

# Board’s Report

Dear Members,

The Board of Directors are pleased to present the Integrated Annual Report on the business and operations of your Company (“the Company” or “Crompton”), along with the audited Financial Statements (**Standalone & Consolidated**) for the Financial Year ended March 31, 2025.

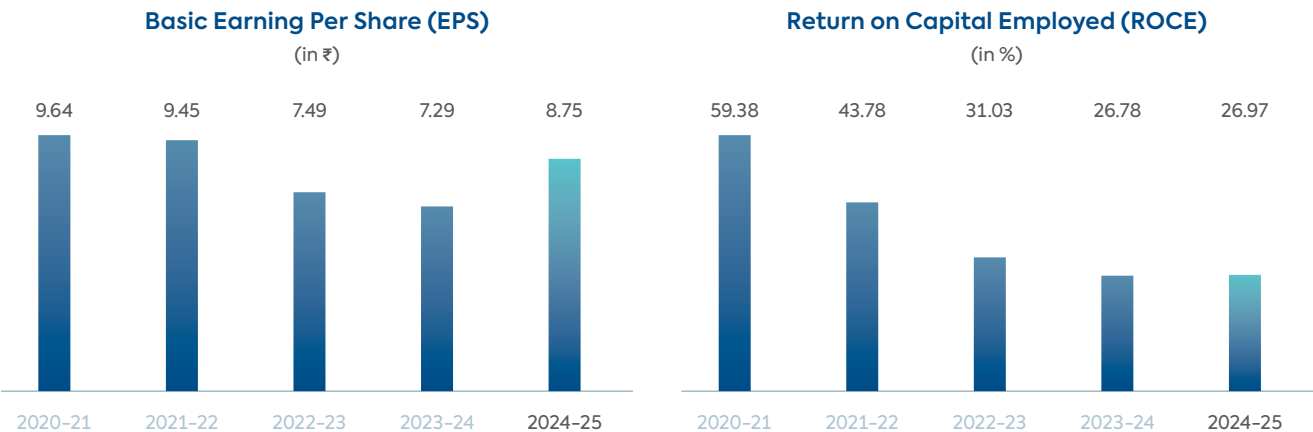
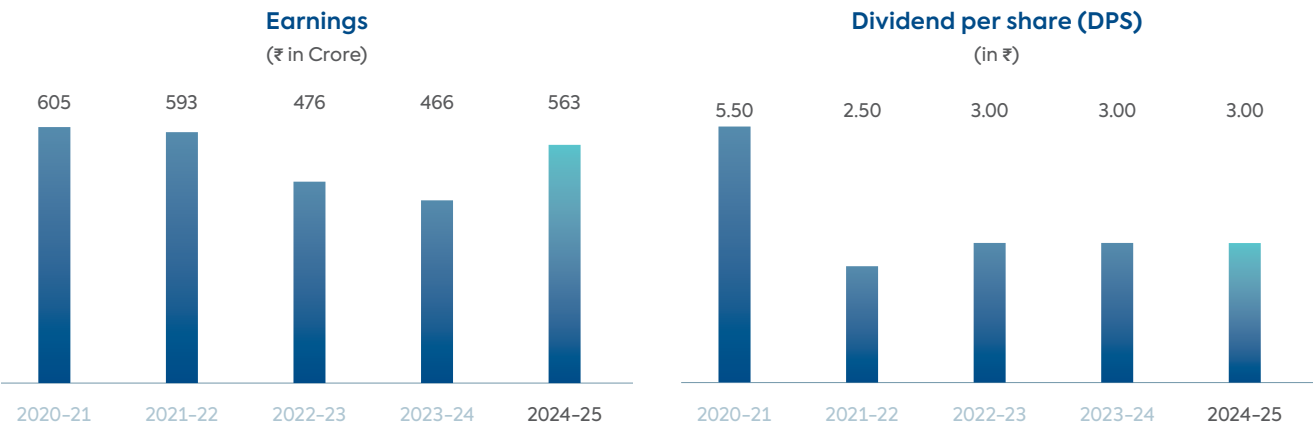
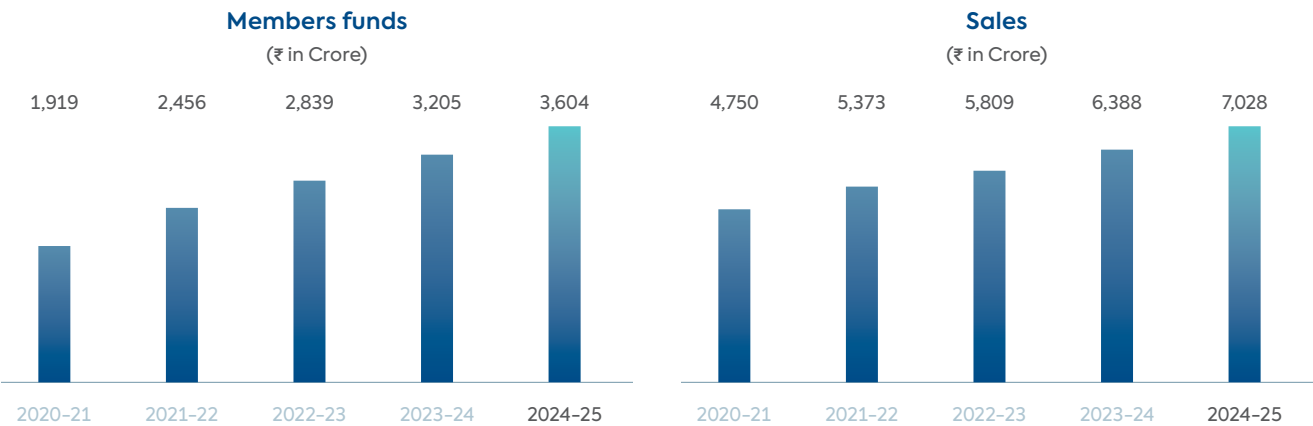
## 1. State of the affairs of the Company

The performance of the businesses is detailed out in the Management Discussion and Analysis Report (“MDA”) which forms part of this Integrated Annual Report.

## 2. Financial Performance

The highlights of the Financial Results (Standalone & Consolidated) are as under:

Particulars	Consolidated		Standalone	
	F.Y. 2024-25	F.Y. 2023-24	F.Y. 2024-25	F.Y. 2023-24
Revenue from Operations	7,863.55	7,312.81	7,028.29	6,388.38
Other Income	68.83	67.39	63.20	60.34
<b>Total Income</b>	<b>7,932.38</b>	<b>7,380.20</b>	<b>7,091.49</b>	<b>6,448.72</b>
<b>Profit before Tax</b>	<b>756.21</b>	<b>573.07</b>	<b>755.59</b>	<b>611.04</b>
Tax Expenses	192.13	131.29	192.41	144.59
<b>Profit for the year</b>	<b>564.08</b>	<b>441.78</b>	<b>563.18</b>	<b>466.45</b>
Attributable to owners of the Company	555.95	439.92	563.18	466.45
Non-controlling Interest	8.13	1.86	-	-
Other Comprehensive Income (OCI)	(1.56)	(0.30)	(2.12)	0.55
<b>Total Comprehensive Income</b>	<b>562.52</b>	<b>441.48</b>	<b>561.06</b>	<b>467.00</b>
Owners of the Company	554.25	439.83	561.06	467.00
Non-controlling Interest	8.27	1.65	-	-
<b>Opening Balance in retained earnings</b>	<b>2,432.67</b>	<b>2,181.73</b>	<b>2,638.62</b>	<b>2,361.15</b>
Amount available for appropriations	2,990.49	2,624.57	3,203.67	2,380.52
<b>Appropriations</b>				
Final Dividend Paid for 2023-24	(192.97)	-	(192.97)	-
Final Dividend Paid for 2022-23	-	(191.90)	-	(191.90)
<b>Closing balance in retained earnings</b>	<b>2,797.52</b>	<b>2,432.67</b>	<b>3,010.70</b>	<b>2,638.62</b>



Note: All the above figures are on standalone basis

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3. Overview/ operations of group’s financial performance

- › Consolidated income, comprising Revenue from Operations and Other Income, for the year was ₹ 7,932.38 Crore, 7.48% higher compared to ₹ 7,380.20 Crore, in Financial Year 2023–24.
- › Total Consolidated Revenue from Operations for the year increased to ₹ 7,863.55 Crore vis-à-vis ₹ 7,312.81 Crore in Financial Year 2023–24.
- › Consolidated Profit before Tax for the year was ₹ 756.21 Crore vis-à-vis ₹ 573.07 Crore in Financial Year 2023–24.
- › Consolidated Profit after Tax for the year was ₹ 564.08 Crore compared to ₹ 441.78 Crore in Financial Year 2023–24.
- › During the year under review, your Company’s export business experienced growth. This growth underscores the Company’s commitment to reach new Consumers and deliver high-quality products to the global mark.
- › No material changes or commitments have occurred between the end of the Financial Year and the date of this Report, which affect the Financial Statements.

4. Dividend

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the SEBI Listing Regulations”), the Company has formulated a Dividend Distribution Policy (“the dividend policy”). The said policy is enclosed as **Annexure 1** to this Report. It is also available on the Company’s website and can

be accessed at [https://reports.crompton.co.in/shopify/public/files/aaeGlqQcuR\\_Dividend-Distribution-Policy-1.pdf](https://reports.crompton.co.in/shopify/public/files/aaeGlqQcuR_Dividend-Distribution-Policy-1.pdf)

The Board remains committed to provide sustainable dividend payouts through established dividend policy with the objective of rewarding Members, retaining capital for growth and ensuring fairness and consistency in distributing profits to Members.

Over the years, the Company has delivered a consistent value to its Members and has successfully maintained a track record of steady dividend payments, reflecting its strong financial performance and commitment to enhance Member returns.

Your Directors are pleased to recommend a dividend of ₹ 3 (Rupees Three Only) (150%) per equity share of face value of ₹ 2 (Rupees Two Only) each on the share capital amounting to ₹ 193.14 Crore, working out to be payout ratio of 41.41%, for the Financial Year ended March 31, 2025.

The said Dividend has been recommended in line with the dividend policy and will be paid out of the Profits for the year.

The dividend, subject to the approval of the Members of the Company at the Annual General Meeting (“AGM”) to be held on **Friday, August 08, 2025**, will be paid within a period of 30 (Thirty) days from the date of AGM to the Members whose names appear in the Register of Members, as on the Record Date, i.e. **Thursday, July 24, 2025**.

In view of the changes made under the Income-Tax Act, 1961, by the

Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Members. As a result, the Company will make the payment of the final dividend after deduction of tax at source at applicable rates.

5. Transfer to reserves

Your Directors do not propose to transfer any amount to the General Reserve

6. Debenture Redemption Reserve

Pursuant to Rule 18 of Companies (Share Capital and Debentures) Rules, 2014, the Company is not required to maintain Debenture Redemption Reserve (“DRR”).

Further, as required under SEBI Circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/ 207 dated October 22, 2020, your Company has created Recovery Expense Fund in respect of outstanding debentures.

7. Management Discussion & Analysis Report (“MDA”)

In terms of the provisions of Regulation 34 read with Schedule V(B) of the SEBI Listing Regulations a detailed report on MDA forms an integral part of this Integrated Annual Report and gives an update, *inter alia*, on the following matters:

- › Economic Overview
- › Industry Overview
- › Key Growth Drivers
- › Company Overview
- › Manufacturing
- › Innovation Centre
- › Marketing
- › Supply Chain
- › Quality
- › People
- › Sustainability
- › Risk Management

8. Share Capital

8.1 Paid-up capital:

During the year under review, your Company has made following allotments pursuant to the exercise of options by eligible employees under various ESOP schemes:

Name of ESOP Scheme(s)	No. of Shares
Crompton Employee Stock Option Scheme –2016 (ESOP 2016)	4,05,788
Crompton Employee Stock Option Scheme – 2019 (ESOP 2019)	2,96,396
Crompton Performance Share Plan - 1 - 2016 (PSP 1 2016)	Nil*
Crompton Performance Share Plan - 2 - 2016 (PSP 2 2016)	Nil*
<b>Total</b>	<b>7,02,184</b>
* All the shares under PSP 1 2016 & PSP 2 2016 are completely allotted and there are no pending allotments as on the date of the report	

Accordingly, the total paid-up share capital of the Company as on March 31, 2025, stood at ₹ 128.76 Crore divided into 64,38,09,163 Equity Shares of ₹ 2.00 (Rupees Two Only) each.

Further, during the year under review, your Company has granted 9,50,000 Equity Shares under ESOP 2019 scheme on October 3, 2024.

8.2 Authorised Capital

During the year under review, the authorised share capital of the Company increased from ₹ 1,31,00,00,000 (Rupees One Hundred Thirty-One Crore Only) divided into 65,50,00,000 (Sixty-Five Crore Fifty Lakhs) Equity Shares of ₹ 2 (Rupees

Two Only) each to ₹ 1,34,00,00,000 (Rupees One Hundred and Thirty-Four Crore Only) divided into 67,00,00,000 (Sixty-Seven Crore) Equity Shares of ₹ 2 (Rupees Two Only) each by creation of additional 1,50,00,000 (One Crore Fifty Lakh) Equity Shares in order to facilitate further issuance of capital to commensurate with the size and future operations of the Company.

9. Financial Liquidity

Consolidated cash and cash equivalent as on March 31, 2025, stood at ₹ 203.68 Crore (Rupees Two Hundred Three Crore and Sixty-Eight Lakhs Only) vis-à-vis ₹ 172.06 Crore (Rupees One

Hundred Seventy-Two Crore and Six Lakhs Only) in the previous year. The Company’s working capital management is robust and involves a well-organized process, which facilitates continuous monitoring and control over receivables, inventories and other parameters.

10. Credit Rating

The Company has received credit ratings from CRISIL Ratings Limited, and India Ratings and Research Private Limited (collectively referred to as “Agencies”). There has been no revision in credit ratings during the year. The ratings given by these agencies as on date of the report are as follows:

Instrument(s)	Rating Agency	Ratings	Outlook
Non-convertible Debentures (“NCDs”)	CRISIL	CRISIL AA+	Stable
Long-Term	India Ratings & Research	IND AA+	Stable
Short-Term	India Ratings & Research	IND AA+/ IND A1+	Stable

The ratings reflect your Company’s diversified business risk profile, established brand, leading position in multiple consumer durable segments and strong growth prospects, driven by focus on brand building and consumer sentiments.



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11. Public Deposits

During the year under review, the Company has neither accepted nor renewed deposits from the public falling within the ambit of Section 73 and 74 of the Companies Act, 2013 (the “Act”), read together with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

The requisite return for the Financial Year 2023-24 with respect to amount(s) not considered as deposits has been filed. The Company does not have any unclaimed deposits as on the date of this report.

12. Particulars of loans, guarantees or investments

The details of investments made, and guarantee provided by the Company under Section 186 of the Act, Regulation 34(3) and Schedule V of the SEBI Listing Regulations forms part of this Integrated Annual Report in the notes to the standalone financial statements for the Financial Year ended March 31, 2025.

Further, the Company has not given any loan or provided any security which are covered under the provisions of Section 186 of the Act during the year under review.

13. Internal Control Systems

13.1 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 such as periodic control testing to assure design and operational effectiveness, and 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 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 periodically. The adequacy of the internal control systems and procedures forms part of MD & CEO Certificate in the certification section of this Integrated Annual Report.

Your Company has initiated awareness sessions on the Company’s Code of Conduct, Prevention of Sexual Harassment (“POSH”) and whistleblowing rights by conducting Company-wide trainings for all its employees. Additionally, e-learning modules have also been developed to keep employees informed of these policies. This module is included in the Crompton Induction Program

for all its new employees for making them aware of the various codes and regulations applicable to them including the Whistle Blower Policy (“WB Policy”). This not only ensures compliance and a well-regulated environment but also helps achieve the organizational objectives.

Process controls with evolving SAP solutions

Your Company is actively enhancing IT in key processes, embedding major controls in SAP for accuracy. Third-party validation is initiated to ensure system configuration effectiveness, while periodic reviews are conducted to control authorisation to SAP through function-based user access supported by the Governance Risk and Controls module. Evolving SAP solutions are utilised for process controls, with continued monitoring facilitated by automations and exception management.

13.2 Internal Controls over Financial Reporting

The Company’s internal financial controls commensurate with the scale and complexity of its operations. The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed. The Company has put in place robust policies and procedures, which *inter alia*, ensures integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds & errors.

14. Vigil mechanism/ WB Policy

Over the years, your Company has built a reputation for conducting business with integrity, maintaining a zero-tolerance policy towards unethical behavior, thereby fostering a positive work environment and enhancing credibility among stakeholders.

