



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

July 09, 2026

To, The Manager - Listing BSE Limited ("BSE") , Corporate Relationship Department, 2nd Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai - 400 001.	To, The Manager - Listing National Stock Exchange of India Limited ("NSE") , "Exchange Plaza", 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (East), Mumbai - 400 051.
BSE Scrip Code: 517421	NSE Symbol: BUTTERFLY
ISIN: INE295F01017	ISIN: INE295F01017
Our Reference: 28/2026-27	Our Reference: 28/2026-27

Dear Sir/ Madam,

Sub: Intimation under Regulation 30 and 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of the 39th Annual General Meeting and Integrated Annual Report for the Financial Year 2025-26

We wish to inform you that the 39th Annual General Meeting ("**AGM**") of Butterfly Gandhimathi Appliances Limited ("**the Company**") will be held on **Tuesday, August 04, 2026, at 11:00 a.m.** (IST) through Video Conferencing ("**VC**")/ Other Audio-Visual Means ("**OAVM**") in compliance with the applicable circulars issued by the Ministry of Corporate Affairs ("**MCA**") and Securities and Exchange Board of India ("**SEBI**"), and that the deemed venue of the AGM shall be the Corporate office of the Company situated at "E-34 2nd Floor, Rajiv Gandhi Salai, Egattur Village , Navalur Chengalpattu District 600130.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), as amended from time to time, please find enclosed Notice convening the 39th AGM and the Annual Report of the Company, including Business Responsibility and Sustainability Report ("**BRSR**") for the Financial Year 2025-26.

In terms of Regulation 46 of the Listing Regulations, the said Notice of 39th AGM and the Annual Report including BRSR, is also available on the website of the Company and can be accessed at <https://butterflyindia.com/wp-content/uploads/2026/07/Annual-Report-2025-26.pdf> and on the website of National Securities Depository Limited ("**NSDL**") at www.evoting.nsdl.com

Further, in accordance with the applicable circular(s) issued by MCA and SEBI, the Notice of the AGM and the Annual Report of the Company, including BRSR for the Financial Year 2025-26, is being sent through electronic mode to only those Members of the Company whose e-mail addresses are registered with the Company and/ or Depository Participant(s).

Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company will be sending a letter to Members whose e-mail addresses are not registered with Company/ DPs providing the weblink/ QR Code from where the Annual Report of the Company can be accessed on the Company's website.

Regd.office : 143.Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakka
Chengalpattu District, Phone : +91-44-47415500 CIN No : L28931TN1986PL
E-mail : gmal@butterflyindia.com, Web : www.butterflyindia.com

Corporate office : E-34, 2nd Floor, Egattur Village, Rajiv Gandhi Salai, Navalur - 600130,



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

Information at a glance:

Particulars	Details
Mode	VC/ OAVM
Time and date of AGM	Tuesday, August 04, 2026, at 11:00 a.m. (IST)
Participation through video conferencing	https://www.evoting.nsdl.com
Helpline number for VC participation	1800 22 55 33
Cut-off date for e-Voting	Tuesday, July 28, 2026
Remote e-Voting start time and date	Friday, July 31, 2026, at 9:00 A.M.
Remote e-Voting end time and date	Monday, August 03, 2026, at 5:00 P.M.
Remote e-Voting website of NSDL	https://www.evoting.nsdl.com

You are requested to take the above information on record.

Thanking you,

For **Butterfly Gandhimathi Appliances Limited**

Jayant Barde
Company Secretary & Compliance Officer
ACS: 61954

Regd.office : 143.Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakka
Chengalpattu District, Phone : +91-44-47415500 CIN No : L28931TN1986PL
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NOTICE

BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

CIN: L28931TN1986PLC012728

Regd Off: 143, Poulakis Village, Vandalur – Kelambakkam Road, Kelambakkam,
Chengalpattu District – 603103

T: +91 44 4741 5500 **Email:** butterfly.investorrelations@butterflyindia.com

Website: <https://butterflyindia.com/>

NOTICE OF THE 39TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Thirty Nineth (39th) Annual General Meeting (the “AGM”)** of the Members of Butterfly Gandhimathi Appliances Limited (**the “Company”**) will be held on **Tuesday, August 4, 2026 at 11:00 A.M. (IST)** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) for which purpose the Corporate Office of the Company situated at “E-34, 2nd Floor, Rajiv Gandhi Salai, Egattur Village, Navalur, Chengalpattu District – 600 130 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS

1. Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 together with the Reports of the Board of Directors (“the Board”) and the Auditors thereon.

2. Appointment of Mr. Nithyanandam Anandkumar (DIN: 10381096) as a Director liable to retire by rotation

To appoint a Director in place of Mr. Nithyanandam Anandkumar (DIN: 10381096) who retires by rotation and being eligible offers himself for re-appointment.

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of Members of the Company, be and is hereby accorded to re-appoint Mr. Nithyanandam Anandkumar (DIN: 10381096) as Director, who is liable to retire by rotation.”

SPECIAL BUSINESS

3. Ratification of remuneration payable to M/s. S. Mahadevan & Co., Cost Auditors of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company be and hereby ratifies the remuneration of ₹ 2,25,000/- (Rupees Two Lakh Twenty Five Thousand only) (exclusive of applicable taxes and re-imburement of out of pocket expenses) payable to M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration Number 000007), who have been appointed by the Board of Directors basis the recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending March 31, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) or the Key Managerial Personnel of the Company be and are hereby severally authorised to do all act(s), deed(s), matter(s) & thing(s) and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By the order of the Board
For **Butterfly Gandhimathi Appliances Limited**

Jayant Barde
Company Secretary & Compliance Officer
Membership No.A61954

Registered Office:
143, Pudupakkam Village,
Vandalur – Kelambakkam Road,
Kelambakkam, Chengalpattu
District – 603 103

Date: May 11, 2026
Place: Mumbai

NOTICE

NOTES

1. Ministry of Corporate Affairs (“MCA”) has vide General Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, General Circular No. 2/2022 dated May 5, 2022, followed by Circular No. 10/2022 dated December 28, 2022, subsequent Circular No. 09/2023 dated September 25, 2023, General Circular No. 09/2024 dated **September 19, 2024 (collectively referred to as “MCA Circulars”)** and Circular No. 03/2025 dated September 22, 2025 and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 (**collectively referred to as “SEBI Circulars”**) has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**). In compliance with the applicable provisions of the Companies Act, 2013, (**the “Act”**), MCA Circulars, SEBI Circulars and the Listing Regulations, the AGM of the Company will be held through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/ OAVM only. The proceedings of the AGM will be deemed to be conducted at the Corporate Office of the Company which shall be the deemed venue of the AGM.
2. An explanatory statement pursuant to Section 102(1) of the Act relating to special business as stated under Item No. 3 of the Notice dated **Monday, May 11, 2026**, are annexed hereto.
3. A statement providing additional details of the Director(s) seeking re-appointment as set out in Item No. 2 of the Notice dated **Monday, May 11, 2026**, is annexed herewith as required under Regulation 36(3) of the Listing Regulations as amended from time to time and Secretarial Standard-2 (**“SS-2”**) on General Meetings issued by the Council of the Institute of Company Secretaries of India (**“ICSI”**).
4. Since this AGM is being conducted through VC/ OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available at the AGM and hence the proxy form and attendance slip are not annexed to this notice.
5. Institutional/ Corporate Shareholders (i.e. other than individuals/HUF/NRI, etc.) intending to authorise their representatives to attend the AGM through VC/ OAVM on its behalf and to vote through electronic voting (“e-Voting”), are requested to send a certified scanned copy (PDF/ JPG Format) of its Board or governing body resolution/ authorisation letter to the Scrutiniser by e-mail through its registered e-mail address at butterfly.investorrelations@butterflyindia.com with a copy marked at evoting@nsdl.com

Institutional Members (i.e. other than individuals, HUFs, NRIs etc.) can also upload their board resolution/ Authority Letter, etc. by clicking on **“Upload Board Resolution/ Authority Letter”** displayed under “e-Voting” tab in their login.
6. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date.
7. The Members can join the AGM through VC/ OAVM mode 15 (Fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 (One Thousand) Members on first come first served basis. This will not include large Members (i.e. Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Participation of Members attending AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In accordance with the aforesaid MCA and SEBI Circulars, electronic copies of the Notice of the AGM along with the Annual Report for the Financial Year 2025-26, are being sent to the Members whose e-mail addresses are registered with the Company or the Depositories/ Depository Participants (**“DPs”**). In case any Member is desirous of obtaining physical copy of the Annual Report for the Financial Year 2025-26, kindly send a request to the Company by writing at butterfly.investorrelations@butterflyindia.com mentioning their folio number/ DP ID and Client ID.

The Notice calling the AGM has been uploaded on the website of the Company at <https://butterflyindia.com/>. The Notice can also be accessed from the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of National Securities Depository Limited (**“NSDL”**) (agency for providing the remote e-Voting facility), at www.evoting.nsdl.com.
10. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and relevant documents referred to in the accompanying Notice and in the Explanatory Statement are requested to write to the Company on or before Friday, July 31, 2026, through e-mail on butterfly.investorrelations@butterflyindia.com. The same will be replied by the Company suitably.

All documents referred to in the Notice will also be available electronically for inspection, without any payment of by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to butterfly.investorrelations@butterflyindia.com.
11. To support the **“Green Initiative”**, Members who have not registered their e-mail addresses are requested to register the same with the GNSA Infotech Private Limited, Company’s Registrar and Share Transfer Agent (**“RTA”**)/ their DPs in respect of shares held in physical/ electronic mode, respectively.
12. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed with this Notice.
13. In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020, on e-Voting facility provided by listed companies, the Company is providing facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-Voting.

For this purpose, the Company has availed the services of NSDL for facilitating voting through electronic means, as the authorised agency, for casting votes using remote e-Voting system on all the resolution(s) set forth in this Notice.
14. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel their earlier nomination and record a fresh nomination, he/ she may submit the same in Form No. SH-14. The said form can be downloaded from the Company’s website at <https://butterflyindia.com/investor-relations/>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Company or RTA in case the shares are held in physical form, quoting their folio numbers.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.
15. Members are requested to check that the correct account number has been recorded with the Depository. Members holding shares in electronic form are requested to intimate any change in their address, e-mail ID, signature or bank mandates to their respective DPs with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to intimate such changes to the RTA of the Company by furnishing Form No. ISR-1 and

NOTICE

other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. The same are available on the website of the Company at <https://butterflyindia.com/investor-relations/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

16. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form. Further, the transmission and transposition of securities shall also be effected only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialised form. Members can contact the Company or RTA for assistance in this regard.
17. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“**ODR Portal**”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
18. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.

IEPF RELATED INFORMATION

Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF)

19. Pursuant to the provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time (“**the IEPF Rules**”), all dividends, if not encashed for a period of 7 (Seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF. Further, all the shares in respect of which dividend has remained unclaimed for 7 (Seven) consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
20. Adhering to the aforesaid statutory requirement, during the Financial Year 2023-24, unclaimed dividend for the Financial Year 2015-16 aggregating ₹ 5,82,689/- (Rupees Five Lakhs Eighty Two Thousand Six Hundred and Eighty Nine Only) and 2,97,583 (Two Lakh Ninety Seven Thousand Five Hundred and Eighty Three) unclaimed equity shares in respect of which dividend entitlements remained unclaimed for 7 (seven) consecutive years, were transferred by the Company to the IEPF established by the Central Government, pursuant to the provisions of Section 124 of the Act, read with the IEPF Rules.
21. Members holding shares in electronic form are requested to ensure that correct bank particulars are registered against their respective Depository accounts which will be used by the Company for any payment of dividend in future. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the DP by the Members.
22. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company’s registered office or at butterfly.investorrelations@butterflyindia.com

23. **The instructions for Members for Remote E-Voting and Joining the AGM are as under:**

The remote e-Voting period commences from **Friday, July 31, 2026, at 9:00 A.M.** and ends on **Monday, August 3, 2026, at 5:00 P.M.** During this period, Members holding shares either in physical or dematerialised form, as on **Tuesday, July 28, 2026, (“cut-off date”)**, may cast their votes electronically through e-Voting system from any place (“**remote e-Voting**”). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility, either during the aforesaid period or during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Tuesday, July 28, 2026.**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “**Two Steps**” which are mentioned below:

- Step 1:** Access to the NSDL e-voting system
- Step 2:** Cast your votes electronically on NSDL e-voting system.

Step 1: Access to NSDL e-Voting system

A) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020, on e-Voting facility provided by listed companies and as a part of increasing the efficiency of e-Voting process, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

NSDL Mobile App is available on



4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

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Type of shareholders	Login Method
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 022 - 4886 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

B) Login Method for e-voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 140118 then user ID is 140118001***

- Password details for Members other than Individual Members are given below:

- If you are already registered for e- Voting, then you can user your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email ids are not registered.**

- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, the home page of e-Voting will open.

NOTICE

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful logging in following Step 1, you will be able to see all the companies **“EVEN”** in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select **“EVEN”** of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on **“VC/ OAVM”** link placed under **“Join General Meeting”**.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **“Submit”** and also **“Confirm”** when prompted.
5. Upon confirmation, the message **“Vote cast successfully”** will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for procuring user id and password for e-voting for those shareholders whose email IDs are not registered with the depositories/ Company and registration of e mail ids for e-voting on all the resolutions set out in this notice:

1. In case shares are held in physical mode and have not updated their e-mail addresses with the company, please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card and Aadhar Card by email to butterfly.investorrelations@butterfly.com for registering e-mail address.
2. In case shares are held in demat mode, please provide DPID and Client ID (16 digit DP ID + Client ID or 16-digit beneficiary ID), Name of member, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card and Aadhar Card to butterfly.investorrelations@butterfly.com
3. Alternatively, Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated **December 9, 2020** on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for Members

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five (5) unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/ Password?”** or **“Physical User Reset Password?”** option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and the e-voting user manual for shareholders available in the download section of www.evoting.nsdl.com or call on toll free number: 022-4886 7000 and 022 - 2499 7000 or send a request to Mr. Suketh Shetty, Assistant Manager - NSDL at evoting@nsdl.com.

24. The instructions for Members for e-Voting on the day of the AGM are as under

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

25. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER

- i. Members will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of **“VC/ OAVM”** placed under **“Join meeting”** menu against Company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/ OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the user ID and Password for e-Voting or have forgotten the user ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further, the Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at butterfly.investorrelations@butterfly.com. Those Members who have registered themselves as a speaker from **Friday July 24, 2026, to Friday July 31, 2026, up to 5:00 P.M.** will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- vi. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at butterfly.investorrelations@butterfly.com. The same will be replied by the company suitably.
- vii. Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date, i.e. **Tuesday, July 28, 2026**, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using **“Forgot User Details/Password”** or **“Physical User Reset Password”** option available on www.evoting.nsdl.com or call on toll free no. 1800 22 55 33. In case of Individual Members holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, i.e. **Tuesday, July 28, 2026**, may follow steps mentioned in the Notice of the AGM under **“Access to NSDL e-Voting system”**.
- viii. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
- ix. A member will not be allowed to vote again on any resolution on which vote has already been cast.
- x. Members attending the AGM who have not cast their votes on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to cast their votes through e-voting during the AGM. The members who have casted their votes prior to the AGM may also attend/ participate in the AGM through VC/ OAVM but shall not be entitled to cast their votes again.
- xi. The remote e-voting module on the day of the AGM shall be disabled by NSDL for

NOTICE

voting after 15 (Fifteen) minutes of the conclusion of the AGM.

- xii. Any Member holding shares in physical form, and nonindividual Members, who acquires shares of the Company and/or become a Member after sending of the Notice and holds shares as on the cut-off date, may obtain their login ID and password by sending a request at evoting@nsdl.com. However, if he/ she is already registered with NSDL for remote e-Voting, then he/ she can use his/ her existing user ID and password for casting the vote.
- xiii. In case of individual shareholders holding securities in demat mode, who acquires the shares of the Company and becomes a Member of the Company after the Notice is sent and holding shares as of the cut-off date, may follow steps mentioned below under **“Instructions for e-voting”**.

26. SCRUTINISER’S REPORT AND DECLARATION OF RESULTS

- i. The Board of Directors of the Company has appointed Mr. D Saravanan (FCS 13721) of Alagar & Associates LLP, (Formerly known as M. Alagar & Associates) Practicing Company Secretaries (ICSI Unique Code: L2025TN019200), as the Scrutiniser to scrutinise the e-Voting process during the AGM and remote e-voting in a fair and transparent manner.
- ii. The Scrutiniser shall, immediately after the conclusion of the e-Voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least Two (2) witnesses not in the employment of the Company and provide, not later than Two (2) working days of conclusion of the AGM, a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- iii. The results declared along with the Scrutiniser’s Report shall be placed on the Company’s website www.butterflyindia.com and on the website of NSDL, i.e. www.evoting.nsdl.com immediately after the submission with the Stock Exchanges,

where the shares of the Company are listed. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM, i.e. **Tuesday, August 4, 2026**.

27. NOTE TO MEMBERS

- i. SEBI has mandated the submission of Permanent Account Number (**“PAN”**) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company/ RTA.
- ii. Members are requested to intimate changes, if any, pertaining to their name, postal address, Email ID, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants in case the shares are held by them in dematerialised form and to the Company/ RTA.
- iii. Members are requested to quote their Folio No. or DP ID - Client ID, as the case may be, in all correspondence with the Company or the RTA.
- iv. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
- v. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/ HO/ MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 03, 2021. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication.

- vi. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details. Members may also refer to relevant FAQs published by SEBI on its website and can be viewed at the following link https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf
- vii. Further, in compliance to the SEBI Circular [SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8](http://SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8) dated January 25, 2022, if the service requests are received by RTA (like Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange, endorsement, subdivision/splitting, consolidation of securities certificates/ folios, transmission and transposition of securities) from those Members whose details, as mentioned in SEBI Circular dated November 03, 2021, are duly updated in the system, the RTA/ Company shall verify and process the service requests and issue a **‘Letter of Confirmation’** in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 (Thirty) days of its receipt of such request after removing objections, if any, which shall be valid for a period of 120 (One Hundred and Twenty) days from the date of its issuance, within which the securities holder/ claimant shall make a request to the DP for dematerialising the said securities.
- If the Members fail to submit the dematerialisation request within 120 (One Hundred and Twenty) days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Members can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

- viii. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form No. ISR-4, the format of which is available on the Company’s website under the weblink at www.butterflyindia.com. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

By the order of the Board
For Butterfly Gandhimathi Appliances Limited

Jayant Barde
 Company Secretary & Compliance Officer
 Membership No.A61954

Registered Office:
 143, Pudupakkam Village,
 Vandalur – Kelambakkam Road,
 Kelambakkam, Chengalpattu
 District – 603 103

Date: May 11, 2026
Place: Mumbai

STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

Ratification of remuneration payable to M/s. S. Mahadevan & Co., Cost Auditors of the Company

Under the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a Cost Accountant. Further, in accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, at their Meeting held on May 11, 2026, has approved the appointment of M/s. S. Mahadevan & Co, Cost Accountants (Firm Registration No. 000007) as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2027 at a remuneration ₹ 2,25,000/- (Rupees Two Lakh Twenty-Five Thousand Only) (excluding all taxes and reimbursement of out of pocket expenses, if any at actuals).

Accordingly, consent of the Members is sought by way of an **Ordinary Resolution** as set out at Item No. 3 of the accompanying Notice for ratification of the remuneration amounting to ₹ 2,25,000/- plus applicable taxes and out of pocket expenses on actual basis payable to the Cost Auditors for the financial year ending March 31, 2027.

The Board recommends the resolution as set out at item no. 3 of the Notice for the approval of the Members of the Company as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel's or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

By the order of the Board
 For **Butterfly Gandhimathi Appliances Limited**

Jayant Barde
 Company Secretary & Compliance Officer
 Membership No.A61954

Registered Office:
 143, Pudupakkam Village,
 Vandalur – Kelambakkam Road,
 Kelambakkam, Chengalpattu
 District – 603 103

Date: May 11, 2026
Place: Mumbai

ANNEXURE A

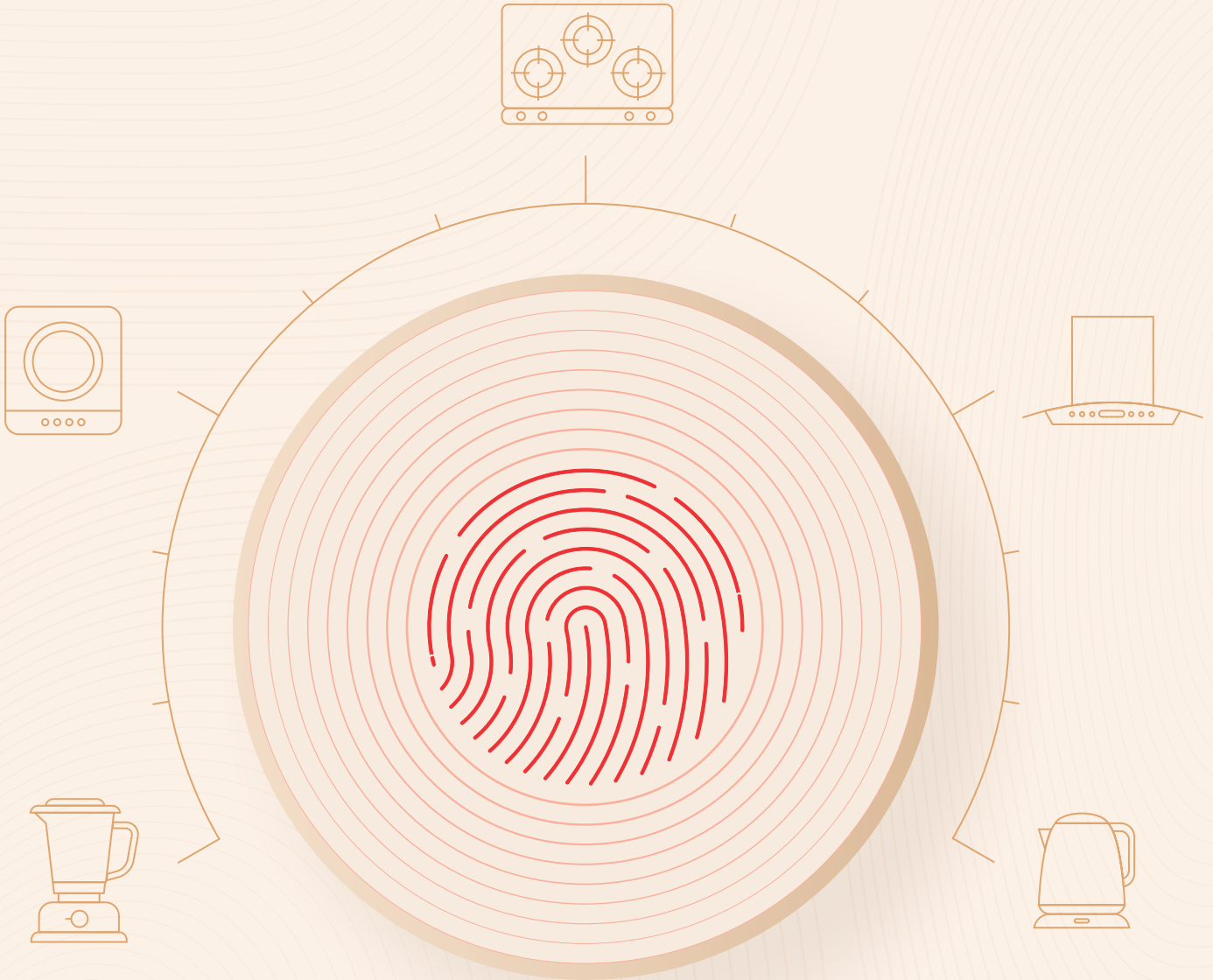
Details of Director seeking Appointment/Re-appointment in the forthcoming Annual General Meeting

[In pursuance of Secretarial Standards on General Meetings (SS-2) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

Name of the Director	Mr. Nithyanandam Anandkumar
Director Identification Number	10381096
Category	Non-Executive, Non Independent Director
Date of Birth	3 rd April, 1967
Age	59 years
Nationality	Indian
Date of first appointment on the Board	November 9, 2023
Relationship with Directors, Managers and KMPs	There is no relationship with other Directors on the Board, Managers and KMPs.
Brief Profile	Mr. N Anandkumar is a seasoned professional in the consumer durables industry with rich experience spanning over three decades across varied consumerfacing product categories. He started his career as a management trainee in Crompton Greaves Electricals Limited (in the erstwhile Crompton Greaves Ltd.) in 1991. Anandkumar's three-decade-long journey with Crompton has seen him taking roles of increasing responsibilities, including leadership roles in sales and distribution, business head for domestic and kitchen appliances and global head for customer service and delivering strategic objectives for the organisation consistently. He has a passion for coaching and takes pride in creating leaders. He has led several transformational projects, such as the GTM excellence project in diverse markets and product categories and has led breakthrough innovation as business head. Currently, he is the Group Sales and Service Head for Crompton Greaves Electricals Limited, and his area of interest is working on critical transformative projects that help create future ready organisations.
Qualification	B.E. – Mechanical MBA – Sales and Marketing
Experience	30+ years
Expertise in specific functional area	Wide experience in the area of Sales
Terms and Conditions of appointment or re-appointment	<ul style="list-style-type: none"> To be appointed as Director Liable to retire by rotation Eligible for re-appointment
Remuneration sought to be paid	NIL
Remuneration last drawn	NIL
Number of shares held in the Company (directly or as a beneficial owner)	NIL
Number of Meetings of the Board attended during the year	6
Membership/Chairmanship of Committees of the Company	Stakeholders Relationship Committee – Member
Directorships held in listed Companies	NIL
Listed companies from which resigned in the past three years	NIL
Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Membership/Chairmanship of Committees across other Public Companies (listed as well as unlisted)	NIL

Information at a glance:

Particulars	Details
Mode	Video conference (“VC”) and other audio-visual means (“OAVM”)
Time and date of AGM	Tuesday, August 4, 2026 at 11.00 AM
Participation through VC	https://www.evoting.nsdl.com
Helpline number for VC participation	1800 22 55 33
Webcast and transcripts	https://butterflyindia.com/investor-relations/
Cut-off date for e-Voting	Tuesday, July 28, 2026
Remote e-Voting start time and date	Friday, July 31, 2026
Remote e-Voting end time and date	Monday, August 3, 2026
Remote e-Voting website of NSDL	https://www.evoting.nsdl.com/
Name, address and contact details of e-voting service provider	Contact details: Ms. Prajakta Pawle - Executive National Securities Depository Limited 4th Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, India Email Id: evoting@nsdl.com Contact number: 022 - 4886700
Name, address and contact details of Registrar and Transfer Agent	Contact details: Mr. R. Balasubramaniam - Manager M/s. GNSA Infotech Private Limited STA Department, Nelson Chambers, 4th Floor, F-Block, No. 115, Nelson Manickam Road, Aminjikarai, Chennai – 600029, Tamil Nadu. Email ID: bala.r@gnsaindia.com / sta@gnsaindia.com Contact number: 044 – 42962025



CELEBRATING CHANGE

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Signals of Progress

Profitability

40.3%

Sharper profitability recovery

Cost efficiency improving

1.93 → 1.80

Revenue stabilisation across cycles

₹ 94,315.30 Lakh



To read this report online or to download please visit us at www.butterflyindia.com

CELEBRATING CHANGE

At Butterfly Gandhimathi Appliances Limited ('Butterfly'), change reflects the evolving ways people live, cook, and experience their homes. Our renewed brand philosophy, 'Celebrating Change', is rooted in understanding the everyday shifts that shape modern Indian kitchens and the consumers at the heart of them.

As lifestyles continue to evolve, consumers are increasingly seeking solutions that are more intuitive, efficient, and aligned with their routines. This understanding is shaping how we design products, build experiences and approach innovation across categories.

From the fingerprint-inspired visual identity that symbolises individuality to the 'Idea First Series' built around real kitchen insights, every aspect of our brand reflects a deeper commitment to purposeful, consumer-centric design.

Looking ahead, we will continue to strengthen this journey through thoughtful innovation, deeper consumer understanding, and solutions designed for the changing rhythms of contemporary Indian homes.

ABOUT BUTTERFLY

A Trusted Name in Kitchen Solutions

Butterfly has been part of Indian homes for generations, evolving with the way the country cooks, lives and changes. Over the years, the brand has built its reputation on consistent quality, purposeful innovation, and a deep understanding of everyday kitchen needs. From mixer grinders to cooktops and beyond, Butterfly has continuously expanded its portfolio to make modern cooking more intuitive, convenient, and dependable.

39
Years of expertise

1
Manufacturing unit

1
Research centre

At the heart of Butterfly's journey is its ability to stay closely connected to consumers across markets. A strong distribution network, combined with a growing digital ecosystem, has enabled the brand to reach households more effectively while creating deeper engagement with today's evolving Indian consumer. This accessibility is not just about presence, it is about remaining relevant to the changing rhythms of modern kitchens.

That commitment now extends far beyond the product itself. With Butterfly Assist+, the brand is reimagining the ownership experience through more seamless, transparent, and dependable after-sales service, strengthening confidence across every stage of the consumer journey.

As part of Crompton Greaves Consumer Electricals Limited ('Crompton'), Butterfly is entering a stronger phase of transformation and growth. Backed by Crompton's scale, engineering expertise, and operational strength, the brand is now better positioned to accelerate innovation, deepen market reach, and create greater value for consumers and stakeholders alike.

By bringing together Butterfly's trusted kitchen legacy with Crompton's capabilities, the brand is building a future shaped by thoughtful innovation, intelligent solutions, and a sharper understanding of the modern Indian homes.

Our Philosophy

At Butterfly, we believe meaningful innovation begins with understanding everyday kitchen experiences. As consumer lifestyles evolve, we strive to create appliances that respond to these changing needs with simplicity, practicality and thoughtful design. This philosophy underpins our Idea First approach, where real consumer insights inspire solutions that make modern kitchens more efficient and intuitive.

Our Purpose

Enriching life for generations with smart and responsible solutions.

Our Mission

We strive to create products that are safe, energy-efficient, dependable and environment-friendly by constantly improving our core technology.

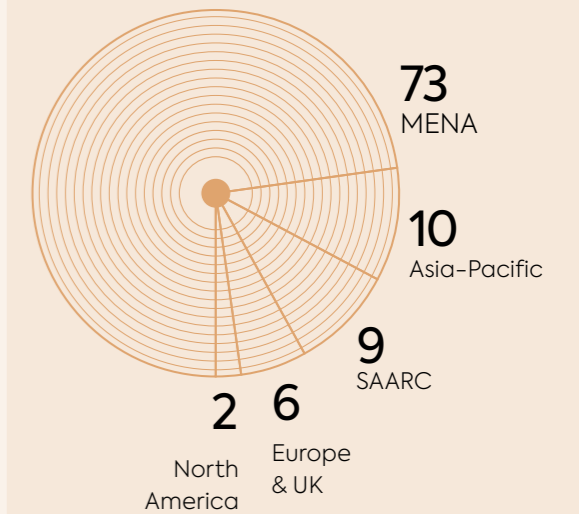
Our Values

- Caring**
Respect people from diverse backgrounds and perspectives, act with empathy, demonstrate genuine concern and proactively help others.
- Responsible**
Understand and align business priorities with long-term goals and consumer preferences to drive Crompton's future-focused growth through innovation with purpose.
- Entrepreneurial**
Stay agile and adapt to ever-changing business landscapes, continuously experiment, courageously take risks, swiftly learn from failures and make decisive, data-driven decisions.
- Accountable**
Set aspirational goals and high-quality standards, takes ownership and accountability for both self and teams' performance and establish a strong commitment to excellence, emphasising both outcomes and effectiveness.
- Team Player**
Collaborate to innovate, solve challenges, manage conflict and leverage network to achieve shared objectives.
- Ethical**
Commit to authenticity, integrity, ethical conduct and sustainability in all interactions with stakeholders, prioritising what is right for business, community and the environment.

ABOUT BUTTERFLY



International Revenue Division (%)



Our Presence

We are among the top three brands in the kitchen and small domestic appliances segment in India, with a strong legacy in South India and a steadily growing presence across the country. Alongside strengthening our footprint in India, we are also expanding into international markets with a diversified portfolio of kitchen solutions.

Our operations are supported by a well-established distribution and branch network across key regions. This includes three branches in Tamil Nadu along with one each across Kerala, Karnataka, Odisha, Telangana, Andhra Pradesh, Delhi, Mumbai and Ahmedabad, enabling stronger market reach and efficient distribution.

Beyond India, Butterfly continues to expand its global presence through a growing export portfolio across the Asia-Pacific, North America, MENA and SAARC regions.

Stronger Together

Our relationship with Crompton continued to strengthen during F.Y. 2025-26, marking an important phase in Butterfly's transformation journey. With a renewed focus on brand building, innovation, and operational efficiency, Butterfly is steadily evolving into a stronger and more future-ready business.

At the same time, the partnership remains thoughtfully balanced. While Butterfly continues to operate independently across consumer-facing functions such as marketing, sales, and service, we benefit from Crompton's scale and expertise across areas including R&D processes, procurement, digital systems, and IT infrastructure. This synergy has enabled faster execution, stronger capabilities, and sustained growth, while allowing both the brands to retain their distinct identities.

1
Head office

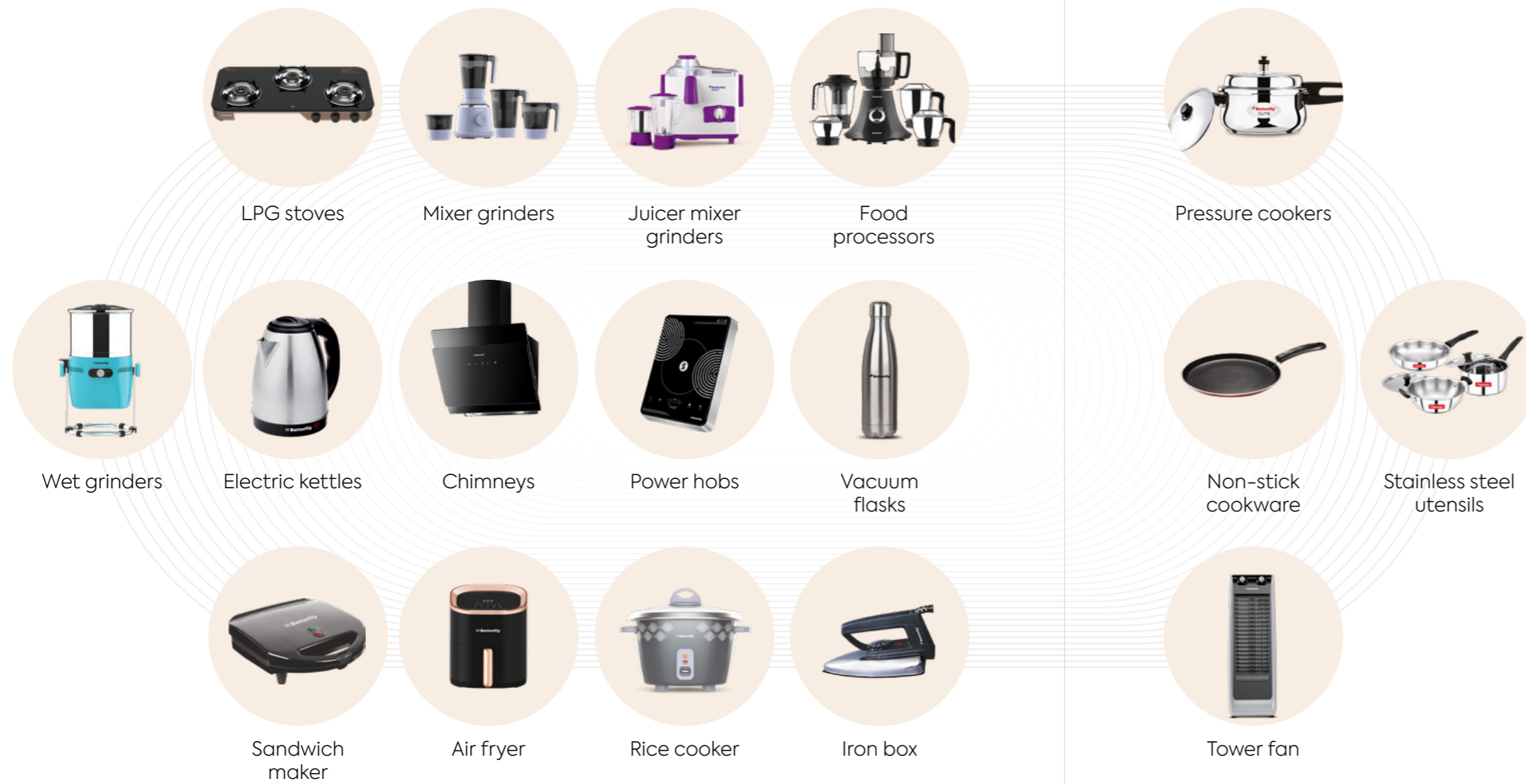
11
Branches

22,000
Retail outlets

448+
Distributors

WHAT WE OFFER

A Kitchen Full of Ideas



New Launches

In F.Y.2025-26, we introduced the Idea First Series, a premium range shaped by everyday kitchen realities and built around our 'Celebrating Change' brand positioning.

What We Launched

Over 40 new SKUs rolled out under the Idea First platform across key categories

New products included gas stoves, mixer grinders, wet grinders and pressure cookers

What Made Them 'Idea First'

Bauhaus-led product thinking anchored in form follows function, stripping excess and designing around utility

A strong emphasis on industry-first, safety plus led and performance-led propositions across categories

Spotlight Products



Renz gas stove
India's first 3-star energy-rated glass-top gas stove + wind-proof pan support and patented lock elements

Mixer grinder range
Fingerprint-resistant/crack-resistant jar propositions plus Tritan (Eastman) jars plus 95% grinding efficiency



Pressure cooker range
Hybrid duo-curve design plus halo crown spill/splash filter plus patented safety lock elements

1 LPG SS gas stove brand in South India

2 LPG glass-top gas stove brand in South India

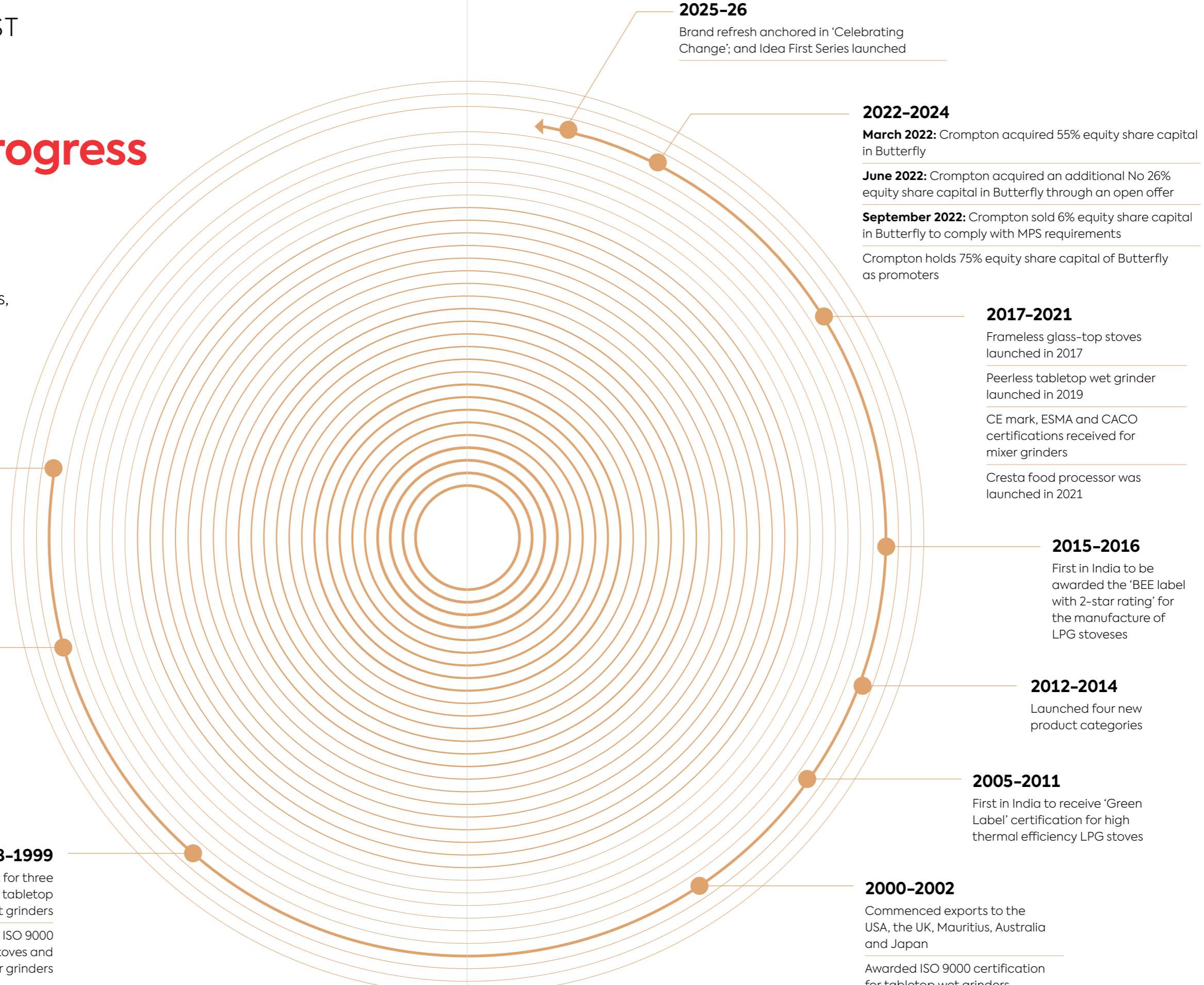
2 Mixer grinder brand in South India

250+ SKUs

A PEEK INTO OUR PAST

An Enduring Journey of Progress

Our story is shaped by decades of innovation, consumer trust and evolving market opportunities. As we have grown with changing times, each milestone has strengthened our legacy and expanded our presence in kitchens across India.



1986-1989
Brand Butterfly is born
First to launch stainless steel pressure cookers and vacuum flasks in India
Launched LPG stoves and mixer grinders

1992-1994
Invented a brazing machine with in-house technology which replaced the hazardous copper plating process for pressure cookers/utensils – indigenous substitution for imported technology
Listed on the BSE

1998-1999
Awarded patent for three conical stone tabletop wet grinders
Bagged India's first ISO 9000 certificate for LPG stoves and mixer grinders

2025-26
Brand refresh anchored in 'Celebrating Change'; and Idea First Series launched

2022-2024
March 2022: Crompton acquired 55% equity share capital in Butterfly
June 2022: Crompton acquired an additional No 26% equity share capital in Butterfly through an open offer
September 2022: Crompton sold 6% equity share capital in Butterfly to comply with MPS requirements
Crompton holds 75% equity share capital of Butterfly as promoters

2017-2021
Frameless glass-top stoves launched in 2017
Peerless tabletop wet grinder launched in 2019
CE mark, ESMA and CACO certifications received for mixer grinders
Cresta food processor was launched in 2021

2015-2016
First in India to be awarded the 'BEE label with 2-star rating' for the manufacture of LPG stoves

2012-2014
Launched four new product categories

2005-2011
First in India to receive 'Green Label' certification for high thermal efficiency LPG stoves

2000-2002
Commenced exports to the USA, the UK, Mauritius, Australia and Japan
Awarded ISO 9000 certification for tabletop wet grinders



IDEA FIRST PHILOSOPHY

Built from Real Kitchen Insights

With the launch of the Idea First Series, Butterfly introduced a more purposeful approach to product innovation, one that places real consumer needs at the centre of design and functionality. Rooted in the brand's philosophy of 'Celebrating Change', the series focuses on creating thoughtful solutions that make everyday cooking more intuitive and effortless.

By closely understanding the evolving rhythms of modern kitchens, Butterfly transforms everyday insights into intelligent appliance features that improve convenience, efficiency, and ease of use.



Making Everyday Preparation Easier

Cooking often involves repetitive preparation tasks such as grinding spices, making chutneys or preparing batter. In kitchens, uneven grinding, spillage and difficult cleaning can slow down the process and require unnecessary effort.

The Idea

Our design teams analysed how consumers use mixer grinders in real kitchens, observing issues such as jar stability, grinding efficiency and cleaning convenience.

The Solution

These insights informed launches such as our Xeno Pro and Ziera mixer grinder range, which were developed to improve grinding efficiency, strengthen durability, and make cleaning and handling easier.



Improving Everyday Cooking Efficiency

Gas stoves remain one of the most frequently used appliances in Indian kitchens, yet concerns around flame efficiency, fuel consumption and cleaning convenience often affect cooking experiences.

The Idea

We studied cooking behaviour and stove usage patterns to understand how design improvements could enhance cooking efficiency while maintaining safety and durability.

The Solution

This thinking shaped products such as the Renz gas stove, developed to improve flame performance, stability and ease of maintenance while bringing together safety-focused and energy-efficient design elements.



Designing for Modern Kitchen Needs

Contemporary kitchens require appliances that balance performance with aesthetics and energy efficiency, particularly as households seek appliances that complement modern kitchen spaces.

The Idea

Butterfly recognised the opportunity to create appliances that combine functional performance with thoughtful design elements suited to modern lifestyles.

The Solution

This philosophy is reflected across the Idea First Series, including products such as our Unicurve stainless steel cooker, where contemporary design, improved usability and energy-conscious thinking come together to meet the needs of modern homes.

From Insight to In-home Performance

Early service data and frontline feedback indicate that the Idea First series is showing healthier complaint patterns than legacy ranges. Initial defect rates have been lower in comparable categories, no major repeat failures have been observed and the issues reported have largely been usage- or adjustment-oriented, rather than critical functional failures. This suggests that embedding quality, serviceability and customer context at the design stage is translating into a more reliable post-purchase experience.

Where consumer understanding becomes market-ready innovation



40+
New SKUs launched under the Idea First Series in F.Y. 2025-26

Bauhaus-led product thinking
Design inspired by purpose

CHAIRMAN'S MESSAGE

Celebrating Change

Dear Shareholders,

I am pleased to present to you the Annual Report of Butterfly Gandhimathi Appliances Limited for F.Y.2025-26.

Changing lifestyles, shifting consumer expectations and a growing desire for products that are not just functional but thoughtfully designed are driving a structural shift in the kitchen appliances industry. Evolving consumers today seek appliances that are intuitive, aesthetically appealing and engineered to simplify everyday living. Kitchens are no longer a functional space; they are expressions of one's identity.

At Butterfly, F.Y.2025-26 marks an important phase in our transformation journey. Building further on strong foundations, we continue to adapt to the need of evolving consumers. Our renewed brand philosophy, 'Celebrating Change,' reflects this intent, to remain relevant to an ever-changing kitchen space, while staying true to our core values.

Driving Consumer-centric Innovation

A key highlight of the year was the launch of the Idea First Series, an innovation-first premium product range developed around deep consumer insights and everyday kitchen needs which marks a significant step forward in our product innovation journey.

