

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's 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, 2024.

1. STATE OF THE AFFAIRS OF THE COMPANY

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

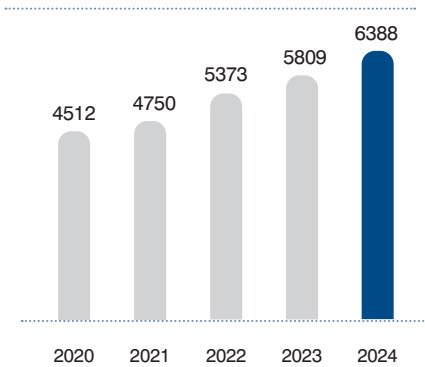
2. FINANCIAL PERFORMANCE

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

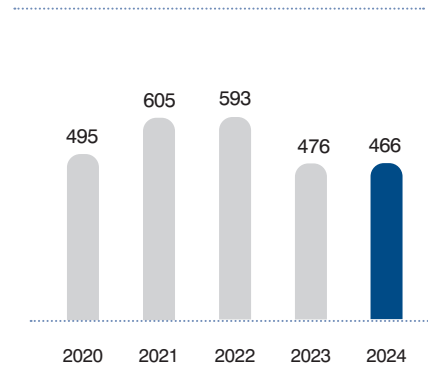
(₹ in Crore)

Particulars	Consolidated		Standalone	
	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23
Revenue from Operations	7,312.81	6,869.61	6,388.38	5,809.31
Other Income	67.39	66.78	60.34	74.41
Total Income	7,380.20	6,936.39	6,448.72	5,883.72
Profit before Tax	573.07	612.15	611.04	594.31
Tax Expenses	131.29	135.75	144.59	118.75
Profit for the year	441.78	476.40	466.45	475.56
Attributable to owners of the Company	439.92	463.21	466.45	475.56
Non-controlling Interest	1.86	13.19	--	--
Other Comprehensive Income (OCI)	(0.30)	(2.34)	0.55	(1.31)
Total Comprehensive Income	441.48	474.06	467.00	474.25
Owners of the Company	439.83	461.04	467.00	474.25
Non-controlling Interest	1.65	13.02	--	--
Opening Balance in retained earnings	2181.73	1964.50	2361.15	1,967.19
Amount available for appropriations	2624.57	2,340.14	2380.52	2,519.57
Appropriations				
Final Dividend Paid for 2022-23	(191.90)	--	(191.90)	--
Interim Dividend Paid for 2021-22	--	(158.41)	--	(158.41)
Closing balance in retained earnings	2432.67	2,181.73	2638.62	2,361.15

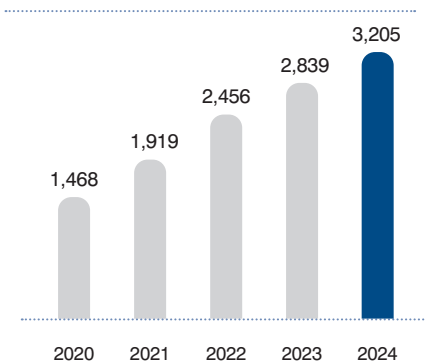
Sales
(₹ in Crore)



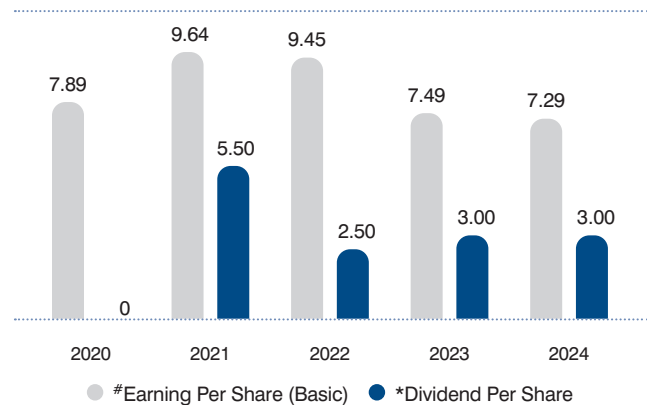
Earnings
(₹ in Crore)



Members Funds
(₹ in Crore)



EPS# (Basic) DPS*
(in ₹)



Note: All the above figures are on standalone basis

3. OVERVIEW/ OPERATIONS OF GROUP'S FINANCIAL PERFORMANCE

- Consolidated income, comprising Revenue from Operations and Other Income, for the year was ₹ 7,380.20 Crore, 6.40% higher compared to ₹ 6,936.39 Crore in Financial Year 2022-23.
- Total Consolidated Revenue from Operations for the year increased to ₹ 7,312.81 Crore vis-à-vis ₹ 6,869.61 Crore in Financial Year 2022-23.
- Consolidated Profit before Tax for the year was ₹ 573.07 Crore vis-à-vis ₹ 612.15 Crore in Financial Year 2022-23.

- Consolidated Profit after Tax for the year was ₹ 441.78 Crore compared to ₹ 476.40 Crore in Financial Year 2022-23.
- During the year under review, your Company's export business experienced growth. This growth underscores your Company's commitment to reach new customers 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

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 ₹ 192.93 Crore, working out to be payout ratio of 41.14%, for the Financial Year ended March 31, 2024.

The dividend, subject to the approval of the Members at the Annual General Meeting (“AGM”) to be held on **Friday, July 26, 2024**, 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. **Wednesday, July 10, 2024**.

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. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

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 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/aaeG1qQcuR_Dividend-Distribution-Policy-1.pdf

5. TRANSFER TO RESERVES

Your Directors do not propose to transfer of 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. MDA

In terms of the provisions of Regulation 34 read with Schedule V(B) of the SEBI Listing Regulations 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
- Research and Development
- Marketing
- Sustainability
- Supply Chain
- Quality
- People
- Opportunities
- 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:

Sl. No.	Name of the ESOP Scheme	No. of Shares
1	Crompton Performance Share Plan - 1 - 2016 (PSP 1 2016)	44,10,033
2	Crompton Performance Share Plan - 2 - 2016 (PSP 2 2016)	23,27,297
3	Crompton Employee Stock Option Scheme - 2016 (ESOP 2016)	2,59,930
4	Crompton Employee Stock Option (ESOP 2019)	-
	Total	69,97,260

Accordingly, the total paid-up share capital of the Company as on March 31, 2024, stood at ₹ 128.62 Crore divided into 64,31,06,979 equity shares of ₹ 2.00 (Rupees Two Only) each.

Further, during the year under review your Company has granted 25,55,000 equity shares under ESOP 2019 scheme.

8.2 Authorised Capital

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

Your Company has neither issued any shares with differential rights as to dividends, voting or otherwise nor issued any sweat equity shares during the year under review.

9. FINANCIAL LIQUIDITY

Consolidated cash and cash equivalent as on March 31, 2024, stood at ₹ 172.06 Crore (Rupees One Hundred Seventy Two Crore and Six Lakh Only) *vis-à-vis* ₹ 76.84 Crore (Rupees Seventy Six Crore and Eighty Four Lakh Only) in the previous year. The Company's working capital management is robust and involves a well organised process, which facilitates continuous monitoring and control over receivables, inventories and other parameters.

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 the date of the report are as follows:

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

The ratings reflects 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.

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 2022-23 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, 2024.

Further, your 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 are 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 not only ensures compliance and a well-regulated environment but also helps us achieve our organisational 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.

Standardising processes for better decision-making

To ensure data and IT system security, your Company has implemented a Single Sign-On (“SSO”) feature for authorised access to the systems and applications.

Your Company is standardising processes across key functions such as Innovation, Design, Procurement and Quality for superior decision-making. Additionally, shared services for Accounts Payable process have been implemented to drive process improvement and facilitate better decision-making, with potential for expansion to other operational areas.

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*, ensure integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention & detection of frauds & errors.

14. VIGIL MECHANISM/ WHISTLE BLOWER POLICY (“WB Policy”)

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

Your Company has formulated a WB Policy which provides adequate safeguards against victimisation 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 of the Board.

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 of your Company 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 The WB policy of the Company was last amended on May 19, 2023.

Your Company has also initiated awareness sessions on WB Policy for all regular employees across regions and plants along with an e-training module for both regular and new employees. Your Company has also provided an e-mail ID and a toll free number to its employees and vendors for registering any WB complaint.

17 (Seventeen) Whistle-Blower complaints were received during the Financial Year 2023-24 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, 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, 2024, was ₹ 1.98 Crore (including ₹ 0.96 Crore as Other Income). Profit after Tax was ₹ 0.65 Crore as compared to a profit of ₹ 0.50 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, O&M of LED Street Lights & 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 & Urban Development Department is on PPP basis.

Total Revenue for the Financial Year ended March 31, 2024, was ₹ 2.24 Crore (including ₹ 1.28 Crore as Other income) and Profit after Tax was ₹ 1.00 Crore as compared to ₹ 0.55 Crore in the previous year.

3. Crompton CSR Foundation
(CIN: U85300MH2019NPL324784)
(CSR Unique Identification No: CSR00001086)

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.

4. Butterfly Gandhimathi Appliances Limited
(CIN: L28931TN1986PLC012728)

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.

Total Revenue for the Financial Year ended March 31, 2024, ended was ₹ 936.14 Crore (including ₹ 4.86 Crore as Other Income) and Profit after Tax was ₹ 7.39 Crore as compared to a profit of ₹ 51.67 Crore in the previous year.

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.

15.2 Joint Ventures ("JVs")/ Associate Companies

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.

16. CONSOLIDATED FINANCIAL STATEMENTS

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 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 open for inspection and are also available on the website of Company and can be accessed at <https://www.crompton.co.in/pages/financial-reports#SubsidiariesFinancials>

The Company shall provide free of cost a copy of the Financial Statements of its Subsidiary Companies to the Members upon their request.

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 eminent professionals with proven competence and integrity. They bring in vast experience and expertise, strategic guidance and strong leadership qualities.