Your Company has formulated a WB Policy which provides adequate safeguards against victimization of Director(s)/ employee(s) and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. It also assures them of the process that will be observed to address the reported violation. The Policy also lays down the procedures to be followed for tracking complaints, giving feedback, conducting investigations and taking disciplinary actions. It also provides assurances and guidelines on confidentiality of the reporting process and protection from reprisal to complainants. The Audit Committee oversees the functioning of this policy, and no personnel have been denied access to the Audit Committee.

Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company’s Code of Conduct. The Policy also provides a mechanism to encourage and protect genuine whistleblowing amongst the Vendors.

Any incident that is reported is investigated and suitable action is taken in line with the WB Policy. The WB Policy is available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/hxamy77St7\\_Vigil-Mechanism-and-WB-Policy\\_19-May\\_updated.pdf](https://reports.crompton.co.in/shopify/public/files/hxamy77St7_Vigil-Mechanism-and-WB-Policy_19-May_updated.pdf) The WB policy of the Company was last amended on May 15, 2025.

The Company’s WB Policy supports employees who report violations, ensuring a confidential and fair reporting process. To promote awareness of the WB Policy, your Company has initiated Company-wide training sessions for all its employee(s) along with effective e-training modules for new hires during their induction. Additionally, your Company has set up an e-mail ID and a toll-free number for employee(s) to register WB complaints.

As a good corporate governance practice, the Company investigates all anonymous complaints submitted even without evidence.

Any reporting is duly investigated in a fair manner and shared with the Board of Directors on a quarterly basis and actioned in line with the WB Policy, as applicable.

19 (Nineteen) whistle-blower complaints were received during the Financial Year 2024-25 and suitable action has been taken in accordance with the WB policy.

15. Subsidiary Companies, Associates & Joint Venture Companies

15.1 Subsidiaries

Your Company has 4 (Four) Subsidiaries including 1 (One) as material subsidiary, the details of which are as follows:

1. Pinnacles Lighting Project Private Limited (CIN: U74999MH2018PTC318891)

A wholly owned subsidiary incorporated on December 31, 2018, to execute, design, manufacture, test, supply, O&M of LED Street Lights & Poles and other related works for the implementation of Greenfield Street Lighting Project for 19 (Nineteen) Urban Local Bodies (“ULBs”) in Odisha. This contract received from Government of Odisha, Housing & Urban Development Department is on Public-Private Partnership (“PPP”) basis.

Total Revenue booked for the Financial Year ended March 31, 2025, was ₹ 2.12 Crore (including ₹ 1.11 Crore as Other Income). Profit after Tax was ₹ 0.77 Crore as compared to a profit of ₹ 0.65 Crore in the previous year.

2. Nexustar Lighting Project Private Limited (CIN: U74999MH2019PTC318955)

A wholly owned subsidiary incorporated on January 02, 2019, to execute, design, manufacture, test, supply,

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<p>O&amp;M of LED Street Lights &amp; Poles and other related works for the implementation of Greenfield Street Lighting Project for 36 (Thirty-Six) (“ULBs”) in Odisha. This contract received from the Government of Odisha, Housing &amp; Urban Development Department is on PPP basis.</p> <p>Total Revenue for the Financial Year ended March 31, 2025, was ₹ 2.23 Crore (including ₹ 1.27 Crore as Other income) and Profit after Tax was ₹ 1.05 Crore as compared to ₹ 1.00 Crore in the previous year.</p> <p><b>3. Crompton CSR Foundation</b> (CIN: U85300MH2019NPL324784) (CSR Unique Identification No: CSR00001086)</p> <p>A wholly owned subsidiary incorporated under Section 8 of the Act (being a Company limited by guarantee not having share capital) on May 01, 2019, primarily with an objective of undertaking/ channelising the CSR activities of the Company. Crompton CSR Foundation is registered under Section 80G and Section 12A of the Income Tax Act, 1961. Based on the control assessment carried out by the Company, the same is not consolidated as per Indian Accounting Standards (the “Ind AS”) 110.</p> <p><b>4. Butterfly Gandhimathi Appliances Limited</b> (CIN: L28931TN1986PLC012728)</p> <p>As on March 31, 2025, Butterfly Gandhimathi Appliances Limited (“Butterfly”) is considered as material listed Indian subsidiary of the Company under Regulation 24 of the SEBI Listing</p>	<p>Regulations. It was incorporated on February 24, 1986, to carry on the business as Importers, Exporters, Manufacturers and Dealers of household and industrial vessels and utensils from all type of metals, plastics, ebonite, in particular all household appliances, lighting products and all types of consumer electrical goods.</p> <p>Total Revenue for the Financial Year ended March 31, 2025, was ₹ 871.47 Crore (including ₹ 6.98 Crore as Other Income) and Profit after Tax was ₹ 32.53 Crore as compared to a profit of ₹ 7.39 Crore in the previous year.</p> <p>Pursuant to the requirements of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the details of loans/ advances made to, and investments made in the subsidiary have been furnished in Notes forming part of the Accounts.</p> <p><b>15.2 Joint Ventures (“JVs”)/ Associate Companies</b></p> <p>The Company does not have any JVs or Associate Companies during the year or at any time after the closure of the year and till the date of this Integrated Annual Report.</p> <p><b>16. Consolidated Financial Statements</b></p> <p>The Consolidated Financial Statements have been prepared in compliance with the Ind AS notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The said Consolidated Financial Statements</p>
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forms part of this Integrated Annual Report.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries in Form AOC-1 is attached herewith as **Annexure 2**. The separate audited financial statements in respect of each of the subsidiary companies are available on the website of Company and can be accessed at <https://www.crompton.co.in/pages/financial-reports#SubsidiariesFinancials> and are open for inspection by the Members.

Any Member desirous of inspecting the said financial statements or obtaining copies of the same may write to the Company Secretary & Compliance Officer at [crompton.investorrelations@crompton.co.in](mailto:crompton.investorrelations@crompton.co.in). The Company shall provide free of cost a copy of the Financial Statements of its Subsidiary Companies to the Members upon their request.

In line with the requirements of the Act and the SEBI Listing Regulations, your Company has approved a policy for determining material subsidiaries which was last amended on May 15, 2025, and the same is available on the Company's website at [https://reports.crompton.co.in/shopify/public/files/3K6rUAYCUW\\_Policy%20on%20Material%20Subsidiary.pdf](https://reports.crompton.co.in/shopify/public/files/3K6rUAYCUW_Policy%20on%20Material%20Subsidiary.pdf)

### 17. Board of Directors & Key Managerial Personnel

Your Company actively strives to adopt global best practices to ensure the effective functioning

of the Board. It emphasises the importance of having a truly diverse Board whose collective wisdom and strength can be leveraged to create greater stakeholder value, protect their interests, and uphold better corporate governance standards. Your Company's Board comprises of eminent professionals with proven competence and integrity. They bring in vast experience and expertise, strategic guidance and strong leadership qualities.

As on March 31, 2025, the Board comprised of 1 (One) Executive Director, 7 (Seven) Non-Executive Independent Directors (including 2 (Two) Women Independent Directors) and 1 (One) Non-Executive Non-Independent Director, details thereof have been provided in the Report on Corporate Governance which forms part of this Integrated Annual Report.

In terms of the requirement of the SEBI Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's businesses for effective functioning. The list of key skills, expertise and core competencies of the Board of Directors is detailed in the Corporate Governance Report which forms a part of this Integrated Annual Report.

#### 17.1 Directorate

**a. Appointments/ Re-appointments and Director and Retirement by rotation**

The appointment and remuneration of Director(s) are governed by the Policy devised by the Nomination & Remuneration Committee (“N&RC”) of your Company.

The details of Nomination & Remuneration Policy is mentioned in the Report on Corporate Governance which forms part of this Integrated Annual Report. The Nomination & Remuneration policy is also available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/3hxE5pdSI0\\_Nomination%20and%20Remuneration%20Policy.pdf](https://reports.crompton.co.in/shopify/public/files/3hxE5pdSI0_Nomination%20and%20Remuneration%20Policy.pdf)

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

**• Retirement by rotation and subsequent re-appointment**

In terms of Section 152 of the Act, Mr. Shantanu Khosla being liable to retire by rotation, was re-appointed by the Members at the AGM held on July 26, 2024.

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Promeet Ghosh (DIN: 05307658) is liable to retire by rotation at the forthcoming AGM and being eligible offers himself for re-appointment. The Board recommends re-appointment of Mr. Promeet Ghosh who retires by rotation for the consideration of the Members of the Company at the forthcoming AGM. The relevant details including profile

of Mr. Promeet Ghosh is included separately in the Notice of AGM and Report on Corporate Governance, which forms part of this Integrated Annual Report.

**• Change in designation of Mr. Shantanu Khosla (DIN: 00059877)**

Mr. Shantanu Khosla was elevated as the Executive Vice Chairman of the Board for 1 (One) year w.e.f. May 01, 2023, till April 30, 2024. He then assumed the position Non-Executive Vice Chairman, w.e.f. May 01, 2024, up till December 31, 2025.

#### 17.2 Key Managerial Personnel (“KMPs”)

During the year under review, there were no changes in the KMPs of the Company.

In accordance with the provisions of Section 2(51) and Section 203 of the Act read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as on March 31, 2025, the following are the KMPs of the Company:

- Mr. Promeet Ghosh, Managing Director & Chief Executive Director (“MD&CEO”);
- Mr. Kaleeswaran Arunachalam, Chief Financial Officer (“CFO”); and
- Ms. Rashmi Khandelwal, Company Secretary & Compliance Officer



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### 17.3 Independent Director(s)

All the Independent Director(s) of the Company 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 SEBI Listing Regulations. The Board is of the opinion that the Independent Director(s) of the Company possess requisite qualifications, expertise and experience in the varied fields and holds highest standards of integrity. The Independent Director(s) 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 of the Independent Director(s) are placed on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/yFnc3ag3DW\\_Letter-of-Appointment-of-Independent-Director-1.pdf](https://reports.crompton.co.in/shopify/public/files/yFnc3ag3DW_Letter-of-Appointment-of-Independent-Director-1.pdf)

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Director(s) have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Director(s) have further confirmed that they are not debarred from holding the office of the Director under any SEBI order or any other such authority.

In compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Director(s)

of the Company have registered themselves with Indian Institute of Corporate Affairs, Manesar (“IICA”)

In terms of Section 150 of the Act read with Rule (4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, since all the Independent Director(s) have served on the Board of listed companies for a period of not less than 3 (Three) years at the time of inclusion of their names in the database, they are exempted from undertaking the online proficiency self-assessment test conducted by the Institute.

Mr. D Sundaram, Mr. P M Murty, Mr. P R Ramesh, Mr. Anil Chaudhry, Mr. Sanjiv Kakkar, Ms. Smita Anand and Ms. Hiroo Mirchandani serve as the Independent Directors on the Board of the Company. Further, the details of the membership of Committee(s) and the qualifications and expertise of all the Director(s) are covered in the Report on Corporate Governance which forms part of this Integrated Annual Report.

### 17.4 Non-Independent Director(s)

As on March 31, 2025, Mr. Shantanu Khosla was elevated as the Executive Vice-Chairman of the Board for 1 (One) year w.e.f. May 01, 2023, till April 30, 2024. He then assumed the position of Non-Executive Vice Chairman, w.e.f. May 01, 2024, up till December 31, 2025.

### 17.5 Board Effectiveness

#### (a) Familiarisation Programme for Independent Director(s)

37

programmes

315

hours

Over the years, the Company has developed a robust familiarisation process for Independent Director(s) which includes sessions on various business and functional matters and strategy sessions to enable them to understand their roles and responsibilities. The process has been aligned with the requirements under the Act and other related regulations.

The Company has in place a structured familiarisation programme which is imparted at the time of appointment of Independent Director(s) on the Board as well as during the year. The Programme aims to provide insights into the Company to enable them to understand its business in depth, to acclimatise them with the processes, business and functionalities of the Company and to assist them in performing their roles & responsibilities as Independent Director(s) of the Company.

Upon appointment, the Independent Director(s) receives a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities, obligations, code of conduct to regulate, monitor and report trading by designated persons for Prevention of Insider Trading and code of conduct applicable to all Director(s) and Senior Management Personnel(s) (“SMPs”) The said Independent Director(s) are given detailed orientation regarding the Company’s business model, industry, risks and opportunities,

strategy, policies and Code of Conduct, innovation, sustainability measures, corporate social responsibility initiatives of the Company. They are also updated on all business-related issues and new initiatives undertaken by the Company.

Additionally, the MD & CEO along with senior leadership team make(s) presentations and provides updates on the performance & strategic initiatives of the Company at regular Board and Committee Meeting(s) of the Company facilitating them to clearly understand the business of the Company and the environment in which the Company operates, relevant statutory changes encompassing economic outlook, market trends, peer trends, etc. Brief details of the familiarisation Programme are uploaded on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/qi3SMtnxLh\\_Familiarization%20Programme%20for%20FY%2024-25.pdf](https://reports.crompton.co.in/shopify/public/files/qi3SMtnxLh_Familiarization%20Programme%20for%20FY%2024-25.pdf)

During the year, the Management also conducted deep-dive sessions for the entire Board on core strategic priorities and other business matters.

#### (b) Formal Board Performance Evaluation

In terms of requirements of the Act read with the Rules issued thereunder and the SEBI Listing Regulations, the Board carried out the annual performance evaluation of the Board of Director(s) as

a whole, Committee(s) of the Board and Individual Director(s). 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 based on the guidance note issued by the SEBI. Performance evaluation is facilitated by the Chairman of the Board who is supported by the Chairman of N&RC.

The process of Board Evaluation is conducted through structured questionnaire(s) which includes various aspects of the Board’s functioning such as adequacy of the Board composition diversity, skill set of Members, the appointment process, understanding of roles and responsibilities, circulation of Board papers, quality of information provided, strategic oversight, risk evaluation, acquisitions guidance, individual Director(s) and contributions, execution of duties, governance performance for the Board as a whole, Committee(s) of the Board and Individual Director(s) and has been undertaken digitally.

The performance indicators for the Committee(s) *inter alia* includes composition of the Committee, understanding the terms of reference, adherence to the charters, the effectiveness of discussions at the Committee Meeting(s), 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 Director(s) 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, understanding of relevant areas, and responsibility towards stakeholders. All the Director(s) were subject to self-evaluation and peer evaluation.

The performance of the Independent Director(s) 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 Director(s) that they meet the independence criteria as required under the Act and the SEBI Listing Regulations.

In addition to the questionnaire(s), the Chairperson of the N&RC conducted in-depth one-on-one interviews with each Board Member to gather detailed insights. A quantitative analysis and Board Effectiveness brief including insightful feedback, and trends was shared by the Chairman of the N&RC to all the Board Members. Thereafter, the following process was followed to assimilate and process the feedback:

## Board’s Report

- › Performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of Executive Director and Non-Executive Directors;
- › The entire Board discussed the findings of the evaluation with the Independent Director(s) and also evaluated the performance of the Individual Director(s) including the MD & CEO, the Board as a whole and all the Committee(s) 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. The Board was in regular meetings apprised of relevant business issues and related opportunities and risks. The evaluation exercise was designed to go into various aspects of its functioning and that of its Committees such as structure, composition, conduct of meetings, and interaction with management and what needs to be done to further augment the effectiveness of the Board’s functioning.

Questionnaires on the functioning of the Board and information flow, peer

evaluation of Directors, evaluation of the MD and performance of Committees were filled in by all directors. In addition, the Chairman of the N&RC conducted one-on-one interviews with each Board Member to gather detailed insights. A quantitative analysis and Board Effectiveness brief including insightful feedback, and trends was shared by the Chairman of the N&RC to all Independent Directors. Thereafter, the following process was followed:

1. A separate meeting of Independent Directors discussed the findings and arrived at a set of recommendations for improving the functioning of the Board as a whole. These recommendations were then discussed in the Board and a programme was adopted to bring about the changes. These changes have been , by and large, effectively carried out.
2. It was decided that the Committees would discuss the recommendations pertaining to them and arrive at an action plan.
3. As an outcome of the above process, it was decided that, as before, the Chairman of the Board would provide individual feedback to each Director.

The Board’s overall assessment indicated that it was operating cohesively, including its

various Committees. These Committees were performing effectively, regularly reporting to the Board on their activities and progress during the reporting period. The Board also noted that the actions identified in previous questionnaire-based evaluations had been implemented.

During the Financial Year 2024- 25, the Company acted on the feedback from the Board evaluation process conducted in the even year. The Board noted the key improvement areas emerging from this exercise including but not limited to improving the operating capability of the company, review of business strategy and annual planning, strengthening top talent pipeline, reducing the attrition rate, etc.

The Board of Directors have expressed their satisfaction with the evaluation process.

