Crompton Greaves Limited
Registered Office:
CG House, 6th Floor, Dr Annie Besant Road, Worli, Mumbai 400 030, India
T: +91 22 2423 7777 F: +91 22 2423 7733 W: www.cgglobal.com
Corporate Identity Number: L99999MH1937PLC002641

Smart solutions.
Strong relationships.

Our Ref: COSEC/88/2017

September 1 , 2016

BY WEB-PORTAL

The Corporate Relationship Department
Stock Exchange, Mumbai
1st Floor, New Trading Ring
Rotunda Building
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Scrip Code : 500093

The Assistant Manager- Listing
National Stock Exchange of India
Exchange Plaza
Bandra Kurla Complex
Bandra East
Mumbai 400 051
Scrip Code : CROMPGREAV

Dear Sir,

REGULATION 34 (1)

Please find enclosed herewith the Annual Report of the Company for the year ended 31st March, 2016 approved at the Annual General Meeting held on Tuesday, 30th August, 2016.

We request you to kindly take the above information on record and acknowledge receipt of this letter.

Yours faithfully,

For Crompton Greaves Limited

Manojkoul

Manoj Koul
Company Secretary & Compliance Officer
ACS No. 16902

AVANTHA
GROUP COMPANY

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GROUP COMPANY

Smart solutions.
Strong relationships.

PLEASE NOTE: The Venue for the Meeting will be Swatantryaveer Savarkar Rashtriya Smarak (4th Floor), at Shivaji Park.

CROMPTON GREAVES LIMITED

(CIN : L99999MH1937PLC002641)

Registered Office:

6th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai 400 030.

Email: investorservices@cgglobal.com, **Website:** www.cgglobal.com

Phone: +91 22 24237777, **Fax:** +91 22 24237733

NOTICE

NOTICE is hereby given that the Seventy Ninth Annual General Meeting of the Members of CROMPTON GREAVES LIMITED will be held on Tuesday, 30 August 2016, at 3.00 p.m. at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai – 400 028, to transact the following business :

ORDINARY BUSINESS :

Adoption of Financial Statements

1. To consider and adopt :

   (a) the audited Stand-alone Financial Statements of the Company for the financial year ended 31 March 2016, the reports of the Board of Directors and Auditors thereon and

   (b) the audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2016 and the report of Auditors thereon.

Re-appointment of Director Retiring by Rotation

2. To appoint a Director in place of Dr Omkar Goswami (DIN 00004258), who retires by rotation and being eligible, offers himself for re-appointment.

Re-appointment of Director Retiring by Rotation

3. To appoint a Director in place of Mr Bhuthalingam Hariharan (DIN 00012432), who retires by rotation and being eligible, offers himself for re-appointment.

Appointment of Auditors

4. To appoint M/s Sharp & Tannan, Chartered Accountants, ICAI Registration No 109982W, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

Ratification of Remuneration to Cost Auditor

5. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification/s or re-enactment thereof for the time being in force), a remuneration of Rs 5 lacs plus taxes as applicable and reimbursement of out-of pocket expenses for the financial year ending 31 March 2017, to be paid to M/s Ashwin Solanki & Co., Cost Accountants as approved by the Board of Directors of the Company, be and is hereby ratified and confirmed."

Appointment of Director – Mr Neelkant Narayanan Kollengode (DIN 05122610)

6. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 152 and rules made thereunder and all other applicable provisions of the Companies Act, 2013 (including any statutory modification/s or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr Neelkant Narayanan Kollengode (DIN 05122610), who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, with effect from 3 February 2016 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Appointment of CEO and Managing Director – Mr Neelkant Narayanan Kollengode (DIN 05122610)

7. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force), appointment of Mr Neelkant Narayanan Kollengode as Chief Executive Officer and Managing Director of the Company be and is hereby approved with effect from 3 February 2016, for a period of 5 years, on the terms and conditions as set out in the Explanatory Statement annexed hereto.

   RESOLVED FURTHER THAT the Nomination and Remuneration Committee of the Board, without further approvals, be and it is hereby authorised to alter the terms and conditions and/or revise the remuneration package of Mr Neelkant Narayanan Kollengode, as and when necessary during his tenure as Chief Executive Officer and Managing Director, provided however, the remuneration does not exceed the limits prescribed under Section 197 read with Schedule V of the Act.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration as set out in the Explanatory Statement annexed hereto or the revised remuneration as approved by the Nomination and Remuneration Committee, as applicable be paid to Mr Neelkant Narayanan Kollengode as Minimum Remuneration, subject to such approvals as necessary, notwithstanding that such remuneration is in excess of the limits prescribed under Section 197 read with Schedule V of the Act."

Appointment of Director – Mr Madhav Acharya (DIN 02787445)

8. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 152 and rules made thereunder and all other applicable provisions of the Companies Act, 2013 (including any statutory modification/s or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr Madhav Acharya (DIN 02787445), who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, with effect from 1 April 2016 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Appointment of Whole-Time Director – Mr Madhav Acharya (DIN 02787445)

9. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force) appointment of Mr Madhav Acharya as Whole-time Director designated as Executive Director - Finance of the Company be and is hereby approved with effect from 1 April 2016 for a period of 5 years, on the terms and conditions as set out in the Explanatory Statement annexed hereto.

   RESOLVED FURTHER THAT the Nomination and Remuneration Committee of the Board, without further approvals, be and it is hereby authorised to alter the terms and conditions and/or revise the remuneration package of Mr Madhav Acharya, as and when necessary during his tenure as Executive Director - Finance, provided however, the remuneration does not exceed the limits prescribed under Section 197 read with Schedule V of the Act.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration as set out in the Explanatory Statement annexed hereto or the revised remuneration as approved by the Nomination and Remuneration Committee, as applicable be paid to Mr Madhav Acharya as Minimum Remuneration, subject to such approvals as necessary, notwithstanding that such remuneration is in excess of the limits prescribed under Section 197 read with Schedule V of the Act."

Appointment of Independent Director – Ms Ramni Nirula (DIN 00015330)

10. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**:

    "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Regulation 16 (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms Ramni Nirula (DIN 00015330), who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, with effect from 6 April 2016 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company, to hold office for five consecutive years, for a term up to 5 April 2021."

Sale of Non-India Transmission and Distribution (T&D) Businesses

11. To consider and if thought fit, to pass with or without modification/s, the following as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and subject to other applicable provisions, if any, of the Companies Act, 2013, Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act, 1999 and Regulations and notifications issued thereunder (including any statutory modification/s or re-enactment thereof for the time being in force) and the Memorandum and Articles of Association of the Company and subject to such other requisite approvals, consents, permissions and sanctions as may be required, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'Board', which term shall be deemed to include, unless the context otherwise requires, any Committee of the Board or any Director/s or officer/s authorised by the Board to exercise the powers conferred on the Board under this resolution) to divest by way of sale, transfer, lease, assign or otherwise dispose off (i) the entire investment of the Company in its subsidiary, CG Holdings Belgium NV including its subsidiaries and/or their identified assets and (ii) 51% shares in PT Crompton Prima Switchgear Indonesia held by the Company's subsidiary, CG International Holdings Singapore PTE Limited, at such price and on such terms and conditions as may be decided by the Board and in such manner as the Board deems appropriate as well as the means, methods or modes including the receipt of consideration thereof.

RESOLVED FURTHER THAT the Board be and it is hereby authorised to finalise and execute the required transactional documents including but not limited to Agreement(s) for sale, lease, license, transfer, transitional services, indemnities, guarantees, declarations, undertakings, forms, letters and such other documents with such modification/s as may be required from time to time and to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary and/or expedient in its discretion, to settle and finalise all issues as may be deemed necessary or expedient in its own discretion and in the best interest of the Company to give effect to the resolution for completion of the transaction, without being required to seek any further consent or approval of the Shareholders and to delegate all or any of the powers or authorities herein conferred to any Director/s or other Officer/s of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary."

Appointment of Joint Statutory Auditors

12. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 read with The Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification/s or re-enactment thereof for the time being in force), for the appointment of statutory auditors, M/s Chaturvedi & Shah, Chartered Accountants, ICAI Registration no. 101720W, be and are hereby appointed as Joint Statutory Auditors of the Company alongwith M/s Sharp & Tannan from the conclusion of 79th Annual General Meeting till the conclusion of 80th Annual General Meeting and as statutory auditors from the conclusion of 80th Annual General Meeting till 84th Annual General Meeting and the re-appointment of M/s Chaturvedi & Shah shall be subject to ratification by the Members at every Annual General Meeting to be held during the period.

RESOLVED FURTHER THAT the Board of Directors, or Audit Committee thereof, be and is hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Joint Statutory Auditors."

NOTES :

(a) ***Proxies :***

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, not less than 48 hours before the Meeting. A person can act as a proxy on behalf of members not more than 50 or such number of members holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

(b) ***Explanatory Statement :***

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the businesses under Item nos. 5 to 12 of the Notice, is annexed hereto. The relevant details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, of Dr Omkar Goswami and Mr Bhuthalingam Hariharan seeking re-appointment as Directors under Item Nos. 2 and 3 of the Notice, is also annexed.

(c) ***Book Closure :***

The Register of Members and share transfer books of the Company shall remain closed from Friday, 19 August 2016 to Tuesday, 30 August 2016, both days inclusive.

(d) ***Unclaimed Dividends :***

In terms of the provisions of Section 205A and Section 205C of the Companies Act, 1956, dividends for financial years prior to 2009-2010, which have remained unclaimed, have been transferred to the Investor Education and Protection Fund and General Revenue Account of the Central Government, as applicable. Dividends pertaining to the financial years 2009-2010 to 2015-2016 which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund. Members who have, till date, not encashed their dividend warrants for these years can claim the dividend from the Company.

In May/June every year, the Company sends reminders to Shareholders who have not claimed their dividends to collect their unclaimed dividend amounts. Shareholders can also view the status of their unclaimed dividend at Investor Access web portal available on the CG website www.cgglobal.com.

(e) ***Sending Notice and Annual Report through electronic means :***

(i) Electronic copy of the Annual Report for 2015-2016 and Notice of the 79th Annual General Meeting of the Company are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has specifically requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent in the permitted mode.

(ii) Members may also note that the Notice of the 79th Annual General Meeting and the Annual Report for financial year 2015-2016 will also be available on the Company's website www.cgglobal.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days, excluding Saturdays, upto the date of this Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id: investorservices@cgglobal.com.

(f) ***Electronic voting :***

In accordance with provisions of Section 108 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 the business at the General Meeting may be transacted through electronic voting system. The Company is providing a facility for voting by electronic means ("e-voting") to its members holding shares in physical or dematerialized form, as on the cut-off date, being Tuesday, 23 August 2016. The Company has engaged the services of National Securities Depository Limited ("NSDL") to provide e-voting facilities. Instructions for e-voting are indicated in the e-voting procedure accompanying the Notice.

Members may also note that the facility for voting, either through e-voting or polling paper shall also be made available at the Annual General Meeting and the members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Any person becoming the member of the Company after the dispatch of Notice of the Meeting and holding shares as on the cut-off date i.e. Tuesday, 23 August 2016 may obtain the user ID and password by referring to the e-voting instructions in the Notice which is available on the Company's website www.cgglobal.com and the website of NSDL, www.evoting.nsdl.com.

(g) ***Share Registrar & Transfer Agent :***

The Company's Share Registrar & Transfer Agent is **Datamatics Financial Services Limited** ('DFSL') located at Plot No. B-5, Part B Crosslane, MIDC Marol, Andheri (East), Mumbai 400 093.

Contact details of DFSL are provided in the Corporate Governance Report.

(h) ***Investors Services Department :***

In addition to the Share Registrar & Transfer Agent, our Investor Services Department, which is located at the Company's Corporate Office at 10th floor, CG House, Dr. Annie Besant Road, Worli, Mumbai - 400 030, will be happy to assist in case investors experience any difficulties in their interactions with DFSL.

The Investor Services Department remains open to shareholders from 2.00 p.m. to 5.00 p.m., Monday to Friday. The telephone number is (022) 24237805; email address is shirish.athalekar@cgglobal.com. In order to enable us to provide you with more effective service, we would appreciate if you could call upon our Investor Services Department during these hours only.

(i) ***Route Map :***

As per requirements of the Secretarial Standards on General Meetings, a route map showing directions to reach the venue for the 79th Annual General Meeting is given at the end of this Notice.

By Order of the Board

Manoj Koul
Company Secretary
Membership No. ACS 16902

Mumbai, 27 May 2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 5

The Board of Directors, on the recommendation of the Risk and Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2017.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2017.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution.

Item nos. 6 and 7

Mr Neelkant Narayanan Kollengode was appointed as an Additional Director on the Board of Directors of the Company with effect from 3 February 2016 and in terms of the provisions of Section 161 of the Companies Act, 2013, he holds office up to the date of this Annual General Meeting. A notice in terms of Section 160 of the Companies Act, 2013, has been received from a member, signifying his intention to propose Mr Neelkant's candidature for the office of Director of the Company.

Mr Neelkant is an electrical engineer from the University of Pune with subsequent Business Management programme from IIM-Bangalore and an Advanced Management Programme from ASCI-Hyderabad. Mr Neelkant has strong entrepreneurial skills, honed by his experience as a strategic and result-oriented business leader. Mr Neelkant leads the India business of the Company, which involves Power Systems in India and Industrial Systems, including the rotating machines, drives and automation business, in India and Europe.

Subject to the approval of the members, the Board of Directors, at its meeting held on 2 February 2016, also approved the appointment of Mr Neelkant as CEO and Managing Director of the Company, initially for a period of 5 years with effect from 3 February 2016, on the following terms and conditions as approved and recommended by the Nomination and Remuneration Committee of the Board :

Salary :

Rs 87.50 lacs per annum. (Annual increment will be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee each year which shall be merit based and will take into account the performance of Mr Neelkant against goals set by the Board as well as the performance of the Company).

Perquisites, Allowances and Reimbursements :

A basket of perquisites, allowances and reimbursements up to Rs 162.50 lacs per annum which would illustratively include the perquisites, allowances, reimbursements and other retiral benefits in terms of the Company's Rules or as may be mutually agreed upon, up to the above amount.

Performance Bonus (Variable Pay) :

Rs.125 lacs per annum, being 50% of Fixed Pay (comprising of salary, perquisites, allowances and reimbursements), payable on achievement of agreed business plan. 50% of Variable Pay to be paid in the year of grant and balance 50% to be paid in the second year from the year following the grant.

For the purpose of calculating the above ceilings, perquisites would be evaluated in accordance with valuation principles adopted for Indian Income-tax purposes or reasonable estimates with respect to personal use, as applicable.

Income-tax on the aforesaid remuneration package, as applicable, as per Indian Income-tax law, would be payable by the CEO and Managing Director. However, the Company may pay the income-tax on certain non-monetary perquisites as permitted by Income-tax law and approved by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee of the Board is authorised to alter the terms and conditions and/or revise the remuneration package, as and when necessary, without any further approvals, during the initial tenure of 5 years, up to the ceiling of 5% of the Company's net profits as prescribed under the Companies Act, 2013.

Minimum Remuneration :

Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of office of the CEO and Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as mentioned above as and by way of minimum remuneration, subject to requisite approvals being obtained in that behalf.

The Board considers that Mr Neelkant's continued association with the Company would be of immense benefit and accordingly, the Board recommends the Ordinary Resolutions in relation to appointment of Mr Neelkant as set out at Item nos. 6 and 7 of the accompanying Notice, for the approval by the shareholders of the Company.

Mr Neelkant does not hold any shares in the Company either in his individual capacity or beneficially for others and is not related to any Director or Key Managerial Personnel of the Company.

Except for Mr Neelkant, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution. This Explanatory Statement together with accompanying Notice may be regarded as a memorandum setting out terms of employment of Mr Neelkant under Section 190 of the Companies Act, 2013.

Item nos. 8 and 9

Mr Madhav Acharya was appointed as an Additional Director on the Board of Directors of the Company with effect from 1 April 2016 and in terms of the provisions of Section 161 of the Companies Act, 2013, he holds office up to the date of this Annual General Meeting. A notice in terms of Section 160 of the Companies Act, 2013, has been received from a member, signifying his intention to propose Mr Acharya's candidature for the office of Director of the Company.

Mr Acharya is an associate member of The Institute of Chartered Accountants of India and a Graduate Member of The Institute of Cost & Works Accountants of India. Mr Acharya has been honored with CFO Award 2010 for 'Best Performing CFO in the Capital Goods Sector' by CNBC TV18 and CFO100 recognition for 'Winning Edge in Raising Capital/Capital Restructuring' by CFO India in 2011.

Mr Acharya is the Chief Financial Officer (CFO) of the Company since 2009. He leads the Global Finance Function which includes Accounts, Treasury, Business Intelligence, MIS, M&A, IT and Administration. Mr Acharya has been part of Avantha Group for the past 12 years where he has held many senior management positions. He has been instrumental in various successful structuring initiatives and overseas acquisitions for the Company as well as for the Avantha Group.

Subject to the approval of the members, the Board of Directors, at its meeting held on 2 February 2016, also approved the appointment of Mr Madhav Acharya as Whole-time Director designated as Executive Director - Finance of the Company, initially for a period of 5 years with effect from 1 April 2016, on the following terms and conditions as approved and recommended by the Nomination and Remuneration Committee of the Board :

Salary :

Rs 94.42 lacs per annum. (Annual increment will be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee each year which shall be merit based and will take into account the performance of Mr Madhav Acharya against goals set by the Board as well as the performance of the Company).

Perquisites, Allowances and Reimbursements :

A basket of perquisites, allowances and reimbursements up to Rs 205.56 lacs per annum which would illustratively include the perquisites, allowances, reimbursements and other retiral benefits in terms of the Company's Rules or as may be mutually agreed upon, up to the above amount.

Performance Bonus :

30% of Fixed Cost-to-Company (which includes salary, perquisites, allowances and reimbursements), payable on achievement of multiple variables linked to Company's performance, function performance and individual performance.

For the purpose of calculating the above ceilings, perquisites would be evaluated in accordance with valuation principles adopted for Indian Income-tax purposes or reasonable estimates with respect to personal use, as applicable.

Income-tax on the aforesaid remuneration package, as applicable, as per Indian Income-tax law, would be payable by the Executive Director-Finance. However, the Company may pay the income-tax on certain non-monetary perquisites as permitted by Income-tax law and approved by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee of the Board is authorised to alter the terms and conditions and/or revise the remuneration package, as and when necessary, without any further approvals, during the initial tenure of 5 years, up to the ceiling of 5% of the Company's net profits as prescribed under the Companies Act, 2013.

Minimum Remuneration :

Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of office of the Executive Director - Finance, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as mentioned above as and by way of minimum remuneration, subject to requisite approvals being obtained in that behalf.

The Board considers that the appointment of Mr Madhav Acharya's as Executive Director-Finance would be of immense benefit to the Company and accordingly, the Board recommends the Ordinary Resolutions in relation to appointment of Mr Acharya as set out at Item nos. 8 and 9 of the accompanying Notice, for the approval by the shareholders of the Company.

Mr Acharya does not hold any shares in the Company either in his individual capacity, or beneficially for others and is not related to any Director or Key Managerial Personnel of the Company.

Except for Mr Acharya, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution. This Explanatory Statement together with accompanying Notice may be regarded as a memorandum setting out terms of employment of Mr M Acharya under Section 190 of the Companies Act, 2013.

Item no. 10

Ms Ramni Nirula was appointed as an Additional Director on the Board of Directors of the Company with effect from 6 April 2016 and in terms of the provisions of Section 161 of the Companies Act, 2013, she holds office up to the date of this Annual General Meeting. A notice in terms of Section 160 of the Companies Act, 2013, has been received from a member, signifying his intention to propose Ms Ramni Nirula's candidature for the office of Director of the Company.

Ms Ramni Nirula holds a Bachelor's Degree in Economics and a Master's degree in Business Administration from Delhi University. She has more than three decades of experience in the financial sector, beginning her career with the erstwhile ICICI Limited in 1976 in the project appraisal division. Since then, she has held various leadership positions in areas of Project Financing, Strategy, Planning & Resources and Corporate Banking.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms Nirula is proposed to be appointed as an Independent Director of the Company for five consecutive years, for a term upto 5 April 2021.

In the opinion of the Board, Ms Nirula fulfils the conditions for her appointment as an Independent Director as prescribed under the Companies Act, 2013 and rules made thereunder as well as Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board considers that Ms Nirula's continued association would be of immense benefit and accordingly, the Board recommends the Ordinary Resolution in relation to appointment of Ms Nirula as an Independent Director, for the approval by the shareholders of the Company.

Ms Nirula does not hold any shares in the Company either in her individual capacity or beneficially for others and is not related to any Director or Key Managerial personnel of the Company.

Except for Ms Nirula, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution.

Item no. 11

Crompton Greaves Limited (the 'Company') is a global engineering Corporation providing end-to-end solutions to utilities and industries for the management and application of efficient and sustainable electrical energy that enhance industrial productivity and sustainability. The Company at present is mainly engaged in business-to-business (B2B) segment that covers a) Transmission and Distribution business b) Automation Solutions and c) Industrial businesses. Transmission and Distribution (T&D) business comprises of Power Products, Systems and Services across India, America, Europe Middle East and Africa and in Indonesia.

In the recent past, the Company has been evaluating various strategic initiatives with the objective of optimizing the overall profitability of its operations. India is and will continue to be the focus of growth not only for the domestic market but as the manufacturing base for export of transformers and switchgears with the renewed emphasis of the Government of India to the Power sector in India and in particular having an efficient transmission and distribution facility. Compared to the international T&D business, the Company's operations in India has competitive advantages in manufacturing in India and it is therefore ideally placed to be dominantly India based global Company. In order to refocus on India operations, the Board considered it prudent to evaluate monetization options for its Non-India T&D business. Towards this, the Board has on 9 March 2016, subject to requisite regulatory and other consents and approvals, decided to divest the Company's power business in Europe, North America and Indonesia at an enterprise value of Euro 115 million. The offer comprises of sale of all shares held by the Company in its subsidiary CG Holdings Belgium NV (HBE), including its subsidiaries and their identified assets and also sale of 51% holding in PT Crompton Prima Switchgear Indonesia held by the Company's other subsidiary viz. CG International Holdings Singapore PTE Limited.

The divestment will enable the Company to reduce debt, refocus its synergies in the emerging Indian power transmission and distribution business and on it's Industrial Systems business which provide significant growth opportunities. Besides, the divestment is expected to improve the Company's Balance Sheet and enhance shareholder value.

In terms of Regulation 24 of the Securites and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, shareholders approval by passing a special resolution is required to give effect to this sale of its material subsidiary.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution except to the extent of their shareholding in the Company. Your directors recommend the adoption of the resolution at Item No.11 of the Notice as a Special Resolution.

Item no. 12

In the view of the mandatory rotation of Statutory Auditors requirement and to ensure smooth transition, it is proposed to appoint M/s Chaturvedi & Shah as Joint Statutory Auditors alongwith M/s Sharp & Tannan, the existing statutory auditors of the Company from the conclusion of 79^{th} Annual General Meeting till the conclusion of 80^{th} Annual General Meeting of the Company. Both the Auditors will be jointly and severally responsible during the financial year 2016-17.

M/s Chaturvedi & Shah are proposed to be appointed for a term of 5 continuous years. However from the conclusion of 80^{th} Annual General Meeting till the conclusion of 84^{th} Annual General Meeting, M/s Chaturvedi & Shah shall act a Statutory Auditors of the Company and their re-appointment shall be subject to ratification by the members at every Annual General Meeting to be held during the period. M/s Sharp & Tannan and M/s Chaturvedi & Shah have informed the Company vide their letters both dated 24 May 2016 respectively that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. M/s Sharp & Tannan and M/s Chaturvedi & Shah have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificates issued by the Peer Review Board of the ICAI. M/s Sharp & Tannan and M/s Chaturvedi & Shah have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non-audit assignments for the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 12 of the Notice for appointment of Joint Statutory Auditors.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution.

By Order of the Board

Manoj Koul
Company Secretary
Membership No. ACS 16902

Mumbai, 27 May 2016

ANNEXURE TO ITEMS 2, 3 and 6 to 10 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting

Pursuant to Regulation 36(3) of Securites and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	**Dr O Goswami** (Item No 2)	**Mr B Hariharan** (Item No 3)	**Mr KN Neelkant** (Item Nos 6 &7)	**Mr M Acharya** (Item Nos 8 & 9)	**Ms R Nirula** (Item No 10)
DIN	00004258	00012432	05122610	02787445	00015330
Nationality	Indian	Indian	Indian	Indian	Indian
Date of Appointment on the Board of Directors	27 January 2004	1 November 2012	3 February 2016	1 April 2016	6 April 2016
Qualifications	Master's Degree in Economics from Delhi School of Economics and D. Phil (Ph.D) from Oxford University, UK	Member of The Institute of Chartered Accountants of India, The Institute of Company Secretaries of India and The Institute of Cost and Works Accountants of India	Electrical engineer from the University of Pune, Business Management programme from IIM-Bangalore and Advanced Management Programme from ASCI-Hyderabad	Associate member of The Institute of Chartered Accountants of India and Graduate Member of The Institute of Cost and Works Accountants of India	Master's degree in Business Administration from Delhi University and Bachelor's Degree in Economics
Expertise in Specific Functional Areas	Over 29 years of rich experience in research on economic history, public finance and taxation, Indian economics, the economics of corruption and industrial economics. Corporate Advisor and Consultant	Over 31 years of rich experience in finance, M&A and turnaround projects	Over 20 years of rich experience in Strategy Formulation and Deployment, Project Management, Supply Chain Management and Manufacturing across sectors including infrastructure, power transmission & distribution and engineering	Finance, Accounts, Treasury, Business Intelligence, MIS, M&A, IT and Administration	Three decades of experience in Financial sector. Project Financing, Strategy, Planning & Resources and Corporate Banking
List of directorships held in other Companies	Dr. Reddy's Laboratories Limited, Ambuja Cements Limited, Cairn India limited, Godrej Consumer Products Limited, Bajaj Finance Limited, Hindustan Construction Company Limited, CERG Advisory Private Limited,	Avantha Holdings Limited, Avantha Power and Infrastructure Limited, Ballarpur Industries Limited, Bilt Graphic Paper Products Limited, CG Power Solutions Limited, Global Green Company Limited, Newquest Insurance Broking Service Limited,	Avantha Power & Infrastructure Limited, Avantha Energy Services Limited, Korba West Power Company Limited, Jhabua Power Investments Limited, Jhabua Power Limited, Malanpur Captive Power Limited, TKS Developers Limited,	CG Power Solutions Limited, CG International Holdings Singapore PTE Ltd, CG International BV, CG Middle East FZE, CG Holdings Belgium NV, CG-PPI Adhesive Products Limited, ZIV Aplicaciones y Tecnologia, S.L.	Jubilant Food Works Ltd, Eveready Industries India Limited, P.I Industries Ltd, McLeod Russel India Ltd, Sona Koyo Steering Systems Ltd, Avantha Ergo Insurance Company Limited, Utkarsh Micro Finance Pvt Ltd,

Name of the Director	Dr O Goswami (Item No 2)	Mr B Hariharan (Item No 3)	Mr KN Neelkant (Item Nos 6 &7)	Mr M Acharya (Item Nos 8 & 9)	Ms R Nirula (Item No 10)
	Max Healthcare Institute Limited, Infosys BPO Limited, IDFC Financial Holding Company Limited, DSP BlackRock Investment Managers Private Limited	Solaris Chemtech Industries Limited, Ballarpur International Holdings BV, Ballarpur Paper Holdings BV, Bilt Paper B.V., Ballarpur Speciality Paper Holdings BV, CG Holdings Belgium NV, Global Green International NV Belgium, Global Green USA Limited, Sabah Forest Industries Sdn, Bhd, Avantha Ergo Life Insurance Company Limited, Avantha Solutions Inc, Avantha Business Solutions Holdings Inc	CG-PPI Adhesive Products Limited, Crompton Greaves Consumer Products Limited, CG Holdings Belgium NV, CG Drives & Automation Netherlands BV, CG Drives & Automation Sweden AB, CG Electric Systems Hungary Zrt, CG Holdings Hungary Kft, CG Power Solutions UK Ltd, ZIV Aplicaciones y Tecnologia, S.L		Goldman Sachs Trustee Company (India) Pvt. Ltd, Avantha Holdings Limited, DCM Shriram Limited, DRN Investments and Agriculture Private Limited, TAMA Investment and Finance Private Limited
Chairperson/ Member in the Committees of the Boards of companies in which he/she is a Director*	**Member – Audit Committee** Dr. Reddy's Laboratories Limited, Ambuja Cements Limited, Cairn India limited, Godrej Consumer Products Limited, Bajaj Finance Limited, Infosys BPO Ltd, World Food Programme (UN Organisation) and Crompton Greaves Limited **Chairperson - Stakeholders' Relationship Committee** Cairn India limited	**Chairperson – Audit Committee** Bilt Graphic Paper Products Limited, Global Green Company Limited, Solaris Chemtech Industries Limited **Member – Audit Committee** Avantha Holdings Limited, Avantha Power and Infrastructure Limited, Avantha Ergo Life Insurance Company Limited **Member - Stakeholders' Relationship Committee** Ballarpur Industries Limited	**Member - Stakeholders' Relationship Committee** Crompton Greaves Limited	Nil	**Chairperson – Audit Committee** Avantha Ergo Insurance Company Limited and Avantha Holdings Limited **Member – Audit Committee** Jubilant Food Works Ltd, P.I Industries Ltd, Sona Koyo Steering Systems Ltd, Eveready Industries India Limited **Chairperson - Stakeholders' Relationship Committee** Jubilant Food Works Ltd, P.I Industries Ltd
Number of shares held in the Company	Nil	657 Equity Shares	Nil	Nil	Nil

*Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of PublicLimited Companies (Listed and Unlisted)

AVANTHA
GROUP COMPANY

CROMPTON GREAVES LIMITED

(CIN : L99999MH1937PLC002641)

Registered Office:

6th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai 400 030.

Email: investorservices@cgglobal.com, **Website:** www.cgglobal.com

Phone: +91 22 24237777, **Fax:** +91 22 24237733

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Strong relationships.

Date: 27 May 2016

Dear Shareholder,

Sub: Registration of email address

In terms of Rule 18 (3) of The Companies (Management and Administration) Rules, 2014, we request the shareholders of Crompton Greaves Ltd., who have till date not registered their e-mail id(s) with the Company, to register their e-mail id(s) in order to receive the Notices of future Annual General Meetings and Annual Report of the Company in electronic form. This will also facilitate sending any other communications to shareholders, in electronic form.

We, therefore request you to fill up the registration form below and send it to the Company's Share Registrar & Transfer Agent Datamatics Financial Services Limited (DFSL) at Plot No. B-5, Part B Crosslane, MIDC Marol, Andheri (East), Mumbai 400 093 for registering your email address.

Shareholders who hold shares in Demat form are requested to approach concerned Depository Participant for updating/modifying the e-mail id(s) as the case may be.

For Crompton Greaves Limited

Manoj Koul
Company Secretary
Membership No. ACS 16902

EMAIL REGISTRATION FORM

To* :

The Company (for members holding shares in physical mode)

The Depository Participants (for members holding shares in Demat mode)

Sub: Registration of email address (Crompton Greaves Limited)

I/We would like to receive Notices, Annual Reports and other communications/documents from Company in electronic mode. I/We request you to register my/our email address for receiving communications/documents electronically as per the following details:

Name of the Shareholder(s)	
Folio No./DP ID/Client ID	
Email address	
Mobile No	

Date:

Place:

Signature of the Shareholder(s)**

* Please tick as applicable.

** Please ensure that the form is signed by the registered shareholder himself, alongwith joint shareholders, if any.

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CROMPTON GREAVES LIMITED

(CIN : L99999MH1937PLC002641)
Registered Office : 6th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai 400 030.
Email: investorservices@cgglobal.com, Website: www.cgglobal.com
Phone: +91 22 24237777, Fax: +91 22 24237733

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

.... Name of the attending Member (In Block Letters)	Member's folio No. .... DP. ID No*... Client ID No.*..
Name of the Proxy (In Block Letters) (to be filled if the Proxy attends instead of the Member)	

No. of Shares held ....

I hereby record my presence at the 79th Annual General Meeting of the Company to be held on Tuesday, 30 August 2016 at 3.00 p.m. at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai – 400 028.

* Applicable for investors holding shares in electronic form.

....

Member's/Proxy Signature

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CROMPTON GREAVES LIMITED

(CIN : L99999MH1937PLC002641)
Registered Office : 6th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai 400 030.
Email: investorservices@cgglobal.com, Website: www.cgglobal.com
Phone: +91 22 24237777, Fax: +91 22 24237733

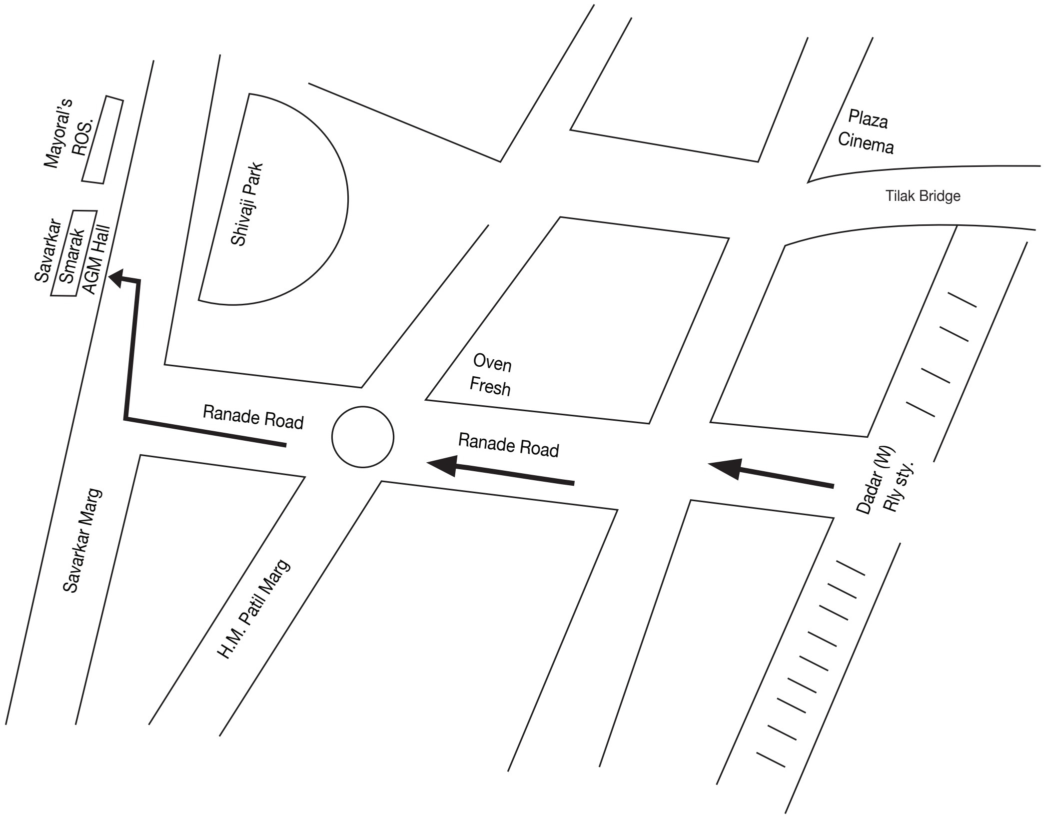
PROXY FORM

Name of the member(s):
Registered address:
E-mail Id:
Folio No/Client Id:
DP ID:

I/We, being the member(s) of .... shares of the above named company, hereby appoint

1. Name:.. Address:..
   E-mail ID: .... Signature:.. . or failing him;
2. Name:.. Address:..
   E-mail ID: .... Signature:.. . or failing him;
3. Name:.. Address:..
   E-mail ID: .... Signature:.. .

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 79th Annual General Meeting of the Company, to be held on Tuesday, 30 August 2016 at 3.00 p.m. at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai – 400 028 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:



1) To consider and adopt :
   a) Audited Stand-alone Financial Statements, Reports of the Board of Directors and Auditors thereon
   b) Audited Consolidated Financial Statements and Auditors Report thereon
2) To re-appoint Director retiring by rotation - Dr Omkar Goswami (DIN 00004258)
3) To re-appoint Director retiring by rotation - Mr Bhuthalingam Hariharan (DIN 00012432)
4) To appoint Auditors
5) Ratification of Remuneration to Cost Auditor
6) To appoint a Director - Mr Neelkant Narayanan Kollengode (DIN 05122610)
7) To appoint CEO & Managing Director – Mr Neelkant Narayanan Kollengode (DIN 05122610)
8) To appoint a Director – Mr Madhav Acharya (DIN 02787445)
9) To appoint Whole-Time Director – Mr Madhav Acharya (DIN 02787445)
10) To appoint Independent Director – Ms Ramni Nirula (DIN 00015330)
11) Sale of Non-India Transmission and Distribution (T&D) Businesses
12) To appoint Joint Statutory Auditors

Affix Revenue Stamp

Signed this…… day of……… 2016 Signature of shareholder ____________________________

Signature of first proxyholder | Signature of second proxyholder | Signature of third proxyholder

NOTES:

1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2 For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 79th Annual General Meeting.

3 Please complete all details of member(s) in above box before submission.

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STRENGTHENING THE CORE

AVANTHA
GROUP COMPANY

CROMPTON GREAVES LIMITED
79TH ANNUAL REPORT 2015-2016

CONTENTS

CONSOLIDATED FINANCIAL HIGHLIGHTS

NET SALES AND SERVICES FROM CONTINUING OPERATIONS

5272 IN RS. CRORE

CONSOLIDATED NET SALES
of Business Units

2495 IN RS. CRORE

Power Systems

1929 IN RS. CRORE

Industrial Systems

864 IN RS. CRORE

Automation Systems

EBIDTA FROM CONTINUING OPERATIONS
(Earnings before Interest, Depreciation, Taxes & Amortisation, Including Other Income)

453 IN RS. CRORE

PROFIT BEFORE TAXES FROM CONTINUING OPERATIONS

87 IN RS. CRORE

PROFIT / (LOSS)
After taxes, Minority Interest & Share of Associates (Net)

75 IN RS. CRORE

ROCE FROM CONTINUING OPERATIONS
(Return on Capital Employed)

3.9% IN PERCENTAGE

RONW ON TOTAL OPERATIONS
(Return on Net Worth)

-8.6% IN PERCENTAGE

STRENGTHENING THE CORE

CG has been an integral part of the India manufacturing story, one that has accelerated with the socio-economic change in the country. A legacy company spanning over seventy five years, CG has maintained its unwavering focus on India as a strategically important market.

Backed by our strong manufacturing capabilities, skilled workforce and technological edge, we have retained a competitive advantage in the industry. From our market leading UHV solutions, to being a preferred partner in sectors that define India's economic prowess and industrial growth, to supporting the country's next leg of modernisation through Smart Grid and GIS, producing best-in-class energy efficient motors, providing technological support to Indian Railways - CG has made its mark as a reliable, innovative and sharply skilled manufacturer.

Strengthening the Core is about building on that intrinsic power centre from which springs the innate ability to perform and operate effectively.

At CG, we are doing this by building on our core strengths, capabilities and competencies. Simply put, it is about doing what we do best.

REVITALISING THE GRID

from technology upgradation to capacity addition in making the vision of 24x7 Power For All a reality.

We're complimenting our portfolio by renewing our offerings to support the changing needs of our customers.

OUR POSITION IN THE MARKET for Transformers and Switchgears is deep entrenched but state utilities now have the need for our Automation offerings that create a smart, stable and reliable T&D network and help relieve the stress on power utilities.

- *Substation Automation Solutions that form the backbone of the smart grid, have been successfully implemented with some of the major state utilities like UPPTCL, WBSETCL, MSETCL, TANTRANSCO.*

PROVIDING DIAGONSTIC POWER and self-healing features that help in monitoring the health of the grid requires the ability to interconnect remote micro generating stations to the main system.

- *It is now possible to communicate and remotely access lines and equipment to monitor their health in the far reaches of the country with*

OUR FIRST SUCCESSFULLY COMMISSIONED

765KV PLCC*

FOR PGCIL

* Power Line Carrier Communication

REFINING METHODS

We're looking inwards, to refine processes and increase operational efficiencies.

IMPROVED OPERATIONS in the Industrial business with a reengineered logistics and supply chain that led to enhanced productivity, faster delivery and increased customer satisfaction.

- ***For example CG's LVRM business. Despite the stagnant market, focused actions in all the plants saw positive results***

15% GROWTH
IN LV MOTORS

3X MARKET SHARE
IN IE2/IE3 RANGE

REBUILDING THE VITALITY
of the Power sector in India with our cutting edge technology and long standing technical expertise in the UHV and EHV segments.

- *We have secured order for coupling transformers for STATCOM projects to further support grid stability.*
- *Other significant solutions include our complete range of UHV equipment, along with MV and EHV GIS, Distribution transformers & other intelligent electronic devices.*

UPGRADING AND EXPANDING
T&D networks by partnering with distribution companies, state electricity boards, solar IPP and PGCIL in UDAY and IPDS (Integrated Power Development Scheme), across the country.

- *As one of the few bidders that are well positioned to gain from the business opportunity presented by UDAY, CG is geared to partner DISCOMs better commercialise power, with its wide gamut of MV Switchgears and Distribution Transformers.*

ADDING CAPACITY
to the national grid by actively participating in government projects that integrate renewable energy into the system.

- *CG provides Transformers and Switchgears for evacuation and delivery of power from renewable sources as part of the green energy corridor, also supporting the target for renewable capacity to 175 GW by 2022.*

SMART DISTRIBUTION SYSTEMS
offering on the other end, add intelligence by ensuring reliable supply and safe delivery to the end user.

- *MV & LV products in applications such as sensors, couplers and supervision devices on the distribution side will further reduce losses and improve power efficiency. CG made Feeder RTUs and PLC & radio communication devices can deliver safe power to the end user.*

RENEWING RELATIONSHIPS

GROWING OUR NETWORKS
to increase customer touchpoints and widespread accessibility.

- *Our existing network of 500 retailers and 250 service centers was expanded to improve customer access to our products, leading to a 9% increase in value from sales.*

AUGMENTING THROUGH EXPORTS
by serving the growing needs of emerging, global markets.

- *Our agreement with the cement major Lafarge, to provide our large motors augmenting their manufacturing efficiency in projects will create a steady stream of orders for the MV segment in coming years.*

ADAPTING TO REQUIREMENTS
isn't just about customization. It's continously adapting and adopting technologies to meet customers' evolving requirements.

- *CG has successfully developed traction electronics based on IGBT technology to serve the Railways, which will be a tailwind to our steady growth in the Industrial business.*

01 CORPORATE INFORMATION

CHAIRMAN
Gautam Thapar

CEO AND MANAGING DIRECTOR
Laurent Demortier (Resigned w.e.f 3 February 2016)
KN Neelkant (w.e.f 3 February 2016)

EXECUTIVE DIRECTOR-FINANCE AND CFO
Madhav Acharya (w.e.f 1 April 2016)

COMPANY SECRETARY
Manoj Koul (w.e.f 3 August 2015)

NON-EXECUTIVE DIRECTORS
Shirish Apte
Omkar Goswami
B Hariharan
Sanjay Labroo
Colette Lewiner
(Resigned w.e.f 14 March 2016)
Meher Pudumjee
(Resigned w.e.f 28 May 2016)
Valentin von Massow
Ramni Nirula (w.e.f 6 April 2016)

Bankers

State Bank of India
Axis Bank Ltd.
Bank of Maharashtra
Corporation Bank
Canara Bank
ICICI Bank
IDBI Bank
Credit Agricole CIB
Standard Chartered Bank
Yes Bank Ltd.
The Royal Bank of Scotland

Auditors

Sharp & Tannan

Registered office

6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai 400 030.

02 CHAIRMAN'S LETTER

DEAR SHAREHOLDERS,

For this year's letter, I would like to start with a bit of history. Your Company was a leading India-based player in transformers, switchgears, motors, fans, lights and other electrical consumer products in 2005, when it made its first international acquisition of the Belgium based Pauwels Group. It gave CG additional manufacturing facilities for power and distribution transformers in Belgium, Ireland, Canada, the USA and Indonesia.

This was followed by a series of other acquisitions: of Ganz' transformer and rotating machine facilities in Hungary in 2006; of a series of automation businesses in Ireland, the USA, the UK and of ZIV in Spain; of power systems and solutions businesses in the USA and the UK; of drives and automation in India and Sweden; and some other operations involving services. The rationale for such acquisitions were two-fold: first, to give CG a strong presence in markets abroad; and, second, to integrate these enterprises in a manner such that your Company became a 'full solutions provider' to customers across the world.

Thanks to soaring demand right up to FY2011, majority of these acquisitions earned good profits for your Company as a whole. In the first six years, the gains to CG were excellent. The net present value of what your Company earned from these businesses exceeded the cost of acquisition.

Matters began to turn for the worse from FY2012, and the more so during the next four years leading up to FY2016. In large part, it had to do with a tremendous slowdown in demand for electrical equipment and solutions throughout the developed nations. Moreover, barring a few international facilities, the effects of a demand downturn were exacerbated by a flawed integration strategy in the power systems business.

For four consecutive years, actions were taken to correct the execution strategy. Among others, these involved substantial new investments in setting up modern plant and equipment, calibrated rationalisation of the work force and exploring new markets. None of these worked sufficiently enough to turnaround most of the businesses from making losses to earning sustained profits. It became unsustainable.

Recognising this your Board of Directors decided that it was time for taking hard decisions. In summary, these have involved:

INTERNATIONAL

a) Selling the power transformer business in Canada for an enterprise value of Canadian $20 million subject to post-closing adjustment. Operation of the entity has been transferred to the buyer from 17 November 2015.

b) Closing down the power systems business in Brazil and starting the process of winding up its systems businesses in North America and the UK.

c) Entering into a binding agreement with First Reserve for the sale of its transmission and distribution businesses in Indonesia, Hungary, Ireland, France, the USA and Belgium at an enterprise value of €115 million. First Reserve is a leading global private equity and infrastructure investor exclusively focused on energy.

DOMESTIC

Your Board decided to exit some of the Company's Indian operations. If you will recollect, we had entered into a franchise agreement with the Maharashtra State Electricity Distribution Company Limited (MSEDCL) from June 2011 for the distribution of electricity in the Jalgaon Circle Area, and was managing this business since November 2011. However, Distribution Franchisee Agreement stood terminated w.e.f 12 August 2015 upon MSEDCL exercising its step-in rights consequent to unresolved disputes. The Company is confident of arriving at an amicable settlement with MSEDCL on all pending issues under the agreement.

The consumer products business, became a separate, independent corporate entity called Crompton Greaves Consumer Electricals Limited with effect from 1 October 2015. This was a profitable operation that generated significant free cash for your Company. Even so, your Board of Directors and I believed that: (i) this B2C business sat uncertainly on the core B2B operations involving power transformers and industrial systems, and (ii) the aggregate shareholder value from the sum of two distinct companies — CG and CGCEL — would be larger than that of the earlier whole. Since it is your Board's duty to focus on enlarging long term shareholder value, it collectively decided on this course of action.

In addition, your Company voluntarily adopted the Ind AS accounting standards a year earlier than mandated. That has helped CG to create a leaner balance sheet and a more sustainable financial architecture for future growth as well as for the return on capital employed and the return on net worth.

There have been three significant senior managerial changes. Laurent Demortier, your Company's CEO and Managing Director from 2011 has demitted office. K N Neelkant, an experienced CG hand, has taken over as the new CEO, Managing Director and an Executive member of the Board and Madhav Acharya, the CFO, has been elevated to the Board as an Executive Director with independent charge of all finance functions.

To summarise, CG now has new leadership. It is less cluttered, more manageable and, most importantly, a more profitable enterprise, without the burden of losses of most of its internationally located businesses. With India's GDP looking to grow at least at 7.6% in FY2017 — as it has in FY2016 — we expect the demand for power equipment, rotating machines, drives and railway traction equipment to increase at the expected rates, I expect a better future in FY2017 and beyond.

As always, thank you for your support.

Yours sincerely,

GAUTAM THAPAR
Chairman

03

BOARD OF DIRECTORS

MADHAV ACHARYA

EXECUTIVE DIRECTOR -FINANCE AND CFO

MEHER PUDUMJEE

NON-EXECUTIVE DIRECTOR

B. HARIHARAN

NON-EXECUTIVE DIRECTOR

SANJAY LABROO

NON-EXECUTIVE DIRECTOR

GAUTAM THAPAR

CHAIRMAN

K.N. NEELKANT

CEO AND MANAGING DIRECTOR

OMKAR GOSWAMI

NON-EXECUTIVE DIRECTOR

RAMNI NIRULA

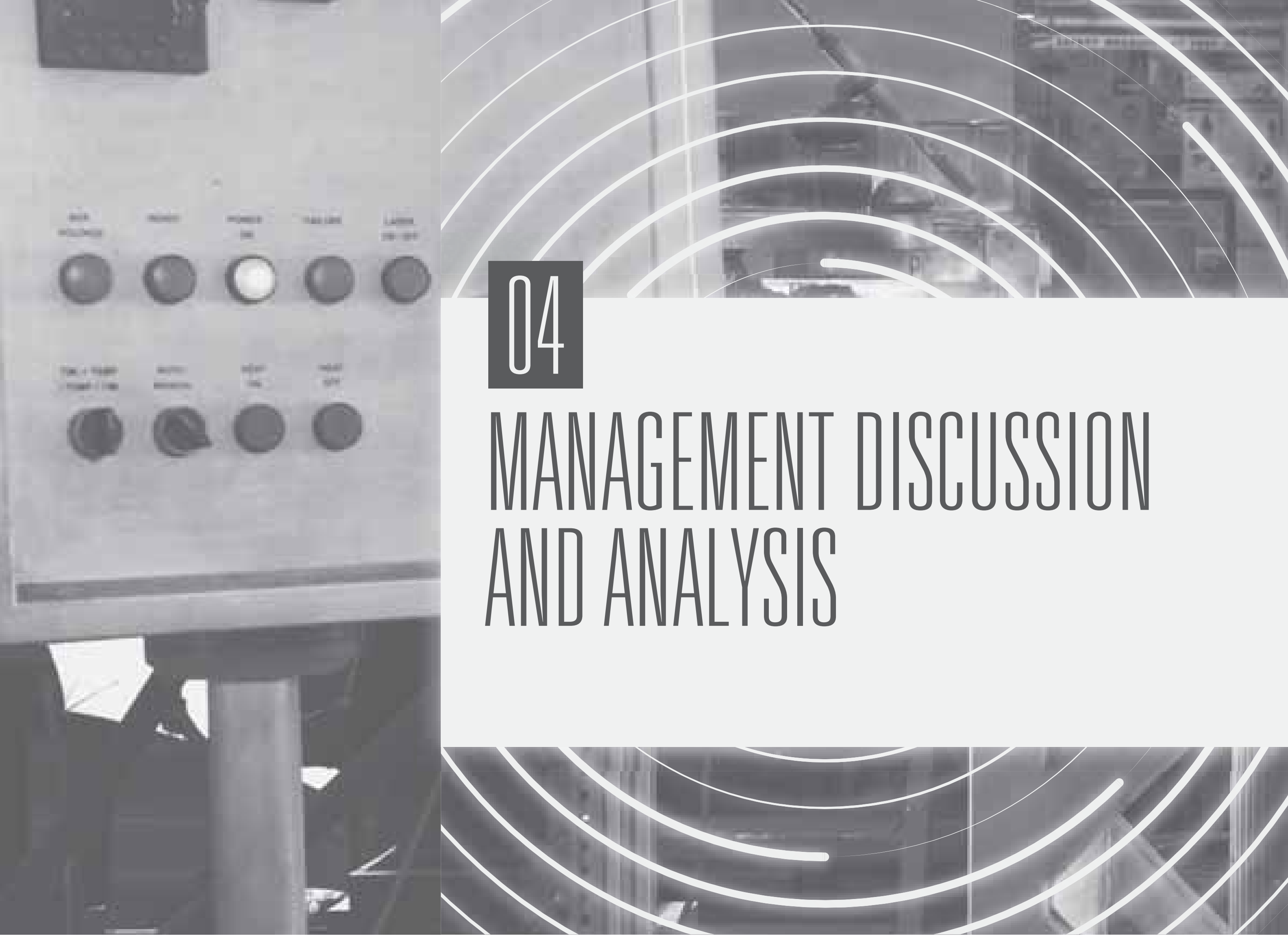
NON-EXECUTIVE DIRECTOR

SHIRISH APTE

NON-EXECUTIVE DIRECTOR

VALENTIN VON MASSOW

NON-EXECUTIVE DIRECTOR



04 MANAGEMENT DISCUSSION AND ANALYSIS

Crompton Greaves Limited ('CG' or 'the Company') is a global enterprise providing products, platforms and end-to-end solutions to electrical utilities and industries for the management and application of efficient and sustainable electrical energy.

Rs.1 crore is Rs.10 million. FY2016 stands for fiscal year 2015–16, i.e. from 1 April 2015 to 31 March 2016. Analogously, FY2015 and other fiscal years.

Up to 30 September 2015, CG's businesses were divided into two broad areas of work: those that were B2B and catered to business segments and those that were B2C which focused on consumer needs. With effect from 1 October 2015, or the Appointed Date, CG completed the demerger of its B2C Consumer Products business into a separate company, namely Crompton Greaves Consumer Electricals Limited (CGCEL). The Scheme of Arrangement and the date of demerger was approved by the Hon'ble High Court, Bombay in its order of 20 November 2015. According to the Scheme, each shareholder of CG has been allotted one equity share of CGCEL for each share of CG held as on 16 March 2016, or the Record Date. Effective from 13 May 2016, the shares of CGCEL have been listed on the BSE and the NSE.

The B2B segment covers three businesses. These are:

- Power transmission and distribution equipment and system solutions (or Power BU), covering a wide span of differentiated products and services from ultra-high voltage (UHV), high voltage (HV), medium voltage (MV) and low voltage (LV).
- The Industrial Business Unit (Industrial BU) consisting of rotating machines (motors and alternators) across a wide spectrum of power

and ratings, automated AC, DC and variable frequency drives and control systems as well as traction electronics and machines, signalling and coach products and integrated solutions for railway transportation.

- Automation solutions (Automation BU) for efficient electrical distribution.

Customers of the B2B segments comprise major utilities and industries across the globe —in generation, transmission, distribution, renewables, oil and gas, cement, metals and mining and the transportation sector.

CG's offerings are built around its strategic Business Units (BUs): Power, Industrial and Automation. Each BU is responsible for revenue growth, profitability and capital efficiency through strategic levers and business activities. These involve, among others, geographical expansion of markets and the manufacturing footprint, design, technology, supply chain, manufacturing, sales support, tendering and quotations, contract management, installation, testing and commissioning for the products.

Before describing each of the BUs and their facilities, it is important to explain some of the key changes that have occurred in FY2016 which have bearing on how the financial results are reported in this chapter, in the Directors' Report and in the stand-alone and consolidated audited accounts.

IND AS, CONTINUING AND DISCONTINUED OPERATIONS

On 16 February 2015, the Government of India, in consultation with the National Advisory Committee on Accounting Standards (NACAS) notified the Companies (Indian Accounting Standards) Rules, 2015. This is called the Indian Accounting Standard, or Ind AS. In most parts, Ind AS is akin to the International Financial Reporting Standards (or IFRS). CG voluntarily opted for adoption of the Ind AS with effect from 1 April 2015.

Hence, the statements of assets and liabilities as at 31 March 2016 and at 31 March 2015 and the financial results for the year ended 31 March 2016, both on stand-alone and consolidated basis, have been prepared in accordance with Ind AS. Consequent to adopting Ind AS, CG has restated its financial statements as at 1 April 2014 — that being the transition date and the opening balance sheet — and has also restated financial statements of FY2015, which were audited by Statutory Auditors. The consolidated financial statements of CG and its subsidiaries have been prepared in accordance with Ind AS 110 (Consolidated Financial Statements) and Ind AS 28 (Investments in Associates and Joint Ventures).

In opting for Ind AS, one has to meet the classification scheme prescribed by Ind AS

CG voluntarily opted for adoption of the IND AS with effect from 1 April 2015 and thereafter. Hence the financial statements (both on stand-alone and consolidated basis) have been prepared accordingly in this Annual Report.

CHART A
NET REVENUES OF THE THREE MAIN BUSINESSES

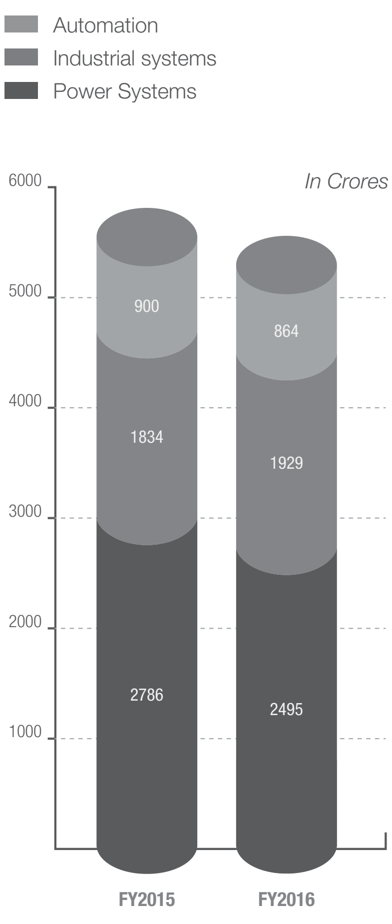


Chart A plots the change in net revenues of the three main businesses.

- CG's Power Systems' net revenue reduced by 10.5% to Rs.2,495 crore.
- Net revenue from Industrial Systems increased by 5.2% to Rs.1,929 crore.
- Net revenue from Automation fell by 4% to Rs.864 crore.

105 (for Non-current Assests held for Sale and Discontinued Operations), which requires companies to classify and separately disclose the financials of (i) continuing businesses and (ii) those held for sale or discontinued operations. During FY2016, discontinued operations or businesses held for sale were as follows:
1. The erstwhile Consumer Products business and its financial results are upto the period ended as on 30 September 2015. Moreover, as mentioned earlier, financial results of CG exclude those of the Consumer Products business for the period commencing on or after 1 October 2015, from which date any business with the Consumer Products, or Crompton Greaves Consumer Electricals Limited (CGCEL), is treated as a third party transaction.

2. The Company had also entered into a Distribution Franchise Agreement (DFA) with the Maharashtra State Electricity Distribution Company Limited (MSEDCL) from 1 June 2011 for the distribution of electricity in the Jalgaon Circle Area, and was managing this business since November 2011. However, due to certain unresolved disputes with MSEDCL, the DFA stood terminated with effect from 12 August 2015. However, CG is confident of arriving at an amicable settlement with MSEDCL on all pending issues under the DFA. The financial impact of the cessation of franchisee services and the dispute will be known after a final decision of the PDRB. Consequently, this is also treated as discontinued operations.

3. During FY2016, CG sold it's Power Systems business in Canada to PT Holdings Corporation in a structured deal for an enterprise value of Canadian $20 million. The operation of the entity has been transferred to PT Holdings Corporation with effect from 17 November 2015. This business, therefore, has also been treated as discontinued operations.

4. Finally, during FY2016, CG entered into binding transactions agreement with First Reserve for sale of its transmission and distribution (T&D) businesses at Indonesia, Hungary, Ireland, France, North America and Belgium at an enterprise value of €115 million. First Reserve is a leading global private equity and infrastructure investor exclusively focused on energy. Moreover, the Company closed down its systems business at Brazil and is in the process of winding up its systems business at North America and the United Kingdom. According to Ind AS 105, these are all treated as held for sale or as discontinued operations.

The consolidated financial results of CG reflect these changes for FY2016 and FY2015. These are given in **Tables 1, 2 and 3**.

The continuing businesses of CG as reported in the consolidated financials comprise:
a) The CG Power business.
b) The CG Industrial Systems business in India.
c) The Automation business, i.e. ZIV consolidated, Automation Solutions (ASOL) USA (earlier QEI Inc.), ASOL UK and ASOL Ireland.
d) The Industrial Systems businesses abroad, namely Rotating Machines (Hungary) and Drives & Automation in Sweden.

This sets the stage for our discussions on operations and consolidated financials in the sections below.

FACILITIES OF THE CONTINUING BUSINESSES

POWER BU

CG's Power BU offers an extensive portfolio of manufactured equipment ranging from high voltage transmission products to those needed for distribution, as well as integrated solutions for network management. Its operations can be classified into two divisions:
1. **Products** comprising Power Transformers, EHV Switchgears, MV Switchgears and Distribution Transformers. Facilities of the continuing businesses are at Kanjur Marg (Mumbai, Maharashtra), Malanpur and Mandideep (Madhya Pradesh), Nashik and Aurangabad (Maharashtra).
2. **Systems and Solutions** which provide turnkey solutions and services for design, manufacture, supply, construction, installation, testing, commissioning and servicing of large scale on-shore and off-shore, conventional and renewable energy projects. The continuing business in India operates out of Gurgaon (Haryana).

INDUSTRIAL SYSTEMS BU

The Industrial Systems BU provides equipment and services to convert electrical energy for industrial applications. It has four verticals:
1. **Products** comprising high voltage (HV) motors ranging up to 25 MW; low voltage (LV) motors ranging up to 1.5 MW; fractional horse power (FHP) motors; direct current (DC) motors; AC generators up to 70 MVA range

01 RESULTS OF THE ERSTWHILE CONSUMER PRODUCTS BUSINESS

RS. CRORE

PARTICULARS	QUARTER ENDED 31 MARCH 2015	SIX MONTHS ENDED 30 SEPTEMBER 2015	YEAR ENDED 31 MARCH 2015
Net Sales / Income from operations	905.26	1775.24	3232.65
Profit before tax	111.29	180.68	394.26
Net profit after tax	75.02	120.73	267.55

02 RESULTS OF THE DISTRIBUTION FRANCHISE BUSINESS, JALGAON

RS. CRORE

PARTICULARS	QUARTER ENDED 31 MARCH 2015	SIX MONTHS ENDED 30 SEPTEMBER 2015	YEAR ENDED 31 MARCH 2015
Net Sales / Income from operations	89.34	160.53	412.08
Loss before tax	(21.54)	(27.14)	(25.79)
Loss after tax	(21.54)	(27.17)	(25.37)

03 RESULTS OF SOLD OR TO BE DISCONTINUED INTERNATIONAL T&D BUSINESS

RS. CRORE

PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31 MARCH 2016	31 DECEMBER 2015	31 MARCH 2015	31 MARCH 2016	31 MARCH 2015
Net Sales / Income from operations	1143.19	880.61	1247.06	4105.45	4901.08
Loss before tax	(156.98)	(223.10)	(442.55)	(496.56)	(550.27)
Loss after tax	(223.79)	(209.57)	(468.85)	(564.57)	(587.28)

and AC drives up to 3 MW; traction machines for railway transportation; and stamping products. It has facilities at Tapioszele (Hungary), Mandideep and Pithampur (Madhya Pradesh), Ahmednagar (Maharashtra) and Colvale and Kundaim (Goa).

2. **Drives and Industrial Automation,** which involves AC and DC drives, variable frequency drives. It has facilities at Helsingborg (Sweden) as well as at Mandideep and Pithampur (Madhya Pradesh).

3. **Railways**, which includes solutions based on insulated gate bi-polar transistor (IGBT) technology, traction electronics and traction machines for railway transportation and signalling, with facilities at Mandideep and Pithampur (Madhya Pradesh).

4. **Services** for all the above products including the condition monitoring and training modules for maintenance.

AUTOMATION BU

Automation manufactures specialised equipment to manage and control the flow of electricity in transmission and distribution grids. It also provides client-specific digitised automation solutions for power utilities, rapid transport services and other related activities. It has facilities in Zaimudio, Madrid and Barcelona (Spain), Grenoble (France), Niteroi (Brazil), Dublin (Ireland), Springfield (New Jersey, USA) and Bengaluru (Karnataka, India).

