

Transcript of 9th AGM

Day	:	Saturday
Date	:	July 22, 2023
Time	:	11:00 A.M.

- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Good morning, shareholders, ladies and gentlemen, a very welcome to this 9th AGM of Crompton Greaves Consumer Electricals Limited. I would like to thank you for taking time out this morning and joining us virtually.
- Firstly, let me introduce myself, this is Hemant Nerurkar, Chairman of the Board of Directors of your company, and chairs Stakeholders Relationship and Share Transfer Committee of the company. Along with me is Mr. Shantanu Khosla, Executive Vice Chairman, who chairs the CSR Committee of the Board, Mr. Promeet Ghosh, MD & CEO, who chairs the ESG Committee, Mr. Kaleeswaran Arunachalam, CFO, and Ms. Rashmi Khandelwal, Company Secretary and Compliance Officer are also attending this meeting with us from Mumbai. Also, I will be chairing this meeting today on behalf of the board and your company. It is my privilege to welcome you all to this 9th AGM of CGCEL which is being held through video conferencing mode from our registered office at Mumbai. The AGM shall be deemed to be held at the registered office of the company at Tower 3, 1st floor, East Wing, Equinox Business Park, LBS Marg, Kurla West, Mumbai 400070.
- I thank all the shareholders for participating this morning and I sincerely wish that all of you are safe and in good health.
- This meeting is being held through video conferencing in accordance with the circulars issued by MCA, applicable provisions of Companies Act, 2013, and SEBI regulations. We have the requisite quorum present through video conferencing mode to conduct the proceedings of this meeting. Participation of shareholders through video conferencing is being reckoned for the purpose of quorum as per the circulars issued by MCA and Section 103 of Companies Act, 2013. The quorum being present I shall call this meeting to order.
- Before we start the main proceedings of the meeting, I call upon all the directors who are participating in this meeting through video conference to introduce themselves and confirm their participation:
- Mr. D. Sundaram.
- **Mr. D. Sundaram – Independent Director, Crompton Greaves Consumer Electricals Limited**
- This is D. Sundaram joining this meeting from Mumbai and I chair the Audit Committee on the Board.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Mr. P.M. Murty.
- **Mr. P.M. Murty – Independent Director, Crompton Greaves Consumer Electricals Ltd:**
- Good morning, this is P.M. Murty, I am joining the AGM from Hyderabad. I chair the Nomination and Remuneration Committee of the Board.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you. Ms. Smita Anand.

- **Ms. Smita Anand – Independent Director, Crompton Greaves Consumer Electricals Ltd:**
- Good morning, I am Smita Anand, I am an Independent Director of the Company and attending this AGM from Gurgaon.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you. Mr. P.R. Ramesh.
- **Mr. P.R. Ramesh – Independent Director, Crompton Greaves Consumer Electricals Ltd:**
- Good morning, I am P.R. Ramesh, Independent Director, attending this 9th Annual General Meeting from Bangalore.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you. Ms. Hiroo Mirchandani.
- **Ms. Hiroo Mirchandani – Independent Director, Crompton Greaves Consumer Electricals Ltd:**
- I am Hiroo Mirchandani, Independent Director, joining this virtual AGM from my residence in Dehradun.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you.
- Apart from them we also have Ms. Srividya Vaidison, representing M/s. MS Ka & Associates, our statutory auditors and Mr. Mitesh Dhaliwal representing M/s. Parikh & Associates, secretarial auditors, who have joined this meeting.
- Further I would like to thank our Board Members for their active participation and guidance which helped the company to achieve good performance in the year 2022-23.
- I am pleased to inform you that your board has been functioning in a fully effective manner during this time.
- I would now like to request Ms. Rashmi Khandelwal, our Company Secretary, to provide general instructions to the shareholder regarding participation at this meeting. Rashmi, over to you.
- **Ms. Rashmi Khandelwal – Company Secretary & Compliance Officer, Crompton Greaves Consumer Electricals Ltd:**
- Thank you, sir.
- Hi, good morning, everyone, shareholders may note that this Annual General Meeting is being held through video conferencing mode in accordance with the Companies Act, 2013, and circulars issued by MCA and SEBI and is being recorded. Please do not disclose any sensitive personal information or personally identifiable information belonging to you. The company has availed the services of National Securities Depository Limited for conducting this meeting through video conferencing and enabling participation of shareholders at this meeting. Remote e-voting and e-voting during this meeting. The facility for joining this meeting through video conferencing has been made available to the shareholders on first come first basis. For smooth and seamless conduct of the meeting, all shareholders joining this meeting are by default placed by mute mode to avoid any background noise or disturbance during this meeting. During the meeting if any member faces any technical issue, they may call at the toll-free number mentioned in the notice of the AGM. As the meeting is being held electronically there is no physical presence of the shareholders thus appointment of proxies is not applicable, hence the proxy register for inspection is not available. The register of directors and key managerial personnel, the register of contracts or arrangements and other documents mentioned in the AGM notice have been made available electronically for inspection by the shareholders during this meeting. The company has

received requests from few shareholders to register themselves as speakers at this AGM, accordingly the floor will be open for these shareholders to ask questions or express their views.