### 17.6 Remuneration Policy and criteria for selection of candidates for appointment as Directors, KMPs and SMPs

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has in place a policy on remuneration of Director(s), KMPs and SMPs 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 Director(s) (by way of sitting fees and commission), KMPs and SMPs. The criteria for the selection of candidates for the above positions covers various factors and attributes, which are considered by the N&RC and the Board of Directors while selecting candidates. The policy on remuneration of Directors, KMPs and SMPs can be accessed at <https://reports.crompton.co.in/shopify/public/files/3hxE5pdSI0Nomination%20and%20Remuneration%20Policy.pdf>

### 17.7 Executive Director(s) Remuneration

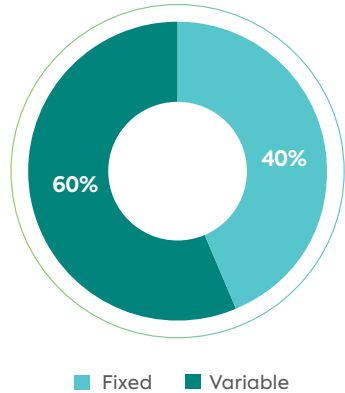
The remuneration for the MD & CEO comprises of both fixed and variable components. The variable pay is awarded annually, based on the overall performance of the Company. The determination of this variable pay is carried out by the N&RC and there is no clawback provision associated with the remuneration paid to the MD & CEO.

In terms of applicable laws, there is no mandatory stock ownerships requirement for MD & CEO. Stock options granted to MD & CEO are governed by various Employee Stock Option Plans & Performance Share Plans of the Company as approved by Members from time to time. N&RC is responsible for administrating the stock incentives and performance incentives plans of the Company and determines the eligibility of all the employees including MD & CEO of the Company.

For details of grant, vesting and exercised options, please refer to Report on Corporate Governance which forms part of this Integrated

Annual Report. The bifurcation of fixed pay and variable pay for MD & CEO as on March 31, 2025, is as under:

Fixed and Variable pay –



## 18. Number of meetings of the Board & its Committee(s)

### 18.1 Board Meeting(s)

The Board meets at regular intervals to discuss and decide on the Company’s/ business policy and strategy. The Board exhibits strong operational oversight with regular presentations in quarterly meetings.

The Board and Committee Meeting(s) are scheduled in advance, with a tentative annual calendar circulated to the Director(s) well ahead of time to allow for effective planning and participation. In instances of business exigencies, the Board also approves certain proposals through circulation, ensuring timely decision-making to address urgent business requirements.

The Board of Directors met 8 (Eight) times during the Financial Year 2024-25. The intervening gap between the meetings was within the period prescribed under the Act

and the SEBI Listing Regulations. The details of the Meeting(s) and the attendance of the Director(s) are mentioned in the Report on Corporate Governance which forms part of this Integrated Annual Report.

### 18.2 Board Committee(s)

The Board has established several Committee(s) as a matter of good corporate governance practices and as per the requirements of the Act and the SEBI Listing Regulations. The Company has the following 9 (Nine) Board-level Committee(s), 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 and Remuneration Committee (“N&RC”);
3. Corporate Social Responsibility Committee (“CSR Committee”);
4. Stakeholders’ Relationship & Share Transfer Committee (“SRC”);
5. Risk Management Committee (“RMC”);
6. Environment Social and Governance Committee (“ESG Committee”);
7. Allotment Committee for allotment of shares arising out of Stock Options;
8. Strategic Investment Committee (“SIC”);
9. Committee for Debentures;

The composition, terms of reference, number of Meeting(s) held, and business transacted by the Committee(s) are mentioned in the Report on Corporate Governance which forms part of this Integrated Annual Report.



## Board’s Report

Pursuant to the requirements of Schedule IV of the Act and the SEBI Listing Regulations, Independent Director(s) met 4 (Four) times without the presence of Non-Independent Directors and members of the management, to review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Director, Non-Executive, Non-Independent Director and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

The details and composition of the mandatory Committee(s) of the Board are as follows:

### 18.18.1 Audit Committee

The Audit Committee comprises of 4 (Four) Members, all the Members of the Committee are Independent Director(s). The Committee is chaired by Mr. Sanjiv Kakkar (Non-Executive, Independent Director). The other Members of the Committee are Mr. P R Ramesh (Non-Executive, Independent Director), Mr. P M Murty (Non-Executive, Independent Director) and Mr. D Sundaram (Non-Executive, Independent Director). Details of the role and responsibilities of the Audit Committee, the particulars of Meeting(s) held, and attendance of the Members at such Meeting(s) are mentioned in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

The Board of Directors of the Company approved the reconstitution of the Audit

Committee, pursuant to which Mr. P R Ramesh ceased to be the Chairman but continued as a Member of the Committee with effect from December 27, 2024, and Mr. Sanjiv Kakkar was appointed as the Member and Chairman of the Committee with effect from December 28, 2024.

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

### 18.18.2 Nomination & Remuneration Committee (“N&RC”)

As on the date of this report, the N&RC comprises of 3 (Three) Members. The Committee is chaired by Mr. P M Murty (Non-Executive, Independent Director). The other Members of the Committee are Mr. D Sundaram (Non-Executive, Independent Director) and Ms. Smita Anand (Non-Executive, Independent Director). Details of the role and responsibilities of the N&RC, the particulars of Meeting(s) held, and attendance of the Members at such Meeting(s) are mentioned in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

N&RC is responsible for *inter alia*, recommendation and approval of appointment and remuneration of the Directors, KMPs and SMPs. The Committee also acts as the Compensation Committee for the purpose of administration of the several Employee Stock Option Plans and Performance Share-Based plans, as amended from time to time. N&RC is also entrusted with the responsibility of framing the criteria for evaluation of the individual Director(s), Chairperson

of the Board, the Board as a whole and its Committee(s). It also frequently evaluates the working and effectiveness of the Board and manages the succession planning for Board Member(s), KMPs and SMPs.

The Nomination & Remuneration Policy is available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/3hxE5pdSI0\\_Nomination%20and%20Remuneration%20Policy.pdf](https://reports.crompton.co.in/shopify/public/files/3hxE5pdSI0_Nomination%20and%20Remuneration%20Policy.pdf)

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

### 18.18.3 Corporate Social Responsibility (“CSR”) Committee

The CSR Committee comprises of 4 (Four) Members, out of which 2 (Two) are Non-Executive, Independent Directors. The Committee is chaired by Mr. Shantanu Khosla (Non-Executive Vice-Chairman). The other Members of the Committee are Mr. D Sundaram (Non-Executive, Independent Director), Ms. Smita Anand (Non-Executive, Independent Director) and Mr. Promeet Ghosh, MD & CEO.

The details of the role and responsibilities of the CSR Committee, the particulars of meetings held, and attendance of the Members at such Meeting(s) are mentioned in the Report on Corporate Governance, which forms part of this Integrated 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 a CSR Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Integrated Annual Report as **Annexure 3**. The CSR Policy as recommended by the CSR Committee and as approved by the Board is available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/U6kk0A8Uoy\\_Corporate-Social-Responsibility-Policy-1.pdf](https://reports.crompton.co.in/shopify/public/files/U6kk0A8Uoy_Corporate-Social-Responsibility-Policy-1.pdf)

### 18.18.4 Stakeholders’ Relationship & Share Transfer Committee (“SRC”)

As on the date of this report, the SRC comprises of 4 (Four) Members, out of which 2 (Two) are Non-Executive, Independent Directors. The Committee is chaired by Mr. D Sundaram (Non-Executive, Independent Director). The other Members of the Committee are Mr. P M Murty (Non-Executive, Independent Director) Mr. Shantanu Khosla (Non-Executive Vice Chairman) and Mr. Promeet Ghosh (MD & CEO).

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

SRC is 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 grievance(s) of the security holders of the Company including complaint(s) related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends and issue of duplicate certificates, etc.

The Stakeholder Relationship & Share Transfer Policy is available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/RYvj6XpMad\\_Stakeholders-Relationship-and-Share-Transfer-Policy-1.pdf](https://reports.crompton.co.in/shopify/public/files/RYvj6XpMad_Stakeholders-Relationship-and-Share-Transfer-Policy-1.pdf)

### 18.18.5 Risk Management Committee (“RMC”)

The RMC comprises of 3 (Three) Members, all the Members of the Committee are Non-Executive, Independent Directors. The Committee is chaired by Mr. P R Ramesh (Non-Executive, Independent Director). The other Members of the Committee are Mr. P M Murty (Non- Executive, Independent Director), and Mr. D Sundaram, (Non-Executive, Independent Director).

The Details of the role and responsibilities of the RMC, the particulars of Meeting(s) held, and attendance of the Members at such Meetings are mentioned in the Report on Corporate Governance, which forms part of this Integrated 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.

The Risk Management Policy is available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/SqLFuZNXIy\\_Risk-Management-Policy-1.pdf](https://reports.crompton.co.in/shopify/public/files/SqLFuZNXIy_Risk-Management-Policy-1.pdf)

## 19. Risk Management Framework

The Company’s Board of Directors have delegated the responsibility of formulating, implementing, and monitoring the risk management plan to the RMC. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls.

A business-centric approach to risk management is used to identify potential risks. Based on materiality of the risk, response strategies are developed and assigned to concerned risk owner. Head of risk management works closely with all business and functional team in carrying out identification, evaluation, monitoring and reporting of risk response, under the guidance of Leadership Council. Update on risk management is presented before RMC Committee at least twice a year.

## Board’s Report

The Risk Management Framework is reviewed periodically by the RMC and the Board is informed about the risk assessment and minimization procedures to ensure that executive management controls the risk by means of a properly designed framework, which includes discussing the Management submissions on risks, prioritizing key risks and approving action plans to mitigate such risks. In addition, the management across the Company is responsible for identifying critical risks and implementing appropriate risk responses within their area of responsibility.

The Risk Management framework proves instrumental in helping the management to identify the best possible option to mitigate identified risks, in line with the organization’s strategy, objectives, and risk appetite.

The detailed discussion on Risk Management forms part of the MDA, which forms part of this Integrated Annual Report.

### 20. Particulars of contracts or arrangements with related parties

In accordance with the requirements of the Act and the SEBI Listing Regulations, as amended from time to time, the Company has framed a Policy on Materiality of and dealing with Related Party Transactions (“RPTs”) which is uploaded on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/hdDSNkYWnx\\_Policy%20on%20Materiality%20of%20and%20dealing%20with%20Related%20Party%20Transactions.pdf](https://reports.crompton.co.in/shopify/public/files/hdDSNkYWnx_Policy%20on%20Materiality%20of%20and%20dealing%20with%20Related%20Party%20Transactions.pdf)

All RPTs are placed before the Audit Committee for review, approval and recommendation to the Board for its approval. The Audit Committee grants omnibus approval for all the RPTs which are foreseen and repetitive in nature, based on the criteria approved by the Board. A detailed statement of all RPTs is placed before the Audit Committee every quarter for their review and noting.

The Board of Directors of your Company have approved the criteria to grant omnibus approval by the Audit Committee within the overall framework of the RPT Policy on RPTs. All members of the Audit Committee are Independent Directors.

During the year under review, there were no material significant transactions with related parties in terms of the SEBI Listing Regulations requiring approval of the Members. The details pertaining to transactions which were not at arm’s length basis are given in Form No. AOC-2, along with all the RPTs entered during the year, as a good corporate governance practice attached as **Annexure 4**, to this Board’s report, forming part of this Integrated Annual Report.

None of the Directors and the KMPs have any pecuniary relationships or transactions *vis-à-vis* the Company. The Directors draw attention of the Members to Note No. 32 of the standalone financial statements setting out the disclosure on RPTs for the Financial Year 2024-25.

In compliance with Regulation 23(9) of the SEBI Listing Regulations, the Company has submitted the intimation on RPTs to the Stock

Exchanges within the prescribed statutory timelines.

### 21. Transfer of equity shares from unpaid/unclaimed dividend to the Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of 7 (Seven) years from the due date is required to be transferred by the Company to the IEPF, constituted by the Central Government.

Further, according to the IEPF Rules, all the shares in respect of which any dividend has not been claimed by the Members for 7 (Seven) consecutive years or more shall also be transferred by the Company to the designated Demat Account of the IEPF Authority (“IEPF Account”) within a period of 30 (Thirty) days of such shares becoming due to be transferred to the IEPF Account.

The Company will transfer unclaimed dividend declared for the Financial Year 2017-18, along with the corresponding shares on which the dividends are unclaimed for 7 (Seven) consecutive years, as per the requirements of the IEPF Rules. The Company had communicated to all the concerned Members individually whose dividend and shares were liable to be transferred to IEPF.

Additionally, the Company has given newspaper advertisement to the Member(s) of the Company to claim their unclaimed dividend/ shares underlying in Company’s unpaid dividend account, before such transfer to IEPF Account.

The Company had also uploaded the details of such Members and shares transferred to IEPF on the website of your Company at <https://www.crompton.co.in/pages/investors-relations#ShareholderResources>

During the year under review, the Company transferred the unclaimed and un-encashed dividends of ₹ 42,44,693 (Rupees Forty-Two Lakhs Forty-Four Thousand Six Hundred and Ninety-Three Only). Further, 18,84,478 (Eighteen Lakhs Eighty-Four Thousand Four Hundred and Seventy-Eight) corresponding shares on which dividends were unclaimed for 7 (Seven) consecutive years were transferred.

Member(s) whose shares/ dividend are transferred to IEPF as stated above, can still claim the shares/ dividend from the IEPF Authority by submitting an application in Web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The voting rights on shares transferred to the IEPF Authority shall remain frozen until the rightful owner claims the shares. The shares held in such Demat account shall not be transferred or dealt with in any manner whatsoever except for the purpose of transferring the shares back to the claimant as and when he approaches the Authority. All benefits except rights issue accruing on such shares e.g. bonus shares, split, consolidation, fraction shares etc., shall also be

credited to such demat account. Any further dividend received on such shares shall be credited to the IEPF Authority.

Member(s) are requested to claim the shares/ dividend, which have remained unclaimed/ unpaid, by sending a written request to the Company at [crompton.investorrelations@crompton.co.in](mailto:crompton.investorrelations@crompton.co.in) or to the Company’s Registrar and Transfer Agent (“RTA”), [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or at their address at KFin Technologies Limited at Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032. Member(s) can find the details of Nodal officer appointed by the Company under the provisions of IEPF at <https://www.crompton.co.in/pages/investors-relations#ConInvestors>

### 22. Significant and material orders passed by the regulators or courts

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

### 23. Risks arising out of litigations, claims and uncertain tax positions

The Company is exposed to a variety of different laws, regulations, positions and interpretations thereof which encompasses direct taxation and legal matters. In the normal course of business, provisions and contingencies may arise due to uncertain tax positions and legal matters.

Based on the nature of matters, the management applies significant judgement when considering evaluation of risk, including how much to provide for the potential exposure of each of the matters. These estimates could change substantially over time as new facts emerge as each matter progresses, hence these are reviewed regularly. For matters where expert opinion is required, the Company involves the best legal counsel. Reference is drawn to the “**Key audit matters**” by the auditors in their reports on the above matters.

### 24. Auditors

#### a. Statutory Auditors

M/s. M S K A & Associates, Chartered Accountants (ICAI Firm Registration Number 105047W) were appointed as Statutory Auditors of the Company by the Members at the Extra-Ordinary General Meeting held on August 27, 2021, to hold office as Statutory Auditors for a term of 5 (Five) consecutive years, i.e. till the conclusion of 12<sup>th</sup> AGM of the Company to be held for the Financial Year 2025-26.

The Board of Directors at their meeting held on May 15, 2025, basis the recommendation of the Audit Committee approved the remuneration of M/s. M S K A & Associates as ₹ 1,16,00,000 (Rupees One Crore and Sixteen Lakhs Only) for the Financial Year 2025-26.

Established in 1978, M/s. M S K A & Associates is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the US Public Company Accountancy Oversight Board (PCAOB) having offices across 12 (Twelve) cities in India at Mumbai,



## Board’s Report

Gurugram, Chandigarh, Kolkata, Ahmedabad, Chennai, Goa, Pune, Bengaluru, Kochi, Hyderabad and Coimbatore. The audit firm has a valid peer review certificate.

The Firm primarily provides audit and assurance services, tax and advisory services, to its clients. The Firm’s Audit and Assurance practice has significant experience across various industries, markets and geographies.

The Auditor’s Report on the financial statements of the Company for the Financial Year ended March 31, 2025, forms part of this Integrated Annual Report. The said report was issued by the Statutory Auditors with an unmodified opinion and does not contain any qualifications, reservations or adverse remarks. Auditors’ Report is self-explanatory and therefore, does not require further comments and explanation.

During the year under review, the Auditors have not reported any fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

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

The Statutory Auditors attend the AGM of the Company.

### b. Cost Auditors

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is required to maintain cost records as specified by the Central Government. Accordingly, the Company has

maintained cost accounts and records in the prescribed manner. The records maintained by the Company under Section 148 of the Act are required to be audited by a Cost Accountant.