BUSINESS PERFORMANCE, FY2016

CG: Consolidated Financial Highlights, FY2016

- The unexecuted order book (UEOB) as on 31 March 2016 stood at Rs.4,167 crore, which was flat compared to the previous year.
- Net sales and income from operations was Rs.5,272 crore. This was 4.2% less than the comparable corresponding figure of the previous year — after adjusting for the discontinued and discontinuing business.
- CG's earnings before interest, depreciation, taxes, and amortisation (EBIDTA), including 'other expenses' but without 'other income', was Rs.367 crore in FY2016. In comparable terms, this was 27.9% less than in FY2015. Including 'other income', decreased by 21.9% to Rs.453 crore.
- Profits before interest and taxes (PBIT) from ordinary activities reduced by 41.1% to Rs.198 crore.
- Profit before taxes (PBT) including 'other income' but without exchange gain / loss and exceptional items was Rs.141 crore in FY2016, versus Rs.253 crore in the previous year. Including these, PBT for FY2016 was Rs.87 crore, compared to Rs.356 crore in FY2015.
- Profit after taxes (PAT) from continuing operations, including share of profit (or loss) in associates and minority interests was Rs.75 crore, versus Rs.368 crore in the previous year.
- PAT from discontinued operations was (Rs.471 crore) in FY2016, compared to (Rs.345 crore) in FY2015.

CG retained its leadership position in Power Transformer and Reactors in 800 kV class with Power Grid

CG retained leadership position in 800kV class with PGCIL by securing orders for 10,303 MVA, representing a market share of 25% by MVA and 24% by value.

- Overall PAT — for continuing and discontinued operations taken together — was (Rs.396 crore) in FY2016, versus Rs.23 crore in the previous year.
- Earnings per share (EPS), basic, was (Rs.6.31) in FY2016 versus Rs.0.37 in the earlier year.

POWER SYSTEMS

Power Systems (or 'CG Power') is the Company's largest BU and focuses on power transmission, distribution, power solutions, setting up of integrated on-shore and off-shore power systems and associated services businesses. It manufactures a wide range of power and distribution transformers, extra high voltage (EHV) and medium voltage (MV) circuit breakers, switchgears, EHV instrument transformers, lightning arrestors, isolators and vacuum interrupters. In addition, it offers turnkey solutions for transmission and distribution (T&D) through sub-station projects, engineering, procurement and construction (EPC) as well as other end-to-end contracts involving the entire value chain — solutions, design, products, procurement, construction, erection and servicing. A detailed list of CG Power's products, solutions and services as well as its associated facilities is given at the end of this Annual Report.

CG POWER: CONSOLIDATED FINANCIAL PERFORMANCE

The consolidated performance of CG Power is given in **Table 4.**
The unexecuted order book (UEOB) reduced by 1.8% to Rs.2,861 crore.

- Net sales of CG Power fell by 10.5% to Rs.2,495 crore.
- EBIDTA (including other income) fell by 44.8% — from Rs.458 crore in FY2015 to Rs.253 crore in FY2016.
- EBIT reduced by 53.3% to Rs.188 crore.
- The return on capital employed (ROCE) decreased by 13.1 percentage points to 10.0% in FY2016.

A feature that becomes apparent when looking at the financial data presented in **Table 4** and **Table 3** is the cost that CG has had to bear on account of its overseas T&D business. As **Table 3** shows, aggregate

04 CONSOLIDATED FINANCIAL PERFORMANCE OF THE CG POWER BUSINESS

RS. CRORE

CG POWER	FY2015	FY2016	GROWTH
Unexecuted Order Book (UEOB)	2,912	2,861	(1.8%)
Net Sales	2,786	2,495	(10.5%)
EBIDTA (Including Other Income)	458	253	(44.8%)
EBIT	402	188	(53.3%)
Capital Employed	1,737	1,880	8.2%
Return on Capital Employed (ROCE)	23.1%	10.0%	(13.1) percentage points

Note: Figures have been re-grouped wherever necessary to make them comparable.

pre-tax loss of the international T&D business was Rs.550 crore in FY2015, which further decreased by 9.8% to Rs.497 crore in FY2016.

Though the consolidated T&D business has shown a decline in EBITDA and EBIT (see **Table 4**), these are still very much in the positive territory. The Company believes that, with adequate focus, this business can be turned around — not only on account of higher sustained orders from India and elsewhere, but also due to a more manageable scale of operations. As was touched upon in last year's *Management Discussion and Analysis,* the regions of long term sustained growth are India, China and the emerging nations of Asia and Africa. Demand for power in these countries is growing, and will continue to do so, at rates significantly higher than the developed world. Among large emerging nations, India has significant upside prospects for power generation, transmission and distribution. CG has sufficient T&D manufacturing capacity in India, as well as the necessary technical and commercial expertise to win large export orders.

CG POWER: KEY DEVELOPMENTS IN FY2016

The product lines for CG Power BU are: power transformers, switchgears and distribution transformers.

The Indian power transformer market is expected to grow by 9% driven by the Power Grid Corporation of India Limited (PGCIL), the National Thermal Power Corporation (NTPC) and some key State Electricity Boards. Apart from this, there are going to be transmission projects in the public-private partnership (PPP) model, which should also drive the demand for transformers and reactors. In addition, the dedicated freight corridors of Indian Railways will increase the demand for trackside transformers. In distribution, the Government of India has launched its *Ujwal DISCOM / Assurance Yojana* (UDAY) scheme, where the Central Government will, in two annual tranches, take over 75% of the debt of the over-leveraged, cash strapped DISCOMs in various states. This is expected to clean the books of many DISCOMs and State Electricity Boards which, in turn, ought to create the necessary headroom to generate substantial demand for distribution transformers.

Power Transformers (PT)

These are manufactured at CG's facilities at T3 (Mandideep, near Bhopal) and T1 (Kanjur Marg, Mumbai).

The T3 facility at Mandideep remains India's leading 765 kV manufacturing plant.

- It retained leadership position in 800 kV class with PGCIL by securing orders for 10,303 MVA, representing a market share of 25% by MVA and 24% by value.
- The unit bagged orders for 63 large locomotive transformers.
- Secured orders for two 225 MVA, 230 kV transformers from L&T for a project that PGCIL is executing in Bangladesh.
- Bagged export orders for a 130 MVA, 220 kV transformer from Chile, and another for 126 MVA, 200 kV from the USA.
- It designed and developed its first 220 kV Delta transformer (60 MVA, 220 / 23 kV) for Chile.
- It designed, developed and supplied the plant's largest generator transformer (396 MVA, 242 / 18 kV, 3Ø) to the USA.
- Designed and developed a new locomotive transformer (7.7775 MVA, 25 kV) for Indian Railways.

The T1 plant at Kanjur Marg (Mumbai) has also continued to perform well. During FY2016 it won several domestic and export orders:

- Direct orders from PGCIL in the 400 kV class, comprising (i) five units of 500 MVA interconnecting transformers, or ICTs; (ii) one 200 MVA ICT; (iii) three 125 MVAr reactors; and (iv) two 80 MVAr reactors.
- Orders for 400 kV reactors from major EPC contractors.
- Order from Shyama Power for a 400 kV sub-station in northeast India, as well as four 105 MVA single phase transformers and a 63 MVAr reactor.
- Order from KEC for two 315 MVA ICTs and another two 200 MVA ICTs.
- Repeat order from the Telengana State Transmission Corporation for three 315 MVA ICTs.
- Secured first order for coupling transformers from L&T for its Statcom project.
- Order from KEC for 21 / 30 MVA railway transformers.
- Substantial growth in export orders from Malaysia. Secured the largest power transformer export order till date for 1050 MVA, 500 kV auto transformers from Tenaga Nacional Berhad (TNB), Malaysia.
- Received first export orders from: (i) Abu Dhabi for an alumina plant, through Bechtel, and (ii) L&T, Sharjah, for a 400 kV power project in Malawi, Africa.
- Successfully short circuit tested: (i) a 250 MVA, 400 kV generator transformer at KEMA, Netherland for an NTPC project, and (ii) a 50 MVA, 66 kV transformer for the Delhi Metro Rail Corporation.
- Manufactured three 500 MVA transformers for PGCIL its prestigious Kunta solar power project in Andhra Pradesh and delivered these in four months.
- Developed a cost effective design series for 400 kV shunt reactors.

Switchgears

CG has full-fledged EHV and MV switchgear plants in India, some of which command significant leadership position in the country. FY2016 witnessed several successes, some of which are mentioned below.

- The division is a leader in ring main unit (RMUs) and outdoor vacuum circuit breakers (VCBs) with market shares of 48% and 31% respectively. It also has a market share of 19% across all ranges of VCBs.
- Secured first orders from:
  (i) ANDE, Paraguay, for supplying 36 kV indoor VCB panels;
  (ii) Indonesia for a newly developed, mid-mounted 24 kV indoor VCB panel;
  (iii) Vietnam for 24 kV RMUs;
  (iv) West Bengal State Electricity Distribution Company Limited for 36 kV indoor VCB panels;
  (v) Goa Electricity Department for 12 kV VCB panels with numerical protection relays incorporating the IEC 61850 protocol;
  (vi) Northern Power Distribution Company of Telengana Limited for numerical protection relays.
- Secured repeat orders for various types of RMUs and VCBs from L&T, Torrent Power, Divi's Laboratories and various state electricity distribution companies.
- Successfully type tested:
  (i) 12 kV, 25 kA, 800 / 1250 ampere indoor VCB;
  (ii) 12 kV outdoor VCB;
  (iii) 12 kV CG Novitas panel.
- Maintained leadership position in Indian market for vacuum interrupters and vacuum contactors with over 40% market share.

Distribution Transformers (DT)

The DT product line is located at T2 at Malanpur, near Gwalior. In FY2016, it secured several domestic orders for EPC projects, solar power projects including evacuation and from companies operating in the metals and mining sectors. It also secured export orders from NGM Company Limited in Kenya and for a major solar power project in the Philippines. It introduced two new products:
(i) an inverter duty 12 pulse transformer of 3.2 MVA with foil winding, and
(ii) a four-inverter feed 4.25 MVA transformer, also with foil winding.

It also successfully tested three products:
(i) a 31.5 MVA 132 kV transformer for the AC Long Duration (ACLD) test;
(ii) 10 MVA 33 kV transformer for the chopped impulse test,
(iii) inverter duty solar power plant transformers, which have high business potential.

Engineering Projects Division (EPD)

EPD's offerings include:

- Turnkey AIS substations of 220 kV, 400 kV and 765 kV.
- Turnkey GIS substations from 66 kV to 400 kV.
- Pure installation and commissioning of projects.

Over the last three years, EPD has made losses on account of issues with site completion leading to costs overruns. Most of these have been due to external factors beyond the Company's control. As mentioned in last year's *Management Discussion and Analysis,* the EPD or power systems business in India brings with it several external risks, especially land acquisition for sub-station construction, while are entirely outside the control of CG. Given these constraints, CG's present focus is on completing the projects at hand and not taking up any new contracts.

INDUSTRIAL SYSTEMS

CG's Industrial Systems manufactures the following types of products:

- High voltage (HV) motors.
- Low voltage (LV) motors.
- Fractional horse power (FHP) motors.
- Direct current (DC) motors.
- AC and DC drives.
- AC generators (LV and HV).
- Variable frequency drives and solutions based on insulated gate bi-polar transistor (IGBT) technology; soft starters and shaft power monitors; and rotary heat exchangers with switch reluctance motors for saving energy.
- Traction electronics and traction machines for railway transportation.
- Railway signalling equipment.
- Stampings.

Table 5 gives the financial performance of the Industrial Systems BU over the last two years.

- Industrial Systems has been the star performer for FY2016 — almost like the situation pre-2012 when EBIT growth used to be faster than EBITDA growth which would exceed sales growth.
- Net sales grew by 5.2% to Rs.1,929 crore.
- EBITDA grew even faster — at 15.9% to Rs.212 crore.
- EBIT increased faster still — by 25.9% to Rs.139 crore.
- ROCE grew by 3.3 percentage points to 14.7%.

Given below are some of the achievements of the Industrial Systems BU for FY2016.

- For motors:
  - Global contract signed with Lafarge, the cement major, for MV Motors. Bagged orders for 11 such motors for exports to Lafarge plants in Philippines, Bangladesh, Uganda and Vietnam.

05 CONSOLIDATED FINANCIAL PERFORMANCE OF THE CG INDUSTRIAL SYSTEMS BUSINESS

RS. CRORE

CG INDUSTRIAL	FY2015	FY2016	GROWTH
UEOB	661	682	3.3%
Net Sales	1,834	1,929	5.2%
EBIDTA (Including OI)	183	212	15.9%
EBIT	110	139	25.9%
Capital Employed	966	945	(2.2%)
ROCE	11.4%	14.7%	3.3 percentage points

CG's state -of-the-art Drives Assembly Lines in Mandideep cater to varied Indian industries

- Secured the largest rating order for India for 3.7 MW, 18-pole, 11 kV motors for use as circulating water (CW) pumps from Kirloskar Brothers Limited for LANCO's thermal power project at Ennore, Tamil Nadu.
- Won another large rating order for a 5.25 MW, 16-pole, 11 kV CW pump, to replace a Chinese motor, for Vedanta's Talwandi Saboo power plant in Punjab.
- Secured a large order from Wilo Mather & Platt Pumps for 36 MV motors for water projects under the Narmada Valley Development Authority, Madhya Pradesh.
- Bagged a single large order for 36 MV motors and 120 IEC standard LV motors from Jindal Machinery, Raipur.
- Received range approval from the Petroleum and Explosives Safety Organisation (PESO) for flame proof MV motors in the 132 kW to 1050 kW range. CG is the only motor manufacturer in India to get this certification.
- Inaugurated the second LT motor manufacturing facility at Goa and achieved the highest production volume of 30,000 motors per month.
- The rotating machine facility at Tapioszele, Hungary, produced for a Russian client two large synchronous HPP generator — a first in the 2200 mm frame size of 11.3 MW, 24-pole, 6.6 kV, 60 Hz, each weighing 93.5 metric tons. It also produced 12 motors (pump drives) for the Rosatom nuclear power plants of 1250 mm frame size, 5 MW, 6-pole, 10 kV, with double cage rotor motors.

- For drives, alternators, traction machines for railways and combined offerings:
  - The drives business successfully commissioned a large test bed project at Al-Fanar Jubail, Saudi Arabia to test motors up to 18 MW, 13.8 kV.
  - Successfully executed two sets of IGBT power converters based on a prototype by the Research Design and Standards Organisation (RDSO) of Indian Railways, which now qualifies CG to participate in large quantity tenders for such equipment.
  - After successfully executing three-phase traction motors, the Diesel Locomotive Works (DLW), Varanasi, awarded an order for 128 such units. Similarly, successfully executing a development order of traction

06 CONSOLIDATED FINANCIAL PERFORMANCE OF THE CG AUTOMATION BUSINESS

			RS. CRORE
CG AUTOMATION	FY2015	FY2016	GROWTH
UEOB	540	624	15.6%
Net Sales	900	864	(4.0%)
EBIDTA (Including OI)	97	88	(9.5%)
EBIT	7	(6)	(183.4%)
Capital Employed	1,416	1,246	(12.0%)
ROCE	0.5%	(0.5%)	(1.0) percentage points

alternators (TA) led to DLW giving orders for 25 units.

- Bagged a large Indian Railways order for 27 new, energy efficient IGBT Power Converters from the Chittaranjan Locomotive Works (CLW).
- The drives and automation business in Sweden launched its 'Flow Drive' water management solution and the VS10 / 30 micro drive of the 0.3 kW to 7.5 kW range. It also bagged major orders from Yara Marine and E.ON Energy, one of the largest electricity and gas suppliers in the UK.
- The drives and automation business in India and Sweden acquired 39 new customers and 19 new approvals. Some of the new customers were: Kone, Gamesa, Faively Transport, Nord ITC, Sandvik, Puzzolona, Anupam Cranes and Hercules Crane.
- Won 'combo orders' involving various types of motors, drives and alternators from several major customers in India.
- Sold over 44,500 fractional horsepower motors to producers of fuel dispensers throughout India and elsewhere.

AUTOMATION

The product lines of the automation business are:
a) SAS or the Substation Automation and Telecommunication Systems.
b) DAS or the Distributed Automation Solutions.
c) Transit automation and supervisory control for electric, transportation and water utilities, located in the US.

Table 6 gives the results of the automation business for FY2016.

During the year, ZIV received some significant orders from Spanish utilities such as Ibedrola and Gas Natural Fenosa (GNF) as well as a prestigious order to deliver 45,000 units of three-phase G1 smart meters for Linky in France. Consequently, the unexecuted order book increased by 15.6% in FY2016.

However, despite a growth in orders, the operating performance of CG's automation business has been below par. As **Table 6** shows:

- Net sales reduced by 4% to Rs.864 crore;
- EBITDA, including other income, dropped by 9.5% to Rs.88 crore; and
- EBIT turned negative, at (Rs.6) crore.

Given such financial performance, the Board of Directors of CG has recently initiated a process for identifying outside investors for its automation business, especially that run by ZIV. At the time of writing this chapter, there has been no resolution to this issue. If and when it occurs, CG will let shareholders and the outside world know through an appropriate notification to the SEBI, the BSE and the NSE.

HUMAN RESOURCES (HR)

In FY2016, HR focused on top level leadership transitions while successfully managing people issues arising out of demerger of the consumer business as well as the sale and closure of power business entities in Canada and Brazil. The strategy has been to promote internal talent to the vacant leadership positions.

We rolled out several initiatives on improving employee engagement to boost overall business performance. We started the practice of unit gradation to drive unit level operational and financial performance and strengthened our Performance Management Process (branded as **PRIDE** which stands for **P**ersonal **R**esponsibility in **D**elivering **E**xcellence) to align rewards with performance.

We significantly improved the quality, content and timeliness of goal-setting, performance reviews, coaching and feedback process. We also digitised the employee handbook, thus providing our employees with a one-stop access to CG's policies. While doing so, we revisited several policies to align them with the market practices. To strengthen the capability of our people managers and enhance employee engagement, we launched LEAP (which stands for **L**earn-**E**ngage-**A**ccelerate-**P**erform) in partnership with Great Places to Work at our Nashik, Bhopal and Ahmednagar plants.

We continued to strengthen the HR Centres of Excellences to improve functional capability and significantly enhance delivery capability of HR processes to enable business performance through Global HR Shared Services. Our learning and development systems focused on people development leading to superior performance at work. We launched CG Leadership Effective Effectiveness Program (CG LEP) to deepen the leadership capability within the Company. To improve personal effectiveness, we launched 7 Habits across all our markets and a special course on personal effectiveness to impart critical competencies to our managers. We also established mechanisms to reinforce and ensure implementation of learning at the workplace and revitalized our frontline supervisor development programme to provide the on-the-job training to drive operational excellence.

Industrial relations at all plants and establishments in India remained generally cordial throughout FY2016 except for a strike at our Nashik plant in the period May–August 2015. Despite this, we succeeded in ensuring 80% production during the strike period.

The Crompton Greaves Production System (CGPS) has been a significant driver in contributing towards continuous productivity improvement in CG since its inception. Work measurement and practicing the best operational excellence practices are the bedrock of CGPS with the principle of PDCA (**P**lan-**D**o-**C**heck-**A**ct) being at the core. In FY2016, we recalibrated our CGPS parameters at several plants — such as Switchgear Aurangabad and M7 Bhopal — to drive productivity. The year also saw the new Large Rotating Machine Unit at Goa being covered by CGPS. The re-calibration of CGPS norms has led to encouraging results.

CG rolled out detailed talent reviews across various levels in the organisation, starting from the top. Managers were required to assess their talent pipeline, analyse succession depth for all critical positions, identify successors and their readiness levels to take on the new position. Development planning was an important element of the process. 200 employees were so reviewed and the process was completed online this year. The online platform will ensure continuity of the process, making it possible to track year-on-year progress.

Our Global Leadership Development Programme (GLDP) was selected for the 'Best Leadership Development Practices of Asia Seminar and Awards 2015' in the category: 'Best Practice in Developing Top Leaders'.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

CG is committed to minimise the adverse impact on the environment, health and safety at workplace, by protecting and enhancing the well being of our employees, visitors and partners. The Company's EHS management system, programmes and policies were enhanced in FY2016. All CG manufacturing units in Asia, EMEA and the Americas have maintained their ISO14001 and OSHAS18001 certifications.

Senior management's strong EHS commitment was reflected in updating CG's Corporate EHS Policy and introducing EHS Cardinal Rules. These new standards and expectations were communicated to all relevant employees through webinars. Moreover, bi-monthly regional EHS network conference calls were used for EHS knowledge sharing, best practices and lesson learnt across businesses and regions.

Individual leaders took up one mandatory EHS goal in their annual appraisal system and all units set their annual targets towards meeting the EHS KPIs. An individual unit's EHS performance against set target was analysed by the use of an online Monthly EHS Balanced Scorecard.

Corporate EHS audit processes were revamped — focusing more on actual EHS implementation and performance, rather than documentation. Corrective actions arising out of such audits and various EHS events were captured and tracked for closure in an online Event Reporting System (ERS) portal, which now acts as an EHS one-stop shop. Over 3,500 corrective actions were reported and tracked in ERS, of which 79% were closed on-time with required evidences as attachments.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CG's work on CSR is appended with the Directors' Report.

FINANCIAL PERFORMANCE

This section begins with CG' stand-alone results, after which it moves on to the financial performance of the overseas entity before, finally, the consolidated financials for the Company. As mentioned earlier in this chapter, the results have to be looked at in terms of Ind AS and the concept of continuing businesses and to be sold or discontinued operations.

CG: STAND-ALONE FINANCIAL PERFORMANCE

The stand-alone results of CG for the year ended 31 March 2016 and 2015 are given in **Table 7**. **Table 8** shows the key ratios (profitability, assets efficiency and leverage ratios) of the entity for FY2016 and FY2015.

- Gross sales, or revenue from operations decreased by 5.1% to Rs.4,291 crore in FY2016. Net sales and services reduced by 6.4% to Rs.3,960 crore.
- Operating EBIDTA decreased by 14.4% to Rs.227 crore.
- Because of a significant reduction in finance costs, operating PBT increased by 26.9% to Rs.221 crore.
- Net profit from continuing operations fell from Rs.345 crore in FY2015 to (Rs.1,188 crore) in FY2016.

CG: CONSOLIDATED FINANCIAL PERFORMANCE

Table 9 gives the consolidated performance of CG, while **Table 10** gives the key ratios.

- Net sales and services: In rupees, it reduced by 4.2% to Rs.5,272 crore in FY2016. In US$, it fell by 10.5% to US$806 million.
- Operating EBIDTA decreased by 27.9% to Rs.367 crore; and by 32.7% to US$56 million.
- PBT including other income, but before exceptional items and exchange gains or loss, reduced by 44.1% to Rs.141 crore in

CG is committed to minimise the adverse impact on the environment, health and safety at workplace, by protecting and enhancing the well being of our employees, visitors and partners.

07 STAND-ALONE PERFORMANCE OF CG

RS. CRORE		
YEAR ENDED 31 MARCH	FY2015	FY2016
Revenue from operations	**4,524**	**4,291**
Less: excise duty	294	331
Net sales and services	**4,230**	**3,960**
Cost of materials consumed	3,118	2,863
Employee benefits expense	371	372
Other expenses	475	498
EBIDTA excluding OI	**266**	**227**
Other income (OI)	65	81
EBIDTA Including OI	**331**	**308**
Finance costs	(21)	(102)
Depreciation and amortisation	113	108
PBT excluding OI	**174**	**221**
PBT Including OI	**239**	**302**
Exchange Gain / (Loss)	**(47)**	**57**
Exceptional items net of income / (loss)	**150**	**(1509)**
Profit before tax	**342**	**(1150)**
Less: Tax expenses	-	-
Current tax	41	98
Deferred tax	(44)	(60)
Net Profit / (loss) for the year from continuing operations	**345**	**(1188)**
Profit from discontinued operations before tax	371	157
Tax expense on discontinued operations	127	61
Net profit from discontinued operations after tax	**244**	**96**
Net profit / (loss) for the period / year	589	(1092)
Balance Carried Forward To The Balance Sheet	589	(1092)
Earnings Per Share Before Extraordinary Item (Basic And Diluted) (In Rs.)	**9.4**	**(17.4)**
Earnings Per Share After Extraordinary Item (Basic And Diluted) (In Rs.) (Face Value Of Equity Share of Rs.2 each)	**9.4**	**(17.4)**

08 STAND-ALONE PERFORMANCE OF CG — KEY RATIOS

YEAR ENDED 31 MARCH	FY2015	FY2016
Profitability Ratios		
EBIDTA excluding OI / Net Sales from continuing operations	6.3%	5.7%
EBIDTA including OI / Net Sales from continuing operations	7.8%	7.8%
PBT / Net Sales from continuing operations	8.1%	(29.0%)
RONW on total operations	12.8%	(26.5%)
ROCE (at year-end capital employed) on continuing operations	4.1%	4.3%
Cash ROCE from continuing operations	6.2%	6.6%
EPS on the basis of total profits from continuing operations (In ₹ Per Share)	5.51	(18.96)
EPS on the basis of total profits (In ₹ Per Share)	9.40	(17.42)
Cash EPS from continuing operations (In ₹ Per Share)	6.60	(18.19)
Leverage Ratios		
Total Debt To Equity	0.0	0.0
Interest Coverage Ratio	NA*	NA*
Assets Efficiency Ratios		
Net Sales To Gross WC (Times)	1.0	0.9
Net Sales To Net WC (Times)	1.5	1.7

Note*: With credits, the interest payout was negative both in FY2015 and FY2016 (see Table above). Thus the interest coverage-ratio has no meaning.

09 CONSOLIDATED FINANCIAL PERFORMANCE OF CG

	FY2015		FY2016	
	RS. CRORE	US$ MILLION	RS. CRORE	US$ MILLION
Gross sales and services	5,800	949	5,605	857
Less: excise duty	295	48	333	51
Net Sales and Services	**5,505**	**901**	**5,272**	**806**
Cost of raw materials and components consumed and construction material	3,706	606	3,554	544
Employee Benefits	669	109	655	100
Other Expenses	621	102	696	106
EBIDTA excluding OI	**509**	**84**	**367**	**56**
Other Income (OI)	71	12	86	13
EBIDTA Including OI	**580**	**96**	**453**	**69**
Finance Costs	82	14	56	9
Depreciation and Amortisation	245	40	256	39
PBT excluding OI	**182**	**30**	**55**	**8**
PBT Including OI (Before Exceptional Item)	**253**	**42**	**141**	**21**
Exchange gain / (loss)	(47)	(8)	57	9
Exceptional Item	150	24	(111)	(17)
PBT after Exceptional item	**356**	**58**	**87**	**13**
Less: Tax Expenses				
Current Tax	42	7	100	15
Deferred Tax	(52)	(9)	(86)	(13)
PAT	**366**	**60**	**73**	**11**
Minority Interest	1	0	1	0
Share of Profit /(Loss) of Associates	1	0	1	0
PAT after minority interest and share of associate companies	**368**	**60**	**75**	**11**
Profit / (loss) from discontinued operations before tax	**(182)**	**(30)**	**(343)**	**(52)**
Tax expense on discontinued operations	163	26	128	20
Net profit / (loss) from discontinued operations after tax	**(345)**	**(56)**	**(471)**	**(72)**
Net profit / (loss) for the period / year	**23**	**4**	**(396)**	**(61)**
Average exchange rate for US$1		**61.1097**		**65.4117**

FY2016; and decreased by 47.7% to US$21 million.

- PAT (after exceptional items, exchange gains or losses and prior period items, but before minority interests and share of associated companies) reduced by 80.1% to Rs.73 crore, or US$11 million.

RISK MANAGEMENT

CG continues to deploy a well articulated risk management framework. This is based upon a three-tiered approach encompassing (i) enterprise risks (ii) process risks and (iii) compliance risks.

Enterprise risk identification and mitigation initiatives are managed through an on-going action agenda between the corporate risk department and each of the businesses, as well as for the Company as a whole. The coverage extends to all key business exposures as well as to lost opportunities — both internal and external — that are identified in conjunction with the businesses. After getting a measure of each such enterprise risk, the corporate risk department tracks the mitigation actions.

Process risk management involves assurances by the Company's internal audit department regarding the effectiveness of business and financial controls and processes in all key activities across the various businesses.

Compliance risk management comprises a detailed mechanism of assurances with respect to adherence of all laws and regulations in every country, with a comprehensive reporting process that cascades upwards from the accountable business line executives

10 CONSOLIDATED FINANCIAL PERFORMANCE OF CG — KEY RATIOS

	FY2015	FY2016
Profitability Ratios		
EBIDTA excluding OI / Net sales from continuing operations	9.2%	7.0%
EBIDTA including OI / Net sales from continuing operations	10.5%	8.6%
PBT / Net sales from continuing operations	6.5%	1.7%
RONW on total operations	0.5%	(8.6%)
ROCE (terminal) of continuing operations	5.7%	3.9%
Cash ROCE (terminal) of continuing operations	9.9%	8.9%
Per Shares Ratios		
EPS on the basis of total profits from continuing operations (in ₹ Per share)	5.88	1.20
Total EPS on the basis of total profits from continuing and discontinued operations (in ₹ Per share)	0.37	(6.31)
Cash EPS from continuing operations (in ₹ Per share)	8.95	3.91
Leverage Ratios		
Total debt to equity	0.3	0.1
Interest coverage ratio of continuing operations	7.0	8.1
Assets Efficiency Ratios		
Net sales to gross working capital (times) of continuing operations	0.8	1.2
Net sales to net working capital (times) of continuing operations	2.5	3.6

to CG's fiduciary Risk and Audit Committee (RAC) and then on to the Board of Directors.

The outcomes of business review meetings conducted by management and internal audit regarding processes and their compliance, as well as observations of the RAC and the Board of Directors are continuously incorporated to capture new risks and update the existing ones.

All three dimensions of CG's Risk Management framework are reviewed annually for their relevance and modifications, as required. The businesses and internal audit make regular presentations to the RAC for detailed review. The risk management process, including its tracking and adherence, is substantially e-enabled for greater consistency and better reporting capabilities.

INTERNAL CONTROLS AND THEIR ADEQUACY

CG believes that a strong internal controls framework is an essential pre-requisite of growing its businesses. To that end, it has an effective and efficient internal control system to conduct the audit of various divisions, sales offices, corporate headquarters and overseas operations. The internal audit team focuses primarily on operational and systems audits that monitor compliance with defined authority delegation matrix of the Company. Annual internal audit plan covers key areas of operations. This is vetted by Board-level RAC, which is updated every quarter — and occasionally between successive quarters — of the significant internal audit observations, compliance with statutes, risk management and control systems. The RAC assesses the adequacy and effectiveness of inputs given by internal auditor and suggests improvement for strengthening internal controls from time to time.

CG's internal controls have been designed to provide a reasonable assurance with regard to maintaining of proper internal controls, monitoring of operations, protecting assets from unauthorised use or losses, compliances with regulations for ensuring reliability of financial reporting. The Company uses SAP as its key data and analytics tool — which has over the years considerably enhanced the internal control mechanism.

As recommended by RAC, internal audit has developed and extended an internally coded Risk Control Framework (RCF) software across the Company. This helps in understanding the risk and control environment from the perspective of each unit — be it a division or a marketing/sales office. The RAC periodically reviews the findings of RCF and suggests improvements where needed.

OUTLOOK

As was touched upon in last year's *Management Discussion and Analysis*, over the last few years CG was suffering from the losses of some of its key international operations. Though many of these were historically purchased at attractive prices and had earned a healthy return over the first five to seven years since being acquired, these entities were buffeted by slowdown in demand, progressively creeping costs and, with the exception of some, poor profits that soon led to increasing losses which had to be made good by regular cash outflows from the parent Company. Hence, there was a need to cut the losses, sell these businesses at reasonable values and focus on CG's profitable core competencies — that of producing transformers and industrial systems out of profitable plants in India; and of selling these not just within India, a rapidly growing emerging market, but also to other parts of the world.

This has been done. As mentioned earlier in this chapter, CG has divested itself of the power transformer business in Canada; is in the process of doing so with its international transformer and systems business, which is being sold to First Reserve; has shut down uneconomic centres and production units; and is in the process of selling its power solutions business in the USA. Moreover, it has exited from the loss-making distribution franchise business at Jalgaon, Maharashtra.

In addition, CG has exited from consumer products, its erstwhile B2C business. To be sure, it was a profitable operation. But it sat uncertainly on the core B2B businesses of power transformers and industrial systems.

Moreover, by voluntarily adopting Ind AS a year earlier than mandated, the Company has created a leaner balance sheet and a more sustainable financial architecture for future growth.

We are now a leaner, more manageable and, most importantly, a more profitable enterprise, without the burden of deadweight losses of much of our internationally located businesses. If India grows at least at 7.6% in FY2017 — as it has in FY2016 — and if the demand for power equipment, rotating machines, drives and railway traction equipment increases at the expected rates, we should do better in FY2017 compared to FY2016. The Company is, therefore, cautiously optimistic of the near future.

K N NEELKANT
CEO and Managing Director
DIN (05122610)
Mumbai, 27 May 2016

CAUTIONARY STATEMENT

The management of Crompton Greaves has prepared and is responsible for the financial statements that appear in this report. These are in conformity with accounting principles generally accepted in India and, therefore, may include amounts based on informed judgements and estimates. The management also accepts responsibility for the preparation of other financial information that is included in this report. Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Management has based these forward looking statements on its current expectations and projections about future events. Such statements involve known and unknown risks significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs and may cause actual results to differ materially.

CG is now a leaner, more manageable and most importantly, a more profitable enterprise, without the burden of deadweight losses of much of CG's internationally located businesses.

05 TEN YEARS' HIGHLIGHTS

STAND-ALONE
CONSOLIDATED

EARNINGS — YEAR ENDED 31ST MARCH, IN RS. CRORE

	2007		2008		2009		2010		2011	
	Stand-alone	Consolidated	Stand-alone	Consolidated	Stand-alone	Consolidated	Stand-alone	Consolidated	Stand-alone	Consolidated
EARNINGS										
TOTAL INCOME	3695	6039	4290	7247	4940	9090	5585	9469	6356	10430
GROSS SALES AND SERVICE	3660	5934	4223	7181	4904	9031	5516	9376	6277	10331
NET SALES AND SERVICE	3368	5640	3876	6832	4611	8737	5284	9141	5951	10005
EBIDTA*	377	588	553	811	674	1054	927	1371	1012	1443
PBT@	307	436	486	615	614	867	870	1189	927	1229
PAT **@	192	282	314	407	397	560	617	860	694	889
DIVIDEND PAY-OUT	47	47	59	59	73	73	81	81	141	141
WHAT THE COMPANY OWNED										
GROSS BLOCK (INCL. CAPITAL WIP)	959	2335	1078	2733	1124	3083	1204	3099	1651	3890
NET BLOCK (INCL. CAPITAL WIP)	433	1087	515	1245	523	1379	567	1376	923	1941
INVESTMENTS	135	65	195	93	266	167	688	553	782	675
NET CURRENT ASSETS	414	708	361	759	570	969	620	1085	1139	1603
NET ASSETS EMPLOYED	982	1860	1071	2097	1359	2515	1875	3014	2458	3875

	2012		2013		2014		2015#		2016	
	Stand-alone	Consolidated	Stand-alone	Consolidated	Stand-alone	Consolidated	Stand-alone	Consolidated	Stand-alone	Consolidated
EARNINGS										
TOTAL INCOME	6901	11668	7624	12609	8064	14207	4589	5872	4372	5691
GROSS SALES AND SERVICE	6850	11615	7571	12533	7994	14058	4524	5800	4291	5605
NET SALES AND SERVICE	6485	11249	7135	12094	7571	13632	4230	5505	3960	5272
EBIDTA*	771	856	648	459	687	761	331	580	308	453
PBT@	677	550	596	185	713	495	342	355	(1150)	87
PAT **@	505	374	446	(36)	521	244	345	368	(1188)	75
DIVIDEND PAY-OUT	90	90	77	77	75	75	50	50		
WHAT THE COMPANY OWNED										
GROSS BLOCK (INCL. CAPITAL WIP)	1424	4558	1560	5539	1662	6429	2357	7114	2186	4331
NET BLOCK (INCL. CAPITAL WIP)	675	2258	775	3066	823	3459	1625	4237	1387	2677
INVESTMENTS	1053	786	1055	791	826	299	1166	436	460	208
NET CURRENT ASSETS	1552	1887	1825	1795	1810	1489	2840	2171	2284	1481
NET ASSETS EMPLOYED	2802	4463	3173	5176	3481	5276	5547	6711	4205	4396

*EBIDTA = Earnings before Interest, Depreciation, Amortisation, Tax, Exceptional items and including other income.
**Profit for continuing business after Tax, Minority Interest and Share of Associate Companies for Consolidated Statement of Profit and Loss.
@After exchange gain / (loss), exceptional items and prior period items.

WHAT THE COMPANY OWED

YEAR ENDED 31ST MARCH, IN RS. CRORE

	2007		2008		2009		2010		2011		2012		2013		2014		2015[#]		2016	
BORROWINGS	270	904	88	842	54	718	27	501	13	470	8	1044	14	2029	31	2396	68	2092	531	1473
TOTAL LIABILITIES	1317	3139	1383	3484	1570	3919	1627	3518	1712	3874	1826	5003	2163	6435	2157	7172	1523	5775	2208	3502

NET WORTH OF THE COMPANY

YEAR ENDED 31ST MARCH, IN RS. CRORE

	2007		2008		2009		2010		2011		2012		2013		2014		2015[#]		2016	
SHARE CAPITAL	73	73	73	73	73	73	128	128	128	128	128	128	128	128	125	125	125	125	125	125
RESERVES & SURPLUS	601	896	858	1229	1169	1758	1637	2376	2176	3146	2573	3483	2929	3433	3231	3519	4490	4183	4003	4472
SHAREHOLDERS' FUNDS	674	969	931	1302	1242	1831	1765	2504	2304	3275	2701	3611	3057	3561	3356	3644	4615	4308	4128	4597
TANGIBLE NET WORTH***	674	927	931	1243	1242	1783	1765	2504	2304	3275	2701	3560	3057	3393	3356	3491	4615	4308	4128	4597

RATIOS

	2007		2008		2009		2010		2011		2012		2013		2014		2015[#]		2016	
BOOK VALUE PER SHARE (IN RS.)	10.5	14.5	14.5	19.4	19.4	27.8	27.5	39.0	35.9	51.0	42.1	55.5	47.7	52.9	53.0	55.1	73.6	68.7	65.9	73.3
EARNINGS PER SHARE (IN RS.)	3.00	4.39	4.89	6.34	6.19	8.73	9.62	13.40	10.82	13.85	7.87	5.82	6.95	(0.56)	8.23	3.86	5.51	5.88	(18.96)	1.20
CASH EARNINGS PER SHARE (IN RS.)	4.03	6.48	5.76	8.36	7.08	11.22	10.74	16.62	11.91	17.13	8.96	9.34	8.17	1.30	10.01	8.67	6.60	8.95	(18.19)	3.91
CURRENT RATIO	1.39	1.32	1.28	1.29	1.38	1.30	1.39	1.36	1.70	1.48	1.88	1.46	1.87	1.39	1.86	1.28	2.96	1.50	2.06	1.52
DEBT EQUITY RATIO	0.4	0.98	0.09	0.68	0.04	0.4	0.02	0.2	0.00	0.09	0.00	0.17	0.00	0.44	0.00	0.45	0.00	0.30	0.00	0.13
EBIDTA / NET SALES (IN %)	11.2	10.4	14.3	11.9	14.6	12.1	17.5	15.0	17.0	14.4	11.9	7.6	9.1	3.8	9.1	5.6	7.8	10.5	7.8	8.6
RETURN ON TANGIBLE NET WORTH (IN %)[##]	28.5	30.4	33.7	32.7	32.0	31.4	35.0	34.3	30.1	27.1	18.7	10.5	14.6	(1.1)	15.5	7.0	12.8	0.5	(26.5)	(8.6)
FIXED ASSETS TURNOVER RATIO (IN TIMES)	7.8	5.2	7.5	5.5	8.8	6.3	9.3	6.6	6.5	5.2	9.6	5.0	9.2	3.9	9.2	3.9	2.6	1.3	2.9	2.0
NO. OF PERMANENT EMPLOYEES	4912	7972	5002	8307	5094	8564	5116	8647	5214	8702	5365	8966	5575	9575	5529	9433	4024	7854	3633	7233

*** Tangible Net Worth = Shareholders' Funds - Miscellaneous Expenses - Deferred Tax Asset

[#] Comparatives of FY2015 is as per Ind AS to match with the corresponding figures of FY2016 in which year Ind AS has been implemented.

[##] On total operations.

06

DIRECTORS' REPORT

To The Members

Your Directors are pleased to present their Seventy Ninth Annual Report on the business and operations of the Company (or "CG") alongwith the audited accounts for the financial year ended 31 March 2016.

THE YEAR IN RETROSPECT

The Stand-alone and Consolidated financials of the Company represents the continuing operations for the year ended 31 March 2016. The operations, assets and liabilities of the discontinued operations have been presented under separate head.

The continued consolidated net revenue of the Company during 2015–2016 de-grew by 4.2% at Rs.5272 crore, as compared with Rs.5505 crore last year. The Company has achieved a stand-alone net turnover from continued operations of Rs.3960 crore, during the year under review, as compared with Rs.4230 crore during the previous year, a decline of 6.4%.

Consolidated profit before tax from continuing operations decreased to Rs.87 crore, as compared with Rs.356 crore in the previous year, a decrease of 75.4% over last year. Stand-alone profit / (loss) before tax from continuing operations decreased from Rs.342 crore to Rs.(1150) crore, a decrease of 436.6%.

Consolidated loss before tax from discontinued operations increased to Rs.(343) crore from Rs.(182) crore, in the previous year, an increase of 88.7%.

Consolidated profit after tax from continuing operations is Rs.75 crore as compared with consolidated profit after tax of Rs.368 crore in the previous year, a decrease of 80%. The Company recorded a stand-alone profit / (loss) after tax from continuing operations of Rs.(1188) crore, a decrease of 444.3% from Rs.345 crore last year.

The Sales and Profit Before Interest and Tax (PBIT) of the respective Business Groups, compared with last year are given in **Table 1.**

A detailed review of the operations and performance of the Company and each of the Businesses including its International operations is contained in the Management

01 SALES AND PROFIT BEFORE INTEREST AND TAX (PBIT)

IN RS. CRORE

BU	SALES		PBIT	
	2015-2016	2014-2015	2015-2016	2014-2015
Power Systems (CG Stand-alone)	2290	2696	117	200
Industrial Systems (CG Stand-alone)	1611	1497	174	151
Automation Systems (CG Stand-alone)	75	51	(10)	10
Power Systems (including International operations)	2495	2786	188	402
Industrial Systems (including International operations)	1929	1834	139	110
Automation Systems	864	900	(6)	7

Pursuant to demerger scheme, each shareholder of CG has been alloted one equity share in CGCEL against one share held in CG.

Discussion and Analysis Report, which is given as a separate chapter in this Annual Report.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for the continuing operations for the year ended 31 March 2016 is given in **Table 2.**

DEMERGER OF CONSUMER BUSINESS

Pursuant to the approval of shareholders of the Company accorded on 13 August 2015, for the Scheme of Arrangement (Scheme) between the Company and Crompton Greaves Consumer Electricals Limited (CGCEL), the Company has completed with the demerger of its Consumer Products Business, with effect from 1 October 2015 upon sanction of the Scheme by the Hon'ble High Court, Bombay on 20 November 2015 and filing the same with the Registrar of Companies on 31 December 2015 by the Company. Pursuant to the Scheme, the shareholders of the Company have been allotted one equity share of Rs.2/- in CGCEL for every equity share of Rs.2/- each held in the Company as on 16 March 2016 being the Record Date fixed for this purpose, which were listed on the BSE and NSE with effect from 13 May 2016.

DIVESTMENTS AND OTHER DEVELOPMENTS

With the strategic objective of debt reduction and focusing on its core operations in Power business in India and in its Industrial Systems business, the following divestments have been completed / undertaken by the Company:

- The Company has sold the Power Assets held by its subsidiary CG Power Systems Canada Inc, thereby exiting from the Power business in Canada.
- The Company has divested its entire stake in the Joint Venture CG Lucy Switchgear Limited (presently Lucy Electric India Private Limited) to W Lucy & Co Limited, UK-the Joint Venture Partner, while retaining its distribution and supply arrangements with Lucy Electric India Private Limited.
- The Company has signed a Share Purchase Agreement (SPA) for sale of its Power Businesses in Europe, North America and Indonesia. The completion of the SPA is envisaged by 31 October 2016, subject to requisite consents and regulatory approvals. Upon completion, the Company would exit completely from its overseas Power businesses.
- The Company has also initiated the process of identifying investors for it's other international B2B businesses including Automation Business.

02 FINANCIAL HIGHLIGHTS

IN RS. CRORE FOR THE YEAR ENDED 31 MARCH 2016 AND 31 MARCH 2015				
PARTICULARS	STAND-ALONE		CONSOLIDATED	
	2016	2015	2016	2015
Revenue from Operations (Net of Excise Duty)	3,960	4,230	5,272	5,505
EBIDTA	308	331	453	580
Less: Finance Cost	(102)	(21)	56	82
Less: Depreciation	108	113	256	245
Profit Before Exceptional Items & Tax	302	239	141	253
Exchange gain	57	(47)	57	(47)
Exceptional Items	(1509)	150	(111)	150
Profit /(loss) Before Tax	(1150)	342	87	356
Less: Tax Expense	38	(3)	14	(10)
Profit /(loss) After Tax	(1188)	345	73	366
Share of profit /(loss) in associates	-	-	1	1
Less: Minority Interest	-	-	1	1
Profit / (loss) from continuing operations	(1188)	345	75	368
Profit / (loss) from discontinued operations	157	371	(343)	(182)
Tax expense from discontinued operations	61	127	128	163
Net Profit / (loss) from discontinued operations	96	244	(471)	(345)
Net Profit / (loss) for the year attributable to shareholders	(1092)	589	(396)	23

The above steps will enable the Company to improve its Balance Sheet and enhance shareholders value by refocusing on operations and growth in India, considering the opportunities in India, in view of the emphasis of the Government on the Power sector and the growth in demand of the products in the Industrial Systems' business in India and overseas.

During the year, the Distribution Franchisee Agreement (DFA) of the Company with Maharashtra State Electricity Distribution Company Limited (MSEDCL) for power distribution at Jalgaon in Maharashtra was terminated by MSEDCL exercising its step-in rights consequent to certain unresolved disputes. The Company is confident of arriving at an amicable settlement with MSEDCL on all pending issues under the DFA.

DIVIDEND

No dividend has been recommended or paid for the year ended 31 March 2016.

RESERVES

The Reserves, on stand-alone basis, at the beginning of the year were Rs.4490 crore. The Reserves at the end of the year are Rs.4003 crore.

SHARE CAPITAL

As at 31 March 2016, the authorised share capital of the Company was Rs.407,60,00,000-(Rupees four hundred seven crore sixty lacs) divided into 203,80,00,000 equity shares of Rs.2/-(Rupees Two) each.

As at 31 March 2016, the paid-up share capital of the Company stood at Rs.125,34,92,284 (Rupees one hundred twenty five crore thirty four lacs ninety two thousand two hundred eighty four only) consisting of 626,746,142 equity shares of Rs.2/-(Rupees Two) each.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS

As on the date of this report, the Company's Board comprises of ten Directors. The Chairman, Mr Gautam Thapar is a Non-Executive Director and represents the Promoter Group. Mr K N Neelkant is the CEO and Managing Director. Mr Madhav Acharya is the Executive Director — Finance and CFO. Five other Non-Executive Directors — Mr Shirish Apte, Mr Sanjay Labroo, Ms Meher Pudumjee, Dr Valentin Von Massow and Ms Ramni Nirula are independent in terms of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Companies Act, 2013. Two other Directors — Mr B Hariharan and Dr Omkar Goswami are Non-Executive Directors. The Directors are reputed professionals with diverse functional expertise, industry experience, educational qualifications, ethnicity and gender mix relevant to fulfilling the Company's objectives and strategic goals.

Cessation

Mr Laurent Demortier resigned from his role as a CEO and Managing Director of the Company with effect from 3 February 2016, thereafter, he continued to serve as a Whole-time Director upto 31 March 2016.

Dr Colette Lewiner, Independent Director stepped down from her directorship of the Company, with effect from 14 March 2016.

The Board places on record its gratitude and appreciation for Mr Demortier and Dr Lewiner for their guidance to the Company during their tenure as Directors.

Appointment

Mr K N Neelkant was appointed as the CEO and Managing Director with effect from 3 February 2016.

Mr Madhav Acharya was appointed as Executive Director — Finance with effect from 1 April 2016, in addition to his role as the CFO of the Company.

Ms Ramni Nirula was appointed on the Board as an Independent Non-Executive Director with effect from 6 April 2016.

Retirement by Rotation

In terms of the provisions of Section 152 of the Companies Act, 2013 and the rules made thereunder and Article 114 of the Articles of Association of the Company, Dr Omkar Goswami and Mr B Hariharan, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for the re-appointment. The profile details of Dr Omkar Goswami and Mr B Hariharan are contained in the accompanying Notice of the forthcoming Annual General Meeting and in the Corporate Governance Report. The Board recommends their re-appointment.

CG has signed a Share Purchase Agreement (SPA) for sale of its Power businesses in Europe, North America and Indonesia.

The factory at Mandideep manufactures the state-of-the-art Power Transformers and Reactors for the utilities

Attributes, Qualification & Independence of Directors & their Appointment

The appointment and remuneration of Directors is governed by the Remuneration Policy of the Company which also contains the criteria for determining qualifications, positive attributes and independence of Directors. The Policy along with the CG Board Diversity Policy aims at attracting and retaining high caliber personnel from diverse educational fields and with varied experience to serve on the Board for guiding the Management team to enhance organizational performance. The detailed Remuneration Policy is contained in the Corporate Governance section of this Annual Report.

Independent Directors Declaration

All Independent Directors have submitted declarations that they continue to meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations.

Board Meetings

A calendar of meetings is prepared and circulated in advance to the Directors. The Board of Directors met 6 times during FY2016. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations. The details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report.

The Board has established Committees as a matter of good corporate governance practice and as per the requirements of the Companies Act, 2013. The Committees are Risk and Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee. The composition, terms of reference, number of meetings held and business transacted by the Committees is given in the Corporate Governance Report.

Annual Board Evaluation

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors. The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as adequacy of the composition and role of the Board, Board meeting and reporting process, effectiveness of strategies, risk management systems, external relationships, ethics and governance framework. Committee performance was evaluated on the basis of its composition, effectiveness in carrying out its mandate, relevance of its recommendations and allocation of adequate time to fulfill its mandate.

Individual and peer assessment of Directors based on parameters such as knowledge, contribution, level of engagement, communication / relationship with Board and Senior Management were received by the Chairman for individual feedback. The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The performance evaluation of the Chairman was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process and its result.

Familiarization of Independent Directors

The Company has in place the practice of familiarizing the Independent Directors which inter-alia seeks to update the Directors, while their induction, on their roles, responsibilities, rights and duties under the Companies Act, 2013 and other statutes. This process helps the Independent Directors to take well informed decisions in a timely manner. The details of this program can be viewed under the following link on company's website: *http://www.cgglobal.com/frontend/finalnonproduct.aspx?cnl2=yrnPqECUvhk=*

KEY MANAGERIAL PERSONNEL

During the year under review Ms Minal Bhosale resigned from the position of Company Secretary w.e.f. 31 May 2015. The Board of Directors based on the recommendation of the Nomination and Remuneration Committee, appointed Mr Manoj Koul as the new Company Secretary of the Company w.e.f. 3 August 2015.

PROMOTER GROUP

The Company is a part of the Avantha Group, one of India's leading diversified conglomerates. Led by Chairman Mr Gautam Thapar, the Avantha Group has a global footprint and operates in 90 countries with more than 25,000 employees worldwide.

As required under the Listing Regulations, CG periodically discloses its promoter group and persons acting in concert in the shareholding pattern and other filings with the Stock Exchanges.

SUBSIDIARY COMPANIES

As on 31 March 2016, the Company has three Indian subsidiaries and 31 foreign subsidiaries. The particulars are mentioned in Annexure 6 to this Report in Form No. MGT 9 (Extract of Annual Return).

Pursuant to Section 136 of the Companies Act, 2013 the audited accounts of each of the Company's subsidiaries are placed on the website of the Company and not enclosed in this Annual Report. If any Member of the Company so desires, the Company will be happy to make available the Annual Accounts of the subsidiaries to him / her, on request. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days, excluding Saturdays, upto the date of the Meeting.

In terms of Section 129(3) of the Companies Act, 2013, statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures is given in this Annual Report.

CG Board Diversity Policy aims at attracting and retaining high caliber personnel.

CG voluntarily opted for adoption of the IND AS with effect from 1 April 2015 and thereafter.

BRANCH OFFICE IN POLAND

The Company's branch office in Poland i.e. Crompton Greaves Ltd SA is under the process of liquidation.

ADOPTION OF IND AS

The Central Government in consultation with the National Advisory Committee on Accounting Standards (NACAS) under Section 133 read with Section 469 of the Companies Act, 2013 has notified the Indian Accounting Standards ('Ind AS') vide G.S.R. 111(E) dated 16 February 2015. The Company has decided for adoption of the aforesaid standards, voluntarily, as stated in the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April 2015 and thereafter. The aforesaid Rules have been further amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 on 30 March 2016. In view of this notification / amendment and also as per the Regulation 33 of Listing Regulations, the Company has prepared the Financial Statements (both stand-alone and consolidated) for the year ended 31 March 2016 as per Ind AS, as amended.

RISK AND AUDIT COMMITTEE

As on the date of this Report, the Risk and Audit Committee is comprised of three Non–Executive Directors, of whom two are Independent. The composition is as under:

- Mr Shirish Apte (Chairman, Independent Director)
- Dr Omkar Goswami (Non-Executive Director)
- Mr Sanjay Labroo (Independent Director)

All recommendations made by the Risk and Audit Committee during the year were accepted by the Board of Directors.

RELATED PARTY TRANSACTIONS

The Company's Related Party Policy governs the norms for inter-company transaction pricing between the Company and its subsidiaries. Since the Company has a network of wholly-owned subsidiaries, manufacturing, as well as, engaged in sales of various products comprising the different businesses of CG, a substantial quantum of related party transactions comprise transactions with subsidiaries for purchase and sale of goods and services, in the ordinary course of business.

An omnibus approval has been granted by the Risk and Audit Committee of the Board for transactions which are of a foreseen and repetitive nature with other related parties. Such omnibus approvals are subjected to review by the Risk and Audit Committee every year and are monitored by the Risk and Audit Committee on a quarterly basis. All Related Party Transactions are presented to the Risk and Audit Committee every quarter.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no material related party contracts, arrangements or transactions undertaken by the Company during the year in terms of its India Related Party Transaction Policy of the Company and hence 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 in Form AOC-2 (Annexure 1 to this Report) is nil.

The Company's India Related Party Transactions Policy is uploaded on the website of the Company and the weblink is as under: *http://www.cgglobal.com/pdfs/policies/India%20Related%20Party%20Transactions%20Policy.pdf*

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees given and investments made by the Company during FY2016, pursuant to the provisions of Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations are given in the notes to the Financial Statements.

BUSINESS RISK MANAGEMENT

A risk management policy has been developed and implemented by the Company for identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. In order to bring in more clarity on the objective, process and spell out the roles and responsibilities for an effective implementation of the Risk Management Process, the Board of Directors have adopted revised Risk Management Framework. The revised framework enables risk identification and its escalation and consolidation at unit level to business unit level, identification of risk mitigation process.

CG has successfully commissioned its first 765kV PLCC for Power Grid

In terms of the framework, the Risk and Audit Committee shall review the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures and steps in place to mitigate the same, from time to time.

The assessment of the risks covers Strategy, Technology, Financial, Operations & Systems, Legal & Regulatory and Human Resources Risks. There is appropriate assurance and monitoring mechanism in place to monitor the effectiveness of the risk management framework including the mitigation plans identified by the Management for key risks identified through the risk management exercise.

INTERNAL FINANCIAL CONTROLS

CG has in place, adequate systems and procedures for implementation of internal financial control across the organization which enables the Company to ensure that these controls are operating effectively.

RESEARCH AND DEVELOPMENT

During the year, the Company's R&D activities continued to focus on development of improved energy efficient and reliable products. Power transformers focused on research in cost competitiveness, oil tightness and validation of hot spot calculation. Research was also carried out in GAI3S 245 kV GIS with spring drive, 170 kV mobile GIS, 420 kV CT with Casting Tank, Composite Insulator CVTS, digital interface (digital surge counter) to the lightning arrester for condition monitoring of products, which is a vital communication link for smart substations and study of external withstand and flashover characteristics of air insulations for development of new and niche products. Other areas of research in power products included Inverter Duty 12 Pulse Transformer 3.2 MVA with foil winding, Four Inverter Feed 4.25 MVA Transformer with foil winding and 2X12 Pulse Four Winding Transformers for solar application.

Automation business R&D activities, led by the R&D Centre of Excellence, together with the R&D teams at different locations, are mainly focused on new products and features to maintain its technological leadership in Protections and Control as well as in metering and communications.

Industrial systems business focused on control platform, new DSP technology for high performance DTC, SVPWN and FOC for AM, PMSM and SynRM and new UC technology for integrated connectivity and communication. CSA certified single phase motors upto 5HP 4P and 6P were developed. In Railways Signaling Division, R&D activity was carried out to design and develop two key products for railway and one customized product for Honda Motors such as 110Volts AC Fan with specially designed SS guard having better aesthetics to suit advanced interior of EMUs., 230 Volts AC BLDC Fan with special feature of speed regulation having customized design for Honda Motors and 380 Volts AC 3 Phase Point Machine for Metro rail.

The above R&D efforts would result in extended product range, increase in operating income and expansion in new markets.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

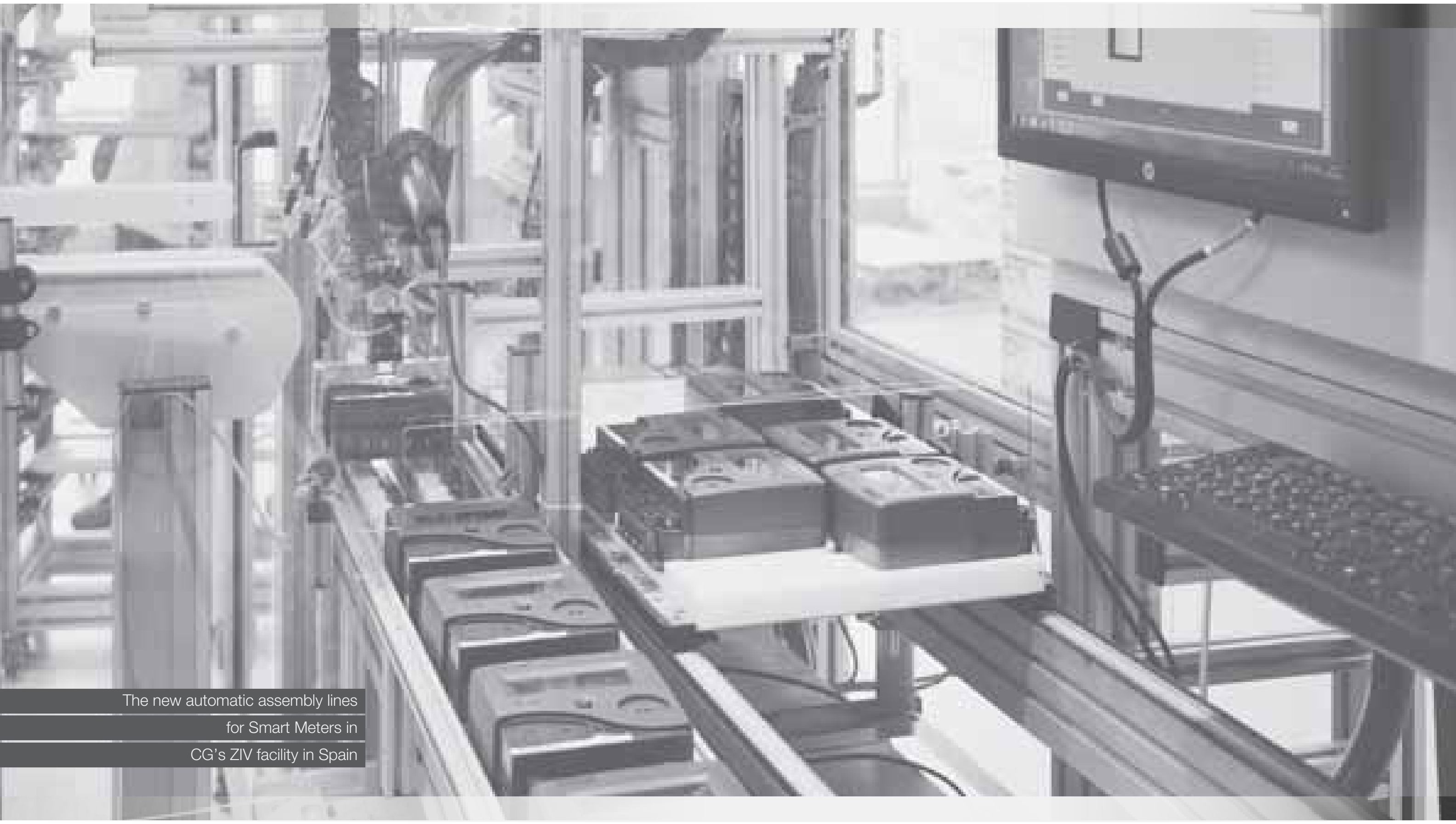
As required by the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the prescribed format as Annexure 2 to this Report.

ENVIRONMENT, HEALTH & SAFETY (EHS)

By and large, EHS Management system, programs and policies were enhanced and overhauled during the year. All CG manufacturing units in Asia, EMEA and Americas have maintained their ISO14001 and OSHAS18001 certifications.

CG's EHS policy and guidelines are a reflection of CG's strong EHS commitment. The EHS Guidelines prescribe responsibilities and accountabilities of individual functions and the standards for adherence with the Guidelines. Behaviour Based Championship Model was introduced, resulting in increased overall EHS awareness. Additionally, bi-monthly regional EHS network conference calls were conducted for cross business and cross regional EHS knowledge sharing.

Smart EHS goals now form a part of KPI's of individual leaders. Monthly online EHS Balanced Score Card concept was introduced under which all units set their annual targets towards EHS KPI's and individual unit's EHS performance against the set targets were evaluated. Corporate EHS audit process was revamped with the inclusion of skip level meeting and interview process. These audits were more focused on EHS implementation and performance, rather than EHS documentation, as a journey towards continuous improvement in EHS excellence. Corrective actions generated from these audits and various EHS events are captured and tracked for closure in Online Event Reporting System portal (ERS) as EHS one stop shop.



The new automatic assembly lines for Smart Meters in CG's ZIV facility in Spain

With the objective of rewarding individual and collective efforts towards EHS, EHS RECOGNIZE policy was introduced and aligned with organisational RECOGNIZE drive. Two units were awarded as Best EHS unit CEO annual award.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's undeterred commitment towards CSR initiatives endeavor to embrace responsibility for its corporate actions and achieve fruitful impact of its business actions not only on its stakeholders, but also the society at large. As part of its CSR initiatives, CG has undertaken projects in the areas of education, employability and health. CG supports Avantha Foundation on programs such as reduction of Malnutrition and Hunger and building capacities of stakeholders in small towns to ensure better delivery of services to citizens. The Annual Report on CSR activities of CG for FY2016 is stated at Annexure 3 to this Report.

