

Crompton Greaves Consumer Electricals Limited

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

Date: May 27, 2022

To, BSE Limited ("BSE"), Corporate Relationship Department, 2 nd Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai – 400 001.	To, National Stock Exchange of India Limited ("NSE") Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
BSE Scrip Code: 539876	NSE Symbol: CROMPTON
ISIN: INE299U01018	ISIN: INE299U01018
Our Reference: <u>21/2023-23</u>	Our Reference: <u>21/2022-23</u>

Dear Sir/Madam,

Sub: Highlights of Q-4 of FY 2021-22

This is in continuation of our letter dated May 27, 2022 regarding Outcome of Board Meeting held on May 27, 2022 wherein the Company had approved the Statement showing the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2022, along with Statement of Assets and Liabilities as at year ended March 31, 2022 (Standalone and Consolidated).

In this regard please find the following:-

1. Highlights of Q-4 of FY 2021-22

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

Thanking you,

For Crompton Greaves Consumer Electricals Limited



Pragya Kaul
Company Secretary & Compliance Officer



Encl: A/a

Crompton



**Information Update
Q4 FY22**

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- Health and safety of our employees continues to be of utmost importance to the company.
- ~97% of our employees are fully vaccinated. We are closely tracking booster dose completion.
- Offices were resumed in March after a strict WFH policy was implemented in Jan due to steep rise in covid infections.
- Butterfly acquisition was completed on 30th Mar. The process of open offer is launched and integration process underway as planned.
- Sales operations, manufacturing and logistics operations continue to function smoothly.
- We continue to expand our reach and market share across categories, essentially in Fans.
- With the exception of Jan impacted by Omicron variant, business in Feb and Mar grew double digit with strong 2 year CAGR.
- Alternate channels including Rural & CSD continue to deliver strong growth quarter on quarter.
- Commodity prices remained elevated and were at all time high level. Cost impact largely mitigated by aggressive cost savings.
- We continue to invest aggressively in brand building initiatives despite commodity inflation led pressure on margins.



Revenue

ECD Performance (2 yr. CAGR: ECD - 29%; Fans - 32%, Appliances - 27%)

- Growth in Fans driven by strong growth in TPW Fans (~24% GoLY)
- Pumps business continues to be impacted due to industry wide slowdown

Lighting Performance (2 yr. CAGR - 4%)

- Growth momentum continues in B2C LED business (2 yr. CAGR - 14%)
- Key drag continues to be B2G and B2C conventional business



Material Margins

Material margins stood at 29.7% v/s 30.7% LY.

- Steep increase in input costs have been addressed through accelerated cost savings.
- Continued focus on premiumisation and mix has helped to mitigate margin impact.



Alternate Channels

- Rural business delivered exponential growth of ~146% in Q4 over LY.
- Rural channel's contribution to overall sales has increased to 5%.



Cash Conversion

- Cash position stands at Rs 1,514 Cr. as on year ending March 22.
- Earmarked Rs. 666 Cr. for the open offer process of Butterfly Gandhimathi Appliances Limited.
- Cash conversion 123% for FY22

Fans

Ceiling Fans:

- ▶ Blossom – **IoT underlight fan**
- ▶ Dasher425 – **Fan with 425 RPM speed**
- ▶ Energion Riviera BLDC - **BLDC technology, Energy efficient CF**

TPW Fans:

- ▶ Supremus Farrata - **Energy efficient with BLDC technology**

Appl.

Air Coolers:

- ▶ Cool Breeze 40/53/80 Ltr., Zelus Window 54 Ltr., Jedi Personal - **Honeycomb, Easy clean Ice Chamber, Prolonged Cooling, Everlast Pump, Auto Swing Louvers**

Lights

Battens:

- ▶ Slim Shakti - **Sleek & slim design with surge protection**

Ceiling Lights:

- ▶ Galaxy Rope Light - **Extra bright with surge protection**

Lamps:

- ▶ Dynaray - **Omnidirectional and easy to fit with extra brightness & more savings**

Pumps

Residential:

- ▶ Mini Aquagold - **Self-priming Regenerative Pump in 23 Meter Head in Standard Range**
- ▶ Mini Sumo - **Self-priming Regenerative Pump Eco Range in 0.5 /1 HP**



Launch of Project Saathi

Pumps Advertisement

CROMPTON PRODUCTS

Residential Pumps	Agriculture Submersible Pump	Submersible Pumps
 DMB SERIES Heavy Duty Pumps		 V-4 Water filled motor Submersible Pumps
 FLOMAX Superior Suction		 V4/V3 Submersible Pumps
 AQUAGOLD		
 MINI NEO Self Priming Regenerative Pumps		

Download the Saathi Program app from [Google Play Store](#) or [iOS App Store](#) to access the program on your Android or iOS device. Enter your login credentials on the app to activate your account, and view your account related information on your mobile phone anytime.

[Apple iStore](#) [Google Play Store](#)

Join Today!

Crompton SAATHI

आपकी खुशहाली के लिए, आपका अपना साथी।



आज ही जुड़ें



क्यू आर कोड
स्केन करके
ऐप डाउनलोड करें।

या



91155 09509
पर
मिस्ड कॉल दें।



अधिक जानकारी के लिए **91155 09509** पर कॉल करें।
www.crompton.co.in/pumps

Crompton SAATHI program

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Mumbai 400070, Maharashtra, India
For any queries, call us on our toll-free number: **9115509509**



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Crompton hoga toh nazar aayega



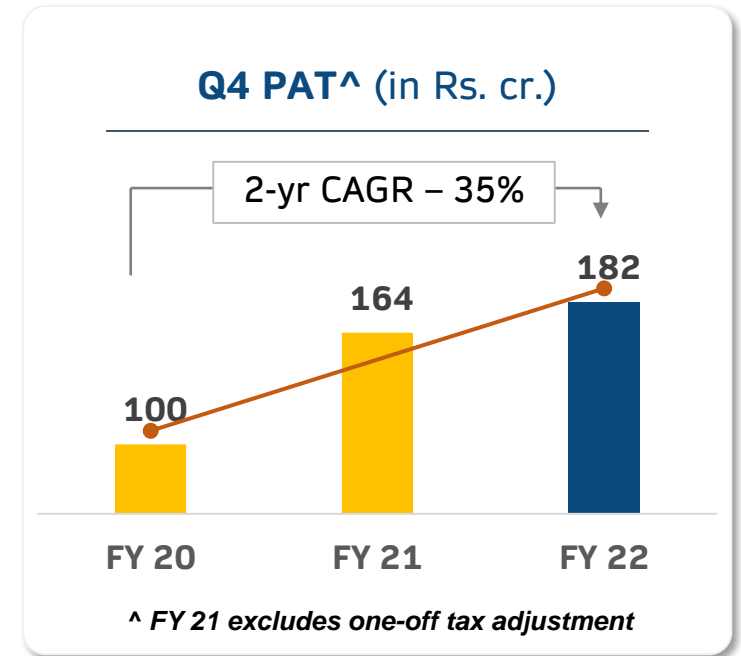
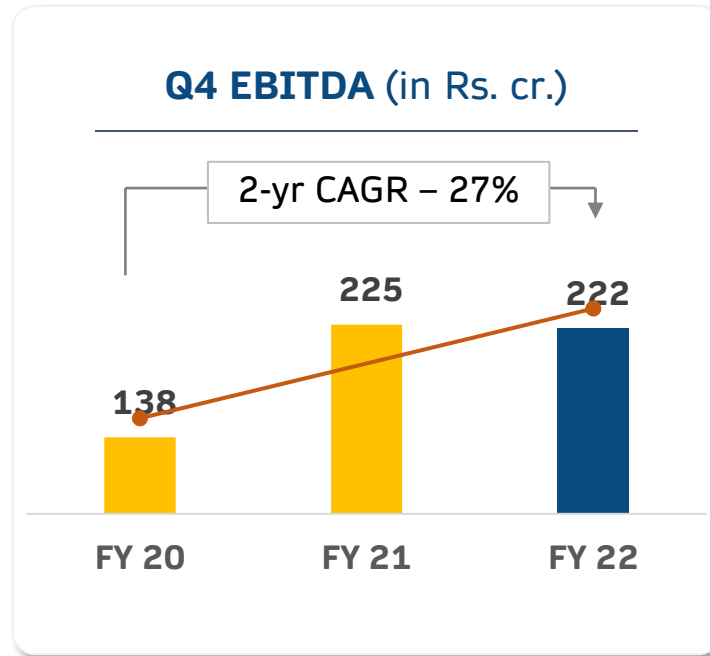
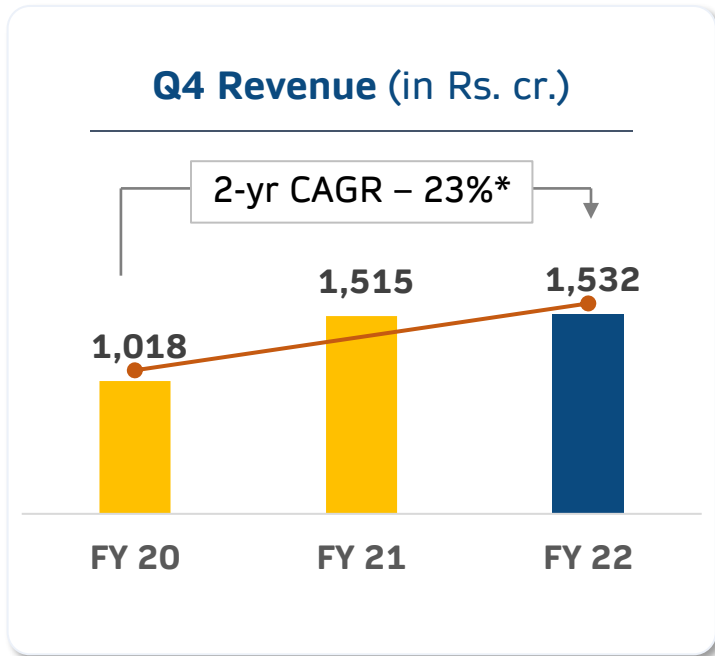
RESIDENTIAL | AGRICULTURAL | INDUSTRIAL PUMPS