From high-performance mixer grinders to thoughtfully engineered gas stoves and other kitchen solutions, these appliances are designed to improve efficiency, safety and ease of use. The encouraging consumer response to the Idea First range reinforces our belief that insight-led innovation, rather than incremental upgrades, will drive differentiation and category leadership.

Deepening Our Reach

In addition to product innovation, we have strengthened our go-to-market capabilities to improve our reach across channels. Our premiumisation strategy has seen steady traction across channels indicating that consumers are willing to pay for differentiated and innovative offerings. We are also encouraged by the positive response from customers as they continue to support and embrace this shift.

We also strengthened the post-purchase experience during the year through Butterfly Assist+, a unified service identity designed to make support faster, smarter and more consumer-centric. By improving responsiveness, transparency and digital accessibility across service touchpoints, we continued to reinforce trust in the Butterfly brand beyond the point of sale.

Collectively, these channels have enabled us to engage a broader, more diverse consumer base while consolidating our competitive position across key categories.

Disciplined Operations Enabling Strategic Progress

While the year began on a subdued note, demand improved over the course of the seasons. However, the fourth quarter remained volatile, impacted by ongoing global turmoil. Revenue for F.Y.2025-26 stood at ₹943.2 Crore, reflecting sustained growth across core product categories. Our EBITDA grew by 21.8%, faster than the topline, reaching ₹80.3 Crore with margins improving to 8.5%. This performance can be attributed to a favourable product mix, disciplined cost management and improved operational efficiencies.

More importantly, it underpins the growing resilience of our business model and the tangible outcomes of our strategic priorities spanning portfolio premiumisation, product innovation and higher productivity.

This progress was also supported by focused procurement interventions across the cost base. During the year, we advanced multiple cost-optimisation levers, including annual productivity discounts, MOU volume discounts, localisation, payment-term improvements, cost benchmarking, alternate sourcing, SOB optimisation, outsourcing and consolidation. Together, these measures helped reinforce cost discipline while supporting continuity and competitiveness across our operations.

Performance Highlights

₹ 94,315.30 Lakh
Revenue

₹ 8,028.46 Lakh
EBITDA

8.51%
EBITDA Margin

Continued growth across core product categories

Margin improvement driven by premiumisation and operational efficiencies

Crisil Ratings has reaffirmed its 'Crisil AA/Stable/Crisil A1+' ratings, reflecting our financial resilience

Building a Future-ready Organisation

The year also saw us strengthen our organisational capabilities by enhancing our leadership team in sales, marketing, and manufacturing with seasoned professionals who bring rich industry experience from leading organisations. These appointments will sharpen our market approach, enhance our brand positioning, — and optimise our supply chain, all essential to achieving our long-term vision and strategic growth objectives

At the governance level, the Board focused on robust stewardship and ethical business practices. In keeping with this commitment, the Corporate Social Responsibility Committee looks after community engagement initiatives.

Looking ahead

Our transformation journey has gained renewed momentum through our association with Crompton Greaves Consumer Electricals Limited. This partnership brings to the fore our strong brand heritage in kitchen appliances with Crompton's engineering expertise, scale and pan-India distribution reach.

Structural drivers such as urbanisation, increasing nuclear households and evolving culinary habits are expected to sustain demand for efficient and thoughtfully designed kitchen appliances. We are well positioned to capitalise on these trends through our refreshed brand identity, innovation-led product strategy and strengthened distribution network.

“Change is constant, and Butterfly grows alongside you. As lives, routines and spaces change, we design solutions that adapt seamlessly, while staying centred on what never changes: you. Guided by this balance, Butterfly continues to shape its solutions around your needs, remaining true to your individuality.”

Before I conclude, I would like to thank our consumers, customers, employees, partners and shareholders for their continued trust and support. Their confidence inspires us to keep evolving, innovating and delivering value.

As we move forward, we remain guided by a simple belief: sustained relevance comes from the ability to anticipate, adapt and lead change, and at Butterfly, we are committed to doing exactly that.

Warm regards,

P M Murty
Chairman &
Independent Director



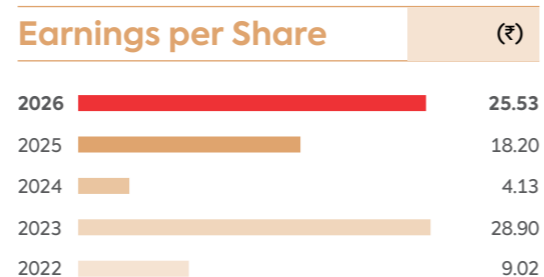
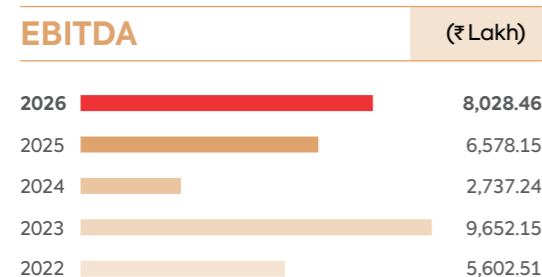
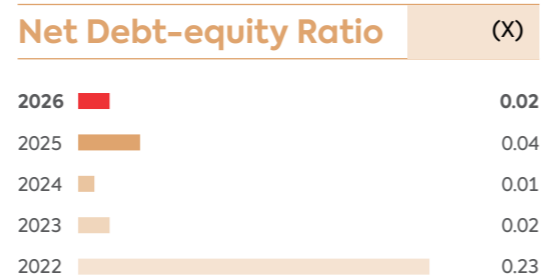
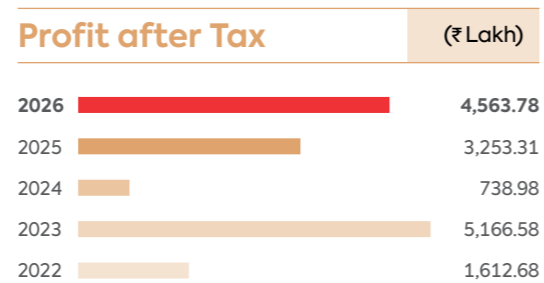
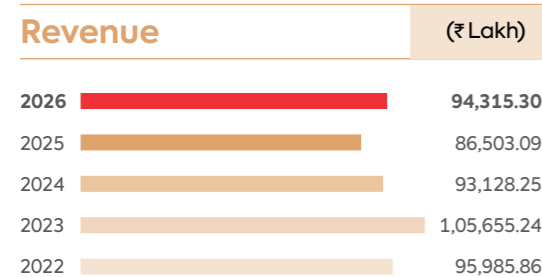
KEY PERFORMANCE INDICATORS

Evaluating Our Performance Outcomes

We track a focused set of key performance indicators (KPIs) covering financial performance, operational efficiency and long-term value creation. These metrics provide our stakeholders with a clear view of our performance and the effectiveness of our strategic initiatives.

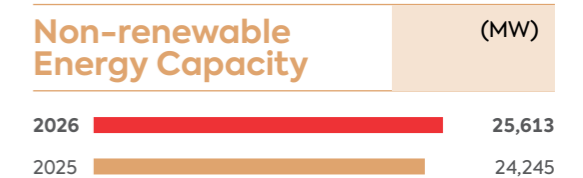
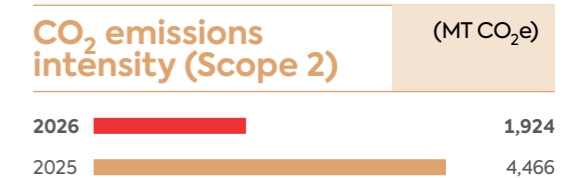
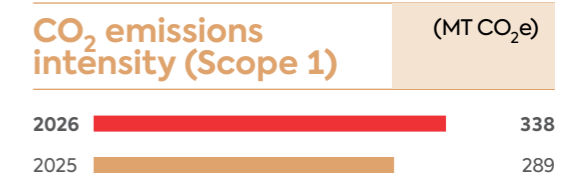
Financial KPIs

We monitor key financial indicators that reflect revenue growth, profitability, operational efficiency and capital discipline. Together, these metrics highlight our efforts to fortify our market position, improve business resilience and drive sustainable financial performance.



Sustainability KPIs

Alongside financial performance, we also track sustainability-focused indicators covering areas such as environmental stewardship, resource efficiency and responsible operations. These metrics provide an insight into our efforts towards building a more responsible and sustainable business.



MARKETING CAMPAIGNS

A Dynamic Brand That Keeps Pace With the Changing Consumer

As Butterfly continues to evolve, our marketing approach is increasingly focused on building deeper consumer connections and communicating the brand's renewed purpose with greater clarity. Through integrated storytelling across digital platforms, retail experiences, and consumer engagement initiatives, we are strengthening our relevance in the modern Indian kitchen.

A Brand Built Around Change

With the renewed positioning of 'Celebrating Change', Butterfly has moved beyond product-led communication towards a more human understanding of everyday kitchen life. The brand celebrates the small changes, evolving routines, and everyday moments that quietly shape modern homes and cooking experiences.



Speaking to a Changing Consumer

Our communication is increasingly guided by mindset rather than age, what we internally describe as a 'zillennial attitude'. This consumer values thoughtful design, simplicity, efficiency, and practical innovation, influencing how we design products and tell their stories.



Balancing Aspiration and Accessibility

Our portfolio continues to serve consumers across mass, mass-premium, and premium segments. While the Idea First Series introduces more design-forward and feature-led innovations, our broader range ensures accessibility across diverse households and price points.



A Visual Identity Rooted in Individuality

As part of Butterfly's refreshed identity, a fingerprint-inspired visual motif was introduced to symbolise individuality and personal expression. It reflects the belief that every kitchen, and every consumer, has a unique way of living, cooking, and evolving.



Innovation Through the Idea First Series

The Idea First Series became a key expression of this philosophy. Built around genuine kitchen insights, each product addresses a real everyday challenge, from safety and convenience to cleaning and performance, transforming practical needs into intuitive appliance solutions.

Purpose-led Design Thinking

Our renewed brand philosophy draws inspiration from the Bauhaus principle that design must begin with purpose. This thinking shapes both our products and visual language, focusing on simplicity, utility, and intuitive functionality to create solutions that make everyday cooking smarter and more effortless.





MANUFACTURING AND INNOVATION

Transforming Real Insights into Superior Products

We are transforming how we design, engineer and manufacture our products through a more collaborative approach. During the year, we improved planning visibility, embedded quality across processes and strengthened coordination across operations. Prioritising consumer-centric product innovation, we strive to translate ideas into differentiated products and scalable manufacturing outcomes.

₹100+ Crore

Monthly production sustained during peak months



Greater Visibility Enabling Better Execution

We re-engineered our manufacturing planning by introducing an M+1 planning framework this year. It enabled earlier finalisation of confirmed and tentative forward production plans. This shift has improved visibility for procurement and production teams, particularly for long-lead components. Weekly cross-functional reviews are further ensuring closer alignment between sourcing, production and demand requirements. These planning improvements were complemented by procurement-led efforts to strengthen sourcing resilience. During the year, we advanced multi-sourcing and localisation across the supply chain, helping reduce dependency risks and support continuity for key inputs. These measures bolstered our ability to respond more reliably to production requirements while reducing exposure to supply-side disruptions.

Quality Built into the Process

We accelerated the shift from inspection-led quality control to process-driven quality assurance. Shop-floor teams now follow the principle of 'I assemble, I check,' supported by defined inspection gates and automated checks. These measures delivered measurable improvements, including a reduction in Parts Per Rejection (PPR) from 9.24 to 8.39 and a decline in Cost of Poor Quality (COPQ) from 1.93 to 1.80. Our quality approach is increasingly informed not only

by in-plant checks, but also by structured field feedback. During the year, service teams identified and escalated recurring issues through complaint analysis and on-ground diagnosis, enabling faster corrective action across quality and manufacturing. This included targeted interventions on issues such as nutri blender leakage, pressure cooker safety valve performance and lid-tightening in aluminium pressure cookers.

9.24 → 8.39

Reduction in parts per rejection (PPR)

1.93 → 1.80

Cost efficiency improving

Manufacturing Idea First Products

Our Idea First Series introduced greater complexity in tooling, processes and aesthetic standards. In response, our manufacturing teams collaborated with our R&D and tooling partners to adopt multi-operation tooling that enables several processes to be completed in a single stroke. This has improved productivity and throughput while ensuring consistent execution of differentiated products at scale.

Institutionalising Innovation

We are now increasingly seeing innovation as a more structured, cross-functional discipline. A five-stage gate process now governs our product development, from defining the consumer proposition to validating prototypes and executing commercial launches. This framework ensures that consumer insights, technical feasibility and commercial viability are evaluated together, contributing to product differentiation. This structured approach is reinforced by post-launch learning loops. Service data and frontline feedback are reviewed alongside product and quality inputs, helping us identify defect trends early, improve design robustness and reduce the likelihood of repeat issues.



Manufacturing and Innovation

Building Capacity for the Next Phase

With plant consolidation completed and manufacturing optimisation underway, our next phase focuses on automation and capacity readiness. Our production planning is being aligned to support anticipated growth, including expanding pressure cooker capacity from around 12 Lakh units to 18 Lakh units annually, supported by further automation and layout optimisation.

12 Lakh → 18 Lakh

Planned cooker capacity expansion



Cross-functional Governance

To strengthen execution discipline, we expanded the Bill of Materials (BOM) ownership beyond engineering into a cross-functional review structure involving our procurement, production and planning teams. Periodic reviews ensure alignment between design assumptions and shop-floor

execution, improving operational accuracy and reducing reactive adjustments during production. To institutionalise learning from the field, service teams shared regular quality feedback through structured communication channels, while VOC-based review meetings with Quality and R&D teams, led

by the Product Line Head, helped align customer experience realities with backend corrective actions. In parallel, complaint trends from CRM data informed CAPA-led interventions to address systemic issues and prevent recurrence.

Planning at the Fundamental Level

Our planning discussions have moved from aggregate production volumes to SKU-level adherence, enabling us to respond more effectively to varied channel requirements, including general trade, institutional orders, government procurement and e-commerce. This granular planning discipline has improved product availability while reducing last-minute operational firefighting.

Aligning Right from the Start

Innovation at Butterfly now begins with closer alignment between R&D and marketing, ensuring that consumer insight, product feasibility and commercial positioning are considered simultaneously. This upstream collaboration helps consumer trends into clearly defined product propositions even before development begins.

Designing for Energy Efficiency

Energy efficiency has emerged as a key product design pillar. During the year, we achieved India's first five-star certification for cooktops, reflecting our focus on combining performance with responsible energy consumption.



SAFETY

Prioritising Protection in Everyday Action

We treat environment, health and safety (EHS) as an operational imperative. This year, we embedded safety behaviours across the shop floor while reinforcing engineering controls that reduce risk at source. Through structured frameworks, training programmes and equipment-level safeguards, we continue to build awareness, ownership and accountability across teams.

The 1-3-5 Safety Framework

During the reporting year, we introduced our 1-3-5 safety framework, aiming to translate our intent into consistent on-ground behaviour.

1
Aspiration

Zero workplace injuries as a shared organisational goal

3
Principles

Safety as a culture, commitment and compliance responsibility

5
Rules

Practical shop-floor behaviours covering PPE use, workplace discipline, ownership of machines and processes, identification of unsafe conditions and compulsory safety training!

The framework is reinforced through toolbox talks, regular start-up meetings and safety pledges displayed across shop floors in local languages.

Engineering-led Risk Elimination

We continue to prioritise engineering interventions that eliminate risks at source. Safety sensors, machine guards and interlocks have been implemented across critical equipment, supported by standardised machine-level safety checklists and periodic risk assessments. This approach embeds safety within our machines and processes, reducing reliance on behavioural vigilance alone.



Championing Safer Habits Every Day

From toolbox meetings to leadership reviews, we promote safety conversations actively. Our counselling and corrective action mechanisms reinforce accountability where required, while our ongoing awareness initiatives emphasise that safety extends beyond the workplace to our families and communities.

29 → 8

Recordable safety incidents reduced

100%

Safety training coverage

Fostering Ownership Where It Matters

Training programmes during the year focused on strengthening individual ownership on the shop floor. All our employees were covered under structured induction and on-the-job safety training, supported by behaviour-based safety programmes and SOP awareness sessions. This has led to more proactive reporting of near misses and unsafe conditions, improving early risk detection and prevention.



INFORMATION TECHNOLOGY

Enabling a Resilient Digital Core

We continue to fortify our digital backbone to support evolving business needs. During F.Y. 2025-26, we enhanced our core systems, strengthened cybersecurity controls and advanced deeper integration with Crompton's enterprise technology ecosystem. These efforts helped ensure that our digital systems remain reliable, secure and scalable to sustain day-to-day operations and future growth.

Making Our Network More Resilient

One of the key technology upgrades that we undertook this year was our transition to a Software-Defined Wide Area Network (SD-WAN) architecture. With this upgrade, we integrated connectivity across our locations, improving network visibility, performance and security, while creating a scalable digital backbone capable of supporting our future expansion.

Ensuring Data Privacy Readiness

We made steady progress in our data privacy preparedness journey, conducting internal assessments and strengthening governance practices to align with the requirements of India's Digital Personal Data Protection (DPDP) framework. This structured approach focused on continuous readiness and responsible data stewardship, rather than one-time compliance milestones. As part of this journey, we completed structured privacy assessments, including Data Protection Impact Assessments (DPIAs), and strengthened governance practices to improve accountability and readiness in line with evolving regulatory expectations.



Tightening Data and Endpoint Controls

We implemented multiple initiatives to maintain better control over how information is accessed and protected across our organisation. In addition to data labelling for structured and unstructured information, Data Loss Prevention (DLP) controls and Mobile Device Management (MDM) systems, we deployed a next-generation Extended Detection and Response (XDR) solution to strengthen threat visibility and improve response

times. We also implemented a SaaS-based Security Information and Event Management (SIEM)/ Security Operations Centre (SOC) platform for centralised monitoring and incident management, alongside a cloud-based web security proxy to inspect web traffic and reduce exposure to malicious content. Together, these measures strengthened enterprise-wide data governance and reinforced our security posture.

Reimagining Service in a Digital-first World

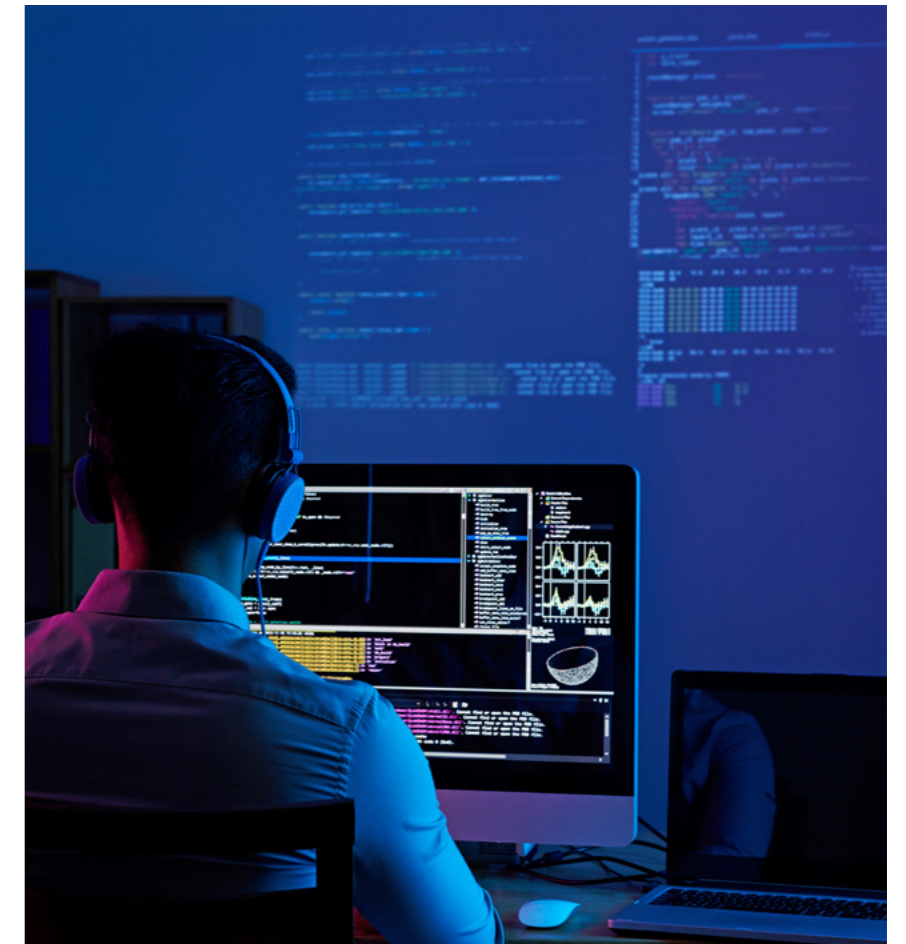
We also extended digital enablement into customer service operations. During the year, technology-backed service interventions such as a web portal for product registration, service requests and tracking, WhatsApp-enabled interaction, pin-code-based CRM routing and CTI integration with the call-centre system improved traceability, responsiveness and service convenience for customers.

Unified Identity Enabling Stronger Control

We completed the Active Directory integration this year, bringing our systems fully onto Crompton's enterprise domain. This alignment has strengthened our identity management, authentication protocols and overall system governance, enabling our applications to operate within a unified digital environment.

Prepared for Disruptions

Our IT efforts during the year also focused on augmenting our Disaster Recovery (DR) preparedness for our mission-critical systems, particularly ERP platforms that support manufacturing, finance and operations. To better manage contingent workforce operations and compliance, we also implemented a Contract Labour Management System across locations to track contractual headcount, attendance, payroll and vendor billing. This also helped clarify the potential financial exposure arising from system disruptions, enabling greater business confidence and recovery readiness. By improving our recovery readiness and understanding the potential financial impact of disruptions, we have made our digital operations more agile.



Driving Adoption across People and Processes

As our digital systems increasingly intersect with our everyday workflows, the IT department's role has expanded beyond infrastructure to supporting adoption across functions. From manufacturing and finance to sales and HR, we

have focused on ensuring that our systems are aligned with user behaviour, training needs and process readiness, recognising that successful digital transformation depends as much on our people and practices as on technology.

18+ months
Data privacy readiness journey

DLP and MDM
Enterprise security controls strengthened

TRENDS AND OPPORTUNITIES

Adapting to Emerging Market Realities

India's home appliance industry is evolving with higher disposable incomes, rapid urbanisation, digital penetration and changing lifestyles. Increasing demand for smarter, energy-efficient and convenience-led appliances is reshaping how companies design, distribute and engage with consumers.



Growing Demand for Smart and Connected Appliances

Wider adoption of connected and feature-rich appliances is reshaping traditional product categories. Smart-home integration is also gaining traction, with consumers increasingly opting for app-enabled control, voice-assisted operations and energy-monitoring features.

Opportunity

Develop connected and intelligent appliances that enhance convenience, automation and energy efficiency within modern households.



Rising Disposable Incomes and Expanding Consumer Base

India's private final consumption expenditure (PFCE) grew 7.5% in F.Y.2025-26, up from 7.2% a year back. Indicating stronger household demand. Policy measures such as GST rationalisation and simplification, including tax relief on select consumer durables and electronics categories in 2025, may further support affordability sentiment and discretionary consumption. With rising household incomes, the addressable market for modern appliances is expanding. This is contributing to steady category growth, with the small domestic appliances market projected to record a 7.42% CAGR between 2026 and 2031.

Opportunity

Expand product portfolios and capture demand from new consumer segments, particularly first-time appliance buyers. India's consumer durables market is expected to benefit further from this shift and is projected to become the fourth largest globally by F.Y.2026-27.



Higher Consumption in Tier II and Tier III Cities

Distribution-led expansion is widening the category's reach beyond major urban centres. Online retail is projected to grow at 8.45% CAGR, supported by deeper penetration into Tier II and Tier III markets and improved affordability through fintech solutions.

Opportunity

Strengthen distribution networks and product offerings tailored to regional price points and usage patterns.



Trends and Opportunities

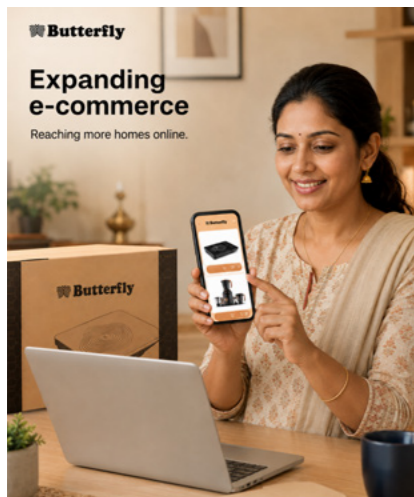


Shift Towards Convenience-driven Consumption

Rising nuclear households, health consciousness and hectic lifestyles are driving demand for appliances that simplify daily routines. Products such as mixers, blenders, kettles, air fryers and food processors are benefiting from this shift, with juicers and blenders accounting for 21.86% of the market in 2025.

Opportunity

Drive innovation in multifunctional and time-saving kitchen appliances that offer greater convenience.

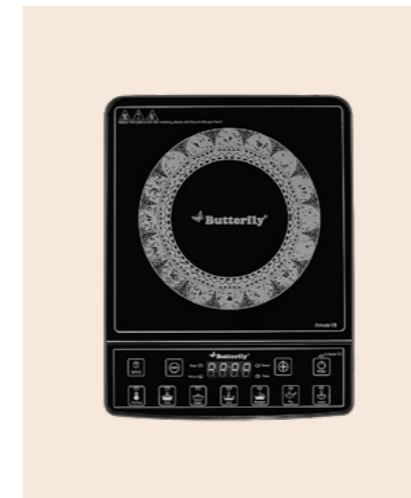


Expanding E-commerce and Omnichannel Retail

Faster product discovery and wider access continue to define domestic appliance distribution. While multi-brand outlets held the largest share at 46.62% in 2025, online retail is expected to grow faster, at 8.45% CAGR, driven by convenience, reach and affordability.

Opportunity

Build stronger omnichannel strategies by combining physical retail presence with digital and e-commerce platforms.



Preference for Energy-efficient Products

Increasing awareness of operating costs and sustainability is influencing purchase decisions. This shift is expected to be reinforced by BEE-linked efficiency norms, while policy support and localisation incentives may improve competitiveness across higher-value appliance categories.

Opportunity

Develop energy-efficient products aligned with evolving consumer expectations and regulatory standards.



Government Electrification and Housing Initiatives

Schemes such as PMAY and rural electrification programmes are expanding the consumer base for kitchen appliances.

Opportunity

Expand reach across newly electrified households and affordable housing markets.



Rapid Growth in Small Appliances Segment

Demand within the category is becoming increasingly segmented and feature-led. While mainstream categories continue to expand, emerging segments such as air fryers are expected to grow faster, with a projected 7.88% CAGR through 2031.

Opportunity

Diversify portfolios in compact and daily use kitchen appliances, aligned with evolving consumer lifestyles.

RISK MANAGEMENT

Navigating Uncertainty with Greater Agility

Operating in the consumer appliances sector requires us to adeptly navigate a dynamic environment shaped by shifting consumer preferences, supply chain volatility, evolving regulations and rapid technological change. At Butterfly, we manage these risks by identifying potential disruptions early, assessing their potential impact on our operations and putting appropriate safeguards in place to ensure business continuity and sustained value creation.



Our Risk Management Approach

We continue to monitor a range of operational, financial and strategic risks that could influence our performance. By strengthening our internal controls, enhancing oversight mechanisms and sharpening our ability to predict emerging risks, we aim to build resilience while sustaining long-term growth.

Key Risks and Their Mitigation Strategies

Changing consumer preferences

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Rapid shifts towards smart, design-oriented and energy-efficient appliances may reduce demand for conventional product categories and require ongoing product innovation.	<ul style="list-style-type: none"> Differentiate core categories through Idea First innovations that solve meaningful consumer problems Build future growth platforms under lifestyle-tech and wellness to address emerging premium needs Invest in design, connectivity and energy-efficient technologies to keep the portfolio future-ready Govern innovation through a structured pipeline with clear KPIs for new product contribution, premium mix and technology adoption 	<ul style="list-style-type: none"> Idea First series products contributed 12% to the business turnover A three-year innovation roadmap enabling the launch of industry-first 5-star gas stoves

Intensifying industry competition

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Entry of new brands, aggressive pricing strategies and increased marketing investments by peers may impact market share and profitability.	<ul style="list-style-type: none"> Drive consumer-centric, insight-led innovation focused on differentiated features, quality and reliability Maintain a disciplined portfolio and price-value architecture across entry, mid and premium segments to avoid price-led competition and protect margins Ensure clear value propositions at each price tier to defend market share and sustain profitability amid intensifying domestic and international competition. 	Three-year strategic rolling product roadmap aligned with the Board and all stakeholders

Raw material price volatility

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Fluctuations in the prices of key inputs such as steel, aluminium and electronic components may increase production costs and exert pressure on margins.	<ul style="list-style-type: none"> Working on a quarterly pricing strategy with key raw material suppliers Start with the top 3 contributors and then move on to the next level of suppliers 	Establish control on pricing and ensure visibility to devise a way forward for mitigating raw material price fluctuations in advance



Risk Management

Technological obsolescence

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Inability to keep pace with advancements in smart technologies, connectivity and energy-efficient designs may affect product competitiveness.	<ul style="list-style-type: none"> Govern product development through an insight-led, five-stage gate process covering consumer proposition, technical feasibility, prototype validation and launch readiness Strengthen R&D capability, validation infrastructure and cross-functional alignment to embed energy efficiency, usability and serviceability early in product design 	<ul style="list-style-type: none"> Launched over 40 new SKUs under the Idea First platform across key categories Advanced future-ready propositions, including India's first five-star certified cooktops and differentiated Idea First products

Regulatory and quality compliance

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Changes in product safety standards, environmental regulations or certification requirements may necessitate operational adjustments and additional investments.	<ul style="list-style-type: none"> Embed product safety, applicable certifications and quality checks within design, manufacturing and validation processes Strengthen assurance through product reliability and compliance laboratory, NPD validation lab workstream, inspection gates and field-feedback-led CAPA 	<ul style="list-style-type: none"> Improved quality performance, with PPR reducing from 9.24 to 8.39 and COPQ reducing from 1.93 to 1.80 Strengthened safety and quality validation through PRC lab capability, service feedback reviews and corrective actions on recurring product issues

Cybersecurity and data protection

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Increased reliance on digital systems and enterprise platforms may expose the organisation to cyber threats, system disruptions or data breaches.	<ul style="list-style-type: none"> Strengthening cyber resilience through role-based access, MFA and periodic user access reviews, supported by vulnerability assessments, DLP, MDM, phishing simulations and employee training Deploying WAF, EDR/XDR, e-mail security and Zero Trust controls, with ongoing DR drills and migration to a next-gen SOC with UEBA, SOAR and AI capabilities 	Enhanced protection of systems, data and reputation through improved threat visibility, proactive monitoring of the dark web, external attack surface and brand misuse, and timely detection of exposed assets, credential leakage and potential breach risks. Initiated DPDPA-aligned data privacy measures and cyber maturity assessment to identify and close gaps

Macroeconomic volatility

Potential impact	Mitigation strategy	F.Y. 2025-26 outcome
Economic slowdowns, inflationary pressures or reduced consumer spending may impact discretionary demand for home appliances.	<ul style="list-style-type: none"> Strengthen a resilient, value-led and diversified portfolio focused on essential-use and replacement-driven categories to remain relevant and affordable during periods of constrained consumer spending (covered as a part of the three-year roadmap) Reduce demand risk through portfolio, channel and market diversification, ensuring balanced exposure across geographies, channels, and consumer segments (expansion to rest of India and D2C segment) Reinforce brand trust, reliability and post-purchase support, positioning the brand as an essential, dependable choice for consumers, while diversifying offerings to mitigate prolonged economic slowdown risks via brand refresh and sustained investment in marketing 	<ul style="list-style-type: none"> Our overall portfolio has been strengthened across categories and price segments, catering to diverse consumer needs while also creating aspiration through the launch of premium, industry-first Idea First Series products Emerging channels, including e-commerce, quick commerce, modern retail outlets (MOR), and regional chains, have been a key focus, delivering double-digit growth Executed Butterfly's 'Celebrating Change' brand transformation to build stronger relevance to consumers with zillennial attitude through contemporary design, meaningful innovation, digital engagement and consistent ownership experience, supported by sustained brand investment Increased brand relevance and preference, improved premium mix, stronger consumer loyalty and sustained category share despite economic headwinds

ENVIRONMENT

Protecting What Matters the Most

We integrate environmental responsibility into our manufacturing operations, focusing on reducing resource use, improving efficiency and lowering our overall footprint. Through judicious energy and water use, effective waste management and regulatory compliance, we balance operational growth with environmental stewardship.

Environmental impact chain


Energy consumption

Manufacturing operations require energy to power machinery, production processes and facility infrastructure

Focus area	Operational practices	
Improving energy efficiency across operations	<ul style="list-style-type: none"> Monitoring and optimising energy consumption Adopting energy-efficient equipment and operational practices Continuously reviewing energy usage across production facilities 	

Water resources

Water is used in certain manufacturing processes and facility operations

Focus area	Operational practices	
Responsible water management and conservation	<ul style="list-style-type: none"> Monitoring water consumption Ensuring effective water utilisation across operations Implementing preventive measures to minimise wastage 	

ISO 14001

Certification obtained for environmental management system (EMS)

ISO 45001

Certification for occupational health and safety management (OHSMS)


Waste generation

Manufacturing activities generate process waste that must be handled responsibly

Focus area	Operational practices	
Effective waste segregation and disposal	<ul style="list-style-type: none"> Segregating waste streams Deploying safe handling and disposal mechanisms Complying with environmental disposal norms 	

Environmental compliance

Industrial operations must operate within defined environmental regulations and standards

Focus area	Operational practices	
Ensuring full regulatory compliance	<ul style="list-style-type: none"> Adhering to statutory environmental norms Periodically monitoring and reviewing internal mechanisms Continuously enhancing environmental management systems 	

PRODUCT SAFETY AND ENERGY RESPONSIBILITY

Sustainable by Design

We approach product development with a focus on safety, reliability and efficient energy use. Each of our products undergoes rigorous quality and safety checks to ensure compliance with applicable standards and deliver dependable performance in everyday use.

Responsibility across the Product Lifecycle

Besides safety considerations, we develop energy-efficient designs that support responsible consumption. By integrating quality assurance practices, engineering validation and regulatory compliance into our product development processes, we ensure our appliances not only offer greater convenience but also deliver on the promise of safety and sustainability. We continue to:

Design with Execution in Mind

We evaluate product concepts through close collaboration between our engineering, manufacturing and sourcing teams to ensure our designs are practical and manufacturable and meet established safety and performance requirements. This early alignment minimises design risks and improves readiness for production.

Drive Disciplined Product Development

We follow a structured development framework that integrates concept validation, engineering refinement and manufacturability assessments before we introduce products to the market. This approach ensures our product innovations are translated into reliable appliances perfect for everyday use.

Ensure Quality and Safety Validation

We subject our products to validation checks designed to simulate real-world usage conditions. These tests help ascertain that our appliances operate safely and reliably across diverse household environments.

Field Insights Powering Quality Assurance

Our approach to product responsibility extends beyond pre-launch validation into post-market learning as well. During the year, service-led diagnosis helped identify and address field issues relating to product performance and safety components, including pressure cooker valve-related observations and lid-tightening concerns. These insights were escalated promptly to quality and manufacturing teams, enabling corrective action and reinforcing our commitment to safe everyday use.

Improve Energy Efficiency

Energy efficiency is integrated into product development, with a focus on optimising performance while reducing power consumption. Ongoing design and engineering improvements support more responsible energy usage without compromising functionality.



Product responsibility principles

Safety Products designed and validated for safe everyday use	Reliability Rigorous engineering and quality validation before launch	Efficiency Energy-conscious product design for responsible consumption

Impact in action

100%
Products undergo validation before launch

6
Stages of responsible product development



HUMAN RESOURCES

Nurturing Competent Teams

At Butterfly, we navigated a significant organisational transition this year as we advanced our integration with Crompton and sharpened our premiumisation and operational discipline. During this time, we focused on building organisational clarity, strengthening core competencies and reinforcing a performance-driven culture across both corporate and manufacturing environments.

Establishing Organisational Clarity

A key priority during the year was restructuring our organisational roles and processes to improve accountability and alignment. Clear articulation of responsibilities and expectations enabled our people to better understand how their individual contributions contribute to broader organisational objectives.

Additionally, we aligned our performance management framework with Crompton's appraisal processes, supported by structured goal setting, periodic reviews and monthly performance discussions to ensure consistency across teams.

Driving Skill Development across Functions

As we progressed towards premiumisation and greater product sophistication, we identified several capability gaps, particularly within our R&D team. To address these, we recruited specialised talent in areas such as motor development, including expertise in BLDC and induction motor technologies for domestic appliances.

As we expanded automation across our manufacturing processes, new skill requirements emerged,

especially in operating digitally controlled equipment and robotic systems. We addressed these needs through targeted recruitment of technically qualified personnel, complemented by structured training programmes, simplified standard operating procedures and phased automation to ensure that workforce readiness matched our technological upgrades.

Additionally, we strengthened our internal testing infrastructure by establishing a product reliability and compliance (PRC) laboratory, supported by dedicated personnel. Work has also commenced on a New Product Development validation laboratory to further enhance our assurance, validation and engineering capabilities. These efforts support closer alignment of design, validation and manufacturing, helping embed quality and safety early in the product lifecycle.



Amplifying Workforce Stability and Shop Floor Ownership

During the year, we introduced a two-shift system on selected production lines and relocated certain manufacturing operations within our Pudupakkam facility. We managed these transitions through clear communication with our employees, providing transportation facilities and proactively recruiting to offset attrition. As a result, our production operations stabilised quickly despite an initial 2-3% attrition linked to these changes.

We also introduced the 5S workplace discipline framework, which marked a significant cultural shift within our factory. Our team members are now more responsible for maintaining cleanliness and organisation around their own machines and workstations, contributing to safer, more efficient shop-floor environments.



Driving Consistent Performance and Accountability

To reinforce performance orientation across our organisation, we introduced several incentive structures during the year. We implemented a performance-linked bonus for mid-management roles and extended long-term incentive plans aligned with Crompton for our senior leadership. We also introduced changes to our sales incentive structures to better align individual performance outcomes with our organisational priorities.

Keeping Our People Engaged and Aligned

Employee engagement improved during the year, reflecting clearer communication and stronger alignment across the organisation. Our engagement score increased from 4.21 to 4.36, with participation rising from 91% to 94%, indicating growing trust in our feedback mechanisms.

At the factory level, we strengthened employee engagement through our recognition programmes and cultural events, including festival celebrations, long-service awards and 'Star of the Month' recognition. These initiatives helped reinforce a sense of belonging and shared ownership among our employees.

To encourage deeper cross-functional collaboration and alignment with our annual operating plans, we conducted comprehensive commitment meetings with our functional leaders and teams.

Maintaining a Diverse Talent Pool

Our factory workforce remains diverse and flexible, with women representing 57% across both permanent and contractual roles. Contract employees account for 67% of our workforce, while 33% are permanent, enabling greater operational agility while retaining core institutional knowledge within our organisation.

4.36
Employee engagement score

57%
Women in the factory workforce

94%
Employee engagement survey participation



CUSTOMER SERVICE

Reinforcing Trust Through Excellence

As customer expectations evolved, we continued to strengthen the quality of our post-purchase engagement. During F.Y. 2025-26, we introduced Butterfly Assist+, a unified service identity that brings all after-sales support under one coherent and brand-aligned framework. Designed to make service faster, smarter and more customer-centric, Butterfly Assist+ reflects our belief that trust is built not only through product performance, but also through how we respond when customers need us most.

Changing How We Support Our Consumers

Our refreshed service model brings together digital access, empowered consumers, accountable partners and intelligent infrastructure to deliver consistent, reliable support. The new service experience is anchored around four pillars.

1

Omnichannel touchpoints

Enable customers to connect through the website, WhatsApp bot and call centre with greater ease and consistency.

2

Empowered customer experience

Focuses on transparency, self-service and informed ownership through tools such as e-manuals, FAQs, how-to and installation videos, product registration and feedback mechanisms.

3

Service partner excellence

Strengthens performance consistency through structured training, platform optimisation and service dashboards.

4

Capability development

Service network was strengthened by addressing infrastructure gaps and enhancing team capabilities to effectively manage upcoming new product introductions.



Tangible Outcomes from Focused Execution

These efforts drove meaningful improvements over the year, with faster complaint resolution and a significant reduction in long-pending cases. Product replacement levels remained well controlled, while call cancellations declined. The introduction of a Customer Satisfaction Survey reflected encouraging customer confidence in our service delivery.

Listening, Understanding and Responding Better

The nature of customer expectations is changing. Customers increasingly view service not merely as complaint resolution, but as an extension of our brand's empathy, responsiveness and understanding of their everyday lives. This has raised expectations around personalised communication, proactive support, clearer usage guidance and faster, multi-channel engagement. By responding to these shifts thoughtfully, we are working to ensure that our service experience evolves in step with our products and brand promise.

65% → 72%

Within-24-hour complaint resolution improved

657 → 250

Long-pending complaints reduced

4.4/5

Customer satisfaction score

3%

Product replacement level

5%

Cancellation level maintained





COMMUNITY DEVELOPMENT

From Participation to Purposeful Ownership

Over the past year, our corporate social responsibility approach shifted from participation-led, asset-based support at manufacturing locations to more structured, need-based, outcome-oriented interventions in F.Y. 2025-26.

Samruddhi: Recognising Skill. Restoring Dignity.

Behind every functioning home, workplace, and community is a skilled technician, often working without formal recognition, protection, or opportunities to grow. Samruddhi is Butterfly's effort to strengthen the capabilities and well-being of unorganised sector technicians through skill upgradation, formal recognition, and access to social security.

The programme supports electricians and plumbers through formal training and Recognition of Prior Learning (RPL) to enhance technical skills and employability in a competitive market. It also promotes health and productivity through regular medical camps and preventive healthcare awareness, while enabling access to government welfare schemes such as Ayushman Bharat, Suraksha Bima Yojana, and e-Shram, strengthening financial stability and social protection.

In F.Y. 2025-26, Samruddhi trained over 1050 technicians through certification, skill enhancement, and welfare linkages contributing towards stronger livelihoods, workforce dignity, and building a more recognised and resilient workforce.



Case study Welfare of Field Technicians

Mr. Dhanakotti P | Electrical Appliances Repair Technician | Chennai, Tamil Nadu

At 56, Mr Dhanakotti supports his family by working part-time as an appliance repairman. Samruddhi provided him with technical training, a medical check-up, e-Shram Card registration and social security benefits. He also earned an NCVET certificate, enhancing his credibility and skills.

Mr. Krishna E | Electrical Appliance Repair Technician | Chennai, Tamil Nadu

At 31, Mr Krishna supports his family through appliance repair, previously an irregular income source. Samruddhi provided training, medical check-up, e-Shram registration and a toolkit. Certification boosted his confidence, and financial guidance encouraged saving. He now deposits ₹ 500 monthly in a post office scheme, aiming to increase this and start his own business.

1,000
Technicians Trained

Suvidha: Unlocking Access. Strengthening Resilience.

For many underserved families, government welfare schemes exist but remain out of reach due to limited awareness, documentation barriers, and lack of last-mile support. Suvidha seeks to bridge this gap by enabling vulnerable communities to access government entitlements and strengthen their social and economic resilience.

The programme strengthens social and economic resilience by helping underserved communities and

unorganised sector workers to access government welfare and development schemes through awareness, documentation support, and last-mile facilitation. By connecting individuals and families to public systems and long-term social protection mechanisms, Suvidha seeks to reduce barriers and enable more secure and informed communities.

In F.Y. 2025-26, around 2,680 citizens accessed welfare benefits through

Suvidha, out of these which 59% were women, unlocking benefits worth ₹4.64 crore. By enabling access rather than one-time support, Suvidha contributes towards greater dignity, protection, and long-term community resilience.

2,680
citizens accessed welfare benefits through Suvidha



Employee Participation: A Cultural Signal

Employees also participated in responsible celebration initiatives that promoted safety, environmental awareness and community well-being. These activities strengthened ties with local communities and highlighted that CSR is a shared cultural practice rather than just an institutional responsibility.

Be My Santa: Gifting Hope, Creating Smiles

Be My Santa reflects Butterfly's commitment to compassion and employee-led giving by creating meaningful moments of joy and care for children facing critical health and life challenges.

The initiative brought employees together to support 50 critically ill and vulnerable children by fulfilling their personal wishes and needs. From bicycles, smartwatches, to remote-controlled toys, and playsets, the programme went

beyond material gifting to create hope, emotional connection, and a sense of belonging.

By encouraging employee participation and collective kindness, Be My Santa transformed individual contributions into meaningful experiences, reinforcing the belief that small acts of empathy can create lasting impact.

Fitness with Purpose, Wellness with Impact

Fit Movement brought together employee wellness and community giving by transforming fitness into a collective movement for social good. Through the initiative, employees collectively raised funds to support four meaningful causes focused—on Empower Women and End Poverty, Environment Sustainability and Livelihood resilience, Inclusive Education and Better Nutrition.

Under the Empower Women and End Poverty initiative, empowering tribal women through

sustainable livelihood support by promoting home-based income opportunities. Through backyard poultry, the initiative is expected to enable 175 tribal women and households to generate supplementary income from within their villages, strengthening financial independence and local economic participation.

The second cause contributed to environmental sustainability and livelihood resilience through the plantation of 400 mango saplings provided to tribal homemakers. Beyond strengthening green cover and ecological balance, these plantations are expected to create long-term livelihood assets and additional household income.

Two more important causes supported through Fit Movement focused on inclusive education and better nutrition for children at Special Care Centres. The initiative will provide nutrition support to 214 children across 25 learning days while also supporting 127 children with hearing loss and impairments through battery sets for hearing devices, helping ensure continuity in learning, communication, and overall well-being.

By linking employee participation with community development, Fit Movement demonstrates how individual wellness journeys could collectively contribute towards meaningful and lasting social impact.

GOVERNANCE

Stewarding Responsible Growth

Strong governance enables robust oversight, transparent processes and disciplined risk management across the organisation. At Butterfly, we are continuously strengthening our governance systems to address evolving operational and strategic realities as we expand our product portfolio, deepen our market presence and advance our transformation journey.

Governance Framework

Our corporate governance framework anchors oversight and strategic direction at the Board, supported by dedicated Audit, Risk, Nomination & Remuneration and Stakeholders' Relationship Committees.

During the year, our internal audit function went beyond a review role to work closely with business teams, enabling early risk identification and strengthening control frameworks in tandem with our growth. This shift has helped surface control gaps sooner and drive practical improvements that support business continuity.

Ongoing cross-functional engagement with functional heads and senior management reinforced enterprise risk management, improving our ability to anticipate potential operational, financial and compliance risks before they materialise.

Code of Conduct

Our Code of Conduct defines the ethical standards that guide the actions of employees, management and the Board, with an emphasis on integrity, transparency and regulatory adherence. Through

structured policies and internal governance processes, we continue to reinforce a culture that upholds ethical conduct and responsible decision-making across operations.