The Board of Directors of the Company at their meeting held on May 15, 2025, based on the recommendation of the Audit Committee, approved the appointment of M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration Number 100392) as the Cost Auditors of the Company to conduct audit of the cost records of the Company for the Financial Year 2025–26. The Company has received a certificate from M/s. Ashwin Solanki & Associates, confirming their consent and that they are not disqualified from being appointed as the Cost Auditors of the Company. A remuneration of ₹ 6,50,000 (Rupees Six Lakhs Fifty Thousand Only) plus applicable taxes and out of pocket expenses has been fixed for the Cost Auditors 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 Financial Year 2025–26 shall be placed at the ensuing AGM.

M/s. Ashwin Solanki & Associates have affirmed that the cost records for the Financial Year ending March 31, 2025, comply with all requirements under Section 141(3) and the proviso to Section 148(3), read along with Section 141(4) of the Act, without any disqualifications. They have also confirmed their independence.

### c. Secretarial Auditors

The Board at its meeting held on May 16, 2024, appointed Parikh & Associates, Company Secretaries as Secretarial Auditors of the Company to conduct the Secretarial Audit for the Financial Year 2024–25. The Secretarial Audit Report in Form MR-3 is annexed herewith as **Annexure 5** to this Integrated Annual Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Pursuant to recent amendments in SEBI Listing Regulations vide Circular No. SEBI/LAD-NRO/GN/2024/218 dated December 12, 2024, basis the recommendation of Board of Director(s), a listed entity shall appoint/ re-appoint:

- i. an individual as Secretarial Auditor for not more than 1 (One) term of 5 (Five) consecutive years; or
- ii. a Secretarial Audit firm as Secretarial Auditor for not more than 2 (Two) terms of 5 (Five) consecutive years, with the approval of its Members in its AGM to be held for the Financial Year 2024–25.

In accordance with Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24(A) of the SEBI Listing Regulations, based on the recommendation of the Audit Committee and subject to the approval of the Members of the Company at the ensuing AGM, the Board of Director(s), at their meeting held on May 15, 2025, approved the appointment of Parikh & Associates, Practicing Company Secretaries (ICSI Unique Code P1988MH009800),

as the Secretarial Auditors of the Company, for a term of 5 (Five) consecutive financial years, commencing from the financial year 2025–26 upto financial year 2029–30.

The Board of Director(s) at their meeting held on May 15, 2025, basis the recommendation of the Audit Committee, approved the remuneration of Parikh & Associates of ₹ 2,00,000 (Rupees Two Lakhs Only) for conducting the audit of the secretarial records of the Company for the Financial Year 2025–26.

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, Parikh & Associates has undertaken an audit for the Financial Year 2024–25 for all applicable compliances as per SEBI Regulations and circulars/ guidelines issued thereunder.

Further, the wholly-owned subsidiaries of the Company are not material unlisted subsidiaries. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the SEBI Listing Regulations, does not apply to such subsidiaries.

### d. Internal Auditors

Pursuant to the provisions of Section 138 of the Act, the Board, at its meeting held on May 16, 2024, 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 the Company for the Financial Year 2024–25.

The Board of Director(s) at their meeting held on May 15, 2025, has

re-appointed M/s. Grant Thornton Bharat LLP as the Internal Auditors of your Company for the Financial Year 2025–26 to review various operations of the Company at remuneration of ₹ 68,95,000 (Rupees Sixty-Eight Lakhs and Ninety-Five Thousand Only).

## 25. Material changes and commitment affecting financial position of the company

There have been no material changes and commitments affecting the financial position of the Company which occurred between the end of the Financial Year to which the financial statements relates to and date of this report. There is no change in the nature of business of the Company.

## 26. Awards and recognitions

The detailed Section on awards & recognitions forms part of this Integrated Annual Report.

## 27. Enhancing Shareholders value

At Crompton, the commitment towards enhancing the Shareholders value is fundamental to our strategic vision and operational execution. The Company actively pursue initiatives aimed at driving sustainable growth and prioritize delivering strong financial performance by driving growth through innovative product development and market expansion. By focusing on innovation, operational excellence, and strategic investments, the Company continuously seeks to improve product offerings and expand market reach.

The Company’s commitment to sustainability ensures that it, not only meets the expectations of their Members but also contribute positively to the communities we serve. The Company believes that transparent communication with our members fosters trust and aligns our strategic objectives with their expectations. By continuously adapting to market dynamics and incorporating stakeholder feedback, the Company is devoted to creating enduring value, ensuring that our Shareholders are rewarded for their investment while we build a resilient and forward-thinking organization. Your Company is privileged to share a strong relationship with investors based on a deep understanding of their expectations and commitment to creating value for them.

The Company firmly believes that its success in the marketplace and good reputation are amongst the primary determinants of shareholder value. Its close relationship with consumers 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. Your Company is also committed to creating value for all its stakeholders by ensuring that

## Board’s Report

its corporate actions positively impact the economic, societal and environmental dimensions of the triple bottom line.

### 28. Corporate governance

Your Company believes that effective leadership, robust policies, processes and systems and a rich legacy of values form the hallmark of our best corporate governance framework. Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing the Shareholders value legally, ethically and sustainably.

The Company is committed to maintain the highest standards of Corporate Governance and adheres to all requirements of corporate governance in letter and spirit, ensuring that its governance framework aligns with regulatory standards and best practices.

The Company’s Board of Directors comprises a diverse mix of experienced professionals who bring a wealth of expertise and independent oversight to the decision-making process. All the Committee(s) of the Board of Directors meet at regular intervals as required in terms of SEBI Listing Regulations. The Board of Directors has taken the necessary steps to ensure compliance with statutory requirements. The Director(s), KMPs, and SMPs of the Company have complied with the approved Code of Conduct for Board of

Directors and Senior Management Personnel. A declaration to this effect, according to Schedule V of the SEBI Listing Regulations, signed by the MD & CEO of the Company, which forms part of this Integrated Annual Report.

The Board of Directors re-affirm their continued commitment to good corporate governance practices.

During the year under review, the Company complied with the provisions relating to corporate governance as provided under the SEBI Listing Regulations. Pursuant to Regulation 34 read with Schedule V of the SEBI Listing Regulations, a separate report on Corporate Governance is annexed to this Integrated Annual Report.

Further, following certificate(s)/ declaration(s) forms an integral part of this Corporate Governance Report:

- a) A declaration signed by Mr. Promeet Ghosh, MD & CEO, stating that the Members of Board of Directors and SMPs have affirmed compliance with the Company’s Code of Business Conduct and Ethics;
- b) A compliance certificate from the Secretarial Auditors of the Company, confirming compliance with the conditions of Corporate Governance;
- c) A certificate of Non-Disqualification of Directors from the Secretarial Auditor of the Company; and;
- d) A certificate of the MD & CEO and CFO of the Company,

*inter alia*, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee.

Pursuant to Regulation 34 of the SEBI Listing Regulations, a separate Report on Corporate Governance is annexed to this Integrated Annual Report.

### 29. Business Responsibility & Sustainability Report (“BRSR”)

Your Company strongly believes that resilient and inclusive growth is only possible on strong pillars of environmental and social responsibility balanced with good governance and communicating its ESG performance in a transparent manner and in line with global standards to our stakeholders. The report is a testimony to our continuous efforts towards embracing and implementing balanced approach to ESG parameters in our business operations and forms part of this Integrated Annual Report.

The BRSR Core is a sub-set of BRSR, consisting of a set of Key Performance Indicators (“KPIs”)/ metrics under 9 (Nine) ESG attributes/ principles of the National Guidelines on Responsible Business Conduct (“NGRBC”) notified by the Ministry of Corporate Affairs, Government of India. Further, the Company has conducted reasonable assurance for BRSR Core and limited assurance for the BRSR non-core indicators for the Financial Year 2024-25.

The Company has provided the requisite mapping of information and principles between the Sustainability disclosures and the BRSR as prescribed by SEBI. The same is available on the website of the Company at <https://www.crompton.co.in/pages/financial-reports> Further, the financial sections of BRSR are presented in line with the requirements of the Act read with the rules made thereunder, the Ind AS, the SEBI Listing Regulations and the requisite Secretarial Standards issued by the Institute of Company Secretaries of India. The non-financial section (Sustainability and Corporate Social Responsibility) is presented in conformance to the Global Reporting Initiative (“GRI”) Standard’s Core Performance Indicators, the UN Sustainable Development Goals (“SDGs”) and other sector relevant international sustainability disclosure guidelines.

The Company has engaged services of TUV India Private Limited to provide reasonable assurance for BRSR Core indicators and limited assurance for BRSR non-core indicators and non-financial disclosures in the Integrated Annual Report. TUV India Private Limited conducted the assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagements on Greenhouse Gas Statement issued by the International Auditing and Standards Board.

The initiatives as indicated in the report aims to reduce its environmental impact, balance profitability with sustainability, and implement a more transparent,

efficient, and effective corporate governance framework.

### 30. Particulars of employees

There are 26 (Twenty-Six) employees who were in receipt of remuneration of not less than ₹ 1,02,00,000 (Rupees One Crore and Two Lakhs Only), employed for the full year and 15 (Fifteen) employees who were in receipt of remuneration of not less than ₹ 8,50,000 (Rupees Eight Lakhs and Fifty Thousand Only) per month, employed for part of the year. Disclosures concerning the remuneration and other details as required in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”) is provided in **Annexure 6** to this Report. Your Directors affirm that the remuneration is as per the remuneration policy of the Company.

Further, details of employees’ remuneration as required under provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules of the Act, is available for inspection at the Registered Office of your Company during working hours. As per second proviso to Section 136(1) of the Act and second proviso of Rule 5 of the Rules, the Integrated Annual Report has been sent to the Members excluding the aforesaid exhibit. Any Member interested in obtaining copy of such information may write to the Company Secretary & Compliance Officer at [crompton.investorrelations@crompton.co.in](mailto:crompton.investorrelations@crompton.co.in)

### 31. Reporting of frauds by auditors

During the year under review, neither the Statutory Auditors,

the Secretarial Auditors, 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.

### 32. Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year ended March 31, 2025 is available on the website of the Company at <https://www.crompton.co.in/pages/financialreports#AnnualReports>

### 33. Compliance with Secretarial Standards

During the year under review, the Company has complied with all the applicable provisions of Secretarial Standard – 1 and Secretarial Standard – 2, (“**Meetings of the Board of Directors**”) and (“**General Meetings**”), respectively issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs (MCA).

### 34. Statutory Disclosures

#### a. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo.

As required under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, is given in the



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prescribed format in **Annexure 7** to this Integrated Annual Report.

b. Research and Development (“R&D”)

Your Company is dedicated to achieving excellence by prioritizing R&D as a cornerstone of innovation. The Company cultivates a culture of creativity ingrained within our people and processes. The Company’s in-house R&D team is committed to pioneering sustainable product innovations driven by cutting-edge technology, ensuring efficiency across the entire product lifecycle, from design and development to manufacturing processes.

Your Company has “**Innovation & Experience Centre**” in Mumbai serving as the hub for all R&D innovation teams. This center fosters fungibility and creativity within its Design Studio and encourages experimentation within its labs, which are equipped with ultra-modern infrastructure. In line with its commitment of creating consumer delight, the Company has launched a diverse range of products across various segments. These products are designed to showcase excellence both in terms of technology and aesthetics.

(A) Fans:

**Niteo:** Equipped with inhouse PCB, Niteo is the quintessence of Crompton’s dedication and continuous technological progress. It’s designed with sleek blades and has a sleek curvature black bottom reducing visual clutter for a cleaner look. It comes with an ActivSight User Interface that includes speed indication, Timer Indication, Sleep and Mop mode indication. Niteo’s evenly spread warm LED night lamp gives a wider coverage under the

fan creating a soothing atmosphere. Compact design and Superior performance is the perfect way to describe Niteo.

**Fluido Wave:** Mirroring the design principles of neo-futurism, Fluido Wave is the perfect fan for a refined and uncluttered look. It’s unibody design gives it a beautiful, sculpted look. Fluido Wave is the newest 1-star addition to our fluidic design range. Its silent operation and anti-dust feature is the perfect example of how practicality and aesthetics can co-exist in harmony.

**Superflo:** A testament to our continuous research and technological improvement,theCompanyintroduced India’s Highest Air Delivery Fan – Superflo with 260 CMM air delivery that is 25% more air delivery as compared to regular fans. Powered by Turbo Boost technology it has increased active blade surface area that contributes to its ultra-high air delivery. Its sleek blades and contemporary colours makes it the epitome of performance and style.

**Cairo:** The Luxian range introduces Cairo as the latest addition to our existing range of electroplated fans. With ActivPower technology the fan operates at 220 CMM and 370 RPM ensuring performance and style all in one. Its unique feature is a robust stationery bottom and wide blades that comes in electroplated and matte finishes. Cairo is the ideal choice for spaces that need a touch of vintage of sophistication.

**Avancer Swirl:** The Crompton Premion Avancer Swirl is a fan that effectively blends style and functionality to transform your space. Its swirl-like design was crafted to create a serene and calming atmosphere and

complement contemporary décor. Equipped with DuraTech Technology, Avancer Swirl is an energy-efficient fan with 3-star energy rating that results in lower electricity costs without compromising aesthetics. With its anti-dust technology, the fan requires less maintenance and continues to be a fashionable addition to your room.

**Aura2 4Blade:** Its sleek and stylish four blade design provides excellent air delivery and offers the utmost comfort. The antidust features makes it easy to maintain and keep it cleaner and dust free for long. The premium Duratech EMQ bearing ensures smooth operation and dual coat winding increase its longevity. The sleek, contemporary design of the Premion Aura2 4Blade, comes in four colours and a 5-year warranty to match your decor and provide a cozy, welcoming ambiance.

(B) Pumps

The Company has launched key products in various categories which are as detailed below:

i. Categories:

Residential:

- › Successfully developed & launched WIN PLUS/ WIN DURA Series to cater to 2 (Two) floors homes with Double coating to provide protection against rust & longer life;
- › Expanded Mini brand architecture portfolio with better product proposition by launching Marvel Plus & Elite Plus in Rapid Fill & Turbo Fill category respectively.
- › Launched 1<sup>st</sup> (First) in industy, patented dry winding series in OW pumps with plug and play convenience to consumer.

- › Successfully deployed Brand Architecture in High Suction Pumps series with products like SWJ Plus, SWJ Dura, DMB Plus & Flomax Plus in line with consumer insights like Faster suction and Durability.

Agriculture:

- › Successfully launched MB High Flowserieswithefficienthydraulic and improved motor design to deliver higher discharge,industry standard mountings to counter competition & take advantage in industrial hot & cold applications.
- › Launched OW Higher HP (10-30HP) series with wide voltage motor design & dual coated hammerstone paint to improve durability.
- › New product launched based on identified product gaps and new product requirements.

Speciality:

- › Launched indigenous sewage cutter pump to derisk supply challenges & to improve quality.
- › Expanded product portfolio in sewage pump by launching higher HP STP pump (10HP).

Solar:

- › Launched 3HP & 5HP AC/ DC agricultural Solar Pumps for irrigation systems complying to MNRE guidelines. Tender Qualifications achieved for Haryana, Rajasthan, Maharashtra & Madhya Pradesh.

ii. Highlights:

- › Design Registration applied for 10 (Ten) new design concepts. Applied 3 (Three) patents as Modified Adapter (SS insert), Dry winding in Openwell Pumps, Apparatus for Controlling Water

Pump and Method thereof (Smart Panel).

- › A special focus was given to region wise product training to sales team to impart in depth knowledge of products, application, USPs & FAB for effective communication in market. Focus on additional offering in control panels & Agri Starters to ensure incremental pump+ Panel ratio which has increased from 83% to 87% and helped in reduction of PPR of V4 Submersibles.
- › Successfully applied 3 patents in OW, Mini & Control panel category.
- › Received BIS certification for 27 (Twenty-Seven) number of pumps and BEE certification completed for 9 (Nine) number of pumps as on March 31, 2025.

(C) Appliances

**Storage Water Heater:** A total of 17 (Seventeen) SKUs were launched in 2024-25. The premium segment saw the introduction of Amica Pro and Solarium CLX in 10L, 15L, and 25L capacities. The Rapidjet Plus series was expanded with new 10L and 15L variants, while the Hydrajel and Regera series were extended with a 6L option in both plastic and metal round segments. To further strengthen the horizontal range, LHS-type geysers were introduced under the Versa series in 10L, 15L, and 25L capacities. Additionally, the Classic DLX was launched as an upgraded version of the existing classic range across all four capacities.

**Instant water heater:** 3 (Three) new SKUs were launched. To further strengthen the 5L range with capacity extensions in the Hydrajel and Instabliss series. In Gas water

heaters, we have launched product with oxygen depletion sensor in 6L capacity.

**Air Coolers:** 8 (Eight) new SKUs were introduced, including 3 (Three) new series in the desert category. The Avancer and Aura series were launched with 18” fans, offering superior cooling with modern aesthetics, each available in three capacity ranges. Additionally, the Jedi series was expanded with a 16” fan model for the entry segment, available in two capacities.

