Adjustments:		
Interest Income	(284.65)	(289.75)
Gain on Sale of Fixed Assets (Net)	(15.08)	(9.51)
Interest Expense	642.44	650.59
Provision for Bad & Doubtful Debts Created/(Reversal) (Net)	34.85	(134.20)
Provision for Warranty	(24.78)	(455.89)
Provision for Employee Benefits	37.71	116.42
Depreciation and Amortization	1,806.27	1,615.26
Impairment of non current assets held for sale	211.54	-
Provision for Doubtful Advances	7.62	57.69
Other Non Cash Items	(100.80)	99.21
Cash Generated from Operations before Working Capital Changes	2,877.98	9,695.15
Changes in		
(Increase) In Trade Receivables	(846.90)	(2,958.80)
(Increase)/Decrease In Inventory	(763.44)	8,459.71
(Increase)/Decrease In Other Current Financial Assets	(39.61)	585.97
Decrease In Other Current Assets	33.60	573.48
Decrease In Other Non-Current Financial Assets	5.43	87.07
Decrease/(Increase) In Other Non-Current Asset	5.50	(13.94)
Decrease In Trade Payables Current	(204.77)	(1,303.87)
(Decrease)/Increase In Other Current Liabilities	(29.22)	246.79
Increase/(Decrease) In Other Current Financial Liabilities	3,701.62	(1,337.47)
Decrease In Short Term/Long Term Provisions	(77.43)	-
Cash Generated from Operations	4,662.76	14,034.09
Income Taxes paid (net)	(978.03)	(1,875.30)
Net Cash Generated from Operating Activities	3,684.73	12,158.79
Cash Flows from Investing Activities		
Purchase of property, plant and equipment and intangible assets (including assets under development & capital advances)	(1,900.96)	(1,036.39)
Proceeds from sale of property, plant and equipment	54.80	369.77
Decrease/(Increase) in Fixed Deposit	2,500.00	(2,500.00)
Proceeds from Sale of Units in Mutual Funds	5,146.00	-
Investment in Units of Mutual Funds	(8,260.00)	-
Interest Received	348.86	228.88
Net Cash used in Investing Activities	(2,111.30)	(2,937.74)

Statement of Cash Flows

for the year ended March 31, 2024

Particulars	₹ in Lakhs	
	2023-24	2022-23
	Audited	Audited
Cash Flows from Financing Activities		
Repayment of Long Term Borrowings	-	(935.88)
Repayment of Short Term Borrowings	-	(4,290.59)
Repayment of lease Liability	(115.57)	(179.37)
Interest on lease liability	(53.95)	(43.99)
Interest Paid	(581.73)	(623.17)
Net Cash used in Financing Activities	(751.25)	(6,073.00)
Effect of Exchange Rate on Translation of Foreign Currency Cash and Cash Equivalents Gain	0.08	0.31
Increase in Cash and Cash Equivalents	822.18	3,148.05
Cash and Cash Equivalents at the beginning of the Year	3,268.84	120.48
Cash and Cash Equivalents at the end of the Year	4,091.10	3,268.84
Components of Cash and Cash Equivalents (Refer Note 3.9)		
Cash on Hand	0.27	8.42
Balances with Banks	290.83	3,260.42
Fixed Deposits	3,800.00	-
Total Cash and Cash Equivalents	4,091.10	3,268.84

The accompanying notes form an integral part of these Financial Statements

Note:

- (i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).

As per our report of even date attached
For ASA & Associates LLP
 Chartered Accountants
 Firm Regn No. 009571N/N500006

For and on behalf of the Board of Directors

G.N.RAMASWAMI
 Partner
 Membership No. 202363

P.M. MURTY
 Non- Executive Independent Chairman
 DIN:00011179

RANGARAJAN SRIRAM
 Managing Director
 DIN:09550640

A.BALASUBRAMANIAN
 Independent Director
 DIN:00490921

V. A. JOSEPH
 Chief Financial Officer

VIRAL SARVAIYA
 Company Secretary & Compliance Officer
 Membership No. A33764

Place: Chennai
 Date: May 14, 2024

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

1. Corporate Information:

'Gandhimathi Appliances Limited', was originally incorporated as Private Limited Company on February 24, 1986 and was converted into a Public Limited Company on April 25, 1990. The name of the Company was changed to 'Butterfly Gandhimathi Appliances Limited' ("BGMAL"), with effect from October 25, 2011. BGMAL is listed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). BGMAL is involved in manufacturing and Trading of a wide range of domestic kitchen and electrical appliances under the brand 'BUTTERFLY'. BGMAL is domiciled in India and it has its Registered Office at Chennai, India. It is a subsidiary of Crompton Greaves Consumer Electricals Limited ("Crompton") w.e.f. March 30, 2022.

2. Summary of Material Accounting Policies

2.1 Basis of Preparation of Financial Statements

2.1.1 Statement of Compliance

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Cash flow Statement and Statement of changes in Equity, together with notes as at and for the year ended March 31, 2024 have been prepared in accordance with Ind AS's notified under Section 133 of the Companies Act, 2013 ('the Act'), Companies (Indian Accounting Standards) Rules, 2015, other relevant provision of the Act and amendments there to.

2.1.2 Historical Cost convention

The Financial Statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

2.1.3 Current / Non-Current classification

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1.4 Functional and Presentation currency

Items included in the Financial Statements of the Company are measured and presented using the currency of the primary economic environment in which the Company operates ("Functional Currency"). Indian Rupee is the Functional and Presentation Currency of the Company.

2.2 Revenue recognition

2.2.1 Revenue from Sale of Goods / Services

Revenue from sale of goods / services are recognised on satisfaction of performance obligations and at transaction price (net of variable consideration) as per the terms of the contract with customers. Revenue is stated at net of returns and taxes on sales. Variable consideration shall include discounts and schemes offered by the company as part of the contract.

2.2.2 Interest Income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

2.3 Property Plant and Equipment

2.3.1 Tangible Assets

All property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and impairment, if any. Historical cost includes purchase price, taxes and duties (net of tax credits), labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use.

The Cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working conditions for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

2.3.2 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses, if any.

Identifiable intangible assets are recognized when the Company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the Company for more than one economic period; and the cost of the asset can be measured reliably. Amortisation is provided on Straight Line Method (SLM), which reflect the management's estimate of the useful life of the intangible assets.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets. Based on such review, the useful life may change. The impact of such changes, if any, is accounted for as a change in accounting estimate.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset

Intangible Asset	Useful Life
Product Development	3 - 5 years
Software	6 - 10 years
Usage Right of Trade Mark/Trade Mark and Licence	20 - 25 years.

2.3.3 Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.4 Depreciation

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight-line basis over its useful life as prescribed in the manner specified in Schedule II of the Act.

Tangible Assets	Useful Life in Years
Buildings	5 to 30
Plant and Machinery	15
Dies, Tools and Equipment	8
Electrical Equipment	10
Office Equipment	5
Furniture and Fittings	10
Vehicles	8 to 10
IT Assets	3 to 6

The useful lives used are in agreement with those specified in Part 'C' of Schedule II to the Companies Act, 2013 except in respect of following category of property, plant and equipment where the useful life is considered differently based on technical evaluation, taking into account the nature of the asset and the estimated usage basis management's best judgement of economic benefits from those classes of assets.

Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

- Roads - maximum 3 years

If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately.

Depreciation is charged on pro-rata basis from the date of addition (i.e., when the assets are ready for their intended use) / till the date of disposal. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on such disposal of assets are recognised in statement of profit and loss.

Where the residual values are not more than 5% of original cost of the asset no depreciation is provided.

2.5 Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalization is computed by applying a capitalization rate to the expenditure incurred. The capitalization rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

2.6 Foreign Currency Translation

2.6.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'), i.e in Indian rupee (INR - ₹.)

2.6.2 Transaction and Balances

Foreign currency transactions are recorded in functional currency using the exchange rates prevailing on the date of transaction. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing at the date of the transaction. All monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of foreign currency transactions are recognised in the Statement of Profit and Loss.

2.7 Inventories

2.7.1 Inventories are stated at the lower of cost (computed on moving weighted average basis) and net realizable value

2.7.2 Cost includes the cost of purchase including duties and taxes (net of tax credit), freight inward and other expenditure directly attributable to purchase.

Cost of work in progress and finished goods comprises of all direct costs and applicable manufacturing overheads incurred to bringing the inventories to the present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Employee Benefits

2.8.1 Defined Benefit Plan:

Provision for gratuity, is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest (if applicable), is reflected immediately in the balance sheet with a charge

or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

Past service cost is recognized in Statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in statement profit and loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs. The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

2.8.2 Defined Contribution Plan:

Company's contributions during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognised in the statement of profit and loss.

