



LET'S
HANGOUT
GHAR PE!

ANNUAL REPORT
2016 - 17

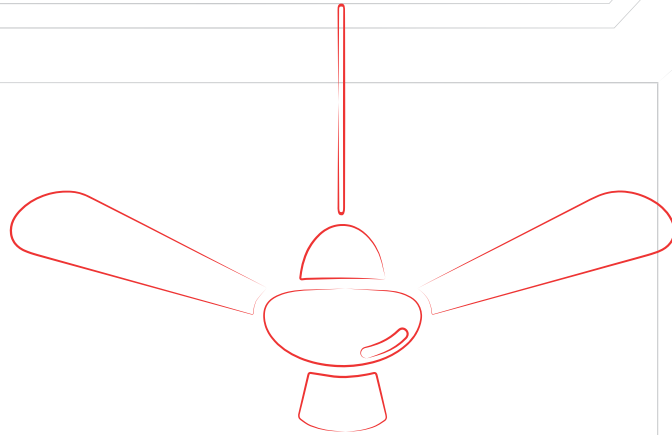
Crompton



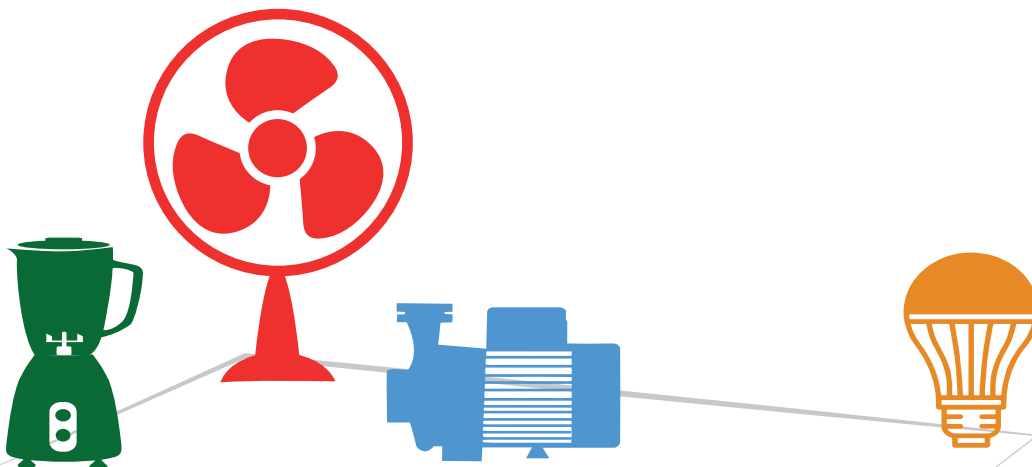
Crompton Greaves
Consumer Electricals Ltd



Crompton



Crompton is India's market leader in **FANS** and **RESIDENTIAL PUMPS**, with leading market position in **LIGHTING**, and expanding fast in **HOUSEHOLD APPLIANCES** and **AGRICULTURAL PUMPS**.