GREEN INITIATIVES

Electronic copies of the Annual Report and Notice of the 79th Annual General Meeting are sent to all members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes. For members who have not registered their email addresses, physical copies of the Notice and Annual Report are sent in the permitted mode. Members requiring physical copies can send a request to the Company. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days, excluding Saturdays, upto the date of the Meeting.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e., 31 March 2016 and the date of this Directors' report.

MATERIAL ORDERS OF REGULATORS / COURTS / TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 2013. The Directors confirm that:

- the Annual Accounts have been prepared in conformity with the applicable Accounting Standards;
- the Accounting Policies selected and applied on a consistent basis, give a true and fair view of the affairs of the Company and of the profit for the financial year;
- sufficient care has been taken that adequate accounting records have been maintained for safeguarding the assets of the Company; and for prevention and detection of fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis;
- the internal financial controls laid down in the Company were adequate and operating effectively;
- the systems devised to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

SHARE REGISTRAR & TRANSFER AGENT

The Company's Registrar & Transfer Agents for shares is Datamatics Financial Services Ltd (DFSL). DFSL is a SEBI-registered Registrar & Transfer Agent. The contact details of DFSL are mentioned in the Corporate Governance Report.

Investors are requested to address their queries, if any to DFSL; however, in case of difficulties, as always, they are welcome to contact the Company's Investor Services Department, the contact particulars of which are contained in the Corporate Governance Report.

FIXED DEPOSITS

The Company has not accepted any deposits from public or its members during FY2016 under Section 73 of the Companies Act, 2013 and no deposits are subsisting as on date.

CG's undeterred commitment towards CSR initiatives endeavour to embrace responsibility for its corporate actions.

CG Whistle Blower Policy provides mechanism to its employees that assures addressing the reported violation.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. However regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given at Annexure 4 to this report.

COMPLAINTS RELATING TO SEXUAL HARASSMENT

In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013, it is mandatory to review status of sexual harassment related complaints in the Annual Report. There were no incidents of sexual harassment reported in the Company. For protection against sexual harassment, CG has formed an internal complaints committee to which employees can write in their complaints. The Company has a Prevention of Sexual Harassment Policy which has formalised a free and fair enquiry process for dealing with such issues, with clear timelines. During FY2016, a number of workshops and programs were conducted by the Company to spread awareness on sexual harassment related issues.

VIGIL MECHANISM

The Company has formulated CG Whistle Blower Policy with a view to providing a mechanism for CG employees to report violations and assure them of the process that will be followed to address the reported violation. The Policy also lays down the procedures to be followed by Senior Management for tracking of complaints, giving feedback, conducting investigations and taking disciplinary actions. It also provides assurances and guidelines on confidentiality of the reporting process and protection from reprisal to complainants.

A Management Committee as nominated by CEO and Managing Director is formed upon completion of the investigation and requiring action by the Committee. Decisions taken by the Management Committee and actions taken by the Company or exoneration cases are informed by the Head of Internal Audit to the Risk and Audit Committee on a quarterly basis. Actions taken by the Management Committee are implemented subject to applicable law(s).

AUDITORS

STATUTORY AUDITORS

In view of the mandatory rotation of auditor requirement and to ensure smooth transition, it is proposed to appoint M/s Chaturvedi & Shah as Joint Statutory Auditors alongwith M/s Sharp & Tannan, the existing Statutory Auditors of the Company. Both the Auditors will be jointly and severally responsible during FY2017.

M/s Chaturvedi & Shah are proposed to be appointed for a period of 5 continuous years i.e. from the conclusion of 79th Annual General Meeting till the conclusion of 84th Annual General Meeting of the Company. M/s Sharp & Tannan and M/s Chaturvedi & Shah, have informed the Company vide letters both dated 24 May 2016 respectively that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. M/s Sharp & Tannan and M/s Chaturvedi & Shah, have confirmed that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold valid certificates issued by the Peer Review Board of the ICAI. M/s Sharp & Tannan and M/s Chaturvedi & Shah, have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non-audit assignments for the Company.

COST AUDITOR

The Company had appointed M/s Ashwin Solanki & Associates, Cost Accountants, to audit the cost accounts related to the Company's products for 2015–2016. The cost audit reports were filed within the statutory deadline.

Upon recommendation of the Risk & Audit Committee, the Board had appointed M/s Ashwin Solanki & Associates as Cost Auditors, for the financial year 2016-2017. At the ensuing Annual General Meeting, their remuneration is proposed to be approved and ratified by the shareholders.

SECRETARIAL AUDITOR

The Company has appointed Dr K R Chandratre, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit for FY2016 is annexed herewith as Annexure 5 to this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditor or the Secretarial Auditor in their reports and hence do not call for any further comments.

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor had reported any matter under Section 143(12) of the Companies Act, 2013, therefore no details are required to be disclosed under Section 134(3)(d) of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as Annexure 6.

ACKNOWLEDGEMENTS

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

The Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, government and all other business associates for their continued support extended to the Company and the Management.

On behalf of the Board of Directors

G THAPAR
Chairman
DIN (00012289)
Mumbai, 27 May 2016

ANNEXURE TO DIRECTORS'REPORT

ANNEXURE 1

FORM AOC-2

(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)

Form for 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 transactions under third proviso thereto.

01 DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	NATURE OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS	DURATION OF THE CONTRACTS / ARRANGEMENTS/ TRANSACTIONS	SALIENT TERMS OF THE CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS INCLUDING THE VALUE, IF ANY	JUSTIFICATION FOR ENTERING INTO SUCH CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS	DATE(S) OF APPROVAL BY THE BOARD	AMOUNT PAID AS ADVANCES, IF ANY	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISO TO SECTION 188

NIL

02 DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

NAME(S) OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	NATURE OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS	DURATION OF THE CONTRACTS / ARRANGEMENTS/ TRANSACTIONS	SALIENT TERMS OF THE CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS INCLUDING THE VALUE, IF ANY	DATE(S) OF APPROVAL BY THE BOARD, IF ANY	AMOUNT PAID AS ADVANCES, IF ANY

NIL

On behalf of the Board of Directors

G THAPAR

Chairman

DIN (00012289)

Mumbai, 27 May 2016

ANNEXURE 2

Information under Section 134 of the Companies Act, 2013

A. CONSERVATION OF ENERGY

1. ENERGY CONSERVATION MEASURES TAKEN

The accelerated momentum on energy conservation initiatives continued this year at manufacturing plants worldwide, with further efforts towards substitution of traditional sources of energy with renewable energy, measures for efficient usage of power and investment in additional equipment for saving of electricity. The illustrative measures taken towards energy conservation at Units are:

- In Indonesia, diesel consumption was replaced with natural gas usage;
- For effective energy conservation at Nashik (GIS Switchgear), LED lighting and daylighting solutions were adopted and the new equipment based on inverter technologies were installed;
- Saving in annual power cost was accomplished through replacement of 180 KW Thyristor controlled ovens by more energy efficient 120 KW ovens at LRM India;
- Installation of Variable Frequency Drives (VFD) for energy saving in:
  - cranes
  - paint booth exhaust blowers and
  - compressors
- Centralized fan control system installed for reduction in energy consumption;
- Energy saving by improving autoclave cooling method by adding forced air cooling and by stopping oil slippage;
- Commissioned low-loss high efficiency transformer with voltage regulation in S6;
- Used fixed and variable capacitor bank for power factor improvement at T2.

Every unit has set targets for paper, power and water consumption per employee which is monitored on a regular basis.

2. ALTERNATE SOURCES OF ENERGY

- Installation of solar water heater to reduce the consumption of LPG;
- Central-heating systems were modernised in factories and offices in Hungary in order to reduce energy consumption.

3. CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

The following processes are under implementation for further reducing energy consumption:

- Equipment based on inverter technologies were installed;
- Installation of Thyristor controlled ovens;
- Used fixed and variable capacitor bank for power factor improvement;
- Installation of retrofitted LED lights in offices and shop floors;

01 EXPENDITURE ON R&D

		RS. CRORE FOR THE YEAR ENDED 31 MARCH 2016
STAND-ALONE		
A	Capital	12.82
B	Revenue	35.93
C	Total (A + B)	48.75
D	Total R & D expenditure :	
	as a percentage of net turnover (continued operations)	1.23
	as a percentage of profit/ (loss) before tax (continued and discontinued operations)	(4.24)

02 FOREIGN EXCHANGE EARNINGS AND OUTGO

	RS. CRORE
	TOTAL
Total Foreign Exchange Earned	984.37
Total Foreign Exchange Used	537.00

- Installation of Variable Frequency Drives (VFD) for stationary and non-stationary applications.

B. TECHNOLOGY ABSORPTION

1. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

- Indegenisation of technologies to integrate RTU manufacturing and supply chain;
- Technology for GAI3S 245 KV was co-developed with CG-Hungary. Steps are being taken for effective absorption of this technology for commercial production in India;
- Indigenised the complete process for absorption of technology of IGBT power converter from CAF P&A, Spain.

2. THE BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION

The benefits arrived from these efforts are:

- Traction Electronics: Power Converters were produced which contributed substantially towards the top-line growth.
- Spring drive development: Development of spring drives for 145 kV GIS resulted in 50% import substitution which helped in reducing the total bay cost. Similar exercises are planned for 245 kV GIS sub-assemblies.

3. IMPORTED TECHNOLOGY

- the details of technology imported — Nil;
- the year of import — Not applicable;
- whether the technology has been fully absorbed — Not applicable;
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof — Not applicable.

4. EXPENDITURE ON R&D

The company's expenditure on R&D is mentioned above in **Table 1.**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned and used by the Company is given in **Table 2.**

On behalf of the Board of Directors

G THAPAR
Chairman
DIN (00012289)
Mumbai, 27 May 2016

ANNEXURE 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES FOR FY2016

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS

Corporate Social Responsibility (CSR) Policy

CG is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on the society. This means working with the underserved communities to improve the quality of their life and preserve the ecosystem that supports the communities and the Company.

CG closely works with its stakeholders for building an increased commitment at all levels in the organization to operate our business in an economically, socially and environmentally sustainable manner with the aim of benefitting the underserved.

Weblink to the CSR Policy

http://www.cgglobal.com/frontend/Crompton.aspx?cnl2=Hzywp8VdQN4=

2. THE COMPOSITION OF THE CSR COMMITTEE

The Committee comprises of the following Directors:

- Ms Meher Pudumjee (Chairperson, Independent Director)
- Mr Shirish Apte (Independent Director)
- Mr Gautam Thapar (Non-Executive Director)
- Dr Valentin von Massow (Independent Director)

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS

Rs.654.81 Cr.

4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3 ABOVE)

Rs.13.10 Cr.

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR

The details of the expenditures on CSR are given in **Table 1**.

- Total amount to be spent for the financial year: Rs.13.10 Cr.
- Amount unspent, if any: Rs.5.09 Cr.
- Manner in which the amount was spent during the financial year is detailed in the table on the next page.

CG focused on health, education and skill development for supporting communities. It is partnering with local bodies, government institutions and locally present NGOs to take this ahead. During FY2016, CG started new initiatives in the area of skill development and education that were taken up with a detailed ramp up plan with a lead time going beyond FY2016 due to which some amount remained unspent. CG also demerged its Consumer Business in October 2015 as a separate legal entity that further necessitated a moderation in the CSR activities to make them sustainable. Due to these reasons, in FY2016, the total planned expenditure was Rs.8.01 Cr. which was fully spent against the available amount of Rs.13.10 Cr.

OVERVIEW OF THE PROGRAMS AND PROJECTS UNDERTAKEN

Some key highlights of the activities of the year 2015–2016 are given below:

COMMUNITY DEVELOPMENT

With the aim of improving the lives of communities around its manufacturing locations by responding to their livelihood and basic healthcare needs, CG achieved the following:

- 50 Self Help Groups (SHG) consisting of 500 women mobilized by CG were bought under one association i.e. Sankalp Federation. This federation was established to bring together the efforts of individual women and SHGs under the brand name of Sankalp. The women are pursuing businesses like, making and selling diwali snacks, decorative lamps, paper bags, perfumes, pickles, flour milling etc. The attempt is to develop these items as per the required standards to be sold at big shopping centers.
- With the help of the organization SNEHA as an implementing partner, a project on Adolescent Education was taken up in the Kanjur village and nearby slums.
- With the focus on Mother and Child Care, 10 to 15 villages or slum communities were identified at 5 locations, each within 10km radius of CG's plants. The 5 locations included Nashik, Aurangabad, Ahmednagar, Bhopal, Baddi and Baroda.

SKILL DEVELOPMENT INITIATIVE

- In order to upgrade skills of ITI students and provide industrial exposure as per the requirement of existing industries, CG has partnered with Mulund, Mumbai, Satpur and Nashik ITI. On pilot basis, CG organized 3 months motor and pumps repair and maintenance course by providing course content, trainer and laboratory for practical training.
- More than 800 beneficiaries i.e. youth and women were trained in courses such as multimedia, beauty and wellness, tailoring and fashion designing, basic computers, nursing, household electrician works, mobile repairing and jute bag making among others, around the various factory locations. More than 70% beneficiaries have been able to increase their average monthly income in their family.
- Approx. 180 students underwent skill up-gradation courses of motor and pumps repair at two government ITIs in Mumbai and Nashik. A laboratory has been set up at both the ITIs. They have also received soft skills training to enhance their overall quality on the shopfloor.

EDUCATION

CG is working continuously with the municipal and local self-government schools for raising the quality and standard of education imparted. Over 6000 students from 6th to 10th standard in 60 schools are covered under this project in Nashik in Maharashtra and in Bhopal and Gwalior in Madhya Pradesh. This project helped students gain correct knowledge through practical experiments which support the academic curriculum. In Mumbai, more than 180 students were supported through the initiative leading to better academic performance and good soft skills.

COMMUNITY BASED PREVENTIVE HEALTH CARE INITIATIVE

CG has initiated community based preventive health care project with the following objective:

- To improve reproductive health of women between 15 -49 age group and child health between 0-5 year age group children.

01 CSR SPENT DURING THE FINANCIAL YEAR

RS. CRORE

S.NO	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS. 1. LOCAL AREA OR OTHER 2. SPECIFY THE STATE AND DISTRICT WHERE PROJECTS AND PROGRAMS WERE UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAM-WISE	AMOUNT SPENT ON THE PROJECT OR PROGRAMS. 1. DIRECT EXPENDITURE ON PROJECTS AND PROGRAMS 2.OVERHEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT: DIRECT OR THROUGH IMPLEMENTING AGENCY
1	Education & Skill Development for youth	Education & employable skill enhancement	**Maharashtra**- Nashik & Mumbai **Madhya Pradesh**- Bhopal & Gwalior	4.13	1.36	2.14	Direct & Agastya Foundation
2	Other community based program / Events	Community Events, Environment day events, Environment awareness, Response to disaster management (Bihar earthquake)	**Maharashtra**- Nashik & Mumbai **Bihar**	0.46	0.15	0.56	Direct
3	Health initiaive	Preventive community health care – Mother & Child health care	**Maharashtra**- Nashik, Aurangabad, Ahmednagar **Madhya Pradesh**- Bhopal	1.52	0.50	0.50	Avantha Foundation
4	Donation towards Avantha Foundation	Reduction of Malnutrition amongst children Improving Urban Service Delivery through Community mobilization and capacity building Promoting scientific Solid Waste Management in small towns	Pan India	5.50	5.50	10.28	Through Avantha Foundation
5	Administrative Expenses			1.49	0.50	1.12	Direct
	Total			**13.10**	**8.01**	**14.60**	

- To train adolescent girls about health and hygiene with focus on life skills.
- To create demand for services provided at Village Health and Nutrition Day.
- To strengthen Village Health Sanitation and Nutrition Committees as well as capacities of local health workers.

Health projects are implemented at Baddi in Himachal Pradesh, Baroda in Gujarat, Bhopal in Madhya Pradesh and Nashik, Aurangabad, Ahmednagar in Maharashtra. The project targeted pregnant and lactating mothers and children between 0-5 years and adolescent youth. Through this project, efforts were undertaken to strengthen existing ASHA (Accredited Social Health Activists) workers.

CSR INITIATIVES THROUGH AVANTHA FOUNDATION

1. Reduction of Hunger and Malnutrition in Children

Avantha Foundation launched the HUNGaMA Next project, a large-scale child nutrition intervention in 2012 focusing on indigenous and tribal villages in three high-burden states– Madhya Pradesh, Odisha and Rajasthan. The project aimed at creating evidence based models in one block each of the above states to significantly reduce child malnutrition by working with Government of India's flagship public health programs such as the Integrated Child Development Services and the National Rural Health Mission. Sheopur Block in Sheopur District (Madhya Pradesh), Kundra Block in Koraput District (Odisha) and Chhoti Sarwan Block in Banswara District (Rajasthan) were accordingly selected for the intervention. This project sought to enhance the knowledge of mothers and families on child nutrition, improve quality of family counseling, increase data efficiency, strengthen technical capacity of government frontline workers and expand village community participation. The project covered nearly 18,000 children of 0-3 years' age and more than 2,200 pregnant women in the above states.

2. Avantha Nutrition Fellowship

Avantha Foundation supports building skills of young professionals through two year fellowships in Child Nutrition. The objective of the fellowship program is to build capacities of young post-graduates with a view to develop them into a cadre of qualified and trained professionals who have experience working with communities and stakeholders. These Fellows work directly in the field within the government systems to strengthen nutrition service delivery in remote and difficult-to-access areas; and implement action research as part of their two-year assignment. The

Fellows are given field responsibilities under Avantha Foundation's HUNGaMA Next child nutrition project and are placed at various rural and tribal locations for two years in three states — Odisha, Madhya Pradesh and Rajasthan — where the project is being implemented. The Foundation has so far offered 27 Fellowships in child nutrition. The following key achievements were facilitated through the project in Fellows' field areas: Proportion of children in normal nutrition grade:

- Madhya Pradesh-60.4% (Apr 2015); 72.8% (Mar 2016)
- Odisha-61.5% (Apr 2015); 74.9% (Mar 2016)
- Rajasthan-64.3% (Apr 2015); 65.6% (Mar 2016)

3. Improving Urban Service Delivery through Community Mobilization and Capacity Building

Implemented in Chhattisgarh, Gujarat, Himachal Pradesh and Odisha, the Avantha Urban Innovation Project reached out to nearly 9,000 respondents for an initial needs assessment that helped formulate key implementation approaches. Capacity of more than 450 elected representatives, municipal officials and stakeholders have been strengthened so far through training provided by experts in public policy and governance. These include the visioning and ward planning conducted in Odisha as well as the partnership with Himachal Pradesh government for establishing local governance models for financial administration and human resource management. These groups currently have a 90-strong membership and have conducted more than 170 advocacy initiatives with local government bodies and partners, besides signing six MoUs for implementing specific governance initiatives.

4. Avantha Governance Fellowships

The objective of this fellowship program is to build capacities of young post-graduates with a view to develop them into the cadre of qualified and trained professionals who have experience working with communities and stakeholders. These Fellows will work directly in the field within the government systems to strengthen urban service delivery in small towns and implement action research as part of their two year assignment with the Foundation. They are placed in areas where the Foundation has ongoing AUIP projects — Chhattisgarh, Gujarat, Odisha and Himachal Pradesh — to ensure regular supervision and monitoring. The Foundation has offered eight fellowships in the public policy and governance domain.

WAY AHEAD

During 2015–2016, CG developed projects on quality education in primary and secondary schools, vocational skills development of community youth, skill up-gradation of Industrial Training Instititute (ITI) and community preventive health projects with specific focus on mother and child health care. During FY2017, CG is envisaging to engage and develop ownership of neighbouring communities and the social systems at a higher level for sustainable livelihoods.

With the aim of creating livelihood for youth and women, job placement and micro entrepreneurship for the trained youth and women in vocational skills will be focused through vocational skills projects. The pilot project of skill up-gradation with ITI students will be replicated at the ITIs at Madhya Pradesh, Maharashtra and Goa whereas in the area of quality education, thrust will be on capacity development of teachers from identified schools. While addressing health issues, training of PHC's (Primary Healthcare Centre) workers and community health service providers will be given priority so that the communities and government healthcare system can work together for better performance and develop preventive measures at community level. The major outcome of the health project is reducing malnourishment and neonatal mortality rate.

Encouraging employee volunteers will be continued as part employee volunteering project. CG employees will be a part of the various initiatives in the area of developing skills, knowledge and confidence of youth.

K N NEELKANT
CEO and Managing Director
(DIN 05122610)

M PUDUMJEE
Chairperson-CSR Committee
(DIN 00019581)

ANNEXURE 4

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:
Note: The information provided below is on Stand-alone basis for Indian Listed entity.

01 RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF ALL THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR

SR NO	NAME OF DIRECTOR	REMUNERATION (RS) (INCLUDING SITTING FEES)	RATIO OF REMUNERATION TO MEDIAN REMUNERATION OF ALL EMPLOYEES
1	Mr Gautam Thapar	3,60,78,212	77.2
2	Mr KN Neelkant*	41,37,661	8.85
3	Mr Laurent Demortier#	18,60,66,935	397.94
4	Mr Shirish Apte	83,47,488	17.85
5	Dr Omkar Goswami	20,67,200	4.42
6	Mr B Hariharan	19,49,000	4.17
7	Mr Sanjay Labroo	16,20,000	3.46
8	Dr (Mrs) Colette Lewiner##	37,05,250	7.92
9	Ms Meher Pudumjee	11,90,000	2.55
10	Dr Valentin von Massow	48,07,850	10.28

* Appointed w.e.f. 3 February 2016

Resigned as CEO & Managing Director w.e.f. 3 February 2016 and continued as a Whole-time Director upto 31 March 2016. Remuneration to Mr Demortier includes severance pay, banked bonus and retiral benefits from previous years as per the terms of his employment agreement with the Company and as approved by Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee.

Resigned w.e.f. 14 March 2016

02A THE PERCENTAGE INCREASE IN REMUNERATION OF NON-EXECUTIVE DIRECTORS IN THE FINANCIAL YEAR

SR NO	NAME OF DIRECTOR	2014-2015 REMUNERATION (INCLUDING SITTING FEE) (RS.)	2015-2016 REMUNERATION (INCLUDING SITTING FEES) (RS)	% INCREASE/ (DECREASE)
1	Mr Gautam Thapar	3,98,38,000	3,60,78,212	(9.39)
2	Mr Shirish Apte	67,90,000	83,47,488	22.94
3	Dr Omkar Goswami #	3,20,000	20,67,200	546.00
4	Mr B Hariharan	22,70,000	19,49,000	(14.14)
5	Mr Sanjay Labroo	18,65,000	16,20,000	(13.14)
6	Dr (Mrs) Colette Lewiner	36,35,000	37,05,250	1.93
7	Ms Meher Pudumjee	10,73,000	11,90,000	10.90
8	Dr Valentin von Massow	49,64,000	48,07,850	(3.15)

Relinquished commission payable to him for FY2014-15

1. Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year are given in **Table 1**.

For the aforesaid purposes, median remuneration has been computed by ascertaining the cost to Company of all employees of the Company as on 31 March 2016, in all categories, whether workmen or white collar employees. Remuneration includes variable pay paid during the year.

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

The details of remuneration for Non-Executive Directors is given in **Table 2A**, and remuneration for Key Managerial Personnel is given in **Table 2B**.

Non-Executive Directors' commission is capped at 1% of the net profits, as permitted by the Companies Act, 2013 and approved by the shareholders at the Annual General Meeting held on 24 July 2015. Apportionment of commission amongst the Non-Executive Directors is done based on the Guidelines approved by the Board which, in addition to a fixed fee for participation at board meetings as a Director, also recognises additional positions as Committee Members, Chairman, Nominee to Subsidiaries / Associates / Joint-Ventures and greater involvement in Company's initiatives and strategic directions. The increase / decrease in commission payment compared to previous financial year is in line with these Guidelines for apportionment of the Commission and due to foreign exchange rate fluctuations in some cases.

3. The median remuneration of employees decreased by 1.32% as compared to previous financial year, majorly due to transfer of employees to Crompton Greaves Consumer Electricals Limited on account of demerger of Consumer Business.

4. The number of permanent employees on the rolls of Company as on 31 March 2016: 3,633.

02B THE PERCENTAGE INCREASE IN REMUNERATION OF KEY MANAGERIAL PERSONNEL IN THE FINANCIAL YEAR

SR NO	NAME	2014-2015 REMUNERATION (RS.)	2015-2016 REMUNERATION (RS.)	% INCREASE IN REMUNERATION IN THE FINANCIAL YEAR
1	Mr KN Neelkant* (CEO and MD)	NA	41,37,661	NA
2	Mr Laurent Demortier** (CEO and MD)	6,56,33,133	18,60,66,935	181.30
3	Mr Madhav Acharya (CFO)	3,09,01,236	3,25,58,848	5.36
4	Ms Minal Bhosale (CS)#	56,31,752	11,13,161	NA
5	Mr Manoj Koul (CS)##	NA	30,59,259	NA

* Appointed w.e.f. 3 February 2016

** Resigned as CEO & Managing Director w.e.f. 3 February 2016 and continued as a Whole-time Director upto 31 March 2016. Remuneration to Mr Demortier includes severance pay, banked bonus and retiral benefits from previous years as per the terms of his employment agreement with the Company.

Remuneration figures not comparable since Ms. Minal Bhosale resigned w.e.f 31 May 2015.

Appointed w.e.f. 3 August 2015

5. Relationship between average increase in remuneration and Company performance:

The average increase in remuneration during FY2016 was 13.12%. Gross Revenue of the Company during the financial year reduced from Rs.4,524 crore to Rs.4,291 crore from continuing operations (a decrease of 5.15%).

Average increase in remuneration is guided by factors like economic growth, inflation, mandatory increases, external competitiveness and the need for talent retention. Whilst at the Senior Management level, compensation comprises of a higher component of variable pay, at the lower levels, remuneration is predominantly fixed in nature and hence a perfect correlation with Company performance cannot be achieved.

Whilst the Company has a strong cost focus, employee cost being one of the key areas for cost monitoring and control, the total employee cost as a percentage of Gross Revenue was only 8.67%. Besides employee costs, there are other significant internal and external factors impacting performance of the Company, which are explained in detail in the Management Discussion & Analysis Report.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company; Refer point 9.

7. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close

03 MARKET CAPITALISATION AND PRICE EARNINGS RATIO

	AS AT 31 MARCH 2015	AS AT 31 MARCH 2016	PERCENTAGE INCREASE / (DECREASE)
Market capitalisation	Rs 10403.99 cr	Rs 3083.59 cr	(70.36)
Price earnings ratio	14.22	NA, due to loss	NA

Note: The decline in the market capitalisation as on 31 March 2016 is on account of demerger of consumer business, into Crompton Greaves Consumer Electrials Limited (CGCEL). Shares of CGCEL were listed on BSE & NSE on 13 May 2016. As on the date of this report the market capitalisation of CGCEL is Rs. 8288.71 Cr.

of the current financial year and previous financial year (refer to **Table 3**).

The closing market price of the shares of the Company as at 31 March 2016 was Rs.49.20 (BSE) and Rs.48.85 (NSE). The Company came out with an Initial Public Offer in 1967 at an issue price of Rs.180 per share. However, these prices are strictly not comparable since there have been bonus issues, change of face value of shares, acquisitions, demerger and disposals since the Company's Initial Public Offer of shares in 1967.

8. 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 increase in salary of Company's employees was 13.12%. On the other hand, overall managerial remuneration decreased by 2% compared to previous financial year. Total managerial remuneration comprises of remuneration of the CEO and Managing Director and commission paid to Non-Executive Directors. CEO and Managing Director's remuneration is capped at 5% of the Company's net profits as permitted by the Companies Act, 2013. Non-Executive Directors' commission is capped at 1% of the net profits, as permitted by the Companies Act, 2013 and approved by the shareholders at the Annual General Meeting held on 24 July 2015. Commission to Non-Executive Directors and CEO and Managing Director's remuneration paid during the year is within the above limits.

9. Comparison of remuneration of each Key Managerial Personnel against the performance of the Company:

Remuneration of all Key Managerial Personnel of the Company is indicated at point (2) overleaf. Remuneration to Key Managerial Personnel comprises of fixed and variable components. In addition to individual performance and leadership assessment, the key drivers to determine variable pay are business and Company's performance measured in terms of KPIs such as order intake, sales, free cash flow and operational EBITDA. Hence, Company's performance has a significant impact on the variable remuneration to Key Managerial Personnel. However, fixed component of the remuneration is attributable to employee skills and experience and hence there is no direct correlation with the performance of the Company.

10. The key parameters for any variable component of remuneration availed by the Directors:

The variable pay of the CEO and Managing Director is determined based on the parameters indicated at point 9.

11. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: Not applicable since no employee of the Company receives remuneration in excess of the highest paid director, i.e. the CEO and Managing Director.

12. Remuneration is as per the remuneration policy of the Company.

On behalf of the Board of Directors

G THAPAR
Chairman
DIN (00012289)
Mumbai, 27 May 2016

ANNEXURE 5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR
ENDED 31 MARCH 2016
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,
Crompton Greaves Limited,
CG House, 6th Floor,
Dr Annie Besant Road,
Worli, Mumbai-400 030.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Crompton Greaves Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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 authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March2016 ('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. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 according to the provisions of:

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

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

vi) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

(a) The Electricity Act, 2003 and Rules
(b) Explosives Act, 1884 and Rules
(c) Batteries (Management and Handling) Rules, 2001
(d) Petroleum Act, 1934 and Rules
(e) The Indian Boilers Act, 1923 and Rules
(f) Essential Commodities Act, 1955

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

i)Secretarial Standards issued by The Institute of Company Secretaries of India, effective from 1 July 2015.

ii) The erstwhile Listing Agreement entered into by the Company with stock exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1 December 2015.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I 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.

I further report that during the Audit Period:

- The Company has adopted a new set of Articles of Association aligned to the provisions of the Companies Act, 2013 and the rules thereunder, by passing a Special Resolution at the Seventy Eighth Annual General Meeting of the Company held on 24 July 2015.
- The Company has divested its entire shareholding of 50% in CG Lucy Switchgear Limited, a joint venture company, to W Lucy & Co. Limited, UK for a consideration of Euro 5.5 Million on 8 October 2015.
- The Company has sold its Canadian Power Transformer Business i.e. divestment from CG Power Systems Canada Inc. to PTI Holdings Corporation, Canada for an enterprise value of about Canadian $20 Million, effective from 27 October 2015, after obtaining applicable regulatory approvals.
- The Company has announced that it has accepted revised binding letter of offer for acquisition of its European, North American and Indonesian activities of power segment division i.e. Transmission & Distribution (T & D) Business outside India from First Reserve International Limited, a US private equity fund for an enterprise value of Euro 115 Million, subject to applicable regulatory and shareholders' approvals and signing of definitive share purchase agreement.
- The Scheme of Arrangement between the Company (demerged) and Crompton Greaves Consumer Electricals Limited (CGCEL) has been approved by the Hon'ble High Court of Judicature at Bombay vide it's orders dated 20 November 2015. The Company has fixed 16 March 2016 as the record date to determine the eligibility of its shareholders, who would be entitled to receive shares of CGCEL, in terms of the Scheme.

DR K R CHANDRATRE
FCS No.: 1370, C P No.: 5144
Pune, 27 May 2016

ANNEXURE 6

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

i)	**CIN**	L99999MH1937PLC002641
ii)	**Registration Date**	28 April 1937
iii)	**Name of the Company**	Crompton Greaves Limited
iv)	**Category / Sub-Category of the Company**	Public Company limited by shares
v)	**Address of the Registered office and contact details**	6th Floor CG House, Dr A.B. Road, Worli, Mumbai 400 030 Tel No : +91 22 24237777 Fax: +91 22 2423 7733
vi)	**Whether listed company (yes / no)**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Datamatics Financial Services Limited Address : Plot No B-5, Part B Crosslane, MIDC Marol, Andheri (East), Mumbai 400 093. Tel: + 91 (0) 22 66712151 to 66712160 Fax:+ 91 (0) 22 6671 2230 Email: cginvestors@dfssl.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

ALL THE BUSINESS ACTIVITIES CONTRIBUTING 10% OR MORE OF THE TOTAL TURNOVER OF THE COMPANY			
S NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT / SERVICE	% TOTAL TURNOVER OF THE COMPANY
1	Power Transformers and Reactors	27102	28.47
2	Low Tension Motors	27103	35.25
3	Switchgears	27900	20.11

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S NO	NAME OF THE COMPANY	CIN / GLN	HOLDING / ASSOCIATE / SUBSIDIARY	% OF SHARES HELD	APPLICABLE SECTION
1	Crompton Greaves Consumer Products Ltd	U31900MH2014PLC258217	Subsidiary	100	2(87)
2	CG-PPI Adhesive Products Ltd	U24295GA1988PLC000921	Subsidiary	81.42	2(87)
3	CG Power Solutions Limited	U40300MH2012PLC228170	Subsidiary	100	2(87)
4	CG Automation Systems UK Ltd	Foreign Company	Subsidiary	100	2(87)
5	CG Drives & Automation Germany GmbH	Foreign Company	Subsidiary	100	2(87)
6	CG Drives & Automation Netherlands BV	Foreign Company	Subsidiary	100	2(87)
7	CG Drives & Automation Sweden AB	Foreign Company	Subsidiary	100	2(87)
8	CG Electric Systems Hungary ZRT	Foreign Company	Subsidiary	100	2(87)
9	CG Holdings Belgium NV	Foreign Company	Subsidiary	100	2(87)
10	CG Holdings Hungary Kft	Foreign Company	Subsidiary	100	2(87)
11	CG Industrial Holdings Sweden AB	Foreign Company	Subsidiary	100	2(87)
12	CG International BV	Foreign Company	Subsidiary	100	2(87)
13	CG Middle East FZE	Foreign Company	Subsidiary	100	2(87)
14	CG Power Solutions UK Ltd	Foreign Company	Subsidiary	100	2(87)
15	CG Power USA Inc	Foreign Company	Subsidiary	100	2(87)
16	CG Power Systems Belgium NV	Foreign Company	Subsidiary	100	2(87)
17	CG Power Systems Brazil Ltda	Foreign Company	Subsidiary	100	2(87)
18	CG Power Systems Canada Inc	Foreign Company	Subsidiary	100	2(87)
19	CG Power Systems Ireland Ltd	Foreign Company	Subsidiary	100	2(87)
20	CG Sales Networks France SA	Foreign Company	Subsidiary	99.40	2(87)
21	CG Service Systems France SAS	Foreign Company	Subsidiary	100	2(87)
22	CG International Holdings Singapore PTE LTD	Foreign Company	Subsidiary	100	2(87)
23	Crompton Greaves Sales Network Malaysia Sdn. Bhd.	Foreign Company	Subsidiary	100	2(87)
24	Microsol Ltd	Foreign Company	Subsidiary	100	2(87)
25	PT CG Power Systems Indonesia	Foreign Company	Subsidiary	95	2(87)
26	ZIV I+D Smart Energy Networks	Foreign Company	Subsidiary	100	2(87)
27	ZIV Aplicaciones y Tecnologia, S.L.	Foreign Company	Subsidiary	100	2(87)
28	ZIV Communication SAU	Foreign Company	Subsidiary	100	2(87)
29	ZIV Do Brasil Ltda	Foreign Company	Subsidiary	100	2(87)
30	ZIV Grid Automation SLU	Foreign Company	Subsidiary	100	2(87)
31	ZIV Metering Solutions, SLU	Foreign Company	Subsidiary	100	2(87)
32	ZIV France, S.A.U (incorporated)	Foreign Company	Subsidiary	100	2(87)
33	PT Crompton Prima Switchgear Indonesia	Foreign Company	Subsidiary	51	2(87)
34	Saudi Power Transformers Company Ltd	Foreign Company	Associate	49	2(6)
35	CG Power Solutions Saudi Arabia Ltd	Foreign Company	Subsidiary	51	2(87)
36	Pauwels Middle East Trading & Contracting Pvt Co LLC	Foreign Company	Associate	49	2(6)
37	KK El-Fi Japan	Foreign Company	Associate	49	2(6)

Notes:

- Crompton Greaves Consumer Electricals Limited ceased to be subsidiary of the Company, pursuant to the order of Hon'ble High Court of Bombay dated 20 November 2015 to the Scheme of Arrangement in the nature of Demerger
- Crompton Greaves Holdings Mauritius Ltd ceased to be subsidiary of the Company on 14 December 2015 upon its liquidation
- CG Power County LLC ceased to be subsidiary of the Company on 10 July 2015 upon its liquidation
- CG Lucy Switchgear Limited ceased to be an associate of the Company on 8 October 2015 pursuant to the divestment of the Company's investment
- ZIV France S.A.U was incorporated on 3 November 2015
- Address of the entites mentioned herein above are provided in this Annual Report

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A CATEGORY WISE SHAREHOLDING

FRACTIONS ROUNDED OFF TO TWO DECIMAL PLACES

S NO	CATEGORY OF SHAREHOLDER	NUMBER OF SHARES HELD AS ON 1.04.2015 (ON THE BASIS OF SHAREHOLDING PATTERN OF 31.03.2015)				NUMBER OF SHARES HELD AS ON 31.03.2016				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(A)	**Promoters**									
1	**Indian**									
(a)	Individuals /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	215451070	0	215451070	34.38	215451070	0	215451070	34.38	0.00
(e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1)	**215451070**	**0**	**215451070**	**34.38**	**215451070**	**0**	**215451070**	**34.38**	**0.00**
2	**Foreign**									
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	**0**	**0**	**0**	0.00	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**215451070**	**0**	**215451070**	**34.38**	**215451070**	**0**	**215451070**	**34.38**	**0.00**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds	153323820	5166	153328986	24.46	157925595	5166	157930761	25.20	0.73
(b)	Banks / FI	1587704	79360	1667064	0.27	561651	79360	641011	0.10	-0.16
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	39115206	0	39115206	6.24	42858353	0	42858353	6.84	0.60
(g)	FIIs	96699102	80362	96779464	15.44	86821513	80362	86901875	13.87	-1.58
(h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Other (specify) – Alternate Investment Funds	0	0	0	0.00	333000	0	333000	0.05	0.00
	Sub Total (B)(1)	**290725832**	**164888**	**290890720**	**46.41**	**288500112**	**164888**	**288665000**	**46.06**	**-0.36**
2	**Non-institutions**									
(a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(a)(i)	Indian	53055703	47461	53103164	8.47	50668831	47358	50716189	8.09	-0.38
(a)(ii)	Overseas	434261	350	434611	0.07	61250	350	61600	0.01	-0.06
(b)	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)(i)	Individuals - shareholders holding nominal share capital up to Rs.1 Lakh	46473230	5384638	51857868	8.27	48720568	5077819	53798387	8.58	0.31
(b)(ii)	Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	8398336	121520	8519856	1.36	14463773	121520	14585293	2.33	0.97
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
(d)(i)	NRI Rep	1367222	8377	1375599	0.22	1411556	7652	1419208	0.23	0.01
(d)(ii)	NRI Non -Rept	890443	54157	944600	0.15	1108985	53098	1162083	0.19	0.03
(d)(iii)	Foreign Bodies	3192002	0	3192002	0.51	0	0	0	0.00	-0.51
(d)(iv)	Foreign National	2808	0	2808	0.00	4983	0	4983	0.00	0.00
	Sub Total (B)(2)	**113814005**	**5616503**	**119430508**	**19.06**	**116439946**	**5307797**	**121747743**	**19.43**	**0.36**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**404539837**	**5781391**	**410321228**	**65.47**	**404940058**	**5472685**	**410412743**	**65.48**	**0.01**
	Total (A+B)	**619990907**	**5781391**	**625772298**	**99.84**	**620391128**	**5472685**	**625863813**	**99.86**	**0.15**
(C)	**Custodians for GDRs and ADRs**	973844	0	973844	0.16	882329	0	882329	0.14	-0.01
	GRAND TOTAL (A)+(B)+(C)	**620964751**	**5781391**	**626746142**	**100.00**	**621273457**	**5472685**	**626746142**	**100.00**	**0.00**

B SHAREHOLDING OF PROMOTERS

FRACTIONS ROUNDED OFF TO TWO DECIMAL PLACES

S.NO	SHAREHOLDER'S NAME	SHAREHOLDING AS ON 1.04.2015 (ON THE BASIS OF SHAREHOLDING PATTERN OF 31.03.2015)			SHAREHOLDING AS ON 31.03.2016			% CHANGE IN SHAREHOLDING DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	
1	Avantha Holdings Limited	215442496	34.38	22.59	215442496	34.38	28.96	0.00
2	Varun Prakashan Private Limited	5022	0.00	0.00	5022	0.00	0.00	0.00
3	Avantha Realty Limited	3552	0.00	0.00	3552	0.00	0.00	0.00

C CHANGE IN PROMOTERS' SHAREHOLDING

There has been no change in promoters' shareholding during the financial year ended 31 March 2016.

D SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

FRACTIONS ROUNDED OFF TO TWO DECIMAL PLACES

S.NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AS ON 1.04.2015 (ON THE BASIS OF SHAREHOLDING PATTERN OF 31.03.2015)		CHANGE IN SHAREHOLDING (NO. OF SHARES)		SHAREHOLDING AS ON 31.03.2016	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	INCREASE	DECREASE	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	HDFC Trustee Company Limited – HDFC Multiple Yield Fund	57809500	9.22	0	0	57809500	9.22
2	Life Insurance Corporation Of India P & GS Fund	30071908	4.80	5000000	2251713	32820195	5.24
3	Reliance Emergent India Fund	29183777	4.66	25409956	8023859	46569874	7.43
4	ICICI Prudential Value Fund Series 1#	20545263	3.28	4302578	24847841	0	0.00
5	Birla Sun Life Trustee Company Private Limited Ac Birla Sun Life 95 Fund	16024310	2.56	19739685	7419357	28344638	4.52
6	HDFCSL Shareholders Solvency Margin Account	14379292	2.29	1529468	9841455	6067305	0.97
7	ICICI Prudential Life Insurance Company Ltd	13129023	2.10	1789999	8811622	6107400	0.97
8	UTI-Opportunities Fund	9709870	1.55	4867600	3289026	11288444	1.80
9	Copthall Mauritius Investment Limited#	9286491	1.48	5366255	14652746	0	0.00
10	Government Pension Fund Global	9249810	1.48	5095397	12489466	1855741	0.30
11	HSBC Global Investment Funds A / C HSBC GIF Mauritius Limited	8307127	1.33	139431	1786870	6659688	1.06
12	WGI Emerging Markets Smaller Companies Fund, LLC*	0	0.00	8622451	0	8622451	1.38
13	Samena Special Situations Mauritius*	0	0.00	8293085	0	8293085	1.32
14	Vanguard Emerging Markets Stock Index Fund, A series of Vanguard International Equity Index Fund	7489345	1.20	31373	1068984	6451734	1.03

* Not in the list of top 10 Shareholders as on 1 April 2015 but is one of the top 10 Shareholders as on 31 March 2016.

\# Not in the list of top 10 Shareholders as on 31 March 2016 but is one of the top 10 Shareholders as on 1 April 2015.

E SHAREHOLDING OF DIRECTORS AND EACH KEY MANAGERIAL PERSONNEL

S.NO	SHAREHOLDING OF EACH DIRECTORS AND EACH KEY MANAGERIAL PERSONNEL	SHAREHOLDING AS ON 1.04.2015		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO.OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO.OF SHARES	% OF TOTAL SHARES OF THE COMPANY
B HARIHARAN, NON-EXECUTIVE DIRECTOR					
1	As on 1.04.2015	657	0.00	657	0.00
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	657	0.00
3	As on 31.03.2016	657	0.00	657	0.00
DR VALENTIN VON MASSOW, INDEPENDENT DIRECTOR [GDR]					
1	As on 1.04.2015	2687	0.00	2687	0.00
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	2687	0.00
3	As on 31.03.2016	2687	0.00	2687	0.00

V INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT

IN RUPEES

INDEBTEDNESS AS ON 1.04.2015	SECURED LOAN EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
(i) Principal amount	214990168	464559369	-	679549537
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	214990168	464559369	-	679549537
Changes in Indebtedness during the financial Year				
Addition	1272714197	3620951861	-	4893666058
Reduction	214990168	37472965	-	252463133
Net Changes	1057724029	3583478896	-	4641202925
Indebtedness as on 31.03.2016				
(i) Principal amount	1272714197	4036997854	-	5309712051
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	11040411	-	11040411
Total (i+ii+iii)	**1272714197**	**4048038265**	**-**	**5320752462**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND / OR MANAGER

IN RUPEES

SL. NO	PARTICULARS OF REMUNERATION	K N NEELKANT* CEO & MANAGING DIRECTOR	LAURENT DEMORTIER ** CEO & MANAGING DIRECTOR	TOTAL AMOUNT
1	Gross salary:			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39,45,294	4,99,69,918	5,39,15,212
(b)	Value of perquisites u / s 17(2) of the Income-tax Act, 1961	23,200	2,47,05,193	2,47,28,393
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others (Variable: Bonus + Severance Pay)	-	10,99,51,824	10,99,51,824
5	Others (Provident Fund / Gratuity Fund / Super annuation Fund)	1,69,167	14,40,000	16,09,167
	Total (A)	41,37,661	18,60,66,935	19,02,04,596

* Appointed w.e.f. 3 February 2016

** Resigned as CEO and Managing Director w.e.f. 3 February 2016 and continued as a Whole-time Director upto 31 March 2016

In terms of the provisions of the Companies Act, 2013, the remuneration payable to the Managing Director or Whole-time Director or Manager of the Company shall not exceed 5% of the net profits of the Company. The remuneration paid is within the said limit.

B REMUNERATION TO OTHER DIRECTORS

IN RUPEES

SL. NO	PARTICULARS OF REMUNERATION	NAME OF DIRECTORS								TOTAL AMOUNT
		MR GAUTAM THAPAR	MR SHIRISH APTE	DR OMKAR GOSWAMI	MR B HARIHARAN	MR SANJAY LABROO	DR (MRS) COLETTE LEWINER#	MS MEHER PUDUMJEE	DR VALENTIN VON MASSOW	
1	Independent Directors									
	Fee for attending Board and Committee meetings	-	2,20,000	-	-	2,20,000	1,00,000	1,40,000	1,40,000	8,20,000
	Commission	-	81,27,488	-	-	14,00,000	36,05,250	10,50,000	46,67,850	1,88,50,588
	Others	-	-	-	-	-	-	-	-	-
	Total (1)	-	83,47,488	-	-	16,20,000	37,05,250	11,90,000	48,07,850	1,96,70,588
2	Other Non-Executive Directors									
	Fee for attending Board and Committee meetings	2,20,000	-	1,60,000	1,40,000	-	-	-	-	5,20,000
	Commission	3,58,58,212	-	19,07,200	18,09,000	-	-	-	-	3,95,74,412
	Others	-	-	-	-	-	-	-	-	-
	Total (2)	3,60,78,212	-	20,67,200	19,49,000	-	-	-	-	4,00,94,412
	Total (B) = (1 + 2)	3,60,78,212	83,47,488	20,67,200	19,49,000	16,20,000	37,05,250	11,90,000	48,07,850	5,97,65,000

Resigned on 14 March 2016

In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profits of the Company. The remuneration paid to the Directors of the Company mentioned aforesaid is within the said limit.

C REMUNERATION TO KEY MANAGERIAL PERSONNEL (KMP) OTHER THAN MD / WTD / MANAGER

IN RUPEES

SL. NO	PARTICULARS OF REMUNERATION	NAME OF KMP			TOTAL AMOUNT
		MR MADHAV ACHARYA (CFO)	MS MINAL BHOSALE * (CS)	MR MANOJ KOUL** (CS)	
1	Gross salary :				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,81,06,268	10,92,489	29,15,456	**3,21,14,213**
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	28,800	-	9,000	37,800
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	as % of profit	-	-	-	-
	others	-	-	-	-
5	Others				
	Varible pay	34,15,781	-	-	**34,15,781**
	Provident Fund / Gratuity Fund / Super annuation Fund	10,07,999	20,672	1,34,803	**11,63,474**
	Total	**3,25,58,848**	**11,13,161**	**30,59,259**	**3,67,31,268**

* Resigned w.e.f. 31 May 2015 ** Appointed w.e.f. 3 August 2015

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY / PUNISHMENT / COMPOUNDING FEES IMPOSED	AUTHORITY [RD / NCLT / COURT]	APPEAL MADE, IF ANY (GIVE DETAILS)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

On behalf of the Board of Directors

G THAPAR
Chairman
(DIN 00012289)
Mumbai, 27 May 2016

07

REPORT ON CORPORATE GOVERNANCE

The Companys' (CG's) philosophy on Corporate Governance. At CG, we firmly trust that good governance is a systemic process which enables the Company to operate in an environment and manner that meets with the ethical, legal and business expectations and at the same time fulfils its social responsibilities.

[Pursuant to Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015]

CG continuously strives for betterment of its Corporate Governance mechanisms in order to improve efficiency, transparency and accountability of its operations. To keep pace with an evolving global business environment, CG continuously innovates and adapts the best governance practices to meet the new demands. Corporate Governance is a journey and the Company continues its pursuit of excellence in this area.

We believe that 'Values' are the core of any sustainable organization and the driving force for its people at all levels. Establishing trustworthy long-term relationships with business partners, employees, regulators, stakeholders and communities is crucial to an organization's continued growth and success.

At CG, we believe no different and therefore, have adopted the following values as fundamental guiding principles for our business which further strengthen our philosophy on Corporate Governance;

- Performance Excellence
- Customer Orientation

- Leading Edge Knowledge
- Intellectual Honesty
- Nurturance

BOARD OF DIRECTORS

COMPOSITION

The Company has adopted the Board Diversity Policy to ensure that the composition of the Board is optimum, balanced and diverse so as to benefit from fresh perspectives, new ideas, vigorous challenges and broad experience.

As on the date of this report, the Company has a ten member Board of Directors. The Chairman, Mr Gautam Thapar is a Non-Executive Director and represents the Promoter Group. Mr K N Neelkant is the CEO and Managing Director. Mr Madhav Acharya is an Executive Director-Finance and CFO.

Five other Non-Executive Directors — Mr Shirish Apte, Mr Sanjay Labroo, Ms Meher Pudumjee, Dr Valentin von Massow and Ms Ramni Nirula are independent in terms of Section 149(6) of the Companies Act, 2013 and Regulations 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (the 'Listing Regulations'). Two other Directors — Mr B Hariharan and Dr Omkar Goswami are Non-Executive Directors.

During FY2016, Mr Laurent Demortier stepped down as CEO and Managing Director of the Company w-e-f 3 February 2016. He continued to act as an Executive Director of the Company till 31 March 2016. Dr (Mrs) Colette Lewiner resigned from the Directorship effective from 14 March 2016.

Thus, as on the date of this report, the Board of Crompton Greaves Limited comprises of two Executive Directors and eight Non-Executive Directors, of whom five are Independent Directors. **Table 1** gives the composition of the Board, and the number of outside Directorships held by each Director.

OTHER DIRECTORSHIPS

As per the disclosures received from the Directors, none of the Directors is a Director in more than 10 public limited companies or acts as an Independent Director in more than 7 listed companies. The CEO and Managing Director does not act as an Independent Director on any listed Company's Board. Further none of the Directors act as a member of more than 10 Committees or act as a Chairman of more than 5 Committees across all public limited Companies in which he is a Director.

BOARD MEETINGS

There were six Board Meetings held during FY2016: on 27–28 May 2015, 23–24 July 2015, 28–29 October 2015,

01 COMPOSITION OF THE BOARD AS ON 27 MAY 2016

NAME	PARTICULARS	OTHER BOARD REPRESENTATIONS		
	CATEGORY	DIRECTORSHIPS (EXCLUDING CROMPTON GREAVES LIMITED) (A)	COMMITTEE MEMBERSHIPS (B)	COMMITTEE CHAIRMANSHIPS (B)
Mr Gautam Thapar	Non-Executive; Chairman; Promoter	10	2	NIL
Mr K N Neelkant*	Executive; CEO and Managing Director	9	1	4
Mr Shirish Apte	Non-Executive; Independent	NIL	NIL	NIL
Dr Omkar Goswami	Non-Executive	11	6	1
Mr B Hariharan	Non-Executive	10	4	3
Mr Sanjay Labroo	Non-Executive; Independent	16	2	NIL
Ms Meher Pudumjee	Non-Executive; Independent	9	1	NIL
Dr Valentin von Massow	Non-Executive; Independent	1	NIL	NIL
Mr Madhav Acharya**	Executive Director – Finance and CFO	2	NIL	NIL
Ms Ramni Nirula***	Non-Executive; Independent	12	4	4

Notes:
(a) Includes only Indian companies, but excludes alternate directorships (b) Of only Audit Committees and Stakeholders Relationship Committees of public limited companies.
*Appointed w-e-f 3 February 2016 **Appointed w-e-f 1 April 2016 ***Appointed w-e-f 6 April 2016

02 ATTENDANCE RECORD OF THE DIRECTORS, FY2016

NAME	ATTENDANCE	
	BOARD MEETINGS	LAST AGM
Mr Gautam Thapar	6	Yes
Mr K N Neelkant*	2	Not Applicable
Mr Laurent Demortier^	4	Yes
Mr Shirish Apte	5	Yes
Dr Omkar Goswami	5	Yes
Mr B Hariharan	6	Yes
Mr Sanjay Labroo	4	No
Dr (Mrs) Colette Lewiner#	4	Yes
Ms Meher Pudumjee	5	No
Dr Valentin von Massow	5	Yes
Mr Madhav Acharya**	Not Applicable	Not Applicable
Ms Ramni Nirula***	Not Applicable	Not Applicable

*Appointed w-e-f 3 February 2016 ^Resigned w-e-f 31 March 2016 #Resigned w-e-f 14 March 2016 **Appointed w-e-f 1 April 2016 ***Appointed w-e-f 6 April 2016

1–2 February 2016, 25 February 2016 and 3 March 2016. The Company's last Annual General Meeting was held on 24 July 2015. **Table 2** gives the attendance record of the Directors.

Meetings of the Board are pre-scheduled. Board meetings are convened by giving appropriate notice to the Directors.

The Board critically evaluates the Company's strategic direction, risks and opportunities, key projects in M&A, investments, financial performance, asset optimization, management policies and their effectiveness. The Board has dedicated meetings for review of annual strategic and operating plans, capital allocation and annual budgets of businesses. Additionally, the Board reviews the compliance processes, internal control systems and material occurrences in the areas of EHS, financial liabilities, regulatory claims and developments in human resources.

SELECTION AND APPOINTMENT OF DIRECTORS

A policy on selection, appointment and remuneration of Directors has been approved by the Nomination and Remuneration Committee in its meeting held on 2 February 2015. The Nomination and Remuneration Committee has formulated the Remuneration Policy which deals with the remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company. The Policy is guided by the principles as envisaged under Section 178 of the Companies Act, 2013. A substantial excerpt of the Policy is enclosed as Annexure to this Report.

As required under Regulation 46(2) (b) of the Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The terms and conditions of their appointment are posted on the Company's website and can be accessed at *http://www.cgglobal.com/pdfs/BOD/IndDirector-Letter-of-Appointment.pdf*

INDEPENDENT DIRECTORS' MEETING

During the year under review, a meeting of the Independent Directors was held on 2 February 2016. All Independent Directors were present at the meeting to discuss the performance evaluation of the Board and Chairman, assess information flows from Management to the Board and the current strategic and operational position of the Company.

DIRECTORS' SHAREHOLDING & RELATIONSHIP INTER-SE

As on 31 March 2016, Mr B Hariharan held 657 equity shares of Rs. 2/-each and Dr Valentin von Massow held 2,687 Global Depository Receipts, none of the other Non-Executive Directors held any shares in the Company. None of the Directors on the Board is related to each other.

DIRECTORS INDUCTION AND FAMILIARISATION

The Company has in place the practice of familiarising the Independent Directors which *inter-alia* seeks to update the Directors, while their induction, on their roles, responsibilities, rights and duties under the Act and other statutes. The Board members are provided with necessary documents / brochures, forms, reports and internal policies to enable them to familiarize with the Company's procedures and practices. This process helps the Independent Directors to take well informed decisions in a timely manner.

Web link giving details of familiarization programme imparted to Independent Directors is: *http://www.cgglobal.com/frontend/finalnonproduct.aspx?cnl2=yrnPqECUvhk=*

CODE OF CONDUCT

The Company has a Code of Conduct for Directors and Senior Management that reflects its high standards of integrity and ethics. The Directors and Senior Management of the Company have affirmed their adherence to this Code of Conduct for FY2016. As required by Regulation 34 of the Listing Regulations, Mr K N Neelkant, as the Company's CEO and Managing Director, has signed and confirmed adherence to this Code of Conduct, which is annexed to this Report.

COMMITTEES OF THE BOARD

RISK AND AUDIT COMMITTEE

As on the date of this Report, the Risk and Audit Committee is comprised of three Non–Executive Directors, of whom two are Independent. The composition is as under:

- Mr Shirish Apte (Chairman, Independent Director)
- Dr Omkar Goswami (Non-Executive Director)
- Mr Sanjay Labroo (Independent Director)

The members of the Risk and Audit Committee have wide exposure and knowledge in the area of finance and accounting. The CEO and Managing Director, Chief Financial Officer, Chief of Internal Audit and representatives of the Statutory Auditors attend the meetings of Risk and Audit Committee. The Company Secretary is the Secretary to this Committee.

The Chairman of the Risk and Audit Committee briefs the Board of Directors on the discussions that took place at the Risk and Audit Committee Meeting at every Board Meeting and the Minutes of all these Committee Meetings are also circulated to the Board of Directors, for a full disclosure of the discussions at these Meetings.

The Company has an independent in-house internal audit function with adequate professional resources and skills, aligned with the Company's nature, size and complexity of business. The Head of Internal Audit reports directly to the CEO and Managing Director and also to the Risk and Audit Committee. The Company believes that an independent and professional Internal Audit Team is the key to an objective assurance on the internal control processes and from that perspective regularly reviews the adequacy of staffing and competencies of the Internal Audit team.

The Risk and Audit Committee monitors the financial reporting processes and other processes as per the regulatory requirements mandated under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Risk and Audit Committee *inter-alia* provides

The Company believes that an independent and professional Internal Audit Team is the key to an objective assurance on the internal control processes.

reassurance to the Board on the existence of an effective internal control environment.

Besides the terms of reference as provided under the Listing Regulations, the Risk and Audit Committee, as and when applicable, mandatorily reviews the following;

a) management discussion and analysis of financial condition and results of operations;

b) statement of significant related party transactions, submitted by management; whistle blower complaints, litigations, inter-corporate transactions on regular basis;

c) management letters / letters of internal control weaknesses issued by the Statutory Auditors;

d) internal audit reports relating to internal control weaknesses; and

e) the appointment, removal and terms of remuneration of the Chief Internal Auditor.

In order to bring in more clarity on the objective, process and spell out the roles and responsibilities for an effective implementation of the Risk Management Process, the Board of Directors of the Company at its meeting held on 2 February 2016 has adopted a revised Risk Management Framework. The revised policy enables risk identification and its escalation and consolidation from unit level to business unit level and identification of risk mitigation procedures to the Board. The Risk and Audit Committee reviews the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures and steps in place to mitigate the same, from time to time.

During FY2016, four Risk and Audit Committee meetings were held: on 22 May 2015, 23 July 2015, 28 October 2015 and 1 February 2016. The attendance record is given in **Table 3**.

NOMINATION AND REMUNERATION COMMITTEE

Constitution of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The role of the Nomination and Remuneration Committee in brief is as follows;

i. The 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 and Senior Management.

ii. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment / removal.

iii. Carry out evaluation of every Director's performance.

iv. Devising a policy on Board diversity.

v. Formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

As on the date of this Report, the Nomination and Remuneration Committee of the Company comprised of the following three Non–Executive Directors, of which two, including the Chairman, are independent: The composition is as under:

- Ms Ramni Nirula (Chairperson, Independent Director)
- Mr Sanjay Labroo (Independent Director)
- Mr Gautam Thapar (Non-Executive Director)

During FY2016, three Nomination and Remuneration Committee Meetings were held: on 27 May 2015, 28 October 2015 and 2 February 2016. The attendance record is given in **Table 4**.

The Committee also anchored the performance evaluation of the Board and the CEO and Managing Director. During the year, the Committee also reviewed and guided the Management on the KRAs (Key Result Areas) of members of CG's Core Management team and reviewed their evaluation processes. The Committee recommended senior level appointments, taking into consideration the level of functional competencies and managerial talent required for successfully running the globalised operations of the business.

Performance evaluation criteria for Independent Directors:

The performance evaluation of the Board of Directors was carried out during the year. A self-assessment questionnaire for individual evaluation of directors containing questions relating to the individual Director's contribution to the Board, their knowledge, skills and relation with Board and Senior Management as well as peer assessment forms were circulated to the directors along with the Board and Committee evaluation forms. The Directors had submitted their feedback on this individual assessment directly to the Chairman of the Board.

REMUNERATION OF DIRECTORS

PECUNIARY RELATIONSHIP OF NON-EXECUTIVE DIRECTORS:

The Company has no pecuniary relationship or transaction with the Non-Executive and Independent Directors other than payment of sitting fees to them for attending the Board and Committee meetings and the commission as approved by the members for their immense efforts and services to the Company.

DIRECTORS' COMPENSATION

CEO and Managing Director's Compensation

The annual remuneration paid to Mr Laurent Demortier, as CEO and Managing Director / Whole-time Director during FY2016, is in line with the resolution passed by the shareholders in the Annual General Meeting of the Company held on 19 July 2011. Further the shareholders have empowered the Nomination and Remuneration Committee of the Board to revise the remuneration payable to Mr Laurent Demortier upto a ceiling of 5% of the Company's net profits, as permitted under the provisions of the Companies Act.

On the recommendations of the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company at its meeting held on 2 February 2016, Mr K N Neelkant was appointed as CEO and Managing Director w-e-f 3 February 2016. His package comprises of a fixed salary component, a basket of allowances / reimbursements, performance bonus or incentive / commission, housing and other cash as well as non-cash perquisites usually applicable to such appointments at this level.

Non-Executive Directors' Compensation

The shareholders, at the 78th Annual General Meeting of the Company held on 24 July 2015 approved payment of commission to the Company's Non-Executive Directors, collectively, upto 1% of net profits, as permitted by the Companies Act, 2013. The Board has formulated Guidelines for apportionment of commission amongst the Non-Executive Directors, which provides for a minimum fixed payment for participation at Board Meetings and Committee Meetings and also a variable component for greater involvement with the Company's initiatives and strategic direction and for roles as nominee Directors on the Board / Committees of Joint Ventures, Subsidiaries and Associate companies, based on their attendance.

The compensation details of all the Directors are given in **Table 5**.

The Company does not have any stock option plans or schemes. Any pecuniary transaction, if so undertaken between Director and the Company in the ordinary course of business is reflected in the Related Party disclosures in the Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As on the date of this Report, the Corporate Social Responsibility Committee of the Board comprised of the following four Non–Executive Directors, of which three, including the Chairperson, are independent:

- Ms Meher Pudumjee (Chairperson, Independent Director)
- Mr Shirish Apte (Independent Director)
- Dr Valentin von Massow (Independent Director)
- Mr Gautam Thapar (Non-Executive Director)

CG's CSR Policy adopted by the Board, articulates its CSR principles of responsible corporate citizenship envisaging inclusive growth, diversity and equitable development, making sustained efforts at environment preservation, working with underserved communities and preserving the ecosystem that supports the Company.