2.8.3 Other Long Term Employee Benefits:

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Those that are expected to be encashed after 12 months from the end of the year are treated as other long-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

2.8.4 Short term employee benefits obligations are measured on an undiscounted basis and are expensed as the related services provided. A liability is recognized for the amount expected to be paid under short-term employee benefits if the company has a present legal or constructive

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9 Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

2.9.1 Current Tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to settle the liability on a net basis or simultaneously.

2.9.2 Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such

assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.9.3 Current and Deferred Tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.10 Provisions and Contingent Liabilities

2.10.1 Provisions

A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. A provision is reversed when it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provision for warranty claims is recognised at the time of sale based on the historical experience. Initial estimate of warranty expense is reviewed annually.

2.10.2 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

2.11 Leases

The Company's leases primarily consist of leases for certain plant and machinery, Vehicles and warehouse. The Company, being a lessee, assesses whether a contract contains a lease, at inception of a contract. Company recognises Right of Use Asset and lease liability only when the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets, for which the entity is reasonably certain to exercise the right to purchase are depreciated

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from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

For the short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.12 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.13 Financial Assets

2.13.1 Classification

The Company classifies its financial assets in the following measurement categories:

- (i) Those measured subsequently at fair value through profit or loss (in case of investments in mutual funds)
- (ii) Those measured at amortised cost

2.13.2 Measurement

Initial Recognition Measurement

Financial assets are recognised when the company becomes party to the contract. The Company measures a financial asset initially at its fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price.

2.13.3 Subsequent Measurement

2.13.3.1 Investments

Investments are subsequently measured at Fair value through Profit and loss. Income or loss from these financial assets is included in other income or other expenses.

2.13.3.2 Other Financial Assets

After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR method). Amortised cost is calculated by taking into account

any discount or premium and fees or cost that are an integral part of EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss

2.13.4 Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 7.2 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires Expected Credit Losses (ECL) to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition

2.13.5 De recognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

2.14 Financial Liabilities

2.14.1 Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

2.14.2 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.14.3 Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and

Notes forming part of Financial Statements

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Loss. This category generally applies to interest-bearing loans and borrowings.

2.14.4 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.14.5 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15 Derivative Financial Instruments

The Company enters into forward contract to manage its exposure to foreign currency exchange risks. These derivative contracts that do not qualify for hedge accounting under Ind AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured through at profit or loss. Gains or loss arising from changes in the fair value of the derivative contracts are recognized in statement of profit and loss.

2.16 Dividend to Shareholders

Final dividend proposed and distributed to equity shareholders is recognized only in the financial year in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognized in the Statement of Changes in Equity.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.18 Segment Information

The Company has identified "Domestic Appliances" as a only reportable segment based on the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

2.19 Prior Period

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in notes forming part of Financial statements.

2.20 Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified as operating, investing and financing activities.

2.21 Critical Estimates & Judgements

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

2.22 Rounding of Amounts

All amounts disclosed in the financial statements and notes are presented in INR lakhs and has been rounded off to two decimals as per the requirements of Division II of schedule III to the Act, unless otherwise stated.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.1 - Property, Plant and Equipment

₹ in Lakhs									
Particulars	Land - Free Hold	Buildings	Plant and Equipment	Tools and Dies	Electrical Installations and Equipment	Office Equipment	Vehicles	Furniture and Fixtures	Total
Gross Book Value									
As at April 01, 2022	4,020.02	3,270.40	5,409.31	3,285.10	738.61	464.52	678.52	889.17	18,755.65
Additions during the year	55.01	206.87	850.61	544.44	85.40	81.60	-	14.37	1,838.30
Deletions during the year	-	(1.62)	(107.95)	(480.19)	(10.05)	(41.64)	(555.11)	(7.15)	(1,203.71)
As at March 31, 2023	4,075.03	3,475.65	6,151.97	3,349.35	813.96	504.48	123.41	896.39	19,390.24
Additions during the year	-	17.63	780.71	179.41	58.47	329.80	93.74	63.06	1,522.82
Deletions during the year*	-	(41.72)	(615.15)	-	(11.28)	(6.43)	(80.60)	(2.63)	(757.81)
As at March 31, 2024	4,075.03	3,451.56	6,317.53	3,528.76	861.15	827.85	136.55	956.82	20,155.25
Depreciation									
As at April 01, 2022	-	724.20	1,848.39	1,447.47	291.85	256.23	231.40	583.32	5,382.86
Charge for the year	-	130.12	544.56	427.14	69.81	69.65	41.15	62.26	1,344.69
Deletions during the year	-	(1.62)	(107.95)	(480.19)	(5.23)	(36.61)	(204.71)	(7.15)	(843.46)
As at March 31, 2023	-	852.70	2,285.00	1,394.42	356.43	289.27	67.84	638.43	5,884.09
Charge for the year	-	132.73	563.49	428.49	85.28	177.42	7.72	89.81	1,484.94
Deletions during the year*	-	(14.93)	(248.08)	-	(7.03)	(6.18)	(43.22)	(1.49)	(320.93)
As at March 31, 2024	-	970.50	2,600.41	1,822.91	434.68	460.51	32.34	726.75	7,048.10
Net Book Value									
As at March 31, 2024	4,075.03	2,481.06	3,717.12	1,705.85	426.47	367.34	104.21	230.07	13,107.15
As at March 31, 2023	4,075.03	2,622.95	3,866.97	1,954.93	457.53	215.21	55.57	257.96	13,506.15

*Refer Note - 5.3

3.1.1. Plant and Equipment includes Right of Use Assets ('ROU').

3.1.2. Following are the changes in the carrying value of ROU for the year ended March 31, 2024:

₹ in Lakhs		
Particulars	2023-24	2022-23
As at 1st April	710.53	175.58
Add: Additions during the year	-	567.28
Less: Amortization during the year	48.43	32.33
Less: Disposal during the year	85.61	-
As at 31st March	576.49	710.53

3.1.3 - Capital Work-in- Progress ('CWIP') Movement

₹ in Lakhs		
Particulars	2023-24	2022-23
As at 1st April	290.94	550.42
Add: Additions during the year	1,269.56	768.46
Less: Capitalized during the year	1,007.98	1,027.94
As at 31st March	552.52	290.94

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.1.4 CWIP Ageing schedule

₹ in Lakhs					
As at March 31, 2024	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in progress	376.18	23.75	-	-	399.93
Projects temporarily suspended	-	106.76	45.83	-	152.59
Total	376.18	130.51	45.83	-	552.52

₹ in Lakhs					
As at March 31, 2023	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in progress	200.94	90.00	-	-	290.94
Projects temporarily suspended	-	-	-	-	-
Total	200.94	90.00	-	-	290.94

CWIP where completion is overdue or has exceeded its cost compared to its original plan is Nil (Previous year Nil).

Notes

- The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.
- Refer Note 20(b) for details of assets given as security for working capital facility availed.

3.2 - Other Intangible Assets

₹ in Lakhs					
Particulars	Usage Right of Trade Mark	Trade Mark and License	Computer Software	Product Development	Total
As at April 01, 2022	176.00	4,297.50	445.09	-	4,918.59
Additions during the year	-	-	33.21	-	33.21
As at March 31, 2023	176.00	4,297.50	478.30	-	4,951.80
Additions during the year	-	-	36.45	99.11	135.56
As at March 31, 2024	176.00	4,297.50	514.75	99.11	5,087.36
Amortization					
As at April 01, 2022	96.00	1,432.50	366.88	-	1,895.38
Amortization for the year	16.00	238.75	15.82	-	270.57
As at March 31, 2023	112.00	1,671.25	382.70	-	2,165.95
Amortization for the year	16.00	238.75	51.44	15.14	321.33
As at March 31, 2024	128.00	1,910.00	434.14	15.14	2,487.28
Net Book Value					
As at March 31, 2024	48.00	2,387.50	80.61	83.97	2,600.08
As at March 31, 2023	64.00	2,626.25	95.60	-	2,785.85

3.2.1 - Intangible Assets under development ('IAUD')

₹ in Lakhs		
Particulars	2023-24	2022-23
As at 1st April	61.51	69.89
Add: Additions during the year	340.50	24.82
Less: Capitalized during the year	135.56	33.20
As at 31st March	266.45	61.51

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.2.2 IAUD Ageing schedule

₹ in Lakhs					
As at March 31, 2024	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress	214.06	-	10.45	41.94	266.45
Projects temporarily suspended	-	-	-	-	-
Total	214.06	-	10.45	41.94	266.45

₹ in Lakhs					
As at March 31, 2023	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress	9.12	10.45	-	41.94	61.51
Projects temporarily suspended	-	-	-	-	-
Total	9.12	10.45	-	41.94	61.51

IAUD where completion is overdue or has exceeded its cost compared to its original plan is Nil (Previous year Nil).

Note:

The Company has not revalued its intangible assets during the current or previous year.