17.1 Directorate

a. Appointments/ Re-appointments and Retirement by rotation

The appointment and remuneration of Directors are governed by the Policy devised by the Nomination and Remuneration Committee ("**N&RC**") of your Company. The details of Nomination and Remuneration Policy is mentioned in the Report on Corporate Governance which forms part of this Section of this Integrated Annual Report. The N&RC policy is also available on the website of the Company and can be accessed at https://reports.crompton.co.in/shopify/public/files/Fj46RqOSbO_Nomination%20and%20Remuneration%20Policy.pdf

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

- **Appointment of Mr. Anil Chaudhry (DIN:03213517) and Mr. Sanjiv Kakkar (DIN:00591027) as Non- Executive Independent Directors**

During the year under review, the Board of Directors of the Company at its meeting held on October 17, 2023, basis the recommendation of the N&RC of the Board and based on the evaluation of the balance of skills, knowledge, experience and expertise considered and approved the appointment of Mr. Anil Chaudhry (DIN:03213517) and Mr. Sanjiv Kakkar (DIN:00591027) as Additional Director (Non-Executive, Independent) for a period of 5 (Five consecutive years commencing from October 17, 2023, to October 16, 2028, who are not liable to retire by rotation.

The resolutions pertaining to the above appointments were duly approved by the Members of the Company, on December 19, 2023, by means of Postal Ballot, exclusively through remote e-Voting details of which have been provided in the Report on Corporate Governance which forms part of this Integrated Annual Report.

- **Appointment of Mr. Promeet Ghosh as an Executive Director and as MD & CEO**

Mr. Promeet Ghosh (DIN:03213517) was appointed as an Executive Director on the Board w.e.f. April 24, 2023, and assumed charge as the MD & CEO of the Company w.e.f. May 01, 2023, upto April 30, 2028. The said appointment was subsequently approved by the Members at the 9th AGM of the Company held on July 22, 2023.

- **Re-appointment of Ms. Smita Anand (DIN:00059228) as a Non-Executive, Independent Director**

The Board of Directors basis the recommendation of the N&RC of the Board and considering the positive outcome of performance evaluation and significant contributions made by Ms. Smita Anand (DIN:00059228) during her initial term as an Independent Director, re-appointed her for a second consecutive term of 5 (Five) years w.e.f. December 10, 2023. The said re-appointment was subsequently approved by the Members at the 9th AGM of the Company held on July 22, 2023.

- **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 22, 2023.

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Shantanu Khosla (DIN:00059877) 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. Shantanu Khosla for the consideration of the Members of the Company at the forthcoming AGM. The relevant details including profile of Mr. Shantanu Khosla is included separately in the Notice of AGM and Report on Corporate Governance, forming part of this Integrated Annual Report.

- **Change in designation of Mr. Shantanu Khosla and Mr. D Sundaram**

During the year under review, Mr. Shantanu Khosla, relinquished his position as the Company's Managing Director w.e.f. April 30, 2023, and was subsequently elevated to the position of Executive Vice Chairman w.e.f. May 01, 2023, till April 30, 2024, and thereafter he assumed the position of Non-Executive Vice Chairman w.e.f. May 01, 2024, till December 31, 2025.

Mr. D Sundaram, Non-Executive Independent Director was appointed as the Chairman of the Board w.e.f. October 21, 2023.

b. Retirement & Cessation

Mr. Mathew Job, Executive Director and Chief Executive Officer, had resigned from the position of Executive Director w.e.f. April 24, 2023, and as the Chief Executive Officer w.e.f. close of business hours on April 30, 2023, to pursue other career interests. Mr. Mathew Job confirmed that there was no other material reason other than those provided herein above. The Board recognised and expressed their gratitude for the exceptional leadership and contributions made by Mr. Job during his tenure as the Executive Director & Chief Executive Officer of the Company.

Mr. H M Nerurkar was appointed as a Non-Executive, Independent Director and Chairman of the Board for the first term of 5 (Five) consecutive years, w.e.f. January 25, 2016, to January 24, 2021, and further, was re-appointed for the second term w.e.f.

January 25, 2021, to October 20, 2023, considering his attainment of age of 75 (Seventy-Five) years. Pursuant to completion of his tenure, Mr. Nerurkar retired w.e.f. October 20, 2023. The Board placed on record its appreciation for the contribution made by Mr. Nerurkar during his tenure as Chairman and Non-Executive, Independent Director of the Company.

17.2 Key Managerial Personnel (“KMPs”)

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 the following are the KMPs of the Company:

1. Mr. Promeet Ghosh, Executive Director w.e.f. April 24, 2023, and MD & CEO w.e.f. May 01, 2023;
2. Mr. Kaleeswaran Arunachalam, Chief Financial Officer; and
3. Ms. Rashmi Khandelwal, Company Secretary & Compliance Officer.

During the year under review, Mr. Shantanu Khosla, has relinquished his position as the Company’s Managing Director w.e.f. April 30, 2023, Mr. Mathew Job has resigned from the position of Executive Director w.e.f. April 24, 2023, and also resigned as the Company’s CEO w.e.f. April 30, 2023, and Mr. Promeet Ghosh was appointed as the Executive Director w.e.f. April 24, 2023, and as the MD & CEO w.e.f. May 01, 2023.

17.3 Independent Directors

All the Independent Directors of your 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 Directors of the Company including those appointed during the year possess requisite qualifications, expertise and experience in the varied fields and holds highest standards of integrity. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company’s Code of Conduct. The terms and conditions of appointment of the Independent Directors 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

All the Independent Directors of the Company have registered themselves with Indian Institute of Corporate Affairs, Manesar (“IICA”) for the inclusion of their names in the data bank maintained by IICA. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, since all the Independent Directors 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. Sajiv 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 committees and the qualifications and expertise of all the Directors are covered in the Report on Corporate Governance which forms part of this Integrated Annual Report.

17.4 Non-Independent Directors

As on March 31, 2024, Mr. Promeet Ghosh and Mr. Shantanu Khosla were the Non-Independent Directors.

The Board of Directors of the Company on April 24, 2023, based on the recommendation of N&RC, appointed Mr. Promeet Ghosh as an Executive Director w.e.f. April 24, 2023. He was appointed as the MD & CEO w.e.f. May 01, 2023, till April 30, 2028. The same was approved by the Members of the Company at the AGM held on July 22, 2023. Additionally, 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, till December 31, 2025.

17.5 Board Effectiveness

(a) Familiarisation Programme for Independent Directors

34 Programmes 403 hours

Over the years, the Company has developed a robust familiarisation process for the newly appointed Directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions. The process has been aligned with the requirements under the Act and other related regulations. This process *inter alia* includes

providing an overview of the industry, the Company's business model, the risks and opportunities, the new products, innovation, sustainability measures, digitisation measures etc.

Your Company has in place an structured induction and familiarisation programme for its Directors.

Upon appointment, Directors receive 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 Directors and Senior Management Personnel ("**SMP**"). They are also updated on all business related issues and new initiatives. Regular presentations and updates on relevant statutory changes encompassing economic outlook, market trends, peer trends, changes in laws where Company is operating are made to the Directors at regular Board Meetings of the Company.

The MD & CEO along with senior leadership team make(s) presentation(s) on the performance & strategic initiatives of the Company. 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/2x9Om5cMWS_Familiarization%20Programme%20for%20FY%2023-24.pdf

(b) Formal Board Performance Annual 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 Directors as a whole, Committees of the Board and Individual Directors. Your Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. Criteria for Board evaluation is duly approved by N&RC 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 questionnaires 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 Board Members' and contributions, execution of duties, governance performance for the Board as a whole, Committees of the Board and Individual Directors and has been undertaken digitally.

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

The performance of individual 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 Directors were subject to self-evaluation and peer evaluation.

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

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

- A separate meeting of Independent Directors, Performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors;

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

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

The 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 2023-24, the Company actioned the feedback from the Board evaluation process conducted in a the even year. The Board noted the key improvement areas emerging from this exercise including but not limited to improving the talent management, process with specific focus on strengthening top talent pipeline, improving the attrition rate, business strategy and annual plan etc.

The Board of Directors has expressed its satisfaction with the evaluation process.

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

The Company has in place a policy for remuneration of Directors, 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 Directors (by way of sitting fees and commission), KMPs and SMPs. The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the N&RC and the Board 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/Fj46RqOSbO_Nomination%20and%20Remuneration%20Policy.pdf

17.7 Executive Director(s) Remuneration

The Board on the recommendation of N&RC appointed Mr. Promeet Ghosh, as the MD & CEO w.e.f. May 01, 2023, which was subsequently approved by the Members of the Company in its AGM held on July 22, 2023.

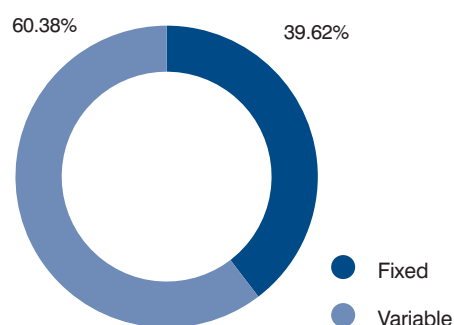
The remuneration to MD & CEO includes the fixed pay and the variable pay. The variable pay of MD & CEO is paid annually which is determined by the N&RC after factoring in the individual performance, i.e. KPIs achieved and the Company's performance. There is no clawback provision in the remuneration paid to the MD & CEO of the Company.

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

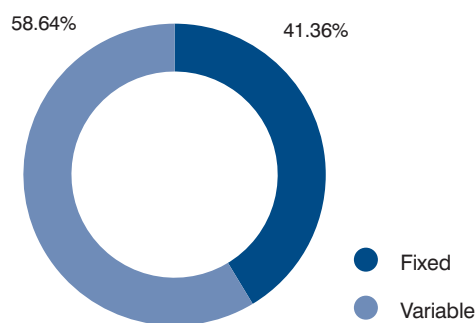
time to time. N&RC is responsible for administering the stock incentives and performance incentives plans of the Company and determines the eligibility of all the employees including MD & CEO of the Company. The vesting of options for the MD & CEO is based solely on the Company's performance, with no consideration given to individual performance.

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 and Executive Director as on March 31, 2024, is as under:

Fixed and Variable pay – Mr. Promeet Ghosh (MD & CEO)*



Fixed and Variable pay – Mr. Shantanu Khosla (Executive Director)#



*Non-Executive & Non-Independent Director till April 23, 2023, appointed as an Executive Director w.e.f. April 24, 2023, and as MD & CEO w.e.f. May 1, 2023, till April 30, 2028, his appointment was subsequently approved by the Members at the 9th AGM of the Company held on July 22, 2023.