(D) Small Domestic Appliances (SDA)

**Mixer Grinder & Garment Care Category:** Mixer grinders range has been revamped with the launch of 12 (Twelve) new models across various Wattages and 3 (Three) new models have been introduced in the Garment care category to strengthen the portfolios.

- › To enhance the SDA portfolio 6 (Six) new models have been introduced across various categories.
- › State of art Validation lab has been developed to test our products.
- › All these products are meticulously designed with enhanced aesthetics and packaging.

(E) Large Kitchen Appliances

- › This year, the Company has focused on introducing products derived from detailed consumer insights, focusing on product differentiation, premiumization and consumer delight.
- › The Company have studied the usage and purchase patterns of consumers looking to buy chimneys on evolving

Board’s Report

platforms such as E-commerce and accordingly re-designed our product offerings. These include a new range of SMART chimneys having differentiated intelligent features such as Intelli AutoClean, SMART ON and high suction – low noise motors.

› In the Hobs portfolio, the Company have launched uniquely designed products with superior aesthetics such as matte glass finish and smart features including Flame Failure safety systems, auto-ignition etc. In addition, we have also forayed into a new category in the kitchen segment, namely Gas Cooktops (gas stoves) with the launch of our FlamePro range of cooktops, again designed from very detailed consumer insights. Our FlamePro range of cooktops have smart and thoughtful design elements to deliver a very superior and convenient cooking experience to our consumers. Such elements and features include MaxxSpace, Flame Flex burner configuration and Interlocking Burner systems (Crompton patented)

**(F) Lighting**

**B2C**

› Your Company has introduced many new products which are based on consumer insights and feedback. Consumer lighting space has evolved over the last few years from only functionality to Décor and Style. Connected products are also making an entry in consumer homes, with low-cost technology being a catalyst to democratize the market.

› Your Company has successfully launched a comprehensive range of COB (Chip-on-Board) lighting solutions, thoughtfully designed to meet the evolving needs of today’s home consumers. The range includes a wide variety of form factors—such as fixed, adjustable, deep-recessed, surface-mounted, and track-mounted options-available in multiple finishes to suit different home décor styles.

› Your Company has introduced a range of decorative battens, designed with premium aesthetics to align with consumer preferences, delivering both indirect and direct illumination options to consumers.

› Capitalizing on increasing movement of consumers from functionality to Décor and Style, your Company has launched a decorative range of wall lights and festive lights.

› Your Company has expanded its presence to plug-&-play and lighting-adjacent categories.

› To win in an increasingly competitive market and gain market share, your Company has launched a range of economy battens and ceiling lights.

**B2B**

› Your Company has introduced new products in road lighting, flood lighting, industrial lighting luminaire range with upgraded specifications to cater to different applications.

› Your company has introduced specially designed streetlights with improved optics for wider highways and expressways, enhancing visibility while significantly reducing energy consumption and the total cost of ownership for customers.

› Your Company has introduced new range of high wattage

flood lights with precise optics & optimum performance to cater to airports aprons, railway yards and sports application.

› Your company has introduced new range of industrial products (Highbay, Well Glass, Bulkhead) for various industrial segments like Oils & Gas, Steel & Cement and the fast-growing warehousing sector.

Other Highlights:

› Received OHSSAI’s 9<sup>th</sup> Annual HSE Excellence & ESG Global Awards 2024 (Winner in Safety Category).

35. Non-Convertible Debentures

During the year under review, your Company has redeemed Non-Convertible Debentures (“NCDs”) amounting of ₹ 300 Crore (Rupees Three Hundred Crore Only) on July 22, 2024.

Presently, the total outstanding NCDs of ₹ 300 Crore (Rupees Three Hundred Crore Only) are listed on the debt segment of the National Stock Exchange of India Limited, which are due for redemption in July, 2025.

The Catalyst Trusteeship Limited is the Debenture Trustee for the Debenture holders. The details of the Debenture Trustee are available on the website of the Company and can be accessed at <https://www.crompton.co.in/pages/investors-relations#DebentureTrustee> and is also provided in the Report on Corporate Governance which forms a part of this Integrated Annual Report.

36. Employee Stock Option Plan (“ESOP”)

Stock options have long been proven to be an effective tool for organisations to incentivise employees for accelerating profitable growth and wealth creation while also working as a performance reward and attract and retain high potential and critical employees in a competitive talent environment.

The Company has framed various Employees Stock Option Scheme (“ESOP Schemes”) in accordance with the SEBI (Share-Based Employee Benefits) Regulations, 2014, read with Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021 (“the SBEB & SE”) as a measure to reward and motivate employees and attract & retain talent.

Presently your Company has following ESOP Schemes:

- › Crompton Employee Stock Option Scheme – 2016 (“ESOP-2016”)
- › Crompton Performance Share Plan - 1 – 2016 (“PSP-1 2016”)
- › Crompton Performance Share Plan - 2 – 2016 (“PSP- 2- 2016”)
- › Crompton Employee Stock Option Scheme – 2019 (“ESOP-2019”)

There has been no material change in any of the subsisting ESOP Schemes.

The disclosure relating to ESOPs required to be made under the provisions of the Act, and the rules made thereunder, and the SBEB & SE Regulations is provided in

Annexure 8 which forms part of this Integrated Annual Report.

No employee has been issued stock options, during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant. The issuance of equity shares pursuant to exercise of stock options does not affect the profit and loss account of the Company, as the exercise is made at the market price prevailing as on the date of the grant plus taxes as applicable.

37. Employee Engagement

At Crompton, we prioritize employee engagement to build trust, enthusiasm, and a strong sense of belonging. This year, Company launched Pulse, our Employee Engagement Survey. In collaboration with Gallup Q12, the Company analyzed the results, held focus group discussions, and developed targeted action plans at both group and function levels. These plans were communicated company-wide and are being tracked through a robust governance system to ensure follow-through. This initiative has been key in enhancing the employee experience and identifying areas for improvement.

For more details, refer to Page 104 of this Integrated Annual Report.

Family Connect

To celebrate the milestone of moving into our new office, the Company welcomed the families of our Mumbai-based employees to our Head Office. More than just a relocation, it was a celebration of growth, teamwork, and the unwavering support of our extended Crompton

family. By including our employees’ families—our silent supporters—we expressed heartfelt gratitude for their role in our journey. The event was filled with warmth, pride, and a true sense of belonging.

At Crompton, our employees’ dedication, passion, and commitment to our core Values – **CREATE** – are the foundation of our success.

As part of Company’s Reward and Recognition Program - Pride and Glory, we introduced the **People’s Choice Values Award** - a unique, peer-nominated recognition celebrating those who consistently live our values through their everyday actions. These individuals lead with purpose, integrity, and heart, inspiring us all.

The Company honored the loyalty of long-serving team members through the **Long Service Awards**, recognizing their steadfast commitment and invaluable contributions over the years.

These recognitions reflect our deep appreciation for the people who drive Crompton forward and our continued commitment to celebrate their journey with us.

Empowering Talent, Enabling Growth at Crompton

In a rapidly evolving business landscape, staying competitive requires continuous reinvention. The Company believes that learning is the cornerstone of innovation, productivity, and impact. We nurture a culture of continuous development through micro, macro, and on-the-job learning opportunities across all levels.



## Board’s Report

### Leadership & Capability Building

- › **CLDP & FLDP:** Tailored for senior and mid-management, these programs develop strategic, functional, and people leadership skills through blended learning.
- › **ELDP:** Prepares Area Sales Managers with negotiation, emotional intelligence, and stakeholder management skills.

### Onboarding & Learning Culture

- › **Enrich Program:** A 3A approach — Assimilate, Affiliate, Accelerate — to help new hires align quickly with Crompton’s culture and processes. Crompton@Byte will launch in Financial Year 2025-26 to enhance this journey.
- › **NLA:** Supports seamless transition for new senior leaders through structured onboarding and 30-60-90 day roadmaps.
- › **Capability Programs:** Focused learning tracks for junior, mid, and senior levels anchored to our Leadership Competency Framework, with Financial Year 2025-26 focusing on Accountability with Consumer Focus.
- › **Functional Academies:** Role-based technical and functional upskilling to build deep expertise and create in-house SMEs.

### Frontline Development

- › **Grow with Crompton:** Upskilled 500+ Territory Sales Managers in sales, channel management, and stakeholder engagement.
- › **ELDP:** Enhanced leadership capabilities for 130 (One Hundred and Thirty) Area Sales Managers through interactive learning.

### 6C 2.0: Playbook for a Learning Organization

As the world evolves, the Company is embracing the future with 6C 2.0, an evolution of our cultural framework: Care, Connect, Collaborate, Co-Create, Conquer, Celebrate. More than a mindset, it’s a movement that drives innovation, collaboration, and growth. Through capability-building clubs led by senior leaders, we’re unlocking potential, inspiring fresh perspectives, and driving transformation. By fostering learning ecosystems and empowering individuals, we’re not just adapting to change — we’re leading it. 6C 2.0 is how Crompton shapes the future from within.

### Diversity & Inclusion

The Company fosters an inclusive workplace through merit-based practices and supportive policies, including:

- › Enhanced travel safety for women;
- › Nanny allowance for new mothers;

At Crompton, we’re committed to growing with our people-every step of the way.

## 38.Environment, Health & Safety (“EHS”)

The EHS Management System at Crompton epitomise our unwavering dedication to safeguarding the environment, fostering a conducive working atmosphere, and ensuring the well-being and safety of all individuals, including employees, contractors, and visitors. Through meticulous planning, rigorous implementation, and continuous monitoring, we uphold stringent standards

to mitigate environmental impact, promote sustainability, and comply with regulatory requirements. Our commitment extends beyond mere compliance; it encompasses a culture of proactive risk management, hazard identification, and safety awareness training to cultivate a workplace where everyone feels valued, supported, and empowered to prioritise health, safety, and environmental stewardship.

By prioritising these core values, we not only protect our personnel but also contribute to the greater community and demonstrate our responsibility as a conscientious corporate citizen.

The Company’s EHS strategies are aimed at achieving the greenest and safest operations across all manufacturing units by optimising the usage of natural resources and providing a safe and healthy workplace. Safety remains a top priority for your Company, and the Company is committed to providing a safe and productive environment for our workforce, maintaining the best health and safety measures across all our manufacturing and office locations. The Company prioritises enhancing our workforce’s skills levels through various learning & development programmes throughout the year, ensuring continuous improvement, and at the time of induction, providing basic safety trainings to all employees and workers at all our manufacturing sites.

Apart from a comprehensive EHS manual “**KAVACH 3.0**” corporate EHS worked on further depth in the EHS policies reframing procedures and work instructions and it has been made aware to

all manufacturing employees to implement across all the products lines manufacturing sites.

To strengthen the EHS culture, under corporate EHS, your Company has initiated and conducted various campaigns and awareness programmes such as Near Miss Reporting, Hand and Finger Injury Control & Prevention, and road safety under Behavioral-Based Safety (“**BBS**”). Additionally, manufacturing sites are also conducting EHS training programmes periodically to enhance EHS activities.

Your Company is committed to conserving and enhancing the EHS culture. The Company owned manufacturing sites has conducted the surveillance audit for its Integrated Management System (“**IMS**”) certification which comprises ISO14001:2015, ISO45001:2018 and ISO9001:2015 which is an important milestone for continuous improvement for an organization.

Corporate EHS has redefined quantitative self-assessments on various EHS topics like IS 14489:2018, fire safety, fire load calculations and electrical safety for CGCEL manufacturing sites, annual EHS audits conducted for all manufacturing sites. Closure of such audit report observations are ensured by following the adequate corrective & preventive action plan within a reasonable timeframe, thereby continuously improving safety practices and mitigating risks. The observations are also shared amongst units for cross-learning and improvement. Learnings from other organization incidents and taking preventive actions are also initiated as a

proactive approach in ensuring safety performance.

A comprehensive EHS-based leading and lagging indicator dashboard is being prepared and followed across all manufacturing sites on a monthly basis to capture unit-wise KPI performance, facilitating proactive monitoring of safety metrics. Monthly EHS meetings are conducted to discuss unit performance, fostering collaboration and continuous improvement in safety practices. EHS meetings are being conducted to promote cross-learning between manufacturing units, focusing on conserving natural resources through initiatives like water and electricity consumption reduction, and effective management of hazardous wastes. Additionally, safety fronts including accident details with investigation report are discussed, along with onsite emergency and preparedness plan through conducting mock drill and fire drill on set frequency etc. ensuring a proactive approach to safety and environmental management.

A brief on EHS programmes of CGCEL is as under:

### 38.1 Environment – a green pursuit

Your Company is committed to fostering a culture of sustainable progress across the organization. Accordingly, Key Result Areas (KRAs) are identified and established, with monthly tracking based on leading and lagging indicators under EHS parameters.

Moreover, your Company is highly focused on reducing its carbon footprint by manufacturing world class energy efficient products

and adopting sustainable packaging concept.

The Bethora, Goa Fan Unit has digitized process by installing the robotic machinery for top & bottom end shield assembly, screwing and palletization process. The overall electricity consumption KWH for Financial Year 2024-25 is 90,81,178 KWH (grid electricity and solar power) against the 54,84,665 KWH of Financial Year 2023-24.

Further, the unit has installed approx. 245 nos. of energy conserved BLDC fans across the plant.

The installation of robotic machine installation would result in enhancement of productivity from 2500 to 4000 fans per shift, product quality and avoid the safety issues associated with unusual ergonomic conditions with reduced human interference.

At the plant level, the water conservation is being driven basis installation of tab aerator, employee awareness and visual displays.

Hazardous and non-hazardous waste disposal is being tracked on periodic basis with due consideration of statutory requirements. During Financial Year 2024-25, the hazardous and non-hazardous waste generated was 1945.75 MT whereas in Financial Year 2023-24, the total hazardous and non-hazardous waste amounted to 2251.75 MT. During the year 2024-25, the waste recycled was 1683.53 MT whereas in Financial Year 2023-24, it was 1700.5 MT. The Bethora facility has initiated the disposal of hazardous waste through M/s Ponda Envocare, Goa for pre-processing aspect and

## Board’s Report

J.K. Cement for co-processing. This year’s hazardous waste disposal quantity has increased due to one-time disposal of non-moving RM powder and paint material referred as waste.

The implementation of Layered Process Confirmation (“**LPC**”) and Critical to Safety (“**CTS**”) processes as reinforced the safety self-assessment ownership program, enhancing safety measures across manufacturing sites.

The unit has initiated 360-degree guarding for all critical machinery through self-assessment, implementing a systematic approach for horizontal deployment across all facilities.

Bethora has achieved the National Safety Award from Global Safety Summit and Safety Excellence Award from the Greentech Foundation for Financial Year 2024-25.

### 38.2 Reduction in energy consumption

Under energy reduction program, overall energy consumption realised was 10.26%. During Financial Year 2024-25, the overall energy consumption was 35,165.78 GJ against Financial Year 2023-24 which was 39,185.75 GJ.

In consideration of above Baddi Unit II annual electricity consumption was 2,31,193 KWH for Financial Year 2024-25, against 2,56,852 KWH for Financial Year 2023-24. The electricity consumption change is typically due to change in production volume.

At the Ahilyanagar manufacturing unit, 6,880 kWh of solar power was

generated and utilized to support the canteen, street lighting, and other emergency lighting loads.

Baddi Unit III has expanded its operations by transitioning from lighting to fan manufacturing. The unit has established a state-of-the-art set-up with the in-house installation and commissioning of advanced varnishing machinery. The overall electricity consumption for the unit was 1,12,273 KWH.

Vadodara Plant observed an overall electricity consumption 19,37,959 KWH for Financial Year 2024-25, against 62,505 KWH for Financial Year 2023-24. The Change in electricity consumption is caused by shift from Gas Based heating process to grid electricity.

### 38.3 Reduction in water consumption:

During Financial Year 2024-25, the total water withdrawal accounted was 84,126.5 KL Includes manufacturing plants, offices, Op. control warehouse) against 67,730 KL for Financial Year 2023-24 (includes manufacturing plant only).

**Baddi Fans Unit II** has consumed water during Financial Year 2024-25 is 3656 KL against the Financial Year 2023-24 is 4144 KL. An average reduction of 12% in water consumption was observed in Financial Year 2024-25 compared to Financial Year 2023-24. Further in water conversation front unit has installed auto shutoff valve on rooftop storage tanks and rerouting of pipelines to prevent water losses.

At the Innovation Center in Vikhroli, an average 34% reduction in water consumption was observed. This

significant improvement was achieved through key initiatives such as the installation of water-saving aerators on taps and the implementation of waterless urinals.

An average of 25% reduction in water consumption was achieved at the Vadodara plant through the implementation of several targeted initiatives. These included the integration of sensors for the borewell pump enabling automatic on/ off operation, installation of pressure regulators in the canteen to reduce water flow, the use of STP-treated water for landscaping, and regular water leakage audits followed by timely rectification.