Vigil Mechanism and Whistleblower Policy

We have implemented a robust Vigil Mechanism and Whistleblower Policy to enable our employees and stakeholders to report concerns regarding unethical behaviour, fraud, or violations of our internal policies. Our Audit Committee oversees the functioning of this mechanism, ensuring that reported concerns are investigated promptly and fairly while protecting whistleblowers from retaliation.

During F.Y. 2025-26, our internal audit and risk management processes proactively identified emerging risks, enforced strict operational controls and supported the management in optimising processes across functions. These efforts ensure that we continue to pursue growth opportunities while maintaining a strong control environment.

Our Board of Directors

Our Board of Directors provides strategic guidance and oversight

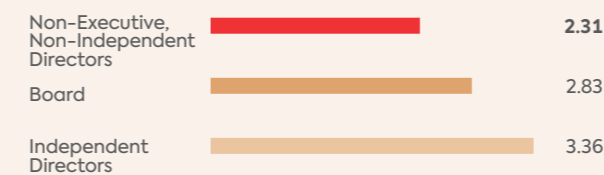
to ensure long-term growth while safeguarding the best interests of our stakeholders. During F.Y. 2025-26, the Board continued to review key operational and financial risks affecting our business, including volatile raw material prices such as steel, aluminium and copper, which directly impact our manufacturing costs.

Governance reviews undertaken during the year focused on implementing stronger operational controls in critical areas such as inventory management and sales processes, while improved monitoring and forecasting helped address inventory ageing challenges. With increasing digitalisation of our business processes, our governance oversight also extended to cover technology-related risks.

Our internal audit teams evaluated automation initiatives and conducted cybersecurity reviews, including Vulnerability Assessment and Penetration Testing (VAPT) exercises to reinforce our digital risk management framework. Through these efforts, we continue to enable responsible business growth without compromising on internal controls, compliance standards, or ethical practices.



Average tenure in years



Tenures of Board of Directors



Name of Director	DIN	Designation	Changes
Mr. Promeet Ghosh	05307658	Non-Executive Non-Independent Director	No change
Mr. Shantanu Khosla	00059877	Non-Executive Non-Independent Director	Ceased w.e.f. 31.12.2025
Mr. Kaleeswaran Arunachalam	07625839	Non-Executive Non-Independent Director	No change
Mr. Nithyanandam Anandkumar	10381096	Non-Executive Non-Independent Director	No change
Mr. P M Murty	00011179	Non-Executive Independent Director, Chairman	No change
Ms. Smita Anand	00059228	Non-Executive Independent Director	No change
Mr. Kunnawalkam Elayavalli Ranganathan	00058990	Non-Executive Independent Director	No change
Ms. Maheshwari Mohan	07156606	Non-Executive Independent Director	Ceased w.e.f. 20.08.2025



BOARD OF DIRECTORS

Guided by Experienced Leadership



Mr. P. M. Murty
Chairman, Non-Executive Independent Director

Professional snapshot

Mr. P. M. Murty holds a postgraduate diploma in management from the Indian Institute of Management (IIM), Calcutta, bringing over four decades of distinguished experience in corporate leadership, strategic oversight, and governance.

Career highlights

- Former Managing Director, Asian Paints Limited
- Awarded the prestigious 'CEO of the Year' by Business Standard for F.Y. 2009-2010.
- Deep expertise in financial markets, corporate governance and strategic leadership

A N R C



Mr. K. E. Rangnathan
Non-Executive Independent Director

Professional snapshot

Mr. K. E. Rangnathan is a Chartered Accountant, Company Secretary and Fulbright Scholar with over four decades of experience in corporate management and governance.

Career highlights

- Corporate career with leading organisations such as TVS, Murugappa Group companies
- Extensive expertise in finance, marketing, supply chain and business leadership
- Experience working with global companies including Roca, Whirlpool and Suzuki

A R



Mr. Promeet Ghosh
Non-Executive Non-Independent Director

Professional snapshot

Mr. Promeet Ghosh holds bachelor's degree in engineering (Electrical & Electronics) from the National Institute of Technology, Trichy, and an MBA from the Indian Institute of Management, Calcutta. He is currently serving as the Managing Director and Chief Executive Officer of Crompton Greaves Consumer Electricals Limited, bringing extensive experience in strategy, investments and corporate development.

Career highlights

- Deputy Head Temasek India Advisors
- Over two decades of experience in investments, M&A and business transformation
- Key contributor to Crompton's strategic growth initiatives

A N S



Ms. Smita Anand
Non-Executive Independent Director

Professional snapshot

Ms. Smita Anand holds an MBA in Human Resources from Allahabad University and brings around three decades of global management consulting and HR expertise.

Career highlights

- Held key leadership positions, including Managing Director at Leadership Consulting India
- Served as Asia Head of Board/CEO Succession Solutions at Korn Ferry
- Led consulting businesses across Asia Pacific for AON Hewitt in Shanghai from 2002 to 2011
- Held senior roles at Ernst & Young and led Human Capital Services at PricewaterhouseCoopers

A N S R C

Committee roles

A Audit Committee | C Corporate Social Responsibility Committee | R Risk Management Committee

S Stakeholders Relationship Committee | N Nomination & Remuneration Committee | Chairperson | Member



Board of Directors



S R C

Mr. Kaleeswaran Arunachalam
Non-Executive Non-Independent Director

Professional snapshot

Mr. Kaleeswaran Arunachalam is a qualified Chartered Accountants, with a career spanning over two decades, possesses extensive expertise in corporate finance, financial planning and analysis, business partnering, investor relations, fundraising, treasury management, strategic planning, audit, and risk management.

Career highlights

- Former Global CFO, Eicher Motors International
- Built financial systems supporting international expansion
- Experience across capital markets, digital transformation and financial governance



S

Mr. Nithyanandam Anandakumar
Non-Executive Non-Independent Director

Professional snapshot

Mr. Nithyanandam Anandakumar is a senior consumer durables industry professional with over three decades of experience across sales, distribution and customer service leadership.

Career highlights

- Leadership roles with Crompton Greaves Consumer Electricals
- Led nationwide sales and distribution expansion
- Extensive experience in market development and customer engagement



Ms. Swetha Sagar
Manager & Chief Business officer

Professional snapshot

Ms. Swetha Sagar holds a Bachelor's degree in Electronics & Communication Engineering from TEC, Madras University. She has also completed the Advanced Programme for Marketing Professionals from IIM Calcutta and holds an MBA in Marketing and HR from the Indian Institute of Planning & Management, bringing two decades of extensive experience in business development, brand management and strategic planning.

Career highlights

- Leadership roles at Philips Domestic Appliances India, Hindustan Coca-Cola and Hutchison Essar

Committee roles

A Audit Committee C Corporate Social Responsibility Committee R Risk Management Committee

S Stakeholders Relationship Committee Chairperson Member

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Management Discussion and Analysis



Global Economy

The global economy remained broadly stable in FY 2025–26, but growth was slow due to shifting trade policies, geopolitical tensions and uneven regional performance that disrupted tariffs, supply chains and monetary conditions. Inflation was generally stable with regional variation; advanced economies lagged while many emerging markets adapted better. Ongoing tensions in Europe and West Asia continued to pressure energy and commodity markets and constrain purchasing power.

Indian Economy & Outlook

While the year began on a subdued note in Q1, Q2 saw an improvement in demand, supported by stronger retail sales, Q3 was aided by the festive season and the implementation of tax reforms; and Q4 remained volatile, reflecting ongoing global turmoil.

The Indian economy sustained momentum in FY 2025–26, with real GDP growth estimated at 7.4%, supported by healthy agricultural output and low inflation. Private consumption recovered steadily, helped by rising rural demand and a strong services sector.

In September 2025, a GST rationalisation simplified the tax structure and reduced the rate on smaller appliances, such as pressure cookers, from 12% to 5%, improving affordability and supporting demand.

However, elevated global commodity prices, a weakening rupee, and geopolitical tensions increased input costs, pressured margins, and led to gradual price increases in Q4.

The government's focus on capital expenditure, the PLI scheme, and the National Manufacturing Mission reinforced the 'Make in India' push. Initiatives like 'Digital India', 'Start-up India', and 'Smart City Mission' continue to open new growth avenues, while progress on free trade agreements created new export opportunities.

Looking ahead, sustaining growth momentum amid global trade uncertainties and evolving geopolitical dynamics remains a key consideration.

Kitchen Appliances Industry Market Overview

The Indian kitchen appliances market is witnessing steady growth, driven by urbanisation, rising disposable incomes, and a shift towards modern, convenience-oriented cooking solutions. Consumers now prefer premium, energy-efficient, and multifunctional appliances.

The category is also seeing an influx of new domestic and global brands, intensifying competition while simultaneously validating overall market potential.

As consumers move towards greater convenience in their daily lives, demand for alternate cooking appliances is on the rise, presenting a significant opportunity for established brands to expand.

Key Growth Drivers

- 'Zillennial' psychographics: Moving beyond traditional demographics to target a mindset of self-awareness, where the kitchen is an expression of individuality.
- Energy Efficient Appliances: Energy-efficiency and sustainability priorities are fuelling demand for efficient, environmentally friendly appliances.
- Convenience and premiumisation: Consumers favour feature-rich, design-forward products and are willing to pay a premium.
- Alternate Cooking Appliances: Expansion of alternate cooking appliances creating cross sell and bundling opportunities.
- Urbanisation and changing household dynamics supporting demand for versatile, compact and connected appliances.

Key Sectoral Challenges

- Rising raw material and component costs (metals, plastics, electronic components) putting pressure on margins.
- Intensifying competition from national and international brands across price points, increasing price and innovation pressure.
- Channel fragmentation and promotional intensity on online marketplaces compressing margins and increasing volatility.
- Regulatory requirements (energy labelling, safety, environmental norms) and supply chain volatility increasing compliance cost and lead times.

Company Overview

Established in 1986, Butterfly Gandhimathi Appliances Limited ("Butterfly") is a leading player in the Indian appliances industry and a well-recognised brand in South India, known for delivering innovative, high-quality, and reliable products. The brand enjoys strong customer acceptance for its distinctive designs and user-friendly features. Butterfly ranks among the top kitchen appliances manufacturers in India, with a diverse product portfolio including LPG stoves, mixer grinders, pressure cookers, tabletop wet grinders, chimneys, air fryers, kettles, sandwich makers, inductions, and flasks.



Management Discussion and Analysis

Brand Identity

During the year, Butterfly unveiled a refreshed brand identity designed to sharpen its consumer relevance and clarify its strategic purpose. At the heart of the refresh is a signature mark — a fingerprint that merges into the wings of a butterfly — symbolising the company’s belief that while life changes, individual essence and preferences endure. This identity refresh is intended to strengthen emotional connection with consumers and support long-term brand equity.

Butterfly’s refreshed positioning, “Celebrating Change”, targets consumers defined by attitude rather than age — described by the company as a ‘zillennial’ mindset. The brand is shifting focus from demographic segments to psychographics: engaging self-aware, change-embracing individuals whose lifestyles are fluid and tech-integrated. This positioning reflects a strategic move to remain relevant in modern Indian homes where roles, routines and technology adoption are evolving.

Consumer Centric Innovation

In response to shifting consumer lifestyles and growing demand for convenience, Butterfly launched the Idea First Series — an industry-first, innovation-led portfolio designed around the real needs of Indian homes, where every product carries thoughtful innovations that solve everyday kitchen challenges.

Developed after extensive consumer listening and field research, Idea First translates those challenges into usable innovations: mixer grinders with multiple specialised jars, and energy-efficient gas stoves engineered to allow cooking with the kitchen fan on without flame instability.

Launched alongside the strategic brand refresh and the positioning “Celebrating Change” to reflect individuality and transformation, the range has received strong acceptance and positive feedback from consumers and retail partners.

The product portfolio was further strengthened by the introduction of alternative cooking appliances, such as sandwich makers and electric kettles, to meet rising demand for versatile, multipurpose cooking solutions

Strengthening operations

The company continues to focus on automation and the implementation of new tools and methods to strengthen operations and improve efficiency. During

the year, the Company consolidated one manufacturing facility into the main plant, deployed automation lines, strengthened quality systems on the shop floor, and enhanced collaboration with vendors and suppliers.

Human resources

Building on last year’s digital and engagement work, we focused on clarifying roles, developing key capabilities, and promoting a performance-oriented culture. During organisational integration, we put clearer accountabilities in place, stabilised operations, and aligned individual goals with business priorities. As a result, employee engagement and participation increased, workforce diversity improved, and operations remained steady through peak demand periods.

Business performance

In the fiscal year, the Company reported revenue of ₹ 943.2 Crore, up 9.03% year on year from ₹ 865 Crore.

The year recorded growth across all quarters pivoting on brand refresh and Idea First series launch supported by 360-degree ATL & digital campaigns, and retail visibility drives resulting in market share growth across core categories.

Other key strategic initiatives included launch of Butterfly assist+; a one stop solution to enhance post purchase consumer experience, re-launch of auxiliary categories and consumer focussed promotions.

EBIDTA improved significantly to 8.5%, growing by 11.94%, supported by spend optimisation, re-structuring of distributor margin and improvement in product mix, despite higher ad spends than last year.

On the channel front, offline sales grew 4%, driven by double-digit momentum in LFRs. Online also grew in double digits, aided by entry into q-commerce and market-share gains across core categories, while alternate channels continued to deliver robust performance.

All core categories grew by double digit and auxiliary categories saw re-bounce with Chimney and Flask launch. ASPs grew across core categories as Idea First series contributed significantly to its retail sales

The Company’s innovation-driven product launches, emphasis on alternate appliances, targeted consumer outreach and continuous spend optimization position it to sustain growth in both revenue and profitability for the future.



Sustainability

Butterfly is committed to developing high-quality, energy-efficient, and sustainable products. This focus underscores the Company’s objective to minimise ecological impact and support a cleaner future. Through innovation-driven product development, Butterfly aims to reduce its environmental footprint. Supporting these initiatives, the Company has shifted to group captive solar power, which has also generated measurable savings on energy costs.



Safety

Butterfly prioritises employee health and safety through a robust safety culture that minimises workplace risks and ensures continuous training. These measures have resulted in fewer safety incidents. The Company has implemented comprehensive safety protocols including Hazard Identification and Risk Assessments (HIRA), engineering controls such as complete perimeter guarding, and regular safety audits. The safety management framework emphasises training and active employee participation in hazard identification. Butterfly is committed to environmental sustainability through eco-friendly packaging and waste reduction initiatives. Safety performance monitoring is extended to supply chain partners. The Company has achieved a reduction in recordable injuries by building a strong safety foundation through ongoing safety culture programs, systematic elimination of Critical to Safety (CTS) machines, and proactive safety engagement activities.



Risk Management

Butterfly has identified potential risks and developed comprehensive mitigation plans through a robust risk management framework. This approach safeguards the Company’s interests and ensures long-term sustainability in a competitive environment. Risk management is embedded into decision-making across all organizational levels, utilising both top-down and bottom-up methodologies. The risk management team has assessed significant risks and formulated mitigation strategies, which are reviewed and updated regularly. The risk management committee supervises the framework’s execution, the audit committee oversees financial risks, and the internal audit team validates the effectiveness of risk management processes.



Cautionary Statement

In accordance with applicable laws and regulations, certain statements in this management discussion and analysis relating to the Company’s objectives, projections, outlook, expectations, and estimates may constitute ‘forward-looking statements’. Actual results may vary from these forecasts, expectations, and other express or implied statements. The Company’s operations may be materially influenced by various factors, including environmental conditions, macroeconomic variables affecting demand and supply, government policies and taxation, natural calamities, and other elements beyond the Company’s direct control.



Internal Control Systems

Butterfly has implemented comprehensive internal control systems and management processes to safeguard assets and ensure optimal utilisation. An Enterprise Resource Planning (ERP) system provides senior management with data-driven insights enabling real-time monitoring and informed decision-making. Compliance with accounting standards forms the foundation of the Company’s financial reporting practices. Butterfly’s internal controls are designed to ensure operational effectiveness while fulfilling legal and regulatory obligations and enabling reliable financial reporting. Internal auditors perform assessments to verify the adequacy of these controls, ensuring adherence to standards and strengthening governance.



BOARD'S REPORT

Dear Members,

The Board of Directors (“Board”) are pleased to present the 39th (Thirty Ninth) Annual Report of Butterfly Gandhimathi Appliances Limited (“the Company” or “Butterfly”) on the business and operations, along with the audited Financial Statements for the Financial Year ended March 31, 2026.

1. State of the affairs of the Company

Against a macro backdrop where the Indian economy preserved overall momentum, the Company recorded consistent growth across all quarters, driven by the innovation-led 'Idea First Series' launch and targeted market initiatives. All core categories achieved growth, while both retail and online channels expanded steadily, positioning the Company for continued revenue and margin improvement.

The company also underwent a refreshed brand identity, “Celebrating Change,” which strengthened consumer relevance and helped us gain and sustain market share across core categories.

Profitability improved significantly through premiumisation, with EBITDA margins expanding through spend optimisation, distributor margin restructuring, and enhanced product mix, despite higher advertising outlays. All core categories recorded double-digit growth, while auxiliary segments rebounded with new launches in chimneys and flasks.

The introduction of Butterfly Assist+, a comprehensive post-purchase service platform, further enhanced the consumer experience.

These strategic initiatives position the Company to sustain growth and profitability.

2. Financial performance

The Company's financial performance for the year ended March 31, 2026 is summarised below:

Particulars	₹ in Lakhs)	
	Financial Year ended on March 31, 2026	Financial Year ended on March 31, 2025
Revenue from Operations (Net)	94,315.30	86,503.09
Other Income	830.92	644.64
Total Income	95,146.22	87,147.73
Profit before Depreciation, Finance cost, Exceptional Items and Tax	8,859.38	7,222.79
Finance Cost	179.33	518.68
Depreciation	2,394.98	2,309.43
Profit before Exceptional Items and Tax	6,285.07	4,394.68
Exceptional Items	159.18	-
Profit before Tax	6,125.89	4,394.68
Income Tax/Deferred Tax	1,562.11	1,141.37
Profit after Tax	4,563.78	3,253.31
Other Comprehensive Income net of tax	134.08	55.83
Total Comprehensive Income for the year	4,697.86	3,309.14
Earnings Per Equity Share (Face Value of ₹ 10 each)	25.53	18.20

3. Performance at a glance

- During the year under review, the Revenue from operations amounted to ₹ 94,315.30 Lakhs as against ₹ 86,503.09 lakhs in the previous year.
- EBITDA for the year stood at ₹ 8,028.46 Lakhs as against ₹ 6,578.15 Lakhs during the previous year.

- Depreciation for the year stood at ₹ 2,394.98 Lakhs as against ₹ 2,309.43 Lakhs during the previous year.
- Interest expense for the year stood at ₹ 179.33 lakhs as against ₹ 518.68 lakhs during the previous year of Profit before Tax stood at ₹ 6,125.89 lakhs as against ₹ 4,394.68 Lakhs during the previous year.

- No material changes or commitments have occurred between the end of the Financial Year and the date of this Report, which affects the Financial Statements of the Company with respect to the reporting year.

4. Dividend

With a view of conserving resources to support future growth and expansion, the Board has decided not to recommend any dividend for the F.Y. 2025-26.

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”), the Company has formulated a Dividend Distribution Policy. The said policy is enclosed as **Annexure-1** to this Report. It is also available on the Company's website and can be accessed at <https://butterflyindia.com/wp-content/uploads/2021/04/Dividend-Distribution-Policy-20.10.2020.pdf>

5. Transfer to reserves

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

6. Report on Management Discussion and Analysis (“MDA”)

As required under Regulation 34, read with Schedule V (B) of the Listing Regulations, report on MDA is presented in a separate section, forming part of this Annual Report and are restricted to the areas, which are relevant to the current scenario and outlook of the Company.

7. Share capital

During the year under review, there was no change in the share capital of the Company. The total paid-up share capital of the Company as on March 31, 2026 stood at ₹ 17,87,95,510 divided into 1,78,79,551 equity shares of ₹ 10 each.

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

8. Financial liquidity

Cash and cash equivalent as on March 31, 2026 stood at ₹ 1,300.67 Lakhs vis-à-vis ₹ 966.70 Lakhs 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.

9. Credit rating

CRISIL, a credit rating agency has provided the Company's credit rating for its bank facilities. During the financial year under review there was no change in the credit rating. The details of the ratings are as follows:

Instrument(s)	Rating(s)
Long-Term Bank Loan Facilities	CRISIL AA/Stable
Short-Term Bank Loan Facilities	CRISIL A1+

10. Public deposits

No public deposits have been accepted or renewed by your Company during the Financial Year under review, pursuant to the provisions of Section 73 and 74 of The Companies Act, 2013 (“the Act”) read 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 the Chapter V of the Act is not applicable.

11. Particulars of loans, guarantees or investments

During the year under review, the Company has not granted any Loans and/ or given any Guarantees and/ or provided any security and/or made any investments under the provisions of Section 186 of the Act, read with Companies (Meetings of Board and its Powers) Rules, 2014.

12. Internal control systems

12.1 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, periodic control testing to assure design and operational effectiveness, implementation of remedial measures and regular monitoring by Senior Management and the Audit Committee of the Board. Internal audits are conducted on quarterly basis and any design deficiencies or operational inefficiencies, if any, are reported and improvement measures are recommended. The adequacy of controls is reviewed by the Audit Committee of the Board and specific processes are assessed for improvement in systems and outcomes.



Board's Report

12.2 Internal controls over financial reporting

The Company's internal financial controls commensurate with the scale and complexity of its operations. These systems are designed keeping in view the nature of activities carried out at each location and the various business operations. The Company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

A certificate from the Manager & Chief Business Officer and Chief Financial Officer ("CFO") forms part of this Annual Report on the adequacy of internal financial control systems and procedures.

13. Vigil Mechanism/ Whistle-Blower Policy ("WB Policy")

The Company has established a reputation for doing business with integrity and maintained zero tolerance towards any form of unethical behaviour. Your Company has formulated a Vigil Mechanism and WB Policy intending to provide a mechanism for employees to report violations. It also assures them of the process that will be observed to address the reported violation(s). The Vigil Mechanism and WB Policy also lays down the procedures to be followed for tracking complaint(s), giving feedback(s), conducting investigation(s), and taking disciplinary action(s), if required. It also provides assurance and guidelines on confidentiality of the reporting process and protection from reprisal to complainant(s). No personnel have been denied access to the Audit Committee of the Board. The Audit Committee oversees the functioning of the Vigil Mechanism and WB Policy. Protected disclosures can be made by a Whistle Blower through several channels to report actual or suspected fraud(s) and violation(s) under the Company's COC. The Vigil Mechanism and WB Policy also provides a mechanism to encourage and protect genuine Whistle Blowing amongst the Vendors.

Any incident that is reported is investigated and suitable action, if any, is undertaken in line with the Vigil Mechanism and WB Policy.

The Vigil Mechanism and WB Policy of your Company is available on the website of the Company and can

be accessed at the weblink https://butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf

Your Company received 11 (Eleven) Whistle-Blower complaints during the F.Y. 2025-26 and suitable action was taken in accordance with the WB Policy.

14. Holding Company

Pursuant to Section 2(87)(ii) of the Act, Crompton Greaves Consumer Electrical Limited ("**Crompton**"), the holding Company, incorporated on February 25, 2015 *inter alia*, engaged in the business of manufacturing, trading, selling and distribution of fans, lighting, Pumps, solar rooftops and appliances. The equity shares of the Crompton are listed on BSE Limited ("**BSE**") and National Stock Exchange Limited ("**NSE**").

Total revenue of Crompton on a consolidated basis for the F.Y. ended March 31, 2026, was ₹ 8,161.15 Crore (including ₹ 65.63 Crore as other income). The loss was ₹ (230.76) Crore as compared to ₹ 564.08 Crore Profit in the previous year.

Pursuant to Section 2(87)(ii) of the Act, Crompton holds 75% of the paid up equity share capital of the Company.

15. Subsidiaries, associates and joint venture companies

The Company does not have any Subsidiary(ies), Associate(s) or Joint Venture during the financial year or at any time after the closure of the financial year and till the date of this report.

16. Board of Directors & Key Managerial Personnel

Your Company's Board consists of distinguished professionals with a track record of integrity and excellence. Their collective experience, strategic acumen, and leadership strength contribute significantly to the Company's governance and growth. The Board of your Company comprises of 6 (Six) members as on the date of this Report.

16.1 Directorate

a) Appointment(s), Re-appointment(s), and Retirement by Rotation of Directors

The appointment and remuneration of Directors are governed by the Policy devised by the Nomination and Remuneration Committee ("N&RC") of your Company. The detailed Nomination

and Remuneration Policy are available on the website of the Company and can be accessed at <https://butterflyindia.com/wp-content/uploads/2025/05/BGMAL-Policy-for-Appointment-Evaluation-OF-BOD-Senior-Management.pdf>.

b) Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company. Mr. Nithyanandam Anandkumar (DIN: 10381096) is liable to retire by rotation at the forthcoming Annual General Meeting ("**AGM**") and, being eligible, has offered himself for re-appointment. The Board recommends re-appointment of Mr. Nithyanandam Anandkumar for the consideration of the Members of the Company at the forthcoming AGM. The relevant details, including brief profile of Mr. Nithyanandam Anandkumar is included separately in the Notice of AGM and Report on Corporate Governance of this Company forming part of the Annual Report.

c) Retirement & Cessation

During the year under review Ms. Maheshwari Mohan (DIN: 07156606), Non-Executive Independent Director, retired w.e.f. August 20, 2025. The Board placed on record its appreciation for the contribution made by her during her tenure as Non-Executive Independent Director of the Company.

Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), who was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (Crompton), the holding company of the Company and whose tenure on the Board of Crompton ended on December 31, 2025.

Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

16.2 Key Managerial Personnel ("KMP")

During the year under review, Mr. Viral Sarvaiya, Company Secretary & Compliance Officer of the Company, resigned w.e.f. April 7, 2025.

The Board in its meeting held on May 13, 2025, on the recommendation of Nomination and Remuneration Committee and pursuant to Section 203 of the Act

and the Regulation 6 of the Listing Regulations and Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations 2015, appointed Mr. Jayant Borde (A-61954) as the Company Secretary & Compliance Officer of the Company w.e.f. May 13, 2025.

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. Ms. Swetha Sagar G, Manager & Chief Business Officer ("Manager & CBO");
2. Mr. V. A. Joseph, Chief Financial Officer;
3. Mr. Jayant Barde, Company Secretary & Compliance Officer.

16.3 Independent Directors

The Independent Directors of the Company have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. 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://butterflyindia.com/investor-relations/>.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the varied fields and holds high standards of integrity.

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 of the Company have served as Directors for a period of not less than 3 (Three) years on the Board of listed Company(ies) as on the date of inclusion of their names in the database, they are not required to undertake online proficiency self-assessment test conducted by the Institute.

As on the date of this report, Mr. P. M. Murty, Ms. Smita Anand, and Mr. Kunnawalkam Elayavalli

Board's Report

Ranganathan are the Independent Directors of the Company. 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 Annual Report.

16.4 Non-Independent Directors

As on the date of this report, Mr. Promeet Ghosh, Mr. Kaleeswaran Arunachalam, and Mr. Nithyanandam Anandkumar are the Non-Executive, Non-Independent Directors of the Company.

Mr. Promeet Ghosh, Non-Executive, Non-Independent Director liable to retire by rotation was re-appointed at the Annual General Meeting of the Company held on August 5, 2025.

16.5 Board effectiveness Familiarisation Programme for Independent Directors

Your Company has in place a structured induction programme for induction of new Directors as well as other initiatives to update the existing Directors on a continuous basis. The Familiarisation Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatise them with the processes, business and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The programme of the Company provides information relating to the Company, operational activities, business model of the Company, geographies in which Company operates, etc. The programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company, budget and control process of the Company.

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/ Committee(s) Meetings of the Company.

The Manager & CBO along with senior leadership team makes presentation(s) on the performance & strategic initiatives of the Company. The Familiarisation Programme, topics covered and details of programmes conducted during the year under review have been disclosed on the website

of the Company at <https://butterflyindia.com/investor-relations/>.

Evaluation of the Board's performance

During the year, the Board undertook its annual evaluation in line with the Company's governance framework and regulatory requirements. The process, conducted through a structured questionnaire, enabled Directors to provide candid and independent feedback on the effectiveness of the Board, its committees and individual members.

The results reaffirmed that the Board continues to operate with high levels of trust, independence and ethical conduct. Directors highlighted the Board's straightforward and constructive culture, its strong strategic orientation, and the appropriateness of its composition in terms of skills, experience and diversity.

The Committees were also assessed as functioning effectively and discharging their responsibilities in accordance with their charters.

At the same time, Directors identified a few focused areas for further strengthening—particularly keeping more time for deeper strategic deliberations, improved timeliness and crispness of pre-reads, and greater oversight of technology, a need for increased exposure to senior executives etc. was also noted.

The Board also noted that the actions identified in previous questionnaire-based evaluations had been implemented. The Board remains committed to continuously enhancing its effectiveness and governance standards in support of the Company's long-term performance.

Remuneration policy and criteria for selection of candidates for appointment as Directors, KMP's and Senior Management

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has in place a policy for remuneration of Directors, KMP's and Members of Senior Management as well as a well-defined criteria for the selection of candidates for appointment to the said positions, which has been approved by the Board based on the recommendation of N&RC. 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), KMP's and members of Senior Management.

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, KMP's and Senior Management is given as an Annexure to Report on Corporate Governance and is also available at the website of the Company and can be accessed at <https://butterflyindia.com/wp-content/uploads/2025/05/BGMAL-Policy-for-Appointment-Evaluation-OF-BOD-Senior-Management.pdf>.

17. Number of Meetings of the Board & its Committee(s)

17.1 Board Meetings

Regular Meetings of the Board and its Committee(s) 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 also approves several proposals by circulation as and when required.

Your Board of Directors met 6 (Six) times during the F.Y. 2025-26. The details of the meetings and the attendance of the Directors are mentioned in the Report on Corporate Governance which forms part of this Annual Report.

17.2 Board Committee(s)

The Board has established Committee(s) as a matter of good corporate governance practice and as per the requirements of the Act and the Listing Regulations.

The Company has the following 5 (Five) Board level Committee(s), which have been established in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

1. Audit Committee
2. Nomination and Remuneration Committee ("N&RC")
3. Corporate Social Responsibility Committee ("CSR Committee")
4. Risk Management Committee ("RMC")
5. Stakeholder Relationship Committee ("SRC")

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

The details of Composition of the Mandatory Committee(s) of the Board are as follows:

17.2.1 Audit Committee

The Audit Committee comprises of 4 (Four) Members out of which 3 (Three) are Independent Directors. The Committee is chaired by Mr. K. E. Ranganathan (Non-Executive, Independent Director). The other Members of the Committee are Mr. P. M. Murty (Non-Executive, Independent Director), Ms. Smita Anand (Non-Executive, Independent Director), and Mr. Promeet Ghosh (Non-Executive, Non-Independent Director).

Details of the roles and responsibilities of the Audit Committee, 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 Annual Report.

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

17.2.2 Nomination and Remuneration Committee ("N&RC")

The N&RC comprises of 3 (Three) Members out of which 2 (Two) Members are Independent Directors. The Committee is chaired by Ms. Smita Anand (Non-Executive, Independent Director).

The other Members of the Committee are Mr. P. M. Murty (Non-Executive, Independent Director), and Mr. Promeet Ghosh (Non-Executive, Non-Independent Director).

Ms. Maheshwari Mohan (Non-Executive, Independent Director), ceased to be a Committee Member w.e.f. August 20, 2025, pursuant to her retirement as Director of the Company upon completion of second term as Independent Director.

Details of the roles and responsibilities of the N&RC, 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 Annual Report.

N&RC is *inter alia* responsible for, recommendation and approval of appointment and remuneration of the Directors, KMP's and Senior Management.



Board's Report

N&RC is also entrusted with the responsibility of framing the criteria for evaluation of the individual Directors, Chairman of the Board, the Board as a whole, its Committees and its Manager & CBO. It also routinely evaluates the working and effectiveness of the Board and manages the succession planning for Board Members and KMP's.

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

17.2.3 Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee comprises of 3 (Three) Members out of which 2 (Two) are Independent Directors.

During the year under review, Mr. Kaleeswaran Arunachalam (Non-Executive, Non-Independent Director), was appointed as Member of the Committee and designated as the Chairperson of the Committee w.e.f. January 1, 2026. The other Members of the Committee are Mr. P. M. Murty (Non-Executive, Independent Director), and Ms. Smita Anand (Non-Executive, Independent Director)

Ms. Maheshwari Mohan (Non-Executive, Independent Director), ceased to be a Committee Member w.e.f. August 20, 2025, pursuant to her retirement as Director of the Company upon completion of second term as Independent Director.

Mr. Shantanu Khosla (Non-Executive, Non-Independent Director), ceased to be a Committee Chairperson/ Member w.e.f. December 31, 2025, pursuant to his resignation as Director of the Company.

Details of the roles and responsibilities of the CSR Committee, the particulars of Members held and attendance of the Members at such Meetings, are given in the Report on Corporate Governance, which forms part of this Annual Report.

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Company has set up CSR Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as **Annexure-2**. 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://butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>. During the year under review, all the recommendations made by the CSR Committee were accepted by the Board.

17.2.4 Stakeholders' Relationship Committee ("SRC")

As on March 31, 2026, the SRC comprises of 4 (Four) Members out of which 1 (One) Member is Independent Director.

During the year under review, Mr. Kaleeswaran Arunachalam (Non-Executive, Non-Independent Director), was appointed as Member of the Committee and designated as the Chairperson of the Committee w.e.f. August 21, 2025. The other Members of the Committee are, Ms. Smita Anand (Non-Executive Independent Director), Mr. Nithiyandam Anandkumar (Non-Executive Non-Independent Director) and Mr. Promeet Ghosh (Non-Executive Non-Independent Director).

Ms. Maheshwari Mohan (Non-Executive, Independent Director), ceased to be a Committee Chairperson/ Member w.e.f. August 20, 2025, pursuant to her retirement as Director of the Company upon completion of second term as Independent Director.

Details of the roles 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 Annual Report.

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

The Board of Directors, at its meeting held on August 4, 2025, dissolved the Share Transfer Committee ("STC") in view of various amendments introduced by SEBI relating to digitalisation and the prohibition on transfer of physical shares.

17.2.5 Risk Management Committee ("RMC")

The RMC comprises of 4 (Four) Members. The Committee is chaired by Mr. P. M. Murty (Non-Executive Independent Director). The other Members of the Committee are Mr. K. E. Ranganathan (Non-Executive Independent Director), Ms. Smita Anand (Non-Executive Independent Director), and Mr. Kaleeswaran Arunachalam (Non-Executive Non-Independent Director).

Ms. Maheshwari Mohan (Non-Executive, Independent Director), ceased to be a Committee Member w.e.f. August 20, 2025, pursuant to her retirement as Director of the Company upon completion of second term as Independent Director.

Mr. Shantanu Khosla (Non-Executive Non-Independent Director), ceased to be a Committee Member w.e.f. December 31, 2025, pursuant to his resignation as Director of the Company.

Details of the roles and responsibilities of the RMC, 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 Annual Report.

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

RMC assists the Board in monitoring and reviewing the risk management plan and implementation of the risk management and mitigation framework of the Company. The main objective of the RMC is to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of risks including risks related to cyber security.

18. Risk Management Framework

In the realm of today's dynamic economic environment, navigating risk is critical aspect of our sustainable growth objective. Our commitment to effective risk management is not just the cornerstone of our operations but a testament to our dedication to stakeholders' trust and long-term success. Developing an agile and robust risk management framework will enable us to overcome obstacles, innovate and deliver value to consumers in rapidly changing market landscapes. In this section, we delve into our risk management framework, highlighting the proactive measures undertaken to identify, assess and mitigate potential threats. By embracing this framework, we strive to enhance value creation, safeguard assets and capitalise on opportunities amidst an ever evolving business landscape. The Board has formulated the Risk Management Policy identifying the elements of risk that the Company may face, such as strategic, financial, credit, market, liquidity, security, property, legal, regulatory and other risks, pursuant to the provisions of Section 134(3)(n) of the Act, which has been exhibited on the Company's website and can be accessed at <https://butterflyindia.com/wp-content/uploads/2022/04/Risk-Management-Policy.pdf>.

19. Particulars of contracts or arrangements with related parties

In accordance with the requirements of the Act and the Listing Regulations, your Company has a Policy on Related Party Transactions ("**RPTs**") uploaded on the Company's website and can be accessed at <https://butterflyindia.com/wp-content/uploads/2026/06/BGMAL-RPT-Policy.pdf>.

All the RPTs are placed before the Audit Committee for its review and prior approval and also before the Board for its noting and approval, wherever required. Prior omnibus approval of the Audit Committee is obtained for all the transactions which are of a foreseen and repetitive nature. A statement giving details of all RPTs is placed before the Audit Committee for their noting/ approval on quarterly basis.

There were no material significant transactions with related parties during the financial year as per the last audited financial statements.

Pursuant to SEBI Master Circular dated November 11, 2024, and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025, required listed entities to follow "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", formulated by Industry Standards Forum, the Company has placed all the relevant details as required under "*Industry Standards on Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions*" ("**RPT Industry Standards**") before the Audit Committee/ Board at the time of obtaining RPTs approval.

During the year under review, there were no material related party transaction which were entered by the Company. The details pertaining to RPTs during the year is given in Form AOC-2, as a good corporate governance practice, enclosed as **Annexure - 3**.

None of the Directors and the KMP's has any pecuniary relationships or transactions *vis-à-vis* the Company. All RPTs are mentioned in the notes to accounts. The Directors draw attention of the Members to the Notes to the financial statements which sets out the disclosure for RPT's.

20. Transfer to Investor Education and Protection Fund ("IEPF")

Pursuant to the applicable provisions of the Act, read with the IEPF Authority (Accounting, Audit,



Board's Report

Transfer and Refund) Rules, 2016 (**“the IEPF Rules”**), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after completion of 7 (Seven) years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the Members for 7 (Seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year under review, as seven years have not yet elapsed from the date of declaration and payment of any dividend, there was no transfer of unpaid dividend or the corresponding shares on which dividend remains unpaid or unclaimed.

Further, in F.Y. 2023-24, in compliance with the applicable provisions of the Act and IEPF Rules, the Company transferred an unclaimed dividend of ₹ 5,82,689 (Rupees Five Lakhs Eighty Two Thousand Six hundred and Eighty Nine Only) for F.Y. 2015-16 to the IEPF Fund. Additionally, 2,97,583 (Two Lakhs Ninety Seven Thousand Five hundred and Eighty Three) equity shares of ₹ 10 (Rupees Ten Only) each, for which dividends remained unclaimed for 7 (Seven) consecutive years, were also transferred to the IEPF Authority's demat account.

Members may reclaim both the unclaimed dividend and corresponding shares, along with any accrued benefits, by following the procedure prescribed under Rule 7 of the IEPF Rules.

21. Significant and material orders passed by the Regulators or Courts or Tribunals, Statutory and Quasi-Judicial Body

No significant or material orders were passed by the Regulators, Courts, Tribunals, Statutory and Quasi- Judicial Body that would impact the going concern status and Company's operations in the future.

22. 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 advise.

23. Auditors

a) Statutory Auditors

M/s. ASA & Associates LLP, Chartered Accountants (Firm Registration Number: 009571N/N500006), were appointed as Statutory Auditors of the Company by the shareholders of the Company at the 35th Annual General Meeting (**“AGM”**) held on July 14, 2022 to hold office as Statutory Auditors for a second term of 5 (Five) consecutive years, commencing from the conclusion of the 35th AGM till the conclusion of the 40th AGM.

The Board at their Meeting held on May 11, 2026, and basis the recommendation of the Audit Committee approved a remuneration of M/s. ASA & Associates at ₹ 35 Lakhs for the F.Y. 2026-27.

The Auditors' Report for the F.Y. 2025-26 does not contain any reservation, qualification or adverse remark, on the financial statements of the Company. Auditors' Report is self-explanatory and therefore, does not require further comments and explanation. The report given by the auditors on the financial statements of the Company form part of this Annual Report.

Further, in terms of Section 143 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended notifications/ circulars issued by the Ministry of Corporate Affairs from time to time, no fraud has been reported by the Auditors of the Company where they have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

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

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 made and maintained such 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 at its Meeting held on May 11, 2026, based on the recommendation of the Audit Committee, approved the appointment of M/s. S. Mahadevan & Co, Cost Accountants (Firm Registration Number: 000007), as the Cost Auditors of the Company to conduct audit of the cost records of the Company for the F.Y. 2026-27.

A remuneration of ₹ 2.25 Lakhs 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 the F.Y. 2026-27 will be placed at the ensuing AGM. Your Company has received consent and eligibility certificate from M/s. S. Mahadevan & Co.

M/s. S. Mahadevan & Co., have confirmed that the cost records of the Company for the F.Y. 2025-26, 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.

c) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Third amendment to the Listing Regulations, as per Regulation 24(1)(b), the Board, at its meeting held on May 13, 2025, and based on the recommendation of the Audit Committee, appointed M/s Alagar & Associates LLP, (Formerly known as M/s M. Alagar & Associates), Practicing Company Secretaries (ICSI Unique Code: L2025TN019200), as Secretarial Auditors of the Company to conduct the audit of the Secretarial records of the Company for a period of consecutive 5 (Five) Financial Years i.e. from F.Y. 2025-26 to F.Y. 2029-30, which was subsequently approved by the Members of the Company in the AGM held on August 5, 2025.

Pursuant to the provisions of Regulation 24A of the Listing Regulations read with the SEBI Circulars issued in this regard, M/s Alagar & Associates LLP, has undertaken an audit for the F.Y. 2025-26 for all applicable compliances as per the Act,

SEBI Regulations and circulars/ guidelines issued thereunder and other applicable laws.

The Board at their Meeting held on May 11, 2026, and basis the recommendation of the Audit Committee approved a remuneration of M/s. Alagar & Associates LLP at ₹ 1.4 Lakhs for the F.Y. 2026-27.

The Secretarial Audit Report for the FY 2025-26 is annexed herewith as **Annexure-4** to this Report. There has been no qualification, reservation, or adverse remark given by the Secretarial Auditors in their Report.

d) Internal Auditors

Pursuant to the provisions of Section 138 of the Act, the Board, at its meeting held on May 11, 2026, based on the recommendation of the Audit Committee, approved the appointment of M/s. Ernst & Young to conduct the internal audit of your Company for the F.Y. 2026-27.

24. Material changes and commitments affecting financial position between the end of the financial year and date of the report

No material changes or commitments have occurred between the end of the Financial Year and the date of this Report, which affects the Financial Statements of the Company with respect to the reporting year.

25. Enhancing stakeholders' value

Your Company is dedicated towards generating sustainable value and ensuring meaningful returns for its stakeholders. Accordingly, the Company is dedicated to achieving high levels of operating performance, cost competitiveness, and striving for excellence in all areas of operations.

The Company firmly believes that its success in the marketplace and good reputation is among the primary determinants of stakeholders 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



Board's Report

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.

The 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.

27. Business Responsibility and Sustainability Report ("BRSR")

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the initiatives taken by the Company from an environmental, social, and governance perspective are provided in the BRSR which is included as a separate section in the Annual Report.

The Company is publishing BRSR as good governance practice, although the same is not applicable to the Company.

28. Corporate Governance

The Board reaffirm their continued commitment to good corporate governance practices. During the year under review, the Company has complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from practicing Company Secretaries Firm confirming the compliance of the Corporate Governance norms as stipulated in Regulation 34(3) of the Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Annual Report and provided as **Annexure-5**.

29. Particulars of employees

There was 1 (One) employee who was in receipt of remuneration of not less than 1,02,00,000 (Rupees One Crore and Two Lakhs Only), and 2 (Two) employees who were in receipt of remuneration of not less than 8,50,000 (Rupees Eight Lakhs and Fifty Thousand Only) per month.

Disclosures concerning the remuneration of Directors, KMPs and employees as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-6** to this Board's Report. Your

Directors affirm that the remuneration is as per the remuneration policy of the Company.

Details of employee remuneration as required under provisions of Section 197(12) of the Act, read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection at the Registered Office of your Company during working hours.

The Annual Report and accounts are being sent to the shareholder's excluding the aforesaid exhibit. Any Member interested in obtaining such information may write to the Company Secretary & Compliance Officer at butterfly.investorrelations@butterflyindia.com

30. Reporting of fraud by auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors nor 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, the details of which would need to be mentioned in this Report.

31. Annual return

As required under Section 92 (3) read along with Section 134(3)(a) of the Act, the Annual Return of the Company is placed on the Company's website and can be accessed at <https://butterflyindia.com/investor-relations/>

32. Compliance with Secretarial Standards ("SS-1 and SS-2")

Your Directors state that applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been duly followed by the Company.

33. Conservation of energy, technology, absorption and foreign exchange outgo

Information relating to energy conservation, technology absorption, foreign exchange earned and spent, and research and development activities undertaken by the Company in accordance with Section 134(3)(m) of the Act read

with Rule 8(3) of Companies (Accounts) Rules, 2014, are given in **Annexure-7** of this Board's Report.

34. Disclosures pertaining to the Sexual harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH")

Your Company is committed in creating a healthy working environment that enables employees to work without fear of prejudice and gender bias.

Your Company is committed to ensure that every employee is treated with dignity and respect and works in a conducive work environment, which promotes professional growth of employee and encourages equality of opportunity. The Company has zero tolerance towards any act on the part of any executive, which may 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.

Further, to provide an empowering and enabling atmosphere to women employees, the Company has continuously endeavoured to build the work culture, which promotes the respect and dignity of all women employees across the organisation.

The Company has formulated a comprehensive policy on prevention, prohibition and redressal against sexual harassment of women at workplace, which is also in accordance with the provisions of POSH. The said policy has been made available on the website of the Company. The Company has constituted of Internal Complaints Committee ("ICC") under the POSH Act and has complied with the provision relating to the same. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The constitution of ICC is as per the POSH Act and includes an external member who is an independent POSH consultant with relevant experience. The POSH Policy is gender inclusive, and the framework ensures complete anonymity and confidentiality.

The employees are sensitised from time to time in respect of matters connected with prevention of sexual harassment. Training programmes on POSH were conducted at unit levels to sensitise the employees to uphold the dignity of their female colleagues at workplace.

During the Financial Year under review, trainings were conducted to keep the employees informed of the Company's Code of Conduct ("COC"), Prevention

of Sexual Harassment ("POSH") and Whistle-Blower rights. This ensures compliance and a controlled environment, while achieving our objectives.

During the year under review, no complaints were received.

35. Registrar & Share Transfer Agent ("RTA")

M/s. GNSA Infotech Private Limited is the RTA of the Company. Their contact details are mentioned in the Corporate Governance Report and same is also available on the website of the Company <https://www.butterflyindia.com/investor-relations/>

36. Listing with Stock Exchanges

The equity shares of your Company are listed on The National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). Details of the Company in the Stock Exchanges are as follows:

NSE Symbol **BUTTERFLY**
 BSE Scrip Code **517421**
 ISIN **INE295F01017**

Your Company has paid the Annual Listing Fees for the F.Y. 2025-26 and F.Y. 2026-27 of both NSE and BSE, where the equity shares of the Company are listed.