3.3 - Investments - Non Current

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
Investments in Mutual Funds (Quoted)		
Reliance - Nippon India large cap fund - Growth plan growth option Nil units (Previous Year 30,777.754 units)	-	16.62
SBI - Equity hybrid fund regular growth Nil units (Previous Year 9233.593 units)	-	18.30
Total	-	34.92

3.3.1 Aggregate amount of Quoted Investments

- Cost	-	20.00
- Market Value	-	34.92

Notes:

- The investments is in compliance with Section 186(4) of the Companies Act, 2013.
- Refer Note 6.4 for information about fair value measurement and Note 7.2 for credit risk of investments.

3.4 - Other Financial Assets - Non-Current

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
(unsecured, considered good)		
Long Term Security Deposit	229.28	254.19
Deposits with Authorities	43.40	28.25
Total	272.68	282.44

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.5 - Other Non-Current Assets

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Tax Payments pending adjustments (net)	64.72	-
Capital Advances (net)	48.67	211.57
Other Receivables	13.61	22.10
Total	127.00	233.67

3.6 - Inventories

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
(At lower of cost and net realisable value)		
Raw Materials and Components (Refer Note 3.6.1 below)	3,438.36	4,458.50
Work in Progress	1,036.56	1,148.95
Finished Goods	4,084.04	3,475.69
Traded Goods	4,223.19	2,926.16
Stores	490.72	500.13
Total	13,272.87	12,509.43

Note: Refer Note 20(b) for details of assets given as security for working capital facility availed.

3.6.1 Includes Goods-in-transit	156.23	-
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3.7 - Investments - Current

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Investments in Mutual Funds (Quoted)		
SBI Liquid Fund Direct Plan - Growth Option 7963.896 units (Previous Year Nil units)	300.98	-
Tata Liquid Fund Direct Plan - Growth Option 48891.547 units (Previous Year Nil units)	1,862.89	-
Nippon India Liquid Fund Direct Plan - Growth Option 17822.34 units (Previous Year Nil units)	1,053.11	-
Total	3,216.98	-

3.7.1 Aggregate amount of Quoted Investments

- Cost	3,200.00	-
- Market Value	3,216.98	-

Notes:

- The investments is in compliance with Section 186(4) of the Companies Act, 2013.
- Refer Note 6.4 for information about fair value measurement and Note 7.2 for credit risk of investments.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.8 - Trade Receivables

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Trade Receivables (valued at amortised cost)		
Considered Good - Secured	170.22	174.10
Considered Good - Unsecured	13,104.42	12,239.32
Have Significant increase in Credit Risk	10.06	459.06
Credit impaired	1,088.12	648.64
	14,372.82	13,521.12
Less:		
Impairment for Trade Receivable under expected credit loss model	1,185.17	1,150.32
Total	13,187.65	12,370.80

Notes:

- The net carrying value of trade receivables is considered a reasonable approximation of fair value.
- No trade receivables are due from directors or other officers of the company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on credit terms of 30 to 45 days. The Company does not hold any collateral security.
- Refer Note 7 for information about the Company's exposure to financial risks, and details of impairment losses for trade receivables and fair values.
- Details with respect to Related Parties details are disclosed in Note 17.
- Refer Note 20(b) for details of assets given as security for working capital facility availed.

3.8.1 Trade Receivables Ageing Schedule

As at March 31, 2024	₹ in Lakhs						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,654.84	7,014.25	1,312.62	292.93	-	-	13,274.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	9.31	-	9.31
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	69.11	69.11
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.75	-	0.75
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	1,019.01	1,019.01
Total	4,654.84	7,014.25	1,312.62	292.93	10.06	1,088.12	14,372.82
Less:							
Impairment for Trade Receivable under expected credit loss model	-	49.23	13.12	29.29	5.41	1,088.12	1,185.17
Total	4,654.84	6,965.02	1,299.50	263.64	4.65	-	13,187.65

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

₹ in Lakhs							
As at March 31, 2023	Not Due	Less than 6 months	6 months-1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	7,427.66	4,504.73	55.25	412.57	-	-	12,400.21
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	48.54	-	48.54
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	47.11	47.11
(iv) Disputed Trade Receivables – considered good	-	-	-	13.21	-	-	13.21
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	410.52	-	410.52
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	601.53	601.53
Total	7,427.66	4,504.73	55.25	425.78	459.06	648.64	13,521.12
Less:							
Impairment for Trade Receivable under expected credit loss model	-	11.91	0.55	54.46	434.76	648.64	1,150.32
Total	7,427.66	4,492.82	54.70	371.32	24.30	-	12,370.80

3.9 - Cash and Cash Equivalents

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
i) Balances with Banks	290.83	3,260.42
ii) Cash on Hand (Refer Note 3.9.1 below)	0.27	8.42
iii) Fixed Deposit (Original Maturity Less than 3 Months)	3,800.00	-
Total	4,091.10	3,268.84
3.9.1 Includes INR equivalent of Foreign Currency	0.25	4.88

3.10 - Bank Balances other than Cash and Cash Equivalents

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit (Original Maturity more than 3 Months less than 12 Months)	-	2,500.00
Earmarked balances with banks		
Bank Balances held as Margin Money	393.77	354.16
Unpaid Dividend account	29.66	36.35
Total	423.43	2,890.51

3.11 - Other Current Financial Assets

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
(unsecured, considered good)		
Interest Accrued on Fixed Deposit	24.19	88.40
Total	24.19	88.40

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.12 - Current Tax Asset (net)

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Taxes and Refund Due	973.64	-
Less: Provision for Income Tax	536.82	-
Total	436.82	-

3.13 - Other Current Assets

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
(unsecured, considered good)		
Balances with Indirect tax authorities	618.84	505.97
Prepaid Expenses	321.21	326.79
Advances to Suppliers	415.31	516.12
Rent Advance	424.02	411.49
Loans and Advances to Employees	100.29	157.53
Others	31.34	29.16
Total	1,911.01	1,947.06

Note: Refer Note 20(b) for details of assets given as security for working capital facility availed.

3.14 - Equity Share Capital

₹ in Lakhs		
Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
4,00,00,000 Equity Shares of ₹10/- each	4,000.00	4,000.00
Total	4,000.00	4,000.00
Issued, Subscribed And Paid Up		
1,78,79,551 Equity Shares of ₹10/- each, Fully Paid Up	1,787.96	1,787.96
Total	1,787.96	1,787.96

3.14.1 Reconciliation of the equity share outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Outstanding at the beginning of the year	1,78,79,551	1,787.96	1,78,79,551	1,787.96
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,78,79,551	1,787.96	1,78,79,551	1,787.96

3.14.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.14.3 Shares held by holding Company and/or their subsidiaries/ associates

Name of the Company	As at March 31, 2024		As at March 31, 2023	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Crompton Greaves Consumer Electricals Limited (Holding Company)	1,34,09,663	1,340.97	1,34,09,663	1,340.97

3.14.4 Details of Shareholders Holding more than 5% shares in the Company

Promoter Name	As at March 31, 2024		As at March 31, 2023	
	Nos.	% of Holding	Nos.	% of Holding
Crompton Greaves Consumer Electricals Limited	1,34,09,663	75.00%	1,34,09,663	75.00%

3.14.5 There are no bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

3.14.6 There are no shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment.

3.14.7 The company has transferred the unpaid or unclaimed dividend amount declared in August 2016 to the Investor Education and Protection Fund (IEPF) fund on October 21, 2023. This transfer was delayed by 10 days due to a technical error faced while filing the form on the Ministry of Corporate Affairs website.

3.14.8 Disclosure of Shareholding of Promoters

Promoter Name	As at March 31, 2024		
	No. of Shares	% of Total Shares	% Change during the year
Crompton Greaves Consumer Electricals Limited	1,34,09,663	75.00%	-

Promoter Name	As at March 31, 2024		
	No. of Shares	% of Total Shares	% Change during the year
Crompton Greaves Consumer Electricals Limited	1,34,09,663	75.00%	-

3.15 Other Equity

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
General Reserve	538.56	538.56
Security Premium	9,701.53	9,701.53
Capital Reserve	1.73	1.73
Capital Redemption Reserve	142.10	142.10
Retained Earnings	17,133.94	16,394.96
Revaluation Surplus	80.08	80.08
Other Comprehensive Income (OCI)	(167.12)	(82.62)
Total	27,430.82	26,776.34

Nature and purpose of reserves

General Reserve

General reserve was created for declaration of dividends as per statutory requirement.

Security Premium

Security Premium represents premium on preferential shares issued (net of issue expenses).

Capital reserve

Capital reserve was created on forfeiture of shares as per statutory requirement.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Capital Redemption Reserve

Capital redemption reserve was created on Redemption of Preference Shares as per statutory requirement.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, net-off any transfers to general reserve, dividends or other distributions paid to shareholders.