#Managing Director till April 30, 2023, and elevated as Executive Vice Chairman w.e.f. May 1, 2023, to April 30, 2024, and assumed the position of Non-Executive Vice Chairman w.e.f. May 1, 2024, and will hold the position till December 31, 2025.

18. NUMBER OF MEETINGS OF THE BOARD & ITS COMMITTEES

18.1 Board Meetings

In the normal course of business the meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters, digitalisation, governance and other businesses.

The schedule of the Board/ Committee Meetings to be held in the forthcoming Financial Year is circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings. Due to business exigencies, the Board has also been approving several proposals by circulation from time to time. This expedited process allows for timely decision-making in response to urgent business needs.

Your Board of Directors met 7 (Seven) times during the Financial Year 2023-24. The details of the meetings and the attendance of the Directors are mentioned in the Report on Corporate Governance which forms part of this Integrated Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the SEBI Listing Regulations.

18.2 Board Committees

The Board has established several Committees 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 Committees, which have been established in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibility Committee;
4. Stakeholders' Relationship & Share Transfer Committee;
5. Risk Management Committee;
6. Environment Social and Governance Committee;
7. Allotment Committee for allotment of shares arising out of Stock Options;
8. Strategic Investment Committee;
9. Committee for Debentures;

The composition, terms of reference, number of meetings held and business transacted by the Committees are mentioned in the Report on Corporate Governance which forms part of this Integrated Annual Report.

Pursuant to the requirements of Schedule IV to the Companies Act, 2013, and the SEBI Listing Regulations, separate meetings of the Independent Directors

of the Company was held on August 11, 2023, and November 03, 2023, 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 Directors, Non-Executive, Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

During the year under review, and based on the recommendations of the N&RC, the Board re-constituted Board Committees at its meeting held on April 24, 2023 and October 17, 2023.

The details and composition of the mandatory Committees of the Board are as follows:

18.18.1 AUDIT COMMITTEE

The Audit Committee comprises of 3 (Three) Members, all the Members of the Committee are 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). Details of the role and responsibilities of the Audit Committee, the particulars of meetings 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.

Mr. H M Nerurkar ceased to be a Committee Member w.e.f. October 20, 2023, pursuant to his retirement as a Director of the Company. Additionally, Mr. D Sundaram ceased to be the Chairman of the Committee w.e.f. October 20, 2023, and Mr. Ramesh was appointed as the Chairman of the Committee w.e.f. October 21, 2023.

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 meetings 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.

Pursuant to the appointment of Mr. Promeet Ghosh as Executive Director w.e.f. April 24, 2023, and as MD & CEO w.e.f. May 1, 2023, he ceased to be the member of N&RC w.e.f. May 1, 2023.

Mr. H M Nerurkar ceased to be a Committee Member w.e.f. October 20, 2023, pursuant to his retirement as an Director of the Company.

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 Directors, Chairperson of the Board, the Board as a whole and its Committees. It also frequently evaluates the working and effectiveness of the Board and manages the succession planning for Board Members, KMPs and SMPs.

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). Details of the role and responsibilities of the CSR Committee, the particulars of meetings 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.

Mr. H M Nerurkar ceased to be a Committee Member w.e.f. October 20, 2023, pursuant to his retirement as a Director of the Company.

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

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

Mr. Promeet Ghosh was appointed as the Member of the Committee w.e.f. May 1, 2023.

Mr. H M Nerurkar ceased to be the Chairman of the Committee and Member w.e.f. October 20, 2023, pursuant to his retirement as a Director of the Company. Mr. D Sundaram was appointed as the Chairman of the Committee and Mr. P. M. Murty was appointed as the Member of the Committee w.e.f. October 21, 2023.

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 grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends and issue of duplicate certificates, etc.

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). Details of the role and responsibilities of the RMC, the particulars of meetings 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.

Mr. H M Nerurkar ceased to be a Committee Member w.e.f. October 20, 2023, pursuant to his retirement as a Director of the Company. Additionally, Mr. D Sundaram ceased to be the Chairman of the Committee and Mr. P R Ramesh was appointed as the Chairman of the Committee w.e.f. October 21, 2023.

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.

19. RISK MANAGEMENT FRAMEWORK

The Board of Directors of the Company has the RMC to frame, implement and monitor the risk management plan for the Company. The Committee 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.

The Risk Management Framework is reviewed periodically by the RMC and the Board is informed about the risk assessment and minimisation procedures to ensure that executive management controls the risk by means of a properly designed framework, which includes discussing the Management submissions on risks, prioritising key risks and approving action plans to mitigate such risks. In addition to that Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the Risk Management Framework in relation to the risks faced by the Company.

The detailed discussion on risk management forms part of the Management Discussion and Analysis, 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, your Company has framed an Policy on Related-Party Transactions ("RPT") which is uploaded on the website of the Company and can be accessed at https://reports.crompton.co.in/shopify/public/files/UA9MvX4Yb5_Policy-on-Materiality-of-and-dealing-with-Related-Party-Transactions.pdf

All RPTs are placed before the Audit Committee for review and approval and recommendation to the Board for its approval, wherever required. Prior omnibus approval of the Audit Committee and the Board is obtained for the all the transactions which are foreseen, repetitive in nature. A statement giving details of all RPTs is placed before the Audit Committee for their noting every quarter.

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 related party transactions. All members of the Audit Committee are Independent Directors.

There were no material significant transactions with related parties in terms of the SEBI Listing Regulations requiring approval of the Members during the year under review. The details pertaining to transactions which were not at arm's length basis is given in Form AOC-2, along with the all the RPTs entered during the year as a good corporate governance practice attached as **Annexure 4** which forms 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 2023-24.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the reports on RPTs with the Stock Exchanges within statutory timelines.

21. TRANSFER OF EQUITY SHARES UNPAID/ UNCLAIMED DIVIDEND TO THE 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 Investor Education and Protection Fund (“**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 for the first time unclaimed dividend declared for the Financial Year 2016-17, along

with corresponding shares on which dividends are unclaimed for 7 (Seven) consecutive years as per the requirements of the IEPF Rules. Accordingly, the Company shall give a Newspaper Advertisement to the Members of the Company to claim their unclaimed dividend/ shares underlying in Company's unpaid dividend account.

Members 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 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 Fund.

Members 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 or to the Company's Registrar and Transfer Agent, KFin Technologies Limited at inward.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. Members 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>

In terms of Regulation 43A of the SEBI Listing Regulations, the Company has adopted a Dividend Distribution Policy and the same is available on the website of the Company and can be accessed at https://reports.crompton.co.in/shopify/public/files/aaeG1qQcuR_Dividend-Distribution-Policy-1.pdf

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. RISK ARISING OUT OF LITIGATION, 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 12th AGM of the Company to be held for the Financial Year 2025-26.

The Board of Directors at their meeting held on May 16, 2024, basis the recommendation of the Audit Committee approved the remuneration of M/s. M S K A & Associates ₹ 1,16,00,000 (Rupees One Crore and Sixteen Lakh Only) for the Financial Year 2024-25.

Established in 1978, 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, 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, 2024, 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 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, your 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 16, 2024, 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 2024-25. 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 ₹ 6,00,000 (Rupees Six Lakh 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 2024-25 will be placed at the ensuing AGM.

M/s. Ashwin Solanki & Associates, have confirmed that the cost records for the Financial Year ended March 31, 2023, are free from any disqualifications as specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act. They have further confirmed their independent status.

c) Secretarial Auditors & Secretarial Audit Report

The Board at its meeting held on May 19, 2023, appointed Parikh & Associates, Company Secretaries as Secretarial Auditors of the Company to conduct the Secretarial Audit

for the Financial Year 2023-24. 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 the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based on the recommendation of the Audit Committee, the Board of Directors in their meeting held on May 16, 2024, approved the appointment of Parikh & Associates, Practising Company Secretaries (ICSI Unique Code P1988MH009800) as the Secretarial Auditors to conduct audit of the secretarial records of the Company for the Financial Year 2024-25 at a remuneration of ₹ 2,00,000 (Rupees Two Lakh Only).

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, the Company has undertaken an audit for the Financial Year 2023-24 for all applicable compliances as per SEBI Regulations and circulars/ guidelines issued thereunder.

Further, the wholly-owned subsidiaries of the Company as mentioned above are not material unlisted subsidiaries. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the SEBI Listing Regulations, do 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 19, 2023, based on the recommendation of the Audit Committee, approved the appointment of M/s. Grant Thornton Bharat LLP (Identity number AAA-7677) to conduct the internal audit of your Company for the Financial Year 2023-24.

The Board of Directors at their meeting held on May 16, 2024, has re-appointed M/s. Grant Thornton Bharat LLP as the Internal Auditors of your Company for the Financial Year 2024-25 to review various operations of the Company at remuneration of ₹ 68,95,000 (Rupees Sixty Eight Lakh 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 of the Company to which the financial statements related 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 STAKEHOLDER VALUE

We constantly endeavour to fulfill the expectations of our investors through responsible business decisions and governance. Integrity and transparency are top priorities in our relationship with our investors. Your Company is committed to creating and returning value to Members. Accordingly, the Company is dedicated to achieving high levels of operating performance, cost competitiveness, and striving for excellence in all areas of operations. We are privileged to share a strong relationship with investors based on a deep understanding of their expectations and our 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 customers and a deep understanding of their challenges and expectations drive the development of new products and services. Anticipating customer requirements early and being able to address them effectively requires a strong commercial backbone. Your Company continues to develop this strength by institutionalising sound commercial processes and building world-class commercial capabilities across its marketing and sales teams. The Company uses an innovative approach in the development of its products and services, as well as execution of growth opportunities. Your Company is also committed to creating value for all its stakeholders by ensuring that its corporate actions positively impact the economic, societal and environmental dimensions of the triple bottom line.

28. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to all requirements of corporate governance in letter and spirit. All the Committees of the Board of Directors meet at regular intervals as required in terms of Listing Regulations. The Board of Directors has taken the necessary steps to ensure compliance with statutory requirements. The Directors, KMP, 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, 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 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 Company's Secretarial Auditors 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.

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. The Board, in conjunction with the management, sets values of your Company and drives the Company's business with these principles. These ethics and values are reflected in your Company's culture, business practices, disclosure policies and relationship with its stakeholders. These ethics and values are practiced by the Company, which is at par with best international standards and good corporate conduct.