- Thank you very much. With this I hand over to the Chairman, Mr. Hemant Nerurkar.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you, Rashmi.
- First and foremost, I would like to express my deepest gratitude to each one of you, our shareholders, for your unwavering support and trust. Your commitment to our organization has been instrumental in propelling us forward. The company is pleased to report/present its first integrated annual report. This report aims to provide its stakeholders' a comprehensive understanding of company's financial and non-financial disclosures. It is an honour for me to address you and to share the performance highlights and achievements of your company during the financial year 2022-23.
- Before I touch base on the performance I would like to inform you that the board had resolved to appoint, Mr. Promeet Ghosh as the company's new Managing Director and CEO effective May 1, 2023, and Mr. Shantanu Khosla as Executive Vice Chairman for the period one year from May 1, 2023 to April 30, 2024 and thereafter as Non-Executive Vice Chairman till December 31, 2025.
- As a part of the board's regular evaluation of the succession planning of all KMPs, the Nomination and Remuneration Committee conducted a thorough process to identify a right fit to lead the organization going ahead. The panel evaluated options on various criteria including ability to balance long term and short term goals, lead and operate in fast evolving durables, depth of industry understanding as well breadth of wider exposure to emerging trends, nurturing and grooming next generation of leadership. Underlying this the NRC found Mr. Promeet Ghosh as a suitable candidate and decided to appoint him as the company's new Managing Director and CEO. Promeet has been on the Crompton Board since 2016. Over 3 decades of his career he was quite closely associated with several businesses ranging from technology lead to consumer lead businesses. His familiarity with the company coupled with his leadership style and vast experience of more than 30 years made him a suitable candidate.
- Now moving onto the business performance, over the course of last year the global economy has experienced numerous challenges in the form of geopolitical tensions, rising interest rates, high inflation levels etc. However, the Indian economy remained remarkably resilient and was amongst the fastest growing economies in the world.
- Speaking of the company's performance the year gone marks many new milestones and achievements by your company. Starting with the acquisition of Butterfly Gandhimathi Appliances Limited FY22-23 was the first full year of Butterfly operations under the Crompton umbrella and the business has performed well amidst the challenging demand outlook impacted by various macroeconomic factors. Transitioning from erstwhile promoters key growth interventions were identified and efforts were consolidated to execute the same which the company considered we are in the right direction of growing the company and has resulted in Butterfly delivering highest ever profits.
- Another critical event during the year was the transition of fan businesses to new BE norms. I am happy to share that operationally the business smoothly transitioned to new BE norms with 100% readiness on designs and approvals. The focus was to create businesses at sustainable margins. To compliment the effort on product fronts the company stepped up our investments in strengthening brand awareness and made consistent efforts to reach closer to the consumers through wide ranging activities across various touchpoints. It included launch of various digital and TV campaigns defining new brand architecture, structured digital marketing, in-store transformation, increasing influencer connect, etc.
- The kitchen segment always has been another focus area for the company. Hence after an extensive consumer research the company entered the built-in kitchen appliances segment in Q1 2023 with a comprehensive range of chimneys, hops, built-in ovens, built-in microwave and

dishwashers. Close to one year of launch the business has performed well and is progressing well as per plans.

- Significant efforts were spent on channel development and building strong backend processes.
- The company continued to drive process excellence through our identified and ongoing strategic initiatives like cost excellence through Project Unnati, driving manufacturing and supply chain excellence through Project Udaan.
- Besides this, your company continues to remain focused on its defined five dimensional excellence pillars through which it aims to achieve the business goals. This strategy focus is on enhancing the brand, expanding the product portfolio, achieving marketing excellence, optimizing the operations and strengthening the human resource.
- Starting with brand excellence, I must say that during the year under review, company made consistent efforts to strengthen the brand awareness and recall through robust brand strategy. The company stepped up media spending including television, print and digital. Multiple marketing and branding campaigns were executed during the year which attracted significant attention from the consumers. The company has also embarked on a retail transformation program which completely changes the look and feel of Crompton products inside the key retail stores.
- Moving onto the product portfolio excellence, the company thrived on its overall portfolio excellence by steadily expanding and enriching offerings to add more meaning and value to the life of our consumers.
- The company has successfully introduced flagship products with BLDC technology and IoT features in various product lights. This technology offers higher efficiency, longer lifespan and less maintenance.
- It has also launched various products in residential and agri segments with revised brand architecture for key categories.
- Along with this a wide range of innovative products in consumer as well as in professional lighting segments were introduced.
- On the technology front the company is working on four major areas - energy efficiency across the product lines, smart and connected products such as water heaters and coolers, health and wellness products and material substitution to enhance performance.
- Speaking of go-to-market excellence, the company has focused on comprehensive strategy aimed at expanding the reach and improving the availability of products while ensuring the highest quality standards. The company made continual investments in its go-to-market program to achieve channel excellence. It focused on alternate channels such as rural market, e-commerce and modern retail which have exhibited strong double digit growth.
- Operational excellence has been one of the key enablers of strong business performance, your company continues to carry out its existing cost excellence, quality enhancement and other key strategic projects which are yielding significant benefits. Your company is committed to responsible procurement practices and focused on leveraging technology across operations to reduce errors and optimize costs.
- To strengthen the organization's excellence, the company has stepped up its investments in training and capability building.
- The company fortified diversity and inclusion journey with an establishment of specialized counsel focused on diversity and inclusivity. The endeavour is to constantly create an inclusive positive performance driven culture which we believe is a sustainable employee value proposition.

- Besides the commitment to environmental sustainability remained firm, the company made considerable progress in energy management, waste management, water conservation and emission reduction enabling us to operate responsibly.
- To conclude I would like to convey my sincere thanks to all our shareholders for their continued trust and confidence in the management of the company. I am also grateful to my colleagues on the board for their valuable guidance. I would like to convey my sincere thanks to our customers, suppliers, bankers, auditors, legal advisors/consultants, all business associates, government and various authorities for their continued interest and confidence in the company and its management. I also would like to thank all our employees for continuously supporting our company. I look forward to continued support in growing your company to new heights.
- With this in view let me take you through the consolidated results for last year.
- Revenue of last year was Rs. 6870 crores versus Rs. 5394 crores previous year delivering a growth of 27.4% over last year. EBIT stood at Rs. 655 crores versus Rs. 727 crores last year.
- ECD segment's revenue stood at Rs. 4756 crores against Rs. 4311 crores last year going at 10% over year and EBIT of Rs. 789 crores versus Rs. 827 crores last year.
- Lighting segment's revenue stood at Rs. 1058 crores against Rs. 1082 crores last year. An EBIT of Rs. 101 crores against Rs. 128 crores last year.
- I now hand over to Ms. Rashmi for providing voting instructions to the shareholders on the transactions set forth in the notice of the AGM. Rashmi, please.
- **Ms. Rashmi Khandelwal – Company Secretary & Compliance Officer, Crompton Greaves Consumer Electricals Ltd.:**
- Thank you, sir.
- In compliance to the Companies Act, 2013, and SEBI Listing Regulations read with MCA and SEBI circulars the shareholders are provided with the facility to cast their vote electronically through the remote e-voting services administered by NSDL on all the resolutions set forth in this notice. The company has provided the facility to cast votes electronically on all the resolutions set forth in the notice by following the detailed instructions provided in the AGM notice. Shareholders who have not cast their votes electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL. Shareholders can click on the vote tab on the video conference screen to make use of this facility. The board of directors has appointed Mr. Saurabh Agarwal and/or failing him, Ms. Dipti Kulkarni, designated partners of M/s. M.M.J.B Associates, LLP, Practicing Company Secretaries as a scrutinizer to scrutinize the votes cast at the meeting and through the remote e-voting in a fair and transparent manner. Since the AGM is being conducted through video conference mode and the resolutions set forth in the notice have already been put to vote through remote e-voting, there will be no proposing and seconding of resolutions. Shareholders may please note that there will be no voting by show of hands.
- Thank you very much.
- And I now hand over the proceedings back to the Chairman for taking up the resolutions as set forth in the AGM notice.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Thank you, Rashmi.
- As the notice is already circulated to all the shareholders, I take the notice convening the meeting as read. We now take up the resolutions as set forth in the notice. We will open the floor for any questions by shareholders after all the resolutions are tabled.
- Accordingly, I will now only read out the resolutions.