Crompton's SilentPro campaign won the **#ETBrandDisruption Gold Award** under **'Technology-Driven Campaign'** category!



Crompton's **Blossom Smart Fan** was declared the **Red Dot Winner 2022** for **Product Design**.



- Business was impacted in Jan due to disruptions caused by Omicron variant. However, Feb & March maintained its trajectory growth.
- Revenue in Q4 was up 1% v/s LY (2-yr. CAGR of 23%). However, the growth for (Feb + Mar) is 12% v/s LY (2-yr. CAGR of 36%).

- Unprecedented increase in key commodities on account of new COVID variant and the geo-political tensions continued to put pressure on margins

Q4 Standalone Profit & Loss Statement

Particulars	Q4 FY22	Q4 FY21	Y-o-Y	Q3 FY22	Q-o-Q
Net Sales	1,532	1,515	1%	1,410	9%
Less: Material Cost	1,076	1,049	3%	963	12%
Material Margin	456	466	-2%	447	
as a % of Net Sales	29.7%	30.7%		31.7%	
EBIDTA	222	225	-1%	202	10%
as a % of Net Sales	14.5%	14.8%		14.3%	
Less: Depreciation & Amortization	14	7	103%	10	43%
EBIT	208	218	-5%	191	9%
as a % of Net Sales	13.6%	14.4%		13.6%	
Less: Finance Cost	11	10	1%	7	58%
Add: Other Income	18	20	-11%	14	31%
Profit Before Tax	215	228	-5%	199	8%
as a % of Net Sales	14.1%	15.0%		14.1%	
Tax Expenses	34	-19	-277%	50	-33%
Net Profit	182	247	-26%	148	23%
as a % of Net Sales	11.9%	16.3%		10.5%	

- Impact of commodity cost inflation mitigated through accelerated cost savings (Rs. 68 cr.) and mix improvement