Revaluation Surplus

Gains/losses arising on the revaluation of the Company's owned properties. On disposal of the asset, the balance of the revaluation reserve is transferred to retained earnings.

Non Current Liabilities

3.16 - Lease Liability - Non Current

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Lease Liability	373.48	493.38
Less: Current Maturities of Lease Liability	102.76	119.90
Total	270.72	373.48

3.17 - Long Term Provisions

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Provision for Compensated Absences	267.83	-
Total	267.83	-

3.18 - Deferred Tax Liabilities

3.18.1 Recognised Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are attributable to the following:

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liability		
Property, Plant and Equipment	1,017.73	1,702.09
Others	4.27	-
Right of Use Assets	145.09	248.29
Sub Total	1,167.09	1,950.38
Deferred Tax Assets		
Provision for Bad and Doubtful Debts	227.60	303.82
Provision for Advances	31.44	58.44
Financial Guarantee	0.49	11.17
Remeasurements of defined benefit plan actuarial gains - OCI	73.91	45.49
Employee Benefits	159.81	228.41
Lease Liability	94.00	172.41
Others	3.40	-
Sub Total	590.65	819.74
Net Deferred Tax Liabilities	(576.44)	(1,130.64)

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Movement in Deferred Tax balances during the year ended March 31, 2024

Particulars	₹ in Lakhs			
	Balance As at April 01, 2023	Recognised in Profit & Loss	Recognised in OCI	Balance As at March 31, 2024
Property, Plant and Equipment	(1,702.09)	684.36	-	(1,017.73)
Right of Use Assets	(248.29)	103.20	-	(145.09)
Provision for Advances	58.44	(27.00)	-	31.44
Provision for Bad and Doubtful Debts	303.82	(76.22)	-	227.60
Financial Guarantee	11.17	(10.68)	-	0.49
Remeasurement of Defined Benefit Plan	45.49	-	28.42	73.91
Employee Benefits	228.41	(68.60)	-	159.81
Lease Liability	172.41	(78.41)	-	94.00
Others	-	(0.87)	-	(0.87)
Total	(1,130.64)	525.78	28.42	(576.44)

Movement in Deferred Tax balances during the year ended March 31, 2023

Particulars	₹ in Lakhs			
	Balance As at April 01, 2022	Recognised in Profit & Loss	Recognised in OCI	Balance As at March 31, 2023
Property, Plant and Equipment	(1,762.85)	60.76	-	(1,702.09)
Right of Use Assets	(61.35)	(186.94)	-	(248.29)
Provision for Advances	33.15	25.29	-	58.44
Provision for Bad and Doubtful Debts	350.72	(46.90)	-	303.82
Financial Guarantee	9.95	1.22	-	11.17
MAT Credit Entitlement	798.34	(798.34)	-	-
Remeasurement of Defined Benefit Plan	(9.78)	-	55.27	45.49
Employee Benefits	114.80	113.61	-	228.41
Lease Liability	36.86	135.55	-	172.41
Total	(490.16)	(695.75)	55.27	(1,130.64)

Unrecognised Deferred Tax Assets - Nil (P.Y Nil)

3.18.2 Tax Recognised in Other Comprehensive Income

Particulars	₹ in Lakhs	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Defined benefit plan Actuarial Gains	28.42	55.27
Total	28.42	55.27

3.18.3 Reconciliation of Effective Tax Rates

Particulars	₹ in Lakhs	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit Before Tax	562.86	8,045.33
Enacted tax Rate (under Normal Provisions)	25.17%	34.94%
Computed Expected Tax Expenses - Normal Provision	141.66	2,811.36
Non-deductible expenses	239.73	214.10
Others	(3.30)	-
OCI Expenses	(28.42)	(55.27)
MAT Credit Entitlement	-	(787.20)
Current Tax	349.67	2,183.00
Deferred Tax (Credit)/Charges	(525.79)	695.75
Tax (Credit)/Expenses for the year	(176.12)	2,878.75

As the Company is liable to pay tax under normal provisions of the Income Tax Act 1961, the effective tax rate reconciliation has been presented as per the rate applicable for Current Tax.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Current Liabilities

3.19 - Lease Liability - Current

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Current Maturities of Lease Liability	102.76	119.90
Total	102.76	119.90

3.20 - Trade Payables

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises; and	2,540.99	2,756.93
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	9,753.06	9,744.03
Total	12,294.05	12,500.96

Note - Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms.

3.20.1 Details as required under MSME Act, 2006 - Refer Note 9

3.20.2 Trade Payables Ageing Schedule

As at March 31, 2024	Outstanding for following periods from due date of Payment					Total
	No Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	2,527.47	13.53	-	-	-	2,541.00
(ii) Others	6,449.94	3,118.87	178.28	5.96	-	9,753.05
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
Total	8,977.41	3,132.40	178.28	5.96	-	12,294.05

As at March 31, 2023	Outstanding for following periods from due date of Payment					Total
	No Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	2,744.49	12.44	-	-	-	2,756.93
(ii) Others	7,324.14	2,052.11	362.83	4.95	-	9,744.03
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
Total	10,068.63	2,064.55	362.83	4.95	-	12,500.96

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

3.21 - Other Financial Liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Creditors for Capital Goods and Services*	56.41	81.00
Unclaimed Dividends	29.66	36.35
Payable to Employees	466.24	568.19
Security Deposits from Customers	269.03	296.18
Financial Guarantee Liability	1.93	31.95
Derivative Liabilities	339.71	134.97
Provision for Expenses	8,008.81	4,376.07
Total	9,171.79	5,524.71

* Includes payable to MSME ₹8.43 lakhs (Previous Year ₹26.47 lakhs)

Note: Financial guarantee liability is towards First Loss Default Guarantee (FLDG) provided by the company to financial institutions

3.22 - Other Current Liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Statutory Liabilities	439.63	558.71
Advance from Customers	536.58	446.72
Others	55.63	49.14
Total	1,031.84	1,054.57

3.23 - Short Term Provision

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	264.73	288.48
Provision for Compensated Absences	29.10	199.99
Provision for Warranties	361.89	386.67
Total	655.72	875.14

3.24 - Current Tax Liabilities (net)

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax	-	2,316.66
Less: Advance Tax and Tax Deducted at Source	-	2,189.84
Total	-	126.82

4.1 - Revenue From Operations

Particulars	₹ in Lakhs	
	2023-24	2022-23
Sale of Products	91,945.55	1,04,191.05
Other Operating Revenue - Scrap Sales	1,182.70	1,464.19
Total	93,128.25	1,05,655.24

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

4.2 - Other Income

Particulars	₹ in Lakhs	
	2023-24	2022-23
Change in fair value of Financial Assets	68.06	0.52
Interest income from Financial Assets measured at Amortised cost	284.65	289.75
Profit on Sale of Asset	15.08	9.51
Exchange Fluctuation (net)	30.88	66.45
Other Income	87.10	160.48
Provision for Bad & Doubtful Debts written back	-	132.32
Total	485.77	659.03

4.3 - Cost of Materials Consumed

Particulars	₹ in Lakhs	
	2023-24	2022-23
Opening Stock		
Raw Materials and Components	4,958.63	8,615.83
Add: Cost of		
Raw Materials and Components	42,055.77	37,198.57
Processing Charges	2,049.71	1,836.55
Less: Closing Stock		
Raw Materials and Components	3,929.08	4,958.63
Total	45,135.03	42,692.32

4.4 - Changes in Inventories of Finished Goods, Work-in-Progress and Stock in trade

Particulars	₹ in Lakhs	
	2023-24	2022-23
Opening Balance		
Work in Progress	1,148.95	1,688.07
Finished Goods	3,475.69	7,215.52
Stock in Trade	2,926.16	3,449.72
Less Closing Balance		
Work in Progress	1,036.56	1,148.95
Finished Goods	4,084.04	3,475.69
Stock in Trade	4,223.19	2,926.16
Net (increase)/ decrease	(1,792.99)	4,802.51

4.5 - Employee Benefits Expense

Particulars	₹ in Lakhs	
	2023-24	2022-23
Salaries, Wages, Bonus etc. (including payment to contractors)	10,116.55	8,829.01
Contribution to Provident and Other Funds	516.49	472.23
Staff Welfare Expenses	933.09	834.40
Total	11,566.13	10,135.64

Notes:

- For remuneration paid to key management personnel Refer Note 17.1
- During the year, the Company has capitalised Employee benefits expense of ₹172.98 lakhs under Product Development & Intangible assets under development as a Development cost as per Ind AS 38.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

4.6 - Finance Cost

Particulars	₹ in Lakhs	
	2023-24	2022-23
Interest cost on Financial Liabilities measured at Amortized cost	526.19	585.77
Interest Expense on Lease Liability	53.95	43.99
Other Borrowing Cost - Processing Fee	62.30	20.83
Total	642.44	650.59

