

Crompton Greaves Consumer Electricals Limited**Registered & Corporate Office:** Tower 3, 1st Floor,

East Wing, Equinox Business Park, LBS Marg,

Kurla (West), Mumbai 400 070. India

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

Date: October 23, 2019

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: 71/2019-20	Our Reference: 68/2019-20

Dear Sir/Madam,

Sub: Highlights of Q2 of FY 2019-20 results

This is in continuation of our letter dated October 23, 2019 regarding outcome of the Board Meeting held on October 23, 2019 wherein the Company had approved the following:-

1. Unaudited financial results (Standalone and Consolidated) for the quarter and half year ended September 30, 2019.
2. Limited Review Report on the unaudited financial results (Standalone and Consolidated) for the quarter and half year ended September 30, 2019.

In this regard, please find attached the highlights of Q2 of FY 2019-20.

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

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Information Update – Q2 FY20

Oct, 2019

- Key Highlights – Q2 FY 20
- Summary of Q2 Results
- Segment Details
- Cash Flow highlights
- Net Debt
- Summary of H1 Results
- Key Financial Ratios



▪ ECD growth of ~11% YoY in Q2FY20

- Growth across all 3 businesses viz. Fans, Pumps and Appliances
- Fans volume growth at 8%
- Appliances business witnessed exponential growth in geyser (38%)
- Agro Pumps continued it's growth momentum (17%)



▪ Lighting (ex EESL) de-grew 3.9% YoY in Q2FY20

- LED portfolio continues to face price erosion driven by market forces
- LED Panel and Battens registered 35% volume growth
- B2B business grew ~9% in Q2 FY20 aided by improved execution



▪ Expansion of GM- w.r.t. last year same period by 330 bps

- Improved sales mix within business
- New value added launches aiding margin expansion
- Benefits accruing from cost optimization program visible in margin expansion



▪ Increase in Market Share on a YoY basis

- Fans increased by 80bps
- LED lamps increased by 108bps
- Share gain continues in Geysers



▪ Cash Conversion

- Cash conversion continues to be strong aided by efficient working capital management and profitable growth

Summary of Q2 Results

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Particulars	Q2 FY20 Rs. Cr	Q2 FY19 Rs. Cr	GoLY	Q1 FY20 Rs. Cr
Net Sales	1,076	1,038	3.7%	1,347
Less: Material Cost	733	741	-1.1%	907
Material Margin	343	297	15.6%	440
as a % of Net Sales	31.9%	28.6%		32.6%
<u>Less:</u>				
Employee Cost	81	68	19.9%	82
Advertisement & Sales Promotion	23	9	156.8%	45
Other Expenses	110	96	13.7%	121
EBIDTA	130	124	4.5%	192
as a % of Net Sales	12.0%	11.9%		14.3%
Less: Depreciation & Amortization	6	3	97.8%	6
EBIT	123	121	2.0%	186
as a % of Net Sales	11.4%	11.6%		13.8%
Less: Finance Cost	9	15	-42.1%	15
Add: Other Income	12	10	24.5%	17
Profit Before Tax	127	115	9.7%	189
as a % of Net Sales	11.8%	11.1%		14.0%
Tax Expenses	15	39	-60.1%	66
Net Profit	111	77	44.7%	123
as a % of Net Sales	10.3%	7.4%		9.1%

- Step up in A&P activity
- Up due to initiatives in B2B lighting
- Depreciation increased due to adoption of Ind AS 116
- Lower on account of repayment of debentures (300 crs in Q1 FY20)
- Other income on YoY is up on account of increase in cash surplus
- Effective tax rate down

Segment Revenue

Particulars	Q2 FY20 Rs. Cr	Q2 FY19 Rs. Cr	GoLY	Q1 FY20 Rs. Cr
Electrical Consumer Durables	788	713	11%	1,073
Lighting Products*	288	325	-11%	274
Total Income from Operation	1,076	1,038	4%	1,347

* Lighting revenue decline excluding EESL is -3.9%

Segment EBIT

Particulars	Q2 FY20		Q2 FY19		Q1 FY20	
	Rs. Cr	EBIT %	Rs. Cr	EBIT %	Rs. Cr	EBIT %
Electrical Consumer Durables	151	19.2%	135	18.9%	217	20.3%
Lighting Products	15	5.2%	21	6.5%	14	5.1%
Total	166	15.4%	156	15.0%	231	17.2%

Cash Flow Highlights

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Particulars	H1 FY 20 Rs Cr.	H1 FY 19 Rs Cr.
Profit before exceptional items and tax	315	273
Adjustments for:		
Depreciation, Interest and other adjustments	20	34
(Increase) / Decrease in Working Capital	-23	-110
Cash from Operation	312	197
Taxes paid	-81	-90
Net Cash from Operating Activities (A)	231	107
<u>Cash flows from Investing Activities</u>		
Interest income	13	17
Sale of Fixed Assets	0	-
Purchase / sale of current investments (net)	195	-45
Investment in bank deposits	25	-
Purchase of Fixed Assets	-16	-8
Net Cash (used in) /from investing activities (B)	217	-36
<u>Cash flows from financing Activities</u>		
Issue of shares	1	1
Payment of dividend including DDT	-150	-132
Repayment of Debentures	-300	-
Repayment of Lease Liability	-5	-
Interest paid	-58	-59
Net Cash (used in) /from financing activities (C)	-512	-190
Net increase / (decrease) in cash and Bank balances	-64	-119
Opening balance	116	173
Closing balance	51	53

- Working capital includes Rs 259 crs early payment to vendors in H1 FY20
- Working capital continues to remain negative -19 days in Q2 FY20