37. 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 the SEBI. 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:

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures if any;
- (b) the accounting policies selected and applied 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 as at the end of Financial Year and of the profit and loss of the Company for that period;
- (c) sufficient care has been taken and that adequate accounting records have been maintained for safeguarding the assets



Board's Report

- of the Company and for prevention and detection of fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- (f) the systems devised to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

38. Insider trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”), as amended from time to time, your Company has instituted a comprehensive Code titled as “**Policy on Determination of Legitimate Purpose for Sharing UPSI**” which lays down guidelines and advises the Directors and Employees of the Company on procedures to be followed and disclosures to be made while dealing in securities of the Company.

39. 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 financial year under review:

- (i) The Company has not resorted to any buy-back of the equity shares during the financial year under review;
- (ii) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- (iii) 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;
- (iv) The Company has not issued Sweat Equity Shares to the employees of the Company;
- (v) There has been no change in the nature of business of the Company as on the date of this report;
- (vi) There was no revision in the Financial Statements;
- (vii) There were no proceedings, either filed by the Company or filed against the

Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the year under review;

- (viii) 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;
- (ix) Disclosure of reason for difference between valuation done at the time of taking loan from bank and at the time of one-time settlement.
- (x) There was no instance of onetime settlement with any Bank or Financial Institution; and
- (xi) No fraud has been reported by the Auditors to the Audit Committee or the Board.
- (xii) During the year under review, the Company complied with the provisions of the Maternity Benefit Act 1961 along with all the applicable amendments & undertook necessary measures to ensure compliance for all eligible employees.

40. Rights of Shareholders

- Right to participate in, and to be sufficiently informed of, decisions concerning fundamental corporate changes;
- Opportunity to participate effectively and vote in General Meetings and during the postal ballot conducted by the Company;
- Being informed of the rules, including voting procedures that govern general shareholder meetings;
- Opportunity to ask questions to the Board at General Meetings;
- Effective Members participation in key corporate governance decisions such as election of Members of Board;
- Exercise of ownership rights by all 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.

41. Acknowledgement

Your Directors wish to convey their gratitude and appreciation to all the employees of the Company posted at all its locations for their tremendous personal efforts as well as collective dedication and contribution to the Company's performance.

Your Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Government and all other business associates, consultants and all the stakeholders for their continued support extended to the Company and the Management.

42. 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 **Butterfly Gandhimathi Appliances Limited**

Place: Mumbai
Date: May 11, 2026

P. M. Murty
Chairman
DIN: 00011179



Board's Report

Annexure - 1

Dividend Distribution Policy

1. Background:

This Policy is formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 introduced on 8th July 2016. This policy will be effective from 2nd April 2020, being the date of its approval by the Board of Directors of the Company.

2. Objective:

The objective of this Policy is to lay down the criteria and parameters that are to be considered by the Board of Directors of the Company while deciding on the declaration of Dividend from time to time. This Policy is applicable to dividend declared/recommended on the equity shares of the Company and does not cover dividend on preference shares, if any, where the rate of dividend is governed by the terms of the issue of preference shares or any other form of dividend.

3. Parameters to be considered for declaration of Dividend:

The Board of Directors may declare interim dividend/recommend final dividend for consideration of shareholders of the Company.

As in the past, subject to the provisions of applicable laws, the Company's dividend pay-out will be determined by the Board of Directors from time to time based on the available financial resources, investment requirements and other factors more fully described hereunder.

The Board of Directors of the Company will consider the following parameters while recommending/declaring Dividend:

3.1 Financial Parameters/Internal Factors:

1. Standalone/net operating profit after tax;
2. Operating cash flow of the Company for the year;
3. Liquidity position, aggregate Debt of the Company, debt service coverage position etc.;
4. Loan repayment and working Capital requirements;
5. Capital expenditure requirements;
6. Resources required for funding acquisitions, mergers and/or new businesses;

7. Cash flow required for meeting tax demands and other contingencies;
8. Regulatory (and growth requirement of) Capital Adequacy;
9. Regulatory (and growth requirement of) Solvency;
10. Trend of dividends paid in the past years;
11. Any windfall, extraordinary or abnormal gains made by the Company; &
12. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

3.2 External Factors:

1. Prevailing legal requirements, regulatory restrictions laid down under the applicable laws including tax laws and changes made in accounting laws;
2. Dividend pay-out ratios of companies in the same industry;
3. Any other factor that has a significant influence/impact on the Company's working/financial position of the Company.

The Board of Directors may additionally recommend special dividend in special circumstances.

4. Circumstances under which the shareholders may not expect Dividend:

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

- 4.1 In the event of inadequacy of profits or whenever the Company has incurred losses;
- 4.2 Significant cash flow requirements towards higher working capital requirements/ tax demands/ or others, adversely impacting free cash flows;
- 4.3 An impending/on-going capital expenditure programme or any acquisition or investment in joint ventures requiring significant allocation of capital;
- 4.4 Allocation of cash required for buy back of securities;
- 4.5 Any of the above referred internal or external factors restraining the Company from considering dividend;

5. Utilisation of retained earnings:

The Company may declare dividend out of the profits of the Company for the year or out of the profits of any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this policy, Profits retained in the business will be invested in the business / operations of the Company and may be used for augmenting working capital, repayment of borrowings, funding capital expenditure/acquisition(s) and for all other corporate purposes.

6. Parameters to be adopted with regard to various classes of shares:

Presently, the Authorised Share Capital of the Company is divided into equity shares of ₹ 10/- each. At present, the issued and paid-up share capital of the Company comprises only equity shares.

Currently, the Company has issued one class of equity shares with equal voting rights. As and when the Company issues different class of shares, the Board of Directors may suitably amend this Policy.

7. Procedure:

- 7.1 The dividend proposal placed before the Board for consideration shall be in terms of this Policy.
- 7.2 The Company shall ensure compliance of provisions of applicable Laws and this Policy in relation to Dividend declared by the Company.

8. Effective date

This Policy, as approved by the Board of Directors, at its meeting held on July 8, 2016 which was further amended on May 14, 2024 and is hosted on the website of the Company <https://butterflyindia.com/>

9. Disclosure:

The Company shall make appropriate disclosures as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

10. General:

- 10.1 This Policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorised from time to time, on the subject matter.
- 10.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.
- 10.3 In case of any amendment(s), clarification(s), circular(s) etc., issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

Board's Report

Annexure - 2

Annual Report on Corporate Social Responsibility (CSR) Activities For the Financial Year 2025-26

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company:

The Company focusses on fulfilling its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/projects and programmes for welfare, sustainability and development of community at large. The activities or projects that will be undertaken by the Company shall include one or more of the activities specified in CSR Policy as may be recommended by the CSR Committee and approved by the Board of Directors.

2. Composition of CSR Committee:

Sr. 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. Kaleeswaran A	Chairperson – Non- Executive Non-Independent^	1	1
2.	Mr. Shantanu Khosla	Chairperson – Non- Executive Non-Independent*	1	NA
3.	Mr. P. M. Murty	Member – Non-Executive Independent	1	1
4.	Ms. Smita Anand	Member – Non-Executive Independent	1	1
5.	Ms. Maheshwari Mohan	Member – Non-Executive Independent#	1	NA

[^]Appointed as Member of the Committee and designated as Chairperson w.e.f. January 1, 2026.

^{*}Ceased to be a Chairperson/ Member w.e.f. December 31, 2025, pursuant to resignation from the position of Director of the Company.

[#]Ceased to be a Member of the Committee w.e.f. August 20, 2025, pursuant to completion of her tenure as an Independent Director of the Company.

3. Provide the web-link 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://butterflyindia.com/investor-relations/>
- CSR Policy: <https://butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>

4. Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not applicable

5. a) Average net profit of the Company as per Section 135(5): ₹ 3,881.85 Lakhs
- b) Two percent of average net profit of the Company as per Section 135(5): ₹ 77.64 Lakhs
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ NIL
- d) Amount required to be set off for the financial year, if any: ₹ 2.44 Lakhs
- e) Total CSR obligation for the financial year (5(b)+5(c)- 5(d)): ₹ 75.20 Lakhs
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 77.94 Lakhs
- b) Amount spent in Administrative Overheads: NIL
- c) Amount spent on Impact Assessment, if applicable: NIL
- d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 77.94 Lakhs
- e) CSR amount unspent for the Financial Year: NIL
- f) Excess amount for set-off, if any: ₹ 2.74 Lakhs

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

1	2	3	4	5	6	7	8	
Sr. 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	Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
1.	FY- 2024-25	NA	NA	NA	NA	NA	NA	NA
2.	FY- 2023-24	NA	NA	NA	NA	NA	NA	NA
3.	FY- 2022-23	64,000	NA	64,000	64,000	July 18, 2023	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. 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		

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

For Butterfly Gandhimathi Appliances Limited

Place: Mumbai
Date: May 11, 2026

Kaleeswaran Arunachalam
Chairman – CSR Committee
DIN: 07625839

Board's Report

Annexure - 3

FORM NO. AOC -2

Particulars of contracts/arrangements made with related parties

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

The details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2026 are as follows:

Particular	Nature of Relationship	Duration of contract	Date of approval by Board	Salient Terms	Justification	Date of Special Resolution	Amount paid as advances (₹ in Lakhs)
Not Applicable							

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

The details of contracts or arrangements or transactions at arm's length basis for the Financial Year ended March 31, 2026, are as follows:

Particulars	Nature of relationship	Duration of contract	Date approved by the Board*	Salient terms	Amount (in Lakhs)
Nature of Contract					
Availing of services					
Crompton Greaves Consumer Electricals Limited ("Crompton")	Holding Company	April 1, 2025 to March 31, 2026	February 10, 2025	Receiving management resources for various departments in Secondment basis from Crompton	507.72
Purchase of Goods					
Crompton	Holding Company	April 1, 2025 to March 31, 2026	February 10, 2025	Purchase of Goods	1,469.75
Sale of Goods					
Crompton	Holding Company	April 1, 2025 to March 31, 2026	February 10, 2025	Sale of Goods	2,771.51
Availing or rendering of services					
Crompton	Holding Company	April 1, 2025 to March 31, 2026	February 10, 2025	Management service for receiving manpower	221.97
Crompton	Holding Company			Management service for sharing of manpower	37.01
Crompton CSR Foundation	Wholly Owned Subsidiary of Crompton			Undertaking the CSR activities of the Company	74.94
Leasing of Property					
Crompton	Holding Company	April 1, 2025 to March 31, 2026	February 10, 2025	Consideration for usage of trademark of Crompton (Royalty Fees)	41.71
Crompton	Holding Company			Sharing of Crompton's office at various places with Company's employees	22.66

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

Note:

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

For **Butterfly Gandhimathi Appliances Limited**

P. M. Murty

Chairman

DIN:00011179

Place: Mumbai
Date: May 11, 2026

Annexure - 4

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Butterfly Gandhimathi Appliances Limited

CIN: L28931TN1986PLC012728

143, Pudupakkam Village, Kelambakkam,
Kancheepuram District, Tamil Nadu, India - 603103

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Butterfly Gandhimathi Appliances 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 and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended March 31, 2026 ("Audit Period") 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 maintained by the Company for the Financial Year ended March 31, 2026, according to the provisions of:

- The Companies Act, 2013 ('Act') and the rules made thereunder, as amended from time to time including Secretarial Standards issued by Institute of Company Secretaries of India ('ICSI') as mandated by the Companies Act, 2013;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- Foreign Exchange Management Act, 1999 and the rules, regulations, notifications and circulars made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable for the Audit period)**

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(there were no events requiring compliance during the Audit Period)**
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client.
- The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(there were no events requiring compliance during the Audit Period)**
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(there were no events requiring compliance during the Audit Period)**



Board's Report

- (ix) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(there were no events requiring compliance during the Audit Period)** As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions at the Board Meetings were taken unanimously and there was no instance of dissent by any director during the period under review.
- (x) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(there were no events requiring compliance during the Audit Period).** **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.
- vi. Other laws as may be applicable specifically to the Company: Based on the information provided by the Company, **there are no specific laws applicable to the Company for the year under review.** **We further report that**, during the audit period, no events occurred which had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clauses thereto which are applicable:

For **Alagar & Associates LLP**
 (Formerly known as M. Alagar & Associates)
 Company Secretaries
 Firm Registration No: L2025TN019200
 Peer Review Certificate No: 6814/2025

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and 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, Independent Directors and Woman Director. 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance or at a shorter notice as the case may be, 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.

Place: Chennai
 Date: May 11, 2026

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

D. Saravanan
 Partner
 FCS No: 13721
 CoP No: 22608
 UDIN: F013721H000322392

To
 The Members of
Butterfly Gandhimathi Appliances Limited

Our report is to be read along with this letter.

- 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.
- We have followed the audit practices and processes 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 processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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 procedures on test basis.
- 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.

Place: Chennai
 Date: May 11, 2026

For **Alagar & Associates LLP**
 (Formerly known as M. Alagar & Associates)
 Company Secretaries
 Firm Registration No: L2025TN019200
 Peer Review Certificate No: 6814/2025

D. Saravanan
 Partner
 FCS No: 13721
 CoP No: 22608
 UDIN: F013721H000322392

Annexure - I

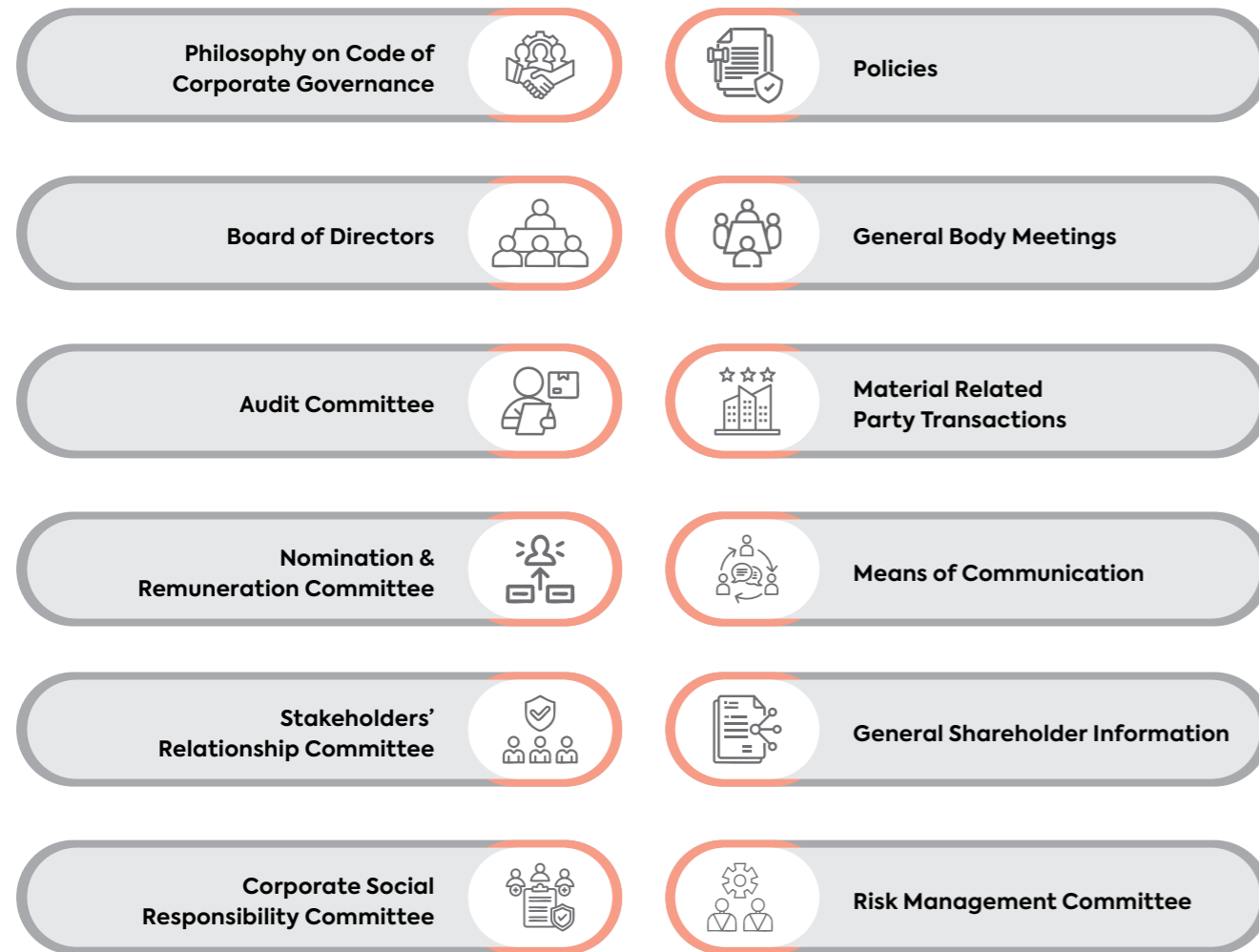
Annexure to Secretarial Audit Report



REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34(3) read with Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we hereby submit the report addressing the matters outlined in Schedule V and demonstrate the practices adopted by our company. This report stands as evidence of our steadfast dedication to complying with the Listing Regulations, upholding transparency and integrity within our corporate governance structure.

Governance at Butterfly



Butterfly's Philosophy on Code of Governance:

Your Company believes that Corporate Governance is foundational to the culture of the organisation and aims to promote transparency, integrity and accountability within which all stakeholders of the Company viz., its shareholders, directors and management, society and environment at large, have aligned objectives. We aim to abide by the highest standards of good governance and ethical behaviour across all levels within the organisation with a zero-tolerance policy towards any deviation from

these standards. Upholding sound principles of Corporate Governance is a cornerstone of our Board's responsibilities.

Your Company is committed to delivering high quality kitchen and electrical appliances characterised by ergonomic features and attractive design, all while ensuring excellent value for our customers. Our foremost priority is to provide service that exceeds customer satisfaction. We view stakeholders at all levels as partners in our success and are dedicated to maximising value for our shareholders. Continuously, we strive to review, strengthen, and upgrade our systems and processes

across various business segments, aiming to enhance transparency and efficiency throughout the organisation.

The philosophy of the Company is deeply rooted in fulfilling our responsibility as a corporate entity, guiding us to undertake socially beneficial activities, projects, and programmes aimed at the welfare, sustainability, and development of the community at large. To ensure adherence to our values and principles, we have adopted a comprehensive Code of Conduct for all employees, including the Manager & Chief Business Officer (“**Manager & CBO**”), which includes an effective mechanism for reporting any concerns related to non-compliance with the Code.

Further, your Company has complied with the following discretionary requirements as listed out in Part-E of Schedule II of the SEBI Listing Regulations which are elaborated as under:

1. The office of the Chairman is occupied by a Non-Executive Independent Director of the Company;
2. The Company has a distinct Non-Executive Chairman and a Manager, who are not related to one another;
3. The audit report of the Company's Financial Statements for the F.Y. ended March 31, 2026 is unmodified; and
4. The Internal Auditors of the Company directly reports to the Audit Committee of the Board.
5. The Company follows a robust process of communicating with the shareholders which have been elaborated in the Report under the heading “Means of Communication”.

Board of Directors

The Board of Directors (“**Board**”) is responsible for the strategic supervision and overseeing the Management performance and governance of the Company on behalf of the stakeholders. The Board exercises independent judgement and plays a vital role in monitoring the Company's affairs and protects the long-term interests of our stakeholders. The Board also ensures the Company's adherence to the standards of corporate governance and transparency. Our Board is a diverse amalgamation of seasoned professionals, each bringing a wealth of experience, expertise, and insight to the table. It also sets out standards of corporate behaviour and ensures compliance with laws and regulations impacting the Company's business.

The Board engages with the management on long-term strategic issues such as growth strategies, innovation, succession planning & human capital management, culture, go to market strategies, technology, etc.

These insightful allow the Board members to get a better understanding of the business of the Company and allows the senior management to solicit different perspectives from the Board. The Directors take active part in the deliberations at the Board and Committee meetings and provide guidance and advice to the management on various aspects of business, governance, compliance, etc.

The primary role of the Board is that of trusteeship to protect and to enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to stakeholder's value.

Information flow to the Board Members

The Board of Directors at our company enjoys unrestricted access to all company-related information, inclusive of employee data. We present an annual strategic plan and operating plan of our business to the Board for their review, inputs, and approval. Likewise, our quarterly, half yearly financial results and annual financial statements are first presented to the Audit Committee and subsequently to the Board for their approval. In addition, various matters such as review of business performance, appointment of Directors, Key Managerial Personnel and Senior Managerial Personnel, corporate actions, review of internal and statutory audits, details of investor grievances, specific cases of risk management initiatives including cyber security along with mitigation actions and legal/ statutory matters are presented to the respective Committees of the Board and later with the recommendation of Committees, to the Board of Directors for their approval, as may be required. During Board Meetings, functional heads are invited to provide supplementary insights, fostering informed decision-making. Information is provided well in advance of meetings, with inputs from Directors incorporated into agendas and documents. The Board actively engages in discussions, offering valuable inputs on strategic and operational matters.

Post the Board meeting, we have a formal system for follow-up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board.

Committees of Directors

The Board Committees have been constituted to deal with specific areas/ activities as mandated by applicable rules and regulations or as delegated by the Board, which need a closer review. Throughout the year, the independent Board Committees are actively engaged in delivering best-in-class governance practices. Recognising the substantial contributions of these Committees in assisting the Board of Directors in fulfilling its duties and responsibilities. The Committees of the Board function as an extended arm



Report on Corporate Governance

of the Board and play a pivotal role in ensuring good governance while also periodically monitoring the affairs of the Company.

The Chairperson of the respective Committees briefs the Board about the summary of the discussions held at the Committee meetings and the recommendations of the Committee members. The minutes of the meetings of all Committees are placed before the Board for their perusal.

The Committees of the Board are:

- (i) Audit Committee
- (ii) Nomination & Remuneration Committee (“N&RC”)
- (iii) Stakeholders’ Relationship Committee (“SRC”)
- (iv) Corporate Social Responsibility Committee (“CSR”)
- (v) Risk Management Committee (“RMC”)

Composition of Board

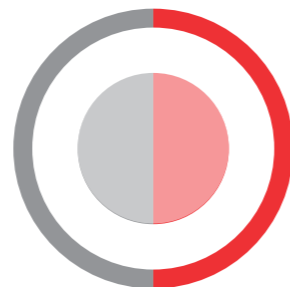
The Company’s Board has an optimum mix of Non-Executive and Non-Executive Independent Directors, in line with the applicable provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. All the Directors on the Board are persons of eminence and bring a wide range of expertise, skill sets, knowledge, and experience to the Board, thereby ensures constructive deliberations and effective decision-making at the Board.

Your Company has developed and implemented a comprehensive Policy on appointment & evaluation of Board of Directors, KMP and Senior Management, aiming to ensure that the composition of the Board is optimum, balanced. Regular reviews of the Board’s strength and composition are conducted to ensure alignment with both statutory requirements and the evolving needs of our business. This practice allows us to maintain a dynamic and effective Board that can effectively steer the Company towards its strategic objectives while upholding the highest standards of corporate governance.

The detailed profile of the Board members encompassing details of experience, expertise, Board memberships, committee details etc., is provided under governance section of the Annual Report. There are no *inter-se* relationships between our Board members. The Company does not have any pecuniary relationship with any of the non-executive directors. Further, during the year, the Company has not provided any loans or advances to firms/ companies in which directors are interested.

Size and Composition of the Board as on March 31, 2026

Composition of Board



- Non-Executive, Non-Independent Directors 50%
- Independent Directors 50%

Board Diversity as on March 31, 2026



- Male 83.4%
- Female 16.6%

As on March 31, 2026, Ms. Swetha Sagar G holds the position of Manager & Chief Business Officer, Mr. Promeet Ghosh, Mr. Kaleeswaran Arunachalam and Mr. N. Anandkumar holds the position of Non-Executive, Non-Independent Director. Mr. P. M. Murty, Ms. K. E. Ranganathan and Ms. Smita Anand holds the position of Non-Executive, Independent Director in terms of Regulation 17 of the Listing Regulations and the Act.

During the year under review:

Ms. Maheshwari Mohan, ceased to be an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), who was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (“Crompton”), the holding company of the Company and whose tenure on the Board of Crompton ended on December 31, 2025. Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

In terms of the provisions of the Act and the Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/or the Committees of other companies with changes therein, if any, on periodical basis. On the basis of such disclosures, it is confirmed that as on March 31, 2026, none of the Directors of the Company:

- Holds Directorship positions in more than Twenty (20) companies [including Ten (10) public limited companies and Seven (7) listed companies];
- Holds Executive Director position and serves as an Independent Director in more than Three (3) listed companies;
- Is a member of more than Ten (10) Committees and/or Chairperson of more than Five (5) Committees, across all the Indian public limited companies in which they are Directors; and
- All Necessary approvals under Listing Regulation and the Act are in place for the appointment or continuation of any director who have reached the age of Seventy-Five (75) years.

For the purpose of calculating the limit of the Board Committees, Chairpersonships and Memberships, Audit Committee and Stakeholders’ Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Duties of the Board

The Board is the apex body, who is responsible for strategic supervision and overseeing the management performance and governance of the Company on behalf of the stakeholders. It does this by providing strategic guidance, monitoring operational performance and ensuring that robust policies and procedures are in place. In order to take an informed decision, the Board has access to all relevant information and free to approach the employees of the Company. Driven by the principles of Corporate Governance Philosophy, the Board strives to work in the best interests of the Company and its stakeholders. To this end, the Board of Directors sets out the corporate culture,

lays down high ethical standards of corporate behaviour and ensures transparency in their dealings.

The Board through its various Committees also reviews the identified risks and the mitigation measures undertaken/ to be undertaken in respect thereof, ensures integrity in the Company’s accounting and financial reporting systems, adequacy of internal controls and compliance with all relevant laws and discharges its functions towards CSR.

The Board performs its duties under various matters as described below:-

Strategic Matters

- i. Reviewing and guiding the corporate strategy;
- ii. corporate re-structuring activities including merger/ demerger;
- iii. details of any acquisition, joint venture or collaboration agreement including proposals for investment, divestment and brand/ intellectual property acquisition; and
- iv. sale of investment or assets which are material in nature.

Operational Matters

Annual operating plans and capital budgets;

- i. Regular business/ function updates;
- ii. Review of capital expenditure on Annual basis;
- iii. Strategy of the Company in upcoming years;
- iv. Significant labour problems and their proposed solutions;
- v. Any significant development on the human;
- vi. Resources/ industrial relations front; and
- vii. Details on regulatory inspection.

Finance Matters

- i. Quarterly/ Half yearly/ Annual standalone results and financial statements of the Company;
- ii. Related Party Transactions; and
- iii. Quarterly details of foreign exchange

Governance Matters

- i. Noting materially important show cause, demand;
- ii. Prosecution penalty, legal notices or any compliance matters, if any;
- iii. Noting fatal or serious accident;



Report on Corporate Governance

- iv. Noting of statutory disclosures received from the directors;
- v. Noting minutes of meetings of the Board, board committees and resolutions passed by circulation;
- vi. Review the performance of the Organisation;
- vii. Reviewing quarterly compliance certificate;
- viii. Reviewing risk management framework of the Company;
- ix. Approval on Corporate Social Responsibility related matters;
- x. Approval of related party transactions where directors/ KMP/ SMPs are interested;
- xi. Approval for appointment and remuneration to Directors, KMP and SMP;
- xii. Appointment of auditors and fixation of remuneration;
- xiii. Performance evaluation of the Board, board committees and directors;
- xiv. Review of Health & Safety (“H&S”) framework;
- xv. Any issue which involves possible public, or product liability claims of substantial nature; and
- xvi. Review of Prohibition of insider trading (PIT) compliances.

Function of the Board

The Board, Committees of Board and Independent Director’s meetings are pre-scheduled, and an annual calendar of these meetings is circulated to the Directors and Committee members well in advance, to facilitate them to plan their schedules and to ensure meaningful participation in the meetings. The interval between any two Board Meetings was well within the maximum allowed gap of 120 days under the provisions of the Act and the Listing Regulations.

The agenda for the Board Meetings covers items as set out in the Listing Regulations to the extent that they are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions. The agenda is sent to the Directors within the period stipulated in the Secretarial Standards. The Board processes are also in consonance with the requirements of the Secretarial Standard-1 (“SS-1”) relating to the meetings of the Board and its Committees.

In case of special and urgent business matters, approval of the Board/ Committees is taken by passing a resolution by circulation, as permitted by law, which is noted in the next Board/ Committee meeting.

The discussions are then followed by a review of the performance of the business vis-à-vis the Company’s Plan for the financial year and overall strategy, review of financial results, review of compliance reports, fund position and investments status, industrial layout, environmental consents, etc.

The Board reviews the strategy, budgets & business plans, and capital expenditure on an annual basis. It provides guidance and strategic direction to the management in light of the economic developments, both locally and internationally, sectoral changes, competition, government regulations, etc. The Board also meets industry experts on matters of importance as and when deemed fit.

Post-meeting Action Tracking System

Key matters discussed during the meetings of the Board and its Committees, requiring action are systematically tracked until their closure. An Action Taken Report (“ATR”) on such matters is periodically placed before the Board and the respective Committees for their review and noting.

Board Evaluation

In terms of the requirements of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and its Committees.

The Company has a structured assessment process, wherein the N&RC of the Company has laid down the process for the effective manner of performance evaluation of the Board, its Committees and the Directors, including the Chairperson.

The evaluations are carried out in a confidential manner and the Directors provide their feedback by rating based on various metrics. The performance evaluation of the Board, its Committees and Directors is conducted under the guidance of the N&RC Chair.

The Independent Directors at their separate meeting reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company after considering the views of other Directors, succession planning, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The process involved a questionnaire-based approach followed by independent one-on-one discussions with all Board members. The Board evaluation process was completed for financial year 2025-26. The outcome of the

engagement review was presented to the N&RC and the Board of Directors of the Company.

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward.

Manager/ Chief Business Officer (“Manager & CBO”)

The Manager & CBO is responsible for business performance, planning, driving growth, brand equity, executing corporate strategy, and implementation of the strategic decisions aligned to the vision and mission of Butterfly in consultation with the Board. To ensure growth with sustainability by leveraging digitisation and automation initiatives and to create a world-class future-ready organisation. The Manager & CBO also monitors the external and internal competitive landscape, and new industry developments and standards, identifies opportunities for expansion and acquisition, and builds relationships with customers and markets to enhance with an eye to enhance stakeholders’ value.

The Manager & CBO acts as a link between the Board/ Committees and the Management and is also responsible for leading and evaluating the work of other executive leaders.

Leadership Team (“LT”)

At the helm of the Company stands the Manager & CBO, who presides over a LT consisting of functional heads and business unit leaders. This hierarchical structure is designed to ensure effective management and strategic execution within the organisation.

Independent Directors (“IDs”)

IDs play an eminent role in the governance processes of the Board, by virtue of their varied expertise and experience, they enrich the Board’s decision-making and prevent possible conflicts of interest that may emerge in such decision-making and safeguards the interests of all stakeholders.

The appointment of Independent Directors follows a structured process in compliance with the provisions of the Act and the Listing Regulations. The N&RC identifies candidates based on established criteria, considering the need for Board diversity, requirement under the Act and the Listing regulations and accordingly recommends suitable candidates to the Board of Directors.

The Company issues formal letter of appointment to the Independent Directors at the time of their appointment/ re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company’s website at <https://butterflyindia.com/investor-relations/>. The Board comprises three Independent Directors as on March 31, 2026.

The Board confirms that based on the written affirmations received from each IDs, all the IDs fulfil the conditions as stipulated in the Regulation 16(1)(b) of the Listing Regulations, as amended, read with Section 149(6) of the Act along with rules framed thereunder and are independent of the Management. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/ disclosures received from the Directors, the Board confirms, that the Independent Directors fulfil the conditions as specified under Schedule V of the Listing Regulations and are independent of the Management.

In compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the IDs of the Company have registered themselves with Indian Institute of Corporate Affairs (“IICA”).

In terms of Section 150 of the Act read with Rule (4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, all the IDs are exempted from undertaking the online proficiency self-assessment test conducted by the IICA.

None of the IDs have any other material pecuniary relationship or transaction with the Company or Directors, or Senior Management which, in their judgement, would affect their independence.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Key Skills, Expertise, Competence of the Board of Directors

The Board of the Company comprises of professionals, distinguished, qualified and experienced directors, who possess relevant skills, expertise and competence to ensure effective functioning of the Company. Table below summarises the key skills, expertise and competence required for the Company and is taken into consideration while nominating candidates to serve on the Board.

Report on Corporate Governance

Logo	Skills / Coverage	Board Skill Distribution
	Industry Acumen Industry experience through detailed knowledge of the Company or the sector in which it operates, as well as those who understand the broader industry environment.	83%
	Financial Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.	67%
	Leadership Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.	100%
	Information Technology Significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models.	33%
	Mergers and Acquisitions A history of leading growth through acquisitions and other business combinations, with the ability to assess "Make or Buy" decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.	50%
	Board Service and Governance Service on other public company boards, to develop insights about maintaining board and management accountability, protecting Members interests, and observing appropriate governance practices.	83%
	Sales and Marketing Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance brand reputation.	67%
	Strategy & Operations Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities and demonstrated strengths in developing talent, succession planning, driving change and long-term growth.	50%
	Compliance & Risk Experience in identifying and evaluating the significant risk exposures to the business strategy of the Company and assess the Management's actions to mitigate the strategic, legal and compliance, and operational risk exposures.	100%
	General Management Experience in business management, possessing intrinsic leadership skills including the ability to represent the Company.	100%
	Sustainability, and Environmental, Social and Governance ("ESG") Experience in leading the sustainability and ESG visions of organisations, to be able to integrate these into the strategy of the Company.	17%
	Talent Development Experience in Leadership Development and ensuring an ongoing process exists which continuously enhances the knowledge and capability of key talent to enable these managers to effectively lead the organisation in achieving key strategic initiatives.	83%

Brief details of Directors as on March 31, 2026 are mentioned as under:



Mr. P. M. Murty
(DIN: 00011179)
Non-Executive,
Independent Director-Chairperson

Nationality : Indian
Age : 75 Years
Date of initial appointment : April 01, 2022
Date of Re-appointment : -
Shareholding : Nil

Board Membership – Indian Listed Companies:

1. Butterfly Gandhimathi Appliances Limited

Area of expertise:



Mr. Promeet Ghosh
(DIN: 05307658)
Non-Executive,
Non-Independent Director

Nationality : Indian
Age : 57 Years
Date of initial appointment : May 12, 2023
Date of Re-appointment : -
Shareholding : Nil

Board Membership – Indian Listed Companies:

1. Butterfly Gandhimathi Appliances Limited
2. Crompton Greaves Consumer Electricals Limited

Area of expertise:



Mr. Kaleeswaran Arunachalam
(DIN: 07625839)
Non-Executive,
Non-Independent Director

Nationality : Indian
Age : 45 Years
Date of initial appointment : November 09, 2023
Date of Re-appointment : -
Shareholding : Nil

Board Membership – Indian Listed Companies:

1. Butterfly Gandhimathi Appliances Limited

Area of expertise:



Report on Corporate Governance



Nationality : Indian
Age : 59 Years
Date of initial appointment : November 09, 2023
Date of Re-appointment : -
Shareholding : Nil

Mr. Nithyanandam Anandkumar
(DIN: 10381096)
Non-Executive,
Non-Independent Director

Board Membership – Indian Listed Companies:
1. Butterfly Gandhimathi Appliances Limited

Area of expertise:



Nationality : Indian
Age : 66 Years
Date of initial appointment : April 01, 2022
Date of Re-appointment : -
Shareholding : Nil

Ms. Smita Anand
(DIN: 00059228)
Non-Executive,
Independent Director

Board Membership – Indian Listed Companies:
1. Butterfly Gandhimathi Appliances Limited
2. Crompton Greaves Consumer Electricals Limited
3. Lemon Tree Hotels Limited

Area of expertise:



Nationality : Indian
Age : 65 Years
Date of initial appointment : April 04, 2024
Date of Re-appointment : -
Shareholding : Nil

Mr. K. E. Ranganathan
(DIN: 00058990)
Non-Executive,
Independent Director

Board Membership – Indian Listed Companies:
1. Butterfly Gandhimathi Appliances Limited

Area of expertise:



Details of Directorship and Membership(s)/ Chairmanship(s) of Committees of the Director(s)

Name	Category	No of Directorship(s) held in other Public Companies*	Directorship held in listed companies (Including Butterfly)	**Committee(s) position (Including Butterfly)	
				Member	Chairperson
Mr. P. M. Murty	Chairman, Non-Executive, Independent Director	1	Butterfly Gandhimathi Appliances Limited	2	1
Mr. Promeet Ghosh	Non-Executive, Non-Independent Director	1	Butterfly Gandhimathi Appliances Limited Crompton Greaves Consumer Electricals Limited	3	-
Mr. Kaleeswaran Arunachalam	Non-Executive, Non-Independent Director	Nil	Butterfly Gandhimathi Appliances Limited	1	1
Mr. Nithyanandam Anandkumar	Non-Executive, Non-Independent Director	Nil	Butterfly Gandhimathi Appliances Limited	1	-
Mr. K. E. Ranganathan	Non-Executive, Independent Director	1	Butterfly Gandhimathi Appliances Limited	1	1
Ms. Smita Anand	Non-Executive, Independent Director	2	Butterfly Gandhimathi Appliances Limited Crompton Greaves Consumer Electricals Limited Lemon Tree Hotel Limited	2	-

*Excludes private limited companies, foreign companies and companies registered under Section 8 of the Act and excludes Directorship of Butterfly Gandhimathi Appliances Limited.

**For the purpose of calculating the above, only Audit and Stakeholders Relationship Committee in public limited companies, whether listed or not, are considered – Regulation 26(1) of the Listing Regulations.

Senior Management

The Company identified following under category of Senior Management Personnel(s) (“SMPs”), pursuant to the provisions of Regulation 16(1)(d) and Schedule V of the Listing Regulations. Details of Senior Management Personnel(s) as on March 31, 2026, and the changes thereunder during the year under review are as follows:

Sr. No.	Name	Designation	Changes if any (Yes / No)	Nature of change and Effective date
1.	Mr. G. Pazhaniswamy	AVP – Operations	Yes	Resigned w.e.f. October 31, 2025
2.	Mr. Haresh Sundar	Head – Sales	Yes	Resigned w.e.f. December 22, 2025
3.	Mr. Siva Kumar S R	Head – Quality	No	NA
4.	Mr. Kavin Malan	Head – Consumer Marketing	No	NA
5.	Mr. Viral Sarvaiya	Company Secretary & Company Secretary	Yes	Resigned w.e.f. April 7, 2025
6.	Mr. Jayant Barde	Company Secretary & Company Secretary	Yes	Appointed w.e.f. May 13, 2025
7.	Mr. V. A. Joseph	Chief Financial Officer	No	NA
8.	Ms. Swetha Sagar G	Manager & Chief Business Officer	No	NA
9.	Mr. Krushnakant Sinojia	Head – R & D	No	NA
10.	Mr. Bharath Venkatesh	Head – Human Resources	No	NA
11.	Mr. Somasundaram P	Head – Manufacturing & Demand Planning	Yes	Appointed w.e.f. January 01, 2026
12.	Mr. Kaushik Moorthy	Head – National Sales	Yes	Appointed w.e.f. July 03, 2025
13.	Mr. K Muthu Saravanan	Head – Downstream Marketing	Yes	Appointed w.e.f. December 01, 2025



Report on Corporate Governance

Board and Committee Meetings

The Board and Committee Meetings of the Company are pre-scheduled. An annual calendar of the tentative meetings is circulated to all Board and Committee Members at the beginning of the Financial Year to ensure their availability. This approach helps Members to plan their schedules effectively and ensures meaningful participation in the meetings. The Board and Committees are guided by the Annual Agenda Plan, which helps the Board and the respective committees to ensure that they are able to discharge their roles and responsibilities effectively and take up important issues systematically over a period of time. In case of an instances where any urgent business arises, the Company conducts necessary transactions by passing resolution(s) through circulation, as permitted by law. These resolutions are noted and confirmed during the subsequent Meeting.

A notice and detailed agenda, along with supporting materials such as notes and presentations, are prepared and sent to Directors at least seven (7) days prior to scheduled Board and Committee Meetings, facilitating Directors for informed decision-making. The setting of agendas is a collaborative effort led by the Company Secretary in consultation with the Chairman or Manager, incorporating inputs and feedback from Board/ Committee Members to ensure thorough discussion and effective governance practices. Additional items are taken up with the permission of the respective Chairperson and consent of majority of the Board/ respective Committee Members present at the meeting. Prior approval from the Board/ Committee is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee agenda and are considered to be in the nature of Unpublished Price Sensitive Information. The agenda of the Board and Committee meetings are circulated electronically to the Directors on their email address, ensuring quick and timely access to the relevant information. The Board members have unrestricted access to all Company related information.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Manager & Chief Business Officer apprise the Board at every quarterly Meetings of the overall performance of your Company, followed by presentation(s) by the respective functional heads. A detailed functional report is also presented at the Board Meeting(s).

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, the performance of its committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

The meetings are generally convened either at the Company's Corporate Office in Chennai or at the Registered Office of the Crompton / Holding Company in Mumbai. Video/ Audio-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the Meetings. Apart from the Board/ Committee Members and the Company Secretary, Meetings are also attended by Chief Financial Officer and other departmental/ functional heads wherever required.

The Board of Directors met Six (6) times during F.Y. 2025-26 i.e. on April 03, 2025, May 13, 2025, August 04, 2025, November 04, 2025, February 04, 2026 and March 16, 2026.

Ms. Maheshwari Mohan, ceased to be an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), who was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (Crompton), the holding company of the Company and whose tenure on the Board of Crompton ended on December 31, 2025. Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

Composition and attendance of the Board Meetings as on March 31, 2026

Non-Executive, Non-Independent Directors

- Mr. Promeet Ghosh
- Mr. Kaleeswaran Arunachalam
- Mr. Nithiyanandam Anand Kumar

Independent Directors

- Mr. P. M. Murty
- Mr. K. E. Ranganathan
- Ms. Smita Anand

Total no. of Board Members



- Non-Executive, Non-Independent Directors
- Independent Directors

Total no. of meetings



Average Attendance

95.34%



Attendance of Directors at the Board Meetings and Annual General Meeting:

Board of Directors	Date of Meeting(s)						Meetings entitled to attend	Meetings attended	% of Attendance	AGM August 05, 2025
	April 03, 2025	May 13, 2025	August 04, 2025	November 04, 2025	February 04, 2026	March 16, 2026				
Mr. P. M. Murty	👤	👤	👤	👤	👤	📺	6	6	100	Yes
Mr. Shantanu Khosla*	👤	👤	👤	👤	NA	NA	4	4	100	Yes
Ms. Smita Anand	👤	📺	👤	📺	👤	📺	6	5	83	Yes
Mr. Promeet Ghosh	👤	👤	👤	👤	👤	👤	6	6	100	Yes
Ms. Maheshwari Mohan**	👤	👤	👤	NA	NA	NA	3	3	100	Yes
Mr. Kaleeswaran Arunachalam	👤	📺	👤	👤	👤	👤	6	5	83	Yes
Mr. N. Anandkumar	👤	👤	👤	👤	👤	👤	6	6	100	Yes
Mr. K. E. Ranganathan	👤	👤	👤	👤	👤	👤	6	6	100	Yes

* Resigned w.e.f. December 31, 2025

**Retired w.e.f. August 20, 2025

👤 Attended in person | 📺 Attended through video conference | 📺 Leave of absence

Board Support

The Company Secretary supports the Board by making sure it has the policies, processes, information, time and resources it needs to work effectively and efficiently. The Company Secretary is in charge of collecting, reviewing and distributing all the documents that are submitted to the Board and its Committees for decision making. The Company Secretary is also in charge of preparing the agenda and convening the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board as a Member of the Board and its Committees as a Secretary to the Board Committees. The Company Secretary advises/ assures the Board and its Committees on compliance and governance principles and makes sure the minutes of the meetings are recorded properly by providing all the information for effective decision making.

The Company Secretary also gives the necessary guidance to the Board members about their roles and responsibilities and assists the Chairperson in all Board development processes like Board evaluation, Board re-structuring, succession, inductions and trainings etc. Besides ensuring compliance with the relevant statutory and regulatory requirements, the Company Secretary also acts as a formalised link between the Board, management and external stakeholders.

Committees of the Board

The Board Committees plays a pivotal role in the governance framework of the Company, established

to address specific areas or activities as mandated by relevant regulations and Acts. These Committees are formed under formal approval of the Board, each tasked with clearly defined roles that are typically associated with the responsibilities of Board Members. Through their focused efforts and expertise, the Board Committees contribute significantly to the effective oversight and management of key aspects of the Company's operations, enhancing transparency, accountability, and overall governance practices.

Each Committee demonstrates the highest levels of governance standards and has the requisite expertise to handle issues relevant to their fields. These Committees spend considerable time and provide focused attention to various issues placed before them and the guidance provided by these Committees lend immense value and support, enhancing the qualitative ness of the decisions making process of the Board. In order to strengthen governance, the Board has adopted terms of reference for majority of Committees of the Company.

The Board reviews the functioning of these Committees from time to time. The meetings of each of these Committees are convened by the respective Chairpersons, who also appraised the Board about summary of discussion held at their meetings. The minutes of the Committee meetings are sent to all members of respective committee individually for their comments and approval as prescribed in Secretarial Standard – 1 and after the minutes are duly approved, the same is being placed before the Board for review in immediate next meeting.

Report on Corporate Governance

The Committees of the Board are:

1. Audit Committee (“AC”)
2. Nomination and Remuneration Committee (“N&RC”)
3. Stakeholders’ Relationship Committee (“SRC”)
4. Risk Management Committee (“RMC”)
5. Corporate Social Responsibility Committee (“CSR”)

Audit Committee

Composition

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. More than Two-third (2/3rd) of the Members of the Committee, including the Chairperson are Independent Directors. As on March 31, 2026 the total strength of the Audit Committee is Four (4) Members. All the Members of the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. The Chairperson of the Committee possesses professional qualifications in the field of Finance and Accounting and is a financial expert.

Committee Governance

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company’s established systems and processes for internal financial controls, governance and reviewing the Company’s statutory and internal audit activities. The Audit Committee also meets the Internal and Secretarial Statutory Auditors separately, without the presence of Management representatives. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the Listing Regulations.

The Audit Committee also receives the report on compliance under the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy.

Internal Controls and Risk Management

The Company has robust Internal Audit and Enterprise Risk assessment and mitigation system. The Company has an independent Internal Audit Department. The Company has also appointed M/s. Ernst & Young, as Internal Auditors to conduct the internal audit of the various areas of operations and records of the Company.

The Internal Audit plan is approved by Audit Committee at the beginning of every year. The conduct of Internal Audit

is oriented towards the review of internal controls and risks in the Company’s operations and covers factories, sales offices, warehouses and various businesses functions. Every quarter, the Audit Committee is presented with a summary of significant audit observations and follow-up remediation actions thereon.