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 limited assurance for the BRSR non-core indicators and reasonable assurance for BRSR Core for the Financial Year 2023-24.

We have also provided the requisite mapping of information and principles between the Sustainability disclosures and the BRSR as prescribed by SEBI. The same shall also be available on the website of the Company at <https://www.crompton.co.in/pages/financial-reports#AnnualReports>. 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 BDO India LLP 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. BDO India LLP 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 21 (Twenty One) employees who were in receipt of remuneration of not less than ₹ 1,02,00,000 (Rupees One Crore and Two Lakh Only) if employed for the full year and 9 (Nine) employees who were in receipt of remuneration of not less than ₹ 8,50,000 (Rupees Eight Lakh and Fifty Thousand Only) per month if employed for part of the year. Disclosures concerning the remuneration 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 employee 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 and 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.inverstorrelations@crompton.co.in

31. REPORTING OF FRAUDS BY AUDITORS

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

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, 2024 is available on the website of the Company at <https://www.crompton.co.in/pages/financial-reports#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 and notified by the Ministry of Corporate Affairs.

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

b. Research and Development ("R&D")

Your Company is dedicated to achieving excellence by prioritising R&D as a cornerstone of innovation. We cultivate a culture of creativity ingrained within our people and processes. Our 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.

The Company's in-house R&D team strives for best technology-based sustainable product innovations, with efficient product lifecycle, including design, development and manufacturing process.

Crompton 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

Highspeed Toro: A sleek and stylish fan that effortlessly enhances any space with its modern design and multiple color options. Equipped with Anti-Dust technology, it attracts 50% less dust than traditional fans for easy maintenance. With wider blades and an airflow capacity of 220 cubic meters per minute, it ensures a refreshing breeze. Plus, its Active Power technology and 1-Star rating prioritise energy efficiency without compromising performance

Highspeed Rapidus: Elevate your space with its sleek and modern design that seamlessly blends into contemporary interiors. Inspired by the elegance of emerald cuts, this fan adds a touch of opulence to any room while maintaining a clean and uncluttered aesthetic. Equipped with Anti-Dust technology, it keeps maintenance hassle-free by attracting 50% less dust than standard fans. Its wider blades ensure superior airflow, delivering a refreshing breeze of 220 cubic meters per minute. Plus, with Active Power technology and a 1-Star rating, it maximises energy efficiency without sacrificing performance. Experience sophistication and functionality with the Highspeed Rapidus.

Luxian Infinia: A harmonious blend of elegance and functionality, this fan adds timeless sophistication to any space. With ActivPower Technology, it delivers powerful performance at 220CMM airflow and 370 RPM. Perfect for antique themes, it elevates the style of any room, offering a classic, timeless look.

Energion Hyperjet: An entry level BLDC remote control ceiling fan which was launched for the tech savvy online consumers is sold primarily through the ecommerce channel and has gained is placed in the top 10 ceiling fans on ecommerce platforms. It is driven by Crompton's ActivBLDC technology and uses a boost mode at 35W which delivers a powerful 220 CMM air delivery.

Energion Groove Regmote is a testament to our commitment to technological prowess and ultimate comfort. Unlike any other ceiling fan in the market, this revolutionary fan can be seamlessly controlled using both a remote control and a traditional regulator simultaneously. This novel technology is built on our best BLDC ceiling fan – Energion Groove which is an epitome of performance (220 CMM Air Delivery & 350 RPM) and minimal aesthetics. This model comes in extensive array of Colors, including 3 in Anti Rust, 5 in Anti Dust and 2 in Wooden has context menu.

(B) Pumps

- **Mini Brand Architecture:** Launched DURA series in Mini category with durable features like Anti Jam Insert, Anti Rust Coating & ADDS Adapter.
 - Successfully developed & launched a new category of Solar Pumps.
 - Received order from HAREDA for 1388nos. of Pumps, worth ₹ 65.66 Crore, Contribution from Solar Pumps for ₹ 32.7 Crore.
 - Received MEDA LOA for 2000 Nos of Pumps Worth ₹ 50.15 Crore
 - Received MSEDCL LOA for 250 number of Pumps Worth ₹ 6 Crore
 - Qualifications achieved in RHDS & MPUVN PM Kusum Tender for Rajasthan & Madhya Pradesh, respectively.
- Successfully developed & launched Full AL Series in Surefill Plus category. Revenue generated ₹ 100 Crore.
- Successfully developed & launched STP/ CCP series in India (Indigenisation) thus de-risking the import supplies and quality issues. Generated revenue of ₹ 8.59 Crore.

- Successfully deployed Brand Architecture in High Suction Pumps series (Aquagold, SWJ, CMB, DMB, Flomax) with consumer insights like Faster tank filling time and Durability. Revenue generated-₹10.31 Crore.
- Launched V3 Submersible (AP Series) with Dura Features & aesthetical offering to consumer. Well accepted in market. Total revenue generated ₹ 9.17 Crore.
- Launched 4VO revamped series with improved durability & BEE star labelling. Very good response from market, Total Revenue generated ₹ 28.72 Crore.
- New product launched in Agri category based on identified product gaps and new product requirements:
 - **650CS Eco Series:** to ensure a competitive offering to consumers with durability and reliability offerings, total revenue ₹ 0.36 Crore
 - **MBQ22(1PH)-14 SLV:** to ensure penetration in to regional or territorial low voltage requirements. total revenue ₹ 1.12 Crore
 - **MBM12(1PH)Z-SE:** Ensure product gap filling for east region has ensured revenue of ₹ 0.22 Crore
 - **MBN22-I:** for Competitive offerings shifting the SKU from inhouse to Sourcing mode to ensure effective penetration in central India territory.
- Ensured 10 (Ten) Product demos into Bihar & Lucknow branches for MBG segments to ensure confidence in product and new offering. This has ensured total revenue of MBG 60.92 Crore INR with 29% Growth over last year.
- Special Focus on product training & additional offering in control panels & Agri Starters to ensure incremental pump+ Panel ratio which has increased from 75% to 82% and helped in reduction of PPR of V4 Submersibles.

Other Highlights:

- State-of-the-art Test lab has been commissioned at Innovation center, Vikhroli for facilitating comprehensive pumps testing from June 2024, onwards;
- Received BIS certification for 33 number of Pumps and BEE certification completed for 22 number of Pumps as on March 31, 2024;

- This is the fifth consecutive year that Crompton Pumps has been voted and awarded as “**Superbrands**”;
- Received 23rd Greentech Safety Award 2023 (Winner in Safety Excellence Category); and
- Received 23rd Greentech Safety Award 2023 (Winner in Environmental Excellence Category).

(C) Appliances

- 34 (Thirty Four) SKU's launched in Financial Year.
- **Storage Water Heater:** 12 SKU's. 6L range extension in plastic round (Versa series) & Square plastic (Solarium Care Series). 35L & 50L range extension in Arno Neo series. A new range of round plastic series in Hydrajet with 5-star rating available in 10L, 15L & 25L. Metal round series in AENZA, available in 15L & 25L. To strengthen the horizontal range, launched plastic round horizontal series-Versa in 3-star rating.
- Instant water heater: 6 SKU's. Entered tankless geyser range with 2 models- Rapidjet Royale & Rapidjet Pro, available in 5.5kW. Launched 2 new models in 5L for trade in Solarium neo and Rapidjet. 2 new region-specific models of 3L were launched.
- Air Coolers: 13 SKU's. Launched industrial coolers in 95L and 135L. Strengthened the desert series with innovative extensions with more convenience features. Optimus comfort (65 & 100L) lowest noise in industry. Ozone Royal (55L, 75L & 88L) with humidity control and auto drain. Surebreeze series in personal, tower and desert segment launched to strengthen our offering. Supremus series launched in desert segment. 95L and Supremus 70L were portfolio gaps in capacity. In personal coolers 2 (Two) new models in 30L & 45L were launched in Surebreeze PAC series. In tower coolers, 24L & 34L models launched in surebreeze TAC series.
- In room heaters, the Company has launched Insta Genial-PTC heater (Positive Temperature Coefficient) based room heater. They do not reduce the oxygen content of the room thus prevent suffocation & skin dryness and are slightly expensive.
- In Immersion Rods, launched a new series in 1kW and 1.5kW.

Kitchen Appliances

- **Mixer Grinder & Iron Category:** Mixer Grinder has been revamped with launch of 11 new models in various segment to strengthen portfolio and 4 new model in steam iron category.
- **Small Kitchen Appliances:** Strengthen SKA segment with the launch of 6 new model to strengthen induction and kettles categories.

State of art Validation lab has been developed to test our products.

All these products are meticulously designed with enhanced aesthetics and packaging.

(D) Lighting

B2C

- Your Company has introduced many new products which are based on consumer insight and feedback. Consumer lighting space has evolved in last few years from only functionality to Décor and style. Connected products are also making entry in consumer homes with technology getting more affordable for masses.
- Your Company launched an innovative range of Trio ceiling light/ Batten and Lamp anchored on creating ambient lighting with direct and indirect lighting.
- Capitalising on increasing movement of consumers from functionality to décor & style, your Company has launched a range of decorative battens and outdoor garden and gate lamps.
- Your Company has expanded its presence to lighting-adjacent categories like Extension Boards and Torches.
- To win in an increasingly competitive market, your Company has launched a range of 20W Laser Ray Smile economy battens and fighter models in the lamps category.

B2B

- Extension to the road and flood light luminaire range was introduced with upgraded specifications to cater to different applications.
- With the infrastructure boom, the extension to highway street light with improved optics to cater to wider highways and expressways were introduced which help in reducing total cost to customer.

- As an extension to infrastructure application, new range of high wattage flood lights with higher performance were introduced to cater to railway yards, airports and sports application.
- To cater to SOHO office requirement your Company introduced, industry first, high performance aesthetic CRCA down lights.

35. MERGERS AND ACQUISITIONS

The Board of Directors of the Company at their meeting held on March 25, 2023, considered and approved the Scheme of Amalgamation (“**Scheme**”) of the Butterfly Gandhimathi Appliances Limited (“**Transferor Company or Butterfly**”) with the Company (“**Transferee Company**”) and their respective Members and creditors under Sections 230 to 232 and other applicable provisions of the Act read with rules made thereunder. The Scheme was filed with BSE Ltd. and the National Stock Exchange Limited of India Limited (“**Stock Exchanges**”) on April 07, 2023, and subsequently, it was approved by the stock exchanges on July 21, 2023, and July 24, 2023, respectively.