03 RISK AND AUDIT COMMITTEE MEETINGS, FY2016

DIRECTOR	CATEGORY	MEETINGS HELD	MEETINGS ATTENDED
Mr Shirish Apte	Chairman, Independent Director	4	4
Dr Omkar Goswami	Member, Non-Executive Director	4	3
Mr Sanjay Labroo	Member, Independent Director	4	4

04 NOMINATION & REMUNERATION COMMITTEE MEETINGS, FY2016

DIRECTOR	CATEGORY	MEETINGS HELD	MEETINGS ATTENDED
Dr (Mrs) Colette Lewiner*	Chairperson	3	2
Mr Sanjay Labroo	Member, Independent Director	3	2
Mr Gautam Thapar	Member, Non-Executive Director	3	3
Ms Ramni Nirula**	Chairperson, Independent Director	Not applicable	Not Applicable

*Resigned from the Directorship and the Committee membership w-e-f 14 March 2016 **Appointed as a Director w-e-f 6 April 2016 and Chairperson of the Committee w-e-f 27 May 2016

05 COMPENSATION OF THE DIRECTORS, FY2016

RS. CRORE

NAME OF THE DIRECTOR	FIXED SALARY			BONUS / INCENTIVES	OTHERS (SEVERANCE PAY)	COMMISSION	SITTING FEES	TOTAL
	BASIC SALARY	PERQUISITES / ALLOWANCES	RETIRAL BENEFITS					
Mr Gautam Thapar	-	-	-	-	-	3.59	0.02	3.61
Mr Laurent Demortier #	5.00	2.47	0.14	7.75	3.25	-	-	18.61
Mr K N Neelkant ##	0.39	0.01	-	0.02	-	-	-	0.41
Mr Shirish Apte	-	-	-	-	-	0.81	0.02	0.83
Dr Omkar Goswami	-	-	-	-	-	0.19	0.02	0.21
Mr B Hariharan	-	-	-	-	-	0.18	0.01	0.19
Mr Sanjay Labroo	-	-	-	-	-	0.14	0.02	0.16
Dr (Mrs) Colette Lewiner*	-	-	-	-	-	0.36	0.01	0.37
Ms Meher Pudumjee	-	-	-	-	-	0.11	0.01	0.12
Dr Valentin von Massow	-	-	-	-	-	0.47	0.01	0.48

* Resigned w-e-f 14 March 2016

Resigned as CEO and Managing Director w.e.f 3 February 2016 and continued as a whole-time Director upto 31 March 2016

Appointed w.e.f 3 February 2016

06 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETINGS, FY2016

DIRECTOR	STATUS	MEETINGS HELD	MEETINGS ATTENDED
Ms Meher Pudumjee	Chairperson, Independent Director	2	2
Mr Shirish Apte	Member, Independent Director	2	1
Dr Valentin von Massow	Member, Independent Director	2	2
Mr Gautam Thapar	Member, Non Executive Director	2	2

07 DETAILS OF ANNUAL GENERAL MEETINGS

FINANCIAL YEAR	LOCATION	DATE	TIME
2012-2013	Swatantryaveer Savarkar Rashtriya Smarak, Mumbai 400 028	6 August 2013	3.00 p.m.
2013-2014	Swatantryaveer Savarkar Rashtriya Smarak, Mumbai 400 028	5 August 2014	3.00 p.m.
2014-2015	Ravindra Natya Mandir, Mumbai 400 028	24 July 2015	3.00 p.m.

Given below are the Special Resolutions that were approved by shareholders at the last three Annual General Meetings held on:

08 SPECIAL RESOLUTIONS THAT WERE APPROVED BY SHAREHOLDERS AT ANNUAL GENERAL MEETINGS

AGM	DESCRIPTION
6 August 2013 (76th AGM)	No Special Resolution was passed at the 76th Annual General Meeting held on 6 August 2013
5 August 2014 (77th AGM)	Appointment of Mr Sanjay Labroo as Independent Director Appointment of Ms Meher Pudumjee as Independent Director Appointment of Dr Valentin von Massow as Independent Director Creating Mortgage / Charge on the assets of the Company Alteration of Articles of Association
24 July 2015 (78th AGM)	Adoption of new Articles of Association

No resolution was passed by way of postal ballot during the Financial Year 2015-16

During the year, the Corporate Social Responsibility Committee approved the CSR expenditure budget and Project plan for FY2016. Besides review of the CSR expenditure and the activities pertaining to CSR by the Committee, a quarterly report on the status of the milestones achieved is presented at the Board Meetings.

During FY2016, two CSR Committee Meetings were held on 28 May 2015 and 2 February 2016. The attendance record is given in **Table 6**.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee comprises of the following Directors:

- Mr Gautam Thapar (Chairman, Non-Executive Director)
- Mr K N Neelkant (Executive Director) Appointed w-e-f 3 February 2016
- Mr Laurent Demortier (Executive Director) Resigned on 31 March 2016

During FY2016, the Stakeholders' Relationship Committee met on 3 February 2016, at which meeting all the Members were present.

The Committee reviews the redressal of grievances of security holders of the Company, including investors` complaints related to transfers and transmissions, annual reports, dividends and other share related matters; the periodicity and effectiveness of the share transfer process, regulatory certifications, depository related issues and activities of the Registrar and Transfer Agent. In addition to a review by this Committee, the Company continues its existing practice of reporting to the Directors at each Board Meeting, the number and category of shareholder complaints received and the status of their resolution. The Company enjoys an extremely high level of investor satisfaction, which is reflected in the very insignificant number of investor complaints.

The Company received 11 shareholders' complaints during the financial year under review, which were of a routine nature and were satisfactorily resolved. There are no outstanding complaints or Share Transfers pending as on 31 March 2016.

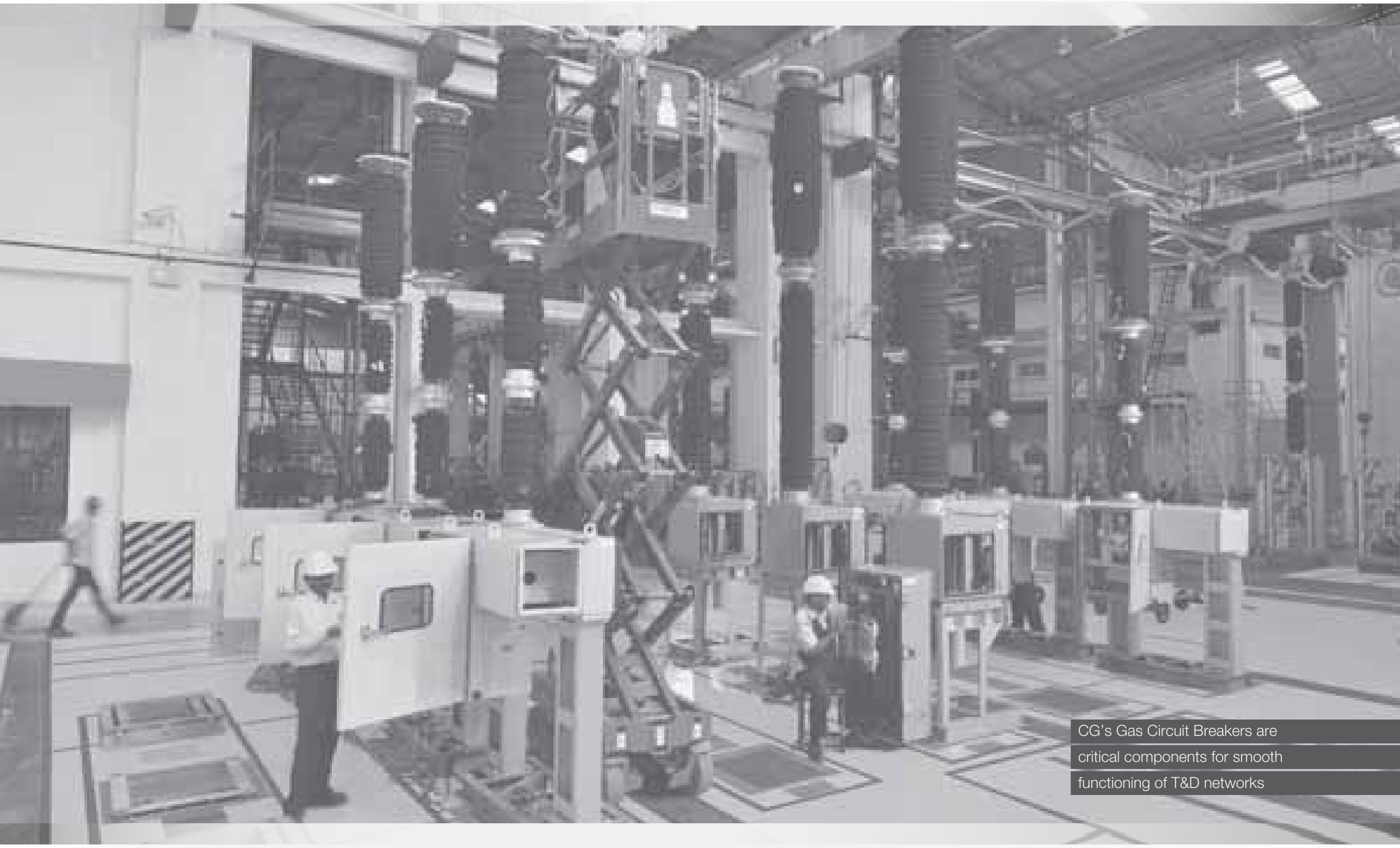
INFORMATION ON GENERAL BODY MEETINGS

The details of the last three Annual General Meetings are given in **Table 7**. The Special Resolutions that were approved by shareholders at these Meetings are given in **Table 8**.

MEANS OF COMMUNICATION

Full and complete disclosure of information regarding the Company's financial position and performance is an important part of the Company's Corporate Governance ethos. The Company has demonstrated this commitment by sending its shareholders a full version of its Annual Report, despite a regulatory exemption.

The Company welcomes the "Green Initiatives" being promoted by the Ministry of Corporate Affairs (MCA), to encourage e-enabled regulatory compliances, in its efforts to conserve consumption of paper and



CG's Gas Circuit Breakers are critical components for smooth functioning of T&D networks

preserve the environment. In furtherance of this important initiative, the Companies Act, 2013, has permitted companies to provide its shareholders documents, including the Annual Report, by electronic mode. In support of MCA's endeavours in this direction, the Company sends its Annual Report as well as other shareholder correspondence by e-mail to e-addresses registered with the Company / Depository Participants for communication purposes. In case any such shareholder desires to receive a physical copy of the Annual Report, the Company will be happy to provide the same upon request. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days, excluding Saturdays, upto the date of the meeting.

Regulation 33 of the Listing Regulations requires a company to only submit stand-alone unaudited financial results and gives an option to a company having subsidiaries, to submit consolidated results to Stock Exchanges. However, despite this regulatory exemption available, the Company has consciously chosen on a quarterly basis to submit quarterly consolidated unaudited financial results to the Stock Exchanges and additionally also publish both stand-alone and consolidated financial results in the newspapers, for better disclosures to its shareholders and the general investor community.

The Company's quarterly results in the format prescribed by the Stock Exchanges are approved and taken on record by the Board within the prescribed timeframe and sent immediately to all Stock Exchanges on which the Company's shares are listed. These results are published in leading newspapers – The Financial Express in English and Loksatta, in vernacular and are also uploaded on the "NEAPS" and "LISTING BSEINDIA" webportal sponsored by the National Stock Exchange of India Limited and BSE Limited respectively. The Company further files on-line information on financial statements and other matters specified, on the PN Newswire webportal which is approved by the London Stock Exchange.

After every quarterly Board Meeting for declaration of results, the Company conducts an analyst interaction, to provide greater transparency and clarifications on the Company's financial performance.

Information about the Company in general, its financial results and other information, including official press releases can also be accessed at the Company's website. The 'Information to Investor' section of the CG website provides 'live' share prices of CG, as well as, graphical information relating to the historical share prices and published financials. Graphs relating to income & profitability, balance sheet & equity position, ratios, share returns on the stand-alone and consolidated position of CG are readily available, across a number of years, in a user friendly manner for use by retail investors and researchers.

CG's Investor Query System, a web based system continues to support the shareholders in sending queries relating to any processing activity concerning their shareholding in CG.

GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING

Date: Tuesday, 30 August 2016
Time: 3.00 p.m.
Venue: Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai 400 028.

TENTATIVE CALENDAR FOR FINANCIAL YEAR ENDING 31 MARCH 2017

First Quarter Results
End of July / First fortnight of August
Second Quarter Results
End of October / First fortnight of November
Third Quarter Results
End of January / First fortnight of February
Last Quarter Results and Annual Audited Results
April / May
Dates of Book Closure
Friday, 19 August 2016 to Tuesday, 30 August 2016 (both days inclusive)

NAME & ADDRESS OF THE STOCK EXCHANGES

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.
Stock Code: 500093
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051.
Stock Code: CROMPGREAV

ISIN: INE067A01029 (NSDL & CDSL)
GDR Code: 5090318

MARKET PRICE DATA: BSE LIMITED (TABLE 9)

15 March 2016 being ex-entitlement date to reckon the entitlements of shareholders to receive share of Crompton Greaves Consumer Electricals Ltd. upon effective implementation of the Scheme. Hence CG's scrip was part of pre-open call auction session on 15 March 2016. Record date was fixed on 16 March 2016. **(Chart A)**

DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2016 (TABLE 10)

CATEGORIES OF SHAREHOLDERS ON 31 MARCH 2016 (TABLE 11)

REGISTRAR AND TRANSFER AGENTS

For Shares

The Company's Registrar and Transfer Agent is Datamatics Financial Services Limited, which is a SEBI registered Registrar and Transfer Agent, whose contact details are as under:
Datamatics Financial Services Limited
Unit: Crompton Greaves Limited
Plot No B-5, Part B Crosslane,
MIDC Marol, Andheri (East), Mumbai 400 093.
Tel: + 91 (0) 22 6671 2151 to 6671 2160
Fax:+ 91 (0) 22 6671 2230
Email: cginvestors@dfssl.com

SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in dematerialised form. In the case of transfers in physical form which are lodged at the Registrar and Transfer Agent's office, these are processed within a maximum period of 15 days from the date of receipt.

All share transfers and other share related issues are approved by the Securities Transfer Committee duly constituted for this purpose. During FY2016, 53 approvals were obtained. The total number of shares in physical form transferred during the year under review were 1161 shares.

DEMATERIALISATION OF SHARES

As on 31 March 2016, 99.13% of the total shares of the Company were dematerialised, compared with 99.08% last year.

GLOBAL DEPOSITORY RECEIPTS (GDRs)

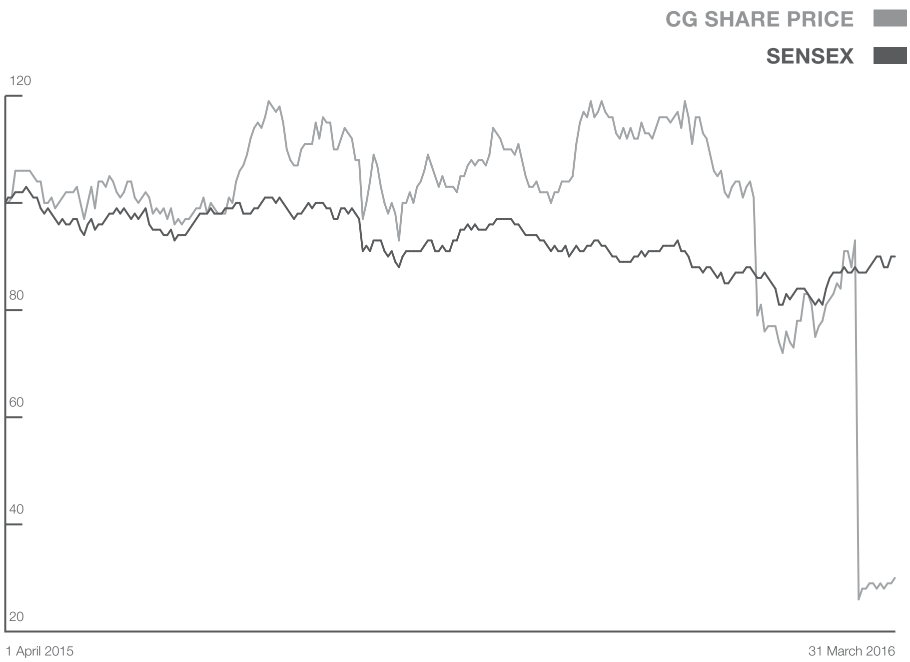
The Company issued GDRs in 1996 and the underlying shares for each GDR were issued in the name of The Bank of New York, the Depository. Each GDR of the Company is equivalent to five shares. As on 31 March

09 MARKET PRICE DATA: BSE LIMITED

MONTH	HIGHEST (RS.) OF THE MONTH	LOWEST (RS.) OF THE MONTH	CLOSING (RS.) (1ST TRADING DAY OF THE MONTH)	SENSEX (1ST TRADING DAY OF THE MONTH)
April 2015	179.35	155.40	166.10	28260.14
May 2015	176.25	159.25	169.95	27490.59
June 2015	172.45	157.40	169.00	27848.99
July 2015	201.45	161.90	162.45	28020.87
August 2015	195.05	154.85	184.40	28187.06
September 2015	183.20	152.85	166.25	25696.44
October 2015	192.95	168.25	169.30	26220.95
November 2015	199.95	164.25	170.45	26559.15
December 2015	202.65	183.10	194.40	26169.41
January 2016	203.50	165.45	193.95	26160.90
February 2016	175.00	113.65	172.60	24824.83
March 2016	159.80	40.50	134.30	23779.35
			Share Price	**Sensex**
As on 31 March 2016			**49.20**	**25341.86**

A SHARE PERFORMANCE VS BSE SENSEX

CROMPTON GREAVES SHARE PRICE AND BSE SENSEX = 100 ON 1 APRIL 2015



The record date for determining the entitlement of CGCEL shares for the Company's shareholders was 16 March 2016 and consequently the Company's shares commenced quoting stand-alone excluding consumer business on 15 March 2016.

10 DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2016

NO OF SHARES	NO OF SHAREHOLDERS	% OF SHAREHOLDERS
Upto 500	129666	87.16
501 - 1000	8360	5.62
1001 - 2000	4934	3.32
2001 - 3000	1846	1.24
3001 - 4000	949	0.64
4001 - 5000	616	0.41
5001 - 10000	1234	0.83
10001 and above	1158	0.78
	148736	**100.00**

11 CATEGORIES OF SHAREHOLDERS AS ON 31 MARCH 2016

CATEGORY	NO OF SHARES OF RS.2/- EACH	% OF SHAREHOLDERS
Promoters	215451070	34.38
Indian Institutional Investors	43480989	6.94
Bodies Corporate	50716189	8.09
Foreign Institutional Investors	87234875	13.92
NRIs, OCBs, GDRs	3548578	0.56
Mutual Funds	157930761	25.20
General Public	68383023	10.91
Directors	657	0.00
	626746142	100.00

2016, 176,466 GDRs were outstanding, which represented 8,82,329 underlying equity shares.

PLANT LOCATIONS

Detailed information on plant locations, products, establishments and service centres with their contact details, is provided at the end of this Annual Report.

ADDRESS FOR CORRESPONDENCE

Corporate Secretarial Department

The Corporate Secretarial Department is located at the Company's Head Office at 10th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai 400 030.

Investor Services Department

In addition to the Share Registrar and Transfer Agent, our Investor Services Department, which is located at the Company's Registered Office, will be happy to assist, in case investors experience any difficulties in their interaction with Datamatics Financial Services Limited.

Contact Person:
Mr Shirish Athalekar,
Manager-Corporate Secretarial
Time: 2.00 pm to 5.00 pm (Mondays to Fridays)
Tel: +91 22 24237805
Fax: +91 22 24237545
E-mail: shirish.athalekar@cgglobal.com

OTHER DISCLOSURES

DISCLOSURE OF MATERIAL TRANSACTIONS

Considering the size and nature of operations, there were no related party transactions of a materially significant nature in terms of the Listing Agreement / Listing Regulations, as applicable, with Stock Exchanges that could have a potential conflict with the interests of the Company at large.

DISCLOSURE OF PENDING CASES / INSTANCES OF NON-COMPLIANCE

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three financial years.

WHISTLE BLOWER POLICY

The Company has formulated a Whistle Blower Policy for employees to report concerns of unethical behaviour and violation of the Company's Code of Business Practices. The details of the policy are contained in the Directors' Report and are also posted on the website of the Company. The whistle blowers are not denied access to the Risk and Audit Committee.

The Company has complied with all mandatory items of Clause 49 of the Listing Agreement as were applicable till 30 November 2015 and the Listing Regulations from 1 December 2015 onwards. The Company has executed fresh agreements with BSE & NSE as required under the Listing Regulations.

GOVERNANCE OF SUBSIDIARIES

The subsidiaries of the Company are adequately empowered through delegation of the operational powers to local Management at all locations. The Management of subsidiary companies are responsible for statutory compliances, health & safety concerns, integrity of accounts and assurance on internal controls. The material contents of the minutes of Board Meetings of all Indian as well as foreign subsidiaries of the Company are placed before the Board of Directors of the Company. The Company has also established a mechanism through which financial concerns, material defaults, show cause notices, dangerous occurrences, product liability claims, significant developments in human resources, major financial decisions and similar significant actions / decisions of all subsidiary companies are reported to the Company's Board of Directors. In addition, financial statements, compliance issues, internal control procedures and operational risks of these subsidiaries are also reviewed by the Risk and Audit Committee of CG, as applicable. The Company has formulated a Policy on Material Subsidiaries which is available on the weblink: *http://www.cgglobal.com/pdfs/policies/Policy-determining-Mat-Subsidiaries.pdf.* Significant transactions entered into by the material subsidiaries are monitored on a quarterly basis by the Risk and Audit Committee and the Board.

The policy on dealing with related party transactions can be accessed on the website of the company on the following weblink: *http://www.cgglobal.com/pdfs/policies/India%20Related%20Party%20Transactions%20Policy.pdf*

The Company is not dealing in commodities and hence disclosure relating to commodity price risks and commodity hedging activities is not given.

There is no non-compliance of any requirements of Corporate Governance Report as prescribed under sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

UNCLAIMED SHARES

Regulation 39(4) of the Listing Regulations with Stock Exchanges requires a listed company to transfer shares, which have remained unclaimed pursuant to a public issue or any other issue, to an Unclaimed Suspense Account with a Depository Participant. The voting rights with respect to the shares held in such Unclaimed Suspense Account are frozen and future share allotments are also to be issued directly to such account. This Regulation requires a Company to send three reminders in this regard before the transfer. During FY2016, 21 shareholders have claimed 8438 shares which were transferred to their demat account.

UNCLAIMED DIVIDEND

Date of Declaration of Dividend	Due Date for Transfer to the Investor Education and Protection Fund
27 October 2009	26 November 2016
28 January 2010	27 February 2017
25 October 2010	24 November 2017
28 January 2011	27 February 2018
23 March 2011	22 April 2018
19 October 2011	18 November 2018
31 January 2012	2 March 2019
23 March 2012	22 April 2019
20 July 2012	19 August 2019
1 November 2012	30 November 2019
6 August 2013	5 September 2020
8 November 2013	7 December 2020
29 January 2014	28 February 2021
5 August 2014	4 September 2021
16 October 2014	15 November 2021
3 February 2015	2 March 2022

NON-MANDATORY REQUIREMENTS

The Company has implemented the following non-mandatory requirements recommended under Schedule V of Regulation 34(3) of the Listing Regulations;

a) Chairman's Office: Office with requisite facilities is provided and maintained at the Company's expense for use by the Chairman of the Company. The Company also reimburses all expenses incurred in his furthering the Company's business interests.

b) The office of the Chairman and Chief Executive Officer are separately held by two different individuals.

c) Reporting by Internal Auditor: The internal auditor of the Company directly reports to the Risk and Audit Committee.

ADDITIONAL INFORMATION

- Management Discussion and Analysis Report is given as a separate chapter in the Annual Report.
- Accounting Policies: The Company has adopted accounting treatments which are in conformance with those prescribed by the applicable Accounting Standards.
- IT Activities: As permitted under the Companies Act, 2013, the Company maintains its books of accounts in electronic form. The Company hosts and manages all business applications and data in its own Tier 3 data center located at Mumbai and does not utilise any cloud or third party hosted environments for this service.
- Insider Trading: The Company has comprehensive guidelines in accordance with the SEBI Regulations in this regard, which advise and caution the Directors, Management, employees and their connected persons on the procedures to be followed, whilst dealing with the securities of the Company. The Insider Trading Code framed by the Company helps in ensuring compliance with these requirements.
- Quiet Period Policy: CG follows a Quiet Period Policy during which the Company does not engage in any discussions, communications or other interaction with analysts, investors or media, except as permitted under the Listing Regulations. This "Quiet Period" commences on the 16th of the third month of each quarter and continues upto the conclusion of the Board Meeting at which the financial results for each quarter are announced to the Stock Exchanges. However, during the Quiet Period, the Company's Investor Services Department continues to address investor related issues and communications with the Stock Exchanges and other Regulatory Authorities as required by law.

CEO / CFO CERTIFICATION

For FY2016, Mr K N Neelkant, CEO and Managing Director and Mr Madhav Acharya, Chief Financial Officer have certified to the Board with respect to the financial statements, internal controls and other matters, as required under Regulation 34 of the Listing Regulations and the said Certificate is contained in this Annual Report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance for FY2016, as prescribed by Regulation 34 of the Listing Regulations which is attached herewith.

On behalf of the Board of Directors

G THAPAR
Chairman
DIN (00012289)
Mumbai, 27 May 2016

CEO-CFO ANNUAL CERTIFICATION

To
The Board of Directors
Crompton Greaves Limited

CERTIFICATE

We have reviewed the Stand-alone and Consolidated financial statements and the cash flow statement of Crompton Greaves Limited (the Company) for the financial year ended 31 March 2016 and certify that:

a) These statements to the best of our knowledge and belief:

- do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year, 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 have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls of which we are aware, and the steps taken or proposed to be taken to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

- significant changes in internal control over financial reporting during the year;
- significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control system over financial reporting.

K N NEELKANT
CEO and Managing Director
DIN (05122610)

M ACHARYA
Executive Director-Finance and CFO
DIN (02787445)
Mumbai, 27 May 2016

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE REPORT

To
The Members
Crompton Greaves Limited
Mumbai

Dear Sirs,

We have examined the compliance of conditions of Corporate Governance by Crompton Greaves Limited (the 'Company'), for the year ended 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchanges for the period from 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period from 1 December 2015 to 31 March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clauses. 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 explanations 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 above-mentioned Listing Agreement / Listing Regulations, as applicable.

We further state that such compliance 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.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of

MILIND P. PHADKE
Partner
Membership No.033013
Mumbai, 27 May 2016

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

This is to certify that all the Members of the Board of Directors and Senior Management (i.e. one level below the Executive Directors) of the Company, have confirmed compliance with the Company's Code of Conduct during April 2015 to March 2016.

The Company's Code requires every Member of the Board and Senior Management to:

- Fulfill the functions of their office with integrity as well as professionalism and exercise the powers attached thereto, with due care and diligence.
- Act in the best interests of, and fulfill their fiduciary obligations to the Company's shareholders, whilst also considering the interests of other stakeholders.
- Take informed business decisions based on independent judgment and in the best interests of the Company, not influenced by personal interest or gain.
- Respect the confidentiality of information and use utmost discretion whilst deciding its disclosure or dissemination, ensuring that no personal advantage or detriment to the Company results from the same.
- Make available to, and share information with fellow Directors / Executives when considered expedient in the best interests of the Company.
- Protect and use the Company's assets for legitimate business purposes and be alert to situations that could lead to loss or misuse of these assets.
- Minimise any situation or action that can create conflict of interests of the Company vis-à-vis personal interest or interests of associated persons, and make adequate disclosures, where necessary.
- Act in a manner that will protect the Company's reputation.
- Encourage reporting of behaviour, which is contrary to the Company's "Values", and ensure that the person reporting such violation is not aggrieved in any manner.
- Comply, in letter and spirit, with all applicable laws, rules and regulations, and also honour the philosophy of "good faith", guided by one's sense of right and wrong.
- Abide by the relevant terms of the Insider Trading Code formulated by the Company, and any other Code that may be formulated from time to time, as applicable.
- Adhere to the terms of the powers delegated by the Board.
- Whilst entering into contracts with Service Providers and Consultants, protect the arrangement for disclosure or dissemination of confidential information.
- Establish processes and systems for storage, retrieval and dissemination of documents, both in physical and electronic form, so that the obligations of this Code of Conduct are fulfilled.
- Raise concerns, if any, on the above issues, at a Board Meeting.

K N NEELKANT
CEO and Managing Director
DIN (05122610)
Mumbai, 27 May 2016

FINANCIALS

STAND-ALONE FINANCIALS

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Crompton Greaves Limited** (the 'Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flows Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgments 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss, changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   (e) on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act; and
   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B';
   (g) 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, in our opinion and to the best of our information and according to the explanations given to us:
      (1) the Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 39 to the Financial Statements);
      (2) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
      (3) there has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No.109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013

Mumbai, 27th May, 2016

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on such verification, which were not material, have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act:

(a) the terms and conditions are not prejudicial to the Company's interest;

(b) the receipts of principle amounts and interest have been regular / as per stipulations; and

(c) there are no overdue amounts for more than ninety days.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) According to the information and explanations given to us and the records examined by us, the Company has not accepted any deposits from the public during the year. Accordingly, the Paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account and records maintained by the Company specified by the Central Government for the maintenance of cost records under Section 148(1) of the Act with respect to its manufacturing activities and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, where applicable, to the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, the particulars of income tax, sales tax, service tax, duty of customs, duty of excise, and value added tax as at 31st March, 2016 which have not been deposited on account of a dispute pending, are as under:

Name of the Statute	Nature of the disputed dues	Amount ₹ crore*	Period to which the amount relates	Forum where disputes are pending
The Income Tax Act, 1961	Tax, interest and penalty	18.94	2010-11 2012-13	Commissionerate (Appeals)
The Central Sales Tax Act, 1956, Local Sales Tax Acts and Works Contract Tax Act	Tax, interest and penalty	1.11	1989-90 1999-00 1991-92 1996-97	High Court
		26.54	1992-93 1994-95 2000-01 to 2010-11 2014-15	Tribunal / CESTAT
		94.65	1999-00 1997-98 1998-99 2001-02 to 2014-15	Commissionerate (Appeals)
The Central Excise Act, 1944, the Customs Act, 1962 and Service Tax under the Finance Act, 1994	Duty, service tax, interest and penalty	0.21	1986 -87 to 1988-89 2001-02 2002-03 2004-05 to 2007-08	High Court
		11.09	1991-92 1998-99 to 2013-14	CESTAT / Tribunal
		13.44	2002-03 to 2015-16	Commissionerate (Appeals)

(*net of pre-deposit paid in getting the stay / appeal admitted)

(viii) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from Government. The Company has not issued any debentures. Accordingly, the Paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the explanations given to us, on an overall basis, the term loans were applied for the purposes for which those were raised.

(x) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year nor have we been informed of such case by management.

(xi) According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the Paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the relevant details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the Paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the Paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) 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.

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No.109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013

Mumbai, 27th May, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT (REFERRED TO IN PARAGRAPH 2(f) OF OUR REPORT OF EVEN DATE)

We have audited the internal financial controls over financial reporting of **Crompton Greaves Limited** (the 'Company') as of 31st March, 2016 in conjunction with our audit of the standalone 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 over financial reporting 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 (the 'Guidance Note') 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 the Companies Act, 2013 (the 'Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No.109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013

Mumbai, 27th May, 2016

₹ crore

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
ASSETS							
1. NON-CURRENT ASSETS:							
(a) Property, plant and equipment	5	**1296.04**		1492.01		1773.45	
(b) Capital work-in-progress	5	**2.00**		2.67		22.85	
(c) Investment property	6	**-**		5.56		5.64	
(d) Other intangible assets	7	**50.53**		94.68		104.79	
(e) Intangible assets under development	7	**37.95**		30.05		25.31	
(f) Financial assets							
(i) Investments	8	**458.61**		1005.04		805.71	
(ii) Loans	9	**9.44**		14.31		1.01	
(iii) Others	10	**44.57**		56.14		67.92	
(g) Other non-current assets	11	**21.23**		6.86		33.65	
			1920.37		2707.32		2840.33
2. CURRENT ASSETS:							
(a) Inventories	12	**407.17**		368.66		557.78	
(b) Financial assets							
(i) Investments	13	**0.95**		160.62		20.72	
(ii) Trade receivables	14	**1703.19**		1854.52		1887.89	
(iii) Cash and cash equivalents	15	**510.41**		294.39		439.85	
(iv) Bank balances other than (iii) above	16	**1.62**		1.95		1.92	
(v) Loans	17	**1033.54**		980.35		677.32	
(vi) Others	18	**230.60**		1.60		1.03	
(c) Current tax assets (net)		**26.46**		28.50		-	
(d) Other current assets	19	**520.22**		600.61		328.27	
			4434.16		4291.20		3914.78
3. Assets classified as held for sale and discontinued operations	51		**251.60**		680.89		-
TOTAL ASSETS			**6606.13**		7679.41		6755.11
EQUITY AND LIABILITIES							
EQUITY:							
(a) Equity share capital	20	**125.35**		125.35		125.35	
(b) Other equity		**4002.70**		4490.02		4012.50	
			4128.05		4615.37		4137.85
LIABILITIES:							
1. NON-CURRENT LIABILITIES:							
(a) Financial liabilities							
(i) Borrowings	21	**4.15**		8.41		11.75	
(ii) Other financial liabilities	22	**1.21**		2.73		6.58	
			5.36		11.14		18.33
(b) Provisions	23		**52.70**		59.90		52.82
(c) Deferred tax liabilities (net)	24		**240.25**		301.40		350.51
2. CURRENT LIABILITIES:							
(a) Financial Liabilities							
(i) Borrowings	25	**522.98**		56.22		29.99	
(ii) Trade payables	26	**1102.60**		948.94		1563.07	
(iii) Other financial liabilities	27	**148.40**		155.37		153.20	
			1773.98		1160.53		1746.26
(b) Other current liabilities	28		**300.07**		228.50		332.50
(c) Provisions	29		**75.62**		62.50		90.06
(d) Current tax liabilities (net)			**-**		-		26.78
3. Liabilities associated with group of assets classified as held for sale and discontinued operations	51		**30.10**		1240.07		-
TOTAL EQUITY AND LIABILITIES			**6606.13**		7679.41		6755.11
CONTINGENT LIABILITIES AND COMMITMENTS	39						
SIGNIFICANT ACCOUNTING POLICIES	3						

The accompanying notes form an integral part of financial statements

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No. 109982W
by the hand of

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

K.N. Neelkant
CEO & MANAGING DIRECTOR
DIN: 05122610

Milind P. Phadke
PARTNER
Membership No. 033013
Mumbai, 27th May, 2016

Manoj Koul
COMPANY SECRETARY
Mumbai, 27th May, 2016

Gautam Thapar
CHAIRMAN
DIN: 00012289

₹ crore

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	2015-16		2014-15	
CONTINUING OPERATIONS					
INCOME:					
Revenue from operations	30	**4290.83**		4523.60	
Other income	31	**222.90**		129.30	
TOTAL INCOME			**4513.73**		4652.90
EXPENSES:					
Cost of materials consumed	32	**2807.17**		2890.14	
Purchases of stock-in-trade	33	**119.53**		188.12	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	34	**(64.26)**		40.00	
Employee benefits expense	35	**371.97**		371.39	
Finance costs	36	**40.06**		42.67	
Depreciation and amortisation expense	37	**107.96**		112.83	
Other expenses	38	**829.17**		768.45	
TOTAL EXPENSES			**4211.60**		4413.60
PROFIT BEFORE EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX			**302.13**		239.30
Exchange gain / (loss)			**57.02**		(47.42)
Exceptional items (net)			**(1508.73)**		149.69
PROFIT / (LOSS) BEFORE TAX			**(1149.58)**		341.57
TAX EXPENSE:					
Current tax	24	**98.68**		40.79	
Deferred tax (credit)	24	**(60.13)**		(44.29)	
			38.55		(3.50)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS			**(1188.13)**		345.07
PROFIT FROM DISCONTINUED OPERATIONS BEFORE TAX	51	**157.47**		371.33	
Tax expense of discontinued operations	24	**61.31**		127.26	
PROFIT FROM DISCONTINUED OPERATIONS AFTER TAX			**96.16**		244.07
PROFIT / (LOSS) FOR THE YEAR			**(1091.97)**		589.14
OTHER COMPREHENSIVE INCOME:					
A (i) Items that will not be reclassified to profit or loss		**(47.88)**		(9.67)	
(ii) Income tax relating to items that will not be reclassified to profit or loss		**-**		-	
B (i) Items that will be reclassified to profit or loss		**-**		-	
(ii) Income tax relating to items that will be reclassified to profit or loss		**-**		-	
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			**(47.88)**		(9.67)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			**(1139.85)**		579.47
Earnings per share for continuing operations (₹) (Face value of equity share of ₹ 2 each)	56		**(18.96)**		5.51
Earnings per share for discontinued operations (₹) (Face value of equity share of ₹ 2 each)	56		**1.54**		3.89
Earnings per share (basic and diluted) (₹) (Face value of equity share of ₹ 2 each)	56		**(17.42)**		9.40
SIGNIFICANT ACCOUNTING POLICIES	3				

The accompanying notes form an integral part of financial statements

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No. 109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013
Mumbai, 27th May, 2016

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

Manoj Koul
COMPANY SECRETARY

Mumbai, 27th May, 2016

K.N. Neelkant
CEO & MANAGING DIRECTOR
DIN: 05122610

Gautam Thapar
CHAIRMAN
DIN: 00012289

₹ crore

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16	2014-15
[A] CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (loss) before tax from continuing operations		**(1149.58)**	341.57
Adjustments for:			
Depreciation and amortisation expense		**107.96**	112.83
Provision for impairment on financial assets		**1923.79**	29.10
Finance costs		**40.06**	42.67
Interest income		**(141.85)**	(64.28)
Income from investments (net)		**(0.59)**	(0.16)
Profit on sale of investments (net)		**(80.25)**	(4.54)
Unrealised exchange (gain) / loss (net)		**(151.51)**	101.78
(Profit) / loss on sale of fixed assets (net)		**(285.57)**	(163.63)
		1412.04	53.77
Operating profit before working capital changes		**262.46**	395.34
Adjustments for:			
(Increase) / Decrease in trade and other receivables		**(1482.11)**	(955.37)
(Increase) / Decrease in inventories		**(38.75)**	49.44
Increase / (Decrease) in trade and other payables		**259.59**	(226.40)
Increase / (Decrease) in provisions		**(13.59)**	(18.24)
		(1274.86)	(1150.57)
Cash (used in) / from operations		**(1012.40)**	(755.23)
Direct taxes paid (net of refunds)		**(96.64)**	(218.31)
Net cash (used in) / from operating activities		**(1109.04)**	(973.54)
Net cash (used in) / from discontinued activities		**188.28**	347.78
Net cash (used in) / from continuing and discontinued activities	**[A]**	**(920.76)**	(625.76)
[B] CASH FLOWS FROM INVESTING ACTIVITIES			
Add: Inflows from investing activities			
Sale of property, plant and equipment		**503.17**	341.98
Proceeds from sale of investments in joint venture		**40.11**	-
Sale of current investments		**168.77**	-
Interest received		**140.61**	74.19
Income received from investments		**0.59**	0.16
		853.25	416.33
***Less:* Outflows from investing activities**			
Purchase of property, plant and equipment and intangible assets		**(111.33)**	(75.05)
Purchase of investments		**-**	(135.44)
Amalgamation of subsidiaries		**-**	(3.47)
Fixed assets on acquisition of business / amalgamation		**-**	(6.00)
Investment in subsidiaries		**-**	(209.18)
Net cash (used in) / from investing activities		**(111.33)**	(429.14)
Net cash (used in) / from discontinued activities		**(6.31)**	4.22
Net cash (used in) / from continuing and discontinued activities	**[B]**	**735.61**	(8.59)

₹ crore

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

		2015-16	2014-15
[C] CASH FLOWS FROM FINANCING ACTIVITIES			
Add: Inflows from financing activities			
Proceeds from long-term borrowings		**488.26**	-
		488.26	-
***Less:* Outflows from financing activities**			
Repayment of long-term borrowings		**(3.86)**	(2.80)
Repayment of short term borrowings		**(21.50)**	(66.23)
Dividend paid		**(0.33)**	(75.17)
Additional tax on dividend		**-**	(14.27)
Interest paid		**(38.96)**	(37.62)
Cash (used in) / from financing activities		**(64.65)**	(196.09)
Net cash (used in) / from discontinued activities		**(26.81)**	689.49
Net cash (used in) / from continuing and discontinued activities	**[C]**	**396.80**	493.40
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)		**211.65**	(140.95)
Cash and bank balances at beginning of the year		**298.90**	439.85
Cash and bank balances at end of the year		**510.55**	298.90
Cash and cash equivalents from continuing operations		**510.41**	294.39
Cash and cash equivalents from discontinued operations		**0.14**	4.51
Cash and cash equivalents from continuing and discontinued operations		**510.55**	298.90

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

2 Additions to property, plant and equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

3 Cash and cash equivalents at the end of the year represent cash and bank balances and include unrealised gain of ₹ 1.79 crore (Previous year gain of ₹ 4.69 crore) on account of translation of foreign currency bank balances.

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No. 109982W
by the hand of

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

K.N. Neelkant
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Milind P. Phadke
PARTNER
Membership No. 033013
Mumbai, 27th May, 2016

Manoj Koul
COMPANY SECRETARY
Mumbai, 27th May, 2016

Gautam Thapar
CHAIRMAN
DIN: 00012289

₹ crore

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2016

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2016

Balance as at 1-04-2015	Changes in equity share capital during the year	Balance as at 31-03-2016
125.35	**-**	**125.35**

For the year ended 31st March, 2015

Balance as at 1-04-2014	Changes in equity share capital during the year	Balance as at 31-03-2015
125.35	-	125.35

(B) OTHER EQUITY

For the year ended 31st March, 2016

Particulars	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	FVOCI Reserve	Total Equity
Balance as at 1st April, 2015	**4022.93**	**415.89**	**19.96**	**12.95**	**18.29**	**-**	**4490.02**
Loss for the year	**(1091.97)**	**-**	**-**	**-**	**-**	**-**	**(1091.97)**
Other comprehensive income / (loss) for the year							
- Remeasurements gains / (loss) on defined benefit plans	**(19.50)**	**-**	**-**	**-**	**-**	**-**	**(19.50)**
- Fair value loss on FVOCI financial asset	**-**	**-**	**-**	**-**	**-**	**(28.38)**	**(28.38)**
Transferred on demerger	**-**	**-**	**652.53**	**-**	**-**	**-**	**652.53**
Balance as at 31st March, 2016	**2911.46**	**415.89**	**672.49**	**12.95**	**18.29**	**(28.38)**	**4002.70**

For the year ended 31st March, 2015

Particulars	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	FVOCI Reserve	Total Equity
Balance as at 1st April, 2014	3546.25	415.89	19.12	12.95	18.29	-	4012.50
Profit for the year	589.14	-	-	-	-	-	589.14
Other comprehensive income / (loss) for the year							
- Remeasurements gains / (loss) on defined benefit plans	(9.67)	-	-	-	-	-	(9.67)
Dividends	(89.40)	-	-	-	-	-	(89.40)
Transferred on amalgamation of subsidiary	(13.39)	-	0.84	-	-	-	(12.55)
Balance as at 31st March, 2015	**4022.93**	**415.89**	**19.96**	**12.95**	**18.29**	**-**	**4490.02**

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
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Madhav Acharya
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Mumbai, 27th May, 2016

Manoj Koul
COMPANY SECRETARY

Mumbai, 27th May, 2016

Gautam Thapar
CHAIRMAN
DIN: 00012289

1. CORPORATE INFORMATION

Crompton Greaves Limited (the 'Company') is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 6th Floor, CG house, Dr. Annie Besant Road, Worli, Mumbai - 400 018, India.

The Company is a global enterprise providing end-to-end solutions to utilities, industries and consumers for the management and application of efficient and sustainable electrical energy. It offers products, services and solutions in four main business segments, viz., Power Systems, Consumer Products, Industrial Systems and Automation Systems.

The financial statements of the Company for the year ended 31st March, 2016 were authorised for issue in accordance with a resolution of the directors on 27th May, 2016.

2. BASIS OF PREPARATION

Ministry of Corporate Affairs notified roadmap to implement 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. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2016. However, the Company has vide its Board meeting dated 2nd February, 2016 decided for voluntary adoption of Ind AS from the financial year beginning 1st April, 2015. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

For all periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2016 are the first the Company has prepared in accordance with Ind AS (Refer Note 60 for information on how the Company has adopted Ind AS).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Internally manufactured property, plant and equipment are capitalised at factory cost, including excise duty, wherever applicable.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Capital expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on *pro-rata* basis with reference to the month of addition / deletion. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical evaluation of the remaining useful life which is different from the one specified in Schedule II to the Companies Act, 2013.

The range of useful lives of the property, plant and equipment are as follows:

- Plant and machinery - 1 to 21 years (Maximum)
- Furniture and fixtures - 1 to 15 years (Maximum)
- Office equipments - 1 to 15 years
- Buildings - 3 to 60 years
- Vehicles - 1 to 8 years.
- Leasehold land - 24 to 999 years

Leased assets

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

3.2 Investment properties:

Investment properties comprise portions of freehold land and office buildings that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.3 Impairment of non-financial assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

3.4 Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

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.

Intangible assets are amortised as follows:

(1) Specialised software	:	Over a period of five to six years;
(2) Technical know-how	:	Over a period of five years (from the date of its availability for use);
(3) Commercial rights	:	Over a period of ten years
(4) Concession rights	:	Over a period of ten years

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development cost:

- Research cost:

  Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

- Development cost:

  Development expenditure on new product is capitalised as intangible asset, if all of the following can be demonstrated. Otherwise they are expensed in the period in which they are incurred.

  (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

  (ii) the Company has intention to complete the development of intangible asset and use or sell it;

  (iii) the Company has ability to use or sell the intangible asset;

  (iv) the manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;

  (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

  (vi) the Company has ability to measure the expenditure attributable to the intangible asset during the development reliably.

  Development costs on the intangible assets, fulfilling the criteria are amortised over a period of five years, otherwise are expensed in the period in which they are incurred.

3.5 Inventories:

Inventories are carried in the balance sheet as follows

(a) Raw materials, packing materials, construction materials, stores and spares	:	At lower of cost, on weighted average basis and net realisable value
(b) Work-in-progress – Manufacturing	:	At lower of cost of material, plus appropriate production overheads and net realisable value.
(c) Finished goods – Manufacturing	:	At lower of cost of materials plus appropriate production overheads, including excise duty paid / payable on such goods and net realisable value.
(d) Finished goods – Trading	:	At lower of cost, on weighted average basis and net realisable value

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

3.6 Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.7 Foreign currency transactions:

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

3.8 Service concession arrangements:

The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time.

These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix A to Ind AS 11 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used when the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Company manages concession arrangements which include constructing power distribution assets for distribution of electricity. The Company maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided.

The right to consideration gives rise to an intangible asset and financial receivable and accordingly, both the intangible asset and financial receivable models are applied. Income from the concession arrangements earned under the intangible asset model consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost.

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

3.9 Revenue recognition:

Sale of goods

Revenue from sale of goods is recognised, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty and price variations based on the contractual agreements and excludes value added tax / sales tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

Revenue from sale of services is recognised as per the terms of the contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage-of-completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Revenue from construction contracts

Revenue from construction contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the cost incurred upto the reporting date to the total estimated cost to complete. Foreseeable losses, if any, on the contracts is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income not included in contract revenue is taken into consideration. Contract is reflected at cost that are expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter. Claims are accounted as income in the year of acceptance by customer.

Power distribution

Revenue from power distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued upto the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission. Interest is accounted on accrual basis on overdue bills.

Dividend income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Lease income

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals are recognised on straight-line basis as per the terms of the agreements in the statement of profit and loss.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

3.10 Employee benefits:

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

The Company makes contribution towards provident fund which is administered by the trustees. The Rules of the Company's Provident Fund administered by a trust, require that if the Board of the Trustees are unable to pay interest at the rate declared by the Government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the Company obtains actuarial valuation and based on the valuation if there is no deficiency as at the balance sheet date, then, the liability is restricted towards monthly contributions only.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

3.11 Borrowing costs:

(a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(b) All other borrowing costs are recognised as expense in the period in which they are incurred.

3.12 Segment accounting:

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
4. Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Company.
5. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

3.13 Leases:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

3.14 Earnings per share:

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.15 Taxes on income:

1. Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
2. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 profit will be available to allow all or part of the deferred tax 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 asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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 have 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.

3.16 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Liquidated damages

Provision for liquidated damages are recognised on contracts for which delivery dates are exceeded and computed in reasonable manner.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

3.17 Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3.18 Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period,

  Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period,

  Or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets/liabilities are classified as non-current.

All other liabilities are classified as non-current.

3.19 Fair value measurement:

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,

  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.20 Non-current assets held for sale and discontinued operations:

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations,

  Or
- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

3.21 Financial instruments:

(i) Financial assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Derecognition

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 statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(ii) Financial liabilities:

Initial recognition and measurement

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.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

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 profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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.

(iii) 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

(iv) Derivative financial instruments and hedge accounting:

The Company enters into derivative contracts to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

3.22 Business combinations under common control:

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

Service concession arrangements:

Management has assessed applicability of Appendix A of Ind AS 11: Service Concession Arrangements to power distribution arrangements entered into by the Company. In assessing the applicability, management has exercised significant judgment in relation to the underlying ownership of the assets, terms of the power distribution arrangements entered with the grantor, ability to determine prices, fair value of construction service, assessment of right to guaranteed cash etc. Based on detailed evaluation, management has determined that this arrangement meet the criteria for recognition as service concession arrangements.

Discontinued operations:

Consumer products segment

In pursuant to the demerger of the Consumer products business unit, the Board considered the consumer product business unit to meet the criteria to be classified as held for distribution at that date for the following reasons:

- The actions to complete the distribution were initiated and expected to be completed within one year from the date of commitment to demerger the business i.e.,19th February, 2015,
- Consumer products represents a separate major line of business of operations,
- The shareholders approved the distribution in August 2015,
- The Scheme of demerger was approved by the Honourable High court judicature at Bombay, 20th November, 2015 (the Appointed date).

Power distribution business

In Pursuant to the certain unresolved disputes arising out of the Distribution Franchisee Agreement (DFA) of the Company with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at Jalgoan in Maharashtra, MSEDCL has exercised its step in rights and taken over the Distribution Franchisee in Jalgoan from the Company with effect from 12th August, 2015. The operations were terminated with immediate effect and the final claim settlement between the Company and MSEDCL is in progress. The Company have classified the Power distribution business as held for disposal from 12th August, 2015 for the following reasons:

- Power distribution business represents a separate major line of operations
- The operations were abandoned with immediate effect from 12th August, 2015 and hence the carrying amount will not be recovered principally through continuing use.

Lease of equipment not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17: determining whether an Arrangement contains a Lease. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to Ind AS 17.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Development costs

The Company capitalises development costs for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

₹ crore

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold land	Buildings	Plant and machinery	Plant and machinery leasehold	Furniture and fittings	Office equipments	Vehicles	Total	Capital work-in-progress
Cost:										
As at 1-04-2014	397.90	274.67	698.25	928.22	14.39	63.24	51.03	14.17	2441.87	22.85
Transferred on amalgamation	-	-	-	2.16	-	3.62	0.70	-	6.48	-
Additions	-	-	4.52	52.54	-	4.12	4.71	2.32	68.21	11.83
Disposals / transfers	123.62	28.54	22.52	30.12	-	2.63	2.37	2.65	212.45	31.63
Transferred to discontinued operations	3.62	1.96	43.89	120.80	-	6.97	4.85	1.31	183.40	0.38
As at 31-03-2015	**270.66**	**244.17**	**636.36**	**832.00**	**14.39**	**61.38**	**49.22**	**12.53**	**2120.71**	**2.67**
Additions	-	56.60	8.49	22.30	-	1.99	1.72	1.29	92.39	1.06
Disposals / transfers	78.03	91.74	28.63	28.98	-	8.07	5.73	2.22	243.40	1.73
As at 31-03-2016	**192.63**	**209.03**	**616.22**	**825.32**	**14.39**	**55.30**	**45.21**	**11.60**	**1969.70**	**2.00**
Accumulated depreciation:										
As at 1-04-2014	-	0.01	1.01	574.25	4.80	40.68	40.11	7.56	668.42	
Transferred on amalgamation	-	-	-	0.18	-	0.31	0.08	-	0.57	
Depreciation charge for the year	-	1.72	35.81	47.10	2.40	4.45	4.32	1.28	97.08	
Disposals / transfers	-	-	2.45	24.95	-	2.40	2.11	1.73	33.64	
Transferred to discontinued operations	-	0.37	13.26	80.40	-	5.33	3.71	0.66	103.73	
As at 31-03-2015	**-**	**1.36**	**21.11**	**516.18**	**7.20**	**37.71**	**38.69**	**6.45**	**628.70**	
Depreciation charge for the year	-	2.40	23.31	40.27	2.40	3.80	3.00	1.12	76.30	
Disposals / transfers	-	0.16	5.25	15.12	-	5.35	4.22	1.24	31.34	
As at 31-03-2016	**-**	**3.60**	**39.17**	**541.33**	**9.60**	**36.16**	**37.47**	**6.33**	**673.66**	
Net book value										
As at 1-04-2014	397.90	274.66	697.24	353.97	9.59	22.56	10.92	6.61	1773.45	22.85
As at 31-03-2015	270.66	242.81	615.25	315.82	7.19	23.67	10.53	6.08	1492.01	2.67
As at 31-03-2016	**192.63**	**205.43**	**577.05**	**283.99**	**4.79**	**19.14**	**7.74**	**5.27**	**1296.04**	**2.00**

₹ crore

6. INVESTMENT PROPERTY

Cost:	
As at 1-04-2014	7.08
Additions	-
Disposals / transfers	-
As at 31-03-2015	7.08
Additions	-
Disposals / transfers	7.08
As at 31-03-2016	-
Accumulated Depreciation:	
As at 1-04-2014	1.44
Depreciation charge for the year	0.08
Disposals / transfers	-
As at 31-03-2015	1.52
Depreciation charge for the year	0.03
Disposals / transfers	1.55
As at 31-03-2016	**-**
Net book value	
As at 1-04-2014	5.64
As at 31-03-2015	5.56
As at 31-03-2016	-
Fair value	
As at 1-04-2014	13.36
As at 31-03-2015	10.91
As at 31-03-2016	**NA**

	2015-16	2014-15
Rental income derived from investment properties	**0.95**	2.24
Direct operating expenses (including repairs and maintenance) generating rental income	**-**	0.21
Profit arising from investment properties	**0.95**	2.03

The Company's investment properties consist of commercial properties in India.

As at 31st March, 2015, the fair values of the properties are ₹ 10.91 crore. These valuations are based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in Level 2 fair value hierarchy (Refer Note 54 for definition of Level 2 fair value measurement).

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

7. OTHER INTANGIBLE ASSETS

	Computer software	Technical know-how	Commercial rights	Research and development	Concession rights	Total	Intangible assets under development
Cost:							
As at 1-04-2014	38.34	23.59	43.52	48.23	24.10	177.78	25.31
Transferred on amalgamation	0.11	-	-	-	-	0.11	-
Additions	11.06	5.00	-	6.91	4.04	27.01	5.38
Disposals / transfers	-	-	-	1.84	-	1.84	0.45
Transferred to discontinued operations	1.01	4.32	-	1.52	-	6.85	0.19
As at 31-03-2015	**48.50**	**24.27**	**43.52**	**51.78**	**28.14**	**196.21**	**30.05**
Additions	7.00	-	-	4.69	-	11.69	15.03
Disposals / transfers	-	-	-	3.16	-	3.16	7.13
Transferred to discontinued operations	-	-	-	-	28.14	28.14	-
As at 31-03-2016	**55.50**	**24.27**	**43.52**	**53.31**	**-**	**176.60**	**37.95**
Accumulated amortisation:							
As at 1-04-2014	20.72	15.47	23.28	13.52	-	72.99	
Transferred on amalgamation	0.02	-	-	-	-	0.02	
Amortisation charge for the year	6.05	4.44	6.35	10.99	3.93	31.76	
Disposals / transfers	-	-	-	0.55	-	0.55	
Transferred to discontinued operations	0.66	1.49	-	0.54	-	2.69	
As at 31-03-2015	**26.13**	**18.42**	**29.63**	**23.42**	**3.93**	**101.53**	
Amortisation charge for the year	7.98	2.09	9.08	12.48	-	31.63	
Disposals / transfers	-	-	-	3.16	-	3.16	
Transferred to discontinued operations	-	-	-	-	3.93	3.93	
As at 31-03-2016	**34.11**	**20.51**	**38.71**	**32.74**	**-**	**126.07**	
Net book value							
As at 1-04-2014	17.62	8.12	20.24	34.71	24.10	104.79	25.31
As at 31-03-2015	22.37	5.85	13.89	28.36	24.21	94.68	30.05
As at 31-03-2016	**21.39**	**3.76**	**4.81**	**20.57**	**-**	**50.53**	**37.95**

8. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Quoted investments			
Investment in Government or trust securities	**0.44**	0.44	0.44
	0.44	0.44	0.44
Unquoted investments			
Investments in equity instruments			
Subsidiary companies	**251.37**	768.82	559.64
Associate companies	**0.00**	0.00	227.00
Joint Venture	**-**	0.60	0.60
Investments in equity instruments			
Carried at fair value through other comprehensive income	**198.62**	227.00	-
Carried at fair value through profit and loss	**0.01**	0.01	0.01
Investment in debentures or bonds			
Subsidiary companies	**-**	-	9.92
Carried at fair value through profit and loss	**8.05**	8.05	8.05
Other non-current investments			
Carried at fair value through profit and loss	**0.12**	0.12	0.05
	458.17	1004.60	805.27
	458.61	1005.04	805.71

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	Face value per unit in ₹ unless otherwise specified	No. of shares / units As at 31-03-2016	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
8. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS (Contd.)					
Details of investments:					
A) Quoted investments					
Government and trust securities					
1 Central Government Securities					
10.18% GOI 2026 of ₹ 100 each	100	**39000**	**0.44**	0.44	0.44
Total (A)			**0.44**	0.44	0.44
B) Unquoted investments					
Investments in equity instruments					
Investment in subsidiary companies					
Fully paid equity shares					
1 CG Energy Management Limited	10	**1600000**	**-**	-	0.74
2 CG International B.V.	EUR 100	**730000**	**-**	545.86	352.48
3 Crompton Greaves Holdings Mauritius Limited	USD 1	**44184142**	**-**	206.65	194.34
4 CG-ZIV Power Automation Solutions Limited	10	**10000000**	**-**	-	10.02
5 CG PPI Adhesive Products Limited	10	**3175520**	**13.03**	13.03	2.01
6 CG Power Solutions Limited	10	**50000**	**0.05**	0.05	0.05
7 CG Consumer Products Limited	2	**15893654**	**-**	3.18	-
8 Crompton Greaves Consumer Electricals Limited	2	**250000**	**-**	0.05	-
9 CG International Holdings Singapore Pte Limited	USD 1	**44121460**	**238.29**	-	-
			251.37	768.82	559.64
Investment in associate companies					
Fully paid equity shares					
1 Power Equipment Limited	USD 10	**20600**	**0.00**	0.00	0.00
2 Avantha Power & Infrastructure Limited	10	**213300228**	**-**	-	227.00
			0.00	0.00	227.00
Investment in joint venture					
Fully paid equity shares					
1 CG Lucy Switchgear Limited	10	**599993**	**-**	0.60	0.60
			-	0.60	0.60
Carried at fair value					
Other comprehensive income					
1 Avantha Power & Infrastructure Limited	10	**213300228**	**198.62**	227.00	-
			198.62	227.00	-
Through profit or loss					
1 Dinette Exclusive Club Private Limited	100	**500**	**0.01**	0.01	0.01
2 Radiant Electronics Limited	100	**190000**	**0.00**	0.00	0.00
			0.01	0.01	0.01
Investments in debentures or bonds					
Investments in subsidiary company					
1 CG Energy Management Limited (0% Unsecured Irredeemable Non-convertible Debentures of ₹ 10 each)	10	**9918000**	**-**	-	9.92
			-	-	9.92
Carried at fair value through profit and loss					
1 Avantha Holdings Limited (Optionally Convertible, Zero Coupon, Non-marketable, transferable Debentures)	100	**800000**	**8.00**	8.00	8.00
2 Dinette Exclusive Club Private Limited (0% Unsecured Irredeemable Non-convertible Debentures of ₹ 100 each)	100	**5000**	**0.05**	0.05	0.05
			8.05	8.05	8.05
Other non-current investments					
UTI - Balanced Fund - Dividend Plan - Payout	10	**55909**	**0.12**	0.12	0.05
			0.12	0.12	0.05
Total (B)			**458.17**	1004.60	805.27
Total (A+B)			**458.61**	1005.04	805.71

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
9. NON-CURRENT FINANCIAL ASSETS - LOANS			
Unsecured, considered good, unless otherwise stated			
Deposits	**9.44**	14.31	1.01
	9.44	14.31	1.01

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
10. NON-CURRENT FINANCIAL ASSETS - OTHERS			
Service concession receivable	**-**	7.03	5.32
Financial guarantee fees receivable	**44.57**	49.11	62.60
	44.57	56.14	67.92

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
11. NON-CURRENT ASSETS - OTHERS			
Unsecured, considered good, unless otherwise stated			
Deposits	**-**	-	3.77
Capital advances	**0.62**	6.86	29.88
Others	**20.61**	-	-
	21.23	6.86	33.65

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
12. INVENTORIES						
Raw materials	**151.78**		156.79		165.54	
Add: Goods-in-transit	**6.13**		27.39		54.12	
		157.91		184.18		219.66
Work-in-progress - manufacturing		**202.40**		151.06		205.25
Finished goods - manufacturing		**43.27**		30.66		64.64
Stock-in-trade		**0.51**		0.20		63.07
Stores, spares and packing materials		**2.99**		2.49		4.38
Loose tools		**0.09**		0.07		0.78
		407.17		368.66		557.78

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
13. CURRENT FINANCIAL ASSETS-INVESTMENTS			
Quoted investments			
Investments in equity instruments			
Carried at fair value through profit and loss	**0.95**	0.94	0.86
Investments in mutual funds			
Carried at fair value through profit and loss	**-**	159.68	19.86
	0.95	160.62	20.72
Notes:			
Quoted investments			
Book value	**0.95**	160.62	20.72
Market value	**0.95**	160.62	20.72

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

13. CURRENT FINANCIAL ASSETS-INVESTMENTS (Contd.)

	Face value per unit in ₹ unless otherwise specified	No. of shares / units As at 31-03-2016	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Details of investments:					
Investments in equity instruments					
1 Nicco Corporation Limited	2	**330390**	**0.01**	0.02	0.02
2 IDBI Bank Limited	10	**127720**	**0.93**	0.91	0.83
3 JCT Electronics Limited	1	**250000**	**0.01**	0.01	0.01
			0.95	0.94	0.86
Investments in mutual funds					
Canara Robeco Treasury Advantage Fund - Regular Daily Dividend		-	-	-	19.86
JM High Liquidity Fund-Daily Dividend Option		-	-	5.09	-
Peerless Liquid Fund - Super Institutional Daily Dividend -Reinvestment		-	-	30.03	-
Reliance Liquid Fund- Cash Plan -Daily Dividend Option - CPDD		-	-	44.42	-
Principal Debt Opportunities Fund Conservative Plan-Regular Plan Dividend Daily-Reinvestment		-	-	18.03	-
Sundaram Ultra Short - Term Fund Regular Daily Dr		-	-	26.04	-
ICICI Prudential Money Market Fund -Regular Plan- Daily Dividend		-	-	11.07	-
Canara Robeco Dynamic Bond Fund-Regular Dividend Reinvestment		-	-	25.00	-
			-	159.68	19.86
			0.95	160.62	20.72

14. TRADE RECEIVABLES

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
Unsecured						
Debts overdue for six months						
Considered good	**390.56**		274.14		148.19	
Considered doubtful	**122.29**		157.77		156.09	
	512.85		431.91		304.28	
Less: Allowance for doubtful debts	**122.29**		157.77		156.09	
		390.56		274.14		148.19
Other debts						
Considered good		**1252.43**		1529.91		1675.31
Other Receivables						
Financial guarantee fees receivable	**49.05**		32.44		35.97	
Insurance receivables	**3.38**		4.06		4.39	
Other financial receivables	**1.37**		0.33		0.22	
		53.80		36.83		40.58
Derivative instruments		**6.40**		13.64		23.81
		1703.19		1854.52		1887.89

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
15. CASH AND CASH EQUIVALENTS						
Cash and cash equivalents:						
Balances with banks:						
On current accounts	**335.35**		290.73		437.15	
On deposit accounts (Refer Notes below)	**175.00**		3.57		2.57	
	510.35		294.30		439.72	
Cash on hand	**0.06**		0.09		0.13	
		510.41		294.39		439.85
		510.41		294.39		439.85

Notes:

(a) ₹ 175.00 crore with banks held as margin money or security against the borrowings, guarantees and other commitments.