Roles and Responsibilities

The roles and responsibilities of the Audit Committee of the Company, *inter alia* includes:

- Overseeing the Company’s financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing and examining with Management the quarterly and annual financial results and the Limited Review/ Auditor’s Report thereon before submission to the Board for approval;
- Reviewing management discussion and analysis of financial condition and results of operations;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
- Recommending the appointment, remuneration and terms of appointment of Auditors of the Company and approval for payment of any other services;
- Reviewing and monitoring the Statutory Auditor’s independence and performance and effectiveness of audit process;
- Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- Reviewing the adequacy of internal audit function and the findings of any internal investigations by the internal auditors;
- Verifying that the systems for internal controls for compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively;
- Reviewing the functioning of the Code of Business Principles and Vigil Mechanism;
- Evaluation of internal financial controls and risk management systems;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

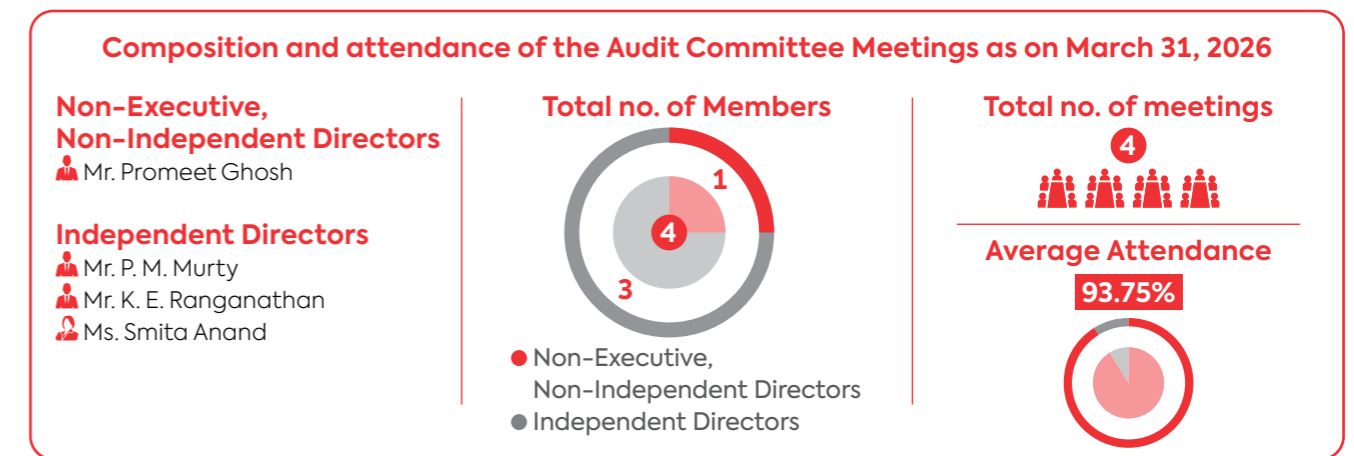
- Review of utilisation of loans and advances from, and investment by the Holding Company in the Company;
- Scrutiny of inter-corporate loans and investments;
- Compliance with legal and statutory requirements.

Meetings

Meetings of the Audit Committee are also attended by the other Directors and Chief Financial Officer. The representatives of the Statutory Auditors have attended all the meetings held during the year at which Financial Statements have been placed for review and approval.

The representatives of Internal Auditor and Cost Auditor are invited to attend the Meetings at a meeting in which their respective reports are presented for discussion. The Company Secretary acts as the Secretary of the Audit Committee. The minutes of each Audit Committee meeting are placed for review and noting in the subsequent meetings of both the Audit Committee and the Board.

There were Four (4) Audit Committee Meetings held during the F.Y. 2025–26. The gap between two meetings were not more than 120 days as stipulated under the SEBI Listing Regulations. The Chairperson of the committee was present at the last AGM held on August 05, 2025.



Members	Date of Meeting(s)				Meetings entitled to attended	Meetings Attended	% of Attendance
	May 13, 2025	August 04, 2025	November 04, 2025	February 04, 2026			
Mr. P. M. Murty					4	4	100%
Ms. Smita Anand					4	3	75%
Mr. Promeet Ghosh					4	4	100%
Mr. K. E. Ranganathan					4	4	100%

Attended in person Attended through video conference Leave of absence

Nomination and remuneration committee

Composition

The N&RC of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. As on March 31, 2026, the total strength of the N&RC is Three (3) Members, all of whom are Non-Executive Directors of the Company, out of which Two (2) Members are Independent Directors. The Chairperson of the Committee is an Independent Director and Two-third (2/3rd) of the Members of the Committee

are Independent Directors. The Chairperson of the Board is a Member of the Committee but does not chair the Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

The Manager & Chief Business Officer and Chief Financial Officers also attends the meetings wherever required for discussion of certain items.



Report on Corporate Governance

Governance

The N&RC Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors, KMPs and Senior Management Personnel. The N&RC is also responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The Committee also anchored the performance evaluation of the Individual Directors.

Terms of Reference of Nomination and Remuneration Committee

The terms of reference of the N&RC *inter alia* includes:

- Formulating criteria for determining qualifications, positive attributes and independence of a Director;
- Recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel, Senior Managerial Personnel and other employees.
- Devising a policy on Board Diversity, if required.
- Reviewing and recommending to the Board, the remuneration, payable to Directors KMPs and SMPs of the Company.

- Identifying persons who are qualified to become Directors, and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Recommending to the Board all remuneration, in whatever form, payable to senior management.
- Review the Succession Policy of the Company under the overall guidance of the Board of Directors and succession policy of the Company.
- Formulation of criteria for determining qualifications, attributes and Independence of a Director.
- For every appointment of an Independent Director, NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- Specifying methodology for effective evaluation of performance of Board/ Committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors.
- Administration of the Employee Stock Option Schemes (ESOS).

There were Two (2) Nomination and Remuneration Committee Meetings held during 2025-26.

Composition and attendance of the Nomination and Remuneration Committee Meetings as on March 31, 2026

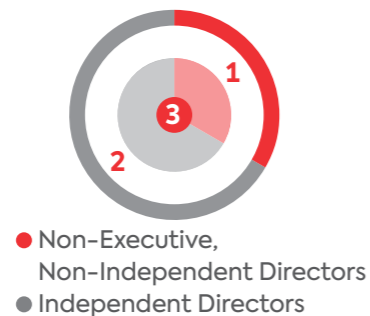
Non-Executive, Non-Independent Directors

Mr. Promeet Ghosh

Independent Directors

Mr. P. M. Murty
Ms. Smita Anand

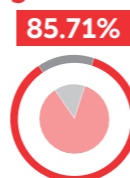
Total no. of Members



Total no. of meetings



Average Attendance



Members	Date of Meeting(s)		Meetings entitled to attend	Meetings attended	% of Attendance
	May 12, 2025	February 04, 2026			
Mr. P. M. Murty			2	2	100
Ms. Smita Anand			2	2	100
Mr. Promeet Ghosh			2	1	50
Ms. Maheshwari Mohan*		NA	1	1	100

*Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Attended in person Attended through video conference Leave of absence

Stakeholders' Relationship Committee ("SRC")

Composition

The SRC of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations. As on March 31, 2026, the total strength of the SRC is Four (4) Members, all of whom are Non-Executive Directors of the Company, out of which one is Independent Director. The Chairperson of the Committee is an Non-Executive - Non-Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Mr. Kaleeswaran Arunachalam, appointed as the Member of the Committee and designated as Chairperson with effect from August 21, 2025.

Governance

The SRC oversees the various aspects of interests of security holders of the Company, resolving the grievances of shareholders, evaluating performance and service standards of the Registrar and Share Transfer Agent ("RTA") of the Company and recommends measures for overall improvement of the quality of investor services as and when the need arises.

Terms of reference for Stakeholders' Relationship Committee

The terms of reference of the SRC *inter alia* includes:

- Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;

- Review adherence to service standards and standard operating procedures adopted by Company relating to the various services rendered by the Registrar and Transfer Agent;
- Review the measures taken for effective exercise of voting rights by Members.
- Review the engagement with security holders including institutional investors and identify the actionable points for implementation;
- Review movement in shareholdings and ownership structure;
- Reviewing of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
- Make recommendations to improve investor service levels for the investors.
- Review of Investor Relation activities of the Company and give guidance on the flow of information from the Company to the Investors.
- Monitoring dematerialisation of shares and all matters incidental or related thereto.
- Issue and allotment of right shares/ bonus shares pursuant to a Rights Issue/ Bonus Issue subject to such approval as may be required.
- All other matters incidental or related to shares of the Company.

Meetings

There was One (1) SRC Meeting held during the F.Y. 2025-26.

The Manager & Chief Business Officer and Chief Financial Officers also attends the meetings wherever required for discussion of certain items.

Report on Corporate Governance

Composition and attendance of the SRC Meetings as on March 31, 2026

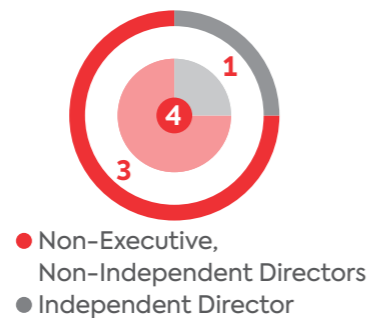
Non-Executive, Non-Independent Directors

- Mr. Promeet Ghosh
- Mr. Nithyanandam Anandkumar
- Mr. Kaleeswaran Arunachalam

Independent Directors

- Ms. Smita Anand

Total no. of Members



Total no. of meetings

1

Average Attendance

50%



Members	Date of the Meeting	Meetings entitled to attend	Meetings Attended	% of Attendance
	January 20, 2026			
Ms. Smita Anand		1	1	100%
Mr. Promeet Ghosh		1	0	0%
Mr. N. Anandkumar		1	0	0%
Mr. Kaleeswaran Arunachalam*		1	1	100%

*Mr. Kaleeswaran Arunachalam, appointed as the Member of the Committee and designated as Chairperson with effect from August 21, 2025.

Attended in person Attended through video conference Leave of absence

Number of Shareholders' complaints received during the Financial Year 2025-2026:

Total Complaints received shareholders	No of Complaints pending	No of Complaints Not Solved	No of Complaints Resolved
8	0	0	8

Risk Management Committee ("RMC")

Composition

The RMC of the Board is constituted in compliance with the requirements of Regulation 21 of the Listing Regulations. As on March 31, 2026, the total strength of the RMC is Four (4) Members, all of whom are Non-Executive Directors of the Company, out of which Three (3) Members are Independent Directors. The Chairperson of the Committee is an Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), ceased to be Member of the Committee as he was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (Crompton), the holding company of the Company and whose tenure on the Board of Crompton ends on December 31, 2025. Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

Governance

This committee is entrusted with the responsibility of outlining procedures to keep the Board informed about risk assessment and minimisation strategies. Furthermore, it is the Board's duty to develop, execute, and oversee the Company's risk management plan. This regulation underscores the importance of robust risk management practices in safeguarding the Company's interests and ensuring compliance with regulatory requirements. The Committee reviews the risk trend, exposure and potential impact analysis carried out by the management.

The Company has in place Risk Management Framework, which provides the guiding principles for risk management efforts in the Company. The Risk Management Framework includes identification of risks, risk management process, reporting of risks to the management and disclosure of such risks to stakeholders which shall impact the going concern status of the Company.

Terms of Reference for Risk Management Committee

The terms of reference of the RMC *inter alia* includes:

- Identification of Company's risk appetite set for various elements of risk.
- Ensuring appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard.
- Formulating a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity.

b) Measures for risk mitigation including systems and processes for internal control of identified risks.

c) Business continuity plan.

- Periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- Seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise as and when required.
- Ensuring compliance with regulatory requirements and best practices with respect to risk management.
- Providing management and employees with the necessary tools and resources to identify and manage risks;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

Meetings

There were Two (2) Risk Management Committee Meeting held during the F.Y. 2025-26. The Manager & CBO, Chief Financial Officer, and Head Audit - Risk & Control also attended the meetings.

The intervening period between 2 consecutive RMC meetings was well within the maximum allowed gap of 210 days.

Composition and attendance of the RMC Meetings as on March 31, 2026

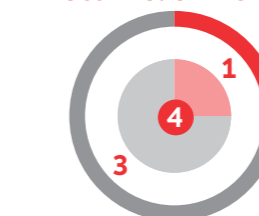
Non-Executive, Non-Independent Directors

- Mr. Kaleeswaran Arunachalam

Independent Directors

- Mr. P. M. Murty
- Mr. K. E. Ranganathan
- Ms. Smita Anand

Total no. of Members



Total no. of meetings

2

Average Attendance

80%



Report on Corporate Governance

Members	Date of Meeting(s)		Total entitled to attend	Total Attendance	% of Attendance
	June 30, 2025	January 20, 2026			
Mr. P. M. Murty			2	2	100
Mr. Shantanu Khosla*		NA	1	0	0
Ms. Smita Anand			2	1	50
Ms. Maheshwari Mohan**			1	1	100
Mr. Kaleeswaran Arunachalam*			2	2	100
Mr. K. E. Ranganathan			2	2	100

*Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), who was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (Crompton), the holding company of the Company and whose tenure on the Board of Crompton ends on December 31, 2025. Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

**Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Attended in person Attended through video conference Leave of absence

Corporate Social Responsibility Committee

Composition

The CSR of the Board is constituted in compliance with the requirements of Section 135 of the Act. As on March 31, 2026, the total strength of the CSR is Three (3) Members, all of whom are Non-Executive Directors of the Company, out of which Two (2) Members are Independent Directors. The Company Secretary of the Company acts as the Secretary to the Committee.

Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

Mr. Kaleeswaran Arunachalam, appointed as the Member of the Committee and designated as Chairperson with effect from January 1, 2026.

Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), ceased to be Member of the Committee as he was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (Crompton), the holding company of the Company and whose tenure on the Board of Crompton ends on December 31, 2025. Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

Governance

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and CSR activities to be undertaken by the Company, recommending the amount of expenditure to be incurred and reviewing the performance of the Company in

the areas of CSR and to strive for overall sustainable development in the conduct of Company's business.

The details of the CSR initiatives as per the CSR Policy of the Company is available in the Board's Report forming part of this Integrated Annual Report. The CSR Policy of the Company has been uploaded on the Company's website at <https://butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>

Terms of reference for Corporate Social Responsibility Committee

The terms of reference of the CSR *inter alia* includes:

- Review from time to time the CSR policy of the Company and to ensure that the CSR policy is in line with Schedule VII of the Act as amended from time to time.
- Review CSR projects and expenditure with a view to ensure that they are in line with CSR objectives and CSR Policy of the Company.
- To ensure that the Company's overall business strategy reflects its long-term objectives on CSR.
- The Committee shall formulate and monitor the implementation of the CSR annual action plan, in accordance with the Company's CSR policy and provisions of applicable laws from time to time. The Committee shall recommend the CSR annual action plan and any modification(s) thereto during the Financial Year, for the approval of the Board from time to time.
- Prepare budget and recommend to the Board the amount of expenditure to be incurred on various CSR programmes/ activities either directly or through the CCF or any other trusts/ Company registered under Section 8 of the Act (considering criteria given)/ registered society.
- Monitor and report to the Board of the projects/ programmes/ impact assessment undertaken by the Company.

Meetings

There was One (1) CSR Committee Meeting held during F.Y. 2025-26. The Chief Financial Officer also attended the meetings.

Composition and attendance of the CSR meetings as on March 31, 2026

Non-Executive, Non-Independent Directors

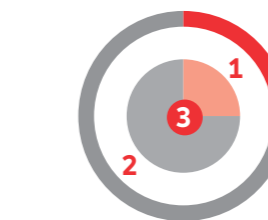
Mr. Kaleeswaran Arunachalam

Independent Directors

Mr. P. M. Murty

Ms. Smita Anand

Total no. of Members



● Non-Executive, Non-Independent Directors
● Independent Director

Total no. of meetings

1

Average Attendance

100%

Members	Date of Meeting	Total Attendance	Total entitled to attend	% of Attendance
	February 04, 2026			
Mr. P. M. Murty		1	1	100
Ms. Smita Anand		1	1	100
Mr. Kaleeswaran Arunachalam*		1	1	100

*Mr. Kaleeswaran Arunachalam, appointed as the Member of the Committee and designated as Chairperson with effect from January 1, 2026.

Attended in person Attended through video conference Leave of absence

Committee of Independent Directors

Composition and attendance of the Independent Director meetings as on March 31, 2026

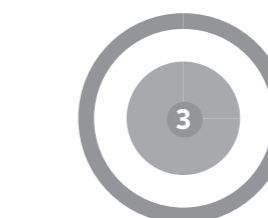
Independent Directors

Mr. P. M. Murty

Mr. K. E. Ranganathan

Ms. Smita Anand

Total no. of Members



● Independent Directors

Total no. of meetings

1

Average Attendance

100%

Members	Date of Meeting	Total Attendance	Total entitled to attend	% of Attendance
	May 12, 2025			
Mr. P. M. Murty		1	1	100
Mr. K. E. Ranganathan		1	1	100
Ms. Smita Anand		1	1	100



Report on Corporate Governance

The Independent Directors in their meeting held during the financial year *inter alia* considered and noted the following:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- Evaluation of the performance of the Chairperson of the Company, considering the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, quantity and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

*Evaluation of the performance of the Manager & CBO

*Ms. Maheshwari Mohan, ceased to be the Member of the Committee, considering her cessation as an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

As an outcome of the above process, individual feedback was shared with each Director subsequently during the year.

Confirmation by the Board of Directors Acceptance of Recommendation of Mandatory/ Non-Mandatory Committees

In terms of the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory/ non-mandatory Committees.

Familiarisation Programme

The Company has a robust induction process that enables newly appointed directors to familiarise themselves with the Company, management, operations, industry, business model, group structure, Code of Conduct and Code of Conduct for Prevention of Insider Trading. The directors are taken through the history of the Company, the milestones achieved by the Company since the date of its inception, the details of the important events taken place in the Company and the growth of the Company over the decades.

All the Independent Directors are made aware of their roles and duties at the time of their appointment/ re-appointment through a formal letter of appointment which also stipulates other terms and conditions of their appointment.

As part of the ongoing familiarisation, business and functional heads are invited to make presentations on business performance, operations, finance, risk management framework, etc. to the Board. The Board members are regularly updated on key developments. The directors are provided regular updates on key disclosures,

press releases, select analyst reports, key development in the industry.

The Company also convened a Board strategy-offsite during the financial year wherein core strategic priorities and critical business matters were discussed.

Pursuant to Regulation 25(7) of the Listing Regulations, as part of the ongoing familiarisation the Company conducted various familiarisation programmes for its directors including review of Industry Outlook, regulatory updates at Board and Committee Meetings, presentations on Internal Control over Financial Reporting, CSR Strategy, Statutory Compliance, Investor Grievances, Prevention of Insider Trading Regulations, Listing Regulations, framework for Related Party Transactions, etc.

During the financial year, the Company comprehensively updated the familiarisation programme to cover its enhanced initiatives. Details of the familiarisation programme imparted to independent directors is uploaded on the Company's website at <https://butterflyindia.com/investor-relations/>

Performance Evaluation Criteria for Independent Directors

Performance Evaluation Criteria for Directors including Independent Directors is detailed out under Board's Effectiveness section of the Board's Report which forms part of this Annual Report.

Remuneration of Directors

Nomination and Remuneration Policy

The Company has in place a Nomination and Remuneration Policy formulated as per the provisions of the Act and the Listing Regulations. The Policy outlines the role of N&RC and the Board, *inter alia*, determining the criteria for Board membership, approving, and recommending compensation packages and policies for Directors and Senior management and lay down the effective manner of performance evaluation of the Board, its Committees and the Directors.

In accordance with the said Policy the salient features of the policy as follows:

- Matters to be dealt with, perused and recommend to the Board by the N&RC, which *inter alia* includes size and composition of Board, positive attributes of Directors, succession plans, evaluation of performance of every Director, Board diversity etc;
- Appointment and Removal of Directors, KMPs and Senior Management Personnel;
- Remuneration for Directors, KMPs and Senior Management Personnel;

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity.

N&RC while deciding the basis for determining the compensation, both fixed and variable to the Non-Executive Directors, takes into consideration various factors such as Directors' participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Act and the Listing Regulations and such other factors as the N&RC may deem fit.

Non-Executive Independent Director's Remuneration

The Board has approved the payment of sitting fees to Non-Executive Independent Directors at ₹ 30,000 per meeting for both Board and Committee meetings. Additionally, at the 35th AGM held on July 14, 2022, the Members approved a commission of up to 1% of the Company's net profits for Non-Executive Independent Directors, in accordance with the Act. Furthermore, an additional commission is provided to the Chairman of the Board, the Chairman of the Audit Committee, and the Chairman of the N&RC in recognition of their expanded roles and responsibilities.

Manager & Chief Business Officer ("Manager & CBO")

Pursuant to the recommendation of the N&RC, Ms. Swetha Sagar G was appointed as the Manager and CBO, designated as KMP of the Company, with effect from June 15, 2024, for a period of 5 (Five) years.

The annual remuneration package of Ms. Swetha Sagar G constitutes a fixed salary component including a basket of allowances/ reimbursements; a variable pay component and entitled for stock options of Holding Company as may be decided by N&RC of the Company and Holding Company. The variable pay of Manager & CBO is paid annually which is determined by N&RC after factoring in the individual performance, i.e. KPIs achieved and the Company's performance. There is no claw back provision in the remuneration paid to Manager & CBO of the Company. In terms of applicable laws, there is no mandatory stock ownerships requirements for Manager & CBO in terms of laws applicable in India.

Additionally, the Manager & CBO was entitled to grant of employee stock options under various Employee Stock Option Scheme(s) and performance share plans of the Holding Company.

The remuneration paid to Directors is in accordance with the provisions of the Act and does not exceed the thresholds specified in the Act and in Regulation 17(6)(ca) of the Listing Regulations.

None of the Directors of the Company have any pecuniary relationship with the Company apart from receiving remuneration.

In accordance with the SEBI Listing Regulations, no employee including KMPs or Director or Promoter of a listed entity, shall enter into any agreements for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, without prior approval from the Board as well as from shareholders by way of an ordinary resolution. No such instances were reported during the Financial Year ended March 31, 2026.

The details of the remuneration of Director(s) during F.Y. 2025-26 is given below:

							(₹ in Lakhs)
Name of Directors	Salary and allowances	Variable Pay*	Perquisite	ESOP	Sitting Fees	Commission	Total
Non-Executive, Non-Independent Director							
Mr. Shantanu Khosla*					1.2	0	1.2
Non-Executive Independent Director							
Mr. P. M. Murty	-	-	-	-	4.8	7.88	12.68
Mr. K. E. Ranganathan	-	-	-	-	3.9	7.81	11.71
Ms. Smita Anand	-	-	-	-	3.9	7.88	11.78
Ms. Maheshwari Mohan#	-	-	-	-	1.8	7.88	9.68

*Ceased to be Director w.e.f. December 31, 2025

#Retired w.e.f. August 20, 2025



Report on Corporate Governance

Related Party Transactions

The Company has a Policy on related party transactions (“RPT Policy”). The Policy intends to ensure that proper reporting, approval, disclosure processes are in place for all transactions between the Company and Related Parties.

As a process, all the RPTs that were in the ordinary course of business and at arm’s length basis and of repetitive in nature were approved as part of omnibus approval. This approval also applies to unforeseen transactions, as long as they are in line with the Company’s RPT Policy.

In accordance with the Company’s RPT Policy all RPTs are preapproved by the Audit Committee. The RPTs entered into during the previous quarter are reviewed in subsequent quarter. RPTs in which directors are concerned or interested are additionally pre-approved by the Board of Directors and the interested director abstain from discussion and voting when such transaction is being considered.

During the financial year, the Company did not enter into any material RPT and there was no material significant transaction with any related party that had any potential conflict of interests of the Company at large.

The Policy on Dealing with and Materiality of Related Party Transactions is available on the website of the Company at <https://butterflyindia.com/wp-content/uploads/2026/06/BGMAL-RPT-Policy.pdf>.

Vigil Mechanism/ Whistle Blower Policy

Your Company is committed to high standards of corporate governance and stakeholder responsibility. The Company have a Vigil Mechanism and Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and ensures that no discrimination is made towards any person for a genuinely raised concern. No personnel have been denied access to the Audit Committee.

In accordance with the provisions of Section 177(9) of the Act and the Rules made thereunder and also Regulation 22 of the Listing Regulations Whistle Blower policy of the Company is also available on the website of the Company and can be accessed at <https://butterflyindia.com/wp-content/uploads/2026/06/BGMAL-RPT-Policy.pdf>

Code of Conduct

Your Company has a Code of Conduct for Board and Senior Management Personnel which provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all, and to avoid practices like bribery, corruption and anti-competitive practices.

All the Members of the Board and Senior Management Personnel of the Company have affirmed their adherence with the Code of Conduct for F.Y. 2025-2026. As required under Regulation 34 of the Listing Regulations, Ms. Swetha Sagar G, Manager has signed a declaration stating that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with this Code of Conduct, which is annexed to this Report. This Code is available on the Company’s website and can be accessed at: https://butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf.

Compliance with Mandatory/ Non-Mandatory Requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations and obtained a certificate from Alagar and Associates LLP, Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance, which is annexed to this report.

Fees to Statutory Auditors

M/s. ASA & Associates LLP, Chartered Accountants, were re-appointed as the Statutory Auditor of the Company at the 35th Annual General Meeting (“AGM”) held on July 14, 2022 for conducting audit for a period of Five (5) years, till the conclusion of the 40th AGM of the Company.

The details of the total fees for all services paid by the Company to the Statutory Auditors are as follows:

Type of Service	Amount (₹ in Lakhs)	
	Amount (2025-2026)	Amount (2024-2025)
Statutory Audit Fees	26.5	26.5
Tax Audit	7.5	7.5
Other Services & Certifications	4	0
Total	38	34

Information on General Body Meetings

Annual General Meetings

Details of last Three (3) Annual General Meetings (“AGMs”) and Extra Ordinary General Meeting(s) (“EGMs”) held during last Three (3) years are as below:

Event	Financial Year	Venue	Mode	Day, Date & Time	Special Resolutions passed
38 th AGM	2025-2026	143, Pudupakkam Village Kelambakkam Chengalpattu District 603103	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	August 05, 2025	No Special Resolution was passed
37 th AGM	2024-2025	143, Pudupakkam Village Kelambakkam Chengalpattu District 603103	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	July 19, 2024	Payment of Remuneration to Ms. Swetha Sagar G as the Manager & Chief Business Officer of the Company
36 th AGM	2023-2024	143, Pudupakkam Village Kelambakkam Chengalpattu District 603103	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	July 19, 2023	No Special Resolution was passed

Postal Ballot – F. Y. 2025-2026

Pursuant to Section 110 of the Companies Act, 2013 read with Companies Management and Administration Rules, 2014, the Company has not passed any Resolutions by way of postal ballot.

Means of Communication to the Shareholders

a. Financial Results:

- The quarterly unaudited financial results and the Annual Audited financial results of the Company, in the prescribed proforma, are taken on record by the Board and are submitted to the Stock Exchanges in a timely manner.
- The results are normally published in Trinity Mirror, (English Daily) and Makkal Kural (Tamil Daily) within 48 hours of the conclusion of the meeting of the Board in which it is approved.
- The Company also hosts the results on its website with a detailed information update and media release discussing the results. The results are displayed on the Company’s website <https://butterflyindia.com/investor-relations/>

b. News/events/Presentations

All the official news releases are disseminated on the Company’s website whenever necessary at <https://butterflyindia.com/investor-relations/>

c. Annual Report

Members have been provided with an opportunity to provide their e-mail ID for receiving correspondence, financial results and Annual Report in electronic form. The Annual Report has been sent in electronic form to the Members who have provided their e-mail ID. Physical copies of the Annual Report have been issued to those Members who have specifically requested for the same.

Annual Report is also posted on the Company’s website: www.butterflyindia.com and also on the website of the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

d. Investor Grievances

The Company has authorised the Stakeholders Relationship Committee (“SRC”) of the Board of Directors of the Company to examine and redress complaints by shareholders and investors. The status of quarterly complaints is reported to the Board of Directors of the Company.

The Company and its RTA constantly monitors the Investor Complaints Module as available on the BSE Listing Portal, NSE Electronic Application Processing System (“NEAPS”) Portal, SEBI Complaints Redress System (“SCORES”) Portal and Online Dispute Resolution (“ODR”) Portal to track and redress the investor complaints and disputes in a speedy manner.



Report on Corporate Governance

Framework for handling and monitoring of Investors Complaints

SEBI has requested the shareholder to approach the Company directly at the first instance for their grievance. If the Company does not resolve the complaint of the shareholders within stipulated time, then they may lodge the complaint with SEBI/ Stock Exchanges for further action.

Further, SEBI vide its Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, read with Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/183 dated December 01, 2023 has notified the revised framework for handling and monitoring of investor complaints received through SCORES platform by the Company and designated Stock Exchanges effective from April 01, 2024. The shareholders can access the new version of SCORES 2.0 at <https://scores.sebi.gov.in>.

Online Dispute Resolution Portal

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal (“ODR Portal”) which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market.

The shareholders can access the ODR Portal at <https://smartodr.in/login>

The diagrammatic representation of the revised timelines and process is provided below



General Shareholder Information

39th Annual General Meeting

(a) Date	August 04, 2026
Day	Tuesday
Time	11:00 AM
Venues	The Annual General meeting will be held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”).
	The Registered office i.e. 143, Pudupakkam Village, Kelambakkam Chengalpattu District 603103 shall be deemed to be venue of the meeting.

(b) Particulars of Financial Calendar of the Company

Financial year	April 01, 2026 to March 31, 2027
First Quarter Results	On or before August 14, 2026
Unaudited Second Quarter Results	On or before November 14, 2026
Unaudited Third Quarter Results	On or before February 14, 2027
Last Quarter Results and Annual Audited Results	On or before May 30, 2027
Date of Book Closure	Not Applicable
Date of remote e-voting	From July 31, 2026 (9.00 A.M.) to August 03, 2026 (5.00 P.M)

(c) Dividend payment Date

Not Applicable

(d) Name and Address of Stock Exchanges where the Company's shares are listed and confirmation of payment of Annual Listing Fees:

NSE	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.
Company has paid the Annual Listing fees to both the Stock Exchanges for the FY. 2025-26 and FY. 2026-27 where the Company's securities are listed.	

(e) Stock Code

BSE	517421
International Securities Identification Number (ISIN)	INE295F01017 (NSDL & CDSL)
Symbol	BUTTERFLY

Report on Corporate Governance

Registrars and Share Transfer Agent and Address for Correspondence

For any queries relating to the securities of the Company, correspondence may please be addressed to GNSA Infotech Private Limited at: STA department, Nelson Chambers, 4th Floor, F-Block, No. 115, Nelson Manickam Road, Aminijkarai, Chennai – 600030.

Telephone	: 044-42962025
Email	: sta@gnsaindia.com
Website	: https://www.gnsaindia.com/
Contact Person	: Mr. R. Balasubramaniam
Designation	: Manager
SEBI Registration	: INR200003967

Shareholders are requested to quote their Folio No./DP ID & Client ID, E-mail address, if any, telephone number and full address while corresponding with the Company and its RTA.

For the benefit of shareholders, documents will continue to be accepted at the Registered Office of the Company at:

Butterfly Gandhimathi Appliances Limited.

Address: No. 143, Pudupakkam Village, Vandalur – Kelambakkam Road, Kelambakkam, Chengalpattu District – 603103

T: 044-49005154

E-mail: butterfly.investorrelations@butterflyindia.com

Website: <https://butterflyindia.com/>

Members are requested to quote their Folio No./DP ID & Client ID, E-mail address, if any, telephone number and full address while corresponding with the Company and its RTA.

Share Transfer System

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 01, 2019, including in case of transmission or transposition of securities w.e.f. January 25, 2022.

All share transfers and other share-related issues are approved by Stakeholders' Relationship and Share Transfer Committee duly constituted for this purpose and processed by the Registrar and Share Transfer Agent of the Company.

Statement Showing Shareholding of more than 1% of the Capital as on March 31, 2026

Sr. No.	Name of the Shareholder	No. of Shares	% of share capital
1	Crompton Greaves Consumer Electricals Limited	13409663	75
2	V. M. B. UNNAMALAI	186454	1.04
3	V. M. SESHADRI	218958	1.22
4	V. M. G. SIVAKAMI	194754	1.09
5	V. M. L. SHENBAGA LAKSHMI	217750	1.22

(i) Distribution of shareholding as on March 31, 2026:

Category (Shares)	No. of Share holders	No. of Shares held	%
1 to 5000	18835	1865902	10.33
5001 - 10000	31	216880	1.2
10001 - 20000	13	186083	1
20001 - 30000	3	69326	0.4
30001 - 40000	4	131690	0.7
40001 - 50000	0	0	0
50001 - 100000	8	534193	3
100001 and above	8	14875477	83.37
TOTAL:	18902	17879551	100

Break-up of Shares in Physical and Demat form as on March 31, 2026

Description	No. of Shareholders	Shares	% to Equity
Physical	1799	191953	1.07
NSDL	6369	16727692	93.56
CDSL	11037	959906	5.37
TOTAL	19205	17879551	100.00

Note: Total Shareholders after merging the PAN of first holder stood at 18,902.

Categories of Shareholders as on March 31, 2026

Sr. No.	Category	No. of Shares	% of Shareholding
1	PROMOTOR	13409663	75.00
2	BODIES CORPORATES	396268	2.22
3	CLEARING MEMBERS	351	0.00
4	KMP	6	0.00
5	FOREIGN PORTFOLIO - CORP	1198	0.01
6	ESCROW SUSPENSE ACCOUNT	3310	0.02
7	I E P F	296283	1.66
8	MUTUAL FUNDS	77267	0.43
9	NON RESIDENT INDIAN NON REPATRIABLE	58386	0.33
10	NON RESIDENT INDIANS	68993	0.39
11	RESIDENT INDIVIDUALS	3567826	19.95
Total:		17879551	100.00

Dematerialisation of shares and liquidity

As on 31st March 2026, 98.93% of the total shares of your Company representing 1,76,87,598 equity Shares were in dematerialised.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity:

No such instruments have been issued by the Company.

Commodity price risk or foreign exchange risk and hedging activities.

Your Company actively monitors the foreign exchange movements and takes forward/ options covers as appropriate to reduce the risks associated with transactions in foreign currencies.

Your Company also undertakes short-term commodity hedging activities to prevent future adverse price movement.

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not applicable.



Report on Corporate Governance

(n) Plant locations of the Company

The Company currently has One (1) Plant Location in the state of Tamil Nadu for operations of its Business. The details of the plant location are as follows:

Sr. No.	Area	Address
1	Pudupakkam	143, Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam - 603 103 Chengalpattu District, Tamil Nadu

(o) Address for Correspondence

All communication regarding share transactions, change of address, bank mandates, nominations etc. should be addressed to the Registrars and Share Transfer Agent and to the Corporate Office of the Company to the following addresses:

Corporate Office Address	Registrar and Share Transfer Agents:
M/s. Butterfly Gandhimathi Appliances Limited E-34, 2nd Floor, Egattur Village, Rajiv Gandhi Salai, Navalur, Chengalpattu District - 600130. Email: butterfly.investorrelations@butterflyindia.com Website: https://www.butterflyindia.com/ Tel.No: 044-49005154	M/s. GNSA Infotech private Limited, STA Department, Nelson Chambers, 4th Floor, F-Block, No.115, Nelson Manickam Road, Aminjikarai, Chennai - 600029 Email: sta@gnsaindia.com Tel.No: +91-44-42962025

Credit Rating

CRISIL Ratings Limited, (“CRISIL”) has reaffirmed Company’s credit rating for its bank facilities during the financial year which as follows:

Particulars	Rating
Long Term Bank Facility	CRISIL AA/Stable
Short Term Facility	CRISIL A1+

Disclosures:

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large:

During the year under review, there were no materially significant RPTs that may have potential conflict with the interest of the Company at large.

Disclosure of Non-Compliance of any Requirement of Corporate Governance Report:

The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under sub-para (2) to (10) of part C of Schedule V of the Listing Regulations.

Loans and Advances in the nature of Loans to Firms/ Companies In which Directors are interested disclosure relating to Adoption of discretionary requirements

No Loans and Advances in the nature of loans to firms/ companies in which Directors are interested were given during the financial year.

Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Company does not have any subsidiary and hence reporting under this section is not applicable.

D and O Insurance for Directors

In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance (“D&O”) for all its Directors for quantum and risks as determined by the Board of the Company.

Managing Director and Chief Financial Officer Certification

The Company does not have Managing Director and the same responsibilities are being enrolled to Manager & Chief Business Officer of the Company, accordingly the Annual certificate on the financial reports and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations is signed by the Manager & Chief Business Officer and Chief financial Officer of the Company and the same forms part of this Annual Report.

The Manager & Chief Business Officer and Chief Financial Officer also jointly issued a quarterly compliance certificate on financial results and place the same before the Board in terms of Regulation 33(2) of the Listing Regulations.

Other Disclosures

The Board: The Chairperson of the Company is Non-Executive Independent Director.

Members Right: Financial results are published in one English and one Vernacular Newspaper and also posted on the website of the Company at <https://butterflyindia.com/> and on the Stock Exchanges where the Company is listed.

Unmodified Opinion(s) in Audit Report: The auditors have issued an unmodified opinion on the financial statements of the Company.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and accordingly no penalties or strictures were imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

The securities of the Company were not suspended from trading at any time during the year.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges, Securities Exchange Board of India (“SEBI”) or any other Statutory Authorities on any matter related to capital markets, during the last three years.

There was no non-compliance by the Company, penalties or strictures imposed on the Company by Stock Exchange(s), SEBI, or any other Statutory Authority or any matters relating to capital market during the last three financial years.

Details of compliances with mandatory requirements and adoption of the non-mandatory requirements of the clause:

All the applicable mandatory requirements of Corporate Governance norms as enumerated under Schedule II to the Listing Regulations were complied with.

Weblink where policy for determining ‘material’ subsidiaries is disclosed:

The Company has no subsidiary.

Weblink where policy dealing with ‘related party’ transactions:

The Company’s policy for dealing with ‘related party’ transactions can be viewed at its website: <https://butterflyindia.com/wp-content/uploads/2026/06/BGMAL-RPT-Policy.pdf>

Policy for Prohibition of Insider Trading:

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), the Company has formulated the “Code of Conduct for Prevention of Insider Trading” and “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information”, which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in Company’s shares. It also prohibits dealings in the Company’s shares to Directors, Designated Persons, Connected Persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company’s share is closed.

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations.

A structured digital database of the entire designated employee is being digitally maintained by the Company on its internal server. These contain the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the PIT Regulations.

The Company Secretary has been appointed as the Compliance officer to ensure the implementation of the Code for fair disclosure and conduct.

The Board of Directors, Designated Persons and other Connected Persons gave affirmed compliance with the Code. The code of the Company can be accessed at https://butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf

Management Discussion and Analysis Report

This is given separately which forms part of the Annual Report.

Details of Utilisation of Funds Raised Through Preferential Allotment or Qualified Institutions Placement as Specified Under Regulation 32 (7a)

The Company has not raised funds through preferential allotment or qualified institutions placement during the financial year under review.



Report on Corporate Governance

Certificate from Company Secretary in Practice

The Certificate, as mandated under Part C of Schedule V of the Listing Regulations, has been obtained from M/s Alagar and Associates LLP, Practicing Company Secretaries. This certificate confirms that none of the Directors on the Board of the Company were debarred or disqualified for the Financial Year ended on March 31, 2026, from serving or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any relevant statutory authority. It was presented before the Board of Directors during their meeting on May 11, 2026, and is enclosed with this Annual Report.

Disclosure of Certain Types of Agreements Binding Listed Entities

The Company has not entered into any agreements with any Companies or third parties that is binding on the Company during the financial year under review.

Unclaimed Dividends

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all unclaimed/ unpaid dividend remaining unpaid or unclaimed for a period of 7 (Seven) years from the date it is transferred to unpaid dividend account/ they become due for payment, are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government.

Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

The statutory timelines for claiming unclaimed and unpaid dividends declared by the Company is provided as under:

Financial Year	Date if declaration of dividend	Statutory timelines for claiming unpaid/ unclaimed dividend
2020-21 (Interim)	November 11, 2020	December 16, 2027
2020-21 (Interim)	March 02, 2021	April 07, 2028
2021-22 (Interim)	November 02, 2021	December 07, 2028

Process for Claiming Shares & Dividend from IEPF

The claimants are advised to first approach the Company for entitlement letter along with all the required documents before filing of claim application with the IEPF Authority.

Accordingly, once the Company has received and verified all the requisite documents, it will then issue an entitlement letter duly signed by the Nodal Officer/ Deputy Nodal Officer of the Company along with all the required details to file web form IEPF-5 within a period of 30 days. The claimants shall thereafter file web form IEPF-5 with the IEPF Authority along with entitlement letter and other supporting documents.

The claimants shall then submit the self-attested copy of form IEPF-5, its acknowledgement, and duly executed Indemnity Bond in an envelope marked as "Claim for refund from IEPF Authority" at the registered office address of the Company in the name of the "Nodal Officer of the Company", to enable the Company to file the e-verification report of the claim within the prescribed timeline of 30 days.

The said process reduces the instance of claim applications being rejected by the Company/ IEPF Authority on account of incomplete and/ or non-receipt of required documents.

Nodal Officer

In accordance with the IEPF Rules, the Board of Directors of the Company have appointed Mr. Jayant Barde, Company Secretary & Compliance Officer of the Company as the Nodal Officer. Contact information of the Nodal Officer for the purpose of co-ordination with the IEPF Authority is available on the Company's website at <https://butterflyindia.com/>

Cyber security incidents or breaches and loss of data/ documents

In the rapidly evolving landscape of technology, it has become imperative for every organisation to embrace digitalisation and newer technologies to remain competitive, agile, and facilitate ease of doing business. In alignment with this imperative, our Company has proactively adopted and implemented digitalisation and advanced technologies across various facets of its operations. By integrating these innovations into our business processes, we aim to enhance efficiency, responsiveness, and overall effectiveness, thereby positioning ourselves strategically in today's dynamic market environment.

In line with adoption of technology, there always subsist a risk, which is called a Cyber Risk, being one of the key risks, Company is focused on maintaining a positive cybersecurity culture within the organisation, thus making cybersecurity a sustainable and repeatable process throughout the organisation.

In the past year(s), while our employees operated efficiently as a remote and hybrid workforce, we continued to remain vigilant about the evolving cyber security threat landscape.

To continue to have robust cyber security processes, the team has remained abreast of emerging cyber security events so as to achieve higher and continued sustenance.

During the year under review there was no incident or breach and loss of data/ documents have occurred. The same has been reported by the Company in a quarterly Corporate Governance report filed with the Stock Exchanges.

Disclosure on Compliance with Corporate Governance Requirements

The Company has complied with all the requirements of Corporate Governance specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable.

Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Disclosure in Relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has constituted Internal Complaints Committee ("ICC") to consider and resolve all sexual

harassment complaints. The constitution of ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Committee includes an external member who is an independent POSH consultant with relevant experience.

Details of sexual harassment complaints for the year ended March 31, 2026 as required under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, and the Listing Regulations are furnished:

Sr. No.	Particulars	No of Complaints
1	Number of Complaints filed during the year	Nil
2	Number of Complaints Disposed during the year	Nil
3	Number of Complaints pending during the year	Nil

Report on Corporate Governance

This Chapter read together with the "Annexure to Corporate Governance" constitutes the Compliance Report on Corporate Governance for 2025-26.

For **Butterfly Gandhimathi Appliances Limited**

Place: Mumbai
Date: May 11, 2026

P.M. Murty
Chairman
DIN: 00011179



Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
Butterfly Gandhimathi Appliances Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BUTTERFLY GANDHIMATHI APPLIANCES LIMITED** having CIN: L28931TN1986PLC012728 and having its registered office at 143, Pudupakkam Village Kelambakkam, Kancheepuram Dist, Tamil Nadu, India, 603103 (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10 Sub Clause (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal <http://www.mca.gov.in>) as considered necessary and explanations furnished to us by the Company & its officers, **we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies** by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority;

Sr. No.	Name	DIN	Designation	Date of appointment/Re-appointment
1	Pangulury Mohan Murty	00011179	Independent Director	01/04/2022
2	Smita Anand	00059228	Independent Director	01/04/2022
3	Kunnawalkam Elayavalli Ranganathan	00058990	Independent Director	04/04/2024
4	Nithyanandam Anandkumar	10381096	Director	09/11/2023
5	Promeet Promode Ghosh	05307658	Director	12/05/2023
6	Kaleswaran Arunachalam	07625839	Director	09/11/2023

Notes:

- Mrs. Sunder Maheshwari Mohan (DIN: 07156606) ceased to be Non-Executive Independent Director upon completion of second term of five consecutive years with effect from August 20, 2025.
- Mr. Shantanu Maharaj Khosla (DIN: 00059877) resigned from his office as a Non- Executive Non-Independent Director with effect from December 31, 2025.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Alagar and Associates LLP**
(Formerly known as M. Alagar & Associates)
Company Secretaries
Firm Registration No.: L2025TN019200
Peer Review Certificate No.: 6814/2025

D. Saravanan
Partner
FCS No. 13721
CoP No. 22608
UDIN: F013721H000322447

Place: Chennai
Date: 11.05.2026

Compliance Certificate Under Regulation 17(8) of Part B of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

To,
The Board of Directors,
Butterfly Gandhimathi Appliances Limited
Chennai

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:**
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2026 which are fraudulent, illegal or violative of the Company's Code of Conduct.**
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, improvement in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take for such improvement.**
- D. We have indicated to the auditors and the Audit Committee that:**
- There is no significant changes in internal control over financial reporting during the year ended March 31, 2026;
 - There is no significant changes in accounting policies during the year ended March 31, 2026, and they are in compliance with Ind AS excepting those disclosed in the notes to the financial statements; and
 - There were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Swetha Sagar G
Manager & Chief Business Officer

V A Joseph
Chief Financial Officer

Date: May 11, 2026
Place: Mumbai



Report on Corporate Governance

Declaration of Compliance with Code of Conduct Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended March 31, 2026.

Date: May 11, 2026
Place: Mumbai

Swetha Sagar G
Manager & Chief Business Officer

Compliance Certificate on Corporate Governance (Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

We have examined the compliance of conditions of Corporate Governance by Butterfly **Gandhimathi Appliances Limited** ("the Company") for the period ended March 31, 2026, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Alagar and Associates LLP**
(Formerly known as M. Alagar & Associates)
Company Secretaries
Firm Registration No.: L2025TN019200
Peer Review Certificate No.: 6814/2025

D. Saravanan
Partner
FCS No. 13721
CoP No. 22608
UDIN: F013721H000322436

Place: Chennai
Date: 11.05.2026



Report on Corporate Governance

Annexure 6

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

(Refer page no. 115 of PY Report)

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

The median remuneration of employees of the Company during 2025-2026 was ₹ 4,49,964 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the table below:

Sl. No.	Name of Director	Category	Increase/ Decrease in Remuneration in FY 2025-26	Ratio of remuneration to the median remuneration of the Company's employees
1	Mr. P. M. Murty	Chairperson, Independent Director	106.67	2.62
2	Ms. Smita Anand	Independent Director	77.47	2.48
3	Ms. Maheshwari Mohan*	Independent Director	115.12	2.15
4	Mr. K E Ranganathan	Independent Director	184.80	2.47
5	Mr. Shantanu Khosla**	Non-Executive Director	(71.43)	0.27

*Maheshwari Mohan Ceased to be an Independent Director of the Company, Effective from the Conclusion of August 20, 2025.