4.7 - Depreciation and Amortisation

Particulars	₹ in Lakhs	
	2023-24	2022-23
Depreciation / Amortisation for the year		
- Tangible Assets	1,484.94	1,344.69
- Intangible Assets	321.33	270.57
Total	1,806.27	1,615.26

4.8 - Other Expenses

Particulars	₹ in Lakhs	
	2023-24	2022-23
Power and Fuel	969.78	944.79
Rent	489.74	497.78
Repairs and Maintenance		
- Buildings	8.12	0.98
- Machinery	337.44	438.82
- Others	573.86	540.34
Freight and Forwarding (Including Warehouse Charges)	5,336.85	5,902.81
Insurance	127.33	115.86
Rates and Taxes	173.49	151.07
Travel and Conveyance	1,020.11	873.58
Communication	48.97	43.13
Payment made to Auditors (Refer Note 4.8.1 below)	33.42	33.76
Professional and Consultancy Charges (Refer Note 4.8.2 below)	736.22	2,048.11
Advertisement, Publicity and Sales Promotion Expenses	8,002.54	6,069.74
After Sales Service Expenses	923.75	881.30
Royalty	56.53	52.65
Bank Charges	48.10	72.04
Provision for Doubtful Debts	34.85	-
Extended producers responsibility	120.00	-
Miscellaneous Expenses	407.90	390.02
Total	19,449.00	19,056.78

Note: During the year, the Company has capitalised Other expense of ₹140.19 lakhs under Product Development & Intangible assets under development as a Development cost as per Ind AS 38.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Note 4.8.1 Payment made to Auditors

Particulars	₹ in Lakhs	
	2023-24	2022-23
a) As Auditor		
i. Audit Fees for Statutory Audit	22.00	22.00
ii. Audit Fees for Tax Audit	7.50	7.50
iii. For Certification	2.80	3.65
iv. Out of Pocket Expenses	1.12	0.61
Total	33.42	33.76

Note: 4.8.2 : Professional & Consultancy charges includes Director sitting fee ₹48.30 lakhs (Previous Year ₹53.10 lakhs) and Director's commission ₹8.39 lakhs (Previous Year ₹80.00 lakhs)

5. Other Financial Information

5.1 Contingent Liabilities:

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
(to the extent not provided for)		
Central Excise / Customs {of which ₹3.31 lakhs (Previous Year ₹3.31 lakhs) have been paid under protest} – Refer Note below	66.24	66.24
VAT / Sales Tax {of which ₹26.48 lakhs (Previous Year ₹26.47 lakhs) have been paid under protest}	128.66	128.66
Goods and Services Tax {of which ₹15.84 lakhs (Previous Year ₹0.68 lakhs) have been paid under protest}	248.84	15.27
Employee State Insurance and Labour matter {of which ₹ Nil (Previous Year ₹22.36 lakhs) have been paid under protest}	-	48.22
Total	443.74	258.39

Note: Above contingent liabilities exclude the demands raised by the Central Excise Department on earlier assessment aggregating to ₹1,899.67 lakhs which have been allowed in favour of the Company by the CESTAT. The department has filed an appeal with the Honourable Supreme Court, which is pending disposal. Also, with regards to Customs, the appeal filed by the Company against a demand of ₹48.14 lakhs has been allowed by the Commissioner (Appeals) against which the department has filed an appeal with the CESTAT, which is pending disposal.

Notes:

- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters pending resolution of the arbitration/appellate proceedings.

5.2 Capital Commitments

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Capital Commitments (net of advance)	79.36	344.50

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

5.3 Assets Held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met : (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 month of the Balance sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured as the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

The company has decided to move from inhouse to outsourcing within some of the non-core activities and classified certain assets as "asset held for sale" and consequently provided an impairment loss of ₹211.54 lakhs. The details of whereas as under:

₹ in Lakhs			
Groups of assets held for sale	WDV as at 31 st March 2024	Impairment of Assets as at 31 st March 2024	Asset value as at 31 st March 2024
Plant & Machinery	280.99	182.13	98.86
Electrical equipment	3.77	2.63	1.14
Lease hold improvements	26.78	26.78	-
Total	311.54	211.54	100.00

6. Disclosures in respect of Ind AS 107 - Financial Instruments

6.1. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

₹ in Lakhs				
As at March 31, 2024	Amortized Cost	Financial Assets/ Liabilities at fair value through profit or loss	Financial Assets/ Liabilities at fair value through OCI	Total Fair Value
Financial Assets				
Non-Current financial assets				
Non-Current Investment	-	-	-	-
Other Non-Current Financial Assets	272.68	-	-	272.68
Current financial assets				
Current Investment	-	3,216.98	-	3,216.98
Current Trade Receivables	13,187.65	-	-	13,187.65
Cash & Cash Equivalents	4,091.10	-	-	4,091.10
Other Bank Balances	423.43	-	-	423.43
Other Financial Assets	24.19	-	-	24.19
Total	17,999.05	3,216.98	-	21,216.03
Financial Liabilities				
Non-Current financial liabilities				
Lease Liabilities	270.72	-	-	270.72
Current financial liabilities				
Lease Liabilities	102.76	-	-	102.76
Trade Payables	12,294.05	-	-	12,294.05
Other Current Financial Liabilities	8,830.15	341.64	-	9,171.79
Total	21,497.68	341.64	-	21,839.32

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

₹ in Lakhs				
As at March 31, 2023	Amortized Cost	Financial Assets/ Liabilities at fair value through profit or loss	Financial Assets/ Liabilities at fair value through OCI	Total Fair Value
Financial Assets				
Non-Current financial assets				
Non-Current Investment	-	34.92	-	34.92
Other Non-Current Financial Assets	282.44	-	-	282.44
Current financial assets				
Current Investment	-	-	-	-
Current Trade Receivables	12,370.80	-	-	12,370.80
Cash & Cash Equivalents	3,268.84	-	-	3,268.84
Other Bank Balances	2,890.51	-	-	2,890.51
Other Financial Assets	88.40	-	-	88.40
Total	18,900.99	34.92	-	18,935.91
Financial Liabilities				
Non-Current financial liabilities				
Lease Liabilities	373.48	-	-	373.48
Current financial liabilities				
Lease Liabilities	119.90	-	-	119.90
Trade Payables	12,500.96	-	-	12,500.96
Other Current Financial Liabilities	5,357.79	166.92	-	5,524.71
Total	18,352.13	166.92	-	18,519.05

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature.

6.2 Fair Value Hierarchy

The fair value of financial instruments as referred to in note 6.1 above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- **Level 1** - Quoted prices (unadjusted) in active markets for identical Assets or Liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

6.3 Valuation Technique used to determine Fair Value:

Specific valuation techniques used to value financial instruments include:

1. Use of quoted market prices for Listed instruments
2. Expected credit loss model valued by the independent valuer

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

6.4 The following table presents fair value hierarchy of Assets and Liabilities measured at fair value:

Particulars	As at March 31, 2024				As at March 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Asset								
Investments in Quoted Mutual Funds	3,216.98	-	-	3,216.98	34.92	-	-	34.92
Financial Liability								
Financial Guarantee Liability*	-	-	1.93	1.93	-	-	31.95	31.95
Derivative Liabilities	339.71	-	-	339.71	134.97	-	-	134.97

*Represents fair value of First Loss Default Guarantee (FLDG) – ₹1,400 Lakhs (Previous Year: ₹2,400 Lakhs)

7. Financial Risk Management

The Company is primarily exposed to fluctuation in Market risk, Credit risk and Liquidity risk. The Company has a risk management policy which addresses the risk associated with the financial asset and liabilities.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee (RMC) for identification, evaluation and mitigation of operations, strategic and external risks. RMC has the overall responsibility for monitoring and recovering the Risk Management Plan and associated practices of the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The RMC oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

7.1 Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of investments. Thus, Company's exposure to market risk is a function of investing and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Market risk comprises two types of risks.

7.1.1 Foreign Currency Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit or Loss, other comprehensive income and equity.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Currently the Company follows a policy of hedging 100% of its trade payables. On an overall basis, the Company has hedged 52.58% of its foreign exchange exposure thus minimising the currency risk.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Sensitivity analysis of foreign currency risk for as estimated fluctuation of +/- 5% to the outstanding foreign currency exposure is provided below.

Foreign Currency Exposure	Liabilities		Assets	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD	4.08	1.64	4.53	1.19

Sensitivity at the year end	As at March 31, 2024	As at March 31, 2023
	Receivables:	
Weakening of INR by 5%	18.62	5.71
Strengthening of INR by 5%	(18.62)	(5.71)
Payables:		
Weakening of INR by 5%	(17.12)	(6.82)
Strengthening of INR by 5%	17.12	6.82

Amount in bracket represents additional cash outflow. Other amounts represent additional cash inflow.