Highlights 2016-17

₹ 3,976 Crores
Revenue for the year

₹ 508 Crores
EBIDTA for the year

₹ 13,597 Crores
Market Capitalisation as on March 31, 2017

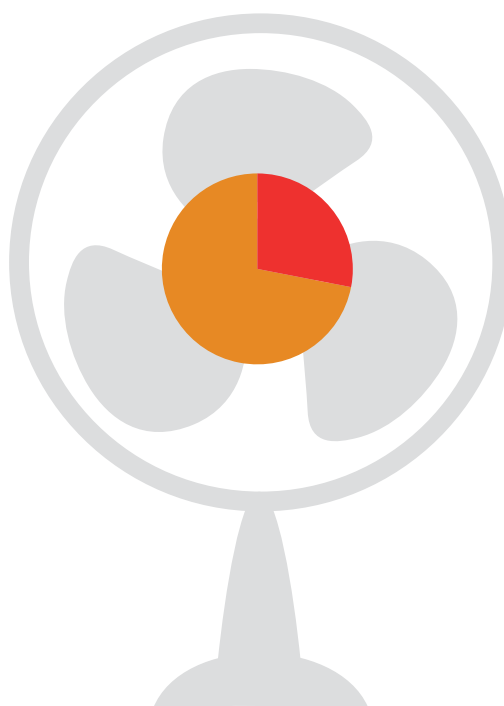
₹ 291 Crores
PAT

₹ 1.50
Dividend per share

207%
Return on capital employed

₹ 4.64
EPS

Segmental Revenues

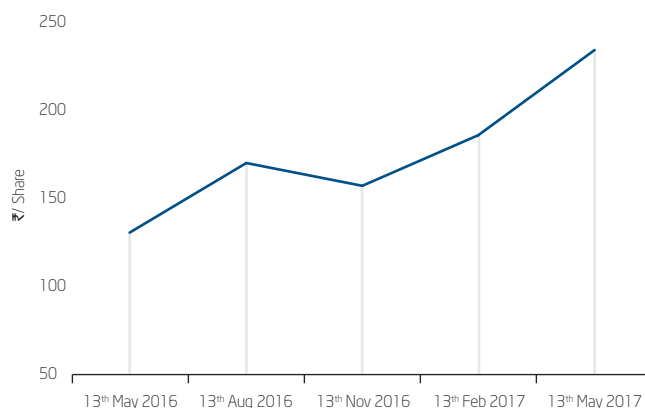


LIGHTING
PRODUCTS
28.3 %

ELECTRICAL
CONSUMER DURABLES
71.7 %



▲ Mr. Shantanu Khosla ringing the ceremonial gong at NSE during the Company's listing on National stock Exchange on 13th May, 2016