** Shantanu Khosla resigned as a Non-Executive, Non-Independent Director of Butterfly Gandhimathi Appliances Limited, effective December 31, 2025.

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

The percentage Increase/Decrease in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in 2025-26 is provided in the table below:

Sl. No.	Name of Director/KMP	Designation	% increase in Remuneration in 2025-26
1	Ms. Swetha Sagar G	Manager	(18.56%)*
2	Mr. V. A. Joseph	Chief Financial Officer	(30.19)#
3	Mr. Jayant Barde	Company Secretary & Compliance Officer	Not Applicable^

*The reduction is reflected as previous year's remuneration contained joining bonus.

#The reduction is reflected as there was no ESOP exercised during the financial year.

^Appointed as Company Secretary & Compliance Officer w.e.f. May 13, 2025.

3. The percentage increase in the median remuneration of employees in the financial year:

In the financial year 2025-26, there was an increase of 14.82% in the median remuneration of employees.

4. The number of permanent employees on the rolls of Company:

There were **1053** permanent employees on the rolls of Company as on March 31, 2026.

5. 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 F.Y. i.e., 2025-26 was 9.62% whereas the increase in managerial remuneration for the last F.Y. 2024-25 was 7.15% (Calculated as per Weighted Average).

The remuneration of IDs consists of 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.

6. 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

P.M. Murty

Chairman

DIN: 00011179

Place: Mumbai

Date: May 11, 2026

Report on Corporate Governance

Annexure 7

Conservation of Energy, Technology Absorption And Foreign Exchange Outgo:

(A) Conservation of energy-

The Company has a well-organised, structured, and continuous focus on improvement in efficiency of the machine, utility, and infrastructure. Some of the key initiatives for conserving energy saving during the F.Y. 2025-26 were:

1. Eliminated machine idle running time by introducing a timer in the Jar and LPG SS Division to save power.
2. Variable Frequency Drives (VFD) have been implemented in 5' machines in the Jar Division to enhance energy efficiency.
3. A total of 45 solar streetlights have been installed in peripheral areas.
4. Solar power have been procured through Group Captive Power to support plant operations, aimed at reducing power costs and carbon emissions.
5. We conducted events for National Energy Conservation Day to raise awareness across the Plant and Head Office.
6. Safety Critical Machines identified and adequate control measures have been implemented to prevent Accidents

(B) Technology absorption-

i. The efforts made towards technology absorption:

Regular initiatives are taken in updating the technology in the process area.

1. **Motor Optimisation:** Optimised motor performance by adjusting the BIS beta angle from 60° to 45°.
2. **Durable Jars:** Launched unbreakable Eastman Tritan™ jars for the Signature Mixer Grinder series.
3. **Tri-ply Launch:** Introduced advanced Tri-ply technology to the Pressure Cooker range.
4. **Robot Automation:** Integrated pick-and-place robots in the Pressure Cooker transfer press shop.
5. **Direct Printing:** Implemented online CIJ printing for MRPs to eliminate manual stickers.
6. **Leak Detection:** Integrated dry leak detectors in LPG-SS and GT lines to boost performance.

(ii) The benefits derived like product improvement, cost reduction, product development or import Sub-stitution:

- I. The benefits derived include product improvement and deduction in labour cost;
- II. Creation of awareness to employees and system implementation to reduce accidents/ incidents;
- III. Ensuring effective governance and traceability of product data is crucial for any company. To achieve this, our Company has implemented a robust system and process for managing product data; and
- iv. We have also embraced new technologies such as connectivity, Internet of Things (IoT), and data analytics to align with changing consumer trends.

(iii) Imported technology - Nil

- i. The details of technology imported - No technology has been imported
- ii. The year of import - Not Applicable
- iii. Whether the technology been fully absorbed - Not Applicable
- iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not Applicable

(iv) Expenditure incurred on Research and Development

		(₹ in Lakhs)	
Sr. No.	Particulars	2025-26	2024-25
1.	Capital	125.74	151.57
2.	Recurring	289.15	214.92
	Total	414.89	366.49

(C) Foreign Exchange Earnings and Outgo

		(₹ in Lakhs)	
Particulars	2025-26	2024-25	
Foreign exchange earnings	1,216.57	2236.63	
Foreign exchange outgo	4,127.43	3642.30	

For and on behalf of the Board of Directors

P. M. Murty

Chairman

DIN: 00011179

Place: Mumbai
Date: May 11, 2026

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L28931TN1986PLC012728
2.	Name of the Listed Entity	Butterfly Gandhimathi Appliances Limited
3.	Year of incorporation	1986
4.	Registered office address	143, Pudupakkam Village, Vandalur – Kelambakkam Road, Kelambakkam, Chengalpattu District – 603103
5.	Corporate address	E-34, 2nd Floor, Rajiv Gandhi Salai, Egattur Village, Navalur, Chengalpattu District – 600130.
6.	E-mail	butterfly.investorrelations@butterflyindia.com
7.	Telephone	044-47415500
8.	Website	https://butterflyindia.com/
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 17,87,95,510
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms. Swetha Sagar G Designation: Manager & Chief Business Officer Email Id: cs@butterflyindia.com Tel No: 044-47415500
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone
14.	Name of assurance provider	TUV India Private Limited
15.	Type of assurance obtained	Reasonable (Only for Principle 6)

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Kitchen Appliances & Domestic Electrical Appliances	Manufacturing	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Kitchen Appliances	47593	74.13%
2.	Other Domestic Electrical Appliances	29309	25.87%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	Branches	11
		Corporate Office	1
		Sales Office	11
		Total	23
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (no. of States/ UTs)	20/3
International (No. of Countries)	20

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution to the total turnover is **1.08%**.

c. A brief on types of customers

Butterfly Gandhimathi Appliances Limited is one of the leading manufacturers of domestic kitchen and electrical appliances in India and sells wide range of products that includes LPG Stoves, Mixer Grinders, Table-Top Wet Grinders, Pressure Cookers, Triply & Non-Stick Cookware. A strong distribution and channel network, and a dynamic on-line platform enables the Company to serve a diverse consumer base in India and International Market.

A mix of Distributors, Retailers, Institutional Buyers and Large Format Stores.

IV. Employees

20. Details as at the end of Financial Year, i.e. March 31, 2026:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	574	546	95.12%	28	4.88%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	574	546	95.12%	28	4.88%
WORKERS						
4.	Permanent (F)	479	260	54.28%	219	45.72%
5.	Other than Permanent (G)	1118	369	33.01%	749	66.99%
6.	Total workers (F + G)	1597	629	39.39%	968	60.61%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees (D + E)	Nil	Nil	Nil	Nil	Nil
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total differently abled workers (F + G)	Nil	Nil	Nil	Nil	Nil

Business Responsibility & Sustainability Report

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6*	1	16.66%
Key Management Personnel	3#	1	33.33%

*Ms. Maheshwari Mohan, ceased to be an Independent Director of the Company, pursuant to the completion of her second term, with effect from the conclusion of August 20, 2025.

*Mr. Shantanu Khosla, Non-Executive, Non-Independent Director of the Company (DIN: 00059877), who was appointed as the authorised representative of Crompton Greaves Consumer Electricals Limited (Crompton), the holding company of the Company and whose tenure on the Board of Crompton ends on December 31, 2025. Accordingly, he has tendered his resignation from the Board of the Company as well, with effect from the close of business hours on December 31, 2025.

#Mr. Jayant Barde Company Secretary & Compliance Officer, Appointed w.e.f. May 13, 2025

#Mr. Viral Sarvaiya, Company Secretary & Compliance Officer, resigned w.e.f. April 07, 2025

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	14.12%	0.75%	14.87%	16.96%	0.70%	17.66%	12.82%	1.41%
Permanent Workers	1.04%	0.85%	1.89%	3.23%	1.66%	4.89%	6.25%	1.02%	7.27%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Crompton Greaves Consumer Electricals Limited	Holding Company	75%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

The Company aims at contributing to CSR activities much before it was even mandated under the Companies Act 2013. The Company focusses on fulfilling its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/projects and programmes for sustainable welfare and development of community at large.

(ii) Turnover (in Rs.): ₹ 94,315.30 Lakhs

(iii) Net worth (in Rs.): ₹ 37,225.78 Lakhs

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities ¹	YES	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders) ²	YES	Nil	Nil	-	Nil	Nil	-
Shareholders ²	YES	8	0	Complaints received from the Shareholders were replied within stipulated time and resolved.	2	0	Complaints received from the Shareholders were replied within stipulated time and resolved.
Employees and workers ³	YES	Nil	Nil	Minor complaints are resolved by the respective SPOC, location wise	Nil	Nil	Minor complaints are resolved by the respective SPOC, location wise
Customers ⁴	YES	5,73,333	2260	67% of Complaints Resolution in 24 hrs. (R-24). • 82% of Complaints resolution in 48 hrs (R 48)	6,64,372	1721	67% of complaints closed in 24 hrs (R24) • 83% of Complaints closed in 48 hrs (R48)
Value Chain Partners ⁵	YES	Nil	Nil	-	Nil	Nil	-
Other (please specify)	Nil	Nil	Nil	-	Nil	Nil	-

Your Company is committed to encourage openness, promoting transparency and reporting improvements without fear of rebuttal. The organisation is committed to creating a culture that encourages high standards of ethics and upholds decent and safe working conditions for the entire workforces https://butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf

¹Communities while interacting during the community engagement programmes, can report their grievances.

²Investors, Shareholders and stakeholders can correspond with the Company by sending an email to butterfly.investorsrelations@butterflyindia.com or by calling on the below mentioned numbers 044-4741 5500

³Employees and workers can report any grievance by sending an e-mail to hr@butterflyindia.com or in physical form in a sealed envelope.

⁴Customers can report grievances by sending an e-mail service@butterflyindia.com or by calling on 93620 19362. Customers who lodged complaints between March 26 and March 31 of the fiscal year's end will have them resolved by the start of the next fiscal year. Our service team is altogether aligned based on the targets and ensures that no complaints should be allowed to exceed their set targets.

⁵Value chain partners reach out to the respective point of contacts in any functions with escalation to management.



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26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/ O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Compliance to laws and regulation	R	The corporate regulatory and legal landscape undergoes constant changes, leading to an increasingly arduous, strict, and intricate compliance framework.	Compliance status are in place which is placed before the Board in every quarterly meetings. Secretarial Auditors periodically reviews all the filings and compliances and gives a report for every financial year. Having the regular updates regarding the government policies and circulars	Negative
2.	Cyber Security/ Information Security	R	Data leak can expose sensitive information to unauthorised parties, including financial data, and confidential business information. This can lead to reputational damage, loss of customer trust, legal and regulatory penalties and financial losses.	Developing of an inhouse IT team, Establishing the Local LAN Security, Frequent Change of Password, Spoofing Restrictions, Blocking of unwanted website, having the Firewall for all the system, and providing regular trainings to all employees .	Negative
3.	Health and safety of employees and workers	R	Failing to implement health and safety measures may have serious consequences for a business, such as higher expenses in legal proceedings, reduced workforce, and demotivated employees.	The Company ensures workplace safety through comprehensive measures including employee training, provision of PPE, and insurance coverage. Regular safety audits and a strong safety culture are promoted, supported by weekly reviews with leadership. An Emergency Response team is equipped for crisis management. The Company complies with regulatory requirements like EPR and PCB renewals, and works towards reducing hazardous materials. These efforts demonstrate a firm commitment to maintaining a safe and compliant workplace environment	Negative
4.	Risk Management	R & O	Robust risk management ensure sustainable business growth with stability, establish a structured and intelligent approach to Risk Management and to promote the confidence amongst the company's stakeholders in the effectiveness of its business management process and its ability to plan & meet its strategic objectives.	Company has its own risk management committee that assist the Board of Directors in fulfilling its corporate governance oversight responsibilities with regard to identification, evaluation and mitigation of strategic, operational, and external environment risks monitoring and approving the risk management framework and associated practices of the Company.	Positive as well as Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/ O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Product Risk – Innovation & Quality	R	Innovation not in line with market/ consumer needs/ emerging technologies and slow pace in converting ideas into development, delays in product launch leading to disruption by competition, Capability challenges in marketing and R&D, Inadequate capability and process in Quality assurance and Controls.	Assessing consumer needs and defining NPD plan by extensive market research, consumer insight and conducting workshops to define broader framework for Product Innovation..	Positive
6.	Supply Risk	R	Potential leakages and wastages due to inefficient buying, including single sourcing – cost, pay-terms, quality etc., causing contract termination, Inadequate vendor evaluation process etc.	The Company has established process for Vendor/ Supplier Identification, Qualification, and Onboarding. Onboarded alternate vendors for high procurement category business and has started doing evaluation of Key Vendors/ suppliers in terms of cost, quality etc.	Negative
7.	Operational Risk – Inventory	R	Challenges faced while maintaining inventory such as lack of monitoring on ageing inventory which are outdated, focus lag due to too many SKUs and inconsistent BOM maintenance leading to significant stock differences and valuation issues.	The Company has initiated SNOP process, driven through central planner to balance on optimistic outlook, with weekly reality check and immediate corrections in supplies and ageing stock liquidation.	Positive
8.	Customer Satisfaction	R	Absence of Feedback mechanism to assess the Customer satisfaction, Inadequate framework to benchmark with Competition	The Company has initiated service feedback certification from Direct Channel partners, setting free camps across pan India, extending door step services in Mixers category etc. Plan to conduct internal customer satisfaction survey for two way flow of information.	Positive
9.	Quality & service	O	Good quality results in higher customer satisfaction & better brand image	-	Positive
10.	Business Ethics & Anti Corruption	R	Unfair business practices leads to reputational loss and reduced shareholders trust.	The Company has a defined Code of Conduct which covers issues related to ethics and corruption. It also covers all dealings with suppliers, customers and other stakeholders. The Company also has a Whistle Blower Policy ("WB Policy") which enables its employees to report their concerns about unethical behaviour.	Negative
11.	Corporate Governance, Transparency and Disclosure	R & O	Good corporate governance results in enhanced stakeholder trust and brand reputation. Poor corporate governance practices may lead to financial mismanagement, fraud, or other financial risks	The Company undertakes several measures such as implementing robust corporate governance practices, ensuring transparency in business practices and financial reporting, conducting regular internal audits	Positive as well as Negative



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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://butterflyindia.com/investor-relations/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	To emphasise the values of transparency and ethical behaviour, empowerment, and accountability. The Company has formalised the 'Code of Conduct' for the Directors and employees of the Company. The Code lays down principles and standards that govern the actions of the employees during the conduct of the Company's business. It covers all dealings with vendors, consumers, and other business partners.								
4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	List of standards in which the Company achieved certification are: 1. Star Label programme Certification for high thermal efficient LPG Stoves from M/s BEE. 2. ECAS certification for UAE & Spring Approval Certification for Singapore renewed for Mixer Grinder. ECAS certification for UAE renewed for Wet Grinder. 3. Operates with Four BIS Certification Marks Licenses (ISI Mark Scheme). 4. ISO 9001 Quality Management System Certification. 5. Sustainance of CE certificate for Mixer Grinder, Pressure Cooker and Table Top Wet Grinder for Europe requirements and G Mark for Mixer Grinder and Wet Grinder for Gulf country.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer to the Chairman's Message and Management Discussion and Analysis Report ("MDA") for our management approach and commitments.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company continues to focus its efforts towards user friendly, convenient safe, efficient and affordable products through sustainable and durable materials / processes.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure). The Company's purpose statement is "Powered by Innovation Designed for growth". Please refer to the Chairman's Message, Management Discussion and Analysis Report for our management approach and commitments.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Ms. Swetha Sagar G Designation: Manager & Chief Business Officer Email Id: cs@butterflyindia.com Tel No: 044-47415500								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company doesn't have a specific board / director responsible for decision making on sustainability related issues, but the Company practices sustainability through our CSR framework. The Risk Management Committee is responsible for the review of risk management processes within the Company, and for overseeing the implementation of the requirements of this policy.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The policies of the Company are reviewed periodically or on need-base by the Board of Directors, department heads, and business heads. During this assessment, the efficacy of the policies is reviewed, and necessary changes to the policies and procedures, if any are implemented.									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	A Compliance report across all statutory requirements is submitted to the Audit Committee on a quarterly basis.									Quarterly								

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Internal and external auditors, where needed, assess these policies during their audits and reviews. However, no formal evaluation by any internal or external agency has been conducted.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA as all principles is covered.								
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

List of Policies	Website Links
Code of Conduct	https://butterflyindia.com/wp-content/uploads/2023/05/Code-of-Conduct_2023.pdf
Vigil Mechanism and Whistle Blower Policy	https://butterflyindia.com/wp-content/uploads/2022/09/Whistle-Blower-Policy_28092022.pdf
Code of Conduct to Regulate, Monitor and Report trading by Insiders	
Prevention of Sexual Harassment Policy	https://butterflyindia.com/wp-content/uploads/2022/03/Prevention-of-Sexual-Harassment-10.02.2022.pdf
Corporate Social Responsibility Policy	https://butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf
Maternity Leave Policy	This policy is available internally in the Company.
Product Service Policy	This policy is available internally in the Company and has been made available to the product service centres.



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SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	35	Familiarisation programmes are carried out by way of exhaustive presentations on various topics and areas like 1. Overall industry in which the Company operates, Company’s operations and Strategy and Annual Budget of the Company; 2. Internal Financial Control Systems; 3. Statutory Compliance; 4. Corporate Social Responsibilities framework; 5. Enterprise Risk Management; 6. Regulatory updates at Board and Audit Committee Meetings; 7. Information Technologies; 8. Investor Grievances etc.	100%
Employees other than BoD, KMPs & Workers	35	Safety Methodologies and Practices <ul style="list-style-type: none"> 8D Methodology Basic Industrial Safety Basic Safety Training & Ergonomics Behaviour Based Safety Training Electrical Safety Emergency Response Hazard Prevention and Control HIRA Training (Hazard Identification and Risk Assessment) IMS Internal Auditors Lean Six Sigma LOTO (Lock Out Tag Out) Awareness Training Machine Safety Materials Handling Training Near-Miss Awareness Training Safe Fork Lift Driving Work Permit & JSA (Job Safety Analysis) Training Personal Protective Equipment (PPE) and Chemical Safety <ul style="list-style-type: none"> Awareness on PPE Usage Chemical Safety Awareness Training PPE & Its Usage (listed twice, possibly emphasising importance) Environmental and Quality Management <ul style="list-style-type: none"> Environment Awareness Training RoHS (Restriction of Hazardous Substances) Training Waste & Water Management SAP QM (Quality Management) Module Training QC Story (Quality Control Story) Behavioural and Compliance Training <ul style="list-style-type: none"> Code Of Conduct & POSH (Prevention of Sexual Harassment) Consequence Management Training Needs and Expectation of Interested Parties & Risk Analysis Skill Development and Process Improvement <ul style="list-style-type: none"> Compass@Navigate Awareness Training for Transport Route Champions Excel Training Level-2 (Batch 1 and Batch 2) MY Compass Program Training Tool Setter TS Core Tools 	100%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Penalty/ Fine	Nil	Nil	Nil	Nil	
Settlement	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy. Yes

The Company places great emphasis on maintaining high ethical and legal standards and is dedicated to implementing appropriate regulatory frameworks to govern its business practices. The Company’s code of conduct and whistle-blower policy aligns with the relevant anti-corruption and anti-bribery frameworks. link to the policy is <https://butterflyindia.com/investor-relations/#policies>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2025-26 Current Financial Year		FY 2024-25 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no cases of corruption or conflicts of interest that required action by regulators, law enforcement agencies, or judicial institutions.

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8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Number of days of accounts payables	67	45

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Concentration of Purchases	Purchases from trading houses as % of total purchases	Nil	Nil
	Number of trading houses where purchases are made from	Nil	Nil
	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	Sales to dealers / distributors as % of total sales	53.21%	51.68%
	Number of dealers / distributors to whom sales are made	636	737
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	21.44%	15.85%
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	2.41%	0.00%
	Sales (Sales to related parties / Total Sales)	2.94%	3.61%
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	Investments (Investments in related parties / Total Investments made)	Nil	Nil

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
12	5S Awareness <ul style="list-style-type: none"> Positive Safety Culture through 5Cs Electrical Safety Environmental awareness Incident reporting & Investigation First Aid – Snack Bite Chemical Safety Machine Safety Statutory Requirement Awareness Consequence Management Permit Work Emergency Preparedness HIRA & Aspect/ Impact ISO 45001 & 14001 Internal Auditor Training Fire Fighters Training Forklift Driving Training Safety Orientation & 5S Training 	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same

Yes, the COC encourages all its Board Members to refrain from participating in activities that could result in a conflict of interest.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

The Company follows an innovation-led and customer centric approach to product development. The Company has its own dedicated R&D team that works on providing customers with the most advanced and useful kitchen appliances. The Company has 25+ acre campus with an integrated manufacturing facility to design and develop products. The Company is constantly revamping their portfolio to fulfil customer expectations for performance and durability of products. Plastic- The standards established by the Pollution Control Board determine the amount of plastic used in the product.

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	69.69%	58.64%	1. Usage of LDPE (Low density Polyethelene packaging buffers instead of Thermocol) 2. Using 100 % Copper for motors for longer life
Capex	30.31%	41.36%	3. Implementation of 2 Star rated cooktop in markets 4. Efficiency Improvement from 74 % to 76 % resulting in Gas consumption Saving

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No):-Yes

Yes, to ensure that suppliers also contribute to long-term sustainability, the Company employs ethical procurement practices and stringent selection criteria that promote environmental protection, social benefits and the optimisation of product and service quality. Through several programmes, the Company is aiming to increase suppliers' understanding of their legal obligations, sustainable business practices and the importance of employee health and safety. The Company adheres to international standards, including ISO 9001 and other Environmental, Health, and Safety ("EHS") requirements.

b. If yes, what percentage of inputs were sourced sustainably?:- 85%

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company has shown its commitment to responsible and sustainable manufacturing practices by obtaining ROHS certification for compliance with the restriction on hazardous substances, as well as adhering to PCB statutory compliance for the proper disposal of Bakelite and plastic waste, which ensures environmental compliance and protection of human health and safety.

Plastic - The standards established by the PCB determine the amount of plastic used in the product. In addition, a procedure for the receipt and disposal of plastic is in place and complies with the current statutory regulations.

EPR - Plastic Waste Management Authorisation issued for Domestic and Import.

E-waste - The Company complied with EPR for E-waste management with the CPCB.

For EPR - Battery Waste Management Authorisation issued in Producer category.

For E waste and plastics packaging waste - As an organisation fulfilling its EPR obligations, Butterfly received the target from CPCB for channelling its plastics & waste across the country.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

Yes, EPR applies to the Company's business and obtained EPR Authorisation for Plastic Waste & E - Waste. In addition to that Company has applied for EPR Certification Plastic for Import & Battery Waste.



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Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Not applicable, as we have not conducted LCA for any of our products.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Spent Oil	0.00%	33.89%
Plastic	1.5%	1.5%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics including packaging)	0	206	309	0	192	448
E-waste	0	2,639.52	0	0	2,280.15	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category Reclaimed products and their packaging materials as % of total products sold in respective category
 Damaged material comes to the depots and is disposed of through the contracting process. The quantum of the amount is almost negligible.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities*
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees										
Male	546	546	100%	546	100%	NA	NA	NA	NA	Yes
Female	28	28	100%	28	100%	28	100%	NA	NA	Yes
Total	574	574	100%	574	100%	28	4.88%	-	-	-

*Available at applicable locations.

Category	% of employees covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities*
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Other than Permanent employees										
Male	0	0	0%	0	0%	0	0%	0	0%	0
Female	0	0	0%	0	0%	0	0%	0	0%	0
Total	0	0	0%	0	0%	0	0%	0	0%	0

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers										
Male	260	260	100%	260	100%	NA	NA	NA	NA	NA
Female	219	219	100%	219	100%	219	100%	NA	NA	Yes
Total	479	479	100%	479	100%	219	45.72%	NA	NA	-
Other than Permanent workers										
Male	369	0	0%	0	0%	0	0	NA	NA	0
Female	749	0	0%	0	0%	749	100%	NA	NA	0
Total	1118	0	0%	0	0%	749	66.99	Nil	Nil	Nil

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company	1.34%	0.92%

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	Eligibility as per ESIC Act					
Others – please specify	NA					

3. **Accessibility of workplaces**

The Company is implementing appropriate measures to provide its employees with a better, more accessible work environment.



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4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is committed to ensuring that existing employees, job applicants and workers are treated fairly in an environment free from discrimination based on race, gender, religion or beliefs, disability, age, sexual orientation, gender identity, gender expression, and so on. The Company promotes equal treatment and opportunities for all employees.

The link to the policy is <https://butterflyindia.com/wp-content/uploads/2022/03/Prevention-of-Sexual-Harassment-10.02.2022.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

The Company is committed to promoting transparency across all levels of the organisation. Employees are encouraged to openly discuss any concerns they may have with their managers, while contracted workers are urged to bring up any issues with their respective managers.

In addition, workers are also encouraged to share their concerns with the worker representative, primary manager, or HR SPOC available at different locations. Contracted workers have the option to raise their concerns with the contractor representative or the Company HR SPOC, including supervisors and contractors. In cases where an employee or worker has violated the Company's COC policy, appropriate actions are taken against them.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	574	0	0%	572	0	0%
- Male	546	0	0%	541	0	0%
- Female	28	0	0%	31	0	0%
Others	0	0	0%	0	0	0%

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Workers	479	0	0%	499	0	0%
- Male	260	0	0%	271	0	0%
- Female	219	0	0%	228	0	0%
Others	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	550	90	16.36%	550	100%	541	120	22.18%	218	40.30%
Female	9	6	66.67%	9	100%	31	25	80.65%	14	45.16%
Total	559	96	17.17%	559	100%	572	145	25.35%	232	40.56%
Workers										
Male	122	118	96.72	4	3.28%	271	144	53.14%	2	0.74%
Female	52	52	100%	0	0%	228	228	100%	0	0
Total	174	170	97.7%	4	2.29%	499	372	74.55%	2	0.40%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	483	483	100%	479	479	100.00%
Female	25	25	100%	29	29	100.00%
Total	508	508	100%	508	508	100.00%
Workers						
Male	260	260	100%	271	271	100.00%
Female	219	219	100%	228	228	100.00%
Total	479	479	100%	499	499	100.00%

10. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Worker	0.73	1.17
Total recordable work-related injuries	Employees	0	0
	Worker	2.0	6.78
No. of fatalities	Employees	0	0
	Worker	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Worker	0	0

*Including in the contract workforce



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11. Health and safety management system:

(a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. The company is committed to implementing an Occupational Health and Safety ('OHS') system in accordance with the guidelines of IS14489. Currently, the implementation of the OHS system is in progress.

(b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes. The company is committed to ensuring the safety and well-being of its staff and personnel. As part of this commitment, the company provides first aid training to watch staff and safety personnel to equip them with the necessary knowledge and skills to respond to medical emergencies and accidents.

(c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company provides training to all workmen(s) on reporting near miss incidents, unsafe acts, and unsafe conditions as part of its employee engagement efforts. Through this training, the Company aims to encourage workmen to actively participate in maintaining a safe working environment by reporting any potential⁴ hazards or risks. The Company's commitment to provide this training is a testament to its dedication to create a safe and healthy workplace for all its employees.

(d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company is dedicated to promote the welfare of its workmen by providing them with several benefits. Workmen of the Company are covered under various schemes, such as Employee State Insurance ('ESI'), Employee Provident Fund ('EPF'), and other similar schemes to ensure their financial security.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

The Company is committed to ensuring the safety of their people and has implemented a number of initiatives to minimise injuries at the workplace and promote safety awareness. These initiatives include conducting various safety campaigns, implementing a reward and recognition programme, utilising engineering controls, and providing adequate training for comprehensive incident and injury reporting and tracking system. It allows the Company to identify issues and devise mitigation plans that help to prevent incidents in future. The Company also have a safety committee that includes representatives from all functional areas of the Company. The committee meets regularly to review safety performance, identify opportunities for improvement, and develop action plans.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	No complaints have been received			No complaints have been received		
Health Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	
Working Conditions	Nil

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

All accidents including near miss incidents and injuries being investigated by safety professionals and appropriate corrective actions are taken. As a proactive measure, machinery and process risk assessment are implemented.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees – Yes

(B) Workers – Yes

All Employees and Workers are covered under Group Term Life Insurance Policy.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company tracks the legal compliances within proper dates as applicable. Stakeholders are trained to ensure compliance. The Company also undertakes monthly audits with its value chain partners.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, your Company provides transition assistance programmes in cases of retirement and only on need-based.

5. Details on assessment of value chain partners:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable



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PRINCIPLE 4 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company interacts with a wide range of stakeholders including investors, consumers, suppliers, and workers, through various channels. Company have its own stakeholder relations committee to engage with their stakeholders and to monitor redressal of stakeholder's complaints/grievances. The policy is available on the website of the Company and can be accessed at: <https://butterflyindia.com/wp-content/uploads/2021/04/POLICY-OF-STAKEHOLDERS-RELATIONSHIP-COMMITTEE-20.10.2020.pdf>

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Meetings/ Town hall briefings • Employee engagement activities and surveys • Team building, workshops, capability building and training • Performance management system • Employee newsletters • Rewards and recognitions • Family visits, Quiz Programs	Continuous Basis	The Company recognises the invaluable contribution of its employees to its long-term success. They are considered the most important asset and a key factor in increasing the Company's competitiveness and maintaining its market leadership.
Community	Yes	Community Meeting, Website, CSR Events	Need Based	The Company understands the importance of empowering the community for its long-term business sustainability. It has undertaken various upliftment projects and activities aimed at developing strong and enduring relationships with the communities it serves.
Suppliers	No	• Emails, • Telephonic Conversations, • One to one Meetings	Continuous	The Company understands that collaborating with suppliers is vital to maintain smooth business operations. The Company places a high value on efficient procurement practices as they play a significant role in ensuring a reliable supply chain and fostering strong relationships with its suppliers.
Consumers (B2B), (B2C)	No	• Emails, Telephonic Conversations, Physical Meetings, Online Platforms Advertisements, Website	Need Based	The Company recognises that customers' purchasing habits significantly influence its operations. Therefore, maintaining continual contact with customers is essential to understand their evolving needs and desires.
Investors/ Shareholders	No	• Online Platforms, Website, Newspaper, Advertisement • Annual General Meeting • Financial result declarations • Media releases • Investor calls and meets	Quarterly & Annually	Investors provide vital support to the Company by strengthening its financial position and helping to secure its long-term viability.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The company's stakeholder relationship committee monitors all redressal of stakeholder's complaints/grievances.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

After stakeholder consultation, the Company has identified significant environmental and social concerns. Material topics were shortlisted and prioritised according to their influence on stakeholders and businesses.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

There are no reportable concerns of vulnerable / marginalised groups. However, the Company undertakes various CSR activities in local areas that serve the vulnerable / marginalised stakeholder group.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

The Company operates in an open, fair, and transparent manner and is dedicated to upholding the highest ethical standards and practices. To expose unethical conduct and encourage professionalism and ethical behaviour among its staff, the whistle-blower and COC policies are in place. Trainings conducted on COC policy.

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	574	574	100%	572	73	12.76%
Other than permanent	0	0	0%	0	0	0%
Total Employees	574	574	100%	572	73	12.76%
Workers						
Permanent	479	0	0%	499	0	0%
Other than permanent	1118	0	0%	892	0	0%
Total Employees	1597	0	0%	1391	0	0%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2025-26 Current Financial Year				FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage (B)	% (B/A) (C)	More than Minimum Wage (D)	Total (E)	Equal to Minimum Wage (F)	% (F/E) (G)	More than Minimum Wage (H)	% (H/E) (I)
Employees									
Permanent	574	0	0	574	572	0	0	572	100%
Male	546	0	0	546	541	0	0	541	100%
Female	28	0	0	28	31	0	0	31	100%
Other than Permanent	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0

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Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	479	0	0	479	100%	499	0	0	499	100%
Male	260	0	0	260	100%	271	0	0	271	100%
Female	219	0	0	219	100%	228	0	0	228	100%
Other than Permanent	1118	740	66.19%	378	33.81%	892	472	52.91%	420	47.09%
Male	369	199	53.93%	170	46.07%	348	188	54.02%	160	45.98%
Female	749	541	72.23%	208	27.77%	544	284	52.21%	260	47.79%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	7	1,57,760	2	10,73,046
Key Managerial Personnel	3	21,83,031	1	1,28,82,416
Employees other than BoD and KMP	546	7,43,988	128	4,93,944
Workers	260	3,47,610	219	2,77,908

*This includes Directors who have resigned/ retired during the financial year 2025-26.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	22.98%	21.43%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company recognises the importance of human rights violations and is committed to maintaining a safe and productive workplace. To achieve this, the Company has implemented a POSH policy and a whistle-blower policy, with regular training sessions for employees to understand the implications of these policies and human rights issues. The Company has a zero tolerance policy towards human rights violations, which is one of its key focus areas. Any reported violations shall be investigated by the management, following the Company's COC policy.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company is deeply committed to universally recognised human rights standards and principles across all of its operations. In order to prevent any violations of these fundamental rights, the Company has established clear policies and practices, including the implementation of POSH and whistleblower procedures to enable employees to report any concerns. Transparency and accountability are highly valued by the Company, which is dedicated to promote a safe, respectful, and inclusive work environment for all employees. Through these efforts, the Company strives to ensure that human rights are respected at all times, and that all individuals associated with the Company are treated with dignity and respect.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/ Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has established a robust whistle-blower policy that provides clear guidelines to prevent any retaliation against a complainant. The policy ensures that a complainant has the right to remain anonymous, except when mandated by law enforcement agencies. By implementing such measures, the Company demonstrates its commitment to providing a safe and secure environment for its employees to voice their concerns without fear of retribution.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company has a process in place to ensure that all new vendors or suppliers onboarded are in compliance with human rights requirements. The Company recognises that its suppliers and vendors are essential to its success and viability, and it places great importance on their adherence to ethical standards. Regular engagement activities are organised by the Company to foster a collaborative relationship with its suppliers and vendors. These activities helps to build trust and promote transparency, allowing for open communication about ethical and sustainable practices. By working closely with its suppliers and vendors, the Company can ensure that all stakeholders share the same values and principles, creating a supply chain that benefits both the Company and society as a whole.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	100%
Others – please specify	NA



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11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No complaints related to child labour, forced labour, involuntary labour, or discriminatory employment were received during the reporting year, and none are pending at the end of the reporting year.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

The Company regularly updates its employees about the COC through various training programmes.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

None

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to providing accessibility to all visitors, including those with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. To fulfil this commitment, the Company is in process of implementing appropriate measures to ensure that its premises and offices are designed and equipped to meet the needs of differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company has a strong expectations that its value chain partners maintain the same ethical values, principles, and business practices upheld by the Company in all their dealings. However, no detailed evaluations of its value chain partners' adherence to these The Company has a strong expectations that its value chain partners' adherence to these requirements have been made.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective action pertaining to Question 4 was necessitated by the Company during the year under review.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total electricity consumption (A)	13,828.38 GJ	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	13,828.38 GJ	-
From non-renewable sources		
Total electricity consumption (D)	10,822.11GJ	23,381.23 GJ
Total fuel consumption (E)	7,140.48 GJ	5,875 GJ
Energy consumption through other sources (F)		
Total Energy consumed from non-renewable sources (D+E+F)	17,962.59 GJ	29,256.23 GJ
Total energy consumed (A+B+C+D+E+F)	31,790.97 GJ	29,256.23 GJ
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	33.71	33.84

Parameter	FY 2025-26	FY 2024-25
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	63.09**	69.92*
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.66 for the year ended March 31, 2025.

** The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.34 for the year ended March 31, 2026.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **Yes, TUV India Private Limited**

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. The Company does not fall under the PAT scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	55 040.42	55 593.23
(iii) Third party water	3 179.96	3 149.20
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	58 220.38	58 742.43
Total volume of water consumption (in kilolitres)	58 220.38	58 742.43
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	61.73**	67.95*
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	126.68	140.38
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.66 for the year ended March 31, 2025.

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.34 for the year ended March 31, 2026.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **Yes, TUV India Private Limited**

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA



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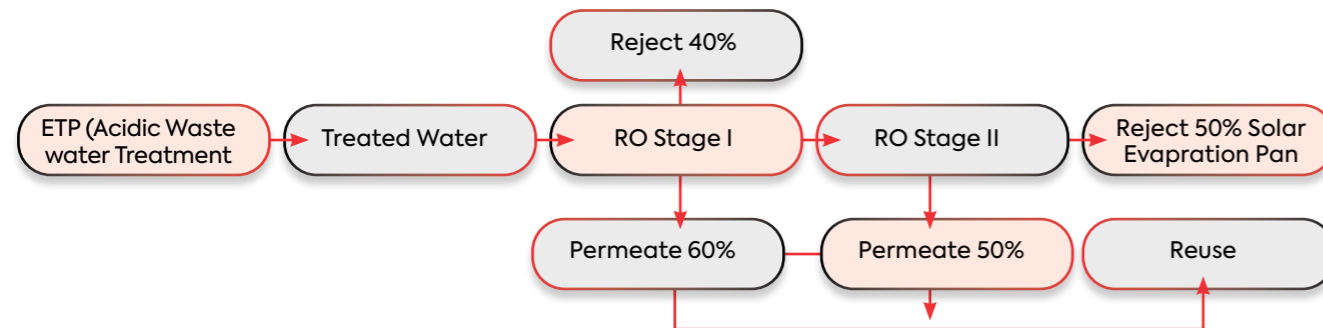
Parameter	FY 2025-26	FY 2024-25
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment (in kilolitres)	24,116.17*	22,638.36*
Total water discharged (in kilolitres)	24,116.17	22,638.36

*To Gardening & Toilet Flush

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency.- **Yes, TUV India Private Limited**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented a mechanism for Zero Liquid Discharge. The process flow diagram is as follows:-



6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: (Unit for last year: KG)

Parameter	Unit	FY 2025-26	FY 2024-25
NOx	KG	333.96	132.21
Sox	KG	0.42	21.06
Particulate matter (PM)	KG	20.00	53.31
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **Yes, TUV India Private Limited**

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	453.01	370.57
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,134.36	4,721.71
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Metric tonnes of CO ₂ equivalent/ INR	2.74	5.89

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	NA	10.98**	12.17*
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.66 for the year ended March 31, 2025.

** The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.34 for the year ended March 31, 2026.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **Yes, TUV India Private Limited**

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.- 2.3MWp Solar Power System (Open Access Solar) Implemented at Pudupakkam Plant, System Functional from June 2025.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	368.42	316.92
E-waste (B)	2.25	2.581
Bio-medical waste (C)	0.01	0.02
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	NA	NA
Other Hazardous Waste. Please specify, if any. (G)	161.30	104.78
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1781.09	1,542.13
Total (A+B + C + D + E + F + G + H)	2313.06	1966.43
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	2.45	2.27
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	4.24**	4.70*
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Recycled	2139.32	1848.98
(ii) Re-used	12.44	12.65
(iii) Other recovery operations	NA	NA
Total	2151.76	1861.63

For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Incineration	0	0.02
(ii) Landfilling	NA	NA
(iii) Other disposal operations	151.26***	131.77***
Total	151.26	131.79

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.66 for the year ended March 31, 2025.

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF for India which 20.34 for the year ended March 31, 2026.

***Other disposal operation: Disposal through secondary disposal operations /other co-processing.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **Yes, TUV India Private Limited**



Business Responsibility & Sustainability Report

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company's operational units are responsible for ensuring that all hazardous materials are delivered to a State Pollution Control Board-approved authorised disposal operator. The Company ensures responsible waste management practices involving 100% recycling of plastic waste as per EPR PWM. The disposal of e-waste is overseen by a licensed recycler who has been approved by the CPCB. Moreover, the waste generated within the plant gets segregated at the source through colour-coded waste collection bins, awareness on waste management, disposal according to the law of the land, etc.

The Company has adopted waste management systems in each of its locations to promote sustainability and reduce waste. Through the implementation of technological interventions and ongoing initiatives, such as sustainable packaging and waste source segmentation, the Company has been successful in further reducing waste. The Company focused on capacity optimisation, enhanced process efficiencies, enhancing technology through install new updated model machines in press line reducing down time, waste elimination, and productivity improvement. These efforts demonstrate the Company's commitment to promoting sustainability and continuous improvement in their operations, delivering value to their customers, and making a positive impact on the environment.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No, the Company does not have any offices or plants located around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is committed to complying with all applicable environmental laws and regulations. The Company has not incurred any significant fines related to environmental compliance during the FY 2025-26.

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area – Not Applicable
- (ii) Nature of operations – Not Applicable
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA

Parameter	FY 2025-26	FY 2024-25
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **No**

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The Company is in the process of setting up the system for tracking scope 3 emissions. The same can be published in the forthcoming years.

Parameter	Unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- **No**

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative



Business Responsibility & Sustainability Report

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Yes, the Company has implemented a comprehensive disaster management plan to proactively address any potential disruptions that may impact its business activities or processes. By conducting regular evaluations of their existing systems and processes, the Company can confidently prevent and recover from any potential threats. This plan ensures that the Company can continue to deliver their products or services at pre-defined acceptable levels, even in the face of unexpected challenges. Regular training on the operation of equipment such as fire extinguishers and emergency treatments is provided. Audits and mock exercises are performed on a regular basis to enhance the system.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There is no significant adverse impact on the environment arising from the value chain of the entity.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

PRINCIPLE 7 Businesses should respect and promote human rights

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. 1
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Bureau of Indian Standards	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
For the financial year, the Company has not received any adverse orders from regulatory bodies, hence, no corrective actions were required		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
The Company, is a key member of the BIS technical committee, where it works on specifications, standards, upgrades, and interfaces with BEE/ ISO standards.					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has its dedicated CSR committee that supervise and monitor progress of various projects and activities whether carried out directly by the Company or through implementing agencies. The CSR policy can be accessed on the website of the Company at <https://butterflyindia.com/wp-content/uploads/2021/04/CSR-POLICY-20.10.2020.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/small producers	53%	63.08%
Directly from within India	47%	36.92%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural	51.14%	53.28%
Semi-urban	17.16%	14.60%
Urban	0.03%	0.17%
Metropolitan	31.67%	31.96%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No. State	Aspirational District	Amount spent (In INR)
Nil		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No) No.

(b) From which marginalised/vulnerable groups do you procure? NA

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

The Company is committed to supporting sustainable and ethical procurement and supply chain practices, as well as equal opportunity for all procurement partners and suppliers. The Company assures that the onboarding process for vendors and suppliers is streamlined and efficient by implementing a complete set of standard operating procedures and checklists. This strategy enables the Company in maintaining an optimistic outlook towards its procurement practices and relationships with suppliers.



Business Responsibility & Sustainability Report

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
		Not applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Skill and Entrepreneurship Development	1055	100%
2.	Community Development	3236	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has dedicated customer care service team to address customer grievances. The consumers may contact the customer service number provided on the company's website.

<https://butterflyindia.com/after-sale/>

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil		Nil	Nil	
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	5,73,333	2,260		6,64,372	1,721	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Other	Nil	Nil		Nil	Nil	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		NA
Forced recalls		NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The company has a privacy policy in place that provides safety measures to protect user and device data security. The policy is present on the Company's website and can be accessed using this link: <https://butterflyindia.com/wp-content/uploads/2022/03/Privacy-Policy-10.02.2022.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services – Not Applicable

7. Provide the following information relating to data breaches:

- Number of instances of data breaches – Nil
- Percentage of data breaches involving personally identifiable information of customers – Nil
- Impact, if any, of the data breaches – The Company has not had any known incidents of data breaches during the year under review.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The products of the Company can be accessed on company's website

Website: <https://butterflyindia.com/product/>

Linkedin: <https://www.linkedin.com/company/butterfly/>

Instagram: https://www.instagram.com/butterfly_kitchen_appliances/

Facebook: <https://www.facebook.com/butterflyindia/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company provides Warranty Manual Book along with the product for safe installation and usage.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company takes measures to ensure that consumers are well-informed of any potential risks of disruption associated with their products. To achieve this, the Company provides consumers with a warranty manual book along with their purchased products, which contains relevant information on any potential risks and disruptions that may arise.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company ensures that the information required to be disclosed on the product's label or manual are specified. All of the Company's goods that require installation come with instruction manual demonstrating how to safely install and use the device. It includes dos and don'ts to ensure proper usage of the products.



INDEPENDENT AUDITOR'S REPORT

To the Members of **Butterfly Gandhimathi Appliances Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements ("the financial statements") of **Butterfly Gandhimathi Appliances Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, the statement of profit and loss (including other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the

state of affairs of the Company as at March 31, 2026, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	Recognition of Revenue	
	Revenue of the Company mainly arises from manufacturing and trading of a wide range of domestic kitchen and electrical appliances to its customers.	We assessed the Company's accounting policy for revenue recognition by comparing with the applicable accounting standard.
	Revenue from sale of goods is recognised on satisfaction of performance obligations as per the terms of the contract with customers. This requires detailed analysis of each contract/customer purchase order regarding timing of revenue recognition.	Testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods.
	We have considered recognition of revenue as one of the key audit matters as there is a risk of revenue being recorded before the control of goods are transferred to the customer and also in the inappropriate accounting period.	Verification of selected samples of customer contracts/ Purchase Orders to confirm the terms of delivery. Our test of details includes specific procedures focused on cut-off to verify only revenue pertaining to current year is recognised based on terms and conditions set out in sales contracts.

Sl. No.	Key Audit Matter	Auditor's Response
2	Inventories:	
	The Company has inventory with the carrying value of ₹ 14,432.18 Lakhs as at the year end.	We understood and tested the design, implementation and operating effectiveness of controls as established by the management in determination of cost, provision for slow-moving inventory and net realisable value of inventory.
	The inventory is valued at the lower of cost and net realisable value.	
	We considered the value of the inventory as key audit matter given the relative size of the balance in the financial statements and significant judgement involved in determining the appropriate valuation of inventory based upon a detailed analysis of slow-moving inventory, net realisable value below cost etc.	<ul style="list-style-type: none"> We have verified the closing stock valuation as at the year end. We considered various factors including the actual selling price prevailing around and subsequent to the year-end. Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. Verified the provision created for slow-moving inventory, as per the policy of the Company. Further, we have verified the physical verification working papers of the Company and performed physical verification independently on a sample basis.

Other Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Independent Auditor's Report

In preparing the financial statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
 - (g) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act, and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial statements – Refer Note No. 5.1 to the Ind AS financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 23 (v) to the financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note Note No. 23 (vi) to the financial statement, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.