Similarly, the Ahilyanagar plant implemented effective water conservation measures such as the installation of waterless urinals, the use of low-flow fixtures and aerators, utilization of STP-treated water for landscape irrigation, and ongoing audits and rectification of water leakages to minimize wastage.

### 38.4 Hazardous waste reduction and management:

The Company’s operational units ensure that all hazardous waste is sent to the authorised disposal facility/ recycler approved by the State Pollution Control Board. In the Financial Year 2024-25 , the organisation has successfully achieved the EPR E-waste authorisation from Central Pollution Control Board (“**CPCB**”) and processed 100% of the total target obligation. CGCEL has channelised 100% of plastic waste and fulfilled CPCB target of Financial Year 2024-25.

Under Extended Producer Responsibility (“**EPR**”) plastic waste management obligation, your Company is in process of issuing agreements to channelise 100% of plastic waste to fulfill CPCB target of Financial Year 2024-25. Additionally, your Company has developed the substitute for pump packaging to eliminate the use of thermocol & plastic bags.

### 38.5 Safety:

The Company’s EHS policy is absolute in its commitment to integrating EHS considerations as a top most priority throughout the organisation. In the Financial Year 2024-25, there is zero reportable injuries, reflecting our dedication to safety and well-being.

Further, Corporate EHS have strengthened our commitment, focusing on enhancing EHS orientation, conducting safety system assessments across manufacturing sites, and continuously improving to establish a sustainable, injury free workplace. We have diligently revised and developed various Standard Operating Procedure (“**SOPs**”) including Hazard Identification and Risk Assessment, Environmental Impact Assessment, Work permitting, Contract Safety Management, and Incident investigation, among others, among others, to ensure comprehensive EHS management across all facets of our operations.

The Company’s manufacturing facilities prioritises strict adherence to all rules and regulations outlined in Fire No Objection Certificate (“**NOC**”), ensuring the safety of our personnel and assets. Regular fire

drills are conducted as per defined frequencies to ensure preparedness and swift response in the event of an emergency. During the Financial Year 2024-25, there were no reported major fire incidents across our organisation.

Regular safety walks and meetings are conducted, and a robust review mechanism ensures timely closure of open points. Periodic internal and external audits verify compliances and there were no fatalities for Financial Year 2024-25.

Organization is committed and sustaining the independent safety culture by implementing stringent EHS Policy, Corporate EHS specific 7 (Seven) standard operating procedures including Work Permit System (“**WPS**”) and contract safety management.

Regular interaction is facilitated through Safety Committee Meetings, while initiatives such as fire-safety drills, safety week celebration, and ongoing safety training to all employees begin with adequate induction. Internal plant safety audits are conducted, and all actions and recommendations are also recorded, evaluated and acted upon by respective EHS leaders.

### Key Safety programs implemented during the year include:

- › Safety Task Force Actions continued by deploying the methodology of hierarchy of control to lower the machine risk from high risk to medium and low risk.
- › EHS Sub Committees formation on various topics with cross functional representation. Includes Water conservation,

Energy conservation, Waste reduction, Training & Capability, Contractor safety management, Incident Investigation, Safety Observation and Standard & Procedure subcommittees. All sub-committee meet monthly and discuss the agenda to enhance EHS culture, conservation and competency aspects.

- › Various EHS standards are being prepared and rolled out across the manufacturing sites. Standards includes Machine guarding & ranking system, Contractor safety management, Safety Behavior Observation, HIRA & EIA, Permit to work and Fire Safety.
- › Complied for 100% recycling of EPR E-Waste and EPR PWM processing and EPR PWM Compliance.
- › Integration Management System consists of ISO9001, ISO14001 & ISO45001 successful audit certification through TUV- Nord.
- › Monthly EHS base awareness campaign drive by Corporate EHS.
- › Conducted EHS internal audit for all manufacturing sites and conducted self assessments on critical aspects of machine guarding safety, fire safety, electrical safety & IS14489 etc.,
- › CGCEL EHS Management System Audit Tools – Annual CGCEL EHS Management System will cover in EHS Audit. InProgress.
- › Plant Wise Job Work Identification, ensure the legal and Workplace Safety.
- › Indian Green Building Council – Score Card & Training to Environmental Champion is in Progress.



## Board’s Report

› Vadodara unit has conserved approximately 31% of water over the last fiscal year.

### 38.6 Health:

Crompton has initiated the annual medical health checkup for its white collar employees across organization. Almost all manufacturing sites are well established with occupational

health center and accommodated with trained doctor and nurses.

Corporate EHS with the support of corporate HR has sustained the monthly health related training and awareness programmes with the support of expert doctors from “**Doc-Online**”, witnessing excellent participation from ‘sales & non-sales’ employees in online presentation.

### Packaging Materials and Process

The Company has adopted recycling and reuse of metal bins for the handling of semi-finished components for selected categories, thereby eliminating wooden packaging. The Company is investing to secure cargo during dispatches by improving loading procedures.

this Integrated Annual Report. The Company’s CSR Policy is available on the website of the Company and can be accessed at [https://reports.crompton.co.in/shopify/public/files/U6kk0A8Uoy\\_Corporate-Social-Responsibility-Policy-1.pdf](https://reports.crompton.co.in/shopify/public/files/U6kk0A8Uoy_Corporate-Social-Responsibility-Policy-1.pdf)

The Chief Financial Officer of the Company has certified that CSR funds disbursed for the projects have been utilized for the purposes and in the manner as approved by the Board.

## 40. Sexual Harassment at Workplace

Your Company is firmly committed to creating a safe and respectful workplace, free from any form of harassment, including sexual harassment. The Company has implemented a comprehensive policy addressing sexual harassment at the workplace, in line with legal requirements and best practices. This policy includes preventive measures, robust grievance redressal mechanisms, and regular training programs to raise awareness among employees about their rights and responsibilities. Your Company fosters an inclusive culture where employees feel empowered to report any inappropriate behavior without fear of retribution. By prioritizing workplace safety and dignity, The Company not only upholds its commitment to ethical conduct but also reinforces a positive work environment that promotes productivity and mutual respect.

Additionally, your Company continuously works towards fostering a work culture that promotes respect and dignity of

all women employees throughout the organization, aiming to provide an empowering and supportive atmosphere at workplace.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee (“**ICC**”) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**the POSH Act**”). The ICC includes an external member who serves as an independent POSH consultant with relevant expertise. Further, as a good governance practice, the Company strives to conclude the complaints received under POSH within a period of 15 (Fifteen) days.

Furthermore, the Company has formulated a comprehensive policy on prevention, prohibition and redressal against sexual harassment of women at workplace, which aligns with the POSH Act. This policy covers all employees including permanent, contractual, temporary and trainees. The said policy has been made available on the internal portal of the Company as well as the website of the Company which can be accessed at [https://reports.crompton.co.in/shopify/public/files/UxKXXDfbtE\\_PoSH-at-Workplace-19May2023\\_updated.pdf](https://reports.crompton.co.in/shopify/public/files/UxKXXDfbtE_PoSH-at-Workplace-19May2023_updated.pdf)

Your Company has taken proactive measures to promote awareness and compliance with the POSH Act, including developing of e-learning modules and conducting of e-learning sessions on POSH to keep employees informed of these policies. This not only ensures compliance and a well-regulated environment but also helps us achieve our organizational objectives. Additionally, awareness

programmes on POSH have been organized throughout the year to sensitize the employees on upholding the dignity of their female colleagues in the workplace, reaching all employees across various locations. Moreover, a Toll-Free Number has been provided to facilitate the telephonic registration of any POSH complaints, further enhancing accessibility and support for employees.

The details of complaint(s) received, and action taken by the Company are presented before the Audit Committee of the Board of Directors. During the year under review, 1 (One) case of sexual harassment was reported, which was thoroughly investigated and resolved in accordance with the provisions of the POSH Act. Further there are no cases pending for resolution for more than 90 (Ninty) days.

## 41. Registrar & Share Transfer Agent (“R&T/RTA”)

M/s. KFin Technologies Limited is the RTA Agent of your Company. Their contact details are mentioned in the Report on Corporate Governance which forms part of this Integrated Annual Report.

## 42. Listing

The equity shares of your Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (collectively referred to as “Stock Exchanges”). The Non-Convertible Debentures (“**NCDs**”) of the Company are listed on the Debt Segment of NSE.

Your Company has paid the Listing fees for Equity Shares to both the

During the year Company has received multiple awards towards its excellence in EHS which are as follows;

Award	Authority	Division/ Unit
Gold in Safety category	9 <sup>th</sup> OHSSAI Annual HSE Excellence & ESG Global Awards 2024.	Fan-Kundaim, Goa and Pump- Ahilyanagar, Maharashtra plants
Safety category	ESG Global Awards 2024	Goa-Bethora Plant
Leader Award	OHSSAI Global Conclave & Annual Awards 2025	Kundiam and Pump Ahilyanagar
Workplace safety Excellence	Greentech Global Workplace Safety Awards 2024	Fan Division - Goa-Bethora Plant
Outstanding Performance in Safety Award	Green Triangle Society Safety Award 2024	Bethora – Goa Plant
Safety Professional Award	OHSSAI Global Conclave & Annual Awards 2025	Ahilyanagar and Kundaim

## 39. Corporate social responsibility (“CSR”) framework & vision

Your Company believes that economic value and social value are inter-linked, and it has a commitment towards the inter-dependent ecosystem consisting of various stakeholders. In addition to that Corporates have a significant role to play in bringing about social change and Crompton has kept its social and development mandate flexible and responsive to development challenges.

Your Company has chosen the grant-making approach, strategically selecting the implementation partners with required expertise in their respective sector and strong community connection to effectively impact the lives of the end beneficiary. Aligned with its long-term commitment to create positive and shared value for its stakeholders, the CSR programmes address developmental priorities as identified by the Act, aiming to ignite a positive social change. The Company’s CSR initiatives have undergone significant evolution, primarily executed through

the Crompton CSR Foundation, focusing on key areas such as skill and entrepreneurship development, water conservation, community care, and employee engagement. For detailed information, please refer to page number 114-127 of this Integrated Annual Report.

The Company has constituted a CSR Committee in terms of the requirements of Section 135 of the Act read with the rules made thereunder. Details of the same is provided in the Report on Corporate Governance which forms part of

## Board’s Report

Stock Exchanges and Listing fees for NCDs to the NSE for the Financial Year 2024–25 and 2025–26.

### 43. Directors’ Responsibility Statement

Your Directors would like to assure the Members that the Financial Statements for the year under review confirm in their entirety the requirements of the Act and guidelines issued by SEBI. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS), 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:

1.

in preparation of the annual accounts for the Financial Year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures.
2.

they have selected the accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period.
3.

they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the

assets of the Company and for preventing and detecting fraud and other irregularities.

4.

the annual accounts are prepared on a going concern basis.
5.

they have laid down internal financial controls, which are adequate and are operating effectively.
6.

they have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

### 44. Integrated Reporting

The Company has diligently prepared an Integrated Annual Report, incorporating a comprehensive array of financial and non-financial information. This report aims to provide Members with the necessary insights to make informed decisions and gain a better understanding of the Company’s long-term perspective. The Report also touches upon various aspects such as organisation’s strategy, governance framework, performance and prospects of value creation based on the 6 (Six) forms of capital viz. Financial Capital, Manufacturing Capital, Intellectual Capital, Human Capital, Social & Relationship Capital and Natural Capital.

### 45. 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 year under review:

- ›

Issue of equity shares with differential rights as to dividend,

voting or otherwise as per Section 43(a)(ii) of the Act;

- ›

Issue of Shares including Sweat Equity Shares to the employees of the Company under any scheme as per provisions of Section 54(1) (d) of the Act;
- ›

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;
- ›

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;
- ›

The MD & CEO does not receive any remuneration or commission from any of its Subsidiaries;
- ›

No fraud has been reported by the Auditors to the Audit Committee or the Board;
- ›

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 onetime settlement with any Bank or Financial Institution;
- ›

There was no revision in the Financial Statements and Board’s Report of the Company during the year under review;
- ›

There has been no change in the nature of business of the Company as on the date of this report; and
- ›

There are no proceedings, either filed by the Company or filed against Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during Financial Year 2024–25.

- ›

During the year under review, the company complied with the provisions of the Maternity Benefit Act 1961 along with all the applicable amendments & undertook necessary measures to ensure compliance for all eligible employees.

### 46. 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 Meetings;
- ›

Being informed of the rules, including voting procedures that govern General Meetings;
- ›

Opportunity to ask questions to the Board of Directors at General Meetings;
- ›

Effective Member participation in key corporate governance decisions such as election of Members of Board of Directors, appointment of Statutory Auditors, Declaration of Dividend, Adoption of financial statements etc;
- ›

Exercise of ownership rights by all the 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 redress;
- ›

To receive dividends and other corporate benefits like rights, bonus etc. once approved;
- ›

To inspect statutory registers and documents, including minutes books of the general meetings, as permitted under law; and
- ›

Any other rights as specified in the statutory enactments from time to time.

### 47. Acknowledgements

Your Director(s) place on records their deep appreciation to all the employees of the Company posted at all locations and levels for their whole-hearted efforts as well as collective dedication, commitment and contribution, which is vital in achieving the overall growth of the Company.

Your Director(s) would also like to thank the vendors, suppliers, bankers, financial institutions, employee unions, members, customers, dealers, Government authorities, Regulatory authorities, stock exchanges and all other business associates, consultants’ and other stakeholders for their continued cooperation and support

extended to the Company and the Management.

We look forward to continued support of all these associates in the future.

### 48. Cautionary Statement

Statements in the Board’s Report and the MDA 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 and on behalf of the Board of Directors

**D. Sundaram**  
Chairman  
DIN: 00016304

Place: Mumbai  
Date: May 15, 2025



# DIVIDEND DISTRIBUTION POLICY

## ANNEXURE 1

### 1. PREAMBLE

Regulation 43(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) requires the top 1000 listed entities based on their market capitalisation calculated on March 31 of every financial year to formulate a Dividend Distribution Policy, a web-link which shall be disclosed in their annual reports and on their websites. a Dividend Distribution Policy.

The Company being one of the top one thousand listed companies as per the market capitalisation as on the last day of the immediately preceding Financial Year, frames this Policy to comply with the requirements of the Listing Regulations.

### 2. PHILOSOPHY/ OBJECTIVE

The Dividend Policy of the Company aims to strike a balance between the dual objectives of rewarding shareholders through Dividends and ploughing back earnings to support sustained growth.

The objective of this Policy is to reward the shareholders of the Company by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for future growth of the Company. Towards this end, the Policy lays down parameters to be considered

by the Board of Directors of the Company for declaration of Dividend from time to time. Through this Policy, the Company would endeavour to maintain a consistent approach to Dividend pay-out plans.

### 3. DEFINITIONS

“Act” shall mean the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.

“Applicable Laws” shall mean the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.

“Board or Board of Directors” shall mean the Board of Directors of the Company.

“Company” shall mean Crompton Greaves Consumer Electricals Limited and wherever the context requires, shall signify the Company acting through its Board.

“Dividend” shall mean Dividend as defined under Companies Act, 2013.

“Financial Year” shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year.

“Policy or this Policy” shall mean this Dividend Distribution Policy and as may be amended from time to time.

“SEBI Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

### 4. PARAMETERS FOR DECLARATION OF DIVIDEND

In line with the philosophy stated above, the Board of Directors of the Company, shall consider the following parameters for declaration of Dividend:

#### FINANCIAL PARAMETERS / INTERNAL FACTORS:

- › Consolidated net operating profit after tax;
- › Accumulated reserves;
- › Working capital requirements;
- › Capital expenditure requirements;
- › Resources required to fund acquisitions and/ or new businesses;
- › Cash flow required to meet contingencies;
- › Outstanding borrowings;
- › Past Dividend Trends (whenever applicable);
- › Earnings outlook;
- › Expected future capital/ liquidity requirements;

- › Any other relevant factors and material events.

#### EXTERNAL FACTORS:

- › Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws;
- › Dividend pay-out ratios of companies in the same industry;
- › Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or of its clients;
- › Any political, tax and regulatory changes in the geographies in which the Company operates;
- › Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- › Any changes in the competitive environment requiring significant investment;
- › Inflation rate;
- › Cost of external financing;
- › Any other relevant factors and material events.

### 5. UTILISATION OF RETAINED EARNINGS

The profits earned by the Company can either be retained in business and used for acquisitions, expansion or diversification, or it can be

distributed to shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as Dividend after having due regard to the parameters laid down in this Policy.

### 6. DIVIDEND PAYOUT

The dividend payout in each financial year, including interim dividends, will be decided by the Board keeping in mind the above-mentioned criteria. Special dividends, if any, will be declared in addition to the regular dividend payout.

### 7. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

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

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital.
- Significant higher working capital requirements adversely impacting free cash flow.
- Whenever it undertakes any acquisitions or restructuring or joint ventures requiring significant allocation or reduction of capital.
- Whenever it proposes to utilise surplus cash for buy-back of securities or

- In the event of inadequacy of profits or whenever the Company has incurred losses.