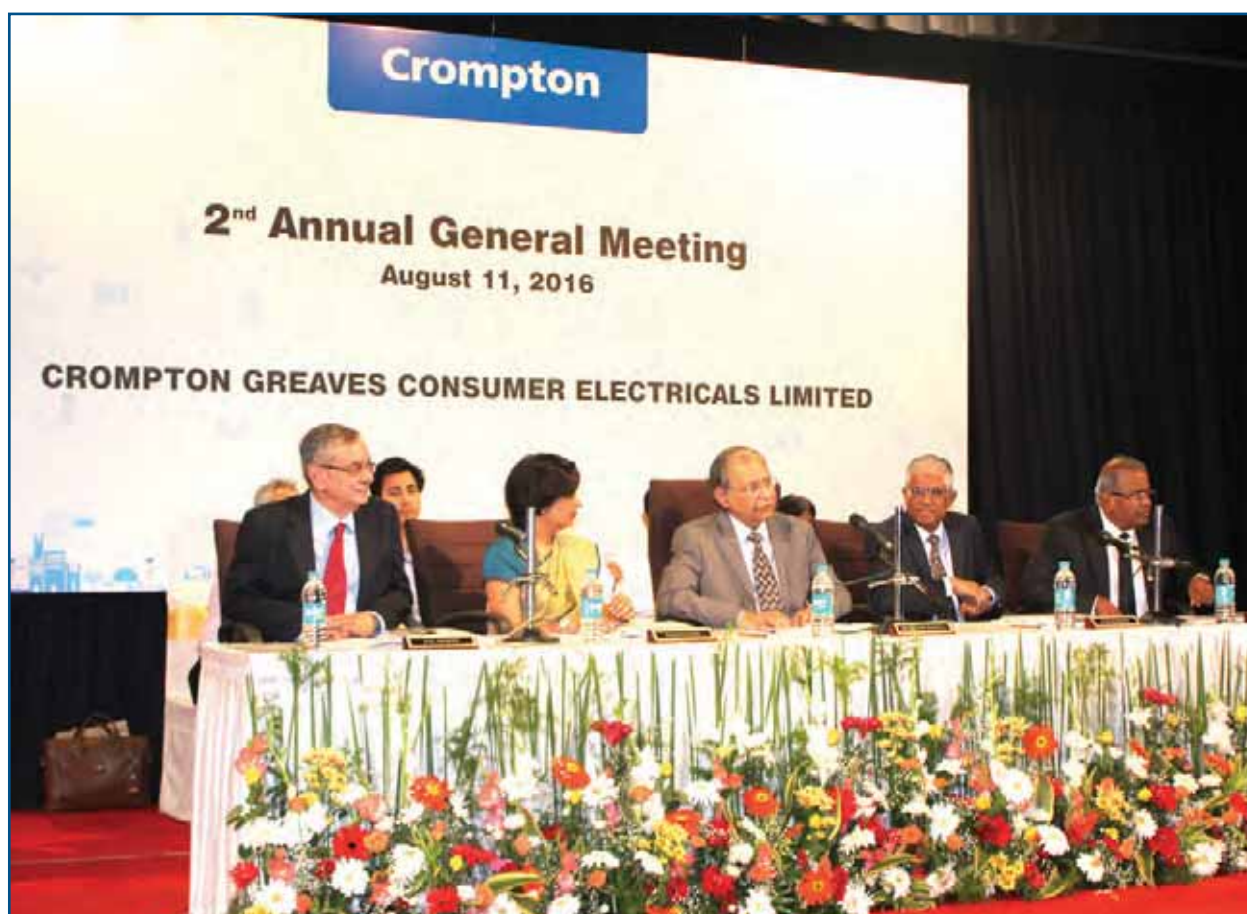
BSE Symbol: 539876

Reuters: CROP.BO

NSE Symbol: CROMPTON

Bloomberg Code: CRG:IN

▲ Share price movement in ₹ from 13th May 2016 to 13th May 2017



▲ Annual General Meeting of Crompton held on 11th August, 2016 at Manik Sabhagriha Auditorium, IES Campus, Bandra, Mumbai. From left to right are: Mr. P. M. Murty, Ms. Pragya Kaul, Mr. Shantanu Khosla, Mr. D. Sundaram and Mr. H.M. Nerurkar



Chairman's Message



Mr. H.M. Nerurkar
Chairman

Dear Shareholders,
Greetings from Crompton!

The last year was the first completed year of operations, post demerger, for Crompton. Your Company was listed on 13th May, 2016. A new board, comprising of many eminent personalities in relevant domains, has been constituted to guide the Company forward. In the year under consideration, your company grew its topline by 11% and comparable operating earnings at, a faster rate of, 26%.

The year under review has been good for Indian economy as a whole, despite the temporary setback of 'demonetisation' in the second half of the year, which did impact most sectors. Lower crude oil prices and good farm output have kept inflation under control. This has been augmented by a relatively strong rupee, on back of high FDI and portfolio inflows. Higher rural demand, with a good monsoon, and improved consumer sentiment on back of improving macro conditions augur well for the future. The transition to GST in the coming year will further boost business sentiment and operating environment. However, such a major change could result in temporary business disruption during migration.



Energy efficiency in particular has emerged as an important theme in the sector with sharp penetration of LED lighting

While domestic private investment has remained weak due to debt overhang, the government has stepped up investment in infrastructure projects related to electrification and connectivity, leading to road, rail and ports development. While construction sector growth is subdued, government push for affordable housing can help bridge the gap in the interim. Multiple smart city projects have been initiated, which will help improve city infrastructure as well as create pockets for wider replication.

These programs create new and unique opportunities for our sector, especially in the emerging trends of energy efficiency and connected products. Energy efficiency in particular has emerged as an important theme in the sector with sharp penetration of LED lighting. This was led by a higher consumer demand for energy efficient products and government enablement on supply side by EESL programs. This trend will extend over a wider portfolio of Crompton's products, as the technology and enabling environment develops.