Independent Auditor's Report

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Audit trail has been preserved by the Company as per the statutory requirements

for record retention in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

For **ASA & Associates LLP**
 Chartered Accountants
 Firm Registration No: 009571N/N500006

G. N. Ramaswami
 Partner
 Membership No.: 202363
 UDIN: 26202363YZKAFW6864

Place: Mumbai
 Date: May 11, 2026

ANNEXURE- A

referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

- i. (a) (A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) A portion of the Property, Plant and Equipment were physically verified during the year by the management in accordance with phased program of verification, which in our opinion covers all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of audit procedures performed by us, the title deeds of all of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in Property, Plant and Equipment are held in the name of the Company.
- (d) According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year.
- (e) According to information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The inventory, except goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. According to information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. According to information and explanations given to us and on the basis of our examination of the records of the Company, in respect of investments made by the Company, the provisions of Section 186 of the Companies Act, 2013 have been complied with. As the Company has not granted any loans to directors, Section 185 of the Companies Act, 2013 is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of its manufactured goods and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of customs, duty of excise, Value Added Tax, Cess and other material statutory dues applicable to it. There are no material outstanding statutory dues existing



Annexure- A

as on the last day of the financial year which is outstanding for more than six months from the day they become payable.

- (b) According to the information provided and explanations given to us, the details of duty

Sl. No	Name of the Statute	Nature of the Dues	₹ in Lakhs	Amount paid under Protest	Period to which Amount relates	Forum where dispute is pending
1	Tamil Nadu Value Added Tax Act, 2006	Value Added Tax (VAT)	33.78	25.33	FY 2009-10 to 2012-13	Sales Tax Appellate Tribunal, TamilNadu
2	Maharashtra Value added Tax	Value Added Tax (VAT)	30.18	1.15	FY 2015-16	JointCommissioner - ST Appeals CST
3	Goods and Service Tax	Maharashtra GST	15.27	0.68	FY 2017-18	Appeal, JCST (appeals-1)
4	Goods and Service Tax	Karnataka GST	17.22	1.62	FY 2017-18	AssistantCommissioner of SGST
5	Goods and Service Tax	Karnataka GST	5.45	0.30	FY 2019-20	Commercial Tax Officer (Audit)
6	Goods and Service Tax	Tamil Nadu GST	47.77	4.34	FY 2019-20	Assistant Commissioner
7	Goods and Service Tax	Andhra Pradesh GST	9.21	0.52	FY 2021-22	Appeal, JCST (appeals-1) Vijayawada
8	Goods and Service Tax	Tamil Nadu GST	112.38	6.39	FY 2020-21 to 2022-23	Deputy Commissioner
9	Goods and Service Tax	Tamil Nadu GST	3.25	3.25	FY 2025-26	Deputy Commissioner

- viii. According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3 (viii) of the Order is not applicable to the Company.

- ix. (a) The Company has not availed any loans or borrowings during the year and hence reporting under clause 3 (ix)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us, the Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company has not taken any term loan during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not raised any fund on short-term basis and hence reporting under this clause is not applicable.

of Excise, Goods & Service Tax, Value added tax which have not been deposited with the appropriate authorities on account of dispute are as under:

- (e) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year and accordingly reporting under clause 3 (ix)(e) and clause 3 (ix)(f) of the Order are not applicable to the Company.

- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

- (b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

- xi. (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year, except few frauds committed by the employees, which were not material to the financial statements.

- (b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act, in ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) has been filed by the auditors during the year and hence clause 3 (xi)(b) of the order is not applicable.

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit.

- xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

- xiii. In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

- xiv. (a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered the internal audit reports of the Company issued till date, for the year under audit.

- xv. According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For **ASA & Associates LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

G. N. Ramaswami

Partner

Place: Mumbai

Date: May 11, 2026

Membership No.: 202363

UDIN: 26202363YZKAFW6864



ANNEXURE- B

to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Financial Statements of **Butterfly Gandhimathi Appliances Limited** (the "Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

A Company's internal financial control with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper

management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system with reference to the Financial Statements and such internal financial controls

with reference to the Financial Statements were operating effectively as at March 31, 2026, based on the internal control with reference to the Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ASA & Associates LLP**
 Chartered Accountants
 Firm Registration No: 009571N/N500006

G. N. Ramaswami
 Partner

Place: Mumbai
 Date: May 11, 2026

Membership No.: 202363
 UDIN: 26202363YZKAFW6864

BALANCE SHEET

As at March 31, 2026

Particulars	Notes	₹ in lakhs	
		As at March 31, 2026 Audited	As at March 31, 2025 Audited
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3.1.1	11,670.99	11,396.11
(b) Capital Work-in-Progress	3.2.1	210.51	786.61
(c) Right-of-use assets	3.1.2	979.93	1,394.74
(d) Other Intangible Assets	3.1.3	2,246.51	2,316.09
(e) Intangible Assets Under Development	3.2.3	171.03	405.17
(f) Financial Assets			
(i) Other Financial Assets	3.3	2,514.09	405.26
(g) Other Non-Current Assets	3.4	240.23	201.04
Total Non-Current Assets		18,033.29	16,905.02
(2) Current Assets			
(a) Inventories	3.5	14,432.18	11,015.62
(b) Financial Assets			
(i) Investments	3.6	12,717.34	8,448.08
(ii) Trade Receivables	3.7	6,054.57	8,170.13
(iii) Cash and Cash Equivalents	3.8	1,300.67	966.70
(iv) Bank Balances other than (iii) above	3.9	78.91	432.36
(v) Other Financial Assets	3.10	1,132.20	3.40
(c) Other Current Assets	3.11	2,173.00	1,049.72
Total Current Assets		37,888.87	30,086.01
Total Assets		55,922.16	46,991.03
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	3.12	1,787.96	1,787.96
(b) Other Equity	3.13	35,437.82	30,739.96
Total Equity		37,225.78	32,527.92
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	3.14	65.70	679.18
(b) Long-Term Provisions	3.15	248.52	272.65
(c) Deferred Tax Liabilities (net)	3.16	349.37	470.81
Total Non-Current Liabilities		663.59	1,422.64
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	3.17	698.75	544.38
(ii) Trade Payables	3.18		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises; and		3,885.94	2,197.38
b) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		6,668.60	4,410.44
(iii) Other Financial Liabilities	3.19	4,871.11	3,821.24
(b) Other Current Liabilities	3.20	907.54	1,218.62
(c) Short-Term Provisions	3.21	873.53	640.96
(d) Current Tax Liabilities (net)	3.22	127.32	207.45
Total Current Liabilities		18,032.79	13,040.47
Total Equity and Liabilities		55,922.16	46,991.03

The accompanying notes form an integral part of these Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP
Chartered Accountants
Firm Regn. No.: 009571N/N500006

G. N. RAMASWAMI
Partner
Membership No.: 202363

P.M. MURTY
Non- Executive Independent Chairman
DIN: 00011179

K.E.RANGANATHAN
Independent Director
DIN: 00058990

JAYANT BARDE
Company Secretary & Compliance Officer
Membership No.: A61954

KALEESWARAN ARUNACHALAM
Director
DIN: 07625839

V. A. JOSEPH
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2026

Particulars	Notes	₹ in Lakhs	
		Year Ended March 31, 2026	Year Ended March 31, 2025
Income			
I. Revenue from Operations	4.1	94,315.30	86,503.09
II. Other Income	4.2	830.92	644.64
III. Total Income (I+II)		95,146.22	87,147.73
IV. Expenses			
Cost of Materials Consumed	4.3	48,562.30	44,281.58
Purchase of Stock in Trade		11,991.54	7,870.80
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	4.4	(2,801.44)	1,976.28
Employee Benefits Expense	4.5	11,923.22	10,433.10
Finance Costs	4.6	179.33	518.68
Depreciation and Amortisation Expense	4.7	2,394.98	2,309.43
Other Expenses	4.8	16,611.22	15,363.18
Total Expenses (IV)		88,861.15	82,753.05
V. Profit Before Exceptional Items and Tax (III- IV)		6,285.07	4,394.68
VI. Exceptional Items	4.9	159.18	-
VII. Profit Before Tax (V- VI)		6,125.89	4,394.68
VIII. Tax Expense			
Current Tax		1,728.65	1,378.25
For earlier years		-	(112.47)
Deferred Tax (credit)/charge		(166.54)	(124.41)
Total Tax Expense (VIII)		1,562.11	1,141.37
IX. Profit for the Year (VII- VIII)		4,563.78	3,253.31
X. Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined Benefit Plan Actuarial losses		179.18	74.61
Income Tax effect on above		(45.10)	(18.78)
		134.08	55.83
XI. Total Comprehensive Income for the Year (IX+ X)		4,697.86	3,309.14
XII. Earnings Per Equity Share (Face Value of ₹ 10 each)			
(1) Basic in ₹		25.53	18.20
(2) Diluted in ₹		25.53	18.20

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP
Chartered Accountants
Firm Regn. No.: 009571N/N500006

G. N. RAMASWAMI
Partner
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Company Secretary & Compliance Officer
Membership No.: A61954

KALEESWARAN ARUNACHALAM
Director
DIN: 07625839

V. A. JOSEPH
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

STATEMENT OF CHANGES IN EQUITY

as at & for the year ended March 31, 2026

A. Equity Share Capital

Particulars	Notes	₹ in Lakhs	
		As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	3.12	1,787.96	1,787.96
Changes due to prior period items		-	-
Restated balance as at the beginning of the year		1,787.96	1,787.96
Changes in Equity Share Capital during the Year	3.12	-	-
Balance as at the end of the year	3.12	1,787.96	1,787.96

B. Other Equity

Particulars	Reserves and Surplus				Retained Earnings	Revaluation Surplus	Other Comprehensive Income (OCI)	Total
	General Reserve	Security Premium	Capital Profit					
			Capital Reserve *	Capital Redemption Reserve **				
Balance as at April 01, 2024	538.56	9,701.53	1.73	142.10	17,133.94	80.08	(167.12)	27,430.82
Profit for the Year	-	-	-	-	3,253.31	-	-	3,253.31
Movement in Other Comprehensive Income for the Year	-	-	-	-	-	-	55.83	55.83
Balance as at March 31, 2025	538.56	9,701.53	1.73	142.10	20,387.25	80.08	(111.29)	30,739.96
Profit for the Year	-	-	-	-	4,563.78	-	-	4,563.78
Movement in Other Comprehensive Income for the Year	-	-	-	-	-	-	134.08	134.08
Balance as at March 31, 2026	538.56	9,701.53	1.73	142.10	24,951.03	80.08	22.79	35,437.82

* Forfeited Shares (Transferred from Share Capital)

** On Redemption of Preference Shares.

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP
Chartered Accountants
Firm Regn. No.: 009571N/N500006

G. N. RAMASWAMI
Partner
Membership No.: 202363

P.M. MURTY
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JAYANT BARDE
Company Secretary & Compliance Officer
Membership No.: A61954

KALEESWARAN ARUNACHALAM
Director
DIN: 07625839

V. A. JOSEPH
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2026

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026 Audited	Year Ended March 31, 2025 Audited
Cash Flows from Operating Activities		
Profit Before Tax	6,125.89	4,394.68
Adjustments:		
Interest Income	(214.63)	(186.23)
Gain on Sale of Fixed Assets (Net)	0.52	(1.58)
Liabilities no longer required	(0.20)	-
Gain on Sale of Mutual Fund (Net)	(458.22)	(218.56)
Interest Expense	179.33	518.68
Provision for Bad & Doubtful Debts (Net)	(146.63)	569.28
Provision for Warranty	263.44	255.81
Provision for Employee Benefits	470.44	222.32
Depreciation and Amortisation	2,394.98	2,309.43
Asset Written Off	13.84	-
Provision for Doubtful Advances (Net)	(8.83)	-
Other Non-Cash Items	(119.45)	(94.92)
Cash Generated from Operations before Working Capital Changes	8,500.48	7,768.91
Changes in		
Decrease/(Increase) In Trade Receivables	2,367.95	(76.95)
(Increase)/Decrease In Inventory	(3,416.56)	2,257.25
(Increase)/Decrease In Other Current Assets	(1,211.13)	977.01
Increase In Other Non-Current Financial Assets	(49.47)	(132.58)
Decrease In Other Non-Current Asset	3.85	1.93
Increase/(Decrease) In Trade Payables	3,934.19	(6,028.45)
(Decrease)/Increase In Other Current Liabilities	(164.95)	16.58
Increase/(Decrease) In Other Current Financial Liabilities	1,027.39	(449.42)
Decrease In Short Term/Long-Term Provisions	(346.25)	(413.46)
Cash Generated from Operations	10,645.50	3,920.82
Income Taxes paid (net)	(1,808.78)	(556.79)
Net Cash Generated from Operating Activities	8,836.72	3,364.03
Cash Flows from Investing Activities		
Purchase of property, plant and equipment and intangible assets (including assets under development & capital advances)	(1,229.71)	(1,023.81)
Proceeds from sale of property, plant and equipment	10.78	218.65
Investment in Corporate Deposits with Financial Institutions	(3,100.00)	-
Proceeds from Sale of Units in Mutual Funds	19,058.21	20,635.54
Investment in Units of Mutual Funds	(22,800.00)	(25,500.00)
Proceeds from Margin Money deposit (Net)	353.38	-
Interest Received	31.81	195.84
Net Cash used in Investing Activities	(7,675.53)	(5,473.78)
Cash Flows from Financing Activities		
Repayment of lease Liability	(647.89)	(495.97)
Interest on lease liability	(88.19)	(120.84)
Interest Paid	(91.14)	(397.84)
Net Cash used in Financing Activities	(827.22)	(1,014.65)



STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2026

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026 Audited	Year Ended March 31, 2025 Audited
Increase/(Decrease) in Cash and Cash Equivalents	333.97	(3,124.40)
Cash and Cash Equivalents at the Beginning of the Year	966.70	4,091.10
Cash and Cash Equivalents at the End of the Year	1,300.67	966.70
Components of Cash and Cash Equivalents		
Cash on Hand	0.32	-
Balances with Banks	1,300.35	966.70
Total Cash and Cash Equivalents	1,300.67	966.70

(i) The above Statement of Cash Flow from operating activities has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP

Chartered Accountants

Firm Regn. No.: 009571N/N500006

G. N. RAMASWAMI

Partner

Membership No.: 202363

P.M. MURTY

Non- Executive Independent Chairman

DIN: 00011179

K.E.RANGANATHAN

Independent Director

DIN: 00058990

JAYANT BARDE

Company Secretary & Compliance Officer

Membership No.: A61954

KALEESWARAN ARUNACHALAM

Director

DIN: 07625839

V. A. JOSEPH

Chief Financial Officer

Place: Mumbai

Date: May 11, 2026

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forming part of Financial Statements as at and for the year ended March 31, 2026

1. Corporate Information:

'Gandhimathi Appliances Limited', was originally incorporated as Private Limited Company on February 24, 1986 and was converted into a Public Limited Company on April 25, 1990. The name of the Company was changed to 'Butterfly Gandhimathi Appliances Limited' (BGMAL), with effect from October 25, 2011. BGMAL is listed with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). BGMAL is involved in manufacturing and trading of a wide range of domestic kitchen and electrical appliances under the brand 'BUTTERFLY'. BGMAL is domiciled in India and it has its Registered Office at Chennai, India. It is a subsidiary of Crompton Greaves Consumer Electricals Limited ("Crompton") w.e.f. March 30, 2022.

2. Summary of Material Accounting Policies

2.1 Basis of Preparation of Financial Statements

2.1.1 Statement of Compliance

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity and Cash flow Statement, together with notes as at and for the year ended March 31, 2026 have been prepared in accordance with Ind AS's notified under Section 133 of the Companies Act, 2013 ('the Act'), Companies (Indian Accounting Standards) Rules, 2015, other relevant provision of the Act and amendments there to.

2.1.2 Historical Cost convention

The Financial Statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

2.1.3 Current/Non-Current classification

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the

Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1.4 Functional and Presentation currency

Items included in the Financial Statements of the Company are measured and presented using the currency of the primary economic environment in which the Company operates ("Functional Currency"). Indian Rupee is the Functional and Presentation Currency of the Company.

2.2 Revenue recognition

2.2.1 Revenue from Sale of Goods/Services

Revenue from sale of goods/services are recognised on satisfaction of performance obligations and at transaction price (net of variable consideration) as per the terms of the contract with customers. Revenue is stated at net of returns and taxes on sales. Variable consideration shall include discounts and schemes offered by the Company as part of the contract.

2.2.2 Interest Income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

2.3 Property Plant and Equipment

2.3.1 Tangible Assets

All property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and impairment, if any. Historical cost includes purchase price, taxes and duties (net of tax credits), labour cost and directly attributable overhead expenditure incurred up to the date the asset is ready for its intended use.

The Cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working conditions for its intended use.



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forming part of Financial Statements as at and for the year ended March 31, 2026

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

2.3.2 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses, if any.

Identifiable intangible assets are recognised when the Company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the Company for more than one economic period; and the cost of the asset can be measured reliably. Amortisation is provided on Straight Line Method (SLM), which reflect the management's estimate of the useful life of the intangible assets.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets. Based on such review, the useful life may change. The impact of such changes, if any, is accounted for as a change in accounting estimate.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset

Intangible Asset	Useful Life
Product Development	3 - 5 years
Software	6 - 10 years
Usage Right of Trade Mark/ Trade Mark and Licence	20 - 25 years

2.3.3 Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash

generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.4 Depreciation

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight-line basis over its useful life as prescribed in the manner specified in Schedule II of the Act.

Description	Management estimate of Useful Life in Years
Buildings	3 to 30
Plant and Machinery	2 to 15
Dies, Tools and Equipment	3 to 8
Electrical Equipment	2 to 10
Office Equipment	2 to 5
Furniture and Fittings	3 to 10
Vehicles	5 to 10
Computer and Information systems	3 to 6

Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately.

Depreciation is charged on pro-rata basis from the date of addition (i.e., when the assets are ready for their intended use)/till the date of disposal. An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on such disposal of assets are recognised in statement of profit and loss.

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forming part of Financial Statements as at and for the year ended March 31, 2026

Where the residual values are not more than 5% of original cost of the asset no depreciation is provided.

2.5 Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalisation is computed by applying a capitalisation rate to the expenditure incurred. The capitalisation rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

2.6 Foreign Currency Translation

2.6.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e in Indian rupee (INR - ₹.)

2.6.2 Transaction and Balances

Foreign currency transactions are recorded in functional currency using the exchange rates prevailing on the date of transaction. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing at the date of the transaction. All monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of foreign currency transactions are recognised in the Statement of Profit and Loss.

2.7 Inventories

2.7.1 Inventories are stated at the lower of cost (computed on moving weighted average basis) and net realisable value

2.7.2 Cost includes the cost of purchase including duties and taxes (net of tax credit), freight

inward and other expenditure directly attributable to purchase.

Cost of work-in-progress and finished goods comprises of all direct costs and applicable manufacturing overheads incurred to bringing the inventories to the present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Employee Benefits

2.8.1 Defined Benefit Plan:

Provision for gratuity, is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income will not be reclassified to Statement of Profit or Loss.

Past service cost is recognised in Statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs. The defined benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.



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2.8.2 Defined Contribution Plan:

Company's contributions during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognised in the statement of profit and loss.

2.8.3 Other Long-Term Employee Benefits:

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. Those that are expected to be encashed after 12 months from the end of the year are treated as other long-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

2.8.4 Short term employee benefits obligations are measured on an undiscounted basis and are expensed as the related services provided. A liability is recognised for the amount expected to be paid under short-term employee benefits if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9 Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

2.9.1 Current Tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to settle the liability on a net basis or simultaneously.

2.9.2 Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.9.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Provisions and Contingent Liabilities

2.10.1 Provisions

A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of

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resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. A provision is reversed when it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provision for warranty claims is recognised at the time of sale based on the historical experience. Initial estimate of warranty expense is reviewed annually.

2.10.2 Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

2.11 Leases

The Company's leases primarily consist of leases for certain plant and machinery, Vehicles and warehouse. The Company, being a lessee, assesses whether a contract contains a lease, at inception of a contract. Company recognises Right-of-Use Asset and lease liability only when the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets, for which the entity is reasonably certain to exercise the right to purchase are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised cost at the present value of the future lease payments.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

For the short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.12 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.13 Financial Assets

2.13.1 Classification

The Company classifies its financial assets in the following measurement categories:

- (i) Those measured subsequently at fair value through profit or loss (in case of investments in mutual funds)
- (ii) Those measured at amortised cost.

2.13.2 Measurement

Initial Recognition Measurement

Financial assets are recognised when the Company becomes party to the contract. The Company measures a financial asset initially at its fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price.

2.13.3 Subsequent Measurement

2.13.3.1 Investments

Investments are subsequently measured at Fair value through Profit and loss. Income or loss from these financial assets is included in other income or other expenses.



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forming part of Financial Statements as at and for the year ended March 31, 2026

2.13.3.2 Other Financial Assets

After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR method). Amortised cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

2.13.4 Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 7.2 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires Expected Credit Losses (ECL) to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition.

2.13.5 Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

2.14 Financial Liabilities

2.14.1 Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

2.14.2 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.14.3 Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

2.14.4 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.14.5 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15 Derivative Financial Instruments

The Company enters into forward contract to manage its exposure to foreign currency exchange risks. These derivative contracts that do not qualify for hedge accounting under Ind AS 109, are initially recognised at fair value on the date the contract is entered into and subsequently measured through at profit or loss. Gains or loss arising from changes in the fair value of the derivative contracts are recognised in statement of profit and loss.

2.16 Dividend to Shareholders

Final dividend proposed and distributed to equity shareholders is recognised only in the financial year in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognised when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognised in the Statement of Changes in Equity.

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2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.18 Segment Information

The Company has identified "Domestic Appliances" as a only reportable segment based on the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

2.19 Prior Period

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in notes forming part of Financial statements.

2.20 Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified as operating, investing and financing activities.

2.21 Critical Estimates & Judgements

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

2.22 Rounding of Amounts

All amounts disclosed in the financial statements and notes are presented in INR Lakh and has been rounded off to two decimals as per the requirements of Division II of schedule III to the Act, unless otherwise stated.



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3.1 Property, plant and equipment and Intangible assets

i) Property, plant and equipment

Particulars	₹ in Lakhs									
	Freehold land	Buildings	Plant and Equipment	Tools and Dies	Electrical Installations and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total	
Gross Block Value										
Balance as at April 01, 2024	4,075.03	3,451.56	5,661.25	3,528.76	861.15	956.82	827.85	136.55	19,498.97	
Additions for the year	-	53.09	118.36	106.20	51.85	1.72	7.12	148.54	486.88	
Deductions during the year	-	-	717.43	248.66	70.21	261.13	262.39	43.41	1,603.23	
Balance as at March 31, 2025	4,075.03	3,504.65	5,062.18	3,386.30	842.79	697.41	572.58	241.68	18,382.62	
Additions for the year	-	192.64	609.77	593.85	67.93	1.77	157.57	101.79	1,725.32	
Deductions during the year	-	8.09	0.78	-	8.33	1.26	-	13.14	31.60	
Balance as at March 31, 2026	4,075.03	3,689.20	5,671.17	3,980.15	902.39	697.92	730.15	330.33	20,076.34	
Accumulated Depreciation and Impairment										
Accumulated balance as at April 01, 2024	-	970.50	2,520.62	1,822.91	434.68	726.75	460.51	32.34	6,968.31	
Depreciation charge for the year	-	125.96	659.16	420.43	71.91	49.29	147.92	29.69	1,504.36	
Deductions during the year	-	-	626.24	248.65	68.78	261.00	257.46	24.03	1,486.16	
Accumulated balance as March 31, 2025	-	1,096.46	2,553.54	1,994.69	437.81	515.04	350.97	38.00	6,986.51	
Depreciation charge for the year	-	204.86	395.74	465.43	99.37	47.52	160.77	51.61	1,425.30	
Deductions during the year	-	1.06	0.21	-	3.10	0.24	-	1.85	6.46	
Accumulated balance as March 31, 2026	-	1,300.26	2,949.07	2,460.12	534.08	562.32	511.74	87.76	8,405.35	
Net Block Value										
As at March 31, 2026	4,075.03	2,388.94	2,722.10	1,520.03	368.31	135.60	218.41	242.57	11,670.99	
As at March 31, 2025	4,075.03	2,408.19	2,508.64	1,391.61	404.98	182.37	221.61	203.68	11,396.11	

ii) Right-of-Use assets

Particulars	₹ in Lakhs		
	Plant & Machinery	Building	Total
Gross Block Value			
Balance as at April 01, 2024	656.28	-	656.28
Additions for the year	-	1,384.23	1,384.23
Deductions during the year	89.00	-	89.00
Balance as at March 31, 2025	567.28	1,384.23	1,951.51
Additions for the year	-	195.24	195.24
Deductions during the year	-	-	-
Balance as at March 31, 2026	567.28	1,579.47	2,146.75

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Particulars	₹ in Lakhs			
	Plant & Machinery	Building	Product Development	Total
Accumulated Depreciation and Impairment				
Accumulated balance as at April 01, 2024	79.79	-	-	79.79
Depreciation charge for the year	41.09	461.41	-	502.50
Deductions during the year	25.52	-	-	25.52
Accumulated balance as March 31, 2025	95.36	461.41	-	556.77
Depreciation charge for the year	35.93	574.12	-	610.05
Deductions during the year	-	-	-	-
Accumulated balance as March 31, 2026	131.29	1,035.53	-	1,166.82
Net Block Value				
As at March 31, 2026	435.99	543.94	-	979.93
As at March 31, 2025	471.92	922.82	-	1,394.74

iii) Other intangible assets

Particulars	₹ in Lakhs				
	Usage Right of Trade Mark	Trade Mark and License	Computer Software	Product Development	Total
Gross Block Value					
Balance as at April 01, 2024	176.00	4,297.50	514.75	99.11	5,087.36
Additions for the year (acquired separately)	-	-	5.73	-	5.73
Additions for the year (internally generated)	-	-	-	12.85	12.85
Deductions during the year	-	-	218.25	-	218.25
Balance as at March 31, 2025	176.00	4,297.50	302.23	111.96	4,887.69
Additions for the year (acquired separately)	-	-	32.85	-	32.85
Additions for the year (internally generated)	-	-	-	257.20	257.20
Deductions during the year	-	-	-	-	-
Balance as at March 31, 2026	176.00	4,297.50	335.08	369.16	5,177.74
Accumulated Depreciation and Impairment					
Accumulated balance as at April 01, 2024	128.00	1,910.00	434.14	15.14	2,487.28
Depreciation charge for the year	16.00	238.75	19.98	27.84	302.57
Deductions during the year	-	-	218.25	-	218.25
Accumulated balance as March 31, 2025	144.00	2,148.75	235.87	42.98	2,571.60
Depreciation charge for the year	16.00	238.75	21.20	83.68	359.63
Deductions during the year	-	-	-	-	-
Accumulated balance as March 31, 2026	160.00	2,387.50	257.07	126.66	2,931.23
Net Block Value					
As at March 31, 2026	16.00	1,910.00	78.01	242.50	2,246.51
As at March 31, 2025	32.00	2,148.75	66.36	68.98	2,316.09

Notes:

In the opinion of the management, there are no events or changes in circumstances that indicate the impairment of property, plant and equipment and intangible Assets in terms of Ind AS 36 'Impairment of Assets'. Accordingly, no provision for impairment has been made.

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forming part of Financial Statements as at and for the year ended March 31, 2026

3.2 Movement of Capital work-in-progress & Intangible Assets under development

(i) CWIP movement

Particulars	₹ in Lakhs	
	2025-26	2024-25
As at April 01	786.61	552.52
Add: Additions during the year	909.99	621.79
Less: Capitalised during the year	1,472.54	329.34
Less: Other adjustment	13.55	58.36
As at March 31	210.51	786.61

(ii) CWIP Ageing schedule

As at March 31, 2026	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	113.37	11.84	15.45	69.85	210.51
Projects temporarily suspended	-	-	-	-	-
Total	113.37	11.84	15.45	69.85	210.51

As at March 31, 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	377.67	158.13	7.63	-	543.43
Projects temporarily suspended	-	115.69	89.58	37.91	243.18
Total	377.67	273.82	97.21	37.91	786.61

(iii) Intangible assets under development ('IAUD')

(i) IAUD movement

Particulars	₹ in Lakhs	
	2025-26	2024-25
As at April 01	405.17	266.45
Add: Additions during the year	134.34	204.84
Less: Capitalised during the year	265.80	18.58
Less: Other adjustment	102.68	47.54
As at March 31	171.03	405.17

(ii) IAUD Ageing schedule

As at March 31, 2026	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	81.32	89.71	-	-	171.03
Projects temporarily suspended	-	-	-	-	-
Total	81.32	89.71	-	-	171.03

As at March 31, 2025	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	352.78	-	-	-	352.78
Projects temporarily suspended	-	-	-	52.39	52.39
Total	352.78	-	-	52.39	405.17

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forming part of Financial Statements as at and for the year ended March 31, 2026

3.3 Other Financial Assets - Non-Current

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Long-Term Security Deposit	402.19	365.12
Deposits with Authorities	68.86	40.14
Interest Accrued on Fixed Deposit	43.04	-
Corporate Deposit with Financial Institutions	2,000.00	-
Total	2,514.09	405.26

3.4 Other Non-Current Assets

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Capital Advances (net)	232.40	189.36
Other Receivables	7.83	11.68
Total	240.23	201.04

3.5 Inventories

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(At lower of cost and net realisable value)		
Raw Materials and Components	3,714.23	3,087.07
Work in Progress	990.54	1,087.39
Finished Goods	5,437.74	4,025.87
Traded Goods	3,740.67	2,254.25
Stores & Other Components	549.00	561.04
Total	14,432.18	11,015.62

3.5.1 Includes Goods-in-transit

	202.76	349.14
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Note - Refer note no 19(a) for details of assets given as security for working capital facility availed.

3.6 Investments - Current

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Investments in Mutual Funds (Quoted)		
SBI Mutual Fund		
- Liquid Fund Nil units (Previous Year 25065.534 units)	-	1,016.65
- Savings Fund Nil units (Previous Year 689325.945 units)	-	300.57
Aditya Birla Sun Life Mutual Fund		
- Liquid Fund Nil units (Previous Year 217116.279 units)	-	909.12

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forming part of Financial Statements as at and for the year ended March 31, 2026

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
- Money Market Fund 644768.154 units (Previous Year 247584.826 units)	2,528.58	910.30
Tata Mutual Fund		
- Liquid Fund 19645.488 units (Previous Year Nil units)	854.52	-
- Money Market Fund 59666.67 units (Previous Year 52308.174 units)	3,006.68	2,467.02
Nippon India Mutual Fund		
- Liquid Fund Nil units (Previous Year 22405.618 units)	-	1,422.06
- Money Market Fund 57403.700 units (Previous Year Nil units)	2,525.79	-
Axis Mutual Fund		
- Liquid Fund Nil Units (Previous Year 17620.165 units)	-	508.09
- Money Market Fund 224595.006 units (Previous Year 64568.859 units)	3,396.31	914.27
LIC Mutual Fund - Direct Growth Option 32177.865 units (Previous Year Nil units)	405.46	-
Total	12,717.34	8,448.08

3.6.1 Aggregate amount of Quoted Investments

- Cost	12,500.00	8,300.00
- Market Value	12,717.34	8,448.08

Notes:

- The investments is in compliance with Section 186(4) of the Companies Act, 2013.
- Refer Note 6.4 for information about fair value measurement and Note 7.1 for credit risk of investments and Note 7.4 for other price risk.

3.7 Trade Receivables

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Trade Receivables (valued at amortised cost)		
Considered Good - Secured	153.44	147.73
Considered Good - Unsecured	5,776.49	6,292.28
Have Significant increase in Credit Risk	265.04	2,170.62
Credit impaired	245.59	243.52
	6,440.56	8,854.15
Less:		
Impairment for Trade Receivable under expected credit loss model	385.99	684.02
Total	6,054.57	8,170.13

Notes:

- The net carrying value of trade receivables is considered a reasonable approximation of fair value.
- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.
- Trade receivables are interest bearing and are generally on credit terms of 42 to 60 days. The Company does not hold any collateral security, except security deposits incase of select customers.
- Refer Note 7 for information about the Company's exposure to financial risks, and details of impairment losses for trade receivables and fair values.
- Details with respect to Related Parties details are disclosed in Note 16
- Refer Note 19(a) for details of assets given as security for working capital facility availed.

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forming part of Financial Statements as at and for the year ended March 31, 2026

3.7.1 Trade Receivables Ageing Schedule

As at March 31, 2026	₹ in Lakhs						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,269.66	2,660.27	-	-	-	-	5,929.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	161.83	103.21	-	-	265.04
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	226.85	18.74	245.59
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	3,269.66	2,660.27	161.83	103.21	226.85	18.74	6,440.56
Less:							
Impairment for Trade Receivable under expected credit loss model	25.57	14.76	23.19	76.88	226.85	18.74	385.99
Total	3,244.09	2,645.51	138.64	26.33	-	-	6,054.57

As at March 31, 2025	₹ in Lakhs						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,209.35	2,230.66	-	-	-	-	6,440.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	181.48	1,989.14	-	-	2,170.62
(iii) Undisputed Trade Receivables – credit impaired	-	49.10	47.54	120.53	26.35	-	243.52
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	4,209.35	2,279.76	229.02	2,109.67	26.35	-	8,854.15
Less:							
Impairment for Trade Receivable under expected credit loss model	-	90.48	65.57	501.62	26.35	-	684.02
Total	4,209.35	2,189.28	163.45	1,608.05	-	-	8,170.13

3.8 Cash and Cash Equivalents

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
i) Balances with Banks	1,300.35	966.70
ii) Cash on Hand	0.32	-
Total	1,300.67	966.70



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forming part of Financial Statements as at and for the year ended March 31, 2026

3.9 Bank Balances other than Cash and Cash Equivalents

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Earmarked balances with banks		
Bank Balances held as Margin Money	51.57	404.95
Unpaid Dividend account	27.34	27.41
Total	78.91	432.36

3.10 Other Current Financial Assets

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Corporate Deposits with Financial Institutions	1,100.00	-
Interest Accrued on Fixed Deposit	22.10	3.40
Derivative Asset	10.10	-
Total	1,132.20	3.40

3.11 Other Current Assets

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Balances with Indirect tax authorities	522.86	253.21
Prepaid Expenses	399.55	219.49
Advances to Suppliers	491.98	148.54
Rent Advance	132.57	247.32
Loans and Advances to Employees	3.46	34.10
Others	622.58	147.06
Total	2,173.00	1,049.72

Note: Others includes Contract Assets of ₹ 572.20 Lakhs

3.12 Equity Share Capital

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
4,00,00,000 Equity Shares of ₹10/- each	4,000.00	4,000.00
Total	4,000.00	4,000.00
Issued, Subscribed And Paid Up		
1,78,79,551 Equity Shares of ₹10/- each, Fully Paid Up	1,787.96	1,787.96
Total	1,787.96	1,787.96

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forming part of Financial Statements as at and for the year ended March 31, 2026

3.12.1 Reconciliation of the equity share outstanding at the beginning and at the end of the year/period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Outstanding at the beginning of the year	1,78,79,551	1,787.96	1,78,79,551	1,787.96
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,78,79,551	1,787.96	1,78,79,551	1,787.96

3.12.2 Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

3.12.3 Shares held by holding Company and/or their subsidiaries/associates

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Crompton Greaves Consumer Electricals Limited (Holding Company)	1,34,09,663	1,340.97	1,34,09,663	1,340.97

3.12.4 Details of Shareholders Holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	% of Holding	Nos.	% of Holding
Crompton Greaves Consumer Electricals Limited	1,34,09,663	75.00%	1,34,09,663	75.00%

3.12.5 There are no bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

3.12.6 There are no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

3.12.7 Disclosure of Shareholding of Promoters

Promoter Name	As at March 31, 2026		
	No. of Shares	% of Total Shares	% Change during the year
Crompton Greaves Consumer Electricals Limited	1,34,09,663	75.00%	-

Promoter Name	As at March 31, 2025		
	No. of Shares	% of Total Shares	% Change during the year
Crompton Greaves Consumer Electricals Limited	1,34,09,663	75.00%	-

NOTES

forming part of Financial Statements as at and for the year ended March 31, 2026

3.13 Other Equity

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
General Reserve	538.56	538.56
Security Premium	9,701.53	9,701.53
Capital Reserve	1.73	1.73
Capital Redemption Reserve	142.10	142.10
Retained Earnings	24,951.03	20,387.25
Revaluation Surplus	80.08	80.08
Other Comprehensive Income (OCI)	22.79	(111.29)
Total	35,437.82	30,739.96

Note: For movements in reserves - refer Statement of Changes in Equity.

Nature and purpose of reserves

General Reserve

General reserve was created for declaration of dividends as per statutory requirement.

Security Premium

Security Premium represents premium on preferential shares issued (net of issue expenses).

Capital Reserve

Capital reserve was created on forfeiture of shares as per statutory requirement.

Capital Redemption Reserve

Capital redemption reserve was created on Redemption of Preference Shares as per statutory requirement.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, net-off any transfers to general reserve, dividends or other distributions paid to shareholders.

Revaluation Surplus

Represents Net gains arising on the revaluation of the Company's properties (other than investment properties). On disposal of the asset, the balance of the revaluation reserve is transferred to retained earnings.

Non-Current Liabilities

3.14 Lease Liability - Non-Current

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Lease Liability	764.45	1,223.56
Less: Current Maturities of Lease Liability	698.75	544.38
Total	65.70	679.18

3.15 Long-Term Provisions

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Provision for Compensated Absences	248.52	272.65
Total	248.52	272.65

NOTES

forming part of Financial Statements as at and for the year ended March 31, 2026

3.16 Deferred Tax Assets/(Liabilities)

3.16.1 Recognised Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are attributable to the following:

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liability		
Property, Plant and Equipment	710.81	861.06
Others	17.43	37.27
Right-of-Use Assets	246.63	351.03
Sub Total	974.87	1,249.36
Deferred Tax Assets		
Provision for Bad and Doubtful Debts	97.15	172.15
Provision for Advances	10.63	20.90
Remeasurements of defined benefit plan actuarial gains/(losses) - OCI	45.10	86.56
Employee Benefits	280.22	191.00
Lease Liability (ROU Assets)	192.40	307.94
Sub Total	625.50	778.55
Net Deferred Tax Liabilities	(349.37)	(470.81)

Movement in Deferred Tax balances during the period ended March 31, 2026

Particulars	₹ in Lakhs			
	Balance As at April 01, 2025	Recognised in Profit & Loss	Recognised in OCI	Balance As at March 31, 2026
Property, Plant and Equipment	(861.06)	150.25	-	(710.81)
Right-of-Use Assets	(351.03)	104.40	-	(246.63)
Provision for Advances	20.90	(10.27)	-	10.63
Provision for Bad and Doubtful Debts	172.15	(75.02)	-	97.13
Remeasurement of Defined Benefit Plan	86.56	3.64	(45.10)	45.10
Employee Benefits	191.00	89.22	-	280.22
Lease Liability (ROU Assets)	307.94	(115.54)	-	192.40
Others	(37.27)	19.86	-	(17.41)
Total	(470.81)	166.54	(45.10)	(349.37)

Movement in Deferred Tax balances during the year ended March 31, 2025

Particulars	₹ in Lakhs			
	Balance As at April 01, 2024	Recognised in Profit & Loss	Recognised in OCI	Balance As at March 31, 2025
Property, Plant and Equipment	(1,017.73)	156.67	-	(861.06)
Right-of-Use Assets	(145.09)	(205.94)	-	(351.03)
Provision for Advances	31.44	(10.54)	-	20.90
Provision for Bad and Doubtful Debts	227.60	(55.45)	-	172.15
Financial Guarantee	0.49	(0.49)	-	0.00
Remeasurement of Defined Benefit Plan	73.91	31.43	(18.78)	86.56
Employee Benefits	159.81	31.19	-	191.00
Lease Liability (ROU Assets)	94.00	213.94	-	307.94
Others	(0.87)	(36.40)	-	(37.27)
Total	(576.44)	124.41	(18.78)	(470.81)

Unrecognised Deferred Tax Assets - Nil (P.Y Nil)

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forming part of Financial Statements as at and for the year ended March 31, 2026

3.16.2 Tax Recognised in Other Comprehensive Income

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Defined benefit plan Actuarial Gains	45.10	18.78
Total	45.10	18.78

3.16.3 Reconciliation of Effective Tax Rates

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	₹ in Lakhs	Rate	₹ in Lakhs	Rate
Profit Before Tax	6,125.89		4,394.68	
Computed Expected Tax Expenses - Normal Provision	1,541.76	25.17%	1,106.05	25.17%
Tax Effect of				
Non-deductible expenses	21.73	0.35%	24.47	0.56%
Others	(1.39)	-0.02%	123.32	2.81%
Total	1,562.11	25.50%	1,253.84	28.53%
(Excess) Tax Provision for earlier years	-	-	(112.47)	-2.56%
Tax expense as per statement of Profit and Loss Account	1,562.11	25.50%	1,141.37	25.97%

As the Company is liable to pay tax under normal provisions of the Income Tax Act 1961, the effective tax rate reconciliation has been presented as per the rate applicable for Current Tax.

3.17 Lease Liability - Current

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Current Maturities of Lease Liability	698.75	544.38
Total	698.75	544.38

3.18 Trade Payables

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises; and	3,885.94	2,197.38
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	6,668.60	4,410.44
Total	10,554.54	6,607.82

3.18.1 Trade Payables Ageing Schedule

Refer below

- Details as required under MSME Act, 2006 - Refer Note 9
- Details with respect to Related Parties details are disclosed in Note 16
- Details with respect to Supplier Finance Arrangement are disclosed in Note 21

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forming part of Financial Statements as at and for the year ended March 31, 2026

As at March 31, 2026	Outstanding for following periods from due date of Payment					Total
	No Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	3,885.94	-	-	-	-	3,885.94
(ii) Others	4,414.53	2,211.33	14.28	6.73	21.73	6,668.60
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	8,300.47	2,211.33	14.28	6.73	21.73	10,554.54

As at March 31, 2025	Outstanding for following periods from due date of Payment					Total
	No Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	2,197.38	-	-	-	-	2,197.38
(ii) Others	3,157.15	1,204.41	18.87	30.01	-	4,410.44
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	5,354.53	1,204.41	18.87	30.01	-	6,607.82

3.19 Other Financial Liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Creditors for Capital Goods and Services*	111.49	86.57
Unclaimed Dividends	27.34	27.41
Payable to Employees	639.51	560.36
Security Deposits from Customers	239.12	240.48
Derivative Liabilities	-	2.38
Provision for Expenses	3,853.65	2,904.04
Total	4,871.11	3,821.24

* Includes payable to MSME ₹ 96.64 Lakhs (PY ₹ 10.09 Lakhs)

3.20 Other Current Liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Statutory Liabilities	417.15	580.42
Advance from Customers	410.68	412.36
Others	79.71	225.84
Total	907.54	1,218.62



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forming part of Financial Statements as at and for the year ended March 31, 2026

3.21 Short Term Provision

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity (Refer Note: 12.1.(b))	486.67	273.73
Provision for Compensated Absences	3.30	26.32
Provision for Warranties	383.56	340.91
Total	873.53	640.96

3.22 Current Tax Liabilities (net)

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Provision for Income Tax	1,763.08	1,388.12
Less: Advance Tax and Tax Deducted at Source	1,635.76	1,180.67
Total	127.32	207.45

4.1 Revenue From Operations

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Sale of Products	93,121.20	85,350.13
Sale of Services	0.86	0.87
Other Operating Revenue - Scrap Sales	1,165.09	1,100.02
Other Operating Revenue - Export benefits and other incentives	28.15	52.07
Total	94,315.30	86,503.09

4.2 Other Income

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Change in fair value of Financial Assets	69.25	148.08
Gain on sale of Financial Assets	458.22	218.56
Interest income	214.63	186.23
Profit on Sale of Asset	-	1.58
Exchange Fluctuation (net)	26.20	28.01
Other Income	59.75	35.05
Liabilities no longer required written back	2.87	27.13
Total	830.92	644.64

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forming part of Financial Statements as at and for the year ended March 31, 2026

4.3 Cost of Materials Consumed

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Stock		
Raw Materials and Components	3,648.11	3,929.08
Add: Cost of		
Raw Materials and Components	46,672.68	41,834.18
Processing Charges	2,504.74	2,166.43
Less: Closing Stock		
Raw Materials and Components	4,263.23	3,648.11
Total	48,562.30	44,281.58

4.4 Changes in Inventories of Finished Goods, Stock in trade and Work in progress

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Balance		
Work in Progress	1,087.39	1,036.56
Finished Goods	4,025.87	4,084.04
Stock in Trade	2,254.25	4,223.19
Less Closing Balance		
Work in Progress	990.54	1,087.39
Finished Goods	5,437.74	4,025.87
Stock in Trade	3,740.67	2,254.25
Net (increase)/decrease	(2,801.44)	1,976.28

4.5 Employee Benefits Expense

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Salaries, Wages, Bonus etc. (including payment to contractors)	10,121.37	9,152.07
Contribution to Provident and Other Funds	539.57	485.73
Staff Welfare Expenses	1,262.28	795.30
Total	11,923.22	10,433.10

4.6 Finance Costs

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest Cost	86.60	378.77
Interest Expense on Lease Liability	88.19	120.84
Other Borrowing Cost - Processing Fee	4.54	19.07
Total	179.33	518.68

Interest cost includes Interest cost on Financial Liabilities measured at Amortised cost of ₹78.19 Lakhs and Interest on account of income tax ₹ 8.41 Lakhs.

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forming part of Financial Statements as at and for the year ended March 31, 2026

4.7 Depreciation and Amortisation Expense

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation/Amortisation for the year/period		
- Tangible Assets	2,035.35	2,006.86
- Intangible Assets	359.63	302.57
Total	2,394.98	2,309.43

4.8 Other Expenses

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Power and Fuel	855.26	843.66
Rent	132.50	386.14
Repairs and Maintenance		
- Buildings	16.54	46.13
- Machinery	343.58	309.66
- Others	746.73	663.06
Freight and Forwarding (Including Warehouse Charges)	4,245.95	4,265.57
Insurance	43.03	75.03
Rates and Taxes	228.25	311.98
Travel and Conveyance	818.35	794.92
Communication	26.96	39.21
Payment made to Auditors	41.79	35.69
Professional and Consultancy Charges	771.54	401.59
Advertisement, Publicity and Sales Promotion Expenses	6,994.99	4,968.05
After Sales Service Expenses	951.43	1,027.66
Royalty	41.71	45.74
Bank Charges	23.14	70.44
Bad debts/(reversal) of provision for doubtful debts (net)	(143.96)	596.41
Assets impaired/written off	13.84	-
Extended producers responsibility	149.03	156.89
Miscellaneous Expenses	310.56	325.35
Total	16,611.22	15,363.18

Notes:

- During the year, the Company has capitalised expense of ₹ 125.74 Lakhs under Product Development & Intangible assets under development as a Development cost as per Ind AS 38.
- Repairs and Maintenance others includes ₹ 52.39 Lakhs Intangible Asset under development written off.
- Miscellaneous Expenses includes ₹ 27.63 Lakhs Advances written off during the year.