- Item no. 1 of the notice: Adoption of financial statements.
- The financial statements of the company including the consolidated financial statements for the financial year ending March 31st, 2023, together with the report of board of directors and auditors have already been provided to the shareholders.
- Item no. 2: Declaration of dividend.
- Item no. 3: Appointment of Mr. Shantanu Khosla as a director liable to retire by rotation and being eligible offers himself for reappointment.
- Item no. 4: Ratification of remuneration payable to M/s. Ashwin Solanki & Associates, cost auditors of the company.
- Item no. 5: Reappointment of Ms. Smita Anand as Independent Director for the second term.
- Item no. 6: Appointment of Mr. Promeet Ghosh as Managing Director and CEO of the company.
- Item no. 7: Payment of remuneration to Mr. Promeet Ghosh as MD and CEO of the company.
- Item no. 8: Grant of ESOPs to Mr. Promeet Ghosh as Managing Director and CEO of the company.
- Item no. 9: To approve the amendment of Crompton Employees' Stock Option Plan 2019 called as ESOPs 2019.
- The text of the resolutions along with explanatory statement is provided in the notice circulated to the shareholders. If any member desires to ask any questions pertaining to any item on the notice, he or she may do so now. Shareholders are requested to keep their questions brief and specific. To avoid repetition answers to all the questions will be provided towards the end of the meeting.
- Thank you.
- Rashmi please.
- **Ms. Rashmi Khandelwal – Company Secretary & Compliance Officer, Crompton Greaves Consumer Electricals Ltd.:**
- Before we go live with the question-and-answer session, the Chairman will one by one announce the names of speaker shareholders who have registered themselves for this meeting. They will thereafter be unmuted by the host of the AGM when his or her name is called out and will be allowed to express their views and ask questions if any. In the interest of all the shareholders you are requested to keep your comments brief and avoid repetition of questions. This will allow all shareholders who have pre-registered to get an opportunity to speak. Please enable the audio and video button while speaking. If you are unable to join through video mode due to any reason you are advised to switch off the video and speak only through audio mode. Further you are recommended to make necessary arrangements at your end to avoid failure of video or audio connectivity. Namely before speaking you should identify yourself by mentioning your name and location from where you are joining. While speaking we request you to preferably use earphones so that you are clearly audible. Please minimize background noises if any to avoid any disturbance during the meeting. Further you are requested to ensure that your internet and wi-fi is not connected to any other devices and no other background applications are running, and there is proper lighting to have a good video audio experience. In the event there is a connectivity problem at your end we will ask the next speaker to join the meeting. Once the connectivity improves the speaker shareholder will be called back to speak. We would like to request you all to be as brief as possible and kindly limit your speech to maximum of 2 minutes. To avoid repetition all the questions will be collated, and the responses will be provided at the end.
- Hemant sir?

- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Thank you, Rashmi.
- Now, I invite the speaker shareholders to express their views, ask questions and give suggestions. I further request that as and when their name is called respectively to unmute and proceed with their questions.
- I will now call the names one by one.
- Number one is Mr. Kaushik Shahukar, Mr. Kaushik Shahukar please. Mr. Kaushik Shahukar, are you there? You are on mute.
- **Mr. Kaushik Shahukar – Shareholder:**
- Am I audible?
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yes, now you are audible. Please go ahead.
- **Mr. Kaushik Shahukar – Shareholder:**
- Yes, sir. My name is Kaushik Shahukar from Mumbai. I am honored to have the opportunity to address you all today and would like to express my gratitude to the Board of Directors for allowing me this chance once again.
- First of I salute the board of directors for their out-of-the-box thinking and keeping the meeting on Saturday and also continuing the virtual mode of meeting. That gives an opportunity to the shareholders PAN India. Sir, I request you to continue with the trend. I am a satisfied shareholder of our company and I must commend the management for their remarkable efforts in creating wealth for the shareholders. However, I would like to raise a couple of concerns. My primary concern pertains to the of savings on account of virtual mode of meeting. I believe it would be prudent and fair to allocate a portion of this fund to the welfare of the shareholders more particularly the speaker shareholders who actually participate in the AGM as speakers considering their value and their active involvement in the meeting. It would be a gesture of recognition and appreciation to distribute a small memento amongst them on the occasion of festivals. I humbly request the Board of Directors to consider my proposal and explore opportunity of implementing the gesture of gratitude and appreciation. By doing so, I firmly believe that it will reinforce the positive rapport between company and stakeholders and contribute to the overall well-being of our corporate family. My final concern pertains to the company's resistance in the supporting individual in need, including myself. I kindly request you to reconsider my credentials which I am resending herewith. Don't you believe that aiding a differentially abled individual should be considered as part of CSR activity. I sincerely appeal to you to associate with me concerning Certification of Work, including Form 15CB. Your support would make a great deal to me. If I cannot receive support from such a reputable company like Crompton Group, then whom should I turn to? I want to clarify that I'm not taking handouts of free money or not a sympathy. I value my independence and self-reliance and hope you understand and respect my desires to maintain independence. Thank you for considering my request. I firmly believe that with your support I can make significant contribution to our organization and have a positive impact on society. I am eagerly awaiting a response and sincerely appreciate the time and attention you've given me today. Additionally, I requested support from your auditor to assist me in this matter as a professional brother in need. Thank you. Thank you so much.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Thank you, Mr. Shahukar. The next question is from Ms. Homayoun Beruz Pouredehi. Ms. Homayoun, please?