(b) Deposits of ₹ 175.00 crore (Previous year ₹ 2.00 crore) are under lien with erstwhile bank held under protest.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS			
Other balances:			
Earmarked balances with banks for:			
Unpaid dividends	**1.62**	1.95	1.91
Unpaid matured fixed deposits and interest accrued thereon	**-**	-	0.01
	1.62	1.95	1.92

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2016.

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
17. CURRENT FINANCIAL ASSETS - LOANS						
Unsecured, considered good, unless otherwise stated						
Loans to Subsidiaries		**1022.11**		958.35		655.33
Advances recoverable in cash or in kind or for value to be received:						
Considered good	**2.49**		5.63		3.14	
Considered doubtful	**-**		-		-	
	2.49		5.63		3.14	
Less: Allowance for bad and doubtful advances	**-**		-		-	
		2.49		5.63		3.14
Security deposits:						
Considered good	**8.94**		16.37		18.85	
Considered doubtful	**0.05**		-		-	
	8.99		16.37		18.85	
Less: Allowance for bad and doubtful advances	**0.05**		-		-	
		8.94		16.37		18.85
		1033.54		980.35		677.32

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
18. CURRENT FINANCIAL ASSETS - OTHERS			
Bank deposits	**230.60**	1.60	1.03
	230.60	1.60	1.03

Notes:

(a) ₹ 227.00 crore with banks held as margin money or security against the borrowings, guarantees and other commitments.

(b) Deposits of ₹ 203.60 crore (Previous year ₹ 1.60 crore) are under lien with bank out of which ₹ 200.00 crore is with erstwhile bank held under protest.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
19. OTHER CURRENT ASSETS			
Advance to suppliers	**155.34**	348.06	86.03
Advance to other related party	**96.56**	-	-
Prepaid expenses	**27.98**	10.96	11.44
Due from customer (constructions and project related activity)	**34.30**	47.23	29.44
Statutory and other receivables	**206.04**	194.36	201.36
	520.22	600.61	328.27

₹ crore

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
20. SHARE CAPITAL			
Authorised:			
2,03,80,00,000 Equity Shares of ₹ 2 each	**407.60**	407.60	361.00
(2,03,80,00,000 and 1,80,50,00,000 equity shares of ₹ 2 each as at 31-03-2015 and 1-04-2014 respectively)			
Issued:			
62,67,88,442 Equity Shares of ₹ 2 each (62,67,88,442 Equity Shares of ₹ 2 each as at 31-03-2015 and 1-04-2014)	**125.35**	125.35	125.35
Subscribed and paid-up:			
62,67,46,142 Equity Shares of ₹ 2 each (62,67,46,142 Equity Shares of ₹ 2 each as at 31-03-2015 and 1-04-2014)	**125.35**	125.35	125.35
Forfeited shares:			
Amount paid-up on 42,300 Equity Shares of ₹ 2 each (Amount paid-up ₹ 32,175)	**0.00**	0.00	0.00
	125.35	125.35	125.35

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Authorised share capital	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	**₹ crore**	No. of Shares	₹ crore
Balance at the beginning of the year	**2038000000**	**407.60**	1805000000	361.00
Amalgamation of wholly-owned subsidiaries with the Company (Refer note below)	**-**	**-**	233000000	46.60
Balance at the end of the year	**2038000000**	**407.60**	2038000000	407.60

During the previous year, the Company's authorised share capital increased from ₹ 361.00 crore to ₹ 407.60 crore comprising of 2,03,80,00,000 number of equity shares of ₹ 2 each on amalgamation of CG Energy Management Limited and CG-ZIV Power Automation Solutions Limited, wholly-owned subsidiaries, with the Company on 1st April, 2014.

Issued share capital	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	**₹ crore**	No. of Shares	₹ crore
Balance at the beginning of the year	**626788442**	**125.35**	626788442	125.35
Less: Shares bought back	**-**	**-**	-	-
Balance at the end of the year	**626788442**	**125.35**	626788442	125.35

Subscribed and paid-up	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	**₹ crore**	No. of Shares	₹ crore
Balance at the beginning of the year	**626746142**	**125.35**	626746142	125.35
Less: Shares bought back	**-**	**-**	-	-
Balance at the end of the year	**626746142**	**125.35**	626746142	125.35

The Company has not issued any equity shares during the current and in the previous year.

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

20. SHARE CAPITAL (Contd.)

(c) Details of shareholders holding more than 5 % shares in the Company:

		As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
		%	No. of Shares	%	No. of Shares	%	No. of Shares
1	Avantha Holdings Limited	34.37	215442496	34.37	215442496	40.84	255937034
2	Reliance Capital Trustee Co. Ltd A/c Reliance Equity Opportunities Fund	7.43	46569874	-	-	-	-
3	HDFC Trustee Company Limited - HDFC Equity Fund	9.22	57809500	9.22	57809500	9.30	58269500
4	Life Insurance Corporation of India	5.24	32820195	4.80	30071908	5.24	32842674

(d) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

(e) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
	No. of Shares	No. of Shares	No. of Shares
Shares issued as fully paid-up bonus shares	-	-	274924944

(f) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
	No. of Shares	No. of Shares	No. of Shares
Shares bought back	14745394	14745394	14745394

(g) Aggregate number of shares issued as GDRs:

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
	%	No. of Shares	%	No. of Shares	%	No. of Shares
The Bank of New York	0.14	882329	0.16	973844	0.22	1383534

(h) Dividend paid and proposed:

	2015-16	2014-15
Declared and paid during the year:		
Final dividend for 31-03-2016: ₹ Nil per share (31-03-2015: ₹ 0.40 per share)	-	25.07
Interim dividend for 31-03-2016: ₹ Nil per share (31-03-2015: ₹ 0.80 per share)	-	50.14
Dividends on ordinary shares:		
Final dividend for 31-03-2016: ₹ Nil per share (31-03-2015: ₹ Nil per share)	-	-

(i) Nature and purpose of reserves:

(1) Capital redemption reserve:

Capital Redemption reserve was created for buy back of shares. The Company may issue fully paid-up bonus shares to its members out of the capital redemption reserve account.

(2) Security premium account:

Security premium account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

(3) Capital Reserve:

The Company had paid certain deferred sales tax liabilities in accordance with the scheme formulated by the State Government of Maharashtra for such optional prepayments. The resultant surplus of ₹ 19.12 crore, representing the excess of the recorded liability over the amount paid was credited to Capital Reserve.

During the financial year ended 31st March, 2016, the capital reserve of ₹ 652.53 crore is recognised due to demerger of consumer products segment pursuant to the transfer of all assets and liabilities to the resulting company i.e. Crompton Greaves Consumer Electricals Limited (Refer Note 51).

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
21. NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS			
Unsecured loans			
Interest-free sales tax deferral loans from State Government	**-**	0.54	0.54
Finance lease obligation	**4.15**	7.87	11.21
	4.15	8.41	11.75

Finance lease commitments

The minimum lease rentals as at 31st March, 2016 and the present value as at 31st March, 2016 of minimum lease payments in respect of assets acquired under finance leases are as follows:

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	**4.29**	3.72	4.21	3.32	3.58	2.43
After one year but not more than five years	**4.38**	4.15	8.67	7.87	12.89	11.21
More than five years	**-**	-	-	-	-	-
Total minimum lease payments	**8.67**	**7.87**	12.88	11.19	16.47	13.64
Less: amounts representing finance charges	**0.80**	-	1.69	-	2.83	-
Present value of minimum lease payments	**7.87**	**7.87**	11.19	11.19	13.64	13.64

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
22. NON-CURRENT OTHER FINANCIAL LIABILITIES			
Deposits payable	**1.21**	2.73	6.58
	1.21	2.73	6.58

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
23. NON-CURRENT PROVISIONS			
Provision for post retirement medical benefit	**21.48**	21.53	19.24
Provision for leave encashment	**19.14**	26.69	22.67
Warranties	**12.08**	11.68	10.91
	52.70	59.90	52.82

₹ crore

24. TAXATION

Income tax related to items charged or credited directly to profit or loss during the year:

	2015-16	2014-15
Statement of profit or loss		
Current income tax (continuing operations)	**98.68**	40.79
Current income tax (discontinued operations)	**61.72**	132.26
Deferred tax expense / (benefit):		
Relating to origination and reversal of temporary differences (continuing operations)	**(60.13)**	(44.29)
Relating to origination and reversal of temporary differences (discontinued operations)	**(0.41)**	(5.00)
Total	**99.86**	123.76

Income Tax expense:

	2015-16	2014-15
Reconciliation:		
Profit / (loss) before tax from continuing operations	**(1149.58)**	341.57
Profit / (loss) before tax from discontinued operations	**157.47**	371.33
Accounting profit / (loss) before income tax	**(992.11)**	**712.90**
Applicable tax rate	**34.608%**	33.99%
Computed tax expense	**(343.35)**	242.31
Exceptional item not considered for tax purpose	**607.38**	-
Income not considered for tax purpose	**(66.28)**	(16.05)
Expense not allowed for tax purpose	**37.62**	43.92
Additional allowances for tax purpose	**(53.74)**	(67.21)
Additional allowances for capital gain	**(85.24)**	(82.80)
Carried forward losses utilised	**3.82**	-
Tax paid at lower rate	**-**	2.72
Other temporary differences	**(0.35)**	0.87
Income tax expense charged to the statement of profit and loss	**99.86**	**123.76**
Income tax attributable to continuing operations	**38.55**	(3.50)
Income tax attributable to discontinued operations	**61.31**	127.26
Total	**99.86**	123.76

Deferred tax relates to the following:

	Balance sheet			Recognised in statement of profit or loss	
	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014	2015-16	2014-15
Expenses allowable on payment basis	**2.48**	4.14	4.08	**0.99**	0.06
Unused tax losses / depreciation	**-**	3.82	-	**(3.82)**	4.00
Other items giving rise to temporary differences	**42.16**	38.45	36.23	**6.45**	2.22
Accelerated depreciation for tax purposes	**(100.83)**	(114.41)	(112.84)	**7.66**	(1.59)
Finance lease	**1.71**	1.37	1.37	**0.32**	0.00
Service concession arrangements	**0.45**	0.42	-	**0.03**	0.42
Fair valuation of property, plant and equipment (PP&E)	**(210.84)**	(261.82)	(303.76)	**50.94**	41.94
Impairment of loan	**3.88**	3.88	3.81	**-**	0.07
Provision for loss allowance	**20.74**	22.75	20.60	**(2.03)**	2.17
Deferred tax asset / (liability)	**(240.25)**	(301.40)	(350.51)		
Net (income) / expense				**60.54**	49.29

Reconciliation of deferred tax assets / (liabilities) net:

	As at 31-03-2016	As at 31-03-2015
Opening balance as of 1st April	**(301.40)**	(350.51)
Tax income / (expense) during the period recognised in profit or loss	**60.13**	44.29
Tax income / (expense) during the period recognised in profit or loss from discontinued operations	**0.41**	5.00
Deferred tax acquired in amalgamation	**-**	(0.18)
Deferred tax transferred on discontinued operations	**0.61**	-
Closing balance	**(240.25)**	(301.40)

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
25. CURRENT FINANCIAL LIABILITIES - BORROWINGS			
Secured loans			
From Bank, Cash Credit, Packing Credit, etc. (Refer note below)	**127.27**	21.50	29.99
Unsecured loans			
Working capital loan from bank:			
Demand loan	**300.00**	-	-
Factoring loan	**95.71**	34.72	-
	522.98	56.22	29.99

Note:

Secured by hypothecation of inventories, book debts and trade receivables, both present and future.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
26. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES			
Acceptances	**98.38**	57.06	209.83
Due to micro and small enterprises	**66.21**	44.05	54.55
Due to other than micro and small enterprises	**878.70**	762.26	1179.59
Due to subsidiaries	**59.31**	57.30	83.95
Due to joint venture	**-**	28.27	35.15
	1102.60	948.94	1563.07

Note:

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31st March, 2016.

The disclosure pursuant to the said Act is as under:

	2015-16	2014-15	2013-14
(a) Principal amount due to suppliers under MSMED Act, 2006	**66.21**	44.05	54.55
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	**0.32**	0.19	0.19
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	**10.82**	3.82	150.04
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	**0.00**	0.00	0.00
(e) Interest paid to suppliers under MSMED Act (Section 16)	**0.04**	0.09	0.10
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	**0.04**	0.14	0.14
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under MSMED Act	**0.28**	0.05	0.05

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

₹ crore

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
27. CURRENT-OTHER FINANCIAL LIABILITIES						
Interest-free sales tax deferral loans from State Government		**0.12**		-		0.35
Finance lease obligations		**3.72**		3.32		2.43
Interest accrued but not due on borrowings		**1.10**		-		-
Due to related parties:						
Due to subsidiaries		**6.62**		5.57		3.47
Investor Education and Protection Fund: (Refer note below)						
Unclaimed dividend		**1.62**		1.95		1.91
Security deposits		**7.42**		32.47		23.45
Due to directors		**5.84**		9.57		12.85
Financial guarantee obligations		**93.63**		81.55		98.56
Other payables:						
Employee dues	**9.59**		9.12		10.18	
Others	**18.74**		11.82		-	
		28.33		20.94		10.18
		148.40		155.37		153.20

Note:

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2016.

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
28. OTHER CURRENT LIABILITIES						
Advances from customers		**246.78**		172.00		249.38
Due to customers		**26.20**		29.47		19.92
Other payables:						
Statutory dues	**-**		7.55		31.80	
Others	**27.09**		19.48		31.40	
		27.09		27.03		63.20
		300.07		228.50		332.50

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
29. SHORT-TERM PROVISIONS			
Employee benefits	**19.71**	4.81	4.75
Other provisions (Refer Note below)	**55.91**	57.69	85.31
	75.62	62.50	90.06

₹ crore

Note:

(a) Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets:

(1) Movement in provisions:

Nature of provisions	Warranties		Sales tax / VAT		Excise duty / Customs duty / Service tax	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Carrying amount at the beginning of the year*	**40.49**	51.13	**11.07**	22.59	**4.53**	11.32
Amount transferred due to demerger	**-**	12.33	**2.13**	-	**-**	-
Additional provision made during the year #	**15.06**	16.32	**3.00**	-	**-**	-
Addition due to amalgamation of subsidiary	**-**	0.54	**-**	-	**-**	-
Amounts used during the year	**2.24**	10.59	**-**	-	**-**	-
Unused amounts reversed during the year #	**12.68**	4.58	**0.01**	11.52	**1.03**	6.79
Carrying amount at the end of the year *	**40.63**	40.49	**11.93**	11.07	**3.50**	4.53

Nature of provisions	Liquidated damages		Other litigation claims		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Carrying amount at the beginning of the year*	**6.12**	6.62	**7.16**	4.56	**69.37**	96.22
Amount transferred due to demerger	**-**	-	**0.06**	-	**2.19**	12.33
Additional provision made during the year #	**1.57**	-	**-**	4.74	**19.63**	21.06
Addition due to amalgamation of subsidiary	**-**	-	**-**	-	**-**	0.54
Amounts used during the year	**-**	-	**-**	-	**2.24**	10.59
Unused amounts reversed during the year #	**-**	0.50	**2.86**	2.14	**16.58**	25.53
Carrying amount at the end of the year *	**7.69**	6.12	**4.24**	7.16	**67.99**	69.37

Additional provision made during the year and reversal of unused amount are included in the respective head of accounts.

* Carrying amounts comprise of non-current and current provisions.

(2) Nature of provisions:

(a) Product warranties: The Company gives warranties on certain products and services in the nature of repairs / replacement, 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 rectification / replacement. The timing of outflows is expected to be within a period of two years.

(b) Provision for sales tax / VAT represents liability on account of non-collection of declaration forms and other legal matters which are in appeal under the Act / Rules.

(c) Provision for excise duty /customs duty / service tax represents the differential duty liability that is expected to materialise in respect of matters in appeal.

(d) Provision for liquidated damages has been made on contracts for which delivery dates are exceeded and computed in reasonable and prudent manner.

(e) Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	2015-16		2014-15	
30. REVENUE FROM OPERATIONS				
Sale of products	**4084.24**		4008.29	
Sale of services	**38.06**		36.28	
Construction contracts	**168.53**		479.03	
		4290.83		4523.60
		4290.83		4523.60

	2015-16	2014-15
CONTRACTS IN PROGRESS		
Contract revenue recognised for the year	**168.53**	479.03
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	**2542.07**	2373.54
Amount of customer advances outstanding for contracts in progress at reporting date	**36.51**	51.69
Retention amount due from customer for contract in progress as at the reporting date	**146.41**	158.14

Note:

	Sales Value 2015-16	Sales Value 2014-15
DISCLOSURE OF SALE OF PRODUCTS		
(i) Transformers, Reactors and Accessories thereof	**1439.79**	1439.77
(ii) Switchgears, Control Equipments and Accessories thereof	**861.53**	934.91
(iii) Traction Electronic, Industrial Drives and SCADA	**155.88**	210.54
(iv) Electric Motors, Alternators and Drives Panels	**1512.60**	1304.00
(v) Electric Steel Stamping and Laminates	**50.76**	64.72
(vi) Electric Fans, Ventilation and Pollution Control Systems	**8.69**	12.58
(vii) Others	**261.58**	557.08
	4290.83	4523.60

	2015-16	2014-15
31. OTHER INCOME		
Interest income	**141.85**	64.28
Dividend income:		
Subsidiaries	**0.58**	0.16
Others	**0.01**	-
Gain on sale of investments (net)	**9.11**	4.54
Exchange gain (net)	**10.96**	26.80
Fair value gain on financial instruments at fair value through profit or loss	**0.02**	0.08
Other non-operating income:		
Income from lease of premises / business service centers	**5.90**	16.79
Miscellaneous income	**54.47**	16.65
	222.90	129.30

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

32. COST OF MATERIALS CONSUMED	2015-16		2014-15	
Opening stock	**183.94**		193.30	
Add: On amalgamation of subsidiary	**-**		5.16	
	183.94		198.46	
Add: Purchases	**2653.20**		2754.68	
Less: Closing stock	**157.91**		183.94	
	2679.23		2769.20	
Less: Scrap sales	**51.90**		66.47	
		2627.33		2702.73
Add: Sub-contracting charges		**179.84**		187.41
		2807.17		2890.14

Notes:

(a) DISCLOSURE OF MATERIALS CONSUMED	2015-16	2014-15
(i) Ferrous materials	**615.66**	486.72
(ii) Non-ferrous materials	**516.49**	521.57
(iii) Chemicals, Oils and Paints	**105.66**	131.18
(iv) Wires, Pipes, Tubes and Cables	**51.43**	14.89
(v) Components	**953.35**	1065.19
(vi) Others	**436.64**	549.65
	2679.23	2769.20

(b) Opening stock and closing stock excludes stock related to discontinued operations.

33. PURCHASES OF STOCK-IN-TRADE	2015-16	2014-15
Purchases of stock-in-trade	**119.53**	188.12
	119.53	188.12

34. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	2015-16		2014-15	
Changes in inventories of finished goods and work-in-progress:				
Closing stock				
Finished goods	**43.27**		30.66	
Work-in-progress	**202.40**		151.06	
	245.67		181.72	
Opening stock				
Finished goods	**30.66**		30.84	
Work-in-progress	**151.06**		191.00	
	181.72		221.84	
		(63.95)		40.12
Changes in inventories of stock-in-trade:				
Closing stock				
Stock-in-trade	**0.51**		0.20	
Opening stock				
Stock-in-trade	**0.20**		0.08	
		(0.31)		(0.12)
		(64.26)		40.00

Note:

Opening stock and closing stock excludes stock related to discontinued operations.

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

35. EMPLOYEE BENEFITS EXPENSE	2015-16	2014-15
Salaries, wages and bonus	**324.31**	326.29
Contribution to provident and other funds	**19.06**	18.26
Post retirement medical benefits	**2.54**	2.55
Staff welfare expenses	**26.06**	24.29
	371.97	371.39

36. FINANCE COSTS	2015-16	2014-15
Interest on loans	**39.17**	41.52
Interest on finance lease	**0.89**	1.15
	40.06	42.67

37. DEPRECIATION AND AMORTISATION EXPENSE	2015-16	2014-15
Depreciation and amortisation expense	**107.96**	112.83
	107.96	112.83

38. OTHER EXPENSES	2015-16	2014-15
Consumption of stores and spares	**23.30**	29.49
Power and fuel	**41.33**	39.78
Rent	**9.62**	10.56
Repairs to buildings	**6.63**	6.88
Repairs to machinery	**17.29**	20.39
Insurance	**6.67**	6.53
Rates and taxes	**19.08**	1.91
Freight and forwarding	**97.57**	96.04
Packing materials	**56.45**	61.29
After sales services including warranties	**30.81**	32.85
Sales promotion	**33.61**	38.90
Corporate social responsibility expenses	**8.01**	6.59
Excise duty on sales	**330.99**	293.43
Miscellaneous expenses (Refer note below)	**147.81**	123.81
	829.17	768.45

Note:

MISCELLANEOUS EXPENSES INCLUDES THE FOLLOWING:	2015-16	2014-15
Auditors' remuneration (excluding service tax)		
Audit fees	**0.65**	0.96
Tax audit fees	**0.10**	0.16
Company law matters	**-**	0.01
Certification work	**0.39**	0.36
Other services	**0.33**	0.33
Expenses reimbursed	**0.27**	0.20
	1.74	2.02

₹ crore

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
39. CONTINGENT LIABILITIES AND COMMITMENTS			
A. Contingent Liabilities: (to the extent not provided for)			
(a) Claims against the Company not acknowledged as debts	**5.68**	18.31	9.18
(b) Sales tax / VAT liability that may arise in respect of matters in appeal	**45.57**	29.19	15.97
(c) Excise duty/ customs duty / service tax liability that may arise in respect of matters in appeal	**6.51**	8.56	4.50
(d) Income tax liability that may arise in respect of matters in appeal preferred by the department	**8.13**	7.32	4.26
B. Commitments:			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**12.96**	8.75	94.29
C. Proposed dividend and tax	**-**	-	29.13

Notes:

(a) The Company does not expect any reimbursement in respect of the above contingent liabilities.

(b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above, pending resolution of the arbitration/appellate proceedings.

40. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 17 LEASES

Operating lease commitments:

(i) Company as lessor:

The Company had entered into operating leases on its investment property portfolio consisting of office buildings. These leases have terms of 9 to 10 years.

Future minimum rentals receivable under non-cancellable operating leases as at 31st March are, as follows:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Within one year	**-**	1.11	2.05
After one year but not more than five years	**-**	3.76	4.12
More than five years	**-**	0.41	1.16

(ii) Company as lessee:

The Company has not entered into any finance lease. The Company has, however, taken various residential / commercial premises and plant and equipment under cancellable operating lease. These lease agreements are normally renewed on expiry, wherever required.

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

	2015-16	2014-15
41. Expenses capitalised during the year:		
(a) Raw materials consumed	**1.24**	1.49
(b) Employee benefits	**6.26**	6.96
(c) Other expenses	**0.36**	0.56
42. Value of imports (on C.I.F. basis):		
(a) Raw materials	**484.38**	593.12
(b) Spare parts	**2.34**	3.13
(c) Capital goods	**0.39**	3.01
43. Expenditure in foreign currency:		
(a) Technical know-how fees	**10.06**	7.10
(b) Professional charges	**0.86**	1.77
(c) Interest	**1.45**	2.25
(d) Commission, travelling and others	**37.52**	46.04
44. Remittance in foreign currency on account of dividend:		
Final dividend for year ended 31st March, 2014		
(a) Number of non-resident shareholders	**-**	243
(b) Number of shares held	**-**	15902192
(c) Amount of dividend	**-**	0.64
1st Interim dividend for year ending 31st March, 2015		
(a) Number of non-resident shareholders	**-**	243
(b) Number of shares held	**-**	15391762
(c) Amount of dividend	**-**	0.62
2nd Interim dividend for year ending 31st March, 2015		
(a) Number of non-resident shareholders	**-**	240
(b) Number of shares held	**-**	4182603
(c) Amount of dividend	**-**	0.17
45. Earnings in foreign exchange:		
(a) Export of goods (on F.O.B. basis) including deemed exports ₹ 54.99 crore; (Previous year ₹ 51.86 crore)	**834.75**	889.09
(b) Service income	**9.02**	6.05
(c) Interest	**91.74**	29.89
(d) Others	**48.86**	50.17

₹ crore

	2015-16	2014-15
46. EXPENDITURE ON RESEARCH AND DEVELOPMENT		
(a) Capital expenditure:		
Building	-	0.70
Plant and equipments	**0.29**	2.44
Furniture and fixtures	**0.15**	0.95
Intangible assets	**4.77**	0.30
Capital work-in-progress	-	0.94
Intangible assets under development	**7.61**	11.97
Sub-total (a)	**12.82**	17.30
(b) Revenue expenditure:		
Raw materials consumed	**1.14**	0.85
Employee benefits	**19.32**	29.90
Depreciation and amortisation	**11.05**	9.43
Other expenses		
Consumption of stores and spares	**0.38**	4.32
Power and fuel	**0.24**	0.91
Rent	**0.05**	0.40
Repairs to buildings	**0.02**	0.25
Repairs to machinery	**0.46**	2.67
Insurance	**0.00**	0.03
Rates and taxes	**0.00**	0.15
Miscellaneous expenses	**3.27**	7.54
Sub-total (b)	**35.93**	56.45
Total (a) + (b)	**48.75**	73.75

	2015-16		2014-15	
47. COST OF MATERIALS CONSUMED				
	Percentage of total Consumption	**₹ crore**	Percentage of total Consumption	₹ crore
Raw materials and construction materials:				
Imported	**17.95**	**481.01**	18.88	522.73
Indigenous	**82.05**	**2198.22**	81.12	2246.47
	100.00	**2679.23**	100.00	2769.20
Spare parts:				
Imported	**9.04**	**2.10**	6.33	1.86
Indigenous	**90.96**	**21.11**	93.67	27.56
	100.00	**23.21**	100.00	29.42
Loose tools:				
Indigenous	**100.00**	**0.09**	100.00	0.07
	100.00	**0.09**	100.00	0.07

Note: Disclosures reported in Notes 40 to 47 with respect to continuing operations.

₹ crore

48. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 15.44 crore (Previous year ₹ 17.56 crore) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans: (Refer Note 35, supra)

	2015-16	2014-15
Benefits (Contribution to):		
Provident fund	**10.95**	12.44
Superannuation fund	**4.23**	4.79
Employee state insurance scheme	**0.24**	0.31
Labour welfare scheme	**0.02**	0.02
Total	**15.44**	17.56

(b) Defined benefit plans:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days' salary for each completed year of service subject to a maximum of ₹ 0.10 crore. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to the Crompton Greaves Limited Gratuity Trust, which is funded defined benefit plan for qualifying employees.

Post-retirement medical benefit

Post-retirement medical benefit includes hospitalization cover & benefits on Cessation of Employment for the Policy. This cover is applicable only to employee and spouse as per the limits specified for the last grade while in employment. This coverage does not form part of essential terms and condition of employment, and is a benefit extended by the company as a part of its social benefit policies.

The policies of Medical, Health and Hospitalization insurance are subject to change based on contemporary market trends and practices. The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

		Gratuity		Post Retirement Medical Benefits	
		2015-16	2014-15	2015-16	2014-15
		(Funded)	(Funded)	(Nonfunded)	(Nonfunded)
I	**Change in present value of defined benefit obligation during the year**				
1	Present Value of defined benefit obligation at the beginning of the year	**58.01**	55.71	**23.00**	20.51
2	Interest cost	**4.07**	5.25	**1.63**	1.93
3	Current service cost	**3.62**	3.36	**0.91**	0.83
4	Past service cost	**-**	-	**-**	-
5	Liability transfer from other Company	**-**	0.08	**-**	-
6	Liability transferred out / divestment	**(15.43)**	-	**(5.53)**	-
7	Benefits paid directly by employer	**(2.45)**	(13.03)	**(1.64)**	-
8	Benefits paid	**(6.66)**	-	**-**	(6.48)
9	Actuarial changes arising from changes in demographic assumptions	**-**	-	**-**	-
10	Actuarial changes arising from changes in financial assumptions	**(7.19)**	1.44	**(0.96)**	(1.48)
11	Actuarial changes arising from changes in experience adjustments	**18.93**	5.20	**5.71**	7.69
12	Present Value of defined benefit obligation at the end of the year	**52.90**	58.01	**23.12**	23.00
II	**Change in fair value of plan assets during the year**				
1	Fair value of plan assets at the beginning of the year	**57.88**	55.71	**NA**	NA
2	Interest Income	**4.07**	5.24	**NA**	NA
3	Contributions paid by the employer	**-**	10.43	**NA**	NA
4	Benefits paid from the fund	**(6.66)**	(13.03)	**NA**	NA
5	Assets transferred out / divestments	**(15.43)**	-	**NA**	NA
6	Return on plan assets excluding interest income	**(3.00)**	(0.47)	**NA**	NA
7	Fair value of plan assets at the end of the year	**36.86**	57.88	**NA**	NA
III	**Net asset / (liability) recognised in the balance sheet**				
1	Present Value of defined benefit obligation at the end of the year	**(52.90)**	(58.01)	**(23.12)**	(23.00)
2	Fair value of plan assets at the end of the year	**36.86**	57.88	**-**	-
3	Amount recognised in the balance sheet	**(16.04)**	(0.13)	**(23.12)**	(23.00)
4	Net (liability) / asset- current	**(16.04)**	(0.13)	**(1.64)**	(1.47)
	Net (liability) / asset- non-current	**-**	-	**(21.48)**	(21.53)

₹ crore

48. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

		Gratuity		Post Retirement Medical Benefits	
		2015-16 (Funded)	2014-15 (Funded)	2015-16 (Nonfunded)	2014-15 (Nonfunded)
IV	**Expenses recognised in the statement of profit and loss for the year**				
1	Current service cost	**3.62**	3.36	**0.91**	0.83
2	Interest cost on benefit obligation (Net)	**-**	-	**1.63**	1.93
3	Total expenses included in employee benefits expense	**3.62**	3.36	**2.54**	2.76
V	**Recognised in other comprehensive income for the year**				
1	Actuarial changes arising from changes in demographic assumptions	**-**	-	**-**	-
2	Actuarial changes arising from changes in financial assumptions	**(7.19)**	1.44	**(0.96)**	(1.48)
3	Actuarial changes arising from changes in experience adjustments	**18.93**	5.20	**5.71**	7.69
4	Return on plan assets excluding interest income	**3.00**	0.47	**NA**	NA
5	Recognised in other comprehensive income	**14.74**	7.11	**4.75**	6.21
VI	**Maturity profile of defined benefit obligation**				
1	Within the next 12 months (next annual reporting period)	**8.06**	8.17	**1.64**	1.52
2	Between 2 and 5 years	**30.15**	29.47	**6.84**	6.66
3	Between 6 and 10 years	**32.13**	33.88	**9.65**	9.55
VII	**Quantitative sensitivity analysis for significant assumption is as below:**				
1	Increase / (decrease) on present value of defined benefits obligation at the end of the year				
	(i) One percentage point increase in discount rate	**(2.51)**	(3.14)	**(2.19)**	(2.36)
	(ii) One percentage point decrease in discount rate	**2.80**	3.55	**2.69**	2.93
	(i) One percentage point increase in rate of salary Increase	**2.89**	3.61	**NA**	NA
	(ii) One percentage point decrease in rate of salary Increase	**(2.63)**	(3.24)	**NA**	NA
	(i) One percentage point increase in employee turnover rate	**0.86**	0.65	**NA**	NA
	(ii) One percentage point decrease in employee turnover rate	**(0.95)**	(0.72)	**NA**	NA
	(i) One percentage point increase in medical Inflation rate	**NA**	NA	**2.72**	2.96
	(ii) One percentage point decrease in medical Inflation rate	**NA**	NA	**(2.22)**	(2.39)

2 **Sensitivity Analysis Method**

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

₹ crore

48. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

		Gratuity			Post Retirement Medical Benefits		
		As at 31-03-2016	As at 31-03-2015	As at 1-04-2014	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
		(Funded)	(Funded)	(Funded)	(Nonfunded)	(Nonfunded)	(Nonfunded)
VIII	**The major categories of plan assets as a percentage of total**						
	Insurer managed funds	**100%**	100%	100%	**NA**	NA	NA
IX	**Actuarial assumptions**						
1	Discount rate	**8.21% p.a.**	7.92% p.a.	9.41% p.a.	**8.30 % p.a.**	7.92% p.a.	9.41% p.a.
2	Salary escalation	**6.00% p.a. for the next 1 year, 4.00% p.a. for the next 2 years, starting from the 2nd year, 3.50% p.a. thereafter, starting from the 4th year**	6.00% p.a. for the next 1 year, 4.00% p.a. for the next 2 years, starting from the 2nd year, 3.50% p.a. thereafter, starting from the 4th year	6.00% p.a.	**NA**	NA	NA
3	Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	**NA**	NA	NA	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	**4.00% p.a.**	4.00% p.a.	4.00% p.a.	**NA**	NA	NA
6	Future Benefit Cost Inflation	**0% p.a.**	0% p.a.	NA	**NA**	NA	NA
7	Medical premium inflation rate	**NA**	NA	NA	**2.00 % p.a.**	2.00 % p.a.	4.00 % p.a.

	2015-16	2014-15
Expected contribution to the defined benefit plan for the next annual reporting period	**7.78**	4.08

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2016. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(c) Provident Fund:

The Company makes contribution towards provident fund which is administered by the trustees. The Rules of the Company's Provident Fund administered by a trust, require that if the Board of the Trustees are unable to pay interest at the rate declared by the Government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the company has obtained actuarial valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Plan assets at period end, at fair value	**307.12**	364.08	358.81
Present value of defined obligation at period end	**278.45**	335.08	333.82

₹ crore

48. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

Assumptions used in determining the present value of obligation:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Rate of Discounting	**8.21% p.a.**	7.92% p.a.	9.41% p.a.
Mortality Rate	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	**4.00% p.a.**	4.00% p.a.	4.00% p.a.
Guaranteed rate of Interest	**8.80% p.a.**	8.75% p.a.	8.75% p.a.
Whilst in service withdrawal	**5.00% p.a.**	5.00% p.a.	5.00% p.a.

49. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS

Operating Segments:

Power Systems : Transformer, Switchgear, Turnkey Projects and Power SCADA (Supervisory control and data acquisition systems).

Industrial Systems : Electric Motors, Alternators, Drives, Traction Electronics and SCADA.

Automation Systems : Protection & Control Systems, Protection Relays & Panels, Control devices, Smart Meters & Communication devices.

Identifications of Segments:

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements Operating segments have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in the Ind AS.

Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

Inter segment transfer:

Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks. Profit or loss on inter segment transfers are eliminated at the Company level.

₹ crore

49. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS (Contd.)

Summary of the Segmental Information as at and for the year ended 31st March, 2016 is as follows:

Particulars	Power Systems	Industrial Systems	Automation Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2015-16
Revenue						
External sales	2424.66	1800.18	65.99	-	-	4290.83
Less: Excise duty	134.92	189.39	6.68	-	-	330.99
Net revenue	2289.74	1610.79	59.31	-	-	3959.84
Inter segment sales	0.02	0.36	15.63	-	(16.01)	-
Total revenue	2289.76	1611.15	74.94	-	(16.01)	3959.84
Segment results	116.98	174.28	(10.48)	-	-	280.78
Less: Finance costs (net)						(101.79)
Less: Other unallocable expenditure net of unallocable income						80.44
Profit from ordinary activities after finance cost but before exchange gain / (loss) and exceptional items						302.13
Exchange gain / (loss)						57.02
Exceptional items (net)						(1508.73)
Tax expense						38.55
Loss from continuing operations after tax						(1188.13)
Profit from discontinued operations after tax						96.16
Loss for the year						(1091.97)
Capital Employed:						
Segment assets	2190.23	822.47	68.66	251.60	3273.17	6606.13
Segment liabilities	1070.11	359.49	50.43	30.10	196.73	1706.86
Net Assets	1120.12	462.98	18.23	221.50	3076.44	4899.27
Capital expenditure#	34.61	8.13	1.70	-	66.89	111.33
Depreciation and amortisation#	53.12	26.11	9.33	-	19.40	107.96
Non-cash expenses other than depreciation#	7.02	8.28	0.31	-	-	15.61

Summary of the Segmental Information as at and for the year ended 31st March, 2015 is as follows:

Particulars	Power Systems	Consumer Products	Industrial Systems	Automation Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2014-15
Revenue							
External sales	2831.17	-	1649.30	43.13	-	-	4523.60
Less: Excise duty	135.98	-	152.37	5.08	-	-	293.43
Net revenue	2695.19	-	1496.93	38.05	-	-	4230.17
Inter segment sales	0.82	-	0.21	12.80	-	(13.83)	-
Total revenue	2696.01	-	1497.14	50.85	-	(13.83)	4230.17
Segment results	199.52	-	150.70	10.34	-	-	360.56
Less: Finance costs (net)							(21.61)
Less: Other unallocable expenditure net of unallocable income							142.87
Profit from ordinary activities after finance cost but before exchange gain / (loss) and exceptional items							239.30
Exchange gain / (loss)							(47.42)
Exceptional items (net)							149.69
Tax expense							(3.50)
Profit from continuing operations after tax							345.07
Profit from discontinued operations after tax							244.07
Profit for the year							589.14
Capital Employed:							
Segment assets	2165.16	680.89	795.46	91.30	241.13	3705.47	7679.41
Segment liabilities	801.97	1240.07	281.10	54.78	40.45	276.32	2694.69
Net Assets	1363.19	(559.18)	514.36	36.52	200.68	3429.15	4984.72
Capital expenditure#	29.24	-	12.26	11.71	-	21.84	75.05
Depreciation and amortisation#	49.72	-	28.74	4.34	-	30.03	112.83
Non-cash expenses other than depreciation#	14.65	-	4.05	-	-	-	18.70

* Unallocable assets comprise assets and liabilities which cannot be allocated to the segments. Tax credit assets / liabilities are not considered in capital employed.

The disclosure is pertains to continuing business segments.

₹ crore

49. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS (Contd.)

Summary of the Segmental Information as at 1st April, 2014 is as follows:

Particulars	Power Systems	Consumer Products	Industrial Systems	Automation Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 1-04-2014
Capital Employed:							
Segment assets	2011.24	628.01	794.05	23.47	180.09	3118.25	6755.11
Segment liabilities	1012.09	506.85	286.01	12.54	26.77	377.97	2222.23
Net Assets	999.15	121.16	508.04	10.93	153.32	2740.28	4532.88

Segment revenue by location of customers:

	2015-16	2014-15
Sales and service revenue:		
Domestic	**3459.65**	3606.45
Overseas	**831.18**	917.15
Total	**4290.83**	4523.60

Cost incurred on acquisition of tangible and intangible assets:

	2015-16	2014-15
Domestic	**111.33**	75.05
Overseas	**-**	-
Total	**111.33**	75.05

The carrying amount of non-current operating assets by location of assets:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Domestic	**1407.75**	1631.83	1965.69
Overseas	**-**	-	-
Total	**1407.75**	1631.83	1965.69

Continent-wise sales:

	2015-16	2014-15
Asia	**365.05**	357.07
Africa	**183.13**	270.92
North America	**114.78**	63.07
South America	**104.73**	158.45
Europe	**55.17**	63.75
Australia	**8.32**	3.89
Total	**831.18**	917.15

Reconciliation of Segment Liabilities

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Liabilities from Segments	**1706.86**	2694.69	2222.23
Long-term borrowings	**4.15**	8.41	11.75
Deferred tax liabilities	**240.25**	301.40	350.51
Short-term borrowings	**522.98**	56.22	29.99
Current maturities of long-term debt	**3.84**	3.32	2.78
Total	**2478.08**	3064.04	2617.26

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES

Sr. No.	Name of the Related Party	Country of Incorporation	% Equity Interest As at 31-03-2016	% Equity Interest As at 31-03-2015	% Equity Interest As at 1-04-2014
	List of related parties				
(i)	**Subsidiaries:**				
1	CG Energy Management Limited (amalgamated with the Company w.e.f. 25th March, 2015)	India	-	-	100.00
2	CG-ZIV Power Automation Solutions Limited (amalgamated with the Company w.e.f. 25th March, 2015)	India	-	-	100.00
3	CG Power Solutions Limited	India	100.00	100.00	100.00
4	Crompton Greaves Consumer Products Limited (incorporated on 19th September, 2014)	India	100.00	100.00	-
5	Crompton Greaves Consumer Electricals Limited (incorporated on 25th February, 2015 and demerged w.e.f. 23rd March, 2016)	India	-	100.00	-
6	CG International B.V.	The Netherlands	100.00	100.00	100.00
7	CG-PPI Adhesive Products Limited	India	81.42	81.42	81.42
8	CG Holdings Belgium N.V.	Belgium	100.00	100.00	100.00
9	CG Power Systems Belgium N.V.	Belgium	100.00	100.00	100.00
10	CG Power Systems Ireland Limited	Ireland	100.00	100.00	100.00
11	CG Sales Networks France SA	France	99.40	99.40	99.40
12	CG Power Systems Canada Inc.	Canada	100.00	100.00	100.00
13	PT. CG Power Systems Indonesia	Indonesia	95.00	95.00	95.00
14	CG Holdings Hungary Kft.	Hungary	100.00	100.00	100.00
15	CG Electric Systems Hungary Zrt.	Hungary	100.00	100.00	100.00
16	CG Power Holdings Ireland Limited (liquidated w.e.f. 11th April, 2014)	Ireland	-	-	100.00
17	Microsol Limited	Ireland	100.00	100.00	100.00
18	CG Automation Systems UK Limited	United Kingdom	100.00	100.00	100.00
19	CG Service Systems France SAS	France	100.00	100.00	100.00
20	CG Power USA Inc	USA	100.00	100.00	100.00
21	CG Power Solutions UK Limited	United Kingdom	100.00	100.00	100.00
22	CG Power County LLC	USA	100.00	100.00	100.00
23	CG Power Systems Brazil Ltda	Brazil	100.00	100.00	100.00
24	CG Power Solutions Saudi Arabia Limited	Saudi Arabia	51.00	51.00	51.00
25	Crompton Greaves Holdings Mauritius Limited (liquidated w.e.f. 14th December, 2015)	Mauritius	-	100.00	100.00
26	CG International Holdings Singapore Pte. Limited	Singapore	100.00	100.00	100.00
27	CG Industrial Holdings Sweden AB	Sweden	100.00	100.00	100.00
28	CG Drives and Automation Sweden AB	Sweden	100.00	100.00	100.00
29	CG Drives and Automation Netherlands B.V.	The Netherlands	100.00	100.00	100.00
30	CG Drives and Automations Germany GmbH	Germany	100.00	100.00	100.00
31	Emotron Latin America Inc. (liquidated w.e.f. 14th April, 2014)	USA	-	-	100.00
32	ZIV Aplicaciones y Tecnologia S.L.	Spain	100.00	100.00	100.00
33	ZIV Metering Solutions S.L.	Spain	100.00	100.00	100.00
34	ZIV Grid Automation S.L.	Spain	100.00	100.00	100.00
35	ZIV Communications S.A.	Spain	100.00	100.00	100.00
36	ZIV USA Inc. (liquidated w.e.f. 22nd April, 2014)	USA	-	-	100.00
37	ZIV Do Brazil Ltda	Brazil	100.00	100.00	100.00
38	ZIV I+D Smart Energy Networks	Spain	100.00	100.00	100.00
39	CG Middle East FZE	UAE	100.00	100.00	100.00
40	ZIV France, SASU (incorporated on 3rd November, 2015)	France	100.00	-	-
41	Crompton Greaves Sales Network Malaysia Sdn.Bhd.	Malaysia	100.00	100.00	100.00

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

Sr. No.	Name of the Related Party	Country of Incorporation	% Equity Interest As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
(ii)	**Associates:**				
1	Pauwels Middle East Trading & Contracting (Pvt) Co. LLC	Sharjah	49.00	49.00	49.00
2	Saudi Power Transformers Co. Ltd.	Saudi Arabia	49.00	49.00	49.00
3	K.K. El-Fi Co. Ltd.	Japan	49.00	49.00	49.00
(iii)	**Joint Ventures:**				
1	CG Lucy Switchgear Limited (ceased w.e.f. 8th October, 2015)	India	-	50.00	50.00
2	PT Crompton Prima Switchgear Indonesia (incorporated on 12th May, 2014)	Indonesia	51.00	51.00	-

(iv) Key Management Personnel:

1 Gautam Thapar - Chairman and Promoter Director
2 Laurent Demortier - CEO & Managing Director (resigned w.e.f. 3rd February, 2016)
3 K. N. Neelkant - CEO & Managing Director (appointed w.e.f. 3rd February, 2016)
4 Madhav Acharya - Executive Director - Finance & CFO
5 Minal Bhosale - Company Secretary (resigned w.e.f. 31st May, 2015)
6 Manoj Koul - Company Secretary (appointed w.e.f. 3rd August, 2015)

(v) Other Related Parties in which directors are interested:

1 Ballarpur Industries Limited
2 Solaris ChemTech Industries Limited
3 BILT Graphic Paper Products Limited
4 Avantha Holdings Limited
5 Avantha Business Solutions Limited (formerly Salient Business Solutions Limited)
6 Avantha Realty Limited
7 Sabah Forest Industries Sdn. Bhd.
8 Malanpur Captive Power Limited
9 Corella Investments Limited
10 Lustre International Limited
11 Ambuja Cements Limited
12 Asahi India Glass Limited
13 Avantha Foundation
14 Thermax Limited
15 Infosys Limited
16 Varun Prakashan Private Limited
17 Korba West Power Company Limited
18 KEC International Limited
19 Jhabua Power Limited
20 Avantha Power & Infrastructure Limited

₹ crore

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

vi) **The following transactions were carried out with the related parties in the ordinary course of business:**

Sr. No.	Nature of transaction / relationship	2015-16	2014-15
1	**Purchase of goods and services**		
	Subsidiaries		
	CG-PPI Adhesive Products Limited	**2.61**	2.08
	CG Power Systems Ireland Limited	**0.48**	1.75
	CG Power USA Inc.	**-**	4.69
	CG Electric Systems Hungary Zrt.	**3.05**	6.62
	ZIV Grid Automation S.L.	**7.49**	8.75
	CG Drives and Automation Sweden AB	**2.67**	1.42
	ZIV Metering Solutions S.L.	**-**	0.07
	ZIV Communications S.A.	**10.29**	6.25
	PT. CG Power Systems Indonesia	**-**	0.04
	Crompton Greaves Consumer Electricals Limited	**0.00**	-
	Joint Venture		
	CG Lucy Switchgear Limited	**39.82**	157.52
	Other Related Parties		
	Ballarpur Industries Limited	**-**	0.03
	Ambuja Cements Limited	**-**	1.03
	BILT Graphic Paper Products Limited	**0.05**	0.03
	Total	**66.46**	190.28
2	**Sales of goods and services**		
	Subsidiaries		
	CG-PPI Adhesive Products Limited	**0.00**	-
	CG Holdings Belgium N.V.	**0.31**	0.35
	CG Sales Networks France SA	**14.04**	9.86
	CG Power USA Inc.	**83.01**	22.72
	CG Electric Systems Hungary Zrt.	**5.49**	7.65
	CG Automation Systems UK Limited	**0.03**	0.07
	CG Power Systems Brazil Ltda	**6.11**	6.61
	ZIV Grid Automation S.L.	**1.06**	1.02
	ZIV Communications S.A.	**0.00**	-
	CG Middle East FZE	**4.65**	1.60
	CG Drives & Automation Sweden AB	**14.79**	10.05
	CG Drives & Automation Netherlands B.V.	**-**	0.89
	Crompton Greaves Sales Network Malaysia Sdn.Bhd.	**0.13**	0.32
	CG Drives and Automations Germany GmbH	**1.52**	2.81
	CG Power Systems Ireland Limited	**0.01**	-
	PT. CG Power Systems Indonesia	**0.50**	9.37
	Crompton Greaves Consumer Electricals Limited	**17.62**	-
	Joint Venture		
	CG Lucy Switchgear Limited	**4.45**	10.81
	Other Related Parties		
	Ballarpur Industries Limited	**0.01**	0.15
	Solaris ChemTech Industries Limited	**-**	0.03
	BILT Graphic Paper Products Limited	**0.10**	0.51
	Korba West Power Company Limited	**0.02**	5.12
	Asahi India Glass Limited	**0.01**	2.18
	Thermax Limited	**2.38**	2.02
	KEC International Limited	**-**	1.18
	Infosys Limited	**-**	1.96
	Sabah Forest Industries Sdn. Bhd.	**-**	0.56
	Crompton Greaves Consumer Electricals Limited	**0.61**	-
	Jhabua Power Limited	**1.09**	2.86
	Total	**157.94**	100.70
3	**Purchase of fixed assets**		
	Subsidiary		
	Crompton Greaves Consumer Electricals Limited	**0.01**	-
	Total	**0.01**	-
4	**Sale of fixed assets**		
	Subsidiary		
	CG-PPI Adhesive Products Limited	**-**	0.01
	Total	**-**	0.01

₹ crore

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS (Contd.)

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

vi) The following transactions were carried out with the related parties in the ordinary course of business (Contd.)

Sr. No.	Nature of transaction / relationship	2015-16	2014-15
5	**Subscription to equity shares**		
	Subsidiaries		
	Crompton Greaves Consumer Products Limited	-	3.18
	Crompton Greaves Holdings Mauritius Limited	-	12.31
	Crompton Greaves Consumer Electricals Limited	-	0.05
	CG International B.V.	-	193.38
	CG International Holdings Singapore Pte. Limited	238.29	-
	Total	238.29	208.92
6	**Sale of Investment**		
	Subsidiary		
	Crompton Greaves Holdings Mauritius Limited	206.65	-
	Total	206.65	-
7	**Interest expenses**		
	Subsidiary		
	CG-PPI Adhesive Products Limited	0.55	0.32
	Joint Venture		-
	CG Lucy Switchgear Limited	0.08	0.86
	Total	0.63	1.18
8	**Dividend received**		
	Subsidiaries		
	CG-PPI Adhesive Products Limited	0.38	0.16
	Crompton Greaves Holdings Mauritius Limited	0.20	-
	Total	0.58	0.16
9	**Guarantee fee**		
	Subsidiary		
	CG International B.V.	41.10	41.88
	Total	41.10	41.88
10	**Rental income**		
	Other Related Parties		
	BILT Graphic Paper Products Limited	0.74	1.79
	Thermax Limited	0.04	0.01
	Total	0.78	1.80
11	**Interest income**		
	Subsidiaries		
	CG Power Solutions Limited	25.55	14.98
	CG International B.V.	99.50	38.18
	Total	125.05	53.16
12	**Other income**		
	Subsidiaries		
	CG Drives & Automation Sweden AB	0.14	-
	Crompton Greaves Consumer Electricals Limited	8.76	-
	Other Related Party		
	Crompton Greaves Consumer Electricals Limited	1.69	-
	Total	10.59	-

₹ crore

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

vi) The following transactions were carried out with the related parties in the ordinary course of business (Contd.)

Sr. No.	Nature of transaction / relationship	2015-16	2014-15
13	**Payment of salaries, commission and perquisites**		
	Key Management Personnel		
	Gautam Thapar	**3.59**	3.96
	Laurent Demortier	**18.61**	6.56
	K. N. Neelkant	**0.41**	-
	Madhav Acharya	**3.26**	3.09
	Minal Bhosale	**0.11**	0.56
	Manoj Koul	**0.31**	-
	Total	**26.29**	14.17
14	**Dividend paid**		
	Other Related Parties		
	Avantha Holdings Limited	**-**	18.86
	Avantha Realty Limited	**-**	0.00
	Corella Investments Limited	**-**	0.29
	Lustre International Limited	**-**	0.17
	Varun Prakashan Private Limited	**-**	0.00
	Total	**-**	19.32
15	**Rent paid**		
	Other Related Parties		
	Avantha Realty Limited	**2.04**	2.04
	Jhabua Power Limited	**0.41**	-
	Total	**2.45**	2.04
16	**Other expenses**		
	Subsidiaries		
	CG Holdings Belgium N.V.	**-**	0.23
	CG Power Systems Canada Inc.	**-**	0.19
	CG Power Systems Brazil Ltda	**0.28**	0.28
	CG Power USA Inc.	**-**	0.43
	CG Sales Networks France SA	**-**	0.21
	CG Electric Systems Hungary Zrt.	**0.04**	0.01
	CG Drives and Automation Sweden AB	**-**	0.22
	CG Drives & Automation Germany GmbH	**0.17**	-
	Crompton Greaves Sales Network Malaysia Sdn.Bhd.	**0.94**	-
	PT. CG Power Systems Indonesia	**0.53**	0.02
	Other Related Parties		
	Avantha Holdings Limited	**55.97**	70.24
	Avantha Business Solutions Limited	**0.13**	0.94
	Avantha Foundation	**6.00**	4.78
	Avantha Realty Limited	**1.15**	0.58
	Jhabua Power Limited	**0.07**	-
	Total	**65.28**	78.13
17	**Recovery of expenses**		
	Subsidiary		
	CG International B.V.	**25.37**	30.12
	Total	**25.37**	30.12
18	**Advances written off**		
	Subsidiary		
	CG International B.V.	**1359.14**	-
	Total	**1359.14**	-

₹ crore

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

vi) The following transactions were carried out with the related parties in the ordinary course of business (Contd.)

Sr. No.	Nature of transaction / relationship	2015-16	2014-15
19	**Provision for investment**		
	Subsidiary		
	CG International B.V.	**545.86**	-
	Total	**545.86**	-

vii) Amount due to / from related parties

Sr. No.	Nature of transaction / relationship	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
1	**Accounts payable**			
	Subsidiaries			
	CG-PPI Adhesive Products Limited	**0.63**	0.35	0.75
	CG-ZIV Power Automation Solutions Limited	**-**	-	8.84
	CG Holdings Belgium N.V.	**0.27**	0.26	0.03
	CG Power Systems Belgium N.V.	**0.17**	0.16	0.15
	CG Power USA Inc.	**3.94**	9.25	4.04
	CG Electric Systems Hungary Zrt.	**13.63**	15.91	21.59
	CG Automation Systems UK Limited	**1.64**	1.46	1.79
	CG Power Systems Brazil Ltda	**-**	0.28	-
	CG Sales Networks France SA	**-**	0.20	0.03
	CG Service Systems France SAS	**-**	0.02	0.00
	ZIV Grid Automation S.L.	**15.29**	15.49	0.00
	CG Power Systems Ireland Limited	**3.05**	2.24	0.00
	CG Drives and Automation Sweden AB	**0.46**	0.48	45.76
	CG Power Systems Canada Inc.	**0.04**	0.19	-
	ZIV Metering Solutions S.L.	**0.18**	0.16	0.02
	ZIV Communication S.A.	**19.84**	10.42	0.95
	PT. CG Power Systems Indonesia	**0.17**	0.43	0.00
	Joint Venture			
	CG Lucy Switchgear Limited	**-**	28.27	35.15
	Other Related Parties			
	Ballarpur Industries Limited	**-**	0.00	0.00
	Avantha Holdings Limited	**-**	-	0.09
	Ambuja Cement Limited	**-**	0.00	0.00
	Avantha Business Solutions Limited	**0.02**	0.17	0.20
	Jhabua Power Limited	**0.50**	-	-
	Crompton Greaves Consumer Electricals Limited	**0.01**	-	-
	Total	**59.84**	85.74	119.39

₹ crore

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

vii) Amount due to / from related parties (Contd.)

Sr. No.	Nature of transaction / relationship	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
2	**Accounts receivable**			
	Subsidiaries			
	CG Energy Management Limited	**-**	-	1.10
	CG-ZIV Power Automation Solutions Limited	**-**	-	0.16
	CG Holdings Belgium N.V.	**0.17**	0.46	4.17
	CG Power Systems Belgium N.V.	**0.42**	0.38	0.53
	CG Power Systems Ireland Limited	**0.01**	-	0.00
	CG Sales Networks France SA	**0.98**	7.71	0.34
	CG Power USA Inc.	**31.90**	12.11	20.74
	CG Power Systems Canada Inc.	**0.03**	0.03	0.03
	CG Electric Systems Hungary Zrt.	**4.33**	6.15	9.96
	CG Middle East FZE	**-**	1.60	-
	CG Automation Systems UK Limited	**0.10**	0.06	0.09
	ZIV Grid Automation S.L.	**2.12**	0.89	-
	CG Power Systems Brazil Ltda	**-**	3.38	10.60
	CG Drives and Automation Sweden AB	**11.24**	3.98	0.24
	CG Drives & Automation Netherlands B.V.	**-**	0.03	0.35
	Crompton Greaves Sales Network Malaysia Sdn.Bhd.	**0.09**	0.12	-
	CG Drives & Automation Germany GmbH	**1.17**	0.98	2.74
	PT. CG Power Systems Indonesia	**0.43**	5.78	0.09
	Joint Venture			
	CG Lucy Switchgear Limited	**-**	3.26	2.60
	Other Related Parties			
	Ballarpur Industries Limited	**0.23**	0.30	0.38
	Solaris ChemTech Industries Limited	**0.11**	0.11	0.17
	BILT Graphic Paper Products Limited	**3.55**	2.55	1.99
	Avantha Power Limited	**-**	0.00	-
	Avantha Holdings Limited	**-**	-	0.00
	Infosys Limited	**-**	1.27	-
	Asahi India Glass Limited	**-**	0.00	-
	Thermax Limited	**1.21**	1.09	-
	Ambuja Cement Limited	**-**	0.05	-
	Korba West Power Company Limited	**0.25**	-	10.48
	Sabah Forest Industries Sdn. Bhd.	**-**	0.03	0.17
	Jhabua Power Limited	**8.18**	13.75	8.34
	Crompton Greaves Consumer Electricals Limited	**7.93**	-	-
	Total	**74.45**	66.07	75.27
3	**Loans and advances receivable**			
	Subsidiaries			
	CG Energy Management Limited	**-**	-	0.08
	CG-PPI Adhesive Products Limited	**-**	0.03	0.02
	CG-ZIV Power Automation Solutions Limited	**-**	-	11.83
	CG Power Solutions Limited	**190.75**	228.20	110.44
	CG International B.V.	**818.74**	720.73	528.70
	CG Holdings Belgium N.V.	**0.96**	0.96	0.05
	CG Power Systems Belgium N.V.	**6.22**	5.15	4.00
	CG Electric Systems Hungary Zrt.	**5.25**	0.02	0.02
	ZIV Aplicaciones y Tecnologia S.L.	**-**	0.21	-
	CG Drives and Automation Sweden AB	**0.19**	0.19	0.19
	Crompton Greaves Consumer Electricals Limited	**-**	2.86	-
	Other Related Party			
	Avantha Holdings Limited	**96.56**	-	-
	Total	**1118.67**	958.35	655.33

₹ crore

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

vii) Amount due to / from related parties (Contd.)

Sr. No.	Nature of transaction / relationship	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
4	**Guarantee fees receivable**			
	Subsidiary			
	CG International B.V.	**93.62**	81.55	98.57
	Total	**93.62**	81.55	98.57
5	**Loans and advances payable**			
	Subsidiaries			
	CG Energy Management Limited	**-**	-	0.02
	CG-ZIV Power Automation Solutions Limited	**-**	-	1.38
	CG Power USA Inc.	**6.60**	4.54	1.85
	CG Electric Systems Hungary Zrt.	**0.01**	0.01	0.01
	CG Middle East FZE	**-**	1.01	-
	CG Drives and Automation Sweden AB	**0.01**	0.01	0.01
	PT. CG Power Systems Indonesia	**-**	-	0.20
	Other Related Parties			
	Solaris ChemTech Industries Limited	**0.10**	0.10	0.13
	Jhabua Power Limited	**0.75**	0.84	-
	Avantha Realty Limited	**4.86**	1.61	-
	Korba West Power Company Limited	**-**	-	3.54
	Crompton Greaves Consumer Electricals Limited	**13.76**	-	-
	Total	**26.09**	8.12	7.14
6	**Due to Key Management Personnel**			
	Gautam Thapar	**3.59**	3.96	5.21
	Laurent Demortier	**-**	3.64	5.46
	Total	**3.59**	7.60	10.67
7	**Guarantees outstanding**			
	CG International B.V.	**601.64**	973.54	1151.67
	CG Middle East FZE	**150.82**	134.28	-
	CG Electric Systems Hungary Zrt.	**162.06**	250.75	304.78
	CG Power Systems Belgium N.V.	**26.31**	-	-
	CG Holdings Belgium N.V.	**18.61**	-	-
	CG Power USA Inc.	**74.53**	-	-
	Total	**1033.97**	1358.57	1456.45

viii) Compensation of key management personnel of the Company

Nature of transaction / relationship	2015-16	2014-15
Short-term employee benefits	**19.83**	13.90
Post-employment pension and medical benefits	**0.28**	0.27
Termination benefits	**6.18**	-
Total compensation paid to key management personnel	**26.29**	14.17

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

51. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 105 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Consumer Products

On 19th February, 2015 the Company announced the decision of its Board for the vertical demerger of Consumer Products Business unit of CG into its wholly owned subsidiary, Crompton Greaves Consumer Electricals Limited ('CGCEL') with effect from 1st October, 2015. The Business of Consumer Products consists of Fans, Appliances, Luminaires, Light Sources and Pumps. For the year ended 31st March, 2015, the Consumer Product segment was shown as discontinued operations.

The decision to demerge the Consumer Products business unit was done with the intent of creation of two industry leading independent entities and unlocking shareholder value. The demerger is expected to complete within 12 months from the date of classification as discontinued operations.

The Discontinued operations have been disclosed as 'Consumer Products' segment separately.

Power Distribution

On 1st June 2011, the Company had entered into Power Distribution Franchise Agreement (DFA) with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for distribution of power in Jalgaon region of Maharashtra, India.

As per the terms of the arrangements, the Company had obtained the right ('franchise') to distribute the electricity for the period of 10 years to the public at large.

MSEDCL shall supply / sale electricity to the Company at rate prescribed under regulatory guidelines (MERC directives on load shedding). The Company shall distribute and supply the electricity at the tariff determined by the regulatory authorities.

The Company shall conduct normal maintenance activities of network and other assets to maintain uninterrupted service. The Company is a private operator and MSEDCL is a Government body. The Company undertakes obligation of public service granted by MSEDCL. Thus, the arrangement is a public-to-private service concession. The electricity distribution service is totally regulated by the MSEDCL or other Government regulatory authorities.