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

This does not have any impact on the Company’s growth strategy and both entities continued to operate as separate entities and work towards fulfilling their mutual strengths while growing in the kitchen appliances category thereby creating value for all the stakeholders.

36. NON-CONVERTIBLE DEBENTURES

During the year under review, your Company has redeemed Non-Convertible Debentures (“**NCDs**”) amounting of ₹ 325 Crore (Rupees Three Hundred and Twenty Five Crore Only) on January 12, 2024.

Presently, total outstanding NCDs of ₹ 600 Crore (Rupees Six Hundred Crore Only) are listed on the debt segment of the National Stock Exchange of India Limited and of which ₹ 300 Crore (Rupees Three Hundred Crore Only) are due for redemption in July, 2024.

Catalyst Trusteeship Limited is the Debenture Trustee for the Debenture holders. The details of the Debenture Trustee is 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.

37. 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.

38. EMPLOYEE ENGAGEMENT

Your Company's employee engagement initiatives build trust, enthusiasm and a sense of belonging to the organisation. For further details on employee engagement, please refer to Page No. 72 of this Integrated Annual Report. Continuous employee feedback is also gathered with the AI enabled employee listening tool "**Amber**". The leadership continues to act on the feedback given by the employees in various forums. The strong employee engagement initiatives are continued through multi-layer communication, engagement, and recognition programmes.

38.1 Inclusion & Welfare

Your Company has always been conscious to promote all round employee welfare. Environment, Health and Safety ("**EHS**") guidelines are deployed to promote workplace health and safety and create a healthy environment. Regularly, the policies are benchmarked with market standards and are upgraded as and when necessary. Some of the practices, programmes, policies, and welfare measures that were put in place to demonstrate care and empathy towards employees are listed below:

Your Company has well defined policies around "**Diversity & Inclusion**":

1. **Capability Building and Employee Wellness related programmes:** Your Company has initiated a new capability-development programme for its employees called "**EDGE**". An organisational-level programme, EDGE has been devised as part of the Company's long-term learning and development ("**L&D**") strategy. Edge has been designed to enhance the capabilities of the people at Crompton to give an edge to the Company in the competitive Indian market. The courses designed as part of EDGE include upskilling people in functional and behavioural skills. Your Company is following a mixed strategy of virtual, digital and face-to-face learning. Your Company has been making efforts to use gamified solutions, certifications, recognitions and small prizes to encourage employees to take part in learning initiatives.

Your Company has also arranged an online medical facility for all the employees and their families through Doc Online, one of the renowned companies in this field, so that employees can get their health concerns addressed virtually.

2. **Employee & Family Connect:** Your Company always believes that success of employees is in major part dependent on the support system provided by the family Members at home and made it a point to engage family Members in events through

online talent shows and singing competitions. Your Company believes that our employees are much more than their accomplishments at work and therefore we take every opportunity to celebrate employees and teammates whether its Quarterly Rewards and Recognition programme or as simple as sending out personalised birthday cards. To add value and build the manager-employee relationships, we've crafted key initiatives like Chai pe Charcha and Dil Se that has boosted real-time conversations that make a difference and enable to bond better. Programmes like HR connect allow new joiners to feel more comfortable, put their role into perspective and feel part of the business, which encourages positive contribution to the overall Company goals and vision. The festive fervour is back, with us celebrating festivals in physical mode after the lackluster years of festive exchanging greetings virtually. Every nook and corner of our offices have been decorated along with theme-based employee engagement activities. To add to the joviality of the festive time, personalised greetings on Diwali were sent to employees and their family Members, letting them know they are important! Family get-together, Annual Functions and Sports events are conducted.

38.2 Building Talent

Your Company continues to be committed to developing internal leaders and a talent pipeline. The same was further strengthened through the launch of structured training architecture EDGE. The talent assessment process of the organisation for recruitment and internal talents also continued to be strengthened through the implementation of data- driven tools including Hogan, Korn Ferry and Development Centre by DDI. Eligible employees underwent 360 feedback on Crompton Behaviours to build greater awareness.

38.3 Employee and Leadership Development

In line with your Company's long-term business strategy, there are robust employee development programmes through structured interventions and on-the-job and experiential learning through career movements, special assignments and projects. It is intended to build best-in-class capability in the area of Go-to-Market, Operational Excellence and Quality, Brand and Portfolio Management and Innovation During the year, following unique initiatives were launched.

- a) **Manufacturing Excellence Programme** – All employees in the manufacturing team have been enrolled for the programme which covers the concepts of quality management basics like continuous and lean management, value stream mapping, LEAN

tools etc. The objective of the programme is to build capability on operational excellence.

- b) **Functional Capability for Innovation team** – This year the focus was on building functional capability in the innovation process deployment through trainings on PDM, NPD etc. and building core competence through programmes like GD&T, ALTIUM etc.
- c) **Procurement Value Enhancement Programme** – The objective of the programme was to identify the procurement levers of value enhancement to the business and learn how to apply these levers through practical examples. The programme also helped understand how to strategise supplier collaboration through segmentation, relationship management practices, performance and compliance governance to co-create value and improve customer service. Another focus area for the procurement team this year was to develop and hone negotiation skills which was done through practical case studies and role-plays.

38.4 Sales Capability Development

- a) **Taking Ownership for One's Development** – Career development workshop for employees to sensitise them on the importance of life-long learning and how they need to take charge of their own development were conducted. The employees also realised that they continuously need to up-skill/ reskill themselves if they need to stay relevant in the job market.
- b) **Digitalising HR Practices** – Your Company has SAP Success Factors, which is a cloud-based Human Capital Management (“HCM”) solution that can help automate and streamline HR processes. Success Factors is mainly used to manage employee data, Performance Management, Onboarding. This year, your Company has used AI-powered recruitment platform that uses machine learning algorithms to match job candidates with open positions. The platform can help HR teams save time by automatically screening resumes and identifying top candidates based on their skills and experience. Your Company continues to use a pulse survey platform that allows us to gather feedback from employees on a regular basis. The platform uses AI to analyse employee feedback and provide insights to HR teams, such as identifying areas for improvement or trends in employee sentiment. Best in class learning management platform allows us to provide learning and development opportunities to employees by giving them access to a variety of courses and learning resources, including online

courses, books, videos, and articles. The platform also provides analytics and insights to help HR teams track employee learning and development progress.

39. ENVIRONMENT, HEALTH & SAFETY (“EHS”)

The Health, Safety, and Environmental 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.

Crompton 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 the Crompton, and we are 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. We prioritise 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.

Your Company has a comprehensive EHS manual “KAVACH 3.0” comprising the policies, procedures and work instructions and it has been implemented across all the products lines manufacturing sites.

To strengthen the EHS culture, under corporate EHS, Your Company initiated and conducted various campaigns and awareness programmes such as Near Miss Reporting, Hand and Finger Injury Control & Prevention, and road safety under Behavioural-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. CGCEL owned all 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 organisation.

Corporate EHS has initiated and conducted quantitative self-assessments on various EHS topics like BIS14489:2018, Fire safety, Fire Load Calculations and Electrical Safety for CGCEL manufacturing sites. Annual EHS audit programme has been kicked off, which focuses on manufacturing sites, central warehouses and regional sales offices.

Closure of safety audit observations is ensured by following the PDCA (Plan-Do-Check-Act) cycle and implementing effective Corrective and Preventive Actions (“**CAPA**”) 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 organisation 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 incident details with investigation report are discussed, alongwith 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:

39.1 Environment – a green pursuit

Your Company is committed to fostering a culture of sustainable progress across the organisation. On account, Key Result Areas (“**KRAs**”) are identified and fixed, with monthly tracking under leading and lagging indicators of EHS.

Moreover, your Company is highly focused on reducing its carbon footprint by manufacturing world class energy efficient products and adopting sustainable packaging concept.

39.2 Reduction in energy consumption

Under energy reduction programme, your Company has achieved an approximately 56.29% reduction in electricity consumption. During Financial Year 2023-24, the overall energy consumption was 19745 GJ against Financial Year 2022-23 which was 35074 GJ. This significant achievement is basis to various energy conservation activities, closure of energy incentive process of glass plant at Baroda and the transition of using of natural gas as a source of energy instead of using GSEB power.

Similarly, the Pump unit in Ahmednagar has initiated the sustainable product development by innovating the solar pump category to use renewable source of energy. Additionally, the existing solar panels sourced energy are used for street lighting canteen blower continuous load totaling to approximately ~8 KW load.

Until July 2023, the Domex Line operation at Baddi Unit I was active which resulted in electricity reduction of 0.0077 KW/Unit of production. Subsequently, in October 2023, the production from Unit-I was transferred to Unit-II.

The ongoing electricity savings of 7 KW per day in Fans Baddi Unit-I and Unit-II - are attributed to the installation of new grinding machinery in January 2023. The ongoing electricity savings of 7 KW per day in Fans Baddi Unit-I and Unit-II - are attributed to the installation of 2 (Two) new grinding machinery in Financial Year 2023-24. Furthermore, as part of our energy-efficient initiatives, we have replaced 114 (One Hundred and Fourteen) conventional fans with BLDC fans at our manufacturing site.

In the Financial Year 2023-24, our electricity consumption reached 2,56,852 KWH for Baddi-II. Comparatively, in the same period of the previous Financial Year 2022-23, the consumption was 2,01,558 KWH. Notably, the production output during the Financial Year 2023-24 is 26,51,482 units; compared to 19,11,232 units in the Financial Year 2022-23. This production enhancement is purely basis to start up of 2 shift in the Baddi-II.

In the Financial Year 2023-24 year-to-date (“**YTD**”), our electricity consumption reached 2,30,180 KWH. Comparatively, in the same period of the previous Financial Year 2022-23 (till December), the consumption was 2, 22,380 KWH. Notably, the production output during the Financial Year 2023-24 YTD is 21,67,217 units (at 0.10

KW per fan produced), compared to 18,43,379 units (at 0.12 KW per fan produced) in the Financial Year 2022-23. This data reflects a commendable 1.4% reduction in KW per unit of production.