- **Ms. Homayun Beruz Pouredahi – Shareholder:**
- Hello, can you hear me?
- **Ms. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yes.
- **Ms. Homayun Beruz Pouredahi – Shareholder:**
- Yeah, I'm going ahead. See, we are associated with your company since the inception, as you all know. We used to attend even your physical AGMs every year at Pathak Hall. All those memories come to us and we used to be proud to personally meet all your Board members. We welcome our new MD and we wish him very long inning and all the best to our company. Now, what I want to like to say is that we are proud of our Indian made products. I had purchased a fan from your competitor Bajaj Electrical, it was written made in China, but we all are Indian. Now, before the AGM, I saw your pump presentation. Yes, I also have your Crompton pump for pulling water. I'm staying in South Bombay and every household has to have a pump to pull water. I would like to ask you, so what is our market share in this pump in a water pump because it is a necessity. Everybody has to have, and everybody has if they want water in their house. I'm talking about South Bombay. I am not aware about other places please. Another thing I want to ask you is what about market share of a fan also because for decades we were having your Crompton fan, I think we still have your Crompton fan, your name brand, yes. Your brand is great, and you all are doing your best to make it still greater with your research and with your patents and what not. I would also like to know who your competitors are, so we are aware about it, we would like to know. Now, I am one more thing, Annual Report is full of the product of a company manufactured by us which should be that's the way annual report should depict. Now, one more thing I would just like to know is that yeah, now I first of all, I also want to thank your secretarial team for placing me, making me possible to attend your AGM. They took great care, yesterday again there was a call also. I'm closing here, just want to know what the news are from, you were mentioning about the fans, what is that, UV norms and we wish our company all the best. Progress of a company naturally will affect our prosperity. You all are working very hard, very sincerely. We know Mr. Shantanu since decades. Thank you very much and all the best.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Thank you. Can I now request Ms. Smita Bharat Shah to make her comments? Ms. Smita Shah, please.
- **Ms. Smita Bharat Shah – Shareholder:**
- Yeah.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yeah, hello, good morning. Please go ahead.
- **Ms. Smita Bharat Shah – Shareholder:**
- Yeah, good morning, Sir. How are you?
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- I'm good, how are you?
- **Ms. Smita Bharat Shah – Shareholder:**
- Even we are good, Sir. We are happy after seeing you.

- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- But you are not visible to me
- **Ms. Smita Bharat Shah – Shareholder:**
- I have a problem with the video. If you do a physical meeting, you will definitely see us.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Okay. Go ahead.
- **Ms. Smita Bharat Shah – Shareholder:**
- Thank you. Thank you, Sir. Respected Chairman, Mr. Hemant ji, Vice Chairman Mr. Shantanu Khosla ji, MD & CEO Mr. Promeet ji, and other Board of Directors, Sir I'm Smita Shah, namaskar. Firstly, I would like to welcome Mr. Shantanu ji as a Vice Chairman and also our new MD, Mr. Promeet ji. I also welcome CFO, Mr. Kaleeswaran ji and congratulations to you all. I would also welcome our new Company Secretary, smiling Company Secretary, Ms. Rashmi Khandelwal and wish her best of luck. I would like to congratulate the company for giving give excellent performance and for many awards you received. With your hard work, you are taking the company on the top. You have launched many new products also, which is a very good thing. Sir, its value will definitely increase in the market. Sir, the newly launched range highly energy efficient fans which operates by remote and regulator, what is the percentage of sale of this fan? The product is really nice. I believe it will be selling the most in the future. I always wish that our name always be on the top in the market, and I pray to god for this. Our trust will always be with you. *Jab haton mein haat ho, hum sab ka saath ho, toh company ka hardam vikas ho.* I fully support all the resolutions. Hemant Sir, you are always smiling that is why the work of the company is also excellent. I have only one request, please arrange for company visit. I have always been with you and will always be in the future too. Lastly, I want to appreciate our Company Secretary, Rashmi Khandelwal ji who is very hardworking and has good smiling nature. She has made the balance sheet very nicely with full information, attractive, and excellent. I want to appreciate the hard work of Ms. Rashmi and Darpita from her team, all of their good investor service. I hope that next AGM will be physical. Thank you, Sir. Sir, Bharat Shah will be speaking now. Thank you.
- **Mr. Bharat Shah – Shareholder:**
- Respected Chairman, am I audible?
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yes, you are absolutely audible. Thank you.
- **Mr. Bharat Shah – Shareholder:**
- How are you Sir?
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- I'm good, how are you?
- **Mr. Bharat Shah – Shareholder:**
- I'm good Sir. I wanted to meet you in person. Respected Chairman, Mr. Hemant , MD, Mr. Shantanu ji, and other Board of Directors, my name is Bharat Shah. I have been your shareholder for many years. I have been attending the AGM for many years. I don't have any queries. You are running the company very mutually. You have always kept the benefit of shareholder in your mind and given nice returns and dividend to the shareholders. This time also you have given

150% dividend, which is very nice. I would like to thank the management for that, Sir. I pray to god for the growth of our company. Our CSR activity is also very excellent. Sir, please arrange for factory visit. What are your future plans for coming five years? I also request for a bonus for the coming year. I want to thank our Company Secretary, Rashmi Khandelwal ji and Darpita and their whole hardworking team. Balance sheet is also very good. They are giving the best investor service. I wish you for all the coming festivals. Sir, I fully support all the resolutions. thank you very much. Jai Hind. Jai Shri Krishna.

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Thank you, Bharat bhai. Thank you so much. Can I now request Mr. Praful Chavda to make his points. Mr. Praful Chavda please.

– **Mr. Praful Chavda – Shareholder:**

– Chairman Sir and Board of Directors, am I audible Sir?

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Yes, we can see you also.

– **Mr. Praful Chavda – Shareholder:**

– Thank you, Sir. I used to meet you in NCC, but now it is not possible. Other directors done know me and I don't know them, but with Ramesh Sir I have 20-25 years of relations. The new team of MD, CFO, and CS, the AGM report that they have made, is very excellent like a serial. They have given a lot of information about our products, which creates a nice impression. For that, I would like to say thank you for the new secretarial team, Promeet Ghosh Sir and Shantanu Khosla Sir. Sir, our products like bulb, air cooler, mixer grinder, ceiling fan, which has been made in each village, it has no tax, no GST, just go in an electrical shop and buy, so they can sell in cheaper rate. Our company is making profit. I want to thank our Board of Directors and also the employees and our small dealers who sell our products. Sir on page 82, there are excellent product photographs. Even my wife who is not your shareholder, looked at the photos and she also said why there are no shares in my account of our company. On page 113, there are photographs of 4 ladies about CSR. Sir, I wish you also teach how to repair our products so that the unemployed youth who have done MBA, CA, who don't have job blame the government for not giving the job, but if they learn to repair our products, then it will be good for them to help their family. They should be given technical knowledge. In AGM report, according to astrology, when there is a change, lot of changes take place in the company. I'm happy with the company. Thank you, Sir.