MSEDCL had given right to the Company to use its distribution assets which will always belong to MSEDCL. During the tenure of the arrangement, if the Company incurs any capital expenditure, the same shall vest with MSEDCL at the end of the contract. MSEDCL shall reimburse the Company for the capital expenditure incurred at the then value calculated based on pre-determined depreciation rate. Thus, MSEDCL controls significant residual interest in the concession assets. Accordingly, the Company had a contractual right to receive cash from MSEDCL for the capital expenditure incurred.

Therefore, the arrangement is a Service concession arrangements under Appendix A to Ind AS 11. The Company had a contractual right to receive the residual value of the capital expenditure done under the arrangement and accordingly, will recognise financial asset. Further, the Company had right to charge the consumers for the services and therefore, there was an intangible asset.

The revenues and losses in respect of Service Concession Arrangements recognised during the year are as follows.

₹ crore

Particulars	2015-16	2014-15
Revenue from operations	**160.53**	412.08
Other Income	**6.70**	5.17
Total (A)	**167.23**	417.25
Expenses related to Power distribution business		
Material Cost	**183.33**	432.44
Other expense	**7.43**	14.69
Employee benefits expenses	**2.50**	6.44
Amortisation of intangible assets	**1.11**	3.92
Finance Cost	**-**	(14.45)
Total (B)	**194.37**	443.04
Loss before tax recognised during the period (C)= (A)-(B)	**(27.14)**	(25.79)

Consequent to the certain unresolved disputes arising out of the Distribution Franchisee Agreement (DFA) of the Company with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at Jalgoan in Maharashtra, MSEDCL had exercised its step in rights and taken over the Distribution Franchisee in Jalgoan from the Company with effect from August 12, 2015. Accordingly, the Company has classified Power Distribution Segment as discontinued operations.

The Company and MSEDCL have raised demand on each other and the matter is under dispute. The Company and MSEDCL are in process of constituting the Permanent Dispute Resolution Body (PDRB). The financial impact of the dispute will be known after the final outcome from PDRB.

Statement of profit and loss of the discontinued operations:

₹ crore

	2015-16			2014-15		
	Consumer Products	Power Distribution	Total	Consumer Products	Power Distribution	Total
Revenue from operations	**1775.24**	**160.53**	**1935.77**	3232.65	412.08	3644.73
Expenses (net of other income)	**1590.63**	**187.67**	**1778.30**	2835.53	437.87	3273.40
Profit / (loss) before tax from a discontinued operations	**184.61**	**(27.14)**	**157.47**	397.12	(25.79)	371.33
Tax income / (expense)	**(61.28)**	**(0.03)**	**(61.31)**	(127.68)	0.42	(127.26)
Profit / (loss) after tax from a discontinued operations	**123.33**	**(27.17)**	**96.16**	**269.44**	**(25.37)**	**244.07**

₹ crore

51. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 105 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Contd.)

The major classes of assets and liabilities of the discontinued operation are as under:

	As at 31-03-2016	As at 30-09-2015	As at 31-03-2015
	Power Distribution	Consumer Products	Consumer Products
Assets			
Property, plant and equipment	-	80.37	79.68
Capital work-in-progress	-	-	0.38
Other Intangible assets	23.64	3.50	4.15
Intangible assets under development	-	0.18	0.19
Non-current financial assets-loans	7.32	10.73	1.97
Inventories	0.10	159.75	155.10
Trade receivables	189.17	430.61	414.94
Cash and cash equivalents	0.14	3.23	4.51
Current financial assets- loans	0.02	21.47	16.97
Other current assets	31.21	1.98	3.00
Assets classified as held for sale (A)	251.60	711.82	680.89
Liabilities			
Borrowings	-	570.46	633.72
Deferred tax liability	-	0.62	-
Other non-current liability	-	0.48	0.08
Trade payables	29.82	571.28	482.67
Other current liabilities	-	189.25	109.38
Provisions	0.28	32.26	14.22
Liabilities directly associated with group of assets classified as held for sale (B)	30.10	1364.35	1240.07
Net assets / (liabilities) directly associated with disposal group (A-B)	221.50	(652.53)	(559.18)

Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

Cash Flows	2015-16	2014-15
Operating	188.28	347.78
Investing	(6.31)	4.22
Financing	(26.81)	689.49

52. EXCEPTIONAL ITEMS

Exceptional items for the year ended 31st March, 2016 include the following:

Particulars	2015-16	2014-15
Profit on sale of portion of land at Kanjurmarg, Mumbai	246.30	167.79
Liquidation of investment in subsidiary company - Crompton Greaves Holdings Mauritius Ltd.	31.63	-
Profit on sale of investment in joint venture - CG Lucy Switchgear Limited	39.51	-
Provision made against loan given to subsidiaries net of exchange gain	(1272.90)	-
Provision made against investment in subsidiaries	(545.86)	-
Compensation to employees pursuant to voluntary retirement scheme	(1.23)	(18.10)
One time payment to former CEO & Managing Director	(6.18)	-
Total	(1508.73)	149.69

53. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

The particulars of CSR expenditure are as follows:

(a) Gross amount required to be spent by the company during the year is ₹ 13.10 crore (Previous Year : ₹ 13.54 crore)

(b) Amount spent during the year on :

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of asset	-	-	-
(ii)	On purposes other than (i) above	8.01	-	8.01

(c) Out of the above, the Company has paid ₹ 6.00 crore (Previous Year ₹ 4.78 crore) to Avantha Foundation towards CSR activities.

54. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

   The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

   Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

   Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

   Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Carrying amount	Fair value		
	As at 1-04-2014	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	1828.11	-	-	-
Service concession receivable	5.32	-	-	5.82
Financial guarantee fees receivable	98.57	-	-	98.56
Loans and other receivables (non-current)	1.01	-	-	0.85
Loans and other receivables (current)	677.32	-	-	-
Investments	0.49	0.49	-	-
Cash and bank balances	441.77	-	-	-
Bank deposit	1.03	-	-	-
Total	3053.62	0.49	-	105.23
Financial assets at fair value through profit or loss:				
Derivative instruments	23.81	-	23.81	-
Investments	28.78	20.72	-	8.06
Total	52.59	20.72	23.81	8.06
Financial liabilities at amortised cost:				
Interest-free sales tax deferral loans	0.89	-	0.90	-
Short term loans from bank	29.99	-	-	-
Finance lease obligations	13.64	-	-	13.76
Trade and other payables	1563.07	-	-	-
Other financial liabilities (non-current)	6.58	-	-	5.52
Other financial liabilities (current)	150.42	-	-	-
Total	1764.59	-	0.90	19.28

₹ crore

54. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

	Carrying amount	Fair value		
	As at 31-03-2015	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	1808.44	-	-	-
Service concession receivable	7.03	-	-	7.67
Financial guarantee fees receivable	81.55	-	-	80.57
Loans and other receivables (non-current)	14.31	-	-	11.70
Loans and other receivables (current)	980.35	-	-	-
Investments	0.56	0.56	-	-
Cash and bank balances	296.34	-	-	-
Bank deposit	1.60	-	-	-
Total	3190.18	0.56	-	99.94
Financial assets at fair value through profit or loss:				
Derivative instruments	13.64	-	13.64	-
Investments	168.68	160.62	-	8.06
Total	182.32	160.62	13.64	8.06
Financial assets at fair value through other comprehensive income:				
Investments	227.00	-	-	227.00
Total	227.00	-	-	227.00
Financial liabilities at amortised cost:				
Interest-free sales tax deferral loans	0.54	-	0.54	-
Short term loans from bank	56.22	-	-	-
Finance lease obligations	11.19	-	-	11.42
Trade and other payables	948.94	-	-	-
Other financial liabilities (non-current)	2.73	-	-	2.30
Other financial liabilities (current)	152.05	-	-	-
Total	1171.67	-	0.54	13.72

	Carrying amount	Fair value		
	As at 31-03-2016	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	**1647.74**	**-**	**-**	**-**
Financial guarantee fees receivable	**93.62**	**-**	**-**	**93.55**
Loans and other receivables (non-current)	**9.44**	**-**	**-**	**7.56**
Loans and other receivables (current)	**1033.54**	**-**	**-**	**-**
Investments	**0.56**	**0.56**	**-**	**-**
Cash and bank balances	**512.03**	**-**	**-**	**-**
Bank deposit	**230.60**	**-**	**-**	**-**
Total	**3527.53**	**0.56**	**-**	**101.11**
Financial assets at fair value through profit or loss:				
Derivative instruments	**6.40**	**-**	**6.40**	**-**
Investments	**9.01**	**0.95**	**-**	**8.06**
Total	**15.41**	**0.95**	**6.40**	**8.06**
Financial assets at fair value through other comprehensive income:				
Investments	**198.62**	**-**	**-**	**198.62**
Total	**198.62**	**-**	**-**	**198.62**
Financial liabilities at amortised cost:				
Interest-free sales tax deferral loans	**0.12**	**-**	**-**	**-**
Short term loans from bank	**522.98**	**-**	**-**	**-**
Finance lease obligations	**7.87**	**-**	**-**	**8.17**
Trade and other payables	**1102.60**	**-**	**-**	**-**
Other financial liabilities (non-current)	**1.21**	**-**	**-**	**0.97**
Other financial liabilities (current)	**144.56**	**-**	**-**	**-**
Total	**1779.34**	**-**	**-**	**9.14**

During the reporting period ending 31st March, 2016 and 31st March, 2015, there were no transfers between Level 1 and Level 2 fair value measurements.

54. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Service concession receivable	NA	Discounted Cash flow method using interest rate for similar financial instrument	
Financial guarantee fees receivable	Discounted Cash flow method using risk adjusted discount rate		
Derivative instruments	Based on quotes from Banks & Financial institutions		
Finance leases obligations	Discounted Cash flow method using risk adjusted discount rate		
Other financial liabilities (non-current)	Discounted Cash flow method using risk adjusted discount rate		

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	₹ crore
Balance as at 1-04-2014	-
Add : Reclassification from Investment in Associates to Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)	227.00
Balance as at 31-03-2015	227.00
Less : Fair value loss recognised in Other Comprehensive Income	28.38
Balance as at 31-03-2016	198.62

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

₹ crore

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Foreign currency exposure as at 31st March, 2015	USD	Euro	JPY	CHF	Others	Total
Trade receivables	155.22	61.51	-	-	10.71	227.44
Loans and other receivables	0.44	720.29	-	-	-	720.73
Bank balances in current accounts and term deposit accounts	27.38	-	-	-	0.00	27.38
Trade payables	(33.34)	(33.69)	(3.67)	(0.21)	(5.30)	(76.21)
Forward contracts for receivable	4.80	-	-	-	-	4.80
Forward contracts for payable	(0.00)	(0.00)	-	-	-	(0.00)
Forward contracts for loan	-	8.84	-	-	-	8.84

Foreign currency exposure as at 31st March, 2016	USD	Euro	JPY	CHF	Others	Total
Trade receivables	**285.51**	**14.41**	**-**	**-**	**-**	**299.92**
Loans and other receivables	**0.46**	**823.50**	**-**	**-**	**-**	**823.96**
Bank balances in current accounts and term deposit accounts	**0.02**	**-**	**-**	**-**	**-**	**0.02**
Trade payables	**(88.72)**	**(62.09)**	**(3.06)**	**(1.01)**	**(3.99)**	**(158.87)**
Forward contracts for receivable	**7.05**	**-**	**-**	**-**	**-**	**7.05**
Forward contracts for loan	**-**	**(0.66)**	**-**	**-**	**-**	**(0.66)**

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

	2015-16		2014-15	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	**(1.07)**	**1.07**	(1.78)	1.78
Euro	**6.82**	**(6.82)**	6.96	(6.96)
JPY	**(0.03)**	**0.03**	(0.04)	0.04
CHF	**(0.01)**	**0.01**	(0.00)	0.00
Others	**(0.00)**	**0.00**	0.05	(0.05)
Increase/(decrease) in profit or loss	**5.71**	**(5.71)**	5.19	(5.19)

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :

(i) Actual or expected significant adverse changes in business,

(ii) Actual or expected significant changes in the operating results of the counterparty,

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

(iv) Significant increases in credit risk on other financial instruments of the same counterparty,

(v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Exposure to credit risk	As at 31-03-2016	As at 31-03-2015
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in Government or trust securities	**0.44**	0.44
Investments in Debentures or bonds	**8.05**	8.05
Other non-current investments	**0.12**	0.12
Long-term loans and advances	**9.44**	14.31
Other long term financial assets	**44.57**	56.14
Cash and bank balances	**512.03**	296.24
Bank deposit	**230.60**	1.60
Short-term loans and advances	**1033.54**	980.35
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	**1825.48**	2012.29

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

	₹ crore
As at 31-03-2016	
Up to 3 months	1084.62
3 to 6 months	191.40
More than 6 months	549.46
	1825.48
As at 31-03-2015	
Up to 3 months	1379.28
3 to 6 months	210.27
More than 6 months	422.74
	2012.29

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

	₹ crore
As at 1-04-2014	156.09
Provided during the year	35.51
Amounts written off	(4.53)
Reversals of provision	(4.74)
Unwinding of discount	(5.22)
Transferred on account of demerger	(19.34)
As at 31-03-2015	157.77
Provided during the year	15.94
Amounts written off	(7.23)
Reversals of Provision	(5.15)
Transfer to discontinuing operations	(33.19)
Unwinding of Discount	(5.85)
As at 31-03-2016	122.29

During the year the Company has recognised loss allowance of ₹1359.14 crore under 12 months expected credit loss model.

No significant changes in estimation techniques or assumptions were made during the reporting period.

₹ crore

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31-03-2016	Less than 1 year	1 to 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	0.12
Finance lease obligation	4.29	4.38	8.67
Deposits payable	-	1.21	1.21
Short term borrowings	522.98	-	522.98
Trade payables	1102.60	-	1102.60
Other financial liabilities	144.56	-	144.56

As at 31 March 2015	Less than 1 year	1 to 5 years	Total
Interest-free sales tax deferral loans from State Government	-	0.54	0.54
Finance lease obligation	4.21	8.67	12.88
Deposits payable	-	2.73	2.73
Short term borrowings	56.22	-	56.22
Trade payables	948.94	-	948.94
Other financial liabilities	152.05	-	152.05

Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

	As at 31-03-2016	As at 31-03-2015
Total debt	530.97	67.95
Equity	4128.05	4615.37
Capital and net debt	4659.02	4683.32
Gearing ratio	11.40%	1.45%

₹ crore

56. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars		2015-16	2014-15
Face value of equity share	₹	**2.00**	2.00
Weighted average number of equity shares outstanding	Nos.	**626746142**	626746142
Profit / (loss) for the year (continuing operations)	₹ crore	**(1188.13)**	345.07
Weighted average earnings per share (basic and diluted)	₹	**(18.96)**	5.51
Profit for the year (discontinued operations)	₹ crore	**96.16**	244.07
Weighted average earnings per share (basic and diluted)	₹	**1.54**	3.89
Profit / (loss) for the year (total operations)	₹ crore	**(1091.97)**	589.14
Weighted average earnings per share (basic and diluted)	₹	**(17.42)**	9.40

57. PARTICULARS IN RESPECT OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS REQUIRED BY THE CLAUSE 32 OF LISTING AGREEMENT:

	Balance as at		Maximum outstanding during	
Name of the Company	31-03-2016	31-03-2015	2015-16	2014-15
(a) Loans and advances in the nature of loans given to subsidiaries				
CG-PPI Adhesive Products Limited	**-**	0.03	**0.03**	0.03
CG Power Solutions Limited	**190.75**	228.20	**247.36**	246.17
CG International B.V.	**818.74**	720.73	**1734.20**	785.89
CG Holdings Belgium N.V.	**0.96**	0.96	**0.96**	1.01
CG Power Systems Belgium N.V.	**6.22**	5.15	**6.22**	5.14
CG Electric Systems Hungary Zrt.	**5.25**	0.02	**5.25**	0.02
CG Drives and Automation Sweden AB	**0.19**	0.19	**0.19**	0.19
ZIV Aplicaciones y Tecnologia S.L.	**-**	0.21	**0.21**	0.21
Crompton Greaves Consumer Electricals Limited	**-**	2.86	**2.86**	2.86
(b) Loans and advances in the nature of loans where repayment schedule is not specified				
CG-PPI Adhesive Products Limited	**-**	0.03	**-**	0.03
CG International B.V.	**818.74**	720.73	**1734.20**	785.89
CG Holdings Belgium N.V.	**0.96**	0.96	**0.96**	1.01
CG Power Systems Belgium N.V.	**6.22**	5.15	**6.22**	5.14
CG Electric Systems Hungary Zrt.	**5.25**	0.02	**5.25**	0.02
CG Drives and Automation Sweden AB	**0.19**	0.19	**0.19**	0.19
ZIV Aplicaciones y Tecnologia S.L.	**-**	0.21	**-**	0.21
Crompton Greaves Consumer Electricals Limited	**-**	2.86	**2.86**	2.86
(c) Loans and advances in the nature of loans where interest is not charged				
CG-PPI Adhesive Products Limited	**-**	0.03	**0.03**	0.03
CG International B.V.	**116.28**	36.78	**116.28**	153.78
CG Holdings Belgium N.V.	**0.96**	0.96	**0.96**	1.01
CG Power Systems Belgium N.V.	**6.22**	5.15	**6.22**	5.14
CG Electric Systems Hungary Zrt.	**5.25**	0.02	**5.25**	0.02
CG Drives and Automation Sweden AB	**0.19**	0.19	**0.19**	0.19
ZIV Aplicaciones y Tecnologia S.L.	**-**	0.21	**0.21**	0.21
Crompton Greaves Consumer Electricals Limited	**-**	2.86	**2.86**	2.86

58. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Loans given and investments made are given under the respective heads.

Corporate guarantees given by the Company in respect of loans as at 31st March, 2016

Name of the Company	As at 31-03-2016	As at 31-03-2015
CG International B.V.	**601.64**	973.54
CG Middle East FZE	**150.82**	134.28
CG Electric Systems Hungary Zrt.	**162.06**	250.75
CG Power Systems Belgium N.V.	**26.31**	-
CG Holdings Belgium N.V.	**18.61**	-
CG Power USA Inc.	**74.53**	-
	1033.97	1358.57

59. Amounts shown as 0.00 represents amount below ₹ 50,000 (Rupees Fifty Thousand).

₹ crore

60. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS

Reconciliation of equity as at 1st April, 2014

	Reference	Indian GAAP	Adjustments	Ind AS
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	A,B,C & D	674.21	1099.24	1773.45
(b) Capital work-in-progress	C	42.42	(19.57)	22.85
(c) Investment property	D	-	5.64	5.64
(d) Other intangible assets	C	80.69	24.10	104.79
(e) Intangible assets under development		25.31	-	25.31
(f) Financial assets				
(i) Investments		805.71	-	805.71
(ii) Loans	E	42.67	(41.66)	1.01
(iii) Others	C & F	-	67.92	67.92
(g) Other non-current assets		-	33.65	33.65
TOTAL NON-CURRENT ASSETS		**1671.01**	**1169.32**	**2840.33**
2. CURRENT ASSETS:				
(a) Inventories		557.78	-	557.78
(b) Financial assets				
(i) Investments		20.63	0.09	20.72
(ii) Trade receivables	F & H	1907.92	(20.03)	1887.89
(iii) Cash and cash equivalents		442.80	(2.95)	439.85
(iv) Bank balances other than (iii) above		-	1.92	1.92
(v) Loans		890.09	(212.77)	677.32
(vi) Others		-	1.03	1.03
(c) Other current assets		96.53	231.74	328.27
TOTAL CURRENT ASSETS		**3915.75**	**(0.97)**	**3914.78**
TOTAL ASSETS		**5586.76**	**1168.35**	**6755.11**
EQUITY AND LIABILITIES:				
EQUITY:				
(a) Equity share capital		125.35	-	125.35
(b) Other equity	A,B,C,E,H,I & J	3230.72	781.78	4012.50
TOTAL EQUITY		**3356.07**	**781.78**	**4137.85**
LIABILITIES:				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	B	0.54	11.21	11.75
(ii) Other financial liabilities		-	6.58	6.58
(b) Provisions		41.91	10.91	52.82
(c) Deferred tax liabilities (net)	A,B,C & H	73.59	276.92	350.51
(d) Other non-current liabilities		9.35	(9.35)	-
TOTAL NON-CURRENT LIABILITIES		**125.39**	**296.27**	**421.66**
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings		29.99	-	29.99
(ii) Trade payables		1563.07	-	1563.07
(iii) Other financial liabilities	B & F	-	153.20	153.20
(b) Other current liabilities		381.94	(49.44)	332.50
(c) Provisions	J	130.30	(40.24)	90.06
(d) Current tax liabilities (net)		-	26.78	26.78
TOTAL CURRENT LIABILITIES		**2105.30**	**90.30**	**2195.60**
TOTAL LIABILITIES		**2230.69**	**386.57**	**2617.26**
TOTAL EQUITY AND LIABILITIES		**5586.76**	**1168.35**	**6755.11**

₹ crore

60. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Reconciliation of equity as at 31st March, 2015

	Reference	Indian GAAP	Adjustments	Ind AS
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	A,B,C & K	658.81	833.20	1492.01
(b) Capital work-in-progress	C & K	24.82	(22.15)	2.67
(c) Investment property	D	-	5.56	5.56
(d) Other Intangible assets	C & K	74.63	20.05	94.68
(e) Intangible assets under development	K	30.23	(0.18)	30.05
(f) Financial assets				
(i) Investments		1005.04	-	1005.04
(ii) Loans	E & K	23.14	(8.83)	14.31
(iii) Others	C & F	-	56.14	56.14
(g) Other non-current assets		-	6.86	6.86
TOTAL NON-CURRENT ASSETS		**1816.67**	**890.65**	**2707.32**
2. CURRENT ASSETS:				
(a) Inventories	K	523.77	(155.11)	368.66
(b) Financial assets				
(i) Investments		160.45	0.17	160.62
(ii) Trade receivables	F,G,H & K	2263.70	(409.18)	1854.52
(iii) Cash and cash equivalents	K	302.44	(8.05)	294.39
(iv) Bank balances other than (iii) above		-	1.95	1.95
(v) Loans		1533.89	(553.54)	980.35
(vi) Others		-	1.60	1.60
(c) Current tax assets (net)		-	28.50	28.50
(d) Other current assets		111.89	488.72	600.61
TOTAL CURRENT ASSETS		**4896.14**	**(604.94)**	**4291.20**
3. Assets classified as held for sale and discontinued operations	K	**-**	**680.89**	**680.89**
TOTAL ASSETS		**6712.81**	**966.60**	**7679.41**
EQUITY AND LIABILITIES:				
EQUITY:				
(a) Equity share capital		125.35	-	125.35
(b) Other equity	A,B,C,E,H,I,J & L	3884.28	605.74	4490.02
TOTAL EQUITY		**4009.63**	**605.74**	**4615.37**
LIABILITIES:				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	B & K	634.26	(625.85)	8.41
(ii) Other financial liabilities		-	2.73	2.73
(b) Provisions		48.22	11.68	59.90
(c) Deferred tax liabilities (net)	A,B,C,E & H	68.01	233.39	301.40
(d) Other non-current liabilities		2.81	(2.81)	-
TOTAL NON-CURRENT LIABILITIES		**753.30**	**(380.86)**	**372.44**
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	G	21.50	34.72	56.22
(ii) Trade payables	K	1431.60	(482.66)	948.94
(iii) Other financial liabilities	B & F	-	155.37	155.37
(b) Other current liabilities	K	408.38	(179.88)	228.50
(c) Provisions	J & K	88.40	(25.90)	62.50
TOTAL CURRENT LIABILITIES		1949.88	(498.35)	1451.53
3. Liabilities associated with group of assets classified as held for sale and discontinued operations	K	**-**	**1240.07**	**1240.07**
TOTAL LIABILITIES		**2703.18**	**360.86**	**3064.04**
TOTAL EQUITY AND LIABILITIES		**6712.81**	**966.60**	**7679.41**

₹ crore

60. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Reconciliation of total comprehensive income for the year ended 31st March, 2015

	Reference	Indian GAAP	Adjustments	Ind AS
REVENUES				
Revenue from operations	K,M.N & O	7837.02	(3313.42)	4523.60
Other income	F,I,K & M	179.30	(50.00)	129.30
TOTAL REVENUE		**8016.32**	**(3363.42)**	**4652.90**
EXPENSES				
Cost of material consumed	B,K & M	3637.19	(747.05)	2890.14
Purchases of stock-in-trade	K & M	2158.75	(1970.63)	188.12
Changes in inventories of finished goods, work-in progress and stock-in-trade	K & M	26.09	13.91	40.00
Employee benefits expense	K,L & M	522.98	(151.59)	371.39
Finance costs	B & K	49.37	(6.70)	42.67
Depreciation and amortization expense	A,B,K & M	96.39	16.44	112.83
Other expenses	K,M,O,N,F & H	838.69	(70.24)	768.45
TOTAL EXPENSES		**7329.46**	**(2915.86)**	**4413.60**
PROFIT BEFORE EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX		**686.86**	**(447.56)**	**239.30**
Exchange gain / (loss)		(47.42)	-	(47.42)
Exceptional Items (net)	A	260.05	(110.36)	149.69
PROFIT BEFORE TAX		**899.49**	**(557.92)**	**341.57**
TAX EXPENSES				
Current tax	K	173.05	(132.26)	40.79
Deferred tax (credit)	P	(4.70)	(39.59)	(44.29)
PROFIT FROM CONTINUING OPERATIONS		**731.14**	**(386.07)**	**345.07**
PROFIT FROM DISCONTINUED OPERATIONS	K & M	397.12	(25.79)	371.33
Tax expense of discontinued operations	K & M	127.68	(0.42)	127.26
PROFIT FROM DISCONTINUED OPERATIONS AFTER TAX		**269.44**	**(25.37)**	**244.07**
PROFIT FOR THE YEAR				**589.14**
OTHER COMPREHENSIVE INCOME:				
(A) (i) Items that will not be reclassified to profit or loss	L		(9.67)	(9.67)
(ii) Income tax relating to items that will not be reclassified to profit or loss			-	-
(B) (i) Items that will be reclassified to profit or loss			-	-
(ii) Income tax relating to items that will be reclassified to profit or loss			-	-
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			**(9.67)**	**(9.67)**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR				**579.47**

60. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Exemptions and exceptions availed

These financial statements, for the year ended 31st March, 2016, are the first, the Company has prepared in accordance with Ind AS. For the periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared its financial statements to comply with Ind AS for the year ending 31st March, 2016, together with comparative date as at and for the year ended 31st March, 2015, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1st April, 2014, the company's date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2014 and the financial statements as at and for the year ended 31st March, 2015.

Exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- Certain items of Land and buildings (other than investment properties) have been measured at fair value at the date of transition to Ind AS.
- Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has done the assessment of lease in contracts based on conditions in prevailing as at the date of transition.
- The Company has elected to apply previous GAAP carrying amount of its investment in subsidiaries, associates and Joint venture as deemed cost as on the date of transition to Ind AS.
- The Company has recognised financial assets and intangible assets as per Appendix A to Ind AS 11 on Service Concession Arrangements, based on the previous GAAP carrying amounts as at the date of transition.

Exceptions:

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

(a) Estimates

The estimates at 1st April, 2014 and at 31st March, 2015 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences if any, in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of 31st March, 2015.

(b) Derecognition of financial assets and financial liabilities

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(c) Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Notes to the reconciliation of equity as at 1st April, 2014 and 31st March, 2015 and total comprehensive income for the year ended 31st March, 2015

A. Fair Value as deemed cost - Property Plant and Equipment (PP&E)

The Company has elected the option of fair value as deemed cost for Land and Building as on the date of transition to Ind AS. This has resulted in increase of ₹ 1108.25 crore in the value of land and buildings with corresponding increase in retained earnings of ₹ 804.48 crore and deferred tax liability of ₹ 303.77 crore. Further, the company has also recognised the revision in useful life as on date of transition to Ind AS to retained earnings and deferred tax liability.

Fair value as Deemed cost as on transition date for respective category of PP&E is as under:

₹ crore

Category	Carrying value under Indian GAAP	Fair value adjustments	Carrying value under Ind AS
Building	233.71	464.55	698.26
Freehold land	15.49	382.40	397.89
Leasehold land	13.37	261.30	274.67
Total	**262.57**	**1108.25**	**1370.82**

This led to additional depreciation of ₹ 28.31 crore during the year ended 31st March, 2015.

During the year ended 31st March, 2015, the Company has sold some of the land and building which was fair valued as on the transition date. Under Ind AS, such sale has resulted into reduction of profit on sale of land and building by ₹ 157.99 crore, (₹ 47.63 crore and ₹ 110.36 crore has been reduced from other income and exceptional items respectively).

60. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

B. Arrangement containing the lease

The Company has entered into subcontracting arrangement with one of the vendor which contains the lease. The arrangements have been classified as finance lease based on the terms of the agreement. Leased assets of ₹ 14.39 crore, Accumulated depreciation of ₹ 4.80 crore and finance lease obligation of ₹ 13.63 crore have been recognised as on the date of transition to Ind AS.

During the year ended 31st March, 2015, the depreciation of ₹ 2.40 crore has charged on the leased assets, interest expense of ₹ 1.15 crore has been recognised on the finance lease obligations and subcontracting charges of ₹ 3.58 crore, to the extent of lease portion, recognised under Indian GAAP have been reversed.

C. Service concession arrangements

The Company has entered into Power Distribution Franchise Agreement (‘DFA’) with Maharashtra State Electricity Distribution Company Ltd (‘MSEDCL’). The arrangement has been classified as service concession arrangement (SCA). On the transition date, the Company has reclassified the PP&E of ₹ 9.85 crore and capital work in progress of ₹ 19.57 crore at the existing carrying value as at the transition date to the financial asset of ₹ 5.32 crore and intangible asset of ₹ 24.10 crore.

In respect of capital expenditure incurred under SCA during the F.Y 2014-15, the Company has derecognised the PP&E and recognised the financial assets and intangible assets in line with the accounting policy on SCA.

The depreciation of ₹ 2.09 crore on PP&E under Indian GAAP has been reversed as the financial assets and intangible assets are recognised under Ind AS. Further the amortisation of ₹ 3.93 crore on intangible assets have been provided and the financial assets are carried at amortised cost by accretion of interest income of ₹ 0.63 crore at effective interest rate during the year ended 31st March, 2015.

The SCA is considered as discontinued operation w.e.f 12th August, 2015 and accordingly, the profit or loss on discontinued operations have been presented separately (Refer Note 51 for further discussion on SCA).

D. Recognition of investment property

The investment properties are reclassified from PP&E and presented separately amounting to ₹ 5.64 crore (WDV as on 1-04-2014) as on date of transition to Ind AS by reclassifying from PP&E.

The depreciation of ₹ 0.08 crore have been provided for the year ended 31st March, 2015.

E. Loan considered as equity contribution

The Company had given loan to one of the erstwhile subsidiary in earlier years, having outstanding amount of ₹ 11.20 crore as on transition date. In 2008, the investment in subsidiary was sold to third party. As per the terms and conditions of the loan, the loan given was in the nature of equity contribution and hence under Ind AS, the same would have been accounted for as equity investment. As the original investment in subsidiary has been disposed of, the loan outstanding as on transition date has been adjusted in opening retained earnings.

F. Financial guarantee

The Company has issued the financial guarantee on behalf of its subsidiaries for the borrowings taken by them. As on date of transition to Ind AS, the Company has recognised financial guarantee obligation at fair value amounting to ₹ 98.57 crore (31st March, 2015: ₹ 81.55 crore) with corresponding recognition of financial guarantee receivable.

The guarantee fee income recognised under Indian GAAP has been reclassified as interest income on guarantee fee receivable and other income being amortisation of financial guarantee obligation. Thus, ₹ 8.29 crore has been reclassified from guarantee fee to interest income during the year ended 31st March, 2015.

G. Bills discounted with recourse

Under Indian GAAP, trade receivables derecognised by way of bills of exchange have been shown as contingent liability since there is recourse clause. Under Ind AS, the trade receivables have been restated with corresponding recognition of short term borrowings of ₹ 34.72 crore as on 31st March, 2015.

H. Expected credit loss

Under Indian GAAP, the Company has created provision for impairment of trade receivables consist only in respect of specific amount for incurred loss. Under Ind AS, impairment allowance has been determined based on expected credit loss model (ECL). Due to this model, the Company impaired its trade receivables by ₹ 60.61 crore as on the transition date which has been recognised in retained earnings (net of deferred tax) of ₹ 40.00 crore. The impairment of ₹ 10.40 crore for the year ended 31st March, 2015 has been recognised in the statement of profit and loss.

The interest income of ₹ 4.47 crore is accrued during the year ended 31st March, 2015 on trade receivables discounted to present value as on transition date on account of expected delay under ECL.

I. Revaluation surplus under Indian GAAP

The Company has elected cost model for its PP&E and thus, the revaluation surplus existing as on the transition date under Indian GAAP amounting to ₹ 13.62 crore has been derecognised in the retained earnings on the date of transition.

Accordingly, the transfer of proportionate share of revaluation surplus of ₹ 2.84 crore to profit & loss on sale of land under Indian GAAP have been reversed under Ind AS during the year ended 31st March, 2015.

J. Proposed dividend

Under Indian GAAP, proposed dividend including dividend distribution tax (DDT), are recognised as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the Company, usually when approved by shareholders in a general meeting, or paid.

Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to ₹ 29.33 crore has been derecognised in the retained earnings as on the date of transition.

Proposed dividend including dividend distribution tax liability amounting to ₹ 29.33 crore which was derecognised as on the transition date, has been recognised in retained earnings during the year ended 31st March, 2015 as declared and paid.

K. Discontinued operations – Consumer products

The Company has classified its Consumer products segment as discontinued operations w.e.f 19th February, 2015. Under Indian GAAP, the statement of profit and loss includes the revenue, expense of discontinued operations with separate disclosure of profit and income tax on the statement of profit and loss.

60. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Under Ind AS, the Company has excluded the revenue, expense of discontinued operations and presented profit and tax expenses related to discontinued operation as single line items.

Under Ind AS, assets, liabilities and other comprehensive income related to discontinued operations have been separately presented on the balance sheet (Refer Note 51).

L. Defined benefit obligation

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised in balance sheet through other comprehensive income. Thus, employee benefits expense is reduced by ₹ 9.67 crore and is recognised in other comprehensive income during the year ended 31st March, 2015.

M. Discontinued Operations – Power distribution

The Company has classified its Power distribution business as discontinued operations w.e.f 12th August, 2015.

Under Ind AS, the company has excluded the revenue, expense of discontinued operations and presented profit and tax expenses related to discontinued operation as single line items.

Under Ind AS, assets, liabilities and other comprehensive income related to discontinued operations have been separately presented on the balance sheet (Refer Note 51).

N. Cash discount

Under Indian GAAP, cash discount of ₹ 7.29 crore was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31st March, 2015.

O. Excise duty

Excise duty of ₹ 293.43 crore on account of sale of goods have been included in revenue as it is on own account because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not.

P. Impact on deferred tax during the year ended 31st March, 2015:

	₹ crore
Deferred tax	
Deferred tax liability recognised on fair valuation of land and buildings as on transition date has been reversed to the extent of additional depreciation during the year.	(9.92)
Deferred tax liability recognised on fair valuation of land and buildings as on transition date has been reversed to the extent of assets sold during the year.	(32.90)
Deferred tax on arrangement containing the lease.	0.01
Deferred tax asset on expected credit loss.	(0.71)

Financial assets and financial liabilities have been regrouped wherever required to comply with Ind AS.

61. Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued in February 2015 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after 1st April, 2018. The Company will adopt the new standard on the required effective date. During the current year, the Company performed a preliminary assessment of Ind AS 115, which is subject to changes arising from a more detailed ongoing analysis.

62. Figures for the previous year have been regrouped wherever necessary.

Form AOC -I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of companies (Account) Rule, 2014)

Statement containing salient features of the financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part 'A' : Subsidiaries

₹ crore

INFORMATION IN RESPECT OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2016

Sr. No.	Name of the Subsidiary Company	Reporting year of the subsidiary ended on	Reporting Currency	Closing Exchange Rate	Capital		Reserves	Total Assets	Total Liabilities	Investment (except investments in subsidiaries)	Turnover (including Other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of Shareholding	Country
					Equity Share Capital	Preference Share Capital											
1	CG-PPI Adhesive Products Limited	31-Mar-16	INR	1.00	3.90	-	11.51	21.37	5.96	-	17.51	2.19	0.81	1.38	-	81.42%	India
2	CG Power Solutions Limited	31-Mar-16	INR	1.00	0.05	-	(77.56)	117.45	194.96	-	7.71	(47.39)	-	(47.39)	-	100.00%	India
3	CG International B.V.	31-Mar-16	EUR	75.41	776.74	-	(68.33)	1885.75	1177.34	-	1067.99	450.74	-	450.74	-	100.00%	The Netherlands
4	CG Holdings Belgium N.V.	31-Mar-16	EUR	75.41	883.38	-	(584.80)	1874.91	1576.33	0.01	703.57	(1629.61)	(2.41)	(1627.20)	-	100.00%	Belgium
5	CG Power Systems Belgium N.V.	31-Mar-16	EUR	75.41	2413.71	-	(1625.06)	2037.01	1248.36	-	965.26	(1102.29)	(1.17)	(1101.12)	-	100.00%	Belgium
6	CG Power Systems Ireland Limited	31-Mar-16	EUR	75.41	28.42	66.93	190.07	529.16	243.74	-	556.15	(16.64)	(2.04)	(14.60)	-	100.00%	Ireland
7	CG Sales Networks France SA	31-Mar-16	EUR	75.41	0.34	-	6.25	33.87	27.28	-	46.78	1.12	(0.02)	1.14	-	99.40%	France
8	CG Power Systems Canada Inc.	31-Mar-16	CAD	51.23	140.89	40.99	(194.67)	31.23	44.02	-	356.13	98.31	12.46	85.85	-	100.00%	Canada
9	PT. CG Power Systems Indonesia	31-Mar-16	USD	66.25	84.08	-	591.48	940.56	265.00	-	787.70	103.59	28.01	75.58	-	95.00%	Indonesia
10	CG Holdings Hungary Kft.	31-Mar-16	EUR	75.41	29.52	-	24.77	104.07	49.78	-	1.86	1.49	0.07	1.42	-	100.00%	Hungary
11	CG Electric Systems Hungary Zrt.	31-Mar-16	EUR	75.41	35.44	-	58.78	691.41	597.19	-	628.06	(87.51)	-	(87.51)	-	100.00%	Hungary
12	Microsol Limited	31-Mar-16	EUR	75.41	7.44	1.70	(9.14)	0.00	-	-	-	-	-	-	-	100.00%	Ireland
13	CG Automation Systems UK Limited	31-Mar-16	GBP	95.52	27.12	-	(45.81)	44.22	62.91	-	33.68	(1.47)	-	(1.47)	-	100.00%	United Kingdom
14	CG Service Systems France SAS	31-Mar-16	EUR	75.41	6.03	-	(2.52)	16.77	13.26	-	33.76	(2.78)	0.00	(2.78)	-	100.00%	France
15	CG Power USA Inc.	31-Mar-16	USD	66.25	20.54	-	165.05	847.16	661.57	4.66	1285.84	33.35	64.84	(31.49)	-	100.00%	USA
16	CG Power Solutions UK Limited	31-Mar-16	GBP	95.52	0.00	-	(33.05)	185.73	218.78	-	92.13	(100.58)	-	(100.58)	-	100.00%	United Kingdom
17	CG Power County LLC	31-Mar-16	USD	66.25	-	-	-	-	-	-	-	41.10	-	41.10	-	100.00%	USA
18	CG Power Systems Brazil LTDA	31-Mar-16	REAL	18.42	-	-	(111.80)	8.48	120.28	-	19.06	(18.67)	0.38	(19.05)	-	100.00%	Brazil
19	CG Power Solutions Saudi Arabia Ltd.	31-Mar-16	SAR	17.66	19.87	-	(14.57)	64.91	59.61	-	7.52	(3.30)	-	(3.30)	-	51.00%	Saudi Arabia
20	Crompton Greaves Holdings Mauritius Limited	31-Mar-16	EUR	75.41	-	-	-	-	-	-	-	(0.08)	-	(0.08)	-	100.00%	Mauritius
21	CG International Holdings Singapore Pte Limited	31-Mar-16	EUR	75.41	237.27	-	(0.02)	247.06	9.81	-	7.38	0.21	-	0.21	-	100.00%	Singapore
22	CG Industrial Holdings Sweden AB	31-Mar-16	SEK	8.17	220.63	-	(103.91)	322.84	206.12	-	-	(0.06)	-	(0.06)	-	100.00%	Sweden
23	CG Drives and Automation Sweden AB	31-Mar-16	SEK	8.17	20.94	-	183.71	362.14	157.49	-	194.37	2.52	0.04	2.48	-	100.00%	Sweden
24	CG Drives and Automation Netherlands B.V.	31-Mar-16	EUR	75.41	4.48	-	15.31	23.10	3.31	-	44.08	1.07	0.25	0.82	-	100.00%	The Netherlands
25	CG Drives and Automation Germany GmbH	31-Mar-16	EUR	75.41	0.19	-	7.77	40.88	32.92	-	107.90	1.76	0.55	1.21	-	100.00%	Germany
26	ZIV Aplicaciones y Tecnologia S.L.	31-Mar-16	EUR	75.41	8.90	-	114.61	539.62	416.11	-	31.24	(0.11)	(15.97)	15.86	-	100.00%	Spain
27	ZIV Metering Solutions S.L.	31-Mar-16	EUR	75.41	12.67	-	177.22	301.40	111.51	-	524.21	32.07	4.53	27.54	-	100.00%	Spain
28	ZIV Grid Automation S.L.	31-Mar-16	EUR	75.41	14.19	-	80.20	182.62	88.23	-	135.26	(6.58)	2.55	(9.13)	-	100.00%	Spain
29	ZIV Communications S.A.	31-Mar-16	EUR	75.41	1.68	-	8.18	96.88	87.02	-	97.00	7.49	(0.27)	7.76	-	100.00%	Spain
30	ZIV Do Brazil Ltda	31-Mar-16	REAL	18.42	9.48	-	(6.58)	12.12	9.22	-	12.00	(4.03)	-	(4.03)	-	100.00%	Brazil
31	ZIV I+D Smart Energy Networks	31-Mar-16	EUR	75.41	0.75	-	6.43	4.23	(2.95)	-	15.36	1.95	0.02	1.93	-	100.00%	Spain
32	ZIV France, SASU	31-Mar-16	EUR	75.41	1.89	-	(0.59)	3.77	2.47	-	-	(0.59)	-	(0.59)	-	100.00%	France
33	CG Middle East FZE	31-Mar-16	EUR	75.41	1.56	-	1.50	159.83	156.77	-	166.88	30.21	-	30.21	-	100.00%	UAE
34	CG Sales Network Malaysia SDN.BHD.	31-Mar-16	MYR	16.95	0.35	-	1.14	2.35	0.86	-	8.91	1.46	0.32	1.14	-	100.00%	Malaysia
35	Crompton Greaves Consumer Products Limited	31-Mar-16	INR	1.00	3.18	-	(3.13)	0.07	0.02	-	-	(0.01)	1.08	(1.09)	-	100.00%	India

Notes:

1 **Name of the subsidiaries which are yet to commence the business**
NIL

2 **Name of the subsidiaries which have been liquidated or sold during the year**
Crompton Greaves Holdings Mauritius Limited

3 **Name of the subsidiaries which have been demerged during the year**
Crompton Greaves Consumer Electricals Limited

Madhav Acharya	K.N.Neelkant	Manoj Koul	Gautam Thapar
EXECUTIVE DIRECTOR - FINANCE & CFO	**CEO & MANAGING DIRECTOR**	**COMPANY SECRETARY**	**CHAIRMAN**
DIN: 02787445	**DIN: 05122610**		**DIN: 00012289**

Mumbai, 27th May, 2016

Form AOC -I

Part 'B' : Associates and Joint Ventures

₹ crore

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES FOR THE YEAR ENDED 31ST MARCH 2016

Sr. No.	Name of Associates and Joint Venture	Latest Audited Balance sheet Date	Share of Associates held by company on the year end		Extend of Holding %	Description of How there is significant influence	Reason of why the Associates is not consolidated	Networth attributable to shareholding as per latest audited balance sheet	Profit / (loss) for the year	
			Number of Shares held	Amount of Investment in Associates and Joint Venture					Considered in Consolidation	Not considered in Consolidation
	Associates									
1	Saudi Power Transformers Co Ltd	31 December, 2015	1,479,800	24.64*	49%	Control of more than 26% of total share capital	Do not control the composition of Board of Directors and do not excercises and control more than one-half of total share capital	(21.39)	-	-
2	Pauwels Middle East Trading & Contracting (Pvt) Co. LLC	31 March, 2016	245	0.42*	49%	Control of more than 26% of total share capital	Do not control the composition of Board of Directors and do not excercises and control more than one-half of total share capital	(0.09)	-	-
3	K.K. El-Fi Co. Ltd	NA	NA	NA*	40%	Control of more than 26% of total share capital	Do not control the composition of Board of Directors and do not excercises and control more than one-half of total share capital	-	-	-
	Joint Venture									
1	PT Crompton Prima Switchgear Indonesia	31 March, 2016	NA	19.90	51%	Control of more than 26% of total share capital	Do not control the composition of Board of Directors and do not excercises and control more than one-half of total share capital	20.81	(0.91)	-

** Carrying amount of investments in these associates have been reduced to nil.*

Notes:

1. Name of the associates which are yet to commence the business - NIL
2. Name of the associates which have been liquidated or sold during the year
   CG Lucy Switchgear Limited

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

K.N.Neelkant
CEO & MANAGING DIRECTOR
DIN: 05122610

Manoj Koul
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN
DIN: 00012289

Mumbai, 27th May, 2016

CONSOLIDATED FINANCIALS

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Crompton Greaves Limited** (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries constitute the 'Group'), and its associates comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (the 'consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the 'Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at 31st March, 2016, and their consolidated loss, consolidated changes in the equity and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of ₹6123.14 crore as at 31st March, 2016, total revenues of ₹1479.79 crore and net cash outflows amounting to ₹64.84 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms Section 143(11)(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
   (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
   (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
   (e) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group Companies is disqualified as on 31st March, 2016 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 over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'; and
   (g) 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, in our opinion and to the best of our information and according to the explanations given to us:
      1) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note 40 of the consolidated financial statements);
      2) the Group did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
      3) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No.109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013

Mumbai, 27th May, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT (REFERRED TO IN PARAGRAPH 1(f) OF OUR REPORT OF EVEN DATE)

We have audited the internal financial controls over financial reporting of **Crompton Greaves Limited** (the 'Holding Company') and its subsidiary companies which are incorporated in India as of 31st March, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the 'Guidance Note') 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 the Companies Act, 2013 (the 'Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No.109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013

Mumbai, 27th May, 2016

₹ crore

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
ASSETS							
1. NON-CURRENT ASSETS:							
(a) Property, plant and equipment	5	**1500.74**		2871.11		3375.05	
(b) Capital work-in-progress	5	**14.23**		51.45		71.97	
(c) Investment property	6	**-**		5.56		5.64	
(d) Goodwill	7	**468.41**		470.68		575.50	
(e) Other intangible assets	7	**640.00**		785.07		985.33	
(f) Intangible assets under development	7	**53.98**		52.76		126.83	
(g) Financial assets							
(i) Investments	8	**207.24**		275.12		278.00	
(ii) Loans	9	**9.44**		14.35		1.04	
(iii) Others	10	**-**		7.03		5.32	
(h) Deferred tax assets	11	**89.87**		199.39		226.40	
(i) Other non-current assets	12	**21.56**		7.38		40.83	
			3005.47		4739.90		5691.91
2. CURRENT ASSETS:							
(a) Inventories	13	**585.01**		1300.07		1671.39	
(b) Financial assets							
(i) Investments	14	**0.95**		160.99		20.98	
(ii) Trade receivables	15	**2088.16**		3087.98		3327.94	
(iii) Cash and cash equivalents	16	**792.41**		677.59		768.74	
(iv) Bank balances other than (iii) above	17	**4.48**		5.16		45.18	
(v) Loans	18	**14.44**		55.42		52.42	
(vi) Others	19	**230.60**		1.60		1.03	
(c) Current tax assets (net)		**38.31**		34.45		-	
(d) Other current assets	20	**568.63**		1215.76		751.58	
			4322.99		6539.02		6639.26
3. Assets classified as held for sale and discontinued operations	46		**3690.88**		680.89		-
TOTAL ASSETS			**11019.34**		11959.81		12331.17
EQUITY AND LIABILITIES							
EQUITY:							
(a) Equity share capital	21	**125.35**		125.35		125.35	
(b) Other equity		**4471.81**		4182.45		4275.15	
			4597.16		4307.80		4400.50
LIABILITIES:							
1. NON-CURRENT LIABILITIES:							
(a) Financial liabilities							
(i) Borrowings	22	**599.02**		1277.23		1642.42	
(ii) Other financial liabilities	23	**1.25**		2.74		46.32	
			600.27		1279.97		1688.74
(b) Provisions	24		**52.77**		77.15		84.02
(c) Deferred tax liabilities	11		**342.71**		637.12		722.30
(d) Other non-current liabilities	25		**6.34**		49.37		18.70
2. CURRENT LIABILITIES:							
(a) Financial Liabilities							
(i) Borrowings	26	**637.00**		657.29		560.77	
(ii) Trade payables	27	**1357.86**		2055.37		2783.67	
(iii) Other financial liabilities	28	**365.93**		444.12		479.14	
			2360.79		3156.78		3823.58
(b) Other current liabilities	29		**401.06**		890.49		1262.13
(c) Provisions	30		**80.43**		321.06		304.51
(d) Current tax liabilities (net)			**-**		-		26.69
3. Liabilities associated with group of assets classified as held for sale and discontinued operations	46		**2577.81**		1240.07		-
TOTAL EQUITY AND LIABILITIES			**11019.34**		11959.81		12331.17
CONTINGENT LIABILITIES AND COMMITMENTS	40						
SIGNIFICANT ACCOUNTING POLICIES	3						

The accompanying notes form an integral part of consolidated financial statements

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No. 109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013
Mumbai, 27th May, 2016

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

Manoj Koul
COMPANY SECRETARY

Mumbai, 27th May, 2016

K.N. Neelkant
CEO & MANAGING DIRECTOR
DIN: 05122610

Gautam Thapar
CHAIRMAN
DIN: 00012289

₹ crore

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	2015-16		2014-15	
CONTINUING OPERATIONS					
INCOME:					
Revenue from operations	31	5605.16		5800.15	
Other income	32	111.62		93.38	
TOTAL INCOME			5716.78		5893.53
EXPENSES:					
Cost of materials consumed	33	3438.53		3511.72	
Purchases of stock-in-trade	34	119.40		214.96	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	35	(4.24)		(20.52)	
Employee benefits expense	36	654.94		668.90	
Finance costs	37	81.36		104.74	
Depreciation and amortisation expense	38	255.75		244.71	
Other expenses	39	1029.45		915.89	
TOTAL EXPENSES			5575.19		5640.40
PROFIT BEFORE SHARE OF PROFIT FROM ASSOCIATE AND JOINT VENTURE, EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX			141.59		253.13
Share of profit from associate and joint venture			1.20		1.44
Exchange gain / (loss)			57.02		(47.42)
Exceptional items (net)			(111.26)		149.69
PROFIT BEFORE TAX			88.55		356.84
TAX EXPENSE:					
Current tax	11	100.74		41.99	
Deferred tax (credit)	11	(86.35)		(52.37)	
			14.39		(10.38)
PROFIT FROM CONTINUING OPERATIONS			74.16		367.22
LOSS FROM DISCONTINUED OPERATIONS BEFORE TAX	46	(343.02)		(181.80)	
Tax expense of discontinued operations	11	127.99		163.30	
LOSS FROM DISCONTINUED OPERATIONS AFTER TAX			(471.01)		(345.10)
PROFIT / (LOSS) FOR THE YEAR			(396.85)		22.12
Attributable to:					
Equity holders of the parent			(395.52)		23.45
Non-controlling interests			1.33		1.33
			(396.85)		22.12
OTHER COMPREHENSIVE INCOME:					
A (i) Items that will not be reclassified to profit or loss		(45.83)		(30.27)	
(ii) Income tax relating to items that will not be reclassified to profit or loss		-		-	
B (i) Items that will be reclassified to profit or loss		79.54		5.81	
(ii) Income tax relating to items that will be reclassified to profit or loss		-		-	
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			33.71		(24.46)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			(363.14)		(2.34)
Attributable to:					
Equity holders of the parent			(361.81)		(1.01)
Non-controlling interests			1.33		1.33
Earnings per share for continuing operations (₹) (Face value of equity share of ₹ 2 each)	50		1.20		5.88
Earnings per share for discontinued operations (₹) (Face value of equity share of ₹ 2 each)	50		(7.51)		(5.51)
Earnings per share (basic and diluted) (₹) (Face value of equity share of ₹ 2 each)	50		(6.31)		0.37
SIGNIFICANT ACCOUNTING POLICIES	3				

The accompanying notes form an integral part of consolidated financial statements

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No. 109982W
by the hand of

Milind P. Phadke
PARTNER
Membership No. 033013
Mumbai, 27th May, 2016

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

Manoj Koul
COMPANY SECRETARY

Mumbai, 27th May, 2016

K.N. Neelkant
CEO & MANAGING DIRECTOR
DIN: 05122610

Gautam Thapar
CHAIRMAN
DIN: 00012289

₹ crore

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16	2014-15
[A] CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax from continuing operations		**88.55**	356.84
Adjustments for:			
Impairment of goodwill		**40.31**	-
Depreciation and amortisation expense		**255.75**	244.71
Allowance for doubtful debts and advances		**11.24**	44.16
Finance costs		**81.36**	104.74
Interest income		**(25.29)**	(22.02)
Income from investments (net)		**(0.01)**	-
Profit on sale of investments (net)		**(23.04)**	(4.54)
Unrealised exchange (gain) / loss (net)		**(151.75)**	102.69
Unrealised exchange gain on consolidation (net)		**234.57**	(61.69)
(Profit) / loss on sale of fixed assets (net)		**(278.96)**	(158.71)
		144.18	249.34
Operating profit before working capital changes		**232.73**	606.18
Adjustments for:			
(Increase) / Decrease in trade and other receivables		**(373.56)**	(729.82)
(Increase) / Decrease in inventories		**4.45**	231.63
Increase / (Decrease) in trade and other payables		**651.82**	(606.79)
Increase / (Decrease) in provisions		**27.89**	8.33
		310.60	(1096.65)
Cash (used in) / from operations		**543.33**	(490.47)
Direct taxes paid (net of refunds)		**(104.60)**	(246.77)
Non-controlling in loss		**1.33**	1.33
Net cash (used in) / from operating activities		**440.06**	(735.91)
Net cash (used in) / from discontinued operations		**(500.85)**	63.57
Net cash (used in) / from continuing and discontinued operations	[A]	**(60.79)**	(672.34)
[B] CASH FLOWS FROM INVESTING ACTIVITIES			
Add: Inflows from investing activities			
Sale of property, plant and equipment		**496.51**	343.64
Unrealised exchange gain on consolidation (net)		**-**	395.82
Proceeds from sale of investments in joint venture		**40.11**	-
Sale of current investments		**169.15**	-
Interest received		**24.21**	31.92
Income received from investments (net)		**0.01**	-
		729.99	771.38
***Less:* Outflows from investing activities**			
Purchase of property, plant and equipment and intangible assets		**(175.03)**	(208.58)
Unrealised exchange gain on consolidation (net)		**(124.98)**	-
Purchase of investments (net)		**-**	(135.39)
Acquisition of subsidiaries and associates		**-**	(1.05)
Change in investment in associate companies (net)		**-**	(1.44)
		(300.01)	(346.46)
Net Cash (used in) / from investing activities		**429.98**	424.92
Net Cash (used in) / from discontinued activities		**1.99**	3.60
Net Cash (used in) / from continuing and discontinued activities	[B]	**431.97**	**428.52**

₹ crore

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

		2015-16	2014-15
[C] CASH FLOWS FROM FINANCING ACTIVITIES			
Add: Inflows from financing activities			
Proceeds from long-term borrowings		**182.50**	282.51
Proceeds from short-term borrowings		**489.16**	96.52
Unrealised exchange loss on consolidation (net)		**100.39**	-
Changes in non-controlling interest		**-**	10.00
		772.05	389.03
***Less:* Outflows from financing activities**			
Repayments of short-term borrowings		**(136.65)**	-
Repayments of long-term borrowings		**(447.77)**	(370.81)
Unrealised exchange loss on consolidation (net)		**-**	(325.91)
Dividend paid		**(0.33)**	(75.17)
Additional tax on dividend		**-**	(14.30)
Interest paid		**(84.43)**	(143.00)
Changes in non-controlling interest		**(1.33)**	-
		(670.51)	(929.19)
Cash (used in) / from financing activities		**101.54**	(540.16)
Net cash (used in) / from discontinued activities		**(323.96)**	697.34
Net cash (used in) / from continuing and discontinued activities	**[C]**	**(222.42)**	157.18
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)		**148.76**	(86.64)
Cash and cash equivalents at beginning of the year		**682.10**	768.74
Cash and cash equivalents at end of the year		**830.86**	682.10
Cash and cash equivalent from continuing operations		**792.41**	677.59
Cash and cash equivalent from discontinued operations		**38.45**	4.51
Cash and cash equivalent from continuing and discontinued operations		**830.86**	682.10

Notes:

1 The consolidated cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

2 Additions to property, plant and equipment and intangible assets include movement of capital work-in-progress and intangible assets under development respectively during the year.

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
Firm's Registration No. 109982W
by the hand of

Madhav Acharya
EXECUTIVE DIRECTOR - FINANCE & CFO
DIN: 02787445

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Milind P. Phadke
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Membership No. 033013
Mumbai, 27th May, 2016

Manoj Koul
COMPANY SECRETARY
Mumbai, 27th May, 2016

Gautam Thapar
CHAIRMAN
DIN: 00012289

₹ crore

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2016

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2016

Balance as at 1-04-2015	Changes in equity share capital during the year	Balance as at 31-03-2016
125.35	**-**	**125.35**

For the year ended 31st March, 2015

Balance as at 1-04-2014	Changes in equity share capital during the year	Balance as at 31-03-2015
125.35	-	125.35

(B) OTHER EQUITY

For the year ended 31st March, 2016

Particulars	Retained Earnings	Hedge Reserve	Foreign Currency Translation Reserve	FVOCI Reserve	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium Reserve	Statutory Reserve	Government Grant	Total	Non-Controlling interest	Total Equity
Balance as at 1st April, 2015	**3720.48**	**(0.60)**	**193.64**	**(17.31)**	**19.12**	**157.26**	**12.95**	**18.30**	**67.05**	**1.59**	**4172.48**	**9.97**	**4182.45**
Loss for the year	**(395.52)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(395.52)**	**(1.33)**	**(396.85)**
Other comprehensive income / (loss) for the year													
- Remeasurement gains / (loss) on defined benefit plans	**(17.45)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(17.45)**	**-**	**(17.45)**
- Fair value loss on FVOCI financial asset	**-**	**-**	**-**	**(28.38)**	**-**	**-**	**-**	**-**	**-**	**-**	**(28.38)**	**-**	**(28.38)**
- Foreign currency translation differences	**-**	**-**	**83.68**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**83.68**	**-**	**83.68**
- Effective portion of cash flow hedge	**-**	**(4.14)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4.14)**	**-**	**(4.14)**
Dividends	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transferred on demerger	**-**	**-**	**-**	**-**	**652.53**	**-**	**-**	**-**	**-**	**-**	**652.53**	**-**	**652.53**
Addition to Government grant during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.41**	**0.41**	**-**	**0.41**
Translation adjustments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.44)**	**(0.44)**
Balance as at 31st March, 2016	**3307.51**	**(4.74)**	**277.32**	**(45.69)**	**671.65**	**157.26**	**12.95**	**18.30**	**67.05**	**2.00**	**4463.61**	**8.20**	**4471.81**

For the year ended 31st March 2015

Particulars	Retained Earnings	Hedge Reserve	Foreign Currency Translation Reserve	FVOCI Reserve	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium Reserve	Statutory Reserve	Government Grant	Total	Non-Controlling interest	Total Equity
Balance as at 1st April, 2014	3801.10	(3.11)	190.34	-	19.12	158.10	12.95	18.30	65.46	0.10	4262.36	12.79	4275.15
Profit for the year	23.45	-	-	-	-	-	-	-	-	-	23.45	(1.33)	22.12
Other comprehensive income / (loss) for the year													
- Remeasurement gains / (loss) on defined benefit plans	(12.96)	-	-	-	-	-	-	-	-	-	(12.96)	-	(12.96)
- Fair value loss on FVOCI financial asset	-	-	-	(17.31)	-	-	-	-	-	-	(17.31)	-	(17.31)
- Foreign currency translation differences	-	-	3.30	-	-	-	-	-	-	-	3.30	-	3.30
- Effective portion of cash flow hedge	-	2.51	-	-	-	-	-	-	-	-	2.51	-	2.51
Dividends	(89.52)	-	-	-	-	-	-	-	-	-	(89.52)	(0.04)	(89.56)
Transferred to statutory reserve	(1.59)	-	-	-	-	-	-	-	1.59	-	-	-	-
Transferred on amalgamation of subsidiary	-	-	-	-	-	(0.84)	-	-	-	-	(0.84)	-	(0.84)
Addition to Government grant during the year	-	-	-	-	-	-	-	-	-	1.49	1.49	-	1.49
Translation adjustments	-	-	-	-	-	-	-	-	-	-	-	(1.45)	(1.45)
Balance as at 31st March, 2015	**3720.48**	**(0.60)**	**193.64**	**(17.31)**	**19.12**	**157.26**	**12.95**	**18.30**	**67.05**	**1.59**	**4172.48**	**9.97**	**4182.45**

As per our report attached

SHARP & TANNAN
CHARTERED ACCOUNTANTS
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Madhav Acharya
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Mumbai, 27th May, 2016

Manoj Koul
COMPANY SECRETARY
Mumbai, 27th May, 2016

Gautam Thapar
CHAIRMAN
DIN: 00012289

1. CORPORATE INFORMATION

Crompton Greaves Limited (the 'Company' or 'Parent') is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 6th Floor, CG house, Dr. Annie Besant Road, Worli, Mumbai - 400 018, India.

The Company and its subsidiaries (the 'Group') is a global enterprise providing end-to-end solutions to utilities, industries and consumers for management and application of efficient and sustainable electrical energy. It offers products, services and solutions in four main business segments, viz., Power Systems, Consumer Products, Industrial Systems and Automation Systems.

The consolidated financial statements of the Group for the year ended 31st March, 2016 were authorised for issue in accordance with a resolution of the directors on 27th May, 2016.

2. BASIS OF PREPARATION AND CONSOLIDATION

2.1 Basis of preparation:

Ministry of Corporate Affairs notified roadmap to implement 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, as per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2016. However, the Company has vide its Board meeting dated 2nd February, 2016 decided for voluntary adoption of Ind AS from the financial year beginning 1st April, 2015. Accordingly, the financial statements of the Group have been prepared in accordance with the Ind AS.

For all periods up to and including the year ended 31st March, 2015, the Group prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2016 are the first the Group has prepared in accordance with Ind AS (Refer Note 53 for information on how the Group has adopted Ind AS).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

2.2 Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Group and its associates as at 31st March, 2016. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee,
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in statement of profit or loss. Any investment retained is recognised at fair value.

2. BASIS OF PREPARATION AND CONSOLIDATION (Contd.)

The financial statements of the Parent and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like, items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra-group transactions and unrealised profits resulting there from and are presented to the extent possible, in the same manner as the Group's independent financial statements. The statement of profit and loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Parent and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Parent i.e., year ended 31st March, 2016, except as stated in Note 41.