### 8. DIVIDEND ELIGIBILITY

The Company has only one class of equity shareholders and does not have any preference share capital.

### 9. POLICY REVIEW, UPDATES AND AMENDMENTS

This policy will be reviewed annually by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company. The Board has the right to change/ amend the policy as may be expedient taking into account the law for the time being in force.

Any changes or revisions to the policy will be disseminated on the Company’s Website.

In the event of any amendment(s), clarification(s), circular(s), provision(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then the same shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.

Declaration of Dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element or the Policy will be regarded as deviation. Any

Board’s Report

ANNEXURE 2

such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board.

**10. EFFECTIVE DATE**

The policy was first approved by the Board of Directors on

**11. DISCLOSURE**

This Policy, as approved by the Board of Directors, at its meeting held on October 25, 2016, and amended thereafter

October 25, 2016 and has been amended by the Board of Directors on February 02, 2023 and is effective from February 02, 2023.

shall be disclosed in the Annual Reports and hosted on the website of the Company <https://www.crompton.co.in/>

**12. CONFLICT IN POLICY**

In the event of any conflict between this Policy and the provisions contained in the Listing Regulations, the Regulations shall prevail.

FORM AOC-1		
(Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures)		
PART “A”: SUBSIDIARIES		
Sl. No.	Particulars	Details
1.	Name of the subsidiary	(i) Nexustar Lighting Project Private Limited (“NLPPL”) (ii) Pinnacles Lighting Project Private Limited (“PLPPL”) (iii) Crompton CSR Foundation (“CCF”) (iv) Butterfly Gandhimathi Appliances Limited (“BGMAL”)
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable as above-mentioned subsidiaries are Indian Subsidiaries
4.	Share capital	(i) NLPPL : Authorised Capital: ₹ 10.00 Crore Paid-Up Capital: ₹ 7.50 Crore (ii) PLPPL : Authorised Capital: ₹ 10.00 Crore Paid-Up Capital : ₹ 6.70 Crore (iii) CCF : Authorised Capital: NA Paid-Up Capital : NA (iv) BGAL : Authorised Capital: ₹ 40.00 Crore Paid-Up Capital : ₹ 17.88 Crore
5.	Reserves & Surplus	(i) NLPPL : ₹ 2.93 Crore (ii) PLPPL : ₹ 2.65 Crore (iii) CCF : Nil (iv) BGMAL: ₹ 307.40 Crore
6.	Total Assets	(i) NLPPL : ₹ 16.19 Crore (ii) PLPPL : ₹ 15.67 Crore (iii) CCF : ₹ 0.65 Crore (iv) BGMAL: ₹ 469.91 Crore
7.	Total Liabilities	(i) NLPPL : ₹ 5.76 Crore (ii) PLPPL : ₹ 6.32 Crore (iii) CCF : ₹ 0.65 Crore (iv) BGMAL: ₹ 144.63 Crore
8.	Investments	(i) NLPPL : ₹ 10.46 Crore (ii) PLPPL : ₹ 8.22 Crore (iii) CCF : Nil (iv) BGMAL: ₹ 84.48 Crore
9.	Turnover	(i) NLPPL : ₹ 0.96 Crore (ii) PLPPL : ₹ 1.01 Crore (iii) CCF : Nil (iv) BGMAL: ₹ 864.50 Crore
10.	Profit before taxation	(i) NLPPL : ₹ 1.31 Crore (ii) PLPPL : ₹ 1.01 Crore (iii) CCF : ₹ 0.65 Crore (iv) BGMAL: ₹ 43.95 Crore



Board’s Report

Sl. No.	Particulars	Details
11.	Provision for Taxation	(i) NLPPL : ₹ 0.26 Crore (ii) PLPPL : ₹ 0.24 Crore (iii) CCF : Nil (iv) BGMAL: ₹ 11.41 Crore
12.	Profit after Taxation	(i) NLPPL : ₹ 1.05 Crore (ii) PLPPL : ₹ 0.77 Crore (iii) CCF : ₹ 0.65 Crore (iv) BGMAL: ₹ 32.53 Crore
13.	Proposed dividend	(i) NLPPL:- 27% i.e. ₹ 2.70 per share on face value of ₹ 10 each (ii) PLPPL:- 24.5% i.e. ₹2.45 per share on face value of ₹ 10 each (iii) CCF: Nil (iv) Butterfly: Nil
14.	% of shareholding	(i) NLPPL : 100% (ii) PLPPL : 100% (iii) CCF : 0* (iv) BGAL: 75%#

*\*Crompton CSR Foundation, a Company incorporated under Section 8 of the Act (being a Company limited by guarantee not having share capital) primarily with an objective of undertaking/ channelising the CSR activities of the Company, is a subsidiary of the Company with effect from May 01, 2019. Based on the control assessment carried out by the Company, the same is not consolidated as per Ind AS 110.*

*#BGMAL became a subsidiary of the Company w.e.f. March 30, 2022. During the year in accordance with regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, after acquisition of 55% stake of Butterfly on March 30, 2022, an open offer was made by the Company for acquisition of upto 26% of the issued and paid-up equity share capital of Butterfly from its public Members. The open offer was fully subscribed and therefore the Company’s holding increased from 55% to 81% w.e.f. June 4, 2022. To comply with the minimum public shareholding (“MPS”) requirements mandated under Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended, read with Regulation 38 of the SEBI Listing Regulations, 2015, the Company divested 6.00% of the issued and paid-up equity share capital of Butterfly on September 20, 2022, & September 21, 2022, through Offer for Sale (“OFS”) mechanism, which resulted into decrease in holding from 81% to 75%.*

1. Names of subsidiaries which are yet to commence operations: **Nil**
2. Names of subsidiaries which have been liquidated or sold during the year: **Nil**

PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Act related to Associate Companies and Joint Ventures:

Not Applicable as there are no associates and joint ventures

Name of Associates/ Joint Ventures		
1.	Latest Audited Balance Sheet Date	NA
2.	Shares of Associates/ Joint held by the Company at the year end:	NA
	No.	NA
	Amount of Investment in Associates/ Joint Venture	NA
	Extent of Holding %	NA
3.	Description of how there is significant influence	NA
4.	Reason why the Associate(s)/ Joint is not consolidated	NA
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	NA
6.	Profit/ Loss for the year:	NA
	i. Considered in Consolidation	NA
	ii. Not Considered in Consolidation	NA

1. Names of associates or joint ventures which are yet to commence operations: **Nil**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **Nil**

For **and on behalf of Board of Directors**

<b>D. Sundaram</b> Chairman DIN: 00016304	<b>Promeet Ghosh</b> MD & CEO DIN: 05307658	<b>Sanjiv Kakkar</b> Non-Executive Independent Director DIN: 00591027
<b>Kaleeswaran Arunachalam</b> Chief Financial Officer	<b>Rashmi Khandelwal</b> Company Secretary M. No. A28839	

Place: Mumbai  
Date: May 15, 2025

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)  
ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

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

1. Brief outline on CSR Policy of the Company:

Company’s CSR strategy framework is based on the principles of ‘Responsible Business’ and ‘Shared Value’. The CSR programme framework is both in line with the Company’s long-term commitment to building positive value for the communities (including key stakeholders) as well as addresses key developmental priorities as identified by Schedule VII to the Act.

2. Composition of CSR Committee:

Sl. No.	Name of Director	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 (DIN: 00059877)	Non-Executive Vice Chairman, Committee Chairman	1	1
2.	Mr. D. Sundaram (DIN: 00016304)	Non-Executive, Independent Director, Member	1	1
3.	Ms. Smita Anand (DIN: 00059228)	Non-Executive, Independent Director, Member	1	1
4.	Mr. Promeet Ghosh (DIN: 05307658)	MD & CEO, Member	1	1

3. Provide the web-link(s) 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.crompton.co.in/pages/board-committee>
- CSR Policy: <https://www.crompton.co.in/pages/corporate-governance>
- CSR Project: <https://www.crompton.co.in/pages/csr#>

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.

The Impact assessment of projects completed in Financial Year 2023-2024 is ongoing, while assessment for Financial Year 2024-2025 projects will begin after Financial Year 2026. The web-link will be updated once the reports are ready to publish.

- 5.
- (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 668.51 Crore
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 13.37 Crore
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NA
- (d) Amount required to be set-off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 13.37 Crore

- 6.
- a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 12.70 Crore
- b) Amount spent in Administrative Overheads: ₹ 0.60 Crore
- c) Amount spent on Impact Assessment, if applicable: ₹ 0.07 Crore
- d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 13.37 Crore
- e) CSR amount spent or unspent for the Financial Year: Nil

Total AmountSpent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13.37 Crore	NA	NA	NA	NA	NA

f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section135	13.37 Crore
(ii)	Total amount spent for the Financial Year	13.37 Crore
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.003 Crore
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.003 Crore

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. 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 ₹)
					Amount (in ₹)	Date of Transfer	
1							
2					NA		
3							



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:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
	NA			NA			

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Place : Mumbai  
Date: May 15, 2025

For and on behalf of Board of Directors

Promeet Ghosh  
MD & CEO  
DIN:05307658

Shantanu Khosla  
Vice Chairman of  
CSR Committee  
DIN:00059877

D Sundaram  
Chairman  
DIN:00016304

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 sub section (1) of section 188 of the Companies Act, 2013 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 year ended March 31, 2025 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 Crore
					Not Applicable			

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, 2025, are as follows

Particulars	Nature of Relationship	Duration of Contract	Date of Approval by Board*	Salient Terms	Amount in Crore
Nature of Contract					
Rendering management resources on secondment basis					
Butterfly Gandhimathi Appliances Limited (“Butterfly”)	Subsidiary Company	2 years (November 1, 2022 to October 31, 2024)	October 26, 2022	Mr. Rajasekar T. (To provide management resources for Human Resources on Secondment to butterfly)	0.09 <sup>§</sup>
				Mr. Gaurishankar Mathapati (To provide management resources for IT on Secondment to Butterfly)	0.31 <sup>#</sup>
				Mr. Vaibhav Kunkolienkar (To provide management resources for Procurement on Secondment to Butterfly)	(8.23) <sup>^</sup> @
		2 Years (February 2, 2023 to February 1, 2025)	February 1, 2023	Ms. Shristi Gupta (To provide management resource for all Planning & Logistics related activities on Secondment to Butterfly)	0.59
		2 years (March 25, 2023, to March 24, 2025)	March 25, 2023	Mr. Viral Sarvaiya (To provide management resources for all Secretarial related activities on Secondment to Butterfly)	0.26 <sup>l</sup>
		2 years (March 30, 2024 to March 29, 2026)	February 14, 2024	Mr. Rangarajan Sriram (To provide management resources on Secondment to oversee business operations and provide the identified services to Butterfly)	(0.19) <sup>^</sup> @
		2 years (August 12, 2023 to August 11, 2025)	August 12, 2023	Mr. Rishabh Bengani (To provide management resources to oversee finance related activities on Secondment to Butterfly)	0.07 <sup>%</sup>

Board’s Report

ANNEXURE 5

Particulars	Nature of Relationship	Duration of Contract	Date of Approval by Board*	Salient Terms	Amount in Crore
		2 Years (November 9, 2023 to November 8, 2025)	November 3, 2023	Mr. V A Jospeh (To provide management resources for overseeing finance functions on Secondment to Butterfly)	1.57
		NA	May 15, 2024	Mr. Krushnakant Sinojia (To provide management resources for overseeing R&D functions on Secondment to Butterfly)	0.85
		NA	May 15, 2024	Ms. Swetha Sagar G (To provide management resources for overseeing Business as Manager & CBO on Secondment to Butterfly)	1.33
		NA	May 15, 2024	Mr. Bharath Venkatesh (To provide management resources for overseeing HR functions on Secondment to Butterfly)	0.34
		NA	July 30, 2024	Mr. Nijanthan AS (To provide management resources for overseeing Finance functions on Secondment to Butterfly)	0.25
		Purchase of Goods			
Butterfly	Subsidiary Company	April 1, 2024 to March 31, 2025	March 18, 2024	Purchase of Goods	31.08
Butterfly	Subsidiary Company	Onetime	July 30, 2024	Purchase of Car	0.09
Availing or rendering of services					
Butterfly	Subsidiary Company	April 1, 2024 to March 31, 2025	March 18, 2024	Management service for rendering manpower	2.06
Butterfly	Subsidiary Company			Management service for receiving manpower	1.02
Butterfly	Subsidiary Company			Management fees for Legal support	0.70
Pinnacles Lighting Project Private Limited	Wholly Owned Subsidiary			Management Services rendered	0.05
Nexustar Lighting Project Private Limited	Wholly Owned Subsidiary			Management Services rendered	0.05
Crompton CSR Foundation	Wholly Owned Subsidiary of Crompton			Undertaking the CSR activities of the Company	12.78
Leasing of Property					
Butterfly	Subsidiary Company	April 1, 2024 to March 31, 2025	March 18, 2024	Consideration for usage of trademark of Crompton (Royalty Fees)	0.46
Butterfly	Subsidiary Company			Sharing of Company's office at various places with Butterfly's employees	0.29
Butterfly	Subsidiary Company			Sharing of Butterfly's office at various places with Company's employees	0.0020

*\*All the transactions being in the ordinary course of business and at arm's length basis were approved by the Audit Committee and subsequently noted by the Board.*

<sup>§</sup> Resigned w.e.f. May 17, 2024  
<sup>#</sup> Resigned w.e.f. December 9, 2024  
<sup>^</sup> Resigned w.e.f. September 13, 2024  
<sup>!</sup> Resigned w.e.f. April 7, 2025  
<sup>&</sup> Resigned w.e.f. August 7, 2024  
<sup>@</sup> Negative amounts pertains to reversal.  
<sup>%</sup> Resigned w.e.f. July 12, 2024

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

SECRETARIAL AUDIT REPORT  
FORM MR-3

For The Financial Year Ended March 31, 2025

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

To,  
The Members,  
**Crompton Greaves Consumer Electricals Limited**

Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Crompton Greaves Consumer Electricals Limited (hereinafter 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.

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(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;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)

(a) The Securities and Exchange Board of India

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)



Board’s Report

ANNEXURE A

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and	India with respect to Board and General Meetings.	Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)	(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	
(vi) Other laws specifically applicable to the Company namely	During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.	Decisions at the Board Meetings were taken unanimously.
› Bureau of Indian Standards. The National Standards Body of India	We further report that:  The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.	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.
› Bureau of Energy Efficiency (Government of India, Ministry of Power)		We further report that during the audit period no event occurred which had bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
We have also examined compliance with the applicable clauses of the following:		
(i) Secretarial Standards issued by The Institute of Company Secretaries of		

To,  
The Members,  
**Crompton Greaves Consumer Electricals Limited**

Our report of even date 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 process 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 process 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 procedure 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 Parikh & Associates**  
Company Secretaries

**Mitesh Dhabliwala**  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331G000351905  
PR No.: 6556/2025

Place: Mumbai  
Date: May 15, 2025

**For Parikh & Associates**  
Company Secretaries

**Mitesh Dhabliwala**  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331G000351905  
PR No.: 6556/2025

Place: Mumbai  
Date: May 15, 2025

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.

Board’s Report

ANNEXURE 6

Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for 2024-25:

The median remuneration of employees of the Company during 2024-25 was ₹ 10,18,848 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 is provided in the table below:

Sr. No.	Name of Director	Designation	% increase/ decrease in remuneration	Ratio of Remuneration of each Director to Median Remuneration of employees for 2024-25
1	Mr. D Sundaram (DIN: 00016304)	Chairman & Non-Executive Independent Director^	8.04	3.59
2	Mr. Promeet Ghosh (DIN 05307658)	Managing Director & Chief Executive Officer#	164.91	104.85
3	Mr. Shantanu Khosla (DIN:00059877)	Non-Executive Director & Vice Chairman*^	(84.16)	83.45
4	Mr. P M Murty (DIN: 00011179)	Non-Executive Independent Director^	3.30	3.38
5	Ms. Smita Anand (DIN: 00059228)	Non-Executive Independent Director^	(1.18)	2.46
6	Mr. P R Ramesh (DIN: 01915274)	Non-Executive Independent Director^	16.25	2.90
7	Ms. Hiroo Mirchandani (DIN: 06992518)	Non-Executive Independent Director^	5.81	2.50
8	Mr. Anil Chaudhary	Non-Executive Independent Director^	821.71	1.36
9	Mr. Sanjiv Kakkar	Non-Executive Independent Director^	875.05	1.44

\* Consequent to cessation as Managing Director w.e.f. April 30, 2023, Mr. Shantanu Khosla was evaluated to Executive Director & Vice Chairman from May 1, 2023, until April 30, 2024, and then he assumed the position of Non -Executive Vice Chairman w.e.f. May 1, 2024 till December 31, 2025. The decrease in remuneration is due to a change in designation effective May 1, 2024. He transitioned from an Executive to a Non-Executive Director, and now receives only sitting fees for attending Board and Committee meetings, leading to a significant reduction in total remuneration.