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Thank you, Praful ji. Now, I request Mr. Bimal Kumar Agarwal.

– **Mr. Bimal Kumar Agarwal – Shareholder:**

– Hello, can you hear me?

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Yes, please.

– **Mr. Bimal Kumar Agarwal – Shareholder:**

Good morning to everyone. First of all, I thank the Company Secretary and the team, also the management, staff, and the shareholders. The very beautiful. Annual report was made, first time I have seen this like that annual report. Thank you, Company Secretary and his team also and it was a self-explanatory annual report. Again, thank you for the same. now, what is the competition we are facing from China products and before I had the Crompton fan, that is still

lasting that maybe that old is gold. That fan I think I would get it anywhere. Whenever I go to old party house, there only I see. Those fans you won't get, and it won't get spoiled also. That is all from me, thank you very much.

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Thank you, Bimal Kumar ji. Now, can I request Mr. Ashish Bansal, please? Mr. Ashish Bansal?

– **Mr. Ashish Bansal – Shareholder:**

– Hello, you can hear my voice sir?

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Yes please. Please go ahead.

– **Mr. Ashish Bansal – Shareholder:**

– Respected Chairman and Board of Directors, first I thank you very much for keeping it on Saturday as Market is closed. I hope you will continue on Saturday every year. I thank our Company Secretary for sending the physical copy of balance sheet and calling me. Again, I thank Company Secretary. I am thankful to you. Thank you, Sir.

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Thank you, Mr. Bansal. Can I now request Ms. Lekha Shah, please? Ms. Lekha Shah.

– **Ms. Lekha Shah – Shareholder:**

– Hello, can you hear me, Sir?

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Sure, we can hear you. Thank you. Please go ahead.

– **Ms. Lekha Shah – Shareholder:**

– Thank you, Sir. Respected Chairman Sir, Board of Directors, and my fellow members, good morning to all of you, myself, Lekha Shah from Mumbai. First of all, I'm very much thankful to our Company Secretary, Rashmi ma'am, specially Darpita ma'am for extending very good investor services and also sending me the AGM notice well in time, which is full of knowledge, factor, and figures in place. Thank you, Chairman Sir for explaining us well about the company. congratulations for excellent work, Sir. Sir, I pray to God that he always showers his blessing upon you. Sir, at the outset, I congratulate our Chairman and Managing Director for the company receiving various awards and recognition. Sir, how many engineers are decent workers employed at our R&D facility? In this domestic market, what is our company market share in the kitchen appliances division like LPG stove, mixer, grinder, etc., and are we in the top 5 in terms of revenue and brand leader. Sir, I hope the company will continue video conference meeting in future. So, I strongly and wholeheartedly support all the resolutions for today's meeting and my best wishes always our company and its prosperity. Thank you so much, Sir.

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

– Thank you, Lekha ji. Can I now request Mr. Satish Shah, please?

– **Mr. Satish Shah –Shareholder:**

– Hello?

- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yes, Satish Shah ji.
- **Mr. Satish Shah – Shareholder:**
- Hello.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yes, Mr. Satish Shah?
- **Mr. Satish Shah – Shareholder:**
- Hello?
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Please speak.
- **Mr. Satish Shah – Shareholder:**
- Respected Chairman, Sir and other Board of Directors, I'm Satish Shah. You have explained very nicely about the company in your Chairman speech. Crompton Greaves is brilliant professionally managed Company. Sir, this year the company's performance has been good, and the company has given good dividend also. Sir, I want to know what is the dividend policy of the company? I fully support all the resolutions. Thank you, Sir. Wish you all the best.
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Thank you, Satish ji. Can I now request Mr. Vinay Bhide, please? Mr. Bhide?
- **Mr. Vinay Bhide – Shareholder:**
- Hello. Can you hear me?
- **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**
- Yes, please. Yeah, Mr. Bhide.
- **Mr. Vinay Bhide – Shareholder:**
- Chairman, Mr. Nerurkar, Vice Chairman Mr. Khosla, Executive Director Mr. Ghosh, Directors present at today's AGM, company executives, shareholders, a good morning to you all. It's pleasing to see you, Sir. I have been seeing and meeting you since the Tata Steel days. Thanks for depicting a steady performance in the past financial year through an integrated annual report. Now, I have gone through the report. I should say that the report is as well made as the Crompton reports have been made traditionally is what I should say. I have listed out a few questions and in listing the questions, I have kept in mind what normally you know Directors who would like to share in terms of replies as well as what Mr. Khosla would like to share from the prior experience, so the questions are as follows; in the concluded financial year, despite substantial growth in revenues and EBITDA growth and revenues, EBITDA has remained flat. Further, EBITDA margins and PAT have dropped significantly. Now, this is a cause of concern and I was trying to find out the reasons from Page 65 and 130 of the annual report, but I could not find any good reasons. So, can you please explain the reasons for the drop in the EBITDA margins as well as the PAT and give us comfort that this is a temporary phenomenon, and we will get back to the regular figures this year and years to come. Just one point, you know, I would like to you know to know, is it that the butterfly integration will help you know in this improvement of the of these figures? and there is a point of concern on page 31, I find that the

capacity utilization of our key products remains in the range of you know 32% to 39%. So, could this be a reason for the performance that we have shown this year and what is the company's plan to improve these figures in the current year and the years to come? Next point is on page 60. We are glad to know that the company has won so many awards on various fields. Congrats to that and keep the flag flying. I would also like to mention here that you know, Rashmi Khandelwal and her team took more than adequate efforts to ensure our participation and ensure that we had the necessary documents available with us with the information to participate in this meeting. Finally, I will make one point on page 61, we have mentioned that the company holds the coveted title of India's best managed companies. I will definitely say from the current years working that our new CFO, Mr. Kaleeswaran, and his team have got a job on hand to ensure that we do well. Do not forget the adage that Crompton fans used to have, the AD line which the Crompton fan used to have in the earlier years, built with care, built to last, and I'll close with best wishes to the Directors and employees and thank you for giving me an opportunity to speak. Thank you, Sir.