Apart from above Baddi-II has reduced electricity consumption per unit from 0.105 KWH/ unit of production to 0.099 KWH/ unit of production for Financial Year 2023-24. This was achieved by replacement of induction motor fan to BLDC fan and removing exhaust fans from Gold Line Fan Hangers and high Bay lights on shop floor and installed station wise LED battens. Baddi-III in Financial Year 2023-24 there is 0.053 0.066 KWH/ LED power consumed against the Financial Year 2022-23 which was 0.0325 KWH/ LED. This is due to the reduction of production volume and SMT and extrusion machine installation for inhouse batten housing production.

39.3 Reduction in water consumption

During Financial Year 2023-24, the volume of water withdrawal amounted to 67,731 KL, compared to 68,767 KL in Financial Year 2022-23; reflecting significant reduction of 0.98%. This reduction is attributed to unit specific initiatives as outlined below;

- **Pump unit-** Ahmednagar initiated the water conservation programme by driving the waterless urinal and arial taps provision in factory saved up to ~200 KL water per annum.
- **Baddi unit I-** Due to reduction in production volume and fluctuated labour numbers during Financial Year 2023-24 the overall water consumption raised to 679 KL (55.87 ltr / person/ day) and Financial Year 2022-23 which was 388 KL of water consumed (25.52 Ltr/ Person/ Day). Further unit initiated the project on water line leakage repair and maintenance to control wastage of water.
- **Baddi Fans II** has consumed water during Financial Year 2023-24 is 3,001 KL approx. 53.36 Lt/ Person/ Day as compare to Financial Year 2022-23 which was 1,916.4 KL and the ratio 41.72 Ltr/ Person/ Day. The water consumption is reported high due to the second shift start up and increase in the contractual strength. Further in water conversation front unit has installed auto shutoff valve on rooftop storage tanks and re-routing of pipelines to prevent water losses.
- **Baddi Lighting Unit III**, in Financial Year 2023-24 reported water consumption 1,849 KL for Financial Year 2023- 24 & the ratio was 45.56 Ltr/ Person/ Day against the Financial Year 2022-23 water consumption was 2090 KL and 35.245 Ltr/ Person/ Day. The sudden hike of overall water consumption is due to the process water use in extrusion machine installation for

inhouse production of batten housing. Further unit has conducted awareness sessions among all employees to reduce and/ or conserve the water resource and unit has identified and controlled all water line leakages from the plant.

39.4 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 2023-24 organisation has successfully achieved the EPR E-waste authorisation from Central Pollution Control Board ("**CPCB**") and processed 75% of the total target obligation. CGCEL has channelised 100% of plastic waste and fulfilled CPCB target of Financial Year 2023-24.

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 2023-24. Additionally, your Company has developed the substitute for pump packaging to eliminate the use of thermocol & plastic bags. Furthermore, in consideration of non-hazardous waste generation, there has been a reduction of 21.38% in Financial Year 2023-24 quantum, amounting to 1,322.95 MT compared to 1,682.67 MT in Financial Year 2022-23.

39.5 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 2023-24, 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 2023-24, there were no reported 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 verifies compliances and there were no fatalities or Lost Time Injuries (“LTIs”) for Financial Year 2023-24.

Organisation is committed to building a safety culture by implementing stringent EHS Policy, Corporate SOPs, a Work Permit System (“WPS”) and Daily Toolbox talk.

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 programmes implemented during the year include

- Provision of auto braking in vertical impeller balancing machine which enhanced ergonomics safety aspects of the operators in Pump unit Ahmednagar.
- Side Guarding and Fencing provided in nailing area and provision of Tempera Socket in Type Test Area.
- Separate Lightning arrester for pump paint storage area.
- 54th National Safety Week celebration is planned across all Units by organising various initiatives and programmes.
- Leading lagging EHS indicators we are tracking separately and review those at PL and corporate level regularly.
- Fire Equipment Operation Awareness and Training and Mock/ Fire Drill.
- Corporate EHS initiatives on road safety campaign, World Environment Day celebration, assessment drive by corporate EHS i.e., Electrical safety assessment, IS14489 assessment, Machine safety and fire safety.
- Corporate EHS driving campaigns on Near Miss Reporting, Hand & Finger Injury control & Prevention and road safety etc.
- IMS ISO14001, ISO45001 and ISO9001 re-certification audit completed at Goa & Baddi units.
- Increase in sell of star rated pumps products in this H1, resulted in more energy savings (17.88%).

39.6 Health

During COVID-19 pandemic, your Company has prioritised the health and safety of all employees, implementing rigorous measures to ensure their well-being. Corporate EHS has initiated monthly health perspective training and awareness programmes with the support of “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.

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

Award	Authority	Division/ Unit
8 th Annual HSE Excellence & ESG Global Award 2023	OHSSAI Foundation	Fans Division-Baddi 2.
8 th Annual HSE Excellence & ESG Global Award 2023	OHSSAI Foundation	Lighting Division-Baddi 3.
Greentech Environmental Excellence Award 2023	Greentech Foundation	Fans Division-Bethora, Goa
11 th GSS-National Safety Award	Fire and Safety Forum	Fans Division-Bethora, Goa
Gomant Sarvochcha Suraksha Puraskar in Category 'C'	Green Triangle Society	Fans Division-Bethora, Goa
Uttam Suraksha Adhikari award	Green Triangle Society	Fans Division-Bethora, Goa
21 st Greentech Safety Award 2023 for Safety Excellence	Greentech Foundation	Pumps Division Ahmednagar (Additional award)
International Safety Award 2024	British Safety Council	Pumps Division Ahmednagar (Additional)

40. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) FRAMEWORK AND 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 addresses 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 on page number 84 of this Integrated Annual Report.

The Company has constituted a CSR Committee in terms of the requirements of Section 135 of the Companies Act, 2013 read with the rules made thereunder. Details of the same is provided in the Corporate Governance Report which forms part of 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

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

41. SEXUAL HARASSMENT AT WORKPLACE

As a responsible employer, your Company is deeply committed to preventing and addressing sexual harassment at workplace, striving to cultivate a healthy and safe working environment that enables employees to work without fear of prejudice and gender bias. The Company maintains a zero-tolerance towards any act on the part of any executive, which fall under the ambit of “**sexual harassment**” at workplace and is fully committed to uphold and maintain the dignity of every woman executive working in the Company. Additionally, your Company continuously works towards fostering a work culture that promotes respect and dignity of all women employees throughout the organisation, 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. 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

Your Company has taken proactive measures to promote awareness and compliance with the POSH Act, including conducting e-learning sessions on POSH for all regular and new employees. Additionally, awareness programmes on POSH have been organised through out the year to sensitise 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, 3 (Three) cases of sexual harassment were reported, all of which were thoroughly investigated and resolved in accordance with the provisions of the POSH Act.

42. REGISTRAR & SHARE TRANSFER AGENT (“R&T/ RTA”)

M/s. KFin Technologies Limited (Formerly Kfin Technologies Private 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.

43. LISTING

The equity shares of your Company are listed on BSE Ltd. 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 Stock Exchanges and Listing fees for NCDs to the NSE for the Financial Year 2023-24 and 2024-25.

44. 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 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 Financial Statements for the Financial Year ended March 31, 2024, 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company 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 Companies Act, 2013 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.

45. 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.

46. 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;
- Neither the MD & CEO nor the Executive Director of the Company 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 the Financial Year 2023-24.

47. 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.

48. ACKNOWLEDGEMENTS

Your Directors place on record 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 Directors 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.

49. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion and Analysis Report 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

Place: Mumbai
Date: May 16, 2024

D Sundaram
Chairman
DIN:0016304

1. PREAMBLE

Regulation 43(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) requires the top 1,000 listed entities based on their market capitalisation calculated on March 31 of every financial year to formulate a Dividend Distribution Policy which shall be disclosed in their Integrated 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 SEBI 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 April 01, of every year to March 31, 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 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 October 25, 2016 and has been amended by the Board of Directors on February 02, 2023 and is effective from February 02, 2023.

11. DISCLOSURE

This Policy, as approved by the Board of Directors, at its meeting held on October 25, 2016, and amended thereafter shall be disclosed in the Annual Reports and hosted on the website of the Company www.crompton.co.in

12. CONFLICT IN POLICY

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

(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 ("Butterfly")
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 the 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) Butterfly: Authorised Capital: ₹ 40.00 Crore Paid-Up Capital: ₹ 17.88 Crore
5.	Reserves & Surplus	(i) NLPPL: ₹ 1.88 Crore (ii) PLPPL: ₹ 1.88 Crore (iii) CCF: Nil (iv) Butterfly: ₹ 274.31 Crore
6.	Total Assets	(i) NLPPL: ₹ 22.94 Crore (ii) PLPPL: ₹ 21.69 Crore (iii) CCF: Nil (iv) Butterfly: ₹ 535.90 Crore
7.	Total Liabilities	(i) NLPPL: ₹ 13.56 Crore (ii) PLPPL: ₹ 13.12 Crore (iii) CCF: Nil (iv) Butterfly: ₹ 243.71 Crore
8.	Investments	(i) NLPPL: ₹ 15.83 Crore (ii) PLPPL: ₹ 12.96 Crore (iii) CCF: Nil (iv) Butterfly: ₹ 32.17 Crore
9.	Turnover	(i) NLPPL: ₹ 0.96 Crore (ii) PLPPL: ₹ 1.02 Crore (iii) CCF: Nil (iv) Butterfly: ₹ 931.28 Crore
10.	Profit before taxation	(i) NLPPL: ₹ 1.34 Crore (ii) PLPPL: ₹ 0.87 Crore (iii) CCF: ₹ (1.44) Crore (iv) Butterfly: ₹ 5.63 Crore
11.	Provision for Taxation	(i) NLPPL: ₹ 0.34 Crore (ii) PLPPL: ₹ 0.22 Crore (iii) CCF: Nil (iv) Butterfly: ₹ (1.76) Crore
12.	Profit after Taxation	(i) NLPPL: ₹ 1.00 Crore (ii) PLPPL: ₹ 0.65 Crore (iii) CCF: ₹ (1.44) Crore (iv) Butterfly: ₹ 7.39 Crore
13.	Proposed dividend	(i) NLPPL: Nil (ii) PLPPL: Nil (iii) CCF: Nil (iv) Butterfly: Nil

Sl. No.	Particulars	Details
14.	% of shareholding	(i) NLPL: 100% (ii) PLPL: 100% (iii) CCF: 0* (iv) Butterfly: 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.