- Investments in key initiatives like brand building, R&D ramp up, strengthening distribution network etc. continued
- Cost efficiency measures helped maintain EBITDA margins

- Charge of Depreciation & Amortisation in line with Ind AS 116

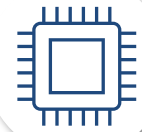
- Current quarter tax lower due to impact of ESOP exercise
- FY 21 comparable PAT is Rs. 164 cr. after one-off tax adjustment



Segment Revenue	Q4 FY22	Q4 FY21	Y-o-Y	2 yr CAGR	Q3 FY22	Q-o-Q
ECD	1,231	1,193	3%	29%	1,099	12%
Lighting	301	322	-7%	4%	311	-3%
Total	1,532	1,515	1%	23%	1,410	9%



Segment EBIT	Q4 FY22	Q4 FY21	Y-o-Y	2 yr CAGR	Q3 FY22	Q-o-Q
ECD	228	216	5%	24%	213	7%
ECD %	18.5%	18.1%	-	-	19.4%	-
Lighting	34	50	-31%	33%	33	5%
Lighting%	11.4%	15.4%	-	-	10.5%	-



- ECD revenue grew by 3% (2 yr. CAGR – 29%). Net of Pumps ECD grew 7%.
 - Fans grew by 9% (2 yr. CAGR – 32%) driven by strong growth in TPW Fans.
 - Appliances witnessed muted growth (2 yr. CAGR – 27%)
- Lighting revenue de-grew by 7% (2 yr. CAGR – 4%).

FY 22 Standalone Profit & Loss Statement

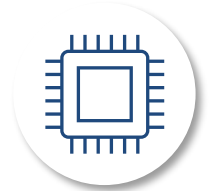
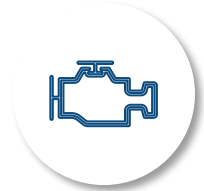
Particulars	FY21-22	FY20-21	GoLY
Net Sales	5,373	4,750	13%
Less: Material Cost	3,690	3,230	14%
Material Margin	1,683	1,520	11%
as a % of Net Sales	31.3%	32.0%	
EBIDTA	761	705	8%
as a % of Net Sales	14.2%	14.8%	
Less: Depreciation & Amortization	42	30	42%
EBIT	719	675	6%
as a % of Net Sales	13.4%	14.2%	
Less: Finance Cost	35	43	-18%
Add: Other Income	80	76	6%
Profit Before Tax	763	708	8%
as a % of Net Sales	14.2%	14.9%	
Tax Expenses	170	103	65%
Net Profit	593	605	-2%
as a % of Net Sales	11.0%	12.7%	

- Delivered best margin performance by mitigating the unprecedented increase in commodity costs through combination of accelerated cost savings, mix improvement and right pricing actions

- Investments in key initiatives like brand building, R&D ramp up, strengthening distribution network etc. continued
- Cost efficiency measures helped maintain EBITDA margins

- Finance cost lower vs LY due to NCD pre-payment

- FY 21 comparable PAT is Rs. 523 cr. after one-off tax adjustment



Segment Revenue	FY21-22	FY20-21	GoLY	2 yr CAGR
ECD	4,311	3,757	15%	13%
Lighting	1,062	993	7%	-3%
Total	5,373	4,750	13%	9%

Segment EBIT	FY21-22	FY20-21	GoLY	2 yr CAGR
ECD	827	739	12%	11%
ECD %	19.2%	19.7%	-	-
Lighting	116	116	0%	31%
Lighting%	10.9%	11.7%	-	-

- ECD revenue grew by 15%
 - Fans grew by 19% driven by growth in premium products and TPW fans.
 - Appliances grew by 22% mainly on account of growth in geysers (28% GoLY)
- Lighting revenue grew by 7%, strong growth in Battens & Panels (26% GoLY)