– **Mr. Hemant Nerurkar – Chairman, Crompton Greaves Consumer Electricals Ltd.:**

- Thank you, Mr. Bhide. Thank you for your all the questions and we will come back to you. Thank you. Mr. Jaydip Bakshi, please.

– **Mr. Jaydip Bakshi – Shareholder:**

- Yes. Good noon Chairman and Vice Chairman and CFO and Board of Directors myself, Jaydip Bakshi connecting from the City of Kolkata. Thanks to our Company Secretary, Rashmi Madam, and her whole team for conducting this video conference in a smooth manner and presenting an annual report which is well displayed, informative, and descriptive. Sir, thanks for the bigger presentation in your initial speech when you explained our company's position. Sir, the revenue from operation has gone up and an excellent performance in this difficult scenario and is maintained by the dedication by all involved in our workplace. Thanks again for the dividend you have passed on. Sir, the inflation impact how much has been to our company and our cost control measures. Sir, we have taken pricing actions under the UDAN scheme is great. Sir, now there is an increase in the nuclear family, it's a trend now and our user-friendly consumer products will get a boost, I hope so. Sir, what are the steps for revolutionizing our product lines and adhere to meet the global standards in our different operations? Sir and plans for expanding the portfolio of offerings to reach more consumers. Sir, in Page 8, you have mentioned about the merger with Butterfly, hope it will unlock our potential further. Hope Sir, our multiple marketing and branding campaign gain more foothold and what is the percentage of online business which has been generated? Sir, kindly highlight on the capital expansion plans on the R&D for developing superior new products as consumer prefer branded products. CSR activity has been great as ever. You have spent Rs. 13.58 crores reaching out to the society in every field. Congrats for maintaining leadership in residential pump category also. Sir, highlight kindly on the segment wise revenue achieved and also the after sales service which we are providing. And also, congrats once again for page 69 regarding zero accidents and fatalities which you have maintained in our company. It's a real remarkable feat. And also, for the awards which you have received in page 60 and for improving our energy efficiency program. And in page 99, the policy on women employment is a great thing as it helps the women employees in our company. And personally, I use our products and I'm really satisfied with the same. Nothing more to add. I have supported all the resolutions. Hope our company grows under your leadership, trust and goodwill with the investors in bringing out innovative and sustainable solutions and in maintaining our brand value, as always, in the future. Sir, one more request, continue with this video conference so that we can connect from outstation. If possible, if you're arranging a factory visit, kindly inform us. Thank you sir and all stay safe.

– **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**

- Thank you Mr. Bakshi for all your encouraging words. Thank you. Can I now request Mr. Krishnan please.

- **Mr. Krishnan P.S. – Shareholder:**
- Thank you everyone. I just want to confirm, are you'll able to hear me?
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Yes please. Go ahead please.
- **Mr. Krishnan P.S. – Shareholder:**
- Thank you and good day to the Crompton board and management team. I've actually sent though my questions in advance, but I just want to rephrase them and shoot just two questions instead of the four questions which I've sent you earlier. My first query is, there has been an erosion in shareholder value over the last few years, and this has been primarily driven by margin and profitability declines. And it must have been that, enhancing shareholder value might have definitely been a top priority for our Board and management team. So, I'd like to have a view from the Board on this strategy, the roadmap and the milestones to drive or enhance shareholder value. So, I'd like you to take us through what is our roadmap, strategy and milestones, especially around expansion of our product range, how do we plan to diversify product portfolio including the breadth of our portfolio across price segments and scales? How do we plan to grow our sales and market share? And also, how do we plan to grow and expand our margins and free cash flows? And what's the roadmap for the execution of the above metrics?
- My second query is slightly much more broad-based. What are some of the current disruptive ideas or trends in our industry or the business, which you think are very structural in nature? And, what is the thinking of our Board and management on these trends and the impact on our business for a medium to longer term? And related to this query is, how are we preparing or positioning ourselves for this change or disruptive trends, if any, to defend our existing turf, as well as to capitalise on these trends to grow our business which are structural in nature? And, if there is thinking behind this, what's the roadmap for this? That's it from my end, thank you very much.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you, Mr. Krishnan. Can I now request Mr. Kirti Shah to say his points please?
- **Mr. Kirti Shah – Shareholder:**
- Good afternoon.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Good afternoon, Mr. Shah. How are you?
- **Mr. Kirti Shah – Shareholder:**
- Fine sir. The net profit margin for the March quarter is 8.61 compared to the December quarter 6.66. And, our turnover is pretty good this time, as it has increased by around 30% from the December quarter. What is the reason for that? The net profit for the March quarter was 132 crores compared to 85 crores in the December quarter. So please highlight this. Chairman sir, why is the promotor holding shown as 0%? Please throw some light on that. What will the ROI be in the current year? Last year ROI was 16.75. What ROI are you expecting for this year and also throw some light on the future turnover? Your Secretarial Team follows up with us very well. Many shareholders have praised the Company Secretary. May she progress. I have sent you an email, please respond to that. Wish you all the best. Thank you very much.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you Mr Kirti Shah. Can I now request Mr. Gaurav Liladhar Rozatkar please?