Butterfly 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%.

- Names of subsidiaries which are yet to commence operations: **Nil**
- 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 Associate/ Joint Ventures 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/ Joint Venture 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

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

For and on behalf of Board of Directors

D Sundaram
Chairman
DIN:00016304

Promeet Ghosh
MD & CEO
DIN:05307658

P R Ramesh
Non-Executive Independent
Director
DIN:01915274

Kaleeswaran Arunachalam
Chief Financial Officer

Rashmi Khandelwal
Company Secretary
M. No. A28839

Place: Mumbai

Date: May 16, 2024

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

[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)	Chairman	2	2
2.	Mr. D Sundaram (DIN:00016304)	Member	2	2
3.	Ms. Smita Anand (DIN:00059228)	Member	2	2
4.	Mr. Promeet Ghosh (DIN:05307658)	Member	2	2
5.	Mr. H M Nerurkar* (DIN:00265887)	Member	2	1

*Mr. H M Nerurkar ceased to be a Committee Member w.e.f. October 20, 2023, pursuant to his retirement as a Director of the Company.

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://reports.crompton.co.in/shopify/public/files/U6kk0A8Uoy_Corporate-Social-Responsibility-Policy-1.pdf
- 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

Summary of Impact Assessment Reports is available on the website of the Company and can be accessed at <https://www.crompton.co.in/pages/csr#>

Detailed Impact Assessment Reports are also available on the website of the Company and can be accessed at <https://www.crompton.co.in/pages/csr#>

- Average net profit of the Company as per sub-section (5) of Section 135: ₹ **689.88 Crore**
- Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ **13.80 Crore**
- Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Years. **Nil**
- Amount required to be set-off for the Financial Year, if any: **Nil**
- Total CSR obligation for the Financial Year [(b)+(c)-(d)]: ₹ **13.80 Crore**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 13.20 Crore
 (b) Amount spent in Administrative Overheads: ₹ 0.50 Crore
 (c) Amount spent on Impact Assessment, if applicable: ₹ 0.11 Crore
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 13.81 Crore
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent 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
13.81 Crore	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 Section 135	13.80 Crore
(ii)	Total amount spent for the Financial Year	13.81 Crore
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.01 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)]	0.01 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 ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1								
2								
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							

(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

For and on behalf of Board of Directors

Promeet Ghosh
MD & CEO
DIN:05307658

Shantanu Khosla
Chairman of CSR Committee
DIN:00059877

D Sundaram
Chairman
DIN:00016304

Place: Mumbai

Date: May 16, 2024

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 Financial Year ended March 31, 2024 are as follows:

Particulars	Nature of Relationship	Duration of Contract	Date of Approval by Board*	Salient Terms	Justification	Date of Special Resolution	Amount paid as advances	Amount (in Crore)
Nature of Contract								
Rendering of services								
Butterfly Gandhimathi Appliances Limited ("Butterfly")	Subsidiary	2 years (June 1, 2022, to May 31, 2024)	May 27, 2022	Secondment of Employee(s)	To provide management resource for marketing on Secondment to Butterfly. (Mr. Anil Gurnani)	NA	Nil	0.61
		2 years (November 1, 2022, to October 31, 2024)	October 26, 2022		To provide management resource for Human Resources on Secondment to Butterfly. (Mr. Rajasekar T.)			0.85
		2 years (November 1, 2022, to October 31, 2024)	October 26, 2022		To provide management resource for oversee IT related functions on Secondment to Butterfly (Mr. Gaurishankar Mathapati)			0.76
		2 years (November 1, 2022, to October 31, 2024)	October 26, 2022		To provide management resource for Procurement on Secondment to Butterfly (Mr. Vaibhav Kunkolinkar)			0.63
		2 years (February 2, 2023, to February 1, 2025)	February 1, 2023		To provide management resource for all Planning & Logistics related activities on Secondment to Butterfly (Ms. Shristi Gupta)			0.44
		2 years (March 25, 2023, to March 24, 2025)	March 25, 2023		To provide management resource for all secretarial related activities on Secondment to Butterfly. (Mr. Viral Sarvaiya)			0.21
		2 years (March 30, 2022, to March 29, 2024) renewed for further 2 years March 30, 2024, to March 29, 2026	March 28, 2022, Renewed on February 14, 2024		To provide management resource to oversee business operations and provide the identified services on Secondment to Butterfly. (Mr. Rangarajan Sriram)			2.90
		2 years (March 30, 2022, to March 29, 2024)	March 28, 2022		To provide management resource to oversee finance operations on Secondment to Butterfly. (Ms. Ananda Shalini)			0.56
		2 years (August 12, 2023, to August 11, 2025)	August 12, 2023		To provide management resources to oversee finance related activities on Secondment to Butterfly. (Mr. Rishabh Bengani)			0.24
		2 years (November 9, 2023, to November 8, 2025)	November 3, 2023		To provide management resources for oversee finance functions on Secondment to Butterfly. (Mr. V A Joseph)			0.62

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

Details of contracts or arrangements or transactions at arm's length basis

Particulars	Nature of Relationship	Duration of Contract	Date of Approval by Board*	Salient Terms	Amount (in Crore)
Nature of Contract					
Purchase of Goods					
Butterfly Gandhimathi Appliances Limited (" Butterfly ")	Subsidiary	April 01, 2023, to March 31, 2024	February 1, 2023 and May 18, 2023	Purchase of Goods	9.67
Sale of Goods					
Butterfly	Subsidiary	April 01, 2023, to March 31, 2024	February 1, 2023	Sale of Products	0.12
Pinnacles Lighting Project Private Limited	Wholly owned subsidiary	April 01, 2023, to March 31, 2024	February 1, 2023	Management Services	0.05
Nexustar Lighting Project Private Limited	Wholly owned subsidiary	April 01, 2023, to March 31, 2024	February 1, 2023	Management Services	0.05
Leasing of property					
Butterfly	Subsidiary	August 11, 2023, to March 31, 2024	August 11, 2023	Consideration for usage of warehouse space of the Company	0.05
Butterfly	Subsidiary	April 01, 2023, to March 31, 2024	February 1, 2023	Consideration for usage of trademark of the Company (Royalty Fees)	0.57
Availing or rendering of services					
Butterfly	Subsidiary	April 01, 2023, to March 31, 2024	February 1, 2023	Management fees for legal support	0.20
Butterfly	Subsidiary	August 11, 2023, to March 31, 2024	August 11, 2023	Manpower Sharing Service	0.43
Opera Gratia Private Limited	Director (Mr. Mathew Job) was a member of Opera Gratia Private Limited	April 01, 2023, to March 31, 2024	February 1, 2023	Defectives inspection services	0.33
Crompton CSR Foundation	Wholly Owned Subsidiary	April 01, 2023, to March 31, 2024	May 18, 2023	Undertaking the CSR activities/ projects of the Company	13.81
Total					

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

Note:

The transactions mentioned above are not material as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, 2024

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,

Crompton Greaves Consumer Electricals Limited

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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

(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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (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)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

- (vi) Other laws specifically applicable to the Company namely
- Bureau of Indian Standards. The National Standards Body of India
 - Bureau of Energy Efficiency (Government of India, Ministry of Power)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (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.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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.

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.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **Parikh & Associates**
Company Secretaries

Mitesh Dhaliwala
Partner
FCS No: 8331 CP No: 9511
UDIN:F008331F000379174
PR No.: 1129/2021

Place: Mumbai
Date: May 16, 2024

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

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 Dhaliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331F000379174
PR No.: 1129/2021

Place: Mumbai
Date: May 16, 2024

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 2023-24

The median remuneration of employees of the Company during Financial Year 2023-24 was ₹9,20,100 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 is provided in the table below:

Sl. No.	Name of Director	Designation	% increase/ decrease in remuneration	Ratio of Remuneration of each Director to Median Remuneration of employees for Financial Year
1	Mr. Shantanu Khosla (DIN:00059877)*#	Non-Executive Director & Vice Chairman	(6.53)	99.25
2	Mr. Mathew Job (DIN:02922413)&#	Executive Director & Chief Executive Officer	(36.79)	50.85
3	Mr. H M Nerurkar (DIN:00265887)@	Chairman, Independent Director^	(9.82)	3.79
4	Mr. D Sundaram (DIN:00016304)^	Non-Executive Independent Director	(2.87)	3.68
5	Mr. P M Murty (DIN:00011179)^	Non-Executive Independent Director	2.15	3.62
6	Ms. Smita Anand (DIN:00059228)^	Non-Executive Independent Director	8.55	2.76
7	Mr. P R Ramesh (DIN:01915274)^	Non-Executive Independent Director	(3.55)	2.76
8	Ms. Hiroo Mirchandani (DIN:06992518)^ †	Non-Executive Independent Director	159.14	2.62
9	Mr. Promeet Ghosh (DIN:05307658)\$^	Non-Executive Director	5700.73	41.61
10.	Mr. Anil Chaudhary (DIN:03213517)^**	Non-Executive Independent Director	NA	0.20
11.	Mr. Sanjiv Kakkar (DIN:00591027)^**	Non-Executive Independent Director	NA	0.20

*Mr. Shantanu Khosla ceased to be the Managing Director w.e.f. April 30, 2023 and 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 till December 31, 2025. The remuneration to Mr. Khosla is excluding ESOPs of ₹44,55,75,452.

&Mr. Mathew Job ceased to be the Whole time Director w.e.f. April 24, 2023 and as the Chief Executive Officer w.e.f. April 30, 2023. The remuneration paid to Mr. Mathew Job is only considered for his tenure as Chief Executive Officer and is excluding ESOPs of ₹57,04,15,020.

@Mr. H M Nerurkar pursuant to completion of his tenure the retired w.e.f. October 20, 202 as the Chairman and Independent Non-Executive Director.

\$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.

**Mr. Anil Chaudhry & Mr. Sanjiv Kakkar were appointed as Non-Executive, Independent Director w.e.f. October 17, 2023.

^The remuneration of Independent Directors consists of sitting fees and commission. Commission is for 2022-2023 paid in 2023-24.

#Calculation is excluding perquisite value on exercise of ESOP.

†The increase remuneration percentage is due to payment of commission of F.Y. 2022-23 paid in F.Y. 2023-24.

The remuneration includes fixed pay and variable pay. Variable pay is for 2022-2023 paid in 2023-24.