Profit or loss and each component of other comprehensive income (the 'OCI') are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Internally manufactured property, plant and equipment are capitalised at factory cost, including excise duty, wherever applicable.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Capital expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in case retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on *pro-rata* basis with reference to the month of addition / deletion. In case of following category of property, plant and equipment, the depreciation has been provided based on the technical evaluation of the remaining useful life which is different from the one specified in Schedule II to the Companies Act, 2013. The range of useful lives of the property, plant and equipment are as follows:

- Plant and machinery - 1 to 21 years (Maximum)
- Furniture and fixtures - 1 to 15 years (Maximum)
- Office equipments - 1 to 15 years
- Buildings - 3 to 60 years
- Vehicles - 1 to 8 years
- Leasehold Land - 24 to 999 years

Leased assets

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

Foreign companies

Depreciation on property, plant and equipment has been provided at the rates required / permissible by the GAAPs of the respective countries. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Vehicles acquired on finance leases are depreciated over the period of lease agreement or the useful life, whichever is shorter.

3.2 Investment properties:

Investment properties comprise portions of freehold land and office buildings that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

3.3 Impairment of non-financial assets:

As at each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset , at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

Goodwill is tested for impairment annually as at 31st March and when circumstances indicate that the carrying value may be impaired.

3.4 Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

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.

Intangible assets are amortised as follows:

(1)	Specialised software	:	Over a period of five to six years;
(2)	Technical know-how	:	Over a period of five years (from the date of its availability for use);
(3)	Technology	:	Over a period of five years (from the date of its availability for use);
(4)	Commercial rights	:	Over a period of ten years
(5)	Brand name and customer lists	:	Over a period of ten years
(6)	Other intangible assets	:	Over a period of three to fifteen years; and
(7)	Concession rights	:	Over a period of ten years
(8)	Trade Mark	:	Over a period of ten years

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development cost

- Research cost:

  Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

- Development cost:

  Development expenditure on new product is capitalised as intangible asset, if all of the following criteria can be demonstrated.

  (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

  (ii) The Group has intention to complete the development of intangible asset and use or sell it;

  (iii) The Group has ability to use or sell the intangible asset;

  (iv) The manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;

  (v) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

  (vi) The Group has ability to measure the expenditure attributable to the intangible asset during the development reliably.

  Subsequent to initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Development costs on the Intangible assets, fulfilling the criteria are amortised over a period of expected future benefits which is three to ten years, otherwise are expensed in the period in which they are incurred. Amortisation of the asset begins when development is complete and the asset is available for use. During the period of development the asset is tested for impairment annually.

3.5 Inventories:

Inventories are carried in the balance sheet as follows:

(a)	Raw materials, packing materials, construction materials, stores and spares	:	At lower of cost, on weighted average basis and net realisable value
(b)	Work-in-progress – Manufacturing	:	At lower of cost of material, plus appropriate production overheads and net realisable value.
(c)	Finished goods – Manufacturing	:	At lower of cost of materials plus appropriate production overheads, including excise duty paid / payable on such goods and net realisable value.
(d)	Finished goods – Trading	:	At lower of cost, on weighted average basis and net realisable value

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

3.6 Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.7 Foreign currency transactions and foreign operations:

The Group's consolidated financial statements are presented in INR, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income. On disposal of a foreign operation, the component of Other Comprehensive Income relating to that particular foreign operation is recognised in profit or loss. On disposal or partial disposal of the foreign subsidiary, the foreign exchange differences recognised in other comprehensive income is reclassified to Statement of profit and loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the Closing rate of exchange at the reporting date.

3.8 Service concession arrangements:

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time.

These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix A to Ind AS 11 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Group receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Group performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Group manages concession arrangements which include constructing power distribution assets for distribution of electricity. The Group maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided.

The right to consideration gives rise to an intangible asset and financial receivable and accordingly, both the intangible asset and financial receivable models are applied. Income from the concession arrangements earned under the intangible asset model consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Group, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost.

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

3.9 Revenue recognition:

Sale of goods

Revenue from sale of goods is recognised, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty and price variations based on the contractual agreements and excludes value added tax / sales tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

Revenue from sale of services is recognised as per the terms of the contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage of completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

Revenue from construction contracts

Revenue from construction contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the cost incurred upto the reporting date to the total estimated cost to complete. Foreseeable losses, if any, on the contracts is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income which is not included in contract revenue is taken into consideration. Contract is reflected at cost that are expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter. Claims are accounted as income in the year of acceptance by customer.

Power distribution

Revenue from power distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued upto the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission. Interest is accounted on accrual basis on overdue bills.

Dividend income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Lease income

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals are recognised on straight-line basis as per the terms of the agreements in the statement of profit or loss.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit or loss.

3.10 Employee benefits:

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

The Group makes contribution towards provident fund which is administered by the trustees. The Rules of the Company's Provident Fund administered by a trust, require that if the Board of the Trustees are unable to pay interest at the rate declared by the Government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Group making interest shortfall a defined benefit plan. Accordingly, the Group obtains actuarial valuation and based on the valuation if there is no deficiency as at the balance sheet date, then, the liability is restricted towards monthly contributions only.

Employee benefits including contributions towards social security and retirement benefit schemes are accounted for based on the regulatory framework in the respective countries and employment rules / contracts applicable to the specific companies.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit or loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

3.11 Borrowing costs:

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are recognised as expense in the period in which they are incurred.

3.12 Segment accounting:

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements

The Operating segments have been identified on the basis of the nature of products / services.

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.
4. Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.
5. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Inter-Segment transfer pricing:

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

3.13 Leases:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

3.14 Earnings per share:

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

3.15 Taxes on income:

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax 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 asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in the statement of profit or loss.

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 respective companies have 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.

3.16 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Liquidated damages

Provision for liquidated damages is recognised on contracts for which delivery dates are exceeded and computed in reasonable manner.

Environmental obligations

Provision for environmental obligations represents liabilities towards the costs expected to be incurred to treat contaminated soil / effluents at its manufacturing locations, wherever required by local laws.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Group recognises impairment on the assets with the contract.

3.17 Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the grant relates to an asset the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in the statement of profit and loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the statement of profit and loss over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments.

3.18 Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3.19 Business combinations and goodwill:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the fair value on acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised either in profit and loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

3.20 Investment in associates and joint ventures:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or a joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or a joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or a joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit and loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit and represents profit and loss after tax of the associate.

The financial statements of the associate are prepared for the same reporting period as of the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or a joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate or a joint venture' in the statement of profit or loss.

3.21 Current and non-current classification:

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period,

  Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period,

  Or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets / liabilities are classified as non-current.

All other liabilities are classified as non-current.

3.22 Fair value measurement:

The Group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,

  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.23 Non-current assets held for sale and discontinued operations:

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit and loss after tax from discontinued operations in the statement of profit or loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the Group that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations,

  Or
- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non- current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

3.24 Financial instruments:

(i) Financial assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit and loss under the fair value option.

- **Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit and loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit or loss, except for those equity investments for which the Group has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit or loss.

Derecognition

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 Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
  (a) the Group has transferred substantially all the risks and rewards of the asset, or
  (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(ii) Financial liabilities:

Initial recognition and measurement

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.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

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 profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 or loss.

Derecognition

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 de-recognition 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 or loss.

(iii) 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.

(iv) Derivative financial instruments and hedge accounting:

The Group enters into derivative contracts to hedge foreign currency/price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit and loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss as other expenses.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

Service concession arrangements:

Management has assessed applicability of Appendix A of Ind AS 11: Service Concession Arrangements to power distribution arrangements entered into by the Group. In assessing the applicability, management has exercised significant judgment in relation to the underlying ownership of the assets, terms of the power distribution arrangements entered with the grantor, ability to determine prices, fair value of construction service, assessment of right to guaranteed cash etc. Based on detailed evaluation, management has determined that this arrangement meet the criteria for recognition as service concession arrangements.

Discontinued operations:

<u>Consumer products segment</u>

In pursuant to the demerger of the Consumer products business unit, the Board considered the consumer product business unit to meet the criteria to be classified as held for distribution at that date for the following reasons:

- The actions to complete the distribution were initiated and expected to be completed within one year from the date of commitment to demerger the business i.e. 19th February, 2015,
- Consumer product represents a separate major line of business of operations,
- The shareholders approved the distribution in August 2015,
- The Scheme of demerger was approved by the Honourable High court of judicature at Bombay, 20th November, 2015 (the Appointed date).

<u>Power distribution business</u>

In Pursuant to the certain unresolved disputes arising out of the Distribution Franchisee Agreement (DFA) of the Group with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at Jalgoan in Maharashtra, MSEDCL has exercised its step in rights and taken over the Distribution Franchisee in Jalgoan from the Group with effect from 12th August, 2015. The operations were terminated with immediate effect and the final claim settlement between the Group and MSEDCL is in progress. The Group have classified the Power distribution business as held for disposal from 12th August, 2015 for the following reasons:

- Power distribution business represents a separate major line of operations
- The operations were abandoned with immediate effect from 12th August, 2015 and hence the carrying amount will not be recovered principally through continuing use.

<u>Sale of transmission and distribution (T&D) business outside India</u>

Pursuant to the Group's plan to dispose of the T&D business, the Group has classified the operations of T&D business as discontinued operation during the year w.e.f. 9th March, 2016 based on:

- Receiving the binding letter of offer from First Reserve International Limited, a US Private Equity fund.
- Expectation to complete the transaction within a period of one year along with required approvals

Lease of equipment not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17: Determining whether an Arrangement contains a Lease. In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to Ind AS 17.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration are the probability of meeting each performance target and the discount factor.

Development costs

The Group capitalises development costs for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

₹ crore

NOTES ACCOMPANYING TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold land	Buildings	Plant and machinery	Plant and machinery leasehold	Furniture and fittings	Office equipments	Vehicles	Total	Capital work-in-progress
Cost:										
As at 1-04-2014	815.64	274.82	1876.04	2129.20	35.31	127.50	127.95	45.78	5432.24	71.97
Additions	-	20.98	26.58	106.33	-	6.16	6.28	4.32	170.65	12.65
Disposals / transfers	123.63	49.98	22.74	39.73	-	5.49	3.99	4.40	249.96	27.71
Less: translation adjustments	68.49	(0.47)	141.96	128.88	7.46	9.87	12.08	5.03	373.30	5.08
Transferred to discontinued operations	3.62	1.96	43.89	120.81	-	6.97	4.85	1.31	183.41	0.38
As at 31-03-2015	**619.90**	**244.33**	**1694.03**	**1946.11**	**27.85**	**111.33**	**113.31**	**39.36**	**4796.22**	**51.45**
Additions	-	56.60	10.09	29.85	-	2.27	2.80	1.29	102.90	2.32
Disposals / transfers	78.03	91.74	28.93	32.64	-	8.11	6.29	2.30	248.04	4.60
Less: translation adjustments	(5.41)	-	(30.74)	(44.49)	-	(5.60)	(2.47)	(0.77)	(89.48)	9.00
Transferred to discontinued operations	305.75	-	950.56	979.16	-	29.68	48.94	20.42	2334.51	25.94
As at 31-03-2016	**241.53**	**209.19**	**755.37**	**1008.65**	**27.85**	**81.41**	**63.35**	**18.70**	**2406.05**	**14.23**
Accumulated Depreciation:										
As at 1-04-2014	-	0.13	453.35	1355.30	21.39	94.82	100.47	31.73	2057.19	
Transferred on amalgamation	-	-	-	-	-	-	-	-	-	
Depreciation charge for the year	-	1.72	79.91	103.21	2.47	7.76	7.69	2.52	205.28	
Disposals / transfers	-	-	2.61	33.97	-	4.72	3.66	3.21	48.17	
Less: translation adjustments	-	-	59.29	98.02	4.14	9.39	11.03	3.59	185.46	
Transferred to discontinued operations	-	0.37	13.26	80.40	-	5.33	3.71	0.66	103.73	
As at 31-03-2015	**-**	**1.48**	**458.10**	**1246.12**	**19.72**	**83.14**	**89.76**	**26.79**	**1925.11**	
Depreciation charge for the year	-	2.40	27.30	47.92	2.40	4.90	3.83	1.37	90.12	
Disposals / transfers	-	0.16	5.55	18.84	-	5.40	4.76	1.32	36.03	
Less: translation adjustments	-	-	(10.74)	(60.08)	-	2.08	(8.82)	(0.46)	(78.02)	
Transferred to discontinued operations	-	-	407.36	663.11	-	20.33	44.44	16.67	1151.91	
As at 31-03-2016	**-**	**3.72**	**83.23**	**672.17**	**22.12**	**60.23**	**53.21**	**10.63**	**905.31**	
Net book value										
As at 1-04-2014	815.64	274.69	1422.69	773.90	13.92	32.68	27.48	14.05	3375.05	71.97
At 31-03-2015	619.90	242.85	1235.93	699.99	8.13	28.19	23.55	12.57	2871.11	51.45
At 31-03-2016	**241.53**	**205.47**	**672.14**	**336.48**	**5.73**	**21.18**	**10.14**	**8.07**	**1500.74**	**14.23**

6. INVESTMENT PROPERTY

Cost:	
As at 1-04-2014	7.08
Additions	-
Disposals / transfers	-
As at 31-03-2015	7.08
Additions	-
Disposals / transfers	7.08
As at 31-03-2016	**-**
Accumulated Depreciation:	
As at 1-04-2014	1.44
Depreciation charge for the year	0.08
Disposals / transfers	-
As at 31-03-2015	1.52
Depreciation charge for the year	0.03
Disposals / transfers	1.55
As at 31-03-2016	-
Net book value	
As at 1-04-2014	5.64
As at 31-03-2015	5.56
As at 31-03-2016	**-**
Fair value	
As at 1-04-2014	13.36
As at 31-03-2015	10.91
As at 31-03-2016	**NA**

	2015-16	2014-15
Rental income derived from investment properties	**0.95**	2.24
Direct operating expenses (including repairs and maintenance) generating rental income	**-**	0.21
Profit arising from investment properties	**0.95**	2.03

The Group's investment properties consists of commercial properties in India

As at 31st March, 2015, the fair values of the properties was ₹ 10.91 crore. These valuation are based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in Level 2 fair value hierarchy (Refer Note 47 for definition of Level 2 fair value measurement).

7. OTHER INTANGIBLE ASSETS

	Brand names and customer lists	Computer software	Trade marks	Technical know-how	Commercial rights	Research and development	Technology	Concession rights	Total	Goodwill	Intangible assets under development
Cost:											
As at 1-04-2014	754.99	241.00	148.73	63.85	43.52	316.05	306.78	24.10	1899.02	575.50	126.83
Additions	0.48	22.51	-	15.73	-	94.95	-	4.04	137.71	-	5.38
Disposals / transfers	-	1.19	-	-	-	1.84	-	-	3.03	-	79.26
Less: translation adjustments	127.77	22.53	27.34	1.73	-	54.86	56.39	-	290.62	104.82	-
Transferred to discontinued operations	-	1.01	-	4.32	-	1.52	-	-	6.85	-	0.19
As at 31-03-2015	**627.70**	**238.78**	**121.39**	**73.53**	**43.52**	**352.78**	**250.39**	**28.14**	**1736.23**	**470.68**	**52.76**
Additions	-	10.13	-	-	-	42.56	-	-	52.69	-	28.86
Disposals / transfers	-	-	-	-	-	12.84	-	-	12.84	-	7.13
Impairment of goodwill	-	-	-	-	-	-	-	-	-	40.31	-
Impairment of Intangible asset under development	-	-	-	-	-	-	-	-	-	-	5.87
Less: translation adjustments	(11.60)	(31.93)	(14.96)	-	-	(113.09)	(8.26)	-	(179.84)	(53.95)	11.09
Transferred to discontinued operations	26.36	187.05	-	11.53	-	131.21	183.33	28.14	567.62	15.90	3.55
As at 31-03-2016	**612.94**	**93.79**	**136.35**	**62.00**	**43.52**	**364.38**	**75.32**	**-**	**1388.30**	**468.41**	**53.98**
Accumulated amortisation:											
As at 1 April 2014	196.98	177.79	25.52	28.41	23.28	190.95	270.76	-	913.69	-	
Amortisation charge for the year	57.68	22.12	12.14	13.20	6.35	39.39	13.41	3.93	168.22	-	
Disposals / transfers	-	1.10	-	-	-	0.55	-	-	1.65	-	
Less: translation adjustments	33.18	15.30	4.58	0.41	-	23.15	49.77	-	126.39	-	
Transferred to discontinued operations	-	0.67	-	1.50	-	0.54	-	-	2.71	-	
As at 31-03-2015	**221.48**	**182.84**	**33.08**	**39.70**	**29.63**	**206.10**	**234.40**	**3.93**	**951.16**	**-**	
Amortisation charge for the year	57.84	9.71	13.06	8.20	9.08	47.41	14.43	-	159.73	-	
Disposals / transfers	-	-	-	-	-	12.83	-	-	12.83	-	
Less: translation adjustments	7.81	(38.67)	(4.00)	-	-	(58.39)	(6.93)	-	(100.18)	-	
Transferred to discontinued operations	26.35	161.49	-	2.94	-	71.91	183.32	3.93	449.94	-	
As at 31-03-2016	**245.16**	**69.73**	**50.14**	**44.96**	**38.71**	**227.16**	**72.44**	**-**	**748.30**	**-**	
Net book value											
As at 1-04-2014	558.01	63.21	123.21	35.44	20.24	125.10	36.02	24.10	985.33	575.50	126.83
As at 31-03-2015	406.22	55.94	88.31	33.83	13.89	146.68	15.99	24.21	785.07	470.68	52.76
As at 31-03-2016	**367.78**	**24.06**	**86.21**	**17.04**	**4.81**	**137.22**	**2.88**	**-**	**640.00**	**468.41**	**53.98**

Impairment testing of goodwill

For the purpose of impairment testing, goodwill relating to continuing business segments has been allocated to the cash generating units (CGUs) as follows:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
CGUs /Segments			
Power Systems	-	16.89	19.50
Industrial Systems	**136.79**	121.79	149.22
Automation Systems	**371.93**	332.00	406.78
Total goodwill	**508.72**	470.68	575.50
Less: Impairment related to Automation Systems	**40.31**	-	-
Net goodwill	**468.41**	470.68	575.50

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

The Group generally uses discounted cash flow based methods to determine the recoverable amount. These discounted cash flow calculations use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.. The discount rate calculation is derived from Weighted Average Cost of Capital (WACC) of the Company. Terminal value growth rates take into consideration external macroeconomic sources of data and industry specific trends.

The following table presents the key assumptions used to determine value in use / fair value less costs to sell for impairment test purposes.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Terminal value growth rate	**1%**	1%	1%
Pre tax discount rate	**11.70%**	10.62%	9.18%

Based on the above, no impairment was identified for Power systems and Industrial systems as of 1st April, 2014, 31st March, 2015 and 31st March, 2016 as the recoverable value of the respective CGUs exceeded the carrying value. Further no impairment was identified for Automation systems as of 1st April, 2014 and 31st March, 2015. The impairment of ₹40.31 crore identified in Automation systems as at 31st March, 2016 is due to economic down turn, slow growth etc. An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
8. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS			
Quoted investments			
Investment in Government or trust securities	**0.44**	0.44	0.44
Unquoted investments			
Investment in Government or trust securities	**-**	4.34	3.37
Investment in equity instruments			
Associate companies	**-**	-	247.56
Joint ventures	**-**	35.16	18.52
Investments in equity instruments			
Carried at fair value through other comprehensive income	**198.62**	227.00	-
Carried at fair value through profit and loss	**0.01**	0.01	0.01
Investments in debentures or bonds			
Others	**8.05**	8.05	8.05
Other non-current investments			
Others	**0.12**	0.12	0.05
	207.24	275.12	278.00
Note:			
Quoted investments			
Book value	**0.44**	0.44	0.44
Market value	**0.44**	0.44	0.44
Unquoted investments			
Book value	**206.80**	274.68	277.56

8(a) INVESTMENT IN ASSOCIATES

A General information

The Group had 23.14% of share holding in equity share capital of Avantha Power & Infrastructure Limited. Avantha Power & Infrastructure Limited ceased to be an associate from 1st April, 2014. The carrying amount of ₹ 244.36 crore which was accounted for under equity method has been transferred from investment in associate to investment in others at fair value.

The Group has 49.00% of share holding in equity share capital of Saudi Power Transformers Co. Ltd. (SPTC). SPTC principal place of business is Kingdom of Saudi Arabia.

The Group has 49.00% of share holding in equity share capital of Pauwels Middle East Trading & Contracting Pvt. Co. LLC (PME). PME principal place of business is United Arab Emirates.

B Summarised financial information of the associates

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Current assets	**63.50**	25.85	222.83
Non-current assets	**171.47**	174.80	2572.05
Current liabilities	**153.74**	91.26	1027.95
Non-current liabilities	**125.06**	132.93	232.88
Equity	**(43.83)**	(23.54)	1534.05
Group's share of net assets	**(21.47)**	(11.53)	356.78
Carrying amount of interest in associates	**-**	-	247.56

The above amount of equity includes accumulated losses of the associates of ₹ 43.83 crore (31-03-2015 : ₹ 23.54 crore) on which the Group has recognised its share to the extent of cost of its investments.

	2015-16	2014-15
Revenue	**34.91**	4.27
Pre-tax profit/(loss)	**(18.64)**	(30.48)
Income tax expense	**0.01**	0.05
Post-tax profit/(loss)	**(18.65)**	(30.53)
Other comprehensive income	**-**	-
Total comprehensive (loss)/income	**(18.65)**	(30.53)
Group's share of total comprehensive (loss)/income recognised in the profit or loss	**-**	(3.40)
Dividends received from associate	**-**	-

₹ crore

NOTES ACCOMPANYING TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

8(a) INVESTMENT IN ASSOCIATES (Contd.)

C Contingent liabilities as at the reporting date

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Capital Commitments	**0.51**	3.00	16.61
Group's share of capital commitments	**0.25**	1.47	8.14
Contingent liabilities incurred by the Group in relation to its interest in associates	**6.00**	6.00	-
Group's share of contingent liabilities	**2.94**	2.94	-

8(b) INVESTMENT IN JOINT VENTURE

A General information

The Group has 51.00% of share holding in equity share capital of PT Crompton Prima Switchgear Indonesia (PT Prima). PT Prima's principal place of business is Indonesia. As at 31st March, 2016 the investment has been treated as asset held for sale.

The Group has 50.00% of share holding in equity share capital of CG Lucy Switchgear Limited (CG Lucy). CG Lucy's principal place of business is India. During the year, investments in CG Lucy was sold.

B Summarised financial information of the joint venture

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Current assets	-	61.93	60.87
Non-current assets	-	40.04	12.76
Current liabilities	-	30.24	35.41
Non-current liabilities	-	1.89	1.19
Equity	-	69.84	37.03
Group's share of net assets	-	35.16	18.52
Carrying amount of interest in joint venture	-	35.16	18.52

	2015-16	2014-15
Revenue	**53.52**	164.80
Pre-tax profit / (loss)	**1.88**	14.43
Income tax expense	**(0.57)**	6.14
Post-tax profit / (loss)	**2.44**	8.29
Other comprehensive income	-	-
Total comprehensive income	**2.44**	8.29
Group's share of total comprehensive income	**1.20**	4.84
Dividends received from joint venture	-	-

C Contingent liabilities as at the reporting date

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Capital commitments	-	0.85	3.55
Group's share of capital commitments	-	0.42	1.77
Contingent liabilities incurred by the Group in relation to its interest in joint venture	-	2.26	1.30
Group's share of contingent liabilities	-	1.13	0.65

₹ crore

NOTES ACCOMPANYING TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
9. NON-CURRENT FINANCIAL ASSETS - LOANS			
Unsecured, considered good, unless otherwise stated			
Deposits	**9.44**	14.35	1.04
	9.44	14.35	1.04

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
10. NON-CURRENT FINANCIAL ASSETS-OTHERS			
Service concession receivable	-	7.03	5.32
	-	7.03	5.32

11. TAXATION

Income tax related to items charged or credited directly to profit or loss during the year:

	2015-16	2014-15
Statement of profit or loss		
Current income tax (continuing operations)	**100.74**	41.99
Current income tax (discontinued operations)	**90.07**	158.70
Deferred tax expense / (benefit):		
Relating to origination and reversal of temporary differences (continuing operations)	**(86.35)**	(52.37)
Relating to origination and reversal of temporary differences (discontinued operations)	**37.92**	4.60
Total	**142.38**	152.92

Income Tax expense

	2015-16	2014-15
Reconciliation		
Profit / (loss) before tax from continuing operations	**88.55**	356.84
Profit / (loss) before tax from discontinued operations	**(343.02)**	(181.80)
Accounting profit / (loss) before income tax	**(254.47)**	175.04
Applicable tax rate	**34.608%**	33.99%
Computed tax expense	**(88.06)**	59.50
Exceptional items not considered for tax purpose	**123.75**	-
Income not considered for tax purpose	**(101.61)**	(16.05)
Expense not allowed for tax purpose	**41.52**	44.67
Additional allowances for tax purpose	**(54.35)**	(67.27)
Additional allowances for capital gain	**(85.24)**	(82.80)
Current year losses / brought forward losses on which deferred tax not recognised	**342.52**	216.19
Tax paid at lower rate	**2.11**	2.01
Other temporary differences	**(38.26)**	(3.33)
Income tax expense charged to the statement of profit and loss	**142.38**	152.92
Income tax attributable to continued operations	**14.39**	(10.38)
Income tax attributable to discontinued operations	**127.99**	163.30
Total	**142.38**	152.92

₹ crore

11. TAXATION (Contd.)

Deferred tax relates to the following:

	Balance sheet			Recognised in statement of profit or loss	
	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014	2015-16	2014-15
Expenses allowable on payment basis	**2.48**	47.61	49.92	**(7.74)**	3.20
Unused tax losses / depreciation	**78.44**	167.86	210.39	**(21.75)**	(20.45)
Other items giving rise to temporary differences	**52.74**	(249.39)	(312.01)	**75.39**	24.63
Accelerated depreciation for tax purposes	**(202.44)**	(170.41)	(166.22)	**(46.73)**	(4.21)
Finance lease	**1.71**	1.37	1.37	**0.32**	0.00
Service concession arrangements	**0.45**	0.42	-	**0.03**	0.42
Fair valuation of property, plant and equipment (PP&E)	**(210.84)**	(261.82)	(303.76)	**50.94**	41.94
Impairment of loan	**3.88**	3.88	3.81	**-**	0.07
Provision for loss allowance	**20.74**	22.75	20.60	**(2.03)**	2.17
Deferred tax asset / (liability)	**(252.84)**	(437.73)	(495.90)		
Net (income) / expense				**48.43**	47.77

Reconciliation of deferred tax assets / (liabilities) net:

	As at 31-03-2016	As at 31-03-2015
Opening balance as of 1st April	**(437.73)**	(495.90)
Tax income / (expense) during the period recognised in profit or loss	**86.35**	52.37
Tax income / (expense) during the period recognised in profit or loss from discontinued operations	**(37.92)**	(4.60)
Deferred tax acquired in amalgamation	**-**	(0.18)
Deferred tax transferred on discontinued operations	**114.42**	-
Translation adjustment	**22.04**	10.58
Closing balance	**(252.84)**	(437.73)

Deferred tax assets have not been recognised in respect of losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

12. NON-CURRENT ASSETS-OTHERS

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Unsecured, considered good, unless otherwise stated			
Deposits	**-**	-	3.77
Capital advances	**0.95**	7.38	37.06
Others	**20.61**	-	-
	21.56	7.38	40.83

13. INVENTORIES

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
Raw materials	**245.87**		443.76		523.60	
Add: Goods-in-transit	**9.61**		35.04		64.25	
		255.48		478.80		587.85
Work-in-progress - manufacturing		**261.60**		660.47		873.15
Finished goods - manufacturing		**62.18**		155.30		140.79
Stock-in-trade		**2.66**		2.02		63.07
Stores, spares and packing materials		**3.00**		3.09		5.75
Loose tools		**0.09**		0.39		0.78
		585.01		1300.07		1671.39

₹ crore

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
14. CURRENT FINANCIAL ASSETS-INVESTMENTS			
Quoted investments			
Investments in equity instruments			
Carried at fair value through profit and loss	**0.95**	0.94	0.86
Investments in mutual funds			
Carried at fair value through profit and loss	**-**	159.68	19.86
Unquoted investments			
Investment in Government or trust securities	**-**	0.37	0.26
	0.95	160.99	20.98
Notes:			
Quoted investments			
Book value	**0.95**	160.62	20.72
Market value	**0.95**	160.62	20.72
Unquoted investments			
Book value	**-**	0.37	0.26
Market value	**-**	0.37	0.26

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
15. TRADE RECEIVABLES						
Unsecured						
Debts overdue for six months						
Considered good	**395.79**		383.85		235.31	
Considered doubtful	**139.39**		189.30		180.41	
	535.18		573.15		415.72	
Less: Allowance for doubtful debts	**139.39**		189.30		180.41	
		395.79		383.85		235.31
Other debts						
Considered good		**1681.22**		2686.00		3064.07
Other Receivables						
Insurance receivables	**3.38**		4.06		4.39	
Other financial receivables	**1.37**		0.43		0.36	
		4.75		4.49		4.75
Derivative instruments		**6.40**		13.64		23.81
		2088.16		3087.98		3327.94

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
16. CASH AND CASH EQUIVALENTS						
Cash and cash equivalents:						
Balances with banks:						
On current accounts	**532.79**		560.42		683.44	
On deposit accounts (Refer notes below)	**259.46**		85.61		84.74	
		792.25		646.03		768.18
Cash on hand		**0.16**		31.56		0.56
		792.41		677.59		768.74

Notes:

(a) ₹ 175.00 crore with banks held as margin money or security against the borrowings, guarantees and other commitments.

(b) Deposits of ₹ 175.00 crore (Previous year ₹ 2.00 crore) are under lien with erstwhile bank held under protest.

₹ crore

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
17. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS						
Other balances:						
Earmarked balances with banks for:						
Unpaid dividends	**1.65**		1.98		1.94	
Unpaid matured fixed deposits and interest accrued thereon	**-**		-		0.01	
Others	**-**		3.03		40.19	
		1.65		5.01		42.14
Fixed deposits with banks		**2.83**		0.15		3.04
		4.48		5.16		45.18

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2016.

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
18. CURRENT FINANCIAL ASSETS - LOANS						
Unsecured, considered good, unless otherwise stated						
Advances recoverable in cash or in kind or for value to be received:						
Considered good	**3.85**		28.80		21.95	
Considered doubtful	**-**		-		1.41	
	3.85		28.80		23.36	
Less: Allowance for bad and doubtful advances	**-**		-		1.41	
		3.85		28.80		21.95
Security deposits:						
Considered good	**10.59**		26.62		30.47	
Considered doubtful	**0.05**		-		-	
	10.64		26.62		30.47	
Less: Allowance for bad and doubtful advances	**0.05**		-		-	
		10.59		26.62		30.47
		14.44		55.42		52.42

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
19. CURRENT FINANCIAL ASSETS - OTHERS			
Bank deposits	**230.60**	1.60	1.03
	230.60	1.60	1.03

Note:

(a) ₹ 227.00 crore with banks held as margin money or security against the borrowings, guarantees and other commitments.

(b) Deposits of ₹ 203.60 crore (Previous year ₹ 1.60 crore) are under lien with bank out of which ₹ 200.00 crore is with erstwhile bank held under protest.

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
20. OTHER CURRENT ASSETS			
Advance to suppliers	**162.66**	348.06	85.59
Advance to other related party	**96.56**	-	-
Prepaid expenses	**33.22**	10.99	11.44
Due from customers (construction and project related activity)	**42.11**	413.28	255.96
Statutory and other receivables	**234.08**	443.43	398.59
	568.63	1215.76	751.58

₹ crore

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
21. SHARE CAPITAL			
Authorised:			
2,03,80,00,000 Equity Shares of ₹ 2 each	**407.60**	407.60	361.00
(2,03,80,00,000 and 1,80,50,00,000 equity shares of ₹ 2 each as at 31-03-2015 and 1-04-2014 respectively)			
Issued:			
62,67,88,442 Equity Shares of ₹ 2 each (62,67,88,442 Equity Shares of ₹ 2 each as at 31-03-2015 and 1-04-2014)	**125.35**	125.35	125.35
Subscribed and paid-up:			
62,67,46,142 Equity Shares of ₹ 2 each (62,67,46,142 Equity Shares of ₹ 2 each as at 31-03-2015 and 1-04-2014)	**125.35**	125.35	125.35
Forfeited shares:			
Amount paid-up on 42,300 Equity Shares of ₹ 2 each (Amount paid-up ₹ 32,175)	**0.00**	0.00	0.00
	125.35	125.35	125.35

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Authorised share capital	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	**₹ crore**	No. of Shares	₹ crore
Balance at the beginning of the year	**2038000000**	**407.60**	1805000000	361.00
Amalgamation of wholly-owned subsidiaries with the Company (Refer note below)	**-**	**-**	233000000	46.60
Balance at the end of the year	**2038000000**	**407.60**	2038000000	407.60

During the previous year, the Company's authorised share capital increased from ₹ 361.00 crore to ₹ 407.60 crore comprising of 2,03,80,00,000 number of equity shares of ₹ 2 each on amalgamation of CG Energy Management Limited and CG-ZIV Power Automation Solutions Limited, wholly-owned subsidiaries, with the Company on 1st April, 2014.

Issued share capital	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	**₹ crore**	No. of Shares	₹ crore
Balance at the beginning of the year	**626788442**	**125.35**	626788442	125.35
Less: Shares bought back	**-**	**-**	-	-
Balance at the end of the year	**626788442**	**125.35**	626788442	125.35

Subscribed and paid-up	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	**₹ crore**	No. of Shares	₹ crore
Balance at the beginning of the year	**626746142**	**125.35**	626746142	125.35
Less: Shares bought back	**-**	**-**	-	-
Balance at the end of the year	**626746142**	**125.35**	626746142	125.35

The Company has not issued any equity shares during the current and in the previous year.

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

21. SHARE CAPITAL (Contd.)

(c) Details shareholders holding more than 5 % shares in the Company:

		As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
		%	**No. of Shares**	%	No. of Shares	%	No. of Shares
1	Avantha Holdings Limited	**34.37**	**215442496**	34.37	215442496	40.84	255937034
2	Reliance Capital Trustee Co. Ltd A/c Reliance Equity Opportunities Fund	**7.43**	**46569874**	-	-	-	-
3	HDFC Trustee Company Limited - HDFC Equity Fund	**9.22**	**57809500**	9.22	57809500	9.30	58269500
4	Life Insurance Corporation of India	**5.24**	**32820195**	4.80	30071908	5.24	32842674

(d) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

(e) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
	No. of Shares	No. of Shares	No. of Shares
Shares issued as fully paid-up bonus shares	**-**	-	274924944

(f) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
	No. of Shares	No. of Shares	No. of Shares
Shares bought back	**14745394**	14745394	14745394

(g) Aggregate number of shares issued as GDRs

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
	%	**No. of Shares**	%	No. of Shares	%	No. of Shares
The Bank of New York	**0.14**	**882329**	0.16	973844	0.22	1383534

(h) Dividend paid and proposed

	2015-16	2014-15
Declared and paid during the year:		
Final dividend for 31-03-2016: ₹ Nil per share (31-03-2015: ₹ 0.40 per share)	-	25.07
Interim dividend for 31-03-2016: ₹ Nil per share (31-03-2015: ₹ 0.80 per share)	-	50.14
Dividends on ordinary shares:		
Final dividend for 31-03-2016: ₹ Nil per share (31-03-2015: ₹ Nil per share)	-	-

(i) Nature and purpose of reserves:

(1) Capital redemption reserve:

Capital Redemption reserve was created for buy back of shares. A company may issue fully paid-up bonus shares to its members out of the capital redemption reserve account.

(2) Security premium account:

Security premium account is created when shares are issued at premium. A company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

(3) Capital Reserve:

The Group had paid certain deferred sales tax liabilities in accordance with the scheme formulated by the State Government of Maharashtra for such optional prepayments. The resultant surplus of ₹ 19.12 crore, representing the excess of the recorded liability over the amount paid was credited to Capital Reserve.

During the financial year ended 31st March, 2016, the capital reserve of ₹ 652.53 crore is recognised due to demerger of consumer products segment pursuant to the transfer of all assets and liabilities to the resulting company i.e. Crompton Greaves Consumer Electricals Limited (Refer Note 46).

(4) Statutory reserve:

Statutory reserve represents profits set aside as per the local statutory requirement of overseas subsidiaries and the same is not available for distribution.

(5) Capital reserve on consolidation:

Capital reserve on consolidation is on account of subsidiaries acquired.

(6) Government grant:

Grants are recognized as non-repayable when the requirements established for receiving them are met and are recognized directly in equity, net of corresponding tax effect.

₹ crore

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
22. NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS			
Secured loans			
Term loans from banks	**544.65**	1094.86	1554.79
From financial Institutions	**50.18**	21.97	20.76
Bonds	**-**	49.29	51.60
Unsecured loans			
Term loans from banks	**-**	100.71	-
Interest-free sales tax deferral loans from State Government	**-**	0.54	0.54
Finance lease obligations	**4.19**	9.86	14.73
	599.02	1277.23	1642.42

(a) Secured term loans from banks:

(i) Long term loan of ₹ Nil (as at 31-03-2015 ₹ 41.66 crore) is secured by way of fixed and floating charge on all assets of CG Power USA Inc located in Missouri and New Jersey. This loan is repayable in ten equal half yearly installments from drawdown on June, 2011.

(ii) Long term loan of ₹ 362.15 crore (as at 31-03-2015 ₹ 656.56 crore) is secured by pledge over 100% shares of ZIV group, mortgage of fixed assets located at Spain and guaranteed by the parent Company. This loan is repayable in unequal annual and half yearly installments from January 2014.

(iii) Long term loan of ₹ Nil (as at 31-03-2015 ₹ 134.28 crore) availed by CG Middle East FZE is secured by way of corporate guarantee given by Parent Company. This loan is repayable by way of bullet payment at the end of 24 months from the drawdown in August 2014.

(iv) During the year, CG International BV availed loan of ₹ 182.50 crore (as at 31-03-2015 ₹ Nil) from ICICI Bank UK PLC with Interest rate of EURIBOR +165 bpps per annum . The loan is payable in full within two years from utilization date i.e 15th March 2016.

(v) Long term loan of ₹ 12.68 crore (as at 31-03-2015 ₹ 13.16 crore) is secured by way of fixed and floating charge on all assets of CG Power Systems Ireland Limited. This loan is repayable in eighty equal quarterly installments from the drawdown in February 2003. *

(vi) Long term loan of ₹ 213.78 crore (as at 31-03-2015 ₹ 190.33 crore) is secured by way of fixed and floating charge on all assets of CG Electric Systems Hungary Zrt. Repayment of the loan will commence from December 2022 and will be repayable in four equal annual installments. *

(vii) Long term loan of ₹ Nil (as at 31-03-2015 ₹ 10.74 crore) is secured by way of fixed and floating charge on all assets of CG Electric Systems Hungary Zrt and is also guaranteed by the parent company. This loan will be payable by a single installment on September 2016. *

(viii) Long term loan of ₹ 12.06 crore (as at 31-03-2015 ₹ 19.32 crore) is secured by way of fixed and floating charge on all assets of CG Power Systems Belgium N.V and CG Holdings Belgium N.V. Repayment of the loan has commenced from 2015-16 and will be repayable in four unequal annual installments. *

(ix) Long term loan of ₹ 21.20 crore (as at 31-03-2015 ₹ 28.26 crore) is secured by first priority on all accounts receivables of the CG Power USA Inc. located at Missouri and a lien senior in priority to all liens other than liens granted in favor of leased equipments.

(x) Axis Bank facility up to ₹ 74.40 crore (as at 31-03-2015 ₹ Nil) to meet long term working capital requirement of the Group. Interest is paid quarterly at a rate of three month LIBOR plus 2.15% (2.78% at March 31, 2015). Principal is due from 24 month from the date of disbursement. Balance is due in October 2017. *

(b) Secured term loans from financial institutions consist of the following:

Soft loans of ₹ 50.18 crore (as at 31-03-2015 ₹ 21.97 crore) from Government / Ministry of Spain which are repayable in periodical installments from the year 2012 to 2022.

(c) Secured Borrowings by way of bonds consist of the following:

(i) BUILD Missouri revenue bonds, Series 2010 ₹ 4.66 crore (as at 31-03-2015 ₹ 4.39 crore) with interest payable semi-annual at a fixed rate and principal payments ranging from ₹ 0.16 crore to ₹ 0.32 crore through maturity on December, 2024. *

(ii) Industrial development revenue bonds, Series 2008 ₹ Nil (as at 31-03-2015 ₹ 38.12 crore) with interest payable monthly at the weekly adjusted LIBOR rate and annual principal payment ranging from ₹ 0.87 crore to ₹ 2.61 crore through maturity in December 2028. *

(iii) Industrial development revenue bonds, Series 1999 ₹ Nil (as at 31-03-2015 ₹ 6.78 crore) with interest payable monthly at the weekly adjusted LIBOR rate and annual principal payments ranging from ₹ 0.56 crore to ₹ 1.39 crore through maturity in December 2019. *

(d) Unsecurred term loans from banks consist of the following:-

Long term loan of ₹ Nil (as at 31-03-2015 ₹ 100.71 crore) is payable by way of single installment on August 2016. *

(e) Finance lease obligations are repayable in equated monthly installments.

(f) The Company has opted for the deferral scheme of sales tax, which is payable as per the scheme framed by State Government

*** Borrowings pertaining to discontinued operations are included under the head 'Liabilities associated with group of assets classified as held for sale and discontinued operations'.**

₹ crore

22. NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS (Contd.)

(g) Finance lease:

The minimum lease rentals as at 31st March, 2016 and the present value as at 31st March, 2016 of minimum lease payments in respect of assets acquired under finance leases are as follows:

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	**4.33**	**3.76**	5.86	3.99	6.08	4.45
After one year but not more than five years	**4.43**	**4.19**	11.06	9.86	17.43	14.73
More than five years	**-**	-	-	-	-	-
Total minimum lease payments	**8.76**	**7.95**	16.92	13.85	23.51	19.18
Less: amounts representing finance charges	**0.81**	-	3.07	-	4.33	-
Present value of minimum lease payments	**7.95**	**7.95**	13.85	13.85	19.18	19.18

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
23. NON-CURRENT - OTHER FINANCIAL LIABILITIES						
Deposits payable	**1.25**		2.74		6.67	
Others	**-**		-		39.65	
		1.25		2.74		46.32
		1.25		2.74		46.32

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
24. NON-CURRENT PROVISIONS			
Employee benefits	**40.69**	65.47	73.11
Warranties	**12.08**	11.68	10.91
	52.77	77.15	84.02

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
25. OTHER NON-CURRENT LIABILITIES			
Others	**6.34**	49.37	18.70
	6.34	49.37	18.70

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
26. CURRENT FINANCIAL LIABILITIES - BORROWINGS			
Secured loans			
Term loans			
From banks	**114.02**	369.11	338.91
Working capital demand loan			
From banks	**127.27**	51.34	57.34
Unsecured loans			
Working capital loan from bank:			
Demand loan	**300.00**	202.12	164.52
Factoring loan	**95.71**	34.72	-
	637.00	657.29	560.77

Note :
Secured by hypothecation of inventories, book debts and trade receivables, both present and future.

₹ crore

NOTES ACCOMPANYING TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
27. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES			
Acceptances	**98.38**	208.42	346.66
Due to others	**1259.48**	1824.58	2399.60
Due to related parties:			
Associates / joint venture	**-**	22.37	37.41
	1357.86	2055.37	2783.67

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
28. CURRENT-OTHER FINANCIAL LIABILITIES						
Financial Liabilities at amortised cost:						
Current maturities of long- term debts:						
From banks	**230.46**		146.72		194.28	
From financial institutions	**2.89**		2.08		1.70	
From bonds	**-**		4.92		4.61	
		233.35		153.72		200.59
Interest free sales tax deferral loans from State Government		**0.12**		-		0.35
Current maturities of finance lease obligations		**3.76**		3.99		4.45
Interest accrued but not due on borrowings		**1.62**		4.69		7.23
Investor Education and Protection Fund: (Refer note below)						
Unclaimed dividend		**1.65**		1.98		1.94
Due to directors		**5.84**		9.57		12.85
Other payables:						
Due to erstwhile shareholders	**0.11**		5.29		44.74	
Security deposits	**7.43**		32.56		23.45	
Employee dues	**31.71**		151.31		154.14	
Others	**80.34**		81.01		29.40	
		119.59		270.17		251.73
		365.93		444.12		479.14

Note:

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2016.

	As at 31-03-2016		As at 31-03-2015		As at 1-04-2014	
29. OTHER CURRENT LIABILITIES						
Advances from customers		**293.77**		635.50		945.64
Due to customers		**48.63**		120.43		126.13
Other payables:						
Statutory dues	**14.45**		81.86		79.57	
Others	**44.21**		52.70		110.79	
		58.66		134.56		190.36
		401.06		890.49		1262.13

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
30. SHORT-TERM PROVISIONS			
Employee benefits	**19.80**	4.85	4.77
Other provisions (Refer note below)	**60.63**	316.21	299.74
	80.43	321.06	304.51

₹ crore

Note:

(a) Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets:

(1) Movement in provisions:

Nature of provisions	Warranties		Sales tax / VAT		Excise duty / Customs duty / Service tax	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Carrying amount at the beginning of the year *	**140.68**	95.21	**11.07**	22.59	**4.53**	11.32
Amount transferred due to discontinued operations / demerger	**98.77**	12.33	**2.13**	-	**-**	-
Additional provision made during the year #	**17.62**	116.06	**3.00**	-	**-**	-
Addition due to amalgamation of subsidiary	**-**	0.54	**-**	-	**-**	-
Amounts used during the year	**3.52**	30.23	**-**	-	**-**	-
Unused amounts reversed during the year #	**12.71**	13.61	**0.01**	11.52	**1.03**	6.79
Translation adjustment	**0.20**	(14.96)	**-**	-	**-**	-
Carrying amount at the end of the year*	**43.50**	140.68	**11.93**	11.07	**3.50**	4.53

Nature of provisions	Liquidated damages		Other litigation claims		Environmental obligations	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Carrying amount at the beginning of the year *	**47.43**	63.20	**96.71**	70.38	**15.82**	19.38
Amount transferred due to discontinued operations / demerger	**39.24**	-	**89.61**	-	**15.82**	-
Additional provision made during the year #	**3.34**	16.27	**-**	47.04	**-**	-
Addition due to amalgamation of subsidiary	**-**	-	**-**	-	**-**	-
Amounts used during the year	**1.11**	5.98	**-**	-	**-**	-
Unused amounts reversed during the year #	**1.08**	19.99	**2.86**	5.98	**-**	-
Translation adjustment	**0.20**	(6.07)	**-**	(14.73)	**-**	(3.56)
Carrying amount at the end of the year *	**9.54**	47.43	**4.24**	96.71	**-**	15.82

Nature of provisions	Onerous contracts		Total	
	2015-16	2014-15	2015-16	2014-15
Carrying amount at the beginning of the year *	**11.65**	16.82	**327.89**	298.90
Amount transferred due to discontinued operations / demerger	**11.65**	-	**257.22**	12.33
Additional provision made during the year #	**-**	12.07	**23.96**	191.44
Addition due to amalgamation of subsidiary	**-**	-	**-**	0.54
Amounts used during the year	**-**	0.13	**4.63**	36.34
Unused amounts reversed during the year #	**-**	15.34	**17.69**	73.23
Translation adjustment	**-**	(1.77)	**0.40**	(41.09)
Carrying amount at the end of the year *	**-**	11.65	**72.71**	327.89

Additional provision made during the year and reversal of unused amount are included in the respective head of accounts.

* Carrying amounts comprise of non-current and current provisions.

(2) Nature of provisions:

(a) Product warranties: The Company gives warranties on certain products and services in the nature of repairs / replacement, 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 rectification / replacement. The timing of outflows is expected to be within a period of two years.

(b) Provision for sales tax /VAT represents liability on account of non-collection of declaration forms and other legal matters which are in appeal under the Act / Rules.

(c) Provision for excise duty / customs duty / service tax represents the differential duty liability that is expected to materialise in respect of matters in appeal.

(d) Provision for liquidated damages has been made on contracts for which delivery dates are exceeded and computed in reasonable and prudent manner.

(e) Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

(f) Provision for environmental obligations represents liabilities towards the costs expected to be incurred to treat contaminated soil / effluents at its manufacturing locations, wherever required by local law.

(g) Provision for onerous contracts have been made on contracts when it is probable that the estimated cost will exceed the total contract revenue.

₹ crore

31. REVENUE FROM OPERATIONS

	2015-16		2014-15	
Sale of products	**5301.58**		5148.40	
Sale of services	**89.79**		102.42	
Construction contracts	**213.79**		549.33	
		5605.16		**5800.15**

CONTRACTS IN PROGRESS

	2015-16	2014-15
Contract revenue recognised for the financial year	**213.79**	549.33
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress up to the reporting date	**2696.15**	2494.51
Amount of customer advances outstanding for contracts in progress as at the reporting date	**53.86**	139.90
Retention amount due from customer for contract in progress as at the reporting date	**146.41**	158.14

32. OTHER INCOME

	2015-16	2014-15
Interest income	**25.29**	22.02
Dividend income	**0.01**	-
Gain on sale of investments (net)	**9.11**	4.54
Fair value gain on financial instruments at fair value through profit or loss	**0.02**	0.08
Exchange gain (net)	**1.29**	3.47
Other non-operating income:		
Income from lease of premises / business service centers	**5.90**	17.15
Government grant	**5.20**	8.41
Miscellaneous income	**64.80**	37.71
	111.62	93.38

33. COST OF MATERIALS CONSUMED

	2015-16		2014-15	
Opening stock	**264.69**		267.66	
Add: Purchases	**3214.74**		3298.51	
Less: Closing stock	**255.48**		264.69	
	3223.95		3301.48	
Less: Scrap sales	**52.49**		67.21	
		3171.46		3234.27
Add: Sub-contracting charges		**267.07**		277.45
		3438.53		3511.72

Note:

Opening stock and closing stock excludes stock related to discontinued operations.

34. PURCHASES OF STOCK-IN-TRADE

	2015-16	2014-15
Purchases of stock-in-trade	**119.40**	214.96
	119.40	214.96

₹ crore

	2015-16		2014-15	
35. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Changes in inventories of finished goods and work-in-progress:				
Closing stock:				
Finished goods	**62.18**		121.09	
Work-in-progress	**261.60**		199.09	
	323.78		320.18	
Opening stock:				
Finished goods	**121.09**		70.08	
Work-in-progress	**199.09**		231.52	
	320.18		301.60	
		(3.60)		(18.58)
Changes in inventories of stock-in-trade:				
Closing stock				
Stock-in-trade	**2.66**		2.02	
Opening stock				
Stock-in-trade	**2.02**		0.08	
		(0.64)		(1.94)
		(4.24)		(20.52)

Note:

Opening stock and closing stock excludes stock related to discontinued operations.

	2015-16	2014-15
36. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	**550.56**	565.57
Contribution to provident and other funds	**66.31**	71.40
Post retirement medical benefits	**2.54**	2.55
Staff welfare expenses	**35.53**	29.38
	654.94	668.90

	2015-16	2014-15
37. FINANCE COSTS		
Interest on loans	**80.47**	103.59
Interest on finance lease	**0.89**	1.15
	81.36	104.74

	2015-16	2014-15
38. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation expense	**255.75**	244.71
	255.75	244.71

₹ crore

	2015-16	2014-15
39. OTHER EXPENSES		
Consumption of stores and spares	**28.97**	31.98
Power and fuel	**47.80**	46.50
Rent	**23.30**	20.37
Repairs to buildings	**10.23**	9.37
Repairs to machinery	**18.99**	23.11
Insurance	**9.90**	44.91
Rates and taxes	**22.78**	5.56
Freight and forwarding	**109.51**	107.63
Packing materials	**58.94**	62.39
After sales services including warranties	**36.74**	36.18
Sales promotion	**40.11**	38.47
Legal and professional charges	**74.60**	37.71
Excise duty on sales	**333.04**	294.79
Miscellaneous expenses	**214.54**	156.92
	1029.45	915.89

₹ crore

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
40. CONTINGENT LIABILITIES AND COMMITMENTS			
A. Contingent Liabilities: (to the extent not provided for)			
(a) Claims against the Company not acknowledged as debts	**5.68**	18.31	9.18
(b) Sales tax / VAT liability that may arise in respect of matters in appeal	**47.55**	31.17	18.08
(c) Excise duty/ customs duty / service tax liability that may arise in respect of matters in appeal	**6.69**	8.74	4.56
(d) Income tax liability that may arise in respect of matters in appeal preferred by the department	**8.43**	7.63	5.21
B. Commitments:			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**14.45**	20.62	98.65
C. Proposed dividend and tax	**-**	-	29.13

Notes:

(a) The Group does not expect any reimbursement in respect of the above contingent liabilities.

(b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above, pending resolution of the arbitration / appellate proceedings.

41. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES

(a) In terms of Indian Standard (Ind AS) 24 Related Party Disclosures, Indian Accounting Standard (Ind AS) 110 Consolidated Financial Statements and (Ind AS) 28 Investments in Associates and Joint Ventures in Consolidated Financial Statements specified by the Companies (Accounting Standards) Rules, 2015 (as amended), the Consolidated Financial Statements present the Consolidated Financial Statements of Crompton Greaves Limited (the Parent Company) with its subsidiaries and associates as under:

₹ crore

Sr. No.	Name of the Related Party	Country of Incorporation	% Equity Interest As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
(i)	**Subsidiaries:**				
1	CG Energy Management Limited (amalgamated with the Company w.e.f. 25th March, 2015)	India	-	-	100.00
2	CG-ZIV Power Automation Solutions Limited (amalgamated with the Company w.e.f. 25th March, 2015)	India	-	-	100.00
3	CG Power Solutions Limited	India	100.00	100.00	100.00
4	Crompton Greaves Consumer Products Limited (incorporated on 19th September, 2014)	India	100.00	100.00	-
5	Crompton Greaves Consumer Electricals Limited (incorporated on 25th February, 2015 and demerged w.e.f. 23rd March, 2016)	India	-	100.00	-
6	CG International B.V.	The Netherlands	100.00	100.00	100.00
7	CG-PPI Adhesive Products Limited	India	81.42	81.42	81.42
8	CG Holdings Belgium N.V.	Belgium	100.00	100.00	100.00
9	CG Power Systems Belgium N.V.	Belgium	100.00	100.00	100.00
10	CG Power Systems Ireland Limited	Ireland	100.00	100.00	100.00
11	CG Sales Networks France SA	France	99.40	99.40	99.40
12	CG Power Systems Canada Inc.	Canada	100.00	100.00	100.00
13	PT. CG Power Systems Indonesia	Indonesia	95.00	95.00	95.00
14	CG Holdings Hungary Kft.	Hungary	100.00	100.00	100.00
15	CG Electric Systems Hungary Zrt.	Hungary	100.00	100.00	100.00
16	CG Power Holdings Ireland Limited (liquidated w.e.f. 11th April, 2014)	Ireland	-	-	100.00
17	Microsol Limited	Ireland	100.00	100.00	100.00
18	CG Automation Systems UK Limited	United Kingdom	100.00	100.00	100.00
19	CG Service Systems France SAS	France	100.00	100.00	100.00
20	CG Power USA Inc (formerly M.S.E. Power Systems, Inc.)	USA	100.00	100.00	100.00
21	CG Power Solutions UK Limited (formerly Power Technology Solutions Limited)	United Kingdom	100.00	100.00	100.00
22	CG Power County LLC	USA	100.00	100.00	100.00
23	CG Power Systems Brazil Ltda	Brazil	100.00	100.00	100.00
24	CG Power Solutions Saudi Arabia Limited	Saudi Arabia	51.00	51.00	51.00
25	Crompton Greaves Holdings Mauritius Limited (liquidated w.e.f. 14th December, 2015)	Mauritius	-	100.00	100.00
26	CG International Holdings Singapore Pte. Limited	Singapore	100.00	100.00	100.00
27	CG Industrial Holdings Sweden AB	Sweden	100.00	100.00	100.00
28	CG Drives and Automation Sweden AB	Sweden	100.00	100.00	100.00
29	CG Drives and Automation Netherlands B.V.	The Netherlands	100.00	100.00	100.00
30	CG Drives and Automations Germany GmbH	Germany	100.00	100.00	100.00
31	Emotron Latin America Inc. (liquidated w.e.f. 14th April, 2014)	USA	-	-	100.00
32	ZIV Aplicaciones y Tecnologia S.L.	Spain	100.00	100.00	100.00
33	ZIV Metering Solutions S.L.	Spain	100.00	100.00	100.00
34	ZIV Grid Automation S.L.	Spain	100.00	100.00	100.00
35	ZIV Communications S.A.	Spain	100.00	100.00	100.00
36	ZIV USA Inc. (liquidated w.e.f. 22nd April, 2014)	USA	-	-	100.00
37	ZIV Do Brazil Ltda	Brazil	100.00	100.00	100.00
38	ZIV I+D Smart Energy Networks	Spain	100.00	100.00	100.00
39	CG Middle East FZE	UAE	100.00	100.00	100.00
40	ZIV France, SASU (incorporated on 3rd November, 2015)	France	100.00	-	-
41	Crompton Greaves Sales Network Malaysia Sdn.Bhd.	Malaysia	100.00	100.00	100.00

₹ crore

41 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

Sr. No.	Name of the Related Party	Country of Incorporation	% Equity Interest As at 31-03-2016	% Equity Interest As at 31-03-2015	% Equity Interest As at 1-04-2014
(ii)	**Associates:**				
1	Pauwels Middle East Trading & Contracting (Pvt) Co. LLC	Sharjah	49.00	49.00	49.00
2	Saudi Power Transformers Co. Ltd.	Saudi Arabia	49.00	49.00	49.00
3	K.K. El fi Co. Ltd.	Japan	49.00	49.00	49.00
(iii)	**Joint Ventures:**				
1	CG Lucy Switchgear Limited (ceased w.e.f. 8th October, 2015)	India	-	50.00	50.00
2	PT Crompton Prima Switchgear Indonesia (incorporated on 12th May, 2014)	Indonesia	51.00	51.00	-

Note:

The % of voting rights that Parent Company holds in all its subsidiaries is equal to the % of corresponding shareholding except in case of Serial No. 13 PT CG Power Systems Indonesia. The Parent Company holds 95% of shareholding of PT CG Power Systems Indonesia through its subsidiary CG Power Systems Belgium N.V. and balance 5% is held by other partner. However, the parent Company through its subsidiary CG Power Systems Belgium N.V., has 100% voting rights since 5% shares held by other partner has no voting rights.

In the case of CG Power Solutions Saudi Arabia Limited and Saudi Power Transformers Co. Ltd., the financial statements as at 31st December, 2015 have been considered. There were no material adjustments required for any significant events or transactions for the three months upto 31st March, 2016.

For the purposes of consolidation, the financial statements of the foreign subsidiaries and associates as at 31st March, 2016, have been restated to comply with the Generally Accepted Accounting Principles in India.

(iv) Key Management Personnel:

1 Gautam Thapar - Chairman and Promoter Director
2 Laurent Demortier - CEO & Managing Director (resigned w.e.f. 3rd February, 2016)
3 K. N. Neelkant - CEO & Managing Director (appointed w.e.f. 3rd February, 2016)
4 Madhav Acharya - Executive Director - Finance & CFO
5 Minal Bhosale - Company Secretary (resigned w.e.f. 31st May, 2015)
6 Manoj Koul - Company Secretary (appointed w.e.f. 3rd August, 2015)

(v) Other Related Parties in which directors are interested:

1 Ballarpur Industries Limited
2 Solaris ChemTech Industries Limited
3 BILT Graphic Paper Products Limited
4 Avantha Holdings Limited
5 Avantha Business Solutions Limited (formerly Salient Business Solutions Limited)
6 Avantha Realty Limited
7 Sabah Forest Industries Sdn. Bhd.
8 Malanpur Captive Power Limited
9 Corella Investments Limited
10 Lustre International Limited
11 Ambuja Cements Limited
12 Asahi India Glass Limited
13 Avantha Foundation
14 Thermax Limited
15 Infosys Limited
16 Varun Prakashan Private Limited
17 Korba West Power Company Limited
18 KEC International Limited
19 Jhabua Power Limited
20 Avantha Power & Infrastructure Limited

₹ crore

41. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Sr. No.	Nature of transaction / relationship	2015-16	2014-15
1	**Purchase of goods and services**		
	Joint Venture		
	CG Lucy Switchgear Limited	**39.82**	157.52
	Other Related Parties		
	Ballarpur Industries Limited	**-**	0.03
	Ambuja Cements Limited	**-**	1.03
	BILT Graphic Paper Products Limited	**0.05**	0.03
	Total	**39.87**	158.61
2	**Sales of goods and services**		
	Joint Venture		
	CG Lucy Switchgear Limited	**4.45**	10.81
	Other Related Parties		
	Ballarpur Industries Limited	**0.01**	0.15
	Solaris ChemTech Industries Limited	**-**	0.03
	BILT Graphic Paper Products Limited	**0.10**	0.51
	Korba West Power Company Limited	**0.02**	5.12
	Asahi India Glass Limited	**0.01**	2.18
	Thermax Limited	**2.38**	2.02
	KEC International Limited	**-**	1.18
	Infosys Limited	**-**	1.96
	Sabah Forest Industries Sdn. Bhd.	**-**	0.56
	Crompton Greaves Consumer Electericals Limited	**0.61**	-
	Jhabua Power Limited	**1.09**	2.86
	Total	**8.67**	27.38
3	**Interest expense**		
	Joint venture		
	CG Lucy Switchgear Limited	**0.08**	0.86
	Total	**0.08**	0.86
4	**Rental income**		
	Other Related Parties		
	BILT Graphic Paper Products Limited	**0.74**	1.79
	Thermax Limited	**0.04**	0.01
	Total	**0.78**	1.80
5	**Other income**		
	Other Related Party		
	Crompton Greaves Consumer Electricals Limited	**1.69**	-
	Total	**1.69**	-
6	**Payment of salaries, commission and perquisites**		
	Key Management Personnel		
	Gautam Thapar	**3.59**	3.96
	Laurent Demortier	**18.61**	6.56
	K. N. Neelkant	**0.41**	-
	Madhav Acharya	**3.26**	3.09
	Minal Bhosale	**0.11**	0.56
	Manoj Koul	**0.31**	-
	Total	**26.29**	14.17
7	**Dividend paid**		
	Other Related Parties		
	Avantha Holdings Limited	**-**	18.86
	Avantha Realty Limited	**-**	0.00
	Corella Investments Limited	**-**	0.29
	Lustre International Limited	**-**	0.17
	Varun Prakashan Private Limited	**-**	0.00
	Total	**-**	19.32

₹ crore

41 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

(b) The following transactions were carried out with the related parties in the ordinary course of business: (Contd.)