Standalone Cashflow Statement

Crompton

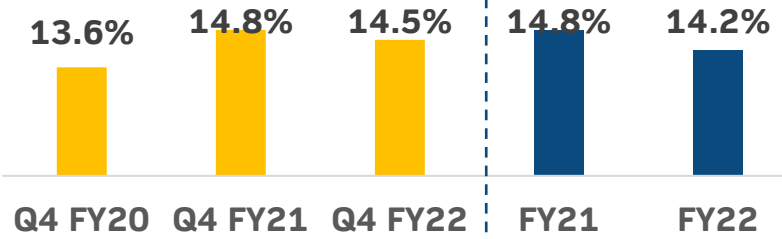
Particulars	Q4 FY 22	Q4 FY 21	FY 21-22	FY 20-21
Profit before exceptional items and tax	215	228	763	708
Adjustments for:				
Depreciation	14	7	42	30
Interest and other adjustments	0	0	-2	-10
(Increase) / Decrease in Working Capital	148	-195	103	140
Cash from Operations	377	39	906	868
Taxes paid	-22	31	-176	-53
Net Cash from Operating Activities (A)	355	69	730	815
Cash flows from Investing Activities				
Investment in subsidiaries	-1,393	0	-1,393	0
Interest income	8	10	37	27
Other investing activities	-461	-271	-364	-515
Net Cash (used in) /from investing activities (B)	-1,846	-261	-1,720	-489
Cash flows from Financing Activities				
Proceeds from issue of shares	52	5	60	7
Proceeds from Short Term Borrowings (Net)	1,280	0	1,407	0
Payment of dividend including dividend distribution tax	0	1	-156	-187
Proceeds from debentures issued / repayment	0	0	-330	130
Repayment of lease liability	-10	-3	-23	-12
Interest paid and cost of debentures repaid	-6	0	-51	-34
Net Cash (used in) /from financing activities (C)	1,316	3	907	-96
Net increase / (decrease) in Cash/Bank balances	-175	-189	-83	230
Opening balance of Cash/Bank Balances	345	442	253	23
Closing Balance of Cash/Bank Balances	170	253	170	253
Other Bank Balances	734	342	734	342
Current Investment	611	761	611	761
Net Cash & Cash Equivalent	1,514	1,356	1,514	1,356

Investment in subsidiaries represent the Butterfly acquisition

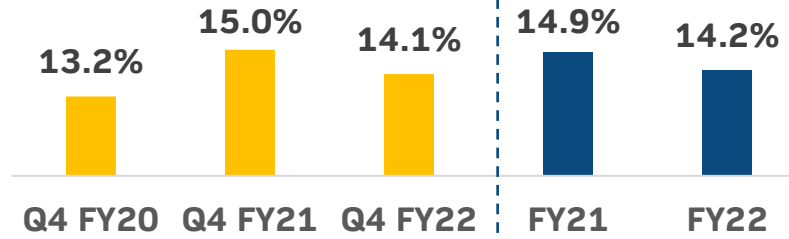
Cash / Bank includes FD's with maturity less than 3 months

Rs. 666 Cr. earmarked for the open offer process of Butterfly Gandhimathi Appliances Limited

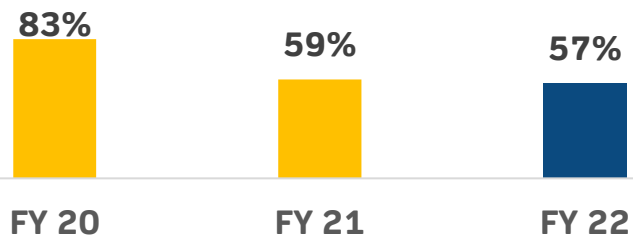
EBITDA Margins



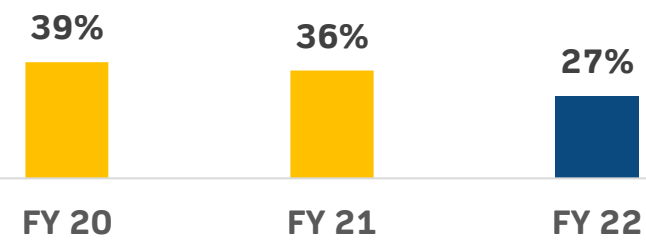
PBT Margins



ROCE*



ROE



*FY 22 ROCE adjusted for Butterfly acquisition

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