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 Chief Financial Officer (CFO), Company Secretary or Manager, if any, in Financial Year 2023-24 is provided in the table below:

Sl. No.	Name of Director/ KMP	Designation	% Increase/ (Decrease) in Remuneration in 2023-24
1.	Mr. Kaleeswaran Arunachalam	Chief Financial Officer	10%
2.	Ms. Rashmi Khandelwal	Company Secretary & Compliance Officer	Nil*

*Appointed w.e.f. November 28, 2022, hence, percentage increase was not applicable as on March 31, 2023.

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

In the Financial Year, there was a decrease of 1% in the median remuneration of employees.

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

There were 2,238 permanent employees including permanent workers on the rolls of the Company as on March 31, 2024.

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 2023-24 was 8% whereas the increase in managerial remuneration for the Financial Year 2023-24 was 4% (Calculated as per Weighted Average).

The remuneration of Independent Directors 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

D Sundaram
Chairman
DIN:00016304

Place: Mumbai
Date: May 16, 2024

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:

Reduction in energy consumption

1. Baddi Fan Unit-II, projecting installation of 20 KW solar power panel as a source of renewable energy. Unit has installed 2 (Two) new grinding machine, which has given energy saving of 7 (Seven) KW/ day electricity from each machine. In Financial Year 2023-24 there are 1,76,053 KWH electricity consumed and for Financial Year 2022-23 it was 2,01,558 KWH.
2. In consideration of above Baddi II electricity consumption per unit 0.101 KWH/ unit of production for Financial Year 2023-24 and Financial Year 2022-23 it was 0.110 KWH/ unit of production and this is typically on increase in production number.
3. Alternate lights provision in plant gangways resulted in increased productivity for maximum utilisation of power.

(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 have been:

1. Deployment of Active power motor technology for induction motors to transition from non-BEE to BEE compliance in ceiling Fans.
2. Building capabilities in electronics and software testing for BLDC technology.
3. Explored and implemented various material optimisation/ alternate material introduction to improve sustainability in Fans.

4. Explored more sustainable packaging in ceiling Fans.
5. Ceiling Fan range is 100% complied as per BEE star rating guidelines and BIS guidelines.
6. Crompton registered highest number of BEE certified models (272 nos. as on March 31, 2024) in ceiling fans on BEE portal.
7. Crompton factories are all certified by BIS for ceiling fans manufacturing.
8. More focus on sustainable technologies development in fans.
9. Crompton launched new range of fans in Sure breeze (Star Speed, Star Briz, Star Spin, Star drift etc.) category with state-of-the-art design and 400 RPM.
10. Crompton launched new range of fans in Mass premium category with state-of-the-art design and specifications.
11. Expansion of BLDC range with Hyperjet and cookie with most optimised design.
12. Expansion of BLDC range with Groove plus decorative ranges and with Rover Non under light version.
13. Extension of High Speed TPW range with state-of-the-art new design – Gale classic.
14. BEE compliant new range introduced in luxion segment – Luxion Infinia and Cairo.
15. Launched Trio downlight & lamp A-type projects, creates ambience light with Direct & indirect lighting features worth 12Cr of annual biz potential.
16. Release higher wattage LED bulbs (14W~60W) with DOB technology after successful launch of 3W~12W DOB lamp range help to improve lamp PPR from 6.8% to 3.8% in Financial Year 2023-24.
17. Successfully released & launch of 20W LaserRay Smile economic batten to sustain cost competitive batten market.
18. Launched first time in the lighting market the decorative range 20W battens, such as STYLUS GLO, STYLUS ARA, PREMION with minimalist changes into existing design.
19. Lighting B2B/ B2C achieve cost saving target of 90~100CR in Financial Year 2024 by contributing value engineering & an alternate vendor release.

20. Launched energy efficient Solar AIO series 15W, 20W and 30W with Sensor with Fixed dimming option.
21. Released High efficiency Street light with IP leans in 60W, 70W, 90W and 120 Watt.
22. Released High efficiency Flood Light with IP Lens in 150 and 200W.
23. Launched 80W Linear under Canopy with improved uniform spread to carter Fuel stations requirement.
24. Released High wattage flood light 350,400 and 500W with better efficiency.
25. Launched for the first time in market of CRCA Downlight of 20W in IP40 protection.
26. Received NABL re aggradation.
27. Our 79% of water heater are certified for 5 star by Bureau of Energy Efficiency (“BEE”).
28. Won the prestigious National Energy Conservation Award 2023 from President of India for Storage Water Heater.
29. Launched first In-house design range of 750W mixer.
30. Strengthened 750W range of mixer with complete line up in Ameo Pro, Boltmix range.
31. Launched range of Induction Cooktop range with Ceramic Tile to drive best in class cost structure.
32. Test lab commissioned for complete Pumps Testing from June 2024 onwards at Innovation center, Vikhroli.
33. Launched DURA series in Mini category with durable features like Anti Jam Insert, Anti Rust Coating & ADDS Adapter.
34. Successfully developed & launched STP/ CCP series in India (Indigenisation) thus de-risking the import supplies & quality issues.
35. This is the fifth consecutive year that Crompton Pumps has been voted & awarded as “Superbrands”.
36. Initiation of PLM Implementations for the Robust BOM Management.
37. State of art lab creation in Mumbai Innovation & Experience Centre. Inhouse Testing facility created for the product and components in Water Heater.
38. Building Capabilities in Electronics to cater to future technology requirements.
39. Investments in the latest software for simulation capability building.
40. 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.
42. Digitalisation of Change management Process.
43. Investments in latest software for simulation capability building.
44. Launched new model with Lowest noise(eliminated the water dripping noise) in air cooler industry.
45. Launched first In-house design range of 750W mixer.
46. Strengthened 750W range of mixer with complete line up in Ameo Pro, Boltmix range.
47. Launched range of Induction Cooktop range with Ceramic Tile to drive best-in-class cost structure.

C. IMPORTED TECHNOLOGY

Nil

D. EXPENDITURE ON R&D

R&D expenditure for the year was: ₹ 71.37 Crore

E. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earned: ₹ 102.87 Crore

Foreign exchange used: ₹ 147.44 Crore

For and on behalf of the Board
of Directors

D Sundaram
Chairman
DIN:00016304

Place: Mumbai
Date: May 16, 2024

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	PSP-1 2016	PSP-2 2016	ESOP-2019
1. Date of Members' approval	October 22, 2016	October 22, 2016	October 22, 2016	January 19, 2020 and amended on January 06, 2021
2. Total number of options approved under ESOP	40,00,000	1,09,68,057	31,33,731	98,00,000
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 (I)	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 (N&RC) approves the grant.	Exercise price per Option is ₹ 92.83	Exercise price per Option is ₹ 185.66	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 (N&RC) approves the grant.
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 PSP 1 and PSP 2 would vest not earlier than one year and not later than ten 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.
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, 2023, to March 31, 2024, would be ₹ 2,36,14,076.81.

III. Option Movement during the year

1. Number of options outstanding at the beginning of the year	992,576	4,410,033	2,327,297	8,566,950
2. Number of options granted during the year	-	-	-	2,555,000
3. Number of options forfeited/ lapsed during the year	126,413	-	-	3,238,390
4. Number of options vested during the year*	89,978	-	-	1,001,558
5. Number of options exercised during the year	259,930	4,410,033	2,327,297	-
6. Total number of shares arising as a result of exercise of options	259,930	4,410,033	2,327,297	-
7. Money realised by exercise of options (in ₹)	51,953,342.85	409,383,363.39	432,085,961.02	-
8. Number of options outstanding at the end of the year	606,233	-	-	7,883,560
9. Number of options exercisable at the end of the year	606,233	-	-	2,548,560

*Note: Vested during the year includes Vested Exercised and Vested Unexercised during the year.

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

Details of ESOP	ESOP-2016	PSP-1 2016	PSP-2 2016	ESOP-2019 (in ₹)
i. Exercise price equals market price	Nil	Nil	Nil	289.73
ii. Exercise price is greater than market price	Nil	Nil	Nil	274.80
iii. Exercise price is less than market price	Nil	Nil	Nil	287.75
Weighted average fair value of options granted during the year whose				
i. Exercise price equals market price	Nil	Nil	Nil	102.72
ii. Exercise price is greater than market price	Nil	Nil	Nil	110.47
iii. Exercise price is less than market price	Nil	Nil	Nil	118.48

V. Employee-wise details of options granted during the Financial Year 2023-24 to

Particulars	ESOP 2016	PSP 1	PSP 2	ESOP 2019
i. KMP and SMPs	Nil	Nil	Nil	Mr. Promeet Ghosh- MD & CEO- 20,00,000 options granted at ₹ 294.65* Mr. Shaleen Nayak- Business Head- Lighting- 1,50,000 options granted at ₹ 253.95 Mr. Vikram Sridharan- Chief Digital Officer- 1,55,000 options granted at ₹ 287.75 Mr. Prasanth Nair- Chief Human Resources Officer- 1,25,000 options granted at ₹ 253.95 Mr. Manoj Kumar- Chief Supply Officer- 1,25,000 options granted at ₹ 274.80
ii. Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	Mr. Promeet Ghosh- MD & CEO- 20,00,000 options granted at ₹ 294.65* Mr. Shaleen Nayak- Business Head- Lighting- 1,50,000 options granted at ₹ 253.95 Mr. Vikram Sridharan- Chief Digital Officer- 1,55,000 options granted at ₹ 287.75			
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			6.93%
2. Expected Life				5.56
3. Expected Volatility				33.06%
4. Dividend Yield				0.95%
5. Price of the underlying share in market at the time of the option grant (₹)				₹ 261.84

Details of ESOP	ESOP-2016	PSP-1 2016	PSP-2 2016	ESOP-2019
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Weighted Average share price of options exercised during the year: ₹ 276.20

* The Exercise price for the options granted to Mr. Promeet Ghosh, MD & CEO was revised from ₹ 259.80 to ₹ 294.65 with the approval of member of the Company sought at the AGM held on July 22, 2023.

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	6,06,233	2.25	288.01
PSP 1	Nil	Nil	Nil
PSP 2	Nil	Nil	Nil
ESOP 2019	78,83,560	5.81	231.60
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"			₹ 7.29

For and on behalf of the Board of Directors

D Sundaram
Chairman
DIN:00016304

Place: Mumbai
Date: May 16, 2024