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Note 4.8.1 Payment made to Auditors

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
As Auditor		
i. Audit Fees for Statutory Audit	26.50	26.50
ii. Audit Fees for Tax Audit	7.5	7.5
iii. Taxation Matters	4	0
iv. Out of Pocket Expenses	3.79	1.69
Total	41.79	35.69

Note: 4.8.2: Professional & Consultancy charges includes Directors sitting fee ₹ 15.60 Lakhs (PY ₹ 38.70 lakhs) and Director's commission ₹ 54.76 Lakhs (PY ₹ 29.61 Lakhs)

4.9 Exceptional Items

Particulars	₹ in Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Provision for Gratuity and Leave Encashment (Refer Note: 20)	159.18	-
Total	159.18	-

5 Other Financial Information

5.1 Contingent Liabilities:

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(To the extent not provided for)		
Central Excise / Customs {of which previous year ₹ 3.31 lakhs have been paid under protest} – Refer Note below	-	66.24
VAT / Sales Tax {of which ₹ 26.48 lakhs (Previous Year ₹ 26.48 lakhs) have been paid under protest}	63.96	128.66
Goods and Services Tax {of which ₹ 17.11 lakhs (Previous Year ₹ 6.19 lakhs) have been paid under protest}	210.55	78.86
Claims against company not acknowledged as debts (Refer Note: 3 below)	299.97	10.32
Extended Producer Responsibility (Refer Note: 4 below)	476.32	-
Total	1,050.80	284.08

Note: Above contingent liabilities exclude the demands raised by the Central Excise Department on earlier assessment aggregating to ₹1,899.67 lakhs which have been allowed in favour of the Company by the CESTAT. The department has filed an appeal with the Honourable Supreme Court, which is pending disposal.

Notes:

- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters pending resolution of the arbitration/apellate proceedings.
- The Company has disputed various demands raised by tax authorities in respect of Customs, GST as well as pre-GST levies such as sales tax and VAT. These cases are pending before appropriate appellate authorities. The management, based on its evaluation and legal advice, believes that the likelihood of an outflow is not probable at this stage. Therefore, these liabilities have not been recognised in the books of account and are disclosed as contingent liabilities.
- Claims against the Company not acknowledged as debts represent various claims made by third parties in respect of contractual obligations, commercial disputes and other matters. The management, based on legal advice, does not consider these claims as valid liabilities and has therefore not recognised any provision in the financial statements.



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The ultimate outcome of these matters is subject to judicial processes and accordingly these have been disclosed as contingent liabilities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

4. As per E-waste (Management) Rules, 2022, as amended, the company has an obligation to complete the Extended Producer Responsibility (EPR) targets. The Company has fulfilled its obligation for the current financial year at the rates prevailing/charged in the market by the EPR agencies. Further, Central Pollution Control Board ("the Board") of India has notified higher floor prices for exchange of EPR certificates, which has been legally challenged before the Honourable Delhi High Court by several producers in similar businesses. Since the matter is sub judice, the liability arising from difference between the floor prices notified by the Board and the rates prevailing/charged in the market is disclosed as a contingent liability

5.2 Capital Commitments

Capital commitments represent the estimated value of contracts entered by the Company for acquisition of property, plant and equipment and other capital assets, which remain to be executed as at the balance sheet date. These obligations are contractual in nature and are not recognised as liabilities since the related assets have not yet been received or the services have not yet been rendered. Accordingly, these are disclosed as commitments and indicate future cash outflows.

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Capital Commitments (net of advance)	418.64	278.86

6 Disclosures in respect of Ind AS 107 - Financial Instruments

6.1. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

As at March 31, 2026	₹ in Lakhs		
	Amortised Cost	Financial Assets/ Liabilities at fair value through profit or loss (Mandatory Designation)	Total Fair Value
Financial Assets			
Non-Current financial assets			
Non-Current Investment	-	-	-
Other Non-Current Financial Assets	2,514.09	-	2,514.09
Current financial assets			
Current Investment	-	12,717.34	12,717.34
Current Trade Receivables	6,054.57	-	6,054.57
Cash & Cash Equivalents	1,300.67	-	1,300.67
Other Bank Balances	78.91	-	78.91
Other Financial Assets	1,122.10	10.10	1,132.20
Total	11,070.34	12,727.44	23,797.78
Financial Liabilities			
Non-Current financial liabilities			
Lease Liabilities	65.70	-	65.70
Current financial liabilities			
Lease Liabilities	698.75	-	698.75
Trade Payables	10,554.54	-	10,554.54
Other Current Financial Liabilities	4,871.11	-	4,871.11
Total	16,190.10	-	16,190.10

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As at March 31, 2025	₹ in Lakhs		
	Amortised Cost	Financial Assets/ Liabilities at fair value through profit or loss (Mandatory Designation)	Total Fair Value
Financial Assets			
Non-Current financial assets			
Non-Current Investment	-	-	-
Other Non-Current Financial Assets	405.26	-	405.26
Current financial assets			
Current Investment	-	8,448.08	8,448.08
Current Trade Receivables	8,170.13	-	8,170.13
Cash & Cash Equivalents	966.70	-	966.70
Other Bank Balances	432.36	-	432.36
Other Financial Assets	3.40	-	3.40
Total	9,977.85	8,448.08	18,425.93
Financial Liabilities			
Non-Current financial liabilities			
Lease Liabilities	679.18	-	679.18
Current financial liabilities			
Lease Liabilities	544.38	-	544.38
Trade Payables	6,607.82	-	6,607.82
Other Current Financial Liabilities	3,818.86	2.38	3,821.24
Total	11,650.24	2.38	11,652.62

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short-term nature.

6.2 Fair Value Hierarchy

The fair value of financial instruments as referred to in note 6.1 above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- **Level 1** - Quoted prices (unadjusted) in active markets for identical Assets or Liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

6.3 Valuation Technique used to determine Fair Value:

Specific valuation techniques used to value financial instruments include:

1. Use of quoted market prices for Listed instruments
2. Expected credit loss model valued by the independent valuer

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6.4 The following table presents fair value hierarchy of Assets and Liabilities measured at fair value:

Particulars	As at March 31, 2026				As at March 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Asset								
Investments in Quoted Mutual Funds	12,717.34	-	-	12,717.34	8,448.08	-	-	8,448.08
Derivative Asset	10.10			10.10				
Financial Liability								
Derivative Liabilities	-	-	-	-	2.38	-	-	2.38

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2026 and March 31, 2025

7 Financial Risk Management

The Company is primarily exposed to fluctuation in Market risk, Credit risk and Liquidity risk. The Company has a risk management policy which addresses the risk associated with the financial asset and liabilities.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee (RMC) for identification, evaluation and mitigation of operations, strategic and external risks. RMC has the overall responsibility for monitoring and recovering the Risk Management Plan and associated practices of the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The RMC 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 committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

7.1 Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of investments. Thus, Company's exposure to market risk is a function of investing and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Market risk comprises two types of risks.

7.1.1 Foreign Currency Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit or Loss, other comprehensive income and equity.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Currently the Company follows a policy of hedging 100% of its trade payables. On an overall basis, the Company has hedged 98.85% of its foreign exchange exposure thus minimising the currency risk.

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Sensitivity analysis of foreign currency risk for as estimated fluctuation of +/- 5% to the outstanding foreign currency exposure is provided below:

Foreign Currency Exposure	FC in Lakhs		FC in Lakhs	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
USD	3.44	1.17	1.20	6.73
GBP	-	-	0.12	-

Sensitivity at the year end	FC in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Receivables:		
Weakening of INR by 5%	6.16	28.54
Strengthening of INR by 5%	(6.16)	(28.54)
Payables:		
Weakening of INR by 5%	(15.73)	(4.99)
Strengthening of INR by 5%	15.73	4.99

Amount in bracket represents additional cash outflow. Other amounts represent additional cash inflow.

7.1.2 Interest Rate Risk

The Company is exposed to short-term and long-term borrowings. Long-term borrowing's interest rates are fixed and not subject to any interest rate risk. Short-term borrowings, being working capital loans, are subject to interest rate fluctuation based on the performance and external credit rating of the Company.

At the reporting date the interest rate profile of the Company's interest – bearing financial instruments as follows:

Particulars	FC in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Fixed Rate Instruments		
Financial Asset		
- Bank Deposits	51.57	404.95
- Corporate Deposits with Financial Institution	3,100.00	-
Financial Liabilities		
- Lease Liability	764.45	1,223.56

7.2 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in mutual funds and cash and cash equivalents.

The maximum exposure to credit risk was ₹ 19,253.06 and ₹ 17,023.47, as at 31st March, 2026 and 31st March, 2025 respectively, being the total carrying value of trade receivables, investments and other financial assets (Security deposit, Deposits with Authorities and Derivative Assets)

The Company makes provision on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

Trade Receivables:

The Company has outstanding trade receivables amounting to ₹ 6,054.57 lakhs and ₹ 8,170.13 Lakhs as of March 31, 2026, and March 31, 2025, respectively. Trade receivables are unsecured in nature, except to the extent of security deposits received from the distributors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Default on account of Trade Receivables happens when the counterparty fails to make contractual payment when they fall due.



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Credit risk is managed by the Company by continuous monitoring of overdue receivables and also by making adequate provision towards expected credit loss in the books of account as per the simplified approach stated in the accounting policy.

Expected credit loss provision matrix provided below:

Particulars	Overdue Period		
	Within the credit period	0-180 days	More than 180 days
Trade Receivables			
- 31.03.2026	0.78%	0.55%	67.69%
- 31.03.2025	-	3.97%	25.10%

Credit Risk Exposure:

An analysis of age of trade receivables at each reporting date is summarised as follows:

Particulars	₹ in Lakhs			
	As at March 31, 2026		As at March 31, 2025	
	Gross	Impairment	Gross	Impairment
Within the credit period	3,269.66	25.57	4,209.35	-
0 to 180 days	2,660.27	14.76	2,279.77	90.48
More than 180 days	510.63	345.66	2,365.03	593.54
Total	6,440.56	385.99	8,854.15	684.02

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	684.02	1,185.17
Add: Provided/(Reversal) for the year (Net)	(143.96)	596.41
Less: Utilisation for the year	(154.07)	(1,097.56)
As at the end of the year	385.99	684.02

7.3 Liquidity Risk

Liquidity needs of the Company are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from the operations and bank borrowings.

The Company manages the liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues and repayment of loans arising during the normal course of business as of each reporting date. The Company meets its short-term liquidity requirements primarily through efficient working capital management and by accessing additional and alternative credit facilities available in the financial market. The Company has acceptances in line with supplier's financing arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

The Company assesses long-term liquidity requirements on a periodical basis and manages them through internal accruals and bank borrowings.

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The table below provides details regarding the contractual cash outflow for financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company is required to pay.

As at March 31, 2026	₹ in Lakhs					Total
	On demand and less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	
Security Deposits	239.12	-	-	-	-	239.12
Trade Payables	10,554.54	-	-	-	-	10,554.54
Other Financial Liabilities	4,631.99	-	-	-	-	4,631.99
Lease Liability	378.87	354.26	68.06	-	-	801.19

As at March 31, 2025	₹ in Lakhs					Total
	On demand and less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	
Security Deposits	240.48	-	-	-	-	240.48
Trade Payables	6,607.82	-	-	-	-	6,607.82
Other Financial Liabilities	3,580.76	-	-	-	-	3,580.76
Lease Liability	311.50	311.50	713.36	-	-	1336.36

7.4 Other Price Risk

The Company is mainly exposed to the other price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At 31st March, 2026, the investment in mutual funds amounts to ₹ 12,717.34 Lakhs (31st March 2025: ₹ 8,448.08 Lakhs). These are exposed to price risk. The Company has laid policies and guidelines which it adheres to minimise price risk arising from investments in mutual funds. A 1% increase/(decrease) in prices would increase the equity and profit or loss by the amounts shown below.

Sensitivity Analysis of 1% change in price:

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Impact on profit/loss		
Increase by 1%	127.17	84.48
Decrease by 1%	(127.17)	(84.48)

8 Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity.

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The Company's adjusted net debt-to-equity ratio of March 31, 2026, was as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Total Debt*	764.45	1,223.56
Total Equity	37,225.78	32,527.92
Debt to Equity Ratio	0.02	0.04

*Total Debt represents lease liabilities.

9 Disclosures Required Under the "Micro, Small and Medium Enterprises Development Act, 2006"

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year		
Principal	3,885.94	2,197.38
Interest	8.21	8.21
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	8.21	8.21
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Micro & small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

This information has been given in respect of such vendors to the extent they could be treated as 'Micro and Small Enterprises' on the basis of information available with the Company on which the Auditors have relied upon.

10 Disclosure in respect of Indian Accounting Standard (Ind AS)-115 "Revenue from Contracts with Customers"

a) Disaggregation of Revenue:

Particulars	₹ in Lakhs	
	2025-26	2024-25
LPG Stoves	27,114.26	24,395.74
Mixer Grinder	33,096.59	29,722.03
Tabletop Wet Grinder	10,650.72	10,305.48
Pressure Cooker	20,707.46	15,909.78
Others	2,746.27	6,170.06
Total Revenue from Contract with Customers	94,315.30	86,503.09

b) Contract liabilities such as advance from customers and liability for schemes are given below.

Contract Liabilities	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Advance from Customers	410.68	412.36
Liability for Scheme	6,481.08	4,257.92

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c) Reconciliation of Revenue recognised with the contracted price and adjustments:

Particulars	₹ in Lakhs	
	2025-26	2024-25
Revenue as per contracted price	1,03,394.75	94,431.35
Less: Cash Discount	457.74	620.07
Less: Schemes & Commissions	9,814.95	8,460.27
Total revenue from contract with customers	93,122.06	85,351.01
Add: Export benefits and other incentives	28.15	52.07
Add: Scrap sales	1,165.09	1,100.02
Total revenue from operations	94,315.30	86,503.09

11 Disclosure in respect of Indian Accounting Standard (Ind AS)-116 "Leases"

a) Following are the changes in carrying value of liabilities.

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	1,223.56	373.48
Additions	188.78	1,346.05
Finance cost accrued during the year	88.19	120.84
Adjustments for disposals	-	-
Payment of lease liabilities	(736.08)	(616.81)
Balance as at the end of the year	764.45	1,223.56

b) Following amount were recognised as expense:

Particulars	₹ in Lakhs	
	2025-26	2024-25
Depreciation of right of use assets	610.05	502.50
Expense relating to short term leases	1,584.18	927.20
Interest on lease liabilities	88.19	120.84
Total amount recognised in statement of Profit & Loss	2,282.42	1,550.54

c) Maturity analysis of lease liabilities under Ind AS 116 (undiscounted)

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Less than 3 months	191.19	155.75
3 months to 6 months	187.68	155.75
6 months to 1 year	354.26	311.50
1 year to 5 years	68.06	713.36

d) Amounts recognised in statement of Cash Flows

Particulars	₹ in Lakhs	
	2025-26	2024-25
Total Cash outflow for leases	736.08	616.81

- e) Company applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.
- f) The lease agreements do not impose any restrictions or covenants other than the security interests in the leased assets that are held by the lessor.

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12 Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

12.1 General description of various defined employee’s benefits schemes are as under:

a) Provident Fund:

The Company’s Provident Fund (defined contribution fund) is managed by Regional Provident Fund Commissioner. The Company pays fixed contribution to provident fund at pre-determined rate.

b) Gratuity:

Gratuity is a defined benefit plan, in respect of past services provided by the employees is quantified based on the actuarial valuation.

The scheme is funded by the Company and the liability is recognised on the basis of contribution payable to the insurer. Disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit and Loss, Other Comprehensive Income (OCI) and Balance Sheet and other disclosures are as under:

Movement in Defined Benefit Obligation:

Particulars	₹ in Lakhs	
	2025-26	2024-25
Defined Benefit Obligation at the beginning of the year	1,144.68	1,060.82
Current Service Cost	219.54	163.89
Interest Cost	76.24	74.75
Past Service Cost	159.05	-
Benefits Paid	(115.17)	(176.81)
Re-measurements - Actuarial Loss/(Gain)	(179.91)	(77.97)
Defined Benefit Obligation at the end of the year	1,304.43	1,144.68

The Average duration of the defined benefit obligation at the end of the reporting period is 11.15 Years (Previous Year 11.20 Years)

Movement in Plan Asset:

Particulars	₹ in Lakhs	
	2025-26	2024-25
Fair value of Plan Assets at the beginning of the year	870.95	896.09
Employer Contributions	4.69	95.41
Benefits Paid	(115.16)	(176.81)
Re-measurements – Return on Plan Assets	58.01	59.62
Re-measurements - Actuarial (Loss) / Gain	(0.73)	(3.36)
Fair value of Plan Assets at the end of the year	817.76	870.95

Amount Recognised in Statement of Profit and Loss

Particulars	₹ in Lakhs	
	2025-26	2024-25
Current Service Cost	215.77	163.89
Net Interest on Net Defined Benefit Liability	18.23	15.13
Past Service Cost	159.05	-
Expenses recognised in the statement of profit and loss	393.05	179.02

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Amount recognised in Other Comprehensive Income (OCI)

Particulars	₹ in Lakhs	
	2025-26	2024-25
Actuarial Loss/(Gain) due to assumption changes	(179.91)	(77.97)
Difference between Actual Return and Interest Income on Plan Assets- Loss / (Gain)	0.73	3.36
Actuarial Loss/(Gain) recognised in OCI	(179.18)	(74.61)

Sensitivity Analysis

Particulars	Change in Assumption	₹ in Lakhs	
		As at March 31, 2026	As at March 31, 2025
Discount Rate	+0.50%	(59.15)	(58.46)
	-0.50%	63.88	59.34
Salary Growth Rate	+0.50%	63.87	59.68
	-0.50%	(59.67)	(59.50)

Actuarial Assumption

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Discount Rate	7.48%	6.66%
Rate of Salary Increase	7.00%	7.00%
Attrition Rate	3.00%	3.00%
Retirement Age	58 Years	58 Years
Average Future Service	14 Years	12.9 Years

Expected Benefit Payments

Sr. No.	Year of payment	₹ in Lakhs	
		As at March 31, 2026	As at March 31, 2025
1	Year 1	91.09	48.49
2	Year 2	47.98	92.80
3	Year 3	73.16	59.52
4	Year 4	93.00	81.71
5	Year 5	105.40	80.80
6	Next 5 Years	552.10	503.77

Category of Investment in Plan Assets

Category of Investment	% of fair value of plan assets
Insurer Managed Funds (LIC)	100% (PY 100%)

NOTES

forming part of Financial Statements as at and for the year ended March 31, 2026

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

13 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

a) Information about major customers

Since the Company primarily operates in one segment – Domestic appliances and there is no reportable Geographical segment either.

The Company has derived revenues from two customer which amount to more than 10 per cent of Company's revenues, the details are given below:

Particulars	₹ in Lakhs	
	2025-26	2024-25
Customers (Nos)	2	-
Revenue	24,306.78	-

b) Information about Geographical area:

The Company is Domiciled in India. The amount of its revenue from external customers broken down by location of customers is tabulated below:

Particulars	₹ in Lakhs	
	2025-26	2024-25
India	93,294.46	84,266.46
Outside India	1,020.84	2,236.63
Total	94,315.30	86,503.09

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
India	15,519.20	16,499.75
Outside India	-	-
Total	15,519.20	16,499.75

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forming part of Financial Statements as at and for the year ended March 31, 2026

14 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share (EPS)"

a) Basic EPS

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Particulars	₹ in Lakhs	
	2025-26	2024-25
Profit for the year, attributable to the owners of the Company	4,563.78	3,253.31
Earnings used in calculation of basic earnings per share (A)	4,563.78	3,253.31
Weighted average number of ordinary shares for the purpose of basic earnings per share (B)	1,78,79,551	1,78,79,551
Basic EPS = (A/B) (Face Value of ₹10 per share)	25.53	18.20

b) Diluted EPS

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	₹ in Lakhs	
	2025-26	2024-25
Profit for the year, attributable to the owners of the Company	4,563.78	3,253.31
Earnings used in calculation of diluted earnings per share (A)	4,563.78	3,253.31
Weighted average number of ordinary shares for the purpose of diluted earnings per share (B)	1,78,79,551	1,78,79,551
Diluted EPS = (A/B) (Face Value of ₹10 per share)	25.53	18.20

15 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

Warranty:

The Company gives warranties on certain products and services, undertaking to repair / replace products, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligation on account of repair / replacement. The timing of outflows is expected to be within a period of one to five years.

Movement of provision for Warranty:

2025-26	₹ in Lakhs				
	Balance as at April 01, 2025	Additions during the year	Utilisation during the year	Reversal during the year	Balance as at March 31, 2026
Provision for Warranties	340.91	263.44	220.79	-	383.56

2024-25	₹ in Lakhs				
	Balance as at April 01, 2024	Additions during the year	Utilisation during the year	Reversal during the year	Balance as at March 31, 2025
Provision for Warranties	361.89	255.81	276.79	-	340.91

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forming part of Financial Statements as at and for the year ended March 31, 2026

16 Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”

Holding Company

Crompton Greaves Consumer Electricals Limited (CGCEL)

Fellow Subsidiaries (Subsidiary of CGCEL)

1. Pinnacles Lighting Project Private Limited
2. Nexustar Lighting Project Private Limited
3. Crompton CSR Foundation

Name of post-employment benefit plans with whom transactions were carried out during the year

Butterfly Gandhimathi Appliances Limited Employees Group Gratuity Trust Fund

Key Managerial Personnel

FY 2025-26	FY 2024-25
Mr. P. M. Murty – Chairman, Non- Executive Independent Director	Mr. P. M. Murty – Chairman, Non- Executive Independent Director
Mr. Shantanu Maharaj Khosla – Non-Independent Director Retired w.e.f. 31.12.2025	Mr. Shantanu Maharaj Khosla – Non-Independent Director
Mr. Promeet Ghosh – Non-Independent Director	Mr. Promeet Ghosh – Non-Independent Director
Ms. Maheshwari Mohan – Independent Director Retired w.e.f. August 20, 2025	Ms. Maheshwari Mohan – Independent Director
Ms. Smita Anand – Independent Director	Ms. Smita Anand – Independent Director
Mr. Kaleeswaran Arunachalam – Non-Independent Director	Mr. Kaleeswaran Arunachalam – Non-Independent Director
Mr. Nithyanandam Anandkumar – Non-Independent Director	Mr. Nithyanandam Anandkumar – Non-Independent Director
Mr. K.E. Ranganathan – Independent Director	Mr. K.E. Ranganathan – Independent Director
Ms. Swetha Sagar G – Manager & Chief Business Officer	Ms. Swetha Sagar G – Manager & Chief Business Officer (Appointed w.e.f. June 15, 2024.)
Mr. V.A. Joseph– Chief Financial Officer (CFO)	Mr. V.A. Joseph– Chief Financial Officer (CFO)
Mr. Jayant Barde – Company Secretary & Compliance Officer -- Appointed w.e.f. May 13, 2025	
Mr. Viral Sarvaiya – Company Secretary & Compliance Officer (Resigned w.e.f April 7, 2025)	Mr. Rangarajan Sriram – Managing Director Resigned w.e.f. June 14, 2024
--	Mr. M. Padmanabhan – Independent Director Retired w.e.f. July 31, 2024
--	Mr. A. Balasubramanian – Independent Director Retired w.e.f. July 31, 2024
--	Mr. G.S. Samuel – Independent Director Retired w.e.f. July 31, 2024
--	Mr. T.R. Srinivasan – Independent Director Retired w.e.f. July 31, 2024
--	Mr. Viral Sarvaiya – Company Secretary & Compliance Officer

NOTES

forming part of Financial Statements as at and for the year ended March 31, 2026

Compensation to Key Managerial Persons (KMP)

16.1 Managerial Remuneration:

i. Directors: -

Particulars	₹ in Lakhs	
	2025-26	2024-25
Short-term benefits	70.60*	128.07*
Post-employment benefits (PF)	-	-
Termination benefits	-	-
Other Long-term benefits	-	-
Total	70.60	128.07

*Short-term benefits for the current year include Directors’ sitting fees and commission of ₹ 15.60 Lakhs and ₹ 55.00 Lakhs respectively (previous year: ₹ 38.70 Lakhs and ₹ 38 Lakhs respectively). It also includes secondment cost debited by Holding Company ₹ Nil (PY ₹ 51.37 Lakhs).

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Payable	-	-
Commission Payable to Independent Directors	55.00	38.00

ii. Others (CFO,CS & Manager): -

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Remuneration and Short-term Benefits	311.71*	268.72*
Post-employment benefits	-	-
Total	311.71	268.72

*Represents secondment cost debited by Holding Company.

Note: Liabilities for post-retirement benefits being Gratuity, Leave encashment and Post retirement medical benefits are provided on actuarial basis for the Company as a whole. The amount pertaining to Key management personnel are not included above.

Transactions during the year and outstanding balances

a) Holding Company

Transactions during the year

Sr. No.	Particulars	₹ in Lakhs	
		2025-26	2024-25
Purchase and Services Received		2,263.82	889.03
1	- Purchase	1,469.76	-
	- Secondment Cost	729.69	743.81
	- Royalty	41.71	45.74
	- Warehouse	-	-
	- Others	22.66	99.48
Sales and Services Provided		2,808.52	3,218.74
2	- Sales and Services	2,771.51	3,116.57
	- Secondment Cost	37.01	101.97
	- Others	-	0.20
Total		5,072.34	4,107.77

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forming part of Financial Statements as at and for the year ended March 31, 2026

Outstanding balances

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Receivable	-	334.71
Payable	1,303.48	-

Fellow Subsidiary

Particulars	₹ in Lakhs	
	2025-26	2024-25
Amount transferred for spending against specified activities	74.94	64.50

17 Details of CSR Expenditure

Particulars	₹ in Lakhs	
	2025-26	2024-25
a. Gross amount required to be spent during the year	77.64	75.91

Particulars	₹ in Lakhs			
	2025-26		2024-25	
b. Amount spent during the year	In Cash	Yet to be Paid in Cash	In Cash	Yet to be Paid in Cash
i. Construction/acquisition of any asset	-	-	-	-
ii. On purposes other than (i) above	77.94	-	76.50	-

Particulars	₹ in Lakhs	
	2025-26	2024-25
c. Amount Spent on CSR Activities during the Year		
Promotion of education	3.00	12.00
Transfer to Crompton CSR Foundation (Related Party) (Refer note 16)	74.94	64.50

d. CSR Activity	₹ in Lakhs	
	Board Approved limit	
Promoting Education & Infrastructure development	15.00	
Community Development	59.00	
Monitoring Impact Assessment	2.00	
Administration	4.00	
Total	80.00	

18 Ratios

Key Ratios of the Company are summarised below.

As at March 31, 2026

Ratio	Numerator	Denominator	Numerator	Denominator	Current period	Previous period	Variance (%)	Reason for variance (more than 10%)
Current ratio	Current Assets	Current Liabilities	37,888.87	18,032.79	2.10	2.31	(8.93)	
Debt equity ratio	Total Debt	Shareholders fund	764.45	37,225.78	0.02	0.04	(45.41)	Reduction in debt is majorly on account of reduction in lease liability
Debt service coverage ratio	Earnings available for Debt Service	Debt Service	7,138.09	736.08	9.70	9.86	(1.64)	

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forming part of Financial Statements as at and for the year ended March 31, 2026

Ratio	Numerator	Denominator	Numerator	Denominator	Current period	Previous period	Variance (%)	Reason for variance (more than 10%)
Return on equity ratio	Net Profit after Tax	Avg. Shareholders fund	4,563.78	34,876.85	0.13	0.11	24.18	Increase in profit is due to control over expenses, pricing actions and favorable sales mix
Inventory turnover ratio	Cost of Goods Sold	Avg. Inventory	57,752.40	12,723.90	4.54	4.46	1.83	
Trade receivables turnover ratio	Net Credit Sales	Avg Accounts Receivable	94,315.30	7,112.35	13.26	10.28	28.99	Reduction in receivable balance is due to lower overdue as compared to previous year.
Trade payables turnover ratio	Net Credit Purchases	Avg Trade Payables	61,168.96	8,581.18	7.13	5.49	29.88	Increase in creditors are due to increase in purchases as compared to previous year
Net capital turnover ratio	Net Sales	Working Capital	94,315.30	19,856.08	4.75	5.07	(6.34)	
Net Profit ratio	Net Profit	Net Sales	4,563.78	94,315.30	0.05	0.04	28.58	Increase in profit is due to control over expenses, pricing actions and favorable sales mix.
Return on capital employed	Earning Before Interest & Taxes	Capital employed (equity+ debt + Deferred tax Liability)	6,305.22	35,990.67	0.18	0.15	16.12	Increase is majorly due to increase in profitability

19 Reconciliation of Quarterly returns furnished with the bank and books of accounts

a. Name of the Bankers - State Bank of India, IDBI

S.no.	Quarter	Amount as reported in the quarterly Return/ Statement	Amount as per Books of Accounts Mar 2025	Amount of differences	Reason for Material Discrepancies
1	Jun-25	15,975.00	15,975.00	-	
2	Sep-25	17,446.00	17,446.00	-	
3	Dec-25	13,806.00	13,806.00	-	
4	Mar-26	9,932.00	9,932.00	-	

b. The Company has been sanctioned a working capital facility of ₹ 4,000 Lakhs, by SBI Bank, valid up to October 23, 2026, ₹2,000 Lakhs by IDBI valid up to October 13, 2026, and ₹4,000 Lakhs by ICICI bank valid up to May 26, 2026. The outstanding balance as on March 31, 2026 - ₹ Nil (Previous Year - ₹ Nil). This facility is secured by way of a hypothecation of inventories and receivables on pari-passu first charge basis both present & future.

20 Labour Code, 2025

During the year, pursuant to the consolidation of 29 labour regulations into 4 New Labour Codes effective November 21, 2025, the company reassessed its employee benefit obligations and recognised an incremental liability of ₹159.18 Lakhs under Exceptional items.

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forming part of Financial Statements as at and for the year ended March 31, 2026

21 Supplier Finance Arrangement

The company has Supplier Finance Arrangements with various Financial Institutions, under which suppliers are paid before the due date and the company repays the amount to the Financial Institution No Guarantee or collateral are provided under the arrangement. The details of the transaction are given below

Particulars	₹ in Lakhs	
	As at March 31, 2026	As at March 31, 2025*
Carrying amount of liabilities		
Presented within trade and other liabilities	840.16	NA
Of which suppliers have received payment	840.16	NA
Presented within finance payables	-	NA
Of which suppliers have received payment	-	NA
Range of payment due dates:		
Liabilities that are part of the arrangements	30 to 45 days	NA
Comparable trade payables that are not part of the arrangements	30 to 45 days	NA

*The Company has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supply chain facility, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior periods.

22 Recent Ind – AS Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has notified following Amendment to Ind AS, applicable to the Company w.e.f. April 01, 2025

- Ind AS 21** – The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability
- Ind AS 12** – Income Taxes relating to International Tax Reform – Pillar Two Model Rules – Exception to recognition and disclosure of deferred tax.
- Amendments to Ind AS 7** – Cash flow statement and Ind AS 107 – Financial Instrument Disclosures relating to supplier finance arrangements.
- Ind AS 1** – Presentation of Financial Statements Classification of Liabilities as current or non-current and non-current liabilities with covenants.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

23 Additional Disclosures

Additional information and disclosures as required under Schedule III to the act to the extent applicable to the company has been disclosed.

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026.

NOTES

forming part of Financial Statements as at and for the year ended March 31, 2026

- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has neither declared nor paid any dividend during the year.
- Disclosure on number of layer of companies is not applicable as there are no such transactions.
- There are no scheme of arrangements approved by the Competent authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year.
- The title deeds of all of the immovable properties included in Property, Plant and Equipment are held in the name of the Company.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- There are no outstanding loans or advances in the nature of loans that are granted to Promoters, Directors, KMPs and the related parties.

24 Figures for the comparative period have been regrouped wherever necessary in conformity with the current period classification.

25 The Financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors at their meeting held on May 11, 2026

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP
Chartered Accountants
Firm Regn. No.: 009571N/N500006

G. N. RAMASWAMI
Partner
Membership No.: 202363

P.M. MURTY
Non- Executive Independent Chairman
DIN: 00011179

K.E.RANGANATHAN
Independent Director
DIN: 00058990

KALEESWARAN ARUNACHALAM
Director
DIN: 07625839

V. A. JOSEPH
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

JAYANT BARDE
Company Secretary & Compliance Officer
Membership No.: A61954



TUVINDIA

Independent Assurance Statement

To the Directors and Management,
Butterfly Gandhimathi Appliances Ltd,
143 Pudukkamm Village, Kelambakkam-Vandalur Road,
Kancheepuram district - 603103, Tamil Nadu, India

Butterfly Gandhimathi Appliances Ltd ("Butterfly" or the "Reporting Organization") engaged TUV India Private Limited ("TUVI") to perform an independent external assurance of the Business Responsibility and Sustainability Report ("BRSR") disclosures under Principle 6 (Businesses should respect and make efforts to protect and restore the environment), including the applicable Essential and Leadership Indicators thereunder, in its Annual Report for the period 1 April 2024 to 31 March 2025 and 1 April 2025 to 31 March 2026. This assurance statement is limited to the BRSR Principle 6 disclosures (the "Sustainability Information"). The preconditions for the engagement were assessed and met in accordance with ISAE 3000 (Revised): the subject matter is supported by suitable criteria, management has acknowledged its responsibilities, and sufficient appropriate evidence was expected to be available. The primary criterion is the SEBI BRSR framework (SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024); supplementary criteria comprise the GHG Protocol (WRI/WBCSD), and the engagement also had regard to Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015 and SEBI circulars SEBI/HO/CFD/CMD-2/P/CIR/2021/562 (10 May 2021), SEBI/LAD-NRO/GN/2023/131 (14 June 2023) and SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 (12 July 2023).

The engagement was a reasonable level of BRSR Core assurance and a limited level of assurance over BRSR non-core for the BRSR Principle 6 disclosures, conducted in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised).

Management's Responsibility

Butterfly has developed the Sustainability Information (based on the BRSR framework) and holds full responsibility for the collection, analysis, preparation, presentation and disclosure of the information in the BRSR, in both web-based and printed formats, including the maintenance and integrity of the website on which it is published. Management is responsible for ensuring the disclosed Principle 6 data is accurate, reliable and free from material misstatement, for archiving and reproducing it and making it available to stakeholders and regulators on request, and for complying with applicable laws.

Scope and Boundary

TUVI's engagement covered verification of the BRSR Principle 6 disclosures (contained in the BRSR, which forms part of the Annual Report and is also published as a standalone document), relating to the organization's environmental performance under Principle 6, as mandated by Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015.

The engagement involved review of the General, Management and Process disclosures and Butterfly's Principle 6 responses, assessment of the quality, clarity and completeness of the reported information, and verification of supporting evidence on a sample basis, providing reasonable assurance over the BRSR Principle 6 disclosures (including the applicable Essential and Leadership Indicators), consistent with SEBI LODR Reg. 34(2)(f), SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 (20 December 2024) and ISAE 3000 (Revised).

TUVI verified the Essential and Leadership Indicators under BRSR Principle 6 mapped below, which are subject to reasonable assurance in line with ISAE 3000 (Revised).

Principles	Essential Indicators	Leadership Indicators
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	1,2*,3,4,5,6,7,8,9,10,11,12*,13	1,2,3*,4*,5,6,7,8

Note:

*Marked indicators not applicable as per the nature of company's product and service offerings.

Notes:

Energy and GHG: Average electricity bills are considered for March-2026 for offices, guest house and warehouse,

Offices: - Chennai.

Water consumption in offices and warehouses: All warehouses and the offices located derived water consumption based on standard assumption of 45 lit/person/day to estimate water withdrawal account water consumption on actual basis.

Offices: -Butterfly Chennai Office.

Warehouse: - Chennai-Tiruvallur Warehouse.

Boundary Reconciliation: the ESG reporting boundary follows the operational control approach used for financial reporting, covering all sites under BUTTERFLY's operational control. Boundary changes during the reporting periods – including any acquisition or integration of sites and the cessation of the Mambakkam facility – have been treated under the operational control approach, and prior-year (FY 2024-25) figures have been reviewed for comparability on a consistent boundary basis, with any boundary changes appropriately disclosed.

Butterfly's manufacturing plant located at Pudukkamm and facility at Mambakkam (functional upto July-2025), 01 Corporate Office (Chennai), 01 Warehouse (Tiruvallur Warehouse - Chennai), and 01 Guest House (Pudukkamm) have been included within the BRSR reporting boundary. The Mambakkam facility was operational only until July 2025; accordingly, its environmental data for FY 2025-26 was captured solely for the part-period during which it remained under Butterfly's operational control and consolidated on a basis consistent with the operational control approach, with no data reported for the facility thereafter. No reporting period beyond FY 2024-25 and FY 2025-26 was within the scope of this engagement.

Limitations

TUVI performed no procedures on forward-looking or prospective information (targets, expectations, ambitions, goals or claims) and expresses no conclusion on it; consistent with SEBI's disclosure norms and the safe-harbour provisions, this

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statement does not assure any forward-looking statements, projections or targets, and actual results may differ materially. TUVI relied on financial figures from Butterfly's audited financial statements, for which Butterfly remains solely responsible. The procedures are subject to inherent limitations (estimates, assumptions, sampling and reliance on Butterfly's internal controls and data systems), so material misstatements or omissions may not be detected, particularly where disclosures involve estimation uncertainty or management judgment. TUVI applied a KPI-specific materiality approach with a 5% quantitative threshold on the applicable KPI base value (e.g. total emissions, energy, water), supplemented by qualitative considerations, so that material environmental issues are not understated by a uniform threshold. This 5% threshold is aligned with TUVI's assurance methodology and reflects TUVI's professional judgment, having regard to KPI materiality and stakeholder relevance. The application of this statement is limited with respect to SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 (12 July 2023) and the Industry Standards on Reporting of BRSR Core (circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, 20 December 2024). This statement does not endorse any environmental or social claims or advertisements by the organization and must not be used for greenwashing or misleading claims; it should be read in its entirety and does not cover value chain disclosures unless specifically included in scope.

Our Responsibility

TUVI's responsibility is to perform an assurance engagement as per agreed terms over the BRSR Principle 6 disclosures and express a conclusion based on the work performed, covering the non-financial quantitative and qualitative information disclosed by Butterfly. The engagement did not assess the adequacy or effectiveness of Butterfly's strategy or management of ESG issues, or the sufficiency of the BRSR against reporting principles, beyond the defined scope. The primary intended users are Butterfly's Board, shareholders and regulators; any other use is at the client's discretion. The engagement assumes the information provided by Butterfly is complete and true.

Assurance Methodology

TUVI adopted a risk-based approach, focusing verification on disclosures of high material relevance to Butterfly and its stakeholders, to assess the reliability and accuracy of the non-financial information, with emphasis on data management systems, internal controls and information flows. TUVI's activities included:

Document and data review: examination of documents, datasets and supporting evidence for the Principle 6 Essential and Leadership Indicators, and evaluation of the management approach and performance indicators.

Stakeholder interviews: interviews with key representatives (data owners, process managers and decision-makers), conducted onsite and remotely, including review of Butterfly's stakeholder engagement and materiality determination to validate qualitative statements.

Process and system assessment: review of systems and processes for implementing ESG policies and for collecting, managing and reporting quantitative and qualitative information, including data flows, aggregation procedures and supporting records, as part of substantive verification (not an opinion on the design or operating effectiveness of IT general controls or ESG application controls).

Substantive and control testing: walkthroughs of the principle 6 data flows and substantive procedures (document verification, recalculation, analytical review and traceability checks) for selected KPIs, providing sufficient appropriate evidence under ISAE 3000 (Revised). By category: (a) GHG – Scope 1 and Scope 2 emissions recalculated from primary fuel/energy data using IPCC/GHG Protocol factors, with fugitive-emission records reconciled; (b) Energy – meter readings cross-verified to utility bills and renewable-energy certificates and consumption mix validated; (c) Water – plant intake records traced to municipal invoices and groundwater permits, with office/warehouse estimation methodology reviewed; (d) Waste – hazardous and non-hazardous disposal reconciled to Pollution Control Board returns and third-party manifests.

Sampling: risk-based selection by materiality, misstatement risk, data complexity, estimation uncertainty and site contribution, prioritising high-impact locations and higher-risk KPIs.

Site verification coverage: verification combined onsite work at the Pudukkamm manufacturing plant with a complete desk review of Principle 6 environmental data across all sites within the reporting boundary. Scope 1 and Scope 2 GHG emissions, total energy, total water and total waste were covered at all sites, with samples weighted by site contribution (greater than 5% of KPI total) and inherent risk, giving 100% coverage of the key environmental KPIs and a fully evidenced basis for the reasonable assurance conclusion.

A KPI-specific materiality approach applied a 5% quantitative threshold to the volume-based KPIs (GHG, energy, water, waste). For estimation-based disclosures (office/warehouse water at 45 litres/person/day; average energy bills for offices, warehouse and guest house), the reported values carry a confidence range of ±10%, which TUVI factored into its conclusion. The ±10% range is based on management's engineering estimation of the standard consumption factors applied (such as the 45 litres/person/day water-use assumption and the average billed-energy basis), corroborated by historical variance analysis of actual consumption and consistent with industry practice for non-metered estimation. These estimation-based disclosures relate solely to the non-manufacturing sites (offices, warehouse and guest house), whose individual contribution to each environmental KPI total remains below the 5% materiality threshold; the Pudukkamm manufacturing plant, verified on an actual's basis, constitutes the predominant share of the assured KPI totals, so the aggregate effect of estimation on the assured figures is limited.

Reporting framework adherence: verified adherence to SEBI's BRSR guidelines and evaluated the disclosures against established reporting quality principles (including materiality, completeness, neutrality, reliability, comparability and clarity), enabling a balanced, evidence-based assurance aligned with ISAE 3000 (Revised).

Opportunities for Improvement

The following opportunities for improvement, which align with Butterfly management's existing objectives, were reported and are endorsed for continued implementation; Butterfly is encouraged to set measurable targets and track progress annually:

- i. Butterfly can accelerate its transition to renewable energy by progressively increasing the share of grid-renewable and on-site solar power in its manufacturing energy mix, supported by power-purchase agreements where feasible.
- ii. Butterfly can set and monitor quantified water-reduction targets at its manufacturing plant, supported by water-recycling and rainwater-harvesting initiatives, to reduce specific freshwater withdrawal.
- iii. Butterfly can improve waste diversion from landfill by strengthening segregation, reuse and recycling of non-hazardous waste and tracking diversion rates against annual improvement targets.

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Conflict of Interest

Consistent with SEBI's BRSR requirements, TUVI identifies and transparently discloses any relationships, affiliations or financial interests that could create a conflict of interest and implements measures to mitigate or manage them. TUVI maintains organizational safeguards – segregation of responsibilities, independent technical review, documented conflict-of-interest controls and oversight in accordance with ISO 14064-3:2019 and ISO 17029:2019 – ensuring impartiality despite performing scheme-owner, verifier and certification functions within the same organization, and confirms the engagement was performed under a system of quality management consistent with ISAE 3000 (Revised).

Our Conclusion

Engagement type: independent reasonable assurance over the BRSR Principle 6 disclosures (including the applicable Essential and Leadership Indicators), conducted in accordance with ISAE 3000 (Revised). Applicable criteria: the SEBI BRSR framework (circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, 20 December 2024) as primary and the GHG Protocol (WRI/WBCSD) as supplementary. TUVI applied professional judgment and scepticism throughout; the opinion on the effectiveness of internal controls is expressed for the principle 6 disclosures under reasonable assurance. The key controls assessed in support of this opinion comprise data-collection controls at source, data aggregation and consolidation controls, and review and approval (management sign-off) controls over the principle 6 disclosures.

Disclosures: in TUVI's opinion the reported disclosures generally meet the BRSR requirements, with general disclosures providing contextual information and the Management & Process disclosures describing the management approach for the principle 6 Essential and Leadership Indicators.

Reasonable Assurance Conclusion: Based on the procedures performed and evidence obtained, in our opinion, the BRSR Principle 6 Key Performance Indicators (KPIs) presented in Butterfly Gandhimathi Appliances Ltd.'s Annual Report for the period 01 April 2025 to 31 March 2026 have been prepared, in all material respects, in accordance with the applicable BRSR criteria, including the requirements of the SEBI BRSR framework, and fairly represent the BRSR Principle 6 disclosures within the defined scope without material misstatement. A detailed desk review and comprehensive verification of the reported data were conducted for the relevant Principle 6 parameters across the manufacturing plant, facility, office, warehouse and guest house within the reporting boundary, in line with the requirements of a reasonable assurance engagement.

BRSR complies with the below requirements

- Governance & connectivity: top-management messages, the business model, strategies, risk management and environmental protection and restoration priorities are disclosed appropriately, and the principle 6 indicators are presented with their inter-relationships and dependencies affecting Butterfly's ability to create value over time.
- Stakeholder responsiveness & materiality: the report describes mechanisms for communicating with key stakeholders and prioritising short-, medium- and long-term strategies, fairly represents the nature and quality of those relationships, and reflects a BRSR-compliant materiality assessment in which material Principle 6 issues and KPIs are adequately identified and reported.
- Reliability, conciseness & completeness: Butterfly's internal data aggregation and QA/QC systems support the disclosures; TUVI verified the majority of data on a sample basis and found it fairly accurate, neutral and free of material error, and clearly and concisely communicated.
- Consistency & comparability: the BRSR is presented annually in a reliable and complete manner. TUVI reviewed FY 2024-25 and FY 2025-26 data for the key Principle 6 KPIs (GHG emissions, energy, water and waste) and identified no material inconsistencies in methodology, boundary or approach that would impair comparability; methodological changes (boundary additions – Butterfly units) were appropriately disclosed by Butterfly.

Our Assurance Team and Independence

TUV India Pvt. Ltd. (TUVI) is an independent, neutral third-party assurance provider with qualified environmental and social specialists, and confirms its independence, impartiality and objectivity under ISAE 3000 (Revised) through conflict-of-interest checks, a documented code of ethics, separation of assurance and advisory functions, reviewer oversight and quality-control procedures. TUVI confirms it provided no non-assurance services to Butterfly that could create self-review, advocacy, familiarity or self-interest threats, that no engagement during the year compromised its independence, and that it was not involved in preparing the report content or underlying data other than this statement. The team comprised qualified professionals competent in GHG accounting and emissions verification, environmental and sustainability reporting frameworks, and non-financial assurance methodology under ISAE 3000 (Revised), ensuring the conclusions are supported by adequate technical expertise. Quality control: the engagement partner and team have the requisite expertise and competence and observe the principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour, supported by TUVI's quality-control system consistent with the International Standard on Quality Control.

For and on behalf of TUV India Private Limited




Date: 03/07/2026
Place: Mumbai, India
Project Reference No: 8124547282

Revision:04

Manojkumar Borekar
Product Head – Sustainability Assurance
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TUV India Private Limited

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