7.1.2 Interest Rate Risk

The Company is exposed to short-term and long-term borrowings. Long-term borrowing's interest rates are fixed and not subject to any interest rate risk. Short-term borrowings, being working capital loans, are subject to interest rate fluctuation based on the performance and external credit rating of the Company.

At the reporting date the interest rate profile of the Company's interest – bearing financial instruments as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
	Fixed Rate Instruments	
Financial Asset		
- Bank Deposits	4,193.77	2,854.16
Financial Liabilities		
- Term Loan from Bank / Others	-	-
- Lease Liability	373.48	493.38
Variable Rate Instruments		
Financial Liabilities		
- Short Term Borrowings	-	-

The interest expenses and impact on statement of Profit on Loss on account of Increase/decrease of 100 basis points in interest rates at the balance sheet date is provided in table below:

Particulars	As at March 31, 2024	As at March 31, 2023
	Interest Expenses arising on account of variable rate of interest on short term borrowings	-
Impact on Interest Cost:		
Increase in 100 basis point (Increase in Interest Cost)	-	(7.39)
Decrease in 100 basis points (Decrease in Interest Cost)	-	7.39

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

7.2 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in mutual funds and cash and cash equivalents. The Company makes provision on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

Trade Receivables:

The Company has outstanding trade receivables amounting to ₹13,187.65 lakhs and ₹12,370.80 lakhs as of March 31, 2024, and March 31, 2023, respectively. Trade receivables are unsecured in nature, except to the extent of security deposits received from the distributors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Default on account of Trade Receivables happens when the counterparty fails to make contractual payment when they fall due.

Credit risk is managed by the Company by continuous monitoring of overdue receivables and also by making adequate provision towards expected credit loss in the books of account as per the simplified approach stated in the accounting policy.

Expected credit loss provision matrix provided below.

Particulars	Overdue Period		
	Within the credit period	0-180 days	More than 180 days
Trade Receivables			
- 31.03.2024	-	0.70%	42.01%
- 31.03.2023	-	0.26%	71.66%

Credit Risk Exposure:

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	₹ in Lakhs			
	As at March 31, 2024		As at March 31, 2023	
	Gross	Impairment	Gross	Impairment
Within the credit period	4,654.84	-	7,427.66	-
0 to 180 days	7,014.25	49.23	4,504.73	11.91
More than 180 days	2703.73	1,135.94	1,588.73	1,138.41
Total	14,372.82	1,185.17	13,521.12	1,150.32

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
As at the beginning of the year	1,150.32	1,284.52
Add: Provided for the year	34.85	61.20
Less: Reversal of provision due to collection	-	193.51
Less: Utilization for the year	-	1.89
As at the end of the year	1,185.17	1,150.32

7.3 Liquidity Risk

Liquidity needs of the Company are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from the operations and bank borrowings.

The Company manages the liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues and repayment of loans arising during the normal course of business as of each reporting date. The Company meets its short-term liquidity requirements primarily through efficient working capital management and by accessing additional and alternative credit facilities available in the financial market. The Company has acceptances in line with supplier's financing arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

The Company assesses long-term liquidity requirements on a periodical basis and manages them through internal accruals and bank borrowings.

The table below provides details regarding the contractual cash outflow for financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company is required to pay.

As at March 31, 2024	₹ in Lakhs					
	On demand and less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Security Deposits	269.03	-	-	-	-	269.03
Trade Payables	12,294.05	-	-	-	-	12,294.05
Other Financial Liabilities	8,902.76	-	-	-	-	8,902.76
Lease Liability	73.10	69.69	250.57	65.47	-	458.83

As at March 31, 2023	₹ in Lakhs					
	On demand and less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Security Deposits	296.18	-	-	-	-	296.18
Trade Payables	12,500.96	-	-	-	-	12,500.96
Other Financial Liabilities	5,228.53	-	-	-	-	5,228.53
Lease Liability	91.11	82.75	268.07	190.75	-	632.68

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

8. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity.

The Company's adjusted net debt-to-equity ratio of March 31, 2024, was as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Total Debt*	373.48	493.38
Total Equity	29,218.78	28,564.30
Debt to Equity Ratio	0.01	0.02

*Total Debt represents lease liabilities

9. Disclosures Required Under the "Micro, Small and Medium Enterprises Development Act, 2006"

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
a. Principal amount due to Suppliers under the Act	2,540.99	2,756.93
b. Interest accrued and due to Suppliers under the Act, on the above amount	0.35	-
c. Payment made to Suppliers (Other than interest) beyond the appointed day during the year	1,851.04	86.68
d. Interest paid to Suppliers under the Act (Other than Section 16)	-	-
e. Interest paid to Suppliers under the Act (Section 16)	-	-
f. Interest due and payable to suppliers under the Act, for payments already made	7.65	1.24
g. Interest accrued and remaining unpaid at the end of the year to Suppliers under the Act	9.24	1.24

This information has been given in respect of such vendors to the extent they could be treated as 'Micro and Small Enterprises' on the basis of information available with the Company on which the Auditors have relied upon.

10. Disclosure in respect of Indian Accounting Standard (Ind AS)-115 "Revenue from Contracts with Customers"

a) Disaggregation of Revenue:

Particulars	₹ in Lakhs	
	2023-24	2022-23
LPG Stoves	25,271.50	24,145.58
Mixer Grinder	29,842.39	31,860.69
Tabletop Wet Grinder	10,137.42	9,894.45
Pressure Cooker	16,560.76	16,215.52
Others	11,316.18	23,539.00
Total Revenue from Contract with Customers	93,128.25	1,05,655.24

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

b) Contract liabilities such as advance from customers and liability for schemes and discounts are given below.

Contract Liabilities	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Advance from Customers	536.58	446.72
Liability for Scheme	4,529.59	2,106.10

c) Reconciliation of Revenue recognized with the contracted price and adjustments:

Description	₹ in Lakhs	
	2023-24	2022-23
Revenue as per contracted price	1,03,286.53	1,11,583.86
Less: Adjustments*	(10158.28)	(5928.62)
Total revenue from contract with customers	93,128.25	1,05,655.24

*includes discounts, schemes & others.

11. Disclosure in respect of Indian Accounting Standard (Ind AS)-116 "Leases"

a) Following are the changes in carrying value of liabilities.

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	493.38	105.47
Additions	-	567.28
Finance cost accrued during the year	53.95	43.99
Adjustments for disposals	(4.33)	-
Payment of lease liabilities	(169.52)	(223.36)
Balance as at the end of the year	373.48	493.38

b) Following amount were recognized as expense:

Particulars	₹ in Lakhs	
	2023-24	2022-23
Depreciation of right of use assets	48.43	32.33
Expense relating to short term leases	2,613.35	2,436.70
Interest on lease liabilities	53.95	43.99
Total amount recognized in statement of Profit & Loss	2,715.73	2,513.02

c) Maturity analysis of lease liabilities under Ind AS 116 (undiscounted)

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Within 1 year	142.79	173.86
Between 1 to 3 years	250.57	268.07
Between 3 to 5 years	65.47	190.75

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

d) Amounts recognised in statement of Cash Flows

Particulars	₹ in Lakhs	
	2023-24	2022-23
Total Cash outflow for leases	169.52	223.36

e) Company applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.

f) The lease agreements do not impose any restrictions or covenants other than the security interests in the leased assets that are held by the lessor.

12. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

12.1 General description of various defined employee’s benefits schemes are as under:

a) Provident Fund:

The Company’s Provident Fund (defined contribution fund) is managed by Regional Provident Fund Commissioner. The Company pays fixed contribution to provident fund at pre-determined rate.

b) Gratuity:

Gratuity is a defined benefit plan, in respect of past services provided by the employees is quantified based on the actuarial valuation.