- Investments have been redeemed to finance debenture repayments

- Share issuance is on account of ESOP
- Debentures worth Rs 300 crores have been repaid in Q1 FY20

Net Debt

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Particulars	As on Sep 19 Rs. Crs	As on Sep 18 Rs. Crs	As on June 19 Rs. Crs
Total Debt	350	649	350
Less: Cash and Bank	51	58	64
Less: Current Investment	354	413	431
Total Net Debt	-56	178	-145
Net Debt/Equity	NA	0.2	NA

- During the quarter company paid dividend of Rs 150 crs for FY 19 at Rs 2/equity share

Summary of H1 Results

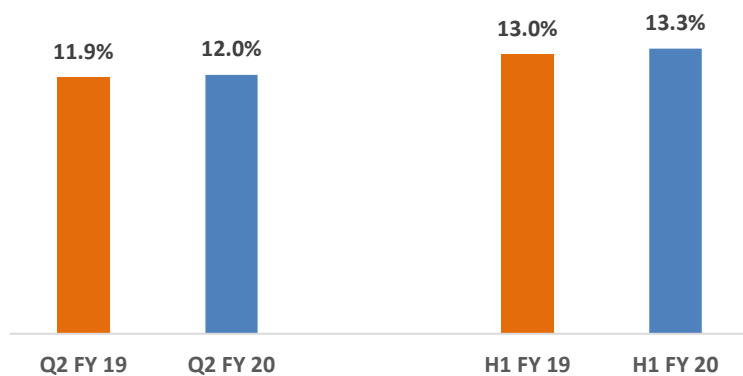
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Particulars	H1 FY20 Rs. Cr	H1 FY19 Rs. Cr	GoLY
Net Sales	2,423	2,242	8.1%
Less: Material Cost	1,640	1,555	5.4%
Material Margin	783	686	14.0%
as a % of Net Sales	32.3%	30.6%	
<u>Less:</u>			
Employee Cost	163	139	16.9%
Advertisement & Sales Promotion	68	55	23.9%
Other Expenses	231	201	14.7%
EBIDTA	321	291	10.3%
as a % of Net Sales	13.3%	13.0%	
Less: Depreciation & Amortization	12	6	92.3%
EBIT	309	285	8.5%
as a % of Net Sales	12.8%	12.7%	
Less: Finance Cost	24	30	-21.7%
Add: Other Income	30	19	58.3%
Profit Before Tax	315	273	15.2%
as a % of Net Sales	13.0%	12.2%	
Tax Expenses	82	92	-11.4%
Net Profit	233	181	28.8%
as a % of Net Sales	9.6%	8.1%	

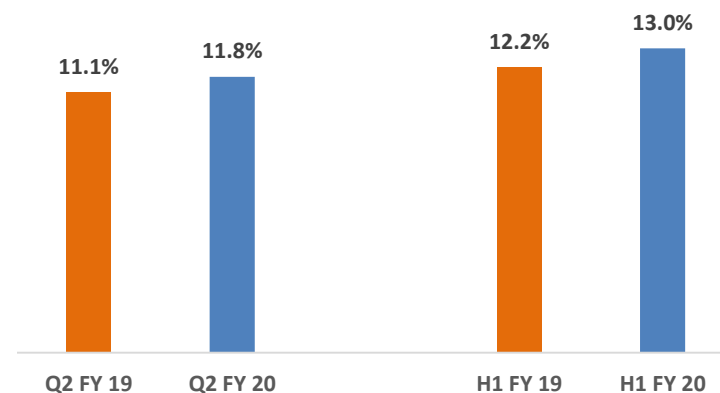
Key Financial Ratios

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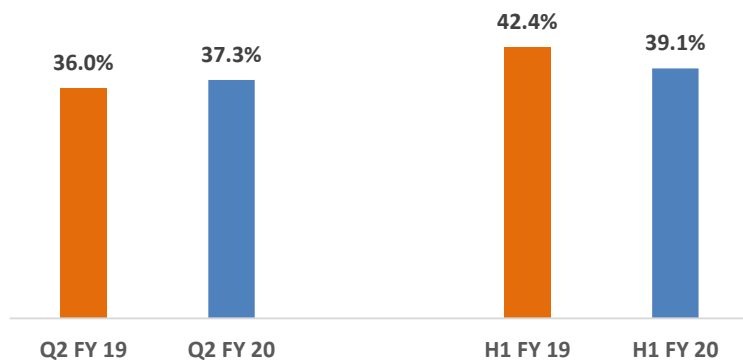
EBIDTA Margins



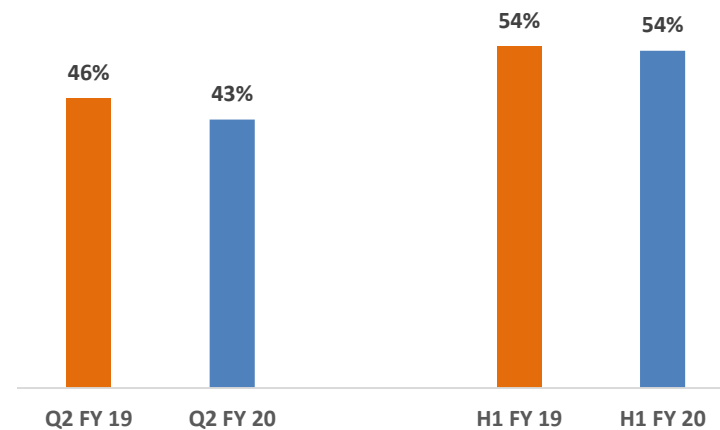
PBT Margins



ROE



RoCE



Note : ROE and RoCE has been annualised

Note : The information is provisional and has been compiled by the management after making necessary adjustments. This information has not been subject to any limited review or audit

Thank You