- **Moderator:**
- The speaker shareholder with the said name is not connected in the meeting.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- So, we'll go to the next one. Mr. Yusuf Rangwala please.
- **Mr. Yusuf Yunus Rangwala – Shareholder:**
- Firstly, I would like to thank Rashmi madam. I received the balance sheet well on time, well in advance. Sir, our products include lights, tube lights, etc. If you could give us 30% discount, we could enjoy the discount coupons sir. Since we have acquired Butterfly, I would like to know, what shares would we receive in this new company? Will Butterfly be our sister company, will it be merged, and after merging, what will the ratio of shares be, and how many shares will we receive? Point no. 2, you have given a dividend of Rs. 3 on shares of Rs. 2 shares. You have given very handsome dividend, excellent! Sir, I'm using your fans and other products, and they're excellent! I have no complaints regarding your product, sir. Many years have past since you've arranged a visit. Next year I'd request you to have a physical meeting. Thank you very much to the Board of directors and my fellow shareholders. I have nothing more to add. My name is Yusuf Rangwala, speaking from Mumbai. Sir, I want to say a few verses. I want to wish you for the upcoming festive season with the fragrance and blossom of flowers. Thank you very much sir.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you, Mr. Yusuf. May I now request Mr. Narendra Jhaveri.
- **Mr. Narendra Jhaveri – Shareholder:**
- Hello, can you hear me?
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Yes Mr. Jhaveri.
- **Mr. Narendra Jhaveri – Shareholder:**
- Sir, I have received your annual report, which is excellent, there is no doubt about it. But, the physical copy of the annual report is just dispatched to us 3-4 days before the AGM. Is it the right thing? The question is, has the 21 days advance notice provision been deleted from the Company Law? We would like to know why such discrimination between e-shareholders and physical shareholders. This is not proper.
- Next, coming to the holding of the AGM through video conference. Sir, originally, MCA had permitted the holding of the AGM through VC or other means as a temporary short-term solution to tide over the COVID phenomenon. Now COVID has gone, but why does the Ministry of Company Affairs want to perpetuate COVID? See, a conflict of self-interest arises. People wanted a physical meeting, but the management wanted to avoid the shareholders, that's the fact of life. Sir, COVID has gone, then why does the Ministry of Corporate Affairs want to perpetuate COVID through indirect means? VC meeting is a one-to-one meeting, it's not a general meeting. What do you mean by Annual General Meeting? Take the word 'general'. It is not a general meeting, it is a one-to-one meeting, sir. One cannot get the sense of the house through such a one-to-one meeting. Now, 200-300 people used to attend the meeting, now only 10-20 people are able to participate, and that too only as speakers. How many independent listeners are there, will you please let us know next time or even this time? Independent listeners. This video meeting is like a medicine, but one can't leave on medicine all life, but has to take staple food. You can't deny a person staple food and live only on video conference. The court has also rejected video conference. All political parties are also going through physically. School, church, trains, everything is going on. Where is the video? Where is COVID? So, please return to the physical meeting format next year sir.

- Sir, coming to the committee. Normally, SEBI has suggested three committees – Accounts, Audit and Nomination Committee. You have 11 committees. Are these 11 committees are permanent feature or a temporary one? Some of the committees like Investment Committee, Debenture Committee, will it remain forever? Now the question of the shareholder is this? These 11 committees is a terrible financial burden on the shareholders of the company. Because of that, the earnings per share has come down from 945 to 750. Dividend has remained stagnant. Sir, we'd like to know, will this be a permanent feature of 11 committee members...? These 11 committees is now occupying the role of the Managing Director and Chief Executive Officer. Sir, you see, on the notice convening the meeting, while recommending the nomination... the appointment of the director Mr. Ghosh, you stated his precious expertise, his rich experience will be beneficial to the company. His general management skill and global experience will be of immense benefit to the company. So, this committees have become a fifth wheel. Is it not true that only the committee members have the expertise and requisite knowledge? Is it wrong to assume that Mr. Ghosh doesn't have the ability and skills to cope with the situations that may arise? Why this committee burden on the company? This is too much sir! By paying the non-mandatory committees, there is nothing left for the shareholders, the question is this.
- Sir, coming to your investment and borrowings. Investment and borrowings don't make sense, sir. Come to pages 274 and 275 of the physical report. Sir, yearly 530 is invested in mutual funds, and more than that amount is borrowed. Sir, in investment in mutual fund, can you tell us how much yield are you getting? Will the mutual fund be a permanent feature, or will it be wiped out next year? When you are borrowing money from outside, why do you have investments in mutual funds? Mutual fund investments yield fluctuating. They are not a manufacturing activity, their income is derived from other sources, and that is also not fixed. So, then sir, discontinue or reduce the investment in mutual funds in a short time sir.
- Sir, now coming to the despatch of the physical copy of the dividend advice. Sir, unfortunately with COVID, the dispatch of the physical advice has been discontinued. You know sir, dividend advice is considered a legal proof for the shareholder. Now, if we do not have any legal proof of holding shares in Crompton Greaves, then where we have to go? Where will by children go? It is good investment, but apart from that, it discloses the number of shares I'm holding. It is essential for filing Form 15. It is good for income tax purpose and for various purposes officially, the colourful dividend advice is necessary. When you are printing 125 pages for integrated report for enlightening the shareholders will various photos... there are now more than 30 full pages of photos. So, what is the harm in dispatching the physical copy of the dividend advice? I request you and the Secretary and Managing Director to see that all shareholders receive the dividend advice this year too. It may even be after 2 months, but that's alright sir.
- Regarding Butterfly, we would like to know how much Crompton Greaves has invested in Butterfly. Sir, how much turnover have you achieved and how many new products were you able to develop during the year? Sir, can you positively tell us that next year you will return us Rs. 5 dividend? Thank you, sir. Wish you best of luck.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you. I now request Mr. Promeet Ghosh to answer all the questions. He should combine whatever are the common questions. Over to you Promeet. Thank you.
- **Mr. Promeet Ghosh, MD & CEO, Crompton Greaves Consumer Electricals Ltd:**
- Thank you Chairman, and firstly thank you all you shareholders for all your kind wishes and your very warm welcome to me. I'll try and answer various questions that have been raised. Please bear with me as we go through them one by one, combining the various questions that have come up, while we address what everyone's raised.
- There have been questions about what the roadmap of the company is, what the strategy of the company is going to be going forward, and how we expect to be dealing with emerging competition. The fundamental pillars of the strategy of the company are to accelerate the growth of the company, while preserving healthy margins. And we believe, this is something that we'll deliver strong total shareholder return. The strategy focuses on an enabled and empowered organisation, innovation-led meeting of consumer needs, enhancing our brand, expanding our

product portfolio, supply chain excellence and strengthening our human resources. By implementing this strategy, we aim to grow our business and provide our consumers with the best possible products and services, and we believe this will lead to continued EPS expansion over a period of time, resulting in shareholder value creation.