With the current and impending changes in mind, your Company has identified five levers to take the Company to its aspired position. These are Brand Excellence, Portfolio Excellence, Go-to-market Excellence, Operational Excellence and Organisational Excellence. Some of the actions taken during the year under review were:

- ❖ Crompton ran an innovative and sustained brand campaign, achieving the targeted outcome in brand awareness improvement. This was first such campaign in the recent history of Crompton and is a seed for sustaining long term growth.
- ❖ Many innovative products were developed to improve value proposition to the consumer. These include making fan usage and maintenance convenient with first-of-their-kind temperature-sensing and anti-dust fans, best price proposition while maintaining highest Lumens per Watt output among the peers, value added features in Battens and an industry pioneering mini air-cooler.

- ❖ The Company ran a 'Go-to-market' program to enhance shopper experience by improving product availability and visibility. A pilot program with focused approach was run in Lighting segment in South India. This resulted in significant gains in top-line as well as positive feedback from the customers. In coming year, the management looks to replicate this success across all geographies and in other product lines.
- ❖ Operational improvement focused on realising higher efficiencies in operations, strengthening the supply chain and supporting IT system for better customer service.
- ❖ The Company has instituted programs for higher employee engagement and development thus striving to keep raising the performance standard. This will help generate value on process and market side and is an investment for sustained growth of the Company.

I am proud of the progress the Company has made in its commitments made to you last year. The five strategic levers will continue to be the guiding path in continuous striving for delivering better returns to all the stakeholders.

Yours sincerely,

H. M. Nerurkar
Chairman



Brand Excellence

To increase awareness across its Target Group (TG), the Company ensured that brand Crompton, with its various offerings, is present in the media, round the year.

The year started with TV advertisements aimed towards increasing awareness of two leading categories, Fans and LED Bulbs. Having done that, the Company created feature based ads like Anti-Dust Fans and affordability of LED Lights.

While the above were present in television media through various channels across India and the cricket series, Pumps advertisements were launched in regional print media to establish its core positioning.

With the onset of summers towards the end of the year, the Company launched regional print campaigns for Air Coolers and base model Fans.

The Company also initiated actions for improving its visibility at the point of purchase through 'In-shop Branding', along with building the brand through media.



Fans

Fans Brand Equity TVC



A still from anti-dust TVC



Fans print campaign



Lights

Lighting Brand Equity TVC



A still from LED TVC

Appliances



Air coolers print campaign

क्रॉम्पटन चलाओ

आराम पाओ



क्रॉम्पटन एयर कूलर्स की विस्तृत रेंज
जो दे ज्यादा ठंडी हवा



कम आवाज



दुग्ध और फलपूर
रिफिल



अगर कोय नै हवा



बिही



अर्वा



बिहिदा



ओपेन 55



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GHAR PE!

Crompton

www.crompton.co.in



Pumps



Agricultural pumps print campaign

**क्रॉम्पटन पम्प है
हर किसान की ताकत**

कम बिजली में ज्यादा पानी, क्रॉम्पटन से तस्करी है आनी.

**Crompton
Agricultural Pumps**

www.crompton.co.in

- किसी भी आकार/कारण को पूरा करने के लिए अपना की व्यापक श्रृंखला (2000-42000 लीटर/मिनिट प्रवाह)
- आधुनिक वर्तन कुशल कीर्ति 5 स्टार पंपिंग*
- एक सामान्य आकार/कारण और सस्ती भाँ
- विस्तृत वोल्टेज में कार्य करें

* 1 मिनिट में 1000 लीटर पानी में 10000 मिनिट

जब चाहे पानी बिना कोई परेशानी.

0.25 एचपी से 2 एचपी की क्रॉम्पटन घरेलु पम्प की विस्तृत रेंज से चुनें

Crompton

www.crompton.co.in

55 मीटर की ऊँचाई तक पानी उठाने की क्षमता

8 मीटर तक का रोकक आधुनिक डिजाइन

विस्तृत वोल्टेज में कार्य करें (180V से 240V)

किसी भी आकार/कारण को पूरा करने के लिए अपना की व्यापक श्रृंखला (4300 लीटर/घंटा तक प्रवाह)

घरेलु सफाई/पानी

मिनी सफाई

मिनी पंपिंग

LET'S HANGOUT GHAR PE!