The scheme is funded by the Company and the liability is recognized on the basis of contribution payable to the insurer. Disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

The summarized position of various defined benefits recognized in the Statement of Profit and Loss, Other Comprehensive Income (OCI) and Balance Sheet and other disclosures are as under:

Movement in Defined Benefit Obligation:

Particulars	₹ in Lakhs	
	2023-24	2022-23
Defined Benefit Obligation at the beginning of the year	1,034.79	1,092.87
Current Service Cost	144.00	122.36
Interest Cost	67.72	64.88
Past Service Cost	4.47	-
Benefits Paid	(193.56)	(415.46)
Re-measurements - Actuarial Loss	103.40	170.14
Defined Benefit Obligation at the end of the year	1,160.82	1,034.79

Movement in Plan Asset:

Particulars	₹ in Lakhs	
	2023-24	2022-23
Fair value of Plan Assets at the beginning of the year	746.32	1,078.98
Employer Contributions	295.30	6.72
Benefits Paid	(193.56)	(415.46)
Re-measurements – Return on Plan Assets	57.56	64.11
Re-measurements - Actuarial (Loss) / Gain	(9.53)	11.97
Fair value of Plan Assets at the end of the year	896.09	746.32

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Amount Recognized in Statement of Profit and Loss

Particulars	₹ in Lakhs	
	2023-24	2022-23
Current Service Cost	144.00	122.36
Net Interest on Net Defined Benefit Liability	10.16	0.77
Past Service Cost	4.47	-
Expenses recognized in the statement of profit and loss	158.63	123.13

Amount recognized in Other Comprehensive Income (OCI)

Particulars	₹ in Lakhs	
	2023-24	2022-23
Actuarial Loss due to assumption changes	103.40	170.13
Difference between Actual Return and Interest Income on Plan Assets - Loss / (Gain)	9.52	(11.97)
Actuarial Loss recognized in OCI	112.92	158.16

Sensitivity Analysis

Particulars	Change in Assumption	₹ in Lakhs	
		As at March 31, 2024	As at March 31, 2023
Discount Rate	+0.50%	(58.18)	(56.68)
	-0.50%	63.04	61.77
Salary Growth Rate	+0.50%	63.00	61.01
	-0.50%	(58.94)	(56.57)

Actuarial Assumption

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	6.97%	7.22%
Rate of Salary Increase	7.00%	7.00%
Attrition Rate	3.00%	3.00%
Retirement Age	58 Years	60 Years
Average Future Service	13.4 Years	14.9 Years

Expected Benefit Payments

Sr. No.	Year of payment	₹ in Lakhs	
		As at March 31, 2024	As at March 31, 2023
1	Year 1	56.97	43.70
2	Year 2	63.94	53.77
3	Year 3	87.35	56.16
4	Year 4	83.37	63.99
5	Year 5	79.83	58.83
6	Next 5 Years	515.09	442.43

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Category of Investment in Plan Assets

Category of Investment	% of fair value of plan assets
Insurer Managed Funds (LIC)	100% (P.Y 100%)

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

c) Compensated absences

Disclosure of information as required under Ind AS-19 are as follows.

Movement in Defined Benefit Obligation:

Particulars	₹ in Lakhs
	2023-24
Defined Benefit Obligation as at the beginning of the period	199.99
Interest Cost	11.64
Current service cost	42.92
Past service cost	(1.40)
Benefits paid	(77.43)
Actuarial loss on obligation (balancing figure)	121.21
Defined Benefit Obligation as at the end of the period	296.93

Movement in Plan Asset:

Particulars	₹ in Lakhs
	2023-24
Fair value of plan assets as at the beginning of the period	-
Expected return on plan assets	-
Contributions	77.43
Benefits paid	(77.43)
Actuarial gain/(loss) on plan assets (balancing figure)	-
Fair value of plan assets as at the end of the period	-

Amount Recognized in Statement of Profit and Loss

Particulars	₹ in Lakhs
	2023-24
Current service cost	42.92
Interest on obligation	11.64
Expected return on plan assets	-
Net actuarial loss recognised during the period	121.21
Past service cost	(1.40)
Expenses recognized in the statement of profit and loss	174.37

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Actuarial Assumption

Particulars	As at March 31, 2024
Discount Rate	6.97%
Rate of increase in compensation levels	7.00%
Attrition Rate	3.00%
Expected rate of return on Plan Assets	0.00%
Retirement Age	58 years
Estimated Average Future working life	13.4 years

Expected Benefit Payments

Year of payment	₹ in Lakhs
	As at March 31, 2024
Year 1	12.50
Year 2	12.73
Year 3	15.48
Year 4	13.94
Year 5	17.10
Next 5 Years	95.59

Note: The Company has implemented the leave encashment policy to the eligible employees in line with the group policy during the year and thus the comparable is not applicable.

13. Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

a) Information about major customers

Since the Company primarily operates in one segment – Domestic appliances and there is no reportable Geographical segment either.

The Company has derived revenues from one customer which amount to more than 10 per cent of Company's revenues, the details are given below:

Particulars	2023-24	2022-23
Customers (Nos)	1	2
Revenue	15,850.71	29,858.09

b) Information about Geographical area:

The Company is Domiciled in India. The amount of its revenue from external customers broken down by location of customers is tabulated below:

Particulars	2023-24	2022-23
India	91,444.57	1,03,963.97
Outside India	1,683.68	1,691.27
Total	93,128.25	1,05,655.24

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
India	16,653.20	16,878.12
Outside India	-	-
Total	16,653.20	16,878.12

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

14. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share (EPS)”

a) Basic EPS

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Particulars	2023-24	2022-23
Profit for the year, attributable to the owners of the Company	₹738.98 Lakhs	₹5,166.58 Lakhs
Earnings used in calculation of basic earnings per share (A)	₹738.98 Lakhs	₹5,166.58 Lakhs
Weighted average number of ordinary shares for the purpose of basic earnings per share (B)	1,78,79,551	1,78,79,551
Basic EPS = (A/B) (Face Value of ₹10 per share)	₹4.13	₹28.90

b) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	2023-24	2022-23
Profit for the year, attributable to the owners of the Company	₹738.98 Lakhs	₹5,166.58 Lakhs
Earnings used in calculation of diluted earnings per share (A)	₹738.98 Lakhs	₹5,166.58 Lakhs
Weighted average number of ordinary shares for the purpose of diluted earnings per share (B)	1,78,79,551	1,78,79,551
Diluted EPS = (A/B) (Face Value of ₹10 per share)	₹4.13	₹28.90

15. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”

Warranty:

The Company gives warranties on certain products and services, undertaking to repair / replace products, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligation on account of repair / replacement. The timing of outflows is expected to be within a period of two to five years.

Movement of provision for Warranty:

₹ in Lakhs					
2023-24	Balance as at April 01, 2023	Additions during the year	Utilization during the year	Reversal during the year	Balance as at March 31, 2024
Provision for Warranties	386.67	302.73	327.51	-	361.89

₹ in Lakhs					
2022-23	Balance as at April 01, 2022	Additions during the year	Utilization during the year	Reversal during the year	Balance as at March 31, 2023
Provision for Warranties	842.56	51.39	507.28	-	386.67

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

16. Disclosures in respect of Ind As 7 - Statement of Cash Flow

Reconciliation of liabilities from financing activities: -

(i) Long Term Borrowings (Including Current maturities)

₹ in Lakhs				
Particulars	As at April 01, 2023	Proceeds	Repayments	As at March 31, 2024
Term Loan from Bank	-	-	-	-
Term Loan from Others	-	-	-	-
Total	-	-	-	-

₹ in Lakhs				
Particulars	As at April 01, 2022	Proceeds	Repayments	As at March 31, 2023
Term Loan from Bank	933.70	-	(933.70)	-
Term Loan from Others	2.18	-	(2.18)	-
Total	935.88	-	(935.88)	-

(ii) Short Term Borrowings

₹ in Lakhs				
Particulars	As at April 01, 2023	Cash Flow	Foreign exchange Movement	As at March 31, 2024
Working Capital Facilities	-	-	-	-
Other Short-Term Borrowings	-	-	-	-
Total	-	-	-	-

₹ in Lakhs				
Particulars	As at April 01, 2022	Cash Flow	Foreign exchange Movement	As at March 31, 2023
Working Capital Facilities	4,290.59	(4,290.59)	-	-
Other Short-Term Borrowings	-	-	-	-
Total	4,290.59	4,290.59	-	-

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

17. Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”

Holding Company

Crompton Greaves Consumer Electricals Limited (CGCEL)

Fellow Subsidiaries (Subsidiary of CGCEL)

- Pinnacles Lighting Project Private Limited
- Nexustar Lighting Project Private Limited
- Crompton CSR Foundation

Name of Post-employment benefit plans with whom transactions were carried out during the year