- There's been a question about research and development and how many people are employed there. Last year the company spent 77.72 crores on research and development. This includes about 48 crores of capex, and balance about 29 crores in operating expenses. Currently, our research and development facility, which is located at Vikhroli, employs about 160 people. The details of our R&D are provided on page 103, 117 and Note 28 of the standalone financial accounts.
- Coming to a few more questions that have been asked. Some questions have been asked about our market share, who are competitors are, and I'll try and address them. In so far as our fans market share is concerned, which is one of the major areas that we have products in, our current market share is approximately about 28%. All our fans now meet the new BEE norms that the government has introduced. In so far as pumps is concerned, there are no BEE norms currently. But having said that, our market share in pumps, and I'm going to separate market share between residential pumps and Agri pumps because we operate in two separate segments, is... in residential pumps it's about 30%, in agricultural pumps it's about 6%. Our competitors in pumps are companies like KBL, KSB, Varuna and Aqua. In fans, of course all of you well know, our competitors are Bajaj, Usha, Orient, Havells and more recently, companies like Atomberg.
- There's a question about Chinese competition. Chinese competition in our core products of pumps and fans is currently quite moderate. In so far as our market share in kitchen appliances is concerned, as you are well aware, now we have further expanded our presence in kitchen appliances with the acquisition of Butterfly. And, our market share in LPG gas stoves, in which Butterfly is a major player, is about 15%. In so far as cookers is concerned, it's about 5%. And both, Butterfly and Crompton, both make mixies. Our market share (combined) in that segment is about 10%. So you know, we've spent about 2,000 crores in purchase of Butterfly last year. Of course, part of that was financed through borrowings. Our current shareholding in Butterfly is 75%.
- While I'm on Butterfly, there was a question about when we were going with Butterfly? When that was going to be merged? As many of you are well aware, we have started the process of legally integrated Butterfly with Crompton. So, we expect that at the end of this financial year, currently that's the timeline we have. Of course, it depends of course, on courts. But roughly at the end of this financial year, Butterfly will become, if all approvals are obtained, a legal part of Crompton. Separately, we have already started the process of operational integration between Butterfly and Crompton. And yes, we do expect that this will further strengthen our kitchen appliances business. Again, Butterfly, you must be well aware, is not only a leading kitchen brand, but is one of the leading brands in that segment, particularly in South India. We expect, with the benefit of the merger, that Butterfly products will also be sold in other regions, namely, initially in the north and later in the west. And similarly, we will be using some of the benefits of, some of the strengths that Butterfly has, in selling Crompton products into the southern kitchen market.
- Now quickly coming to what's, I think a popular question about, whether we should have a virtual meeting or whether we should have a physical meeting. As you can tell, there are different views amongst the shareholders. Some of them would prefer a virtual meeting, and some of them would prefer a physical meeting. As we come closer to next year, we would evaluate which one to go with. But, as you are aware, there are benefits to both. Virtual meetings of course, have the benefit of being easier to organise and is time saving, but more importantly, enabling a larger breadth of shareholders from across the country to be able to participate in these proceedings which they would otherwise miss out on. And, whatever cost savings that accrue from this exercise, from not having a physical meeting, obviously go back to shareholders. Not to individual shareholders, particularly... I think there was a question about whether they could go back to individual shareholders to ask questions, but definitely the benefits of ease of organisation, and most particularly, cost savings that accrue, go back to all the shareholders and help improve their margins.

- In so far as particular questions about margins were concerned, I think there were some questions about those. Let me quickly address that. Margins have, as someone noted, come down at the net level, and this is reflective of factors that are pretty much effecting everyone in the segment in the industry, most particularly inflation. As many of you are aware, inflation and commodities has been a significant factor in pushing up costs for all players in the industry, and we are not separate from that. Having said that, there is an additional factor that is impacting net margins for us, and that is, as we said, the interest costs that have accrued to the company on account of its purchase of Butterfly. We think Butterfly is a very important strategic investment that the company is making, particularly as it looks to expand its presence, which is currently in areas like home electricals and in pumps and lighting, into kitchen appliances. And, we do believe that that investment will pay off well for the company going forward, and therefore, the higher interest cost is well worth making. It's not really comparable, the mutual fund where we, on a tactical basis, park funds that we may be generating from time to time in our surplus funds, and the debt that we've been taking. But, I can tell you that over the period of 18 months, all of the debt that has been taken for Butterfly will be fully paid off, and for that we would be dipping into the cash generation which we make annually. So, we will, over a period of time, go back to being a low-debt company which has increased as a consequence of our... the debt level as increased as a consequence of our acquisition.
- I think I would've addressed almost every question that came up. There were some questions about our CSR policy. In so far as our CSR policy is concerned, we have some very clear programs that we cater to, and that is water conservation, children's education, etc. You would be able to find the details of that in the annual report.
- One last point I'll just address. A question was asked about the promoter holding in the company. We are one of the unique companies in India which does not have a promoter. And we're very proud of that, and that is reflected in the shareholding pattern disclosure that we make to the stock exchanges. As you would be aware, Temasek and Advent were, at one point in time, both promoters and over a period of time, they reduced their shareholding and now ceased to be promoters. I suppose I've addressed most of the questions, Chairman.
- **Mr. Hemant Nerurkar - Chairman, Crompton Greaves Consumer Electricals Ltd:**
- Thank you Mr. Ghosh. Most of the questions have been answered. In case any queries are not answered, please send a mail to Company Secretary, and she will ensure that they are answered. Thank you.
- With these words, I want to thank all the shareholders for taking the initiative to join this Annual General Meeting through video conferencing mode. I want to thank all our directors who participated in this meeting. I now authorise Ms. Rashmi Khandelwal – Company Secretary, to conduct the voting process and conclude the meeting. The e-voting process will remain open for the next 15 minutes to enable those shareholders to cast their vote, who have not cast their vote through remote e-voting. The remote e-voting results will be declared on or before 24th July, 2023, and the same would be uploaded on the website of the stock exchanges, NSDL website and also on the website of the company. With your consent, I and all other board members would like to leave the meeting. I wish all the shareholders and their families a healthy and safe future. I request Rashmi to conclude the meeting please. Thank you.
- **Ms. Rashmi Khandelwal – Company Secretary & Compliance Officer, Crompton Greaves Consumer Electricals Ltd:**
- Thank you sir. I would like to thank all the shareholders, our Chairman, our directors and my colleagues for your overwhelming support and participation in the meeting through video conferencing, and making this event a successful one. My best wishes to you and your families. Stay safe. Thank you very much and have a good day.
- **END OF MEETING/ E-VOTING BEGINS**