^ The remuneration of Non-Executive Director and Independent Directors consists of sitting fees and commission. Commission is for 2023-2024 paid in 2024-25.

# Mr. Promeet Ghosh was appointed as the Executive Director w.e.f April 24, 2023, and as the Managing Director & Chief Executive Officer w.e.f May 1, 2023. The increase in remuneration of Mr. Promeet Ghosh is pursuant to his appointment as MD & CEO. The remuneration includes fixed pay and variable pay. Variable pay is for 2023-2024 paid in 2024-25.

b. The percentage increase in remuneration of Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the financial year:

The percentage Increase/ (Decrease) in remuneration of Chief Financial Officer (CFO), Company Secretary or Manager, if any, in Financial Year 2024-25 is provided in the table below:

Sl. No.	Name of Director/ KMP	Designation	% Increase/ (Decrease) in Remuneration in 2024-25
1.	Mr. Kaleeswaran Arunachalam	Chief Financial Officer	15.68%
2.	Ms. Rashmi Khandelwal	Company Secretary & Compliance Officer	5.31%

c. The percentage increase in the median remuneration of employees in the Financial Year

In the Financial Year, there was an increase of 3% in the median remuneration of employees.

d. The number of permanent employees on the rolls of the Company

There were 2,330 permanent employees including permanent workers on the rolls of the Company as on March 31, 2025.

e. 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 last Financial Year 2024-25 was 7.4% whereas the increase in managerial remuneration for the Financial Year 2024-25 was 14.7% (Calculated as per Weighted Average).

The remuneration of Independent Director(s) consists of commission and 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.

f. 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: Mumbai  
Date: May 15, 2025

D Sundaram  
Chairman  
DIN: 00016304

Pursuant to Clause (m) of Sub-section 3 of Section 134 of the Act and Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY:

(a) Energy Conservation Measures Taken

As a leading brand in electrical sector your Company has taken various initiatives towards energy conservation. This is reflected in our product development efforts and process upgrades.

Some of the activities carried out in the area of energy conservation were:

1. 9418 KWH Renewable Power Use @ Bethora (2538 KWH) & Ahilyanagar (6880 KWH) Plant.
2. Energy Efficient HVLS Fan Installation at Ahmednagar Nagar Plant.
3. Timer Integration of Auto On/ Off Operation of Lighting & Fan at Shop Floor.
4. Sky Light Sheet Implementation to Optimize Lighting Load at Baddi Unit-3.
5. Tapping Machine Running Hrs Optimized Through Proximity Sensor Integration at Kundaim Plant
6. Timer Based Lighting & Fan On/ Off Operation for Canteen at Kundaim Plant.
7. Material Transfer Conveyor Implementation at Bethora Plant

(b) Capital Investment on Energy Conservation Equipment

Nil

B. TECHNOLOGY ABSORPTION:

The technology focus for the Company has been on process improvement for better quality, lower cost, new product development speed and to get the better technology working with international companies.

Some of the areas of technology focus and initiatives are:

1. Expanded presence in decorative lighting with launch of decorative battens and wall lights.
2. Introduced a range of high-wattage LED bulbs with advanced DoB technology for better efficiency.
3. Launched a range of Sensor products across lamps, battens and ceiling lights.
4. Introduced a range of festive lighting in addition to entering electrical accessories market.
5. Launched a range of Façade Lighting products for large customers.
6. Launched energy efficient Solar AIO series with Hybrid, PIR Sensor & Fixed dimming option.
7. Released High wattage Street lights with Integrated lens with highly efficient optics for highway projects.
8. Released High efficiency Flood Lights with ingress-protection lens in high wattages.
9. Launched High wattage flood lights up to 1000W for Sports application.

10. Launched integrated lens based Highbay range for industrial segment with improved efficiency uniform spread for Industrial sheds, warehousing etc.
11. Released new range of Solar stand-alone streetlight range for state & national highway application.
12. Launched new range of well glass for industrial segments like steel, cement, oil & gas and a new range of Decorative Street Lights to address city beautification opportunity.
13. Successfully launched Project Nucleus which focused on building inhouse BLDC platform thereby ensuring superior reliability, scalability & robustness in our future BLDC fans. This also shows our dedication to continuous technological improvement.
14. With growing emphasis on sustainability, Crompton implemented XTech motor technology for induction motors ensuring that all ceiling fans comply with the BEE standards and have a minimum of 1 star rating and are progressively energy efficient and ready for future stricter BEE transitions of the future.
15. Crompton factories are all certified by BIS for ceiling fans manufacturing.
16. Ceiling Fan range is 100% complied as per BEE star

rating guidelines and BIS guidelines.

17. Explored and implemented various material optimization/ alternate material introduction to improve sustainability in Fans.
18. Explored more sustainable packaging in ceiling Fans.
19. More focus on sustainable technologies development in fans.
20. Crompton launched new range of fans in Sure breeze (Super Briz Royale, Rushwind, and Ameo) with state-of-the-art design.
21. Crompton launched fans in Premium category including a four-blade fan (Avancer Swirl and Aura2 4Blade) with state-of-the-art design and specifications.
22. Expansion of the SilentPro category by launching Fluido Wave and Enso Induction – with a focus on aesthetics and developing a fluidic design range.
23. Expansion of BLDC range with Cookie IOT, Nucleoid and Niteo.
24. Launched India’s Highest Air Delivery Fan in Highspeed Category (Superflo).
25. Expansion of Highspeed category by launching Santos and Festo.
26. Launched 1<sup>st</sup> in industry, patented dry winding Series in OW pumps with plug and play convenience to consumer.
27. Successfully developed & launched CCP series

in India (Indigenization) thus de-risking the import supplies & quality issues.

28. Initiation of PLM Implementations for the Robust BOM Management & change management.
29. Launched MB High Flow series with efficient hydraulic and improved motor design to deliver higher discharge, take advantage in industrial hot & cold applications.
30. Development of 3-star and 5-star Induction Technology Fans.
31. Creation of the Best-in-Class BLDC Technology Platform – “Nucleus”.
32. Introduction of Next-Generation Plastic Blade Fan with “Fluidic” Design – “Fludio Wave”.
33. Enhancement of Airflow Experience with “Turbo Air Boost Technology” – “Superflo”.
34. Implementation of BIS Safety Norms (IS 302) Across All Non-Ceiling Fans.
35. Expansion of Product Portfolio with New Sweep Sizes – 24”, 36”, and 56”.
36. Successfully developed & launched WIN PLUS/ WIN DURA Series to cater to 2 floors homes with Double coating to provide protection against rust & longer life.
37. Launched SWJ Dura series with higher discharge & CED coating for longer life against corrosion.
38. Launched OW Higher HP (10-30HP) series with cost advantage.

39. Launched CCP Series & Higher HP STP Series in Specialty category.
40. Timely completion of QCO related changes in SDA range.
41. Mixer Grinder Portfolio expansion in 500 W range with Nigella Pro, Nigella Classic and D500 Blend.
42. Premium Mixer Grinder with 1000W MG launch.
43. Launched New range of JMG – Fresh Mix Ultra and Classic Models.
44. First ever launch of Nutri blender range – Ameo Blend.
45. Launched 1600 W induction cooktop.
46. First time launched Closed Lid Rice Cooker range.
47. Launch of Ameo Trio – 3 in one blender range.
48. Test Lab Commission for SDA in new office.
49. New Product Category added in LKA: Crompton Inhouse Designed FlamePro cooktop Range launched with Inhouse manufacturing at Butterfly factory: 4 SKUs in range of Mass Premium Category.
50. BIS completed for FlamePro cooktop range 4 SKU’s.
51. Chimney BIS done for Vadodara factory from September 2024.
52. BIS approved Chimney inhouse manufacturing started Vadodara factory.
53. Differentiated Integrated pan support category Grandart Built In HOB’s.



54. Launched Fully Sealed Burners(Spillproof) Range in HOB’s.

55. Differentiated Matt Blue Glass implemented with SensoSafe Plus Built in HOB’s.

56. 17 SKU’s. 6L Range extension in Hydrajel series, Classic Clx (10L,15L,25L) and Amica Pro series in (6L,10L,15L,25L) launched in square body, Rapid Jet plus launched in 10L & 15 L capacity. in addition to existing Versa horizontal Series, LHS variant (10L,15L & 25L) launched, Classic plus (6L,10L,15L& 25L) launched.

57. Launched two new SKU in IWH as a extension of existing series, insta bliss 5L & Aqua DLX 5L available in 3 kW. New model of Gas Geyser Insta Energeia LPG 6L Launched in gas geyser segment.

58. Strengthened the desert series with innovative extensions with more convenience features. Launched Jedi DAC 95, Aura DAC (70L 90L & 110L) & Avancer DAC 65L,80L & 95L with good aesthetics covering all capacity range. also, Aura PAC 38L ready.

59. Solar Mast Products Up to 600W solution in single mast (First time in Crompton).

60. High wattage Solar Standalone Street Light up to 150W (First time in Crompton).

61. Façade Lighting range with DMX Controller (First in Crompton).

62. High Ambient High Bay Withstand up to 60 Deg Ambient temperature. (First time in Crompton).

63. Energy-Saving Motion Sensor Lights (Bulb & Panel).

64. Portable Emergency Backup Lights (Table Lamp & Lantern).

65. Mosquito Racket for Human Health.

66. Decorative Lights (Deco Batten, Festive Lights, RGB Strip).

67. Timely completion of QCO related changes in SDA range.

68. Premium Mixer Griner with 1000W MG launch.

69. Launched New range of JMG – Fresh Mix Ultra and Classic Models.

70. First ever launch of Nutri blender range – Ameo Blend.

71. First time launched Closed Lid Rice Cooker range.

72. Launch of Ameo Trio – 3 in one blender range.

73. Test Lab Commission for SDA in new office.

74. Our 79% of water heater are certified for 5 star by

Bureau of Energy Efficiency (“BEE”).

75. State of art lab creation in Mumbai Innovation & Experience Centre. Inhouse Testing facility created for the product and components in Water Heater.

76. Building Capabilities in Electronics to cater to future technology requirements.

77. All our storage water heaters are energy efficient and certified as per the new amendment. 41. Our inhouse water heater Lab is in the process of NABL certification.

78. Investments in the latest software for simulation capability building.

79. Our inhouse water heater Lab is in the process of NABL certification.

80. Launched new model with Lowest noise (eliminated the water dripping noise) in air cooler industry.
- C. IMPORTED TECHNOLOGY
- Nil
- D. EXPENDITURE ON R&D:
- R&D expenditure for the year was: ₹ 84.66 crore
- E. FOREIGN EXCHANGE EARNINGS AND OUTGO:
- Foreign exchange earned: ₹ 104.82 Crore
- Foreign exchange used: ₹ 63.89 Crore
- AS PER THE DISCLOSURE REQUIREMENT SPECIFIED UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND SECTION 62(1)(b) OF THE ACT READ WITH RULE 12(9) OF THE COMPANIES (SHARE CAPITAL & DEBENTURES) RULES, 2014, THE FOLLOWING INFORMATION IS DISCLOSED WITH RESPECT TO EMPLOYEE STOCK BENEFIT PLANS
- I. Description of each ESOP that existed at any time during the year
- | Details of ESOP   | ESOP 2016  | ESOP 2019  | PSP-1 2016   | PSP-2 2016       |  |  |
|---|--|--|--|------------------|--|--|
| I. Description of each ESOP that existed at any time during the year: |  |  |  |                  |  |  |
| 1. Date of shareholders' approval                                     | October 22, 2016   | January 19, 2020 and amended on January 6, 2021  | October 22, 2016   | October 22, 2016 |  |  |
| 2. Total number of options approved under ESOP                        | 40,00,000  | 98,00,000  | 1,09,68,057  | 31,33,731        |  |  |
| 3. Vesting requirements   | As specified by the Nomination and Remuneration Committee subject to minimum one year from the date of grant   |  |  |                  |  |  |
| 4. Exercise price or pricing formula (₹)                              | Exercise Price is the closing market price on the Stock Exchange which has higher Trading Volume, as on the day prior to the date on which the Nomination and Remuneration Committee approves the grant. | Exercise Price is the closing market price on the Stock Exchange which has higher Trading Volume, as on the day prior to the date on which the Nomination and Remuneration Committee approves the grant. | PSP-1 2016: Exercise price per Option is ₹ 92.83<br><br>PSP-2 2016: Exercise price per Option is ₹ 185.66                                |                  |  |  |
| 5. Maximum term of options granted (years)                            | Options granted under ESOP 2016 would vest not earlier than one year and not later than five years from the date of grant.   | Options granted under ESOP 2019 would vest not earlier than one year and not later than five years from the date of grant.   | Options granted under PSP-1 2016 and PSP-2 2016 would vest not earlier than one year and not later than 10 years from the date of grant. |                  |  |  |
| 6. Source of shares (Primary, Secondary or combination)               | Primary  |  |  |                  |  |  |
| 7. Variation in terms of options                                      | There have been no variations in the terms of the options  |  |  |                  |  |  |
- II. Method used to account for ESOP
- The Group has calculated the employee compensation cost using the Fair value method of accounting for the Options granted. The stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the financial statements for the period April 1, 2024, to March 31, 2025, would be ₹ 8,85,79,429 (Rupees Eight Crore Eighty Five Lakh Seventy Nine Thousand Four Hundred and Twenty Nine).
- For and on behalf of the Board of Directors
- Place: Mumbai  
Date: May 15, 2025
- D Sundaram  
Chairman  
DIN: 00016304
- CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED | INTEGRATED REPORT 2024-25
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III. Option Movement during the year

1.	Number of options outstanding at the beginning of the year	6,06,233	78,83,560	Nil	Nil
2.	Number of options granted during the year	Nil	9,50,000	Nil	Nil
3.	Number of options forfeited/lapsed during the year	Nil	9,01,511	Nil	Nil
4.	Number of options vested during the year	Nil	10,15,249	Nil	Nil
5.	Number of options exercised during the year	4,05,788	2,96,396	Nil	Nil
6.	Total number of shares arising as a result of exercise of options	4,05,788	2,96,396	Nil	Nil
7.	Money realised by exercise of options (₹)	9,15,94,433	11,22,19,471	Nil	Nil
8.	Number of options outstanding at the end of the year	2,00,445	76,35,653	Nil	Nil
9.	Number of options exercisable at the end of the year	2,00,445	32,24,403	Nil	Nil

IV. Weighted average exercise price of options granted during the year whose

Details of ESOP	ESOP 2016	ESOP 2019	PSP-1 2016	PSP-2 2016
Weighted Average Exercise Price of Options Granted during the year whose				
i. Exercise price equals market price	Nil	432.05	Nil	Nil
ii. Exercise price is greater than market price	Nil	Nil	Nil	Nil
iii. Exercise price is less than market price	Nil	Nil	Nil	Nil
Weighted average fair value of options granted during the year whose:				
i. Exercise price equals market price	Nil	118.64	Nil	Nil
ii. Exercise price is greater than market price	Nil	Nil	Nil	Nil
iii. Exercise price is less than market price	Nil	Nil	Nil	Nil

V. Employee-wise details of options granted during the financial year 2024-25 to

Particulars	ESOP 2016	PSP-1 2016	PSP-2 2016	ESOP 2019
i. KMP and SMPs	Nil	Nil	Nil	Mr. Promeet Ghosh, MD& CEO - 9,50,000 options granted at ₹ 432.05
ii. Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	Nil	Nil	Nil	Mr. Promeet Ghosh, MD& CEO - 9,50,000 options granted at ₹ 432.05
iii. Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL			
Method and Assumptions used to estimate the fair value of options granted during the year:				
The fair value has been calculated using the Black Scholes Option Pricing model				

The Assumptions used in the model are as follows:

Particulars	ESOP 2016	PSP-1 2016	PSP-2 2016	ESOP 2019
1. Risk-Free Interest Rate	No grants during the year			6.56%
2. Expected Life				3.04
3. Expected Volatility				29.86%
4. Dividend Yield				0.69%
5. Price of the underlying share in market at the time of the option grant (₹)				432.05

Details of ESOP	ESOP 2016	ESOP 2019	PSP-1 2016	PSP-2 2016
Weighted Average share price of options exercised during the year:	419.43			

Exercise Price and weighted average remaining contractual life of outstanding options

Scheme Name	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Exercise Price (₹)
ESOP 2016	2,00,445	1.98	243.50
ESOP 2019	76,35,653	4.47	368.64
PSP-1 2016	Nil	Nil	Nil
PSP-2 2016	Nil	Nil	Nil
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (Ind AS) 33; “Earning Per Share”	₹ 8.75		

For and on behalf of the Board of Directors

Place: Mumbai  
Date: May 15, 2025

D Sundaram  
Chairman  
DIN: 00016304