Butterfly Gandhimathi Appliances Limited Employees Group Gratuity Trust Fund

Key Managerial Personnel

FY 23-24	FY 22-23
Mr. P. M. Murty – Chairman, Non- Executive Independent Director	Mr. P.M. Murty – Chairman, Non- Executive Independent Director (Appointed w.e.f. 01.04.2022)
Mr. Rangarajan Sriram – Managing Director (Re-appointed w.e.f. 30.03.2024 to 29.03.2026)	Mr. Rangarajan Sriram – Managing Director (Appointed w.e.f. 30.03.2022)
-	Mr. P.R. Ramesh – Independent Director (Resigned w.e.f. 09.11.2022)
Mr. Shantanu Maharaj Khosla – Non-Independent Director	Mr. Shantanu Maharaj Khosla – Non-Independent Director (Appointed w.e.f. 30.03.2022)
Mr. Promeet Ghosh - Non-Independent Director (Appointed w.e.f. 12.05.2023)	-
Mr. Mathew Job – Non-Independent Director (Resigned w.e.f. 30.04.2023)	Mr. Mathew Job – Non-Independent Director (Resigned w.e.f. 30.04.2023)
Mr. M. Padmanabhan – Independent Director	Mr. M. Padmanabhan – Independent Director
Mr. A. Balasubramanian – Independent Director	Mr. A. Balasubramanian – Independent Director
Mr. G.S. Samuel – Independent Director	Mr. G.S. Samuel – Independent Director
Mr. T.R. Srinivasan – Independent Director	Mr. T.R. Srinivasan – Independent Director
Ms. Maheshwari Mohan – Independent Director	Ms. Maheshwari Mohan – Independent Director
Ms. Smita Anand – Independent Director (Appointed w.e.f. 01.04.2022)	Ms. Smita Anand – Independent Director (Appointed w.e.f. 01.04.2022)
Mr. Kaleeswaran Arunachalam - Non-Independent Director (Appointed w.e.f. 09.11.2023)	-
Mr. Nithyanandam Anandkumar - Non-Independent Director (Appointed w.e.f. 09.11.2023)	-
Mr. K.E. Ranganathan – Independent Director (Appointed w.e.f. 04.04.2024)	-
Mr. V.A. Joseph- Chief Financial Officer (CFO) (Appointed w.e.f. 09.11.2023)	-
Mr. Viral Sarvaiya – Company Secretary & Compliance Officer	Mr. Viral Sarvaiya – Company Secretary & Compliance Officer (Appointed w.e.f. 25.03.2023)
Ms. Ananda Shalini – Chief Financial Officer (CFO) (Appointed w.e.f. 06.04.2023 and Resigned w.e.f. 20.10.2023)	Ms. Ananda Shalini – Chief Financial Officer (Appointed w.e.f. 06.04.2023)
Mr. R. Nagarajan – Chief Financial Officer (CFO) (Resigned w.e.f. 05.04.2023)	Mr. R. Nagarajan – Chief Financial Officer (CFO) (Resigned w.e.f. 05.04.2023)
-	Ms. Priya Varshinee V M – Company Secretary & Compliance Officer (Resigned w.e.f. 03.02.2023)

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Compensation to Key Managerial Persons (KMP)

17.1 Managerial Remuneration:

i. Directors: -

Particulars	₹ in Lakhs	
	2023-24	2022-23
Short-term employee benefits	243.58*	279.79*
Post-employment benefits (PF)	-	-
Sitting Fees to Directors	48.30	53.10
Commission to Independent Directors	8.39	80.00
Total	300.27	412.89

*Represents secondment cost debited by Holding Company.

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Payable	0.14	-
Commission Payable to Independent Directors	8.39	80.00

ii. Others (CFO & CS): -

Particulars	₹ in Lakhs	
	2023-24	2022-23
Remuneration and Short-term Benefits	85.17*	52.40
Post-employment benefits	-	2.01
Total	85.17	54.41

*Represents secondment cost debited by Holding Company.

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Payable	-	5.25

Note: Liabilities for post-retirement benefits being Gratuity, Leave encashment and Post retirement medical benefits are provided on actuarial basis for the Company as a whole. The amount pertaining to Key management personnel are not included above.

Transactions during the year and outstanding balances

a) Holding Company

Transactions during the year

Sr. No.	Particulars	₹ in Lakhs	
		2023-24	2022-23
1	Purchase and Services Received	672.29	660.96
	- Purchase	11.90	-
	- Secondment Cost	578.51	600.31
	- Royalty	56.53	52.65
	- Warehouse	5.35	-
	- Others	20.00	8.00
2	Sales and Services Provided	1,010.67	20.07
	- Sales and Services	967.26	20.07
	- Secondment Cost	43.41	-
Total		1,682.96	681.03

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

Outstanding balances

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Receivable	148.79	-
Payable*	-	273.07

*Includes secondment cost payable ₹Nil (P.Y ₹259.08 Lakhs)

18. Details of CSR Expenditure

Particulars	₹ in Lakhs	
	2023-24	2022-23
a. Gross amount required to be spent during the year	107.59	3.44

Particulars	₹ in Lakhs			
	2023-24		2022-23	
	In Cash	Yet to be Paid in Cash	In Cash	Yet to be Paid in Cash
b. Amount spent during the year				
i. Construction/acquisition of any asset	-	-	-	-
ii. On purposes other than (i) above	111.02	-	2.80	0.64

Particulars	₹ in Lakhs	
	2023-24	2022-23
Promotion of education	109.44	-
Transfer to PM Cares Fund*	-	0.64

* Unspent amount of ₹0.64 lakhs pertaining to FY 2022-23 was transferred to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) on July 18, 2023.

19. Ratios

Key Ratios of the Company are summarized below.

Ratio	Numerator	Denominator	Current period	Previous period	Variance (%)	Reason for variance (Explanation for change in the ratio by more than 25%)
Current ratio	Current Assets	Current Liabilities	1.57	1.64	(3.97)	-
Debt equity ratio	Total Debt	Shareholders fund	0.01	0.02	(26.00)	Improved self generated funds leading to non-utilisation of debt
Debt service coverage ratio	Earnings available for Debt Service	Debt Service	18.80	6.32	197.71	Reduction in borrowings as compared to previous year
Return on equity ratio	Net Profit after Tax	Avg. Shareholders fund	0.03	0.20	(87.11)	Decline is on account of lower profitability
Inventory turnover ratio	Cost of Goods Sold	Avg. Inventory	4.61	3.99	15.40	-
Trade receivables turnover ratio	Net Credit Sales	Avg Accounts Receivable	7.29	9.76	(25.34)	Increase in debtors with sale concentration in channels with higher credit period and lower sales compared to previous year
Trade payables turnover ratio	Net Credit Purchases	Avg Trade Payables	4.85	4.44	9.35	-
Net capital turnover ratio	Net Sales	Working Capital	7.00	8.21	(14.74)	-
Net Profit ratio	Net Profit	Net Sales	0.01	0.05	(83.77)	Decline is on account of lower Profits and lower sales
Return on capital employed	Earning Before Interest & Taxes	Capital employed (equity+ debt + Deferred tax Liability)	0.05	0.21	(77.99)	Decline is on account of lower Profits
Return on investments	Net Gain	Opening Value of Investment	0.08	0.02	422.14	Volatility in market conditions

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

20. Reconciliation of Quarterly returns furnished with the bank and books of accounts

a. Name of the Bankers - State Bank of India, South Indian bank, IndusInd, IDBI

Quarter	₹ in Lakhs			Reason for Material Discrepancies
	Amount as reported in the quarterly Return/ Statement	Amount as per Books of Accounts	Amount of Differences	
Jun-23	13,799	14,721	(922)	Provisions, Regrouping, Final Entries are not part of Bank data, the details get shared with initial reports.
Sep-23	15,549	16,525	(976)	
Dec-23	20,763	19,959	804	
Mar-24	17,255	15,352	1,903	

b. The Company has been sanctioned a working capital facility of ₹10,500 Lakhs, by SBI Bank, valid upto January 14, 2025. The outstanding balance as on March 31, 2024 – ₹ Nil (Previous Year – ₹ Nil). This facility is secured by way of a hypothecation of inventories, receivables and other current assets on pari-passu first charge basis both present & future. Further, it is secured by collateral property through equitable mortgage on factory land & buildings and other fixed assets including Plant & machinery along with Corporate Guarantee from Crompton Greaves Consumer Electricals Limited.

21. Code of Social Security, 2020

The date on which the Code of Social Security, 2020 ("the code") relating to employee benefits during the employment and post-employment benefit will come into effect is yet to be notified and the related rules are yet to be finalized. The company will evaluate the code and its rules, assess the impact, if any, on account of the same once they become effective.

22. Additional Disclosures

Additional information and disclosures as required under Schedule III to the act to the extent applicable to the company has been disclosed.

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2024.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has neither declared nor paid any dividend during the year.

Notes forming part of Financial Statements

as at and for the year ended March 31, 2024

- (x) Disclosure on number of layer of companies is not applicable as there are no such transactions.
- (xi) There are no scheme of arrangements approved by the Competent authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year.
- (xii) The title deeds of all of the immovable properties included in Property, Plant and Equipment are held in the name of the Company.
- (xiii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (xiv) There are no outstanding loans or advances in the nature of loans that are granted to Promoters, Directors, KMPs and the related parties.

23. Figures for the comparative period have been regrouped wherever necessary in conformity with the current period classification.

24. The Financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors at their meeting held on May 14, 2024

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 009571N/N500006

For and on behalf of the Board of Directors
BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

G.N.RAMASWAMI
Partner
Membership No. 202363

P.M. MURTY
Non- Executive Independent Chairman
DIN:00011179

RANGARAJAN SRIRAM
Managing Director
DIN:09550640

A.BALASUBRAMANIAN
Independent Director
DIN:00490921

V. A.JOSEPH
Chief Financial Officer

VIRAL SARVAIYA
Company Secretary & Compliance Officer
Membership No. A33764

Place: Chennai
Date: May 14, 2024



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

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