Sr. No.	Nature of transaction / relationship	2015-16	2014-15
8	**Rent paid**		
	Other Related Parties		
	Avantha Realty Limited	**2.04**	2.04
	Jhabua Power Limited	**0.41**	-
	Total	**2.45**	2.04
9	**Other expenses**		
	Other Related Parties		
	Avantha Holdings Limited	**55.97**	70.24
	Avantha Business Solutions Limited	**0.13**	0.94
	Avantha Foundation	**6.00**	4.78
	Avantha Realty Limited	**1.15**	0.58
	Jhabua Power Limited	**0.07**	-
	Total	**63.32**	76.54

(c) Amount due to / from related parties

Sr. No.	Nature of transaction / relationship	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
1	**Accounts payable**			
	Joint Venture			
	CG Lucy Switchgear Limited	**-**	28.27	35.15
	Associate			
	Saudi Power Transformers Company Limited	**-**	1.84	0.72
	Pauwels Middle East Trading & Contracting (Pvt.) Co. LLC	**-**	-	1.54
	Other Related Parties			
	Ballarpur Industries Limited	**-**	0.00	0.00
	Avantha Holdings Limited	**-**	-	0.09
	Ambuja Cement Limited	**-**	0.00	0.00
	Avantha Business Solutions Limited	**0.02**	0.17	0.20
	Jhabua Power Limited	**0.50**	-	-
	Crompton Greaves Consumer Electricals Limited	**0.01**	-	-
	Total	**0.53**	30.28	37.70
2	**Accounts receivable**			
	Joint Venture			
	CG Lucy Switchgear Limited	**-**	3.26	2.60
	Other Related Parties			
	Ballarpur Industries Limited	**0.23**	0.30	0.38
	Solaris ChemTech Industries Limited	**0.11**	0.11	0.17
	BILT Graphic Paper Products Limited	**3.55**	2.55	1.99
	Avantha Power Limited	**-**	0.00	-
	Avantha Holdings Limited	**-**	-	0.00
	Infosys Limited	**-**	1.27	-
	Asahi India Glass Limited	**-**	0.00	-
	Thermax Limited	**1.21**	1.09	-
	Ambuja Cement Limited	**-**	0.05	-
	Korba West Power Company Limited	**0.25**	-	10.48
	Sabah Forest Industries Sdn. Bhd.	**-**	0.03	0.17
	Jhabua Power Limited	**8.18**	13.75	8.34
	Crompton Greaves Consumer Electricals Limited	**7.93**	-	-
	Total	**21.46**	22.41	24.13

₹ crore

41 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES (Contd.)

(c) Amount due to / from related parties (Contd.)

Sr. No.	Nature of transaction / relationship	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
3	**Loans and advances receivables**			
	Other Related Party			
	Avantha Holdings Limited	**96.56**	-	-
	Total	**96.56**	-	-
4	**Loans and advances payable**			
	Other Related Parties			
	Solaris ChemTech Industries Limited	**0.10**	0.10	0.13
	Jhabua Power Limited	**0.75**	0.84	-
	Avantha Realty Limited	**4.86**	1.61	-
	Korba West Power Company Limited	**-**	-	3.54
	Crompton Greaves Consumer Electricals Limited	**13.76**	-	-
	Total	**19.47**	2.55	3.67
5	**Due to Key Management Personnel**			
	Gautam Thapar	**3.59**	3.96	5.21
	Laurent Demortier	**-**	3.64	5.46
	Total	**3.59**	7.60	10.67

(d) Compensation of key management personnel of the Group

Nature of transaction / relationship	2015-16	2014-15
Short-term employee benefits	**19.83**	13.90
Post-retirement pension and medical benefits	**0.28**	0.27
Termination benefits	**6.18**	-
Total compensation paid to key management personnel	**26.29**	14.17

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

₹ crore

42. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 112 DISCLOSURE OF INTEREST IN OTHER ENTITIES

Material non-controlling interest for continuing operations

Name of Subsidiary	Principle place of business / Country of incorporation	Proportion of interest held by Non-controlling entities as at 31-03-2016 %	Proportion of interest held by Non-controlling entities as at 31-03-2015 %	Proportion of interest held by Non-controlling entities as at 1-04-2014 %
CG-PPI Adhesive Products Limited	India	**18.58**	18.58	18.58

The proportion of voting rights held by non controlling interest does not differ from the proportion of ownership interest.

Summarised Statement of Profit and Loss:

	CG-PPI Adhesive Products Limited	
	2015-16	2014-15
Revenue	**19.98**	14.59
Cost of material consumed	**(9.29)**	(7.60)
Other expenses	**(8.39)**	(5.12)
Finance costs	**(0.12)**	(0.08)
Pre-tax profit / (loss) from continuing operations	**2.18**	1.79
Income tax expense	**0.81**	0.47
Post-tax profit / (loss) from continuing operations (A)	**1.37**	1.32
Other comprehensive income (B)	**-**	-
Total comprehensive income (A+B) = C	**1.37**	**1.32**
Attributable to non-controlling interest	**0.26**	0.25
Dividend paid to non-controlling interest	**0.09**	0.04

The loss related to non-controlling interest for discontinued operations is ₹ 1.59 crore (Previous year loss ₹ 1.58 crore)

Summarised Balance sheet:

	CG-PPI Adhesive Products Limited		
	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Current assets	**17.44**	16.38	13.84
Non-current assets	**3.66**	3.24	2.65
Current liabilities	**(5.88)**	(5.36)	(2.96)
Non-current liabilities	**(0.13)**	(0.17)	(0.17)
Total equity	**15.09**	14.09	13.36
Attributable to:			
Equity holders of parent	**12.29**	11.47	10.88
Non-controlling interest	**2.80**	2.62	2.48

Summarised cash flow information:

	CG-PPI Adhesive Products Limited		
	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Operating	**(0.05)**	1.71	0.18
Investing	**(0.25)**	0.10	0.48
Financing	**0.24**	(0.29)	(0.47)
Net increase / (decrease) in cash and cash equivalents	**(0.06)**	1.52	0.19

There were no additional acquisition or disposal of interest in subsidiaries

		2015-16	2014-15
43. EXPENSES CAPITALISED DURING THE YEAR			
(a)	Raw material consumed	**4.17**	5.55
(b)	Employee benefits	**6.26**	16.83
(c)	Other expenses	**15.95**	24.96

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 62.67 crore (Previous year ₹ 70.60 crore) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans:

	2015-16	2014-15
Benefits (Contribution to):		
Provident fund	**11.05**	12.56
Superannuation fund	**4.29**	4.83
Employee state insurance scheme	**0.27**	0.34
Labour welfare scheme	**0.03**	0.03
Family pension	**47.03**	52.84
Total	**62.67**	70.60

(b) Defined benefit plans:

Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days' salary for each completed year of service subject to a maximum of ₹ 0.10 crore. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Group makes annual contributions to the Crompton Greaves Limited Gratuity Trust, which is funded defined benefit plan for qualifying employees.

Post-retirement medical benefit

Post-retirement medical benefit includes hospitalization cover & benefits on Cessation of Employment for the Policy. This cover is applicable only to employee and spouse as per the limits specified for the last grade while in employment. This coverage does not form part of essential terms and condition of employment, and is a benefit extended by the Group as a part of its social benefit policies. The policies of Medical, Health and Hospitalization insurance are subject to change based on contemporary market trends and practices.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

		Gratuity		Post Retirement Medical Benefits	
		2015-16 (Funded)	2014-15 (Funded)	2015-16 (Nonfunded)	2014-15 (Nonfunded)
I	**Change in present value of defined benefit obligation during the year**				
1	Present Value of defined benefit obligation at the beginning of the year	**58.29**	55.96	**23.00**	20.51
2	Interest cost	**4.10**	5.29	**1.63**	1.93
3	Current service cost	**3.64**	3.38	**0.91**	0.83
4	Past service cost	**-**	-	**-**	-
5	Liability transfer from other Group	**-**	0.08	**-**	-
6	Liability transferred out / divestment	**(15.43)**	-	**(5.53)**	-
7	Benefits paid directly by employer	**(2.45)**	(13.03)	**(1.64)**	-
8	Benefits paid	**(6.67)**	(0.03)	**-**	(6.48)
9	Actuarial changes arising from changes in demographic assumptions	**-**	-	**-**	-
10	Actuarial changes arising from changes in financial assumptions	**(7.19)**	1.44	**(0.96)**	(1.48)
11	Actuarial changes arising from changes in experience adjustments	**18.93**	5.20	**5.71**	7.69
12	Present Value of defined benefit obligation at the end of the year	**53.22**	58.29	**23.12**	23.00

₹ crore

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

		Gratuity		Post Retirement Medical Benefits	
		2015-16	2014-15	2015-16	2014-15
		(Funded)	(Funded)	(Nonfunded)	(Nonfunded)
II	**Change in fair value of plan assets during the year**				
1	Fair value of plan assets at the beginning of the year	**58.13**	55.97	**NA**	NA
2	Interest Income	**4.09**	5.26	**NA**	NA
3	Contributions paid by the employer	**-**	10.43	**NA**	NA
4	Benefits paid from the fund	**(6.67)**	(13.06)	**NA**	NA
5	Assets transferred out / divestments	**(15.43)**	0.00	**NA**	NA
6	Return on plan assets excluding interest income	**(3.00)**	(0.47)	**NA**	NA
7	Fair value of plan assets at the end of the year	**37.12**	58.13	**NA**	NA
III	**Net asset / (liability) recognised in the balance sheet**				
1	Present Value of defined benefit obligation at the end of the year	**(53.22)**	(58.29)	**(23.12)**	(23.00)
2	Fair value of plan assets at the end of the year	**37.12**	58.13	**-**	-
3	Amount recognised in the balance sheet	**(16.10)**	(0.16)	**(23.12)**	(23.00)
4	Net (liability) / asset- current	**(16.10)**	(0.16)	**(1.64)**	(1.47)
	Net (liability) / asset- non-current	**-**	-	**(21.48)**	(21.53)
IV	**Expenses recognised in the statement of profit and loss for the year**				
1	Current service cost	**3.64**	3.38	**0.91**	0.83
2	Interest cost on benefit obligation (net)	**0.01**	0.01	**1.63**	1.93
3	Total expenses included in employee benefits expense	**3.65**	3.39	**2.54**	2.76
V	**Recognised in other comprehensive income for the year**				
1	Actuarial changes arising from changes in demographic assumptions	**-**	-	**-**	-
2	Actuarial changes arising from changes in financial assumptions	**(7.19)**	1.44	**(0.96)**	(1.48)
3	Actuarial changes arising from changes in experience adjustments	**18.93**	5.20	**5.71**	7.69
4	Return on plan assets excluding interest income	**3.00**	0.47	**NA**	NA
5	Recognised in other comprehensive income	**14.74**	7.11	**4.75**	6.21
VI	**Maturity profile of defined benefit obligation**				
1	Within the next 12 months (next annual reporting period)	**8.06**	8.17	**1.64**	1.52
2	Between 2 and 5 years	**30.15**	29.47	**6.84**	6.66
3	Between 6 and 10 years	**32.13**	33.88	**9.65**	9.55
VII	**Quantitative sensitivity analysis for significant assumption is as below:**				
1	Increase / (decrease) on present value of defined benefits obligation at the end of the year				
	(i) One percentage point increase in discount rate	**(2.51)**	(3.14)	**(2.19)**	(2.36)
	(ii) One percentage point decrease in discount rate	**2.80**	3.14	**2.69**	2.93
	(i) One percentage point increase in rate of salary Increase	**2.89**	3.61	**NA**	NA
	(ii) One percentage point decrease in rate of salary Increase	**(2.63)**	(3.24)	**NA**	NA
	(i) One percentage point increase in employee turnover rate	**0.86**	0.65	**NA**	NA
	(ii) One percentage point decrease in employee turnover rate	**(0.95)**	(0.72)	**NA**	NA
	(i) One percentage point increase in Medical Inflation rate	**NA**	NA	**2.72**	2.96
	(ii) One percentage point decrease in Medical Inflation rate	**NA**	NA	**(2.22)**	(2.39)

2 **Sensitivity Analysis Method**

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

₹ crore

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

		Gratuity			Post Retirement Medical Benefits		
		As at 31-03-2016 (Funded)	As at 31-03-2015 (Funded)	As at 1-04-2014 (Funded)	As at 31-03-2016 (Nonfunded)	As at 31-03-2015 (Nonfunded)	As at 1-04-2014 (Nonfunded)
VIII	**The major categories of plan assets as a percentage of total**						
	Insurer managed funds	**100%**	100%	100%	**NA**	NA	NA
IX	**Actuarial assumptions**						
1	Discount rate	**8.21% p.a.**	7.92% p.a	9.41% p.a.	**8.30% p.a.**	7.92% p.a.	9.41% p.a.
2	Salary escalation	**6.00% p.a. for the next 1 year, 4.00% p.a. for the next 2 years, starting from the 2nd year, 3.50% p.a. thereafter, starting from the 4th year**	6.00% p.a. for the next 1 year, 4.00% p.a. for the next 2 years, starting from the 2nd year, 3.50% p.a. thereafter, starting from the 4th year	6.00% p.a.	**NA**	NA	NA
3	Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	**NA**	NA	NA	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	**4.00% p.a.**	4.00% p.a.	4.00% p.a.	**NA**	NA	NA
6	Future Benefit Cost Inflation	**0% p.a.**	0% p.a.	NA	**NA**	NA	NA
7	Medical premium inflation rate	**NA**	NA	NA	**2.00 % p.a.**	2.00% p.a.	4.00% p.a.

	2015-16	2014-15
Expected contribution to the defined benefit plan for the next annual reporting period	**7.78**	4.08

Pension Obligation:

The Group operates post retirement pension plan for its eligible employees, a defined benefit retirement plan with assets held in a separately administered funds. The scheme provides retirement benefits on the basis of members' final salary.

The Group also provides other post-employment termination benefits, which is separation pay. The separation pay benefit is paid to employees in the case of voluntary resignation, subject to a minimum number of years of service. This benefit has been accounted for using the same methodology as for the defined benefit pension plan.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

		2015-16	2014-15
I	**The movement in the present value of defined benefit obligation:**		
1	Present value of defined benefit obligation at the beginning of the year	**210.95**	206.53
2	Current service cost	**8.49**	7.50
3	Interest cost	**6.27**	9.30
4	Benefits paid	**(7.36)**	(13.20)
5	Actuarial changes arising from changes in demographic assumptions	**-**	-
6	Actuarial changes arising from changes in financial assumptions	**(5.14)**	11.69
7	Actuarial changes arising from changes in experience adjustments	**(9.19)**	10.40
8	Past service cost / (gain)	**0.36**	-
9	Settlement payment	**(0.33)**	(5.24)
10	Employee contributions	**0.95**	0.99
11	Translation difference	**13.47**	(17.02)
12	Present value of defined benefit obligation at the end of the year	**218.47**	210.95

₹ crore

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

		2015-16	2014-15
II	**The movement in fair value of plan assets:**		
1	Fair value of plan assets at the beginning of the year	**200.77**	202.10
2	Interest income	**5.27**	8.37
3	Return on plan assets excluding interest income	**(11.47)**	18.80
4	Employer contributions	**16.39**	12.85
5	Benefit paid	**(7.36)**	(13.20)
6	Settlement payments	**(0.33)**	(5.24)
7	Translation difference	**13.91**	(22.91)
8	Fair value of plan assets at the end of the year	**217.18**	200.77
III	**Net (asset) / liability recognised in the balance sheet:**		
1	Present value of defined benefit obligation at the end of the year	**218.47**	210.95
2	Fair value of plan assets at the end of the year	**217.18**	200.77
3	Net pension liability / (asset)	**1.29**	10.18
4	Past service cost not yet recognized	**-**	9.74
5	Net pension liability / (asset) recognised in the balance sheet	**1.29**	0.44
IV	**Expenses recognised in the statement of profit and loss for the year:**		
1	Current service cost	**8.49**	7.50
2	Interest cost on benefit obligation (net)	**1.00**	0.93
3	Past service cost	**0.36**	-
4	Amortization of past service cost - not vested	**-**	0.02
5	Total expenses included in employee benefits expense	**9.85**	8.45
V	**Recognised in other comprehensive income for the year:**		
1	Actuarial changes arising from changes in demographic assumptions	**-**	-
2	Actuarial changes arising from changes in financial assumptions	**(5.14)**	11.69
3	Actuarial changes arising from changes in experience adjustments	**(9.19)**	10.40
4	Return on plan assets excluding interest income	**11.47**	(18.80)
5	Recognised in other comprehensive income	**(2.86)**	3.29

		As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
VI	**The major categories of plan assets as a percentage of total plan assets:**			
1	Insurer managed funds	**17.81%**	7.00%	7.00%
2	Equity instruments	**10.35%**	47.00%	47.00%
3	Debt instruments	**23.30%**	45.00%	45.00%
4	Annuity Buy in	**47.49%**	-	-
5	Cash	**1.05%**	1.00%	1.00%
	Total	**100.00%**	100.00%	100.00%
VII	**Actuarial assumptions:**			
1	Discount rate	**1.90% - 8.75% p.a.**	1.80% - 7.50% p.a.	3.95% - 8.60% p.a.
2	Future salary and pension increases	**1.70% - 7.50% p.a.**	1.90% - 7.50% p.a.	3.00% - 7.50% p.a.

Above defined benefit plans for pension obligation forms part of discontinued operations as at 31st March, 2016

₹ crore

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS (Contd.)

Provident Fund:

The Group makes contribution towards provident fund which is administered by the trustees. The Rules of the Group's Provident Fund administered by a trust, require that if the Board of the Trustees are unable to pay interest at the rate declared by the Government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Group making interest shortfall a defined benefit plan. Accordingly, the Group has obtained actuary valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

Particulars	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Plan assets at period end, at fair value	**307.12**	364.08	358.81
Present value of defined obligation at period end	**278.45**	335.08	333.82

Assumptions used in determining the present value of obligation

Particulars	As at 31-03-2016	As at 31-03-2015	As at 31-03-2014
Rate of Discounting	**8.21% p.a.**	7.92% p.a.	9.41% p.a.
Mortality Rate	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	**4.00% p.a.**	4.00% p.a.	4.00% p.a.
Guaranteed rate of interest	**8.80% p.a.**	8.75% p.a.	8.75% p.a.
Whilst In service withdrawal	**5.00% p.a.**	5.00% p.a.	5.00% p.a.

45. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS

Operating Segments:

Power Systems	:	Transformer, Switchgear, Turnkey Projects and Power SCADA (Supervisory control and data acquisition systems)
Industrial Systems	:	Electric Motors, Alternators, Drives, Traction Electronics and SCADA
Automation Systems	:	Protection & Control Systems, Protection Relays & Panels, Control devices, Smart Meters & Communication devices.

Identifications of Segments:

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in the Ind AS.

Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities

Inter segment transfer:

Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks. Profit or loss on inter segment transfers are eliminated at the Group level.

₹ crore

45. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS (Contd.)

Summary of the Segmental Information as at and for the year ended 31st March, 2016 is as follows:

Particulars	Power Systems	Industrial Systems	Automation Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2015-16
Revenue						
External sales	2629.59	2107.16	854.81	13.60	-	5605.16
Less: Excise duty	134.92	189.39	6.68	2.05	-	333.04
Net revenue	2494.67	1917.77	848.13	11.55	-	5272.12
Inter segment sales	0.03	11.64	15.63	-	(27.30)	-
Total revenue	2494.70	1929.41	863.76	11.55	(27.30)	5272.12
Segment results	187.66	138.87	(6.13)	(1.00)		319.40
Less: Finance costs (net)						56.07
Less: Other unallocable expenditure net of unallocable income						121.74
Profit from ordinary activities after finance cost but before share of profit from associate and joint venture, exchange gain / (loss) and exceptional items						141.59
Share of profit from associate and joint venture						1.20
Exchange gain / (loss)						57.02
Exceptional items (net)						(111.26)
Tax expense						14.39
Profit after tax from continuing operations						74.16
Loss after tax from discontinued operations						(471.01)
Loss for the year						(396.85)
Capital Employed:						
Segment assets	5861.61	1384.78	1477.37	294.01	1911.70	10929.47
Segment liabilities	2990.34	439.45	231.41	12.52	932.50	4606.22
Net Assets	2871.27	945.33	1245.96	281.49	979.20	6323.25
Capital expenditure#	37.43	20.75	49.31	0.65	66.89	175.03
Depreciation and amortisation#	65.18	72.99	93.74	0.34	23.50	255.75
Non-cash expenses other than depreciation#	7.54	8.43	2.88	0.29	-	19.14

Summary of the Segmental Information as at and for the year ended 31st March, 2015 is as follows:

Particulars	Power Systems	Consumer Products	Industrial Systems	Automation Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2014-15
Revenue							
External sales	2921.20	-	1973.98	891.82	13.15	-	5800.15
Less: Excise duty	135.98	-	152.37	5.08	1.36	-	294.79
Net revenue	2785.22	-	1821.61	886.74	11.79	-	5505.36
Inter segment sales	0.91	-	12.02	12.80	-	(25.73)	-
Total revenue	2786.13	-	1833.63	899.54	11.79	(25.73)	5505.36
Segment results	401.83	-	110.32	7.35	1.13	-	520.63
Less: Finance costs (net)							82.72
Less: Other unallocable expenditure net of unallocable income							184.78
Profit from ordinary activities after finance cost but before share of profit from associate and joint venture, exchange gain / (loss) and exceptional items							253.13
Share of profit from associate and joint venture							1.44
Exchange gain / (loss)							(47.42)
Exceptional items (net)							149.69
Tax expense							(10.38)
Profit after tax from continuing operations							367.22
Loss after tax from discontinued operations							(345.10)
Profit for the year							22.12
Capital Employed:							
Segment assets	5889.75	680.89	1295.24	1713.03	260.74	1920.77	11760.42
Segment liabilities	2815.52	1240.07	328.84	296.77	45.82	195.64	4922.66
Net Assets	3074.23	(559.18)	966.40	1416.26	214.92	1725.13	6837.76
Capital expenditure#	101.51	-	25.59	58.79	0.85	21.84	208.58
Depreciation and amortisation#	55.83	-	72.42	89.46	0.34	26.66	244.71
Non-cash expenses other than depreciation#	18.53	-	4.84	0.69	0.42	-	24.48

* Unallocable assets comprise assets and liabilities which cannot be allocated to the segments. Tax credit assets / liabilities are not considered in capital employed.

\# The disclosure is pertains to continuing business segments.

₹ crore

45. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS (Contd.)

Summary of the Segmental Information as at and for the year ended 1st April, 2014 is as follows:

	Power Systems	Consumer Products	Industrial Systems	Automation Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 1-04-2014
Capital Employed:							
Segment assets	6351.89	628.01	1424.19	1659.15	206.78	1834.75	12104.77
Segment liabilities	3388.38	506.85	371.14	223.00	31.10	279.32	4799.79
Net Assets	2963.51	121.16	1053.05	1436.15	175.68	1555.43	7304.98

Segment revenue by location of customers:

	2015-16	2014-15
Sales and service revenue:		
Domestic	**3479.44**	3624.81
Overseas	**2125.72**	2175.34
Total	**5605.16**	5800.15

Cost incurred on acquisition of tangible and intangible assets:

	2015-16	2014-15
Domestic	**111.98**	75.90
Overseas	**63.05**	132.68
Total	**175.03**	208.58

The carrying amount of non-current operating assets by location of assets:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Domestic	**1416.98**	1652.47	1997.11
Overseas	**1281.94**	2591.54	3184.04
Total	**2698.92**	4244.01	5181.15

Continent-wise sales:

	2015-16	2014-15
Asia	**4052.54**	4126.81
Africa	**195.44**	290.86
North America	**242.74**	147.91
South America	**198.38**	213.15
Europe	**903.33**	1015.61
Australia	**12.73**	5.81
	5605.16	5800.15

Reconciliation of Segment Assets

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Assets from reportable segments	**10929.47**	11760.42	12104.77
Deferred tax assets	**89.87**	199.39	226.40
Total	**11019.34**	11959.81	12331.17

Reconciliation of Segment Liabilities

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Liabilities from reportable segments	**4606.22**	4922.66	4799.79
Long-term borrowings	**599.02**	1277.23	1642.42
Deferred tax liabilities	**342.71**	637.12	722.30
Short-term borrowings	**637.00**	657.29	560.77
Current maturities of long-term debt	**237.23**	157.71	205.39
Total	**6422.18**	7652.01	7930.67

₹ crore

46. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 105 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Sale of Transmission and Distribution (T&D) business outside India

During the year, the Company entered into binding transactions agreement with First Reserve for sale of company's transmission and distribution (T&D) businesses at Indonesia, Hungary, Ireland, France, North America and Belgium at an enterprise value of Euro 115 million. First Reserve is a leading global private equity and infrastructure investor exclusively focused on energy, Also during the year, the Company has sold it's Power Systems Business in Canada to PT Holdings Corporation in a structured deal for an enterprise value of Canadian $20 million subject to post-closing adjustment. The operation of the entity has been transferred to PT Holdings Corporation w.e.f. 17th November, 2015. Moreover, during the year, the Company has closed down its systems business at Brazil and is in the process of winding up its systems business at North America and the United Kingdom. The disposal of T&D business is expected to be completed within one year.

Consumer Products

On 19th February, 2015 the Group announced the decision of its Board for the vertical demerger of Consumer Products Business unit of Crompton Greaves Limited into its wholly owned subsidiary, Crompton Greaves Consumer Electricals Limited ('CGCEL') with effect from 1st October, 2015. The Business of Consumer Products consists of Fans, Appliances, Luminaires, Light Sources and Pumps. For the year ended 31st March, 2015, the Consumer Products segment was shown as discontinued operations.

The decision to demerge the Consumer Products business unit was done with the intent of creation of two industry leading independent entities and unlocking shareholder value.

The Discontinued operations have been disclosed as 'Consumer Products' segment separately.

Power Distribution

On 1st June 2011, the Group had entered into Power Distribution Franchise Agreement ('DFA') with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for distribution of power in Jalgaon region of Maharashtra, India.

As per the terms of the arrangements, the Group had obtained the right ('franchise') to distribute the electricity for the period of 10 years to the public at large.

MSEDCL shall supply/ sale electricity to the Group at rate prescribed under regulatory guidelines (MERC directives on load shedding). The Group shall distribute and supply the electricity at the tariff determined by the regulatory authorities.

The Group shall conduct normal maintenance activities of network and other assets to maintain uninterrupted service. The Group is a private operator and MSEDCL is a Government body. The Group undertakes obligation of public service granted by MSEDCL. Thus, the arrangement is a public-to-private service concession. The electricity distribution service is totally regulated by the MSEDCL or other Government regulatory authorities.

MSEDCL had given right to the Group to use its distribution assets which will always belong to MSEDCL. During the tenure of the arrangement, if the Group incurs any capital expenditure, the same shall vest with MSEDCL at the end of the contract. MSEDCL shall reimburse the Group for the capital expenditure incurred at the then value calculated based on pre-determined depreciation rate. Thus, MSEDCL controls significant residual interest in the concession assets. Accordingly, the Group had a contractual right to receive cash from MSEDCL for the capital expenditure incurred.

Therefore, the arrangement is a Service concession arrangements under Appendix A to Ind AS 11. The Group had a contractual right to receive the residual value of the capital expenditure done under the arrangement and accordingly, will recognise financial asset. Further, the Group had right to charge the consumers for the services and therefore, there was an intangible asset.

The revenues and losses in respect of Service concession arrangements recognised during the year are as follows:

Particulars	2015-16	2014-15
Revenue from operations	**160.53**	412.08
Other Income	**6.70**	5.17
Total (A)	**167.23**	417.25
Expenses related to Power distribution business		
Material Cost	**183.33**	432.44
Other expense	**7.43**	14.69
Employee benefits expenses	**2.50**	6.44
Amortisation of intangible assets	**1.11**	3.92
Finance Cost	**-**	(14.45)
Total (B)	**194.37**	443.04
Loss before tax recognised during the period (C)= (A)-(B)	**(27.14)**	(25.79)

Consequent to the certain unresolved disputes arising out of the Distribution Franchisee Agreement (DFA) of the Group with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at Jalgoan in Maharashtra, MSEDCL had exercised its step in rights and taken over the Distribution Franchisee in Jalgoan from the Group with effect from 12th August, 2015. Accordingly, the Group has classified Power Distribution Segment as discontinued operations.

The Group and MSEDCL have raised demand on each other and the matter is under dispute. The Group and MSEDCL are in process of constituting the Permanant Dispute Resolution Body (PDRB). The financial impact of the dispute will be known after the final outcome from PDRB.

₹ crore

46. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 105 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Contd.)

Statement of profit and loss of the discontinued operations:

	2015-16				2014-15			
	Overseas T&D	Consumer Products	Power Distribution	Total	Overseas T&D	Consumer Products	Power Distribution	Total
Revenue from operations	4105.45	1775.24	160.53	6041.22	4901.08	3232.65	412.08	8545.81
Expenses (net of other income)	4602.01	1594.56	187.67	6384.24	5451.35	2838.39	437.87	8727.61
Profit/(loss) before tax from a discontinued operations	(496.56)	180.68	(27.14)	(343.02)	(550.27)	394.26	(25.79)	(181.80)
Tax income / (expense)	(68.01)	(59.95)	(0.03)	(127.99)	(37.01)	(126.71)	0.42	(163.30)
Profit/(loss) after tax from a discontinued operations	(564.57)	120.73	(27.17)	(471.01)	(587.28)	267.55	(25.37)	(345.10)

The major classes of assets and liabilities of the discontinued operation are as under

	As at 31-03-2016	As at 31-03-2016	As at 30-09-2015	As at 31-03-2015
	Overseas T&D	Power Distribution	Consumer Products	Consumer Products
Assets				
Property, plant and equipment	1087.07	-	80.37	79.68
Capital work-in-progress	-	-	-	0.38
Other Intangible assets	105.41	23.64	3.50	4.15
Goodwill	17.86	-	-	-
Intangible assets under development	-	-	0.18	0.19
Non-current financial assets-loans	4.34	7.32	10.73	1.97
Inventories	748.77	0.10	159.75	155.10
Trade receivables	838.20	189.17	430.61	414.94
Cash and cash equivalents	38.31	0.14	3.23	4.51
Deferred tax assets	106.79	-	-	-
Current financial assets-loans	79.17	0.02	21.47	16.97
Other current assets	413.36	31.21	1.98	3.00
Assets classified as held for sale (A)	3439.28	251.60	711.82	680.89
Liabilities				
Non-current financial liabilities – borrowings	340.20	-	570.46	633.72
Deferred tax liabilities	221.21	-	0.62	-
Other long term liabilities	-	-	0.48	0.08
Current financial liabilities – borrowings	126.74	-	-	-
Trade payables	918.11	29.82	571.28	482.67
Other current liabilities	678.34	-	189.25	109.38
Provisions	263.11	0.28	32.26	14.22
Liabilities directly associated with group of assets classified as held for sale (B)	2547.71	30.10	1364.35	1240.07
Net assets / (liabilities) directly associated with disposal group (A-B)	891.57	221.50	(652.53)	(559.18)

Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

Cash Flows	2015-16	2014-15
Operating	(500.85)	63.57
Investing	1.99	3.60
Financing	(323.96)	697.34

₹ crore

47. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

   The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

   Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

   Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

   Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Carrying amount	Fair value		
	As at 1-04-2014	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	3304.13	-	-	-
Service concession receivable	5.32	-	-	5.82
Loans and other receivables (non-current)	1.04	-	-	0.87
Loans and other receivables (current)	52.42	-	-	-
Investments	4.12		4.12	-
Cash and bank balances	813.92	-	-	-
Bank deposit	1.03	-	-	-
Total	4181.98	-	4.12	6.69
Financial assets at fair value through profit or loss:				
Derivative instruments	23.81	-	23.81	-
Investments	28.78	20.72	-	8.06
Total	52.59	20.72	23.81	8.06
Financial liabilities at amortised cost:				
Interest-bearing loans and borrowings	1771.53	-	1771.53	-
Bonds	56.21	-	56.21	-
Interest-free sales tax deferral loans	0.89	-	0.89	-
Finance lease obligations	19.18	-	-	19.31
Short term loans from banks	560.77	-	-	-
Trade and other payables	2783.67	-	-	-
Other financial liabilities (non-current)	46.32	-	-	45.27
Other financial liabilities (current)	273.75	-	-	-
Total	5512.32	-	1828.63	64.58

₹ crore

47. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

	Carrying amount	Fair value		
	As at 31-03-2015	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	3074.34	-	-	-
Service concession receivable	7.03	-	-	7.67
Loans and other receivables (non-current)	14.35	-	-	11.73
Loans and other receivables (current)	55.42	-	-	-
Investments	5.28	0.56	4.72	-
Cash and bank balances	682.75	-	-	-
Bank deposit	1.60	-	-	-
Total	3840.77	0.56	4.72	19.40
Financial assets at fair value through profit or loss:				
Derivative instruments	13.64	-	13.64	-
Investments	168.67	160.62	-	8.05
Total	182.31	160.62	13.64	8.05
Financial assets at fair value through other comprehensive income:				
Investments	227.00	-	-	227.00
Total	227.00	-	-	227.00
Financial liabilities at amortised cost:				
Interest-bearing loans and borrowings	1366.34	-	1371.04	-
Bonds	54.21	-	54.21	-
Interest-free sales tax deferral loans	0.54	-	0.54	-
Finance lease obligations	13.85	-	-	14.09
Short term loans from banks	657.29	-	-	-
Trade and other payables	2055.37	-	-	-
Other financial liabilities (non-current)	2.74	-	-	2.30
Other financial liabilities (current)	286.41	-	-	-
Total	4436.75	-	1425.79	16.39

	Carrying amount	Fair value		
	As at 31-03-2016	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	**2081.76**	**-**	**-**	**-**
Loans and other receivables (non-current)	**9.44**	**-**	**-**	**7.56**
Loans and other receivables (current)	**14.44**	**-**	**-**	**-**
Investments	**0.56**	**-**	**0.56**	**-**
Cash and bank balances	**796.89**	**-**	**-**	**-**
Bank deposit	**230.60**	**-**	**-**	**-**
	3133.69	**-**	**0.56**	**7.56**
Financial assets at fair value through profit or loss:				
Derivative instruments	**6.40**	**-**	**6.40**	**-**
Investments	**9.01**	**0.95**	**-**	**8.06**
Total	**15.41**	**0.95**	**6.40**	**8.06**
Financial assets at fair value through other comprehensive income:				
Investments	**198.62**	**-**	**-**	**198.62**
Total	**198.62**	**-**	**-**	**198.62**
Financial liabilities at amortised cost:				
Interest-bearing loans and borrowings	**828.18**	**-**	**828.18**	**-**
Interest-free sales tax deferral loans	**0.12**	**-**	**-**	**-**
Obligations under finance leases	**7.95**	**-**	**-**	**8.17**
Short term loans from bank	**637.00**	**-**	**-**	**-**
Trade and other payables	**1357.86**	**-**	**-**	**-**
Other financial liabilities (non-current)	**1.25**	**-**	**-**	**0.97**
Other financial liabilities (current)	**128.70**	**-**	**-**	**-**
Total	**2961.06**	**-**	**828.18**	**9.14**

During the reporting period ending 31st March, 2016 and 31st March, 2015 , there were no transfers between Level 1 and Level 2 fair value measurements.

47. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments that are not carried at fair value

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Service concession receivable	NA	Discounted Cash flow method using interest rate for similar financial instrument	
Interest-bearing loans and borrowings	Discounted Cash flow method using risk adjusted discount rate		
Bonds	Discounted Cash flow method using risk adjusted discount rate		
Loans and other receivables (non-current)	Discounted Cash flow method using risk adjusted discount rate		
Derivative Instruments	Discounted Cash flow method using risk adjusted discount rate		
Finance leases obligations	Discounted Cash flow method using risk adjusted discount rate		
Other financial liabilities (non-current)	Discounted Cash flow method using risk adjusted discount rate		

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	₹ crore
Balance as at 1-04-2014	-
Add : Reclassification from Investment in Associates to Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)	244.31
Less : Fair value loss recognised in Other Comprehensive Income	17.31
Balance as at 31-03-2015	227.00
Less : Fair value loss recognised in Other Comprehensive Income	28.38
Balance as at 31-03-2016	**198.62**

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	As at 31-03-2016	As at 31-03-2015
Floating rate borrowings	**1453.19**	1624.48

Interest rate sensitivity

A change of 25 basis points in interest rates would have following impact on profit before tax.

Particulars	2015-16	2014-15
25 bp increase - Decrease in profit	**3.48**	4.77
25 bp decrease - Increase in profit	**(3.48)**	(4.70)

Foreign currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

₹ crore

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Foreign currency exposure as at 31st March, 2015	USD	Euro	GBP	CAD	Others	Total
Trade receivables	677.36	398.43	165.12	108.63	121.18	1470.72
Loans and other receivables	9.00	6.35	0.99	-	17.03	33.37
Bank balances in current accounts and term deposit accounts	115.20	108.64	39.22	42.81	22.65	328.52
Investment	4.70	-	-	-	-	4.70
Trade payables	(342.74)	(687.55)	(37.40)	(49.69)	(44.52)	(1161.90)
Long-term borrowings	(120.81)	(1146.02)	-	-	-	(1266.83)
Short term Borrowing	(174.19)	(378.57)	(0.47)	-	(3.84)	(557.07)
Other Short Term Financial Liabilities	(202.69)	(12.81)	(163.06)	(18.30)	(14.98)	(411.84)
Forward contracts for receivable	4.80	-	-	-	-	4.80
Forward contracts for loan	-	8.84	-	-	-	8.84

Foreign currency exposure as at 31st March, 2016	USD	Euro	GBP	CAD	Others	Total
Trade receivables	**365.02**	**397.57**	**6.99**	**-**	**5.45**	**775.03**
Loans and other receivables	**0.66**	**12.55**	**-**	**-**	**-**	**13.21**
Bank balances in current accounts and term deposit accounts	**1.38**	**149.85**	**12.17**	**-**	**2.07**	**165.47**
Trade payables	**(135.86)**	**(310.42)**	**(8.25)**	**(1.01)**	**(9.43)**	**(464.97)**
Long-term borrowings	**(0.04)**	**(594.80)**	**-**	**-**	**-**	**(594.84)**
Short term Borrowing	**-**	**(113.12)**	**-**	**-**	**-**	**(113.12)**
Other Short Term Financial Liabilities	**(1.32)**	**(309.28)**	**(0.36)**		**(6.67)**	**(317.63)**
Forward contracts for receivable	**7.05**	**-**	**-**	**-**	**-**	**7.05**
Forward contracts for loan	**-**	**(0.66)**	**-**	**-**	**-**	**(0.66)**

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

	2015-16		2014-15	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	**(1.11)**	**1.11**	(2.54)	2.54
Euro	**10.15**	**(10.15)**	6.82	(6.82)
GBP	**0.33**	**(0.33)**	(1.22)	1.22
CAD	**-**	**-**	0.14	(0.14)
Others	**(0.08)**	**0.08**	0.78	(0.78)
Increase / (decrease) in profit or loss	**9.29**	**(9.29)**	3.98	(3.98)

1 % increase or decrease in foreign exchange rates will have the following impact on equity

	2015-16		2014-15	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	**1.64**	**(1.64)**	(0.94)	0.94
Euro	**0.26**	**(0.26)**	(20.39)	20.39
GBP	**(16.01)**	**16.01**	0.70	(0.70)
CAD	**-**	**-**	0.71	(0.71)
Others	**(0.17)**	**0.17**	0.38	(0.38)
Increase / (decrease) in equity	**(14.28)**	**14.28**	(19.54)	19.54

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

(i) Actual or expected significant adverse changes in business,

(ii) Actual or expected significant changes in the operating results of the counterparty,

(ii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

(iv) Significant increases in credit risk on other financial instruments of the same counterparty,

(v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Exposure to credit risk

	As at 31-03-2016	As at 31-03-2015
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in Government or trust securities	**0.81**	5.04
Investments in debentures or bonds	**8.05**	8.05
Other non-current investments	**0.12**	0.12
Long-term loans and advances	**9.44**	14.35
Other long term financial assets	**-**	7.03
Cash and bank balances	**796.73**	651.19
Bank deposit	**230.60**	1.60
Short-term loans and advances	**14.44**	55.42
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)		
Trade receivables	**2227.55**	3277.28

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

	₹ crore
31-03-2016	
Up to 3 months	1324.22
3 to 6 months	364.73
More than 6 months	538.60
	2227.55
31-03-2015	
Up to 3 months	1948.59
3 to 6 months	751.49
More than 6 months	577.20
	3277.28

The following table summarizes the change in the loss allowances measured using lifetime expected credit loss model:

	₹ crore
As at 1-04-2014	**180.41**
Provided during the year	40.73
Amounts written off	(4.53)
Reversals of provision	(4.74)
Unwinding of discount	(5.22)
Translation adjustments	1.99
Transferred on account of demerger	(19.34)
As at 31-03-2015	**189.30**
Provided during the year	15.93
Amounts written off	(7.23)
Reversals of Provision	(5.15)
Transfer to discontinued operations	(47.61)
Unwinding of discount	(5.85)
As at 31-03-2016	**139.39**

No significant changes in estimation techniques or assumptions were made during the reporting period.

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

As at 31st March, 2016	Less than one year	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings	**233.81**	**586.40**	**7.97**	**828.18**
Interest-free sales tax deferral loans from State Government	**0.12**	-	-	**0.12**
Finance lease obligation	**4.33**	**4.43**	-	**8.76**
Other financial liabilities (non-current)	-	**1.25**	-	**1.25**
Short term loans from banks	**637.00**	-	-	**637.00**
Trade and other payables	**1357.86**	-	-	**1357.86**
Other financial liabilities (current)	**128.70**	-	-	**128.70**

As at 31st March, 2015	Less than one year	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings	**254.65**	**927.28**	**238.62**	**1420.55**
Interest-free sales tax deferral loans from State Government	-	**0.54**	-	**0.54**
Finance lease obligation	**5.86**	**11.06**	-	**16.92**
Other financial liabilities (non-current)	-	**2.74**	-	**2.74**
Short term loans from banks	**657.29**	-	-	**657.29**
Trade and other payables	**2055.37**	-	-	**2055.37**
Other financial liabilities (current)	**286.41**	-	-	**286.41**

Capital management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

	As at 31-03-2016	As at 31-03-2015
Total debt	**1473.25**	2092.23
Equity	**4597.16**	4307.80
Capital and net debt	**6070.41**	6400.03
Gearing ratio	**24.27%**	32.69%

Hedging activities and derivatives:

	As at 31-03-2016		As at 31-03-2015	
	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments	**0.62**	**5.76**	2.46	3.79

The fair value of derivative liabilities have been determined using rates quoted by the Group's bankers at the reporting date which are calculated by reference to the market interest rates and foreign exchange rates.

The Group entered into forward exchange and commodity contracts to manage its exposure to the variability of cash flows, primarily related to future sales and purchases of inventories denominated in foreign currencies over the next 12 months.

As at 31st March, 2016, the loss on derivatives of ₹ 4.14 crore (as at 31st March, 2015: net gain of ₹ 2.51 crore) incurred from changes in the fair value of forward foreign exchange and commodity contracts that are highly effective, has been recognized in hedging reserve.

The Group expects that substantially all of this amount will be credited into the profit or loss within 12 months from the reporting date.

49. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 17 LEASES

Operating lease commitments:

(i) Company as lessor:

The Company had entered into operating leases on its investment property portfolio consisting of office buildings. These leases have terms of between 9 - 10 years.

Future minimum rentals receivable under non-cancellable operating leases as at 31st March are, as follows:

	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Within one year	-	1.11	2.05
After one year but not more than five years	-	3.76	4.12
More than five years	-	0.41	1.16

(ii) Company as lessee:

(i) The Company has taken various residential / commercial premises and plant and equipment under cancellable operating leases. These lease agreements are normally renewed on expiry

(ii) The company has taken certain assets on non cancellable operating lease, the future minimum lease payment in respect of which are as follows:

	Minimum Lease Payments		
	As at 31-03-2016	As at 31-03-2015	As at 1-04-2014
Due within one year	**16.11**	19.88	20.93
Due one to five years	**33.22**	37.62	20.36
Due beyond five years	-	0.79	2.95

The lease agreement provide for an option to the Company to renew the lease period at the end of the non-cancellable period. There are no exceptional / restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is ₹ 11.98 crore (previous year ₹ 16.02 crore)

50. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars		2015-16	2014-15
Face value of equity share	₹	**2.00**	2.00
Weighted average number of equity shares outstanding	Nos.	**626746142**	626746142
Profit / (loss) for the year (continuing operations)	₹ crore	**75.49**	368.55
Weighted average earnings per share (basic and diluted)	₹	**1.20**	5.88
Profit for the year (discontinued operations)	₹ crore	**(471.01)**	(345.10)
Weighted average earnings per share (basic and diluted)	₹	**(7.51)**	(5.51)
Profit / (loss) for the year (total operations)	₹ crore	**(395.52)**	23.45
Weighted average earnings per share (basic and diluted)	₹	**(6.31)**	0.37

51. EXCEPTIONAL ITEMS

Exceptional items for the year ended 31st March,2016 include the following:

Particulars	2015-16	2014-15
Profit on sale of portion of land at Kanjurmarg, Mumbai	**246.30**	167.79
Profit on sale of investment in joint venture - CG Lucy Switchgear Limited	**13.93**	-
Provision made against loan given to subsidiaries net of exchange gain	**(323.77)**	-
Compensation to employees pursuant to voluntary retirement scheme	**(1.23)**	(18.10)
One time payment to former CEO & Managing Director	**(6.18)**	-
Impairment of goodwill	**(40.31)**	-
Total	**(111.26)**	149.69

52. Amount shown as ₹ 0.00 represent amount below ₹ 50000. (Rupees Fifty Thousand).

₹ crore

53. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS

Reconciliation of equity as at 1st April, 2014

	Reference	Indian GAAP	Adjustments	Ind AS
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	A,B,C,D & E	1570.87	1804.18	3375.05
(b) Capital work-in-progress	D	91.54	(19.57)	71.97
(c) Investment property	E	-	5.64	5.64
(d) Goodwill	C	1158.81	(583.31)	575.50
(e) Other intangible assets	C & D	511.09	474.24	985.33
(f) Intangible assets under development		126.83	-	126.83
(g) Financial assets				
(i) Investments		278.00	-	278.00
(ii) Loans	F	49.89	(48.85)	1.04
(iii) Others	D	-	5.32	5.32
(h) Deferred tax assets	C	341.00	(114.60)	226.40
(i) Other non-current assets		-	40.83	40.83
TOTAL NON-CURRENT ASSETS		**4128.03**	**1563.88**	**5691.91**
2. CURRENT ASSETS:				
(a) Inventories		1671.39	-	1671.39
(b) Financial assets				
(i) Investments		20.89	0.09	20.98
(ii) Trade receivables	H	3591.25	(263.31)	3327.94
(iii) Cash and cash equivalents		814.95	(46.21)	768.74
(iv) Bank balances other than (iii) above			45.18	45.18
(v) Loans		466.44	(414.02)	52.42
(vi) Others			1.03	1.03
(c) Current tax assets (net)		-	-	-
(d) Other current assets		323.21	428.37	751.58
TOTAL CURRENT ASSETS		**6888.13**	**(248.87)**	**6639.26**
TOTAL ASSETS		**11016.16**	**1315.01**	**12331.17**
EQUITY AND LIABILITIES:				
EQUITY:				
(a) Equity share capital		125.35	-	125.35
(b) Other equity	A,B,C,D, F, H,I & J	3519.21	755.94	4275.15
TOTAL EQUITY		3644.56	755.94	4400.50
Non-Controlling Interest		11.75	(11.75)	-
LIABILITIES:				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	B	1632.25	10.17	1642.42
(ii) Other financial liabilities			46.32	46.32
(b) Provisions		73.11	10.91	84.02
(c) Deferred tax liabilities	A,B,F & H	187.83	534.47	722.30
(d) Other non-current liabilities		67.80	(49.10)	18.70
TOTAL NON-CURRENT LIABILITIES		**1960.99**	**552.77**	**2513.76**
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings		560.77	-	560.77
(ii) Trade payables		2773.73	9.94	2783.67
(iii) Other financial liabilities	D		479.14	479.14
(b) Other current liabilities		1731.03	(468.90)	1262.13
(c) Provisions	J	333.33	(28.82)	304.51
(d) Current tax liabilities (net)		-	26.69	26.69
TOTAL CURRENT LIABILITIES		**5398.86**	**18.05**	**5416.91**
TOTAL EQUITY AND LIABILITIES		**11016.16**	**1315.01**	**12331.17**

₹ crore

53. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Reconciliation of equity as at 31st March, 2015

	Reference	Indian GAAP	Adjustments	Ind AS
ASSETS				
1. NON-CURRENT ASSETS				
(a) Property, plant and equipment	A,B,C,D & K	1461.75	1409.36	2871.11
(b) Capital work-in-progress	D & K	73.73	(22.28)	51.45
(c) Investment property	E	-	5.56	5.56
(d) Goodwill	C	946.75	(476.07)	470.68
(e) Other intangible assets	C,D & K	454.91	330.16	785.07
(f) Intangible assets under development	K	52.95	(0.19)	52.76
(g) Financial assets				
(i) Investments		280.59	(5.47)	275.12
(ii) Loans	F & K	23.70	(9.35)	14.35
(iii) Others	D	-	7.03	7.03
(h) Deferred tax assets	C & T	311.64	(112.25)	199.39
(i) Other non-current assets		-	7.38	7.38
TOTAL NON-CURRENT ASSETS		**3606.02**	**1133.88**	**4739.90**
2. CURRENT ASSETS				
(a) Inventories	K	1455.18	(155.11)	1300.07
(b) Financial assets				
(i) Investments		160.82	0.17	160.99
(ii) Trade receivables	G,H & K	3731.77	(643.79)	3087.98
(iii) Cash and cash equivalents	K	689.30	(11.71)	677.59
(iv) Bank balances other than (iii) above			5.16	5.16
(v) Loans		861.03	(805.61)	55.42
(vi) Others		-	1.60	1.60
(c) Current tax assets (net)		-	34.45	34.45
(d) Other current assets		487.47	728.29	1215.76
TOTAL CURRENT ASSETS		**7385.57**	**(846.55)**	**6539.02**
3. Assets classified as held for sale and discontinued operations	K	**-**	**680.89**	**680.89**
TOTAL ASSETS		**10991.59**	**968.22**	**11959.81**
EQUITY AND LIABILITIES				
EQUITY:				
(a) Equity share capital		125.35	-	125.35
(b) Other equity	A,B,C,F,H,I,J & M	3690.57	491.88	4182.45
TOTAL EQUITY		**3815.92**	**491.88**	**4307.80**
Non-Controlling Interest		20.30	(20.30)	-
LIABILITIES:				
1. NON-CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	B & K	1903.91	(626.68)	1277.23
(ii) Other financial liabilities		-	2.74	2.74
(b) Provisions		65.47	11.68	77.15
(c) Deferred tax liabilities	A,B,C,D,F & H	200.60	436.52	637.12
(d) Other non-current liabilities		52.18	(2.81)	49.37
TOTAL NON-CURRENT LIABILITIES		**2222.16**	**(178.55)**	**2043.61**
2. CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	G	622.57	34.72	657.29
(ii) Trade payables	K	2528.09	(472.72)	2055.37
(iii) Other financial liabilities		-	444.12	444.12
(b) Other current liabilities	K	1435.59	(545.10)	890.49
(c) Provisions	J,K & N	346.96	(25.90)	321.06
TOTAL CURRENT LIABILITIES		**4933.21**	**(564.88)**	**4368.33**
3. Liabilities associated with group of assets classified as held for sale and discontinued operations	K	**-**	**1240.07**	**1240.07**
TOTAL EQUITY AND LIABILITIES		**10991.59**	**968.22**	**11959.81**

₹ crore

53. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Reconciliation of total comprehensive income for the year ended 31st March, 2015

	Reference	Indian GAAP	Adjustments	Ind AS
REVENUES				
Revenue from operations	K,O,P,Q & S	14013.14	(8212.99)	5800.15
Other income	I,K,O & P	167.04	(73.66)	93.38
TOTAL INCOME		**14180.18**	**(8286.65)**	**5893.53**
EXPENSES				
Cost of material consumed	B,K,O & P	7211.06	(3699.34)	3511.72
Purchases of stock-in-trade	K & O	2185.58	(1970.62)	214.96
Changes in inventories of finished goods, work-in progress and stock-in-trade	K & P	133.87	(154.39)	(20.52)
Employee benefits expense	K,M,O & P	1993.56	(1324.66)	668.90
Finance costs	B,H,K,P & R	144.34	(39.60)	104.74
Depreciation and amortization expense	A,B,K,O & P	262.03	(17.32)	244.71
Other expenses	K,L,O,P,Q & S	1846.63	(930.74)	915.89
TOTAL EXPENSES		**13777.07**	**(8136.67)**	**5640.40**
PROFIT BEFORE SHARE OF PROFIT FROM ASSOCIATES AND JOINT VENTURE, EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS & TAX		**403.11**	**(149.98)**	**253.13**
Share of profit from associate companies	L	1.55	(0.11)	1.44
Exchange gain / (loss)		(47.42)	-	(47.42)
Exceptional Items (net)	A & P	90.38	59.31	149.69
Prior period	N	(17.72)	17.72	-
PROFIT BEFORE TAX		**429.90**	**(73.06)**	**356.84**
TAX EXPENSES:				
Current tax	K & P	200.68	(158.69)	41.99
Deferred tax (credit)	K,P & T	21.31	(73.68)	(52.37)
PROFIT FROM CONTINUING OPERATIONS		**207.91**	**159.31**	**367.22**
Profit / (loss) from discontinued operations		394.26	(576.06)	(181.80)
Tax expense of discontinued operations		126.71	36.59	163.30
Profit / (loss) from discontinued operations after tax	K,O & P	267.55	(612.65)	(345.10)
PROFIT AFTER TAX		**475.46**	**(453.34)**	**22.12**
Attributable to:				
Equity holders of the parent		476.90	(453.45)	23.45
Non-controlling interests		1.44	(0.11)	1.33
		475.46	**(453.34)**	**22.12**
OTHER COMPREHENSIVE INCOME:				
(A) (i) Items that will not be reclassified to profit or loss	M & U		(30.27)	(30.27)
(ii) Income tax relating to items that will not be reclassified to profit or loss			-	-
(B) (i) Items that will be reclassified to profit or loss	U		5.81	5.81
(ii) Income tax relating to items that will be reclassified to profit or loss			-	-
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			**(24.46)**	**(24.46)**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR			**(477.80)**	**(2.34)**
Attributable to:				
Equity holders of the parent				(1.01)
Non-controlling interests				1.33

53. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

Exemptions and exceptions availed

The consolidated financial statements, for the year ended 31st March, 2016, are the first Ind AS financial statements of the Group. For the periods up to and including the year ended 31st March, 2015, the Group prepared its consolidated financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Group has prepared its consolidated financial statements to comply with Ind AS for the year ending 31st March, 2016, together with comparative date as at and for the year ended 31st March, 2015. In preparing these Ind AS financial statements, the opening consolidated balance sheet was prepared as at 1st April, 2014, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its consolidated Indian GAAP Balance sheet as at 1st April, 2014 and its previously published consolidated Indian GAAP financial statements as at and for the year ended 31st March, 2015.

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS.

Exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

- Certain items of Land and buildings (other than investment properties) have been measured at fair value at the date of transition to Ind AS.
- The Group has elected to restate past business combinations occurred on or after 1st April, 2006. The Group has carried out the acquisition date fair value for assets and liabilities in respect of the acquired entities and have recognised the assets and liabilities in accordance with Ind AS.
- Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has done the assessment of lease in contracts based on conditions prevailing as at the date of transition.
- The Group has recognised financial assets and intangible assets as per Appendix A to Ind AS 11 on Service Concession Arrangements, based on the previous GAAP carrying amounts as at the date of transition.

Exceptions:

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

(a) Estimates

The estimates at 1st April 2014 and at 31st March, 2015 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences if any, in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of 31st March, 2015.

(b) Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(c) Classification and measurement of financial assets

The Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind-AS.

(d) Hedge Accounting

As on the date of transition to Ind AS, the Group had evaluated the hedge accounting as per Ind AS 109 and there is no condition which requires discontinuation of hedge accounting.

Notes to the reconciliation of equity as at 1st April, 2014 and 31st March, 2015 and total comprehensive income for the year ended 31st March, 2015.

A. Fair Value as deemed cost - Property Plant and Equipment (PP&E)

The Group has elected the option of fair value as deemed cost for Land and Building as on the date of transition to Ind AS. This has resulted in increase of ₹ 1,652.04 crore in the value of land and buildings with corresponding increase in retained earnings of ₹ 1,184.09 crore and deferred tax liability of ₹ 467.95 crore. Further, the Group has also recognised the revision in useful life as on date of transition to Ind AS to retained earnings along with related deferred tax.

Fair value as deemed cost as on transition date for respective category of PP&E is as under:

₹ crore

Category	Carrying value under Indian GAAP	Fair Value Adjustments	Carrying value under Ind AS
Building	625.83	809.09	1434.92
Freehold land	234.25	581.65	815.90
Leasehold land	13.37	261.30	274.67
Total	**873.45**	**1652.04**	**2525.49**

This led to additional depreciation of ₹ 49.59 crore during the year ended 31st March, 2015.

During the year ended 31st March, 2015, the Group has sold some of the land and building which was fair valued as on the transition date. Under Ind AS, such sale has resulted into reduction of profit on sale of land and building by ₹ 157.99 crore, (₹ 47.63 crore and ₹ 110.36 crore has been reduced from other income and exceptional items respectively).

B. Arrangement containing the Lease

The Group has entered into subcontracting arrangement with one of the vendor which contains the lease. The arrangements have been classified as finance lease based on the terms of the agreement. Leased assets of ₹ 14.39 crore, accumulated depreciation of ₹ 4.80 crore and finance lease obligation of ₹ 13.63 crore have been recognised as on the date of transition to Ind AS.

During the year ended 31st March, 2015, the depreciation of ₹ 2.40 crore has charged on the leased assets, interest expense of ₹ 1.15 crore has been recognised on the finance lease obligations and subcontracting charges of ₹ 3.58 crore, to the extent of lease portion, recognised under Indian GAAP have been reversed.

53. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS) (Contd.)

C. Business combinations – acquisition accounting

The Group has elected to restate all business combinations occurring on or after 1st April, 2006. The Group has determined the fair value of assets and liabilities as on the date of acquisition. As a result, the land has been increased by ₹ 126.14 crore and other items of PP&E by ₹ 17.42 crore. Subsequent to acquisition, additional depreciation of ₹ 3.48 crore on PP&E up the transition date has been recognised in the opening retained earnings.

The intangible assets such as trademark, technology and customer list valuing ₹ 444.75 crore which are capable of being separated have been recognised as on the date of transition to Ind AS (Gross value of ₹ 856.60 crore less accumulated amortisation till date of transition to Ind AS of ₹ 411.85 crore). The Goodwill recognised under Indian GAAP has been reduced to the extent of ₹ 583.31 crore. Deferred tax liability is recognised by ₹ 194.55 crore and charge in other equity by ₹ 193.04 crore. This has led to the additional amortisation of ₹ 68.36 crore during the year ended 31st March, 2015. Further, the Group has tested goodwill for impairment at the date of transition to Ind AS.

D. Service concession arrangements

The Group has entered into Power Distribution Franchise Agreement ('DFA') with Maharashtra State Electricity Distribution Company Ltd ('MSEDCL'). The arrangement has been classified as service concession arrangement (SCA). On the transition date, the Group has reclassified the PP&E of ₹ 9.85 crore and capital work in progress of ₹ 19.57 crore at the existing carrying value as at the transition date to the financial asset of ₹ 5.32 crore and intangible asset of ₹ 24.10 crore.

In respect of capital expenditure incurred under SCA during the F.Y 2014-15, the company has derecognised the PP&E and recognised the financial assets and intangible assets in line with the accounting policy on SCA.

The depreciation of ₹ 2.09 crore on PP&E under Indian GAAP has been reversed as the financial assets and intangible assets are recognised under Ind AS. Further the amortisation of ₹ 3.93 crore on intangible assets have been provided and the financial assets are carried at amortised cost by accretion of interest income of ₹ 0.63 crore at effective interest rate during the year ended 31st March, 2015.

The SCA is considered as discontinued operation w.e.f 12th August, 2015 and accordingly, the profit or loss on discontinued operation have been presented separately. Refer note 46 for further discussion on SCA

E. Recognition of investment property

The investment properties are reclassified from PP&E and presented separately amounting to ₹ 5.64 crore (WDV as on 1-04-2014) as on date of transition to Ind AS by reclassifying from PP&E.

The depreciation of ₹ 0.08 crore have been provided for the year ended 31st March, 2015.

F. Loan considered as equity contribution

The Group had given loan to one of the erstwhile subsidiary in earlier years, having outstanding amount of ₹ 11.20 crore as on transition date. In 2008, the investment in subsidiary was sold to third party. As per the terms and conditions of the loan, the loan given was in the nature of equity contribution and hence under Ind AS, the same would have been accounted for as equity investment. As the original investment in subsidiary has been disposed of, the loan outstanding as on transition date has been adjusted in opening retained earnings.

G. Bills discounted with recourse

Under Indian GAAP, trade receivables derecognised by way of bills of exchange have been shown as contingent liability since there is recourse clause. Under Ind AS, the trade receivables have been restated with corresponding recognition of short term borrowings of ₹ 34.72 crore as on 31st March, 2015.

H. Expected credit loss

Under Indian GAAP, the Group has created provision for impairment of trade receivables consist only in respect of specific amount for incurred loss. Under Ind AS, impairment allowance has been determined based on expected credit loss model (ECL). Due to this model, the Group impaired its trade receivables by ₹ 268.06 crore as on the transition date which has been recognised in retained earnings (net of deferred tax) of ₹ 247.45 crore. The impairment of ₹ 10.40 crore for the year ended 31st March, 2015 has been recognised in the statement of profit and loss.

The interest income of ₹ 4.47 crore is accrued during the year ended 31st March, 2015 on trade receivables discounted to present value as on transition date on account of expected delay under ECL.

I. Revaluation surplus under Indian GAAP

The Group has elected cost model for its PP&E and thus, the revaluation surplus existing as on the transition date under Indian GAAP amounting to ₹ 29.90 crore has been derecognised in the retained earnings on the date of transition.

Accordingly, the transfer of proportionate share of revaluation surplus of ₹ 2.84 crore to profit & loss on sale of land under Indian GAAP have been reversed under Ind AS during the year ended 31st March, 2015.

J. Proposed dividend

Under Indian GAAP, proposed dividend including dividend distribution tax, are recognised as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the Group, usually when approved by shareholders in a general meeting, or paid.

Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to ₹ 29.33 crore has been derecognised in the retained earnings as on the date of transition.

Proposed dividend including dividend distribution tax liability amounting to ₹ 29.33 crore which was derecognised as on the transition date, has been recognised in retained earnings during the year ended 31st March, 2015 as declared and paid.

K. Discontinued operations – Consumer products

The Group has classified its Consumer products segment as discontinued operations w.e.f 19th February, 2015.

Under Indian GAAP, the statement of Profit and Loss includes the revenue, expense of discontinued operations with separate disclosure of profit and income tax on Statement of Profit & Loss. Under Ind AS, the Group has excluded the revenue, expense of discontinued operations and presented profit and tax expenses related to discontinued operation as single line items.

Under Ind AS, assets, liabilities and other comprehensive income related to discontinued operations have been separately presented on the balance sheet. For more detail, refer note no 46.

L. Subsidiary consolidated under Indian GAAP classified as joint venture

The Group has assessed that it does not have power, exposure to variable returns in respect of one of the subsidiary as per Ind AS 110. The Group concluded that It has joint control and hence equity method of accounting has been followed under Ind AS.

53. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101 FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)

M. Defined benefit obligation

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised in other comprehensive income. Thus, employee benefits expense is reduced by ₹ 12.96 crore and is recognised in other comprehensive income during the year ended 31st March, 2015

N. Prior period items

Volume discount on sales of ₹ 5.18 crore, provision for litigation claim of ₹ 9.52 crore and provision for liquidated damages of ₹ 1.91 crore pertaining to financial year ending 31st March 2014 recognised as prior period items during the year ending 31st March, 2015 under Indian GAAP. Under Ind AS, the said prior period items aggregating to ₹ 16.61 crore and ₹ 1.11 crore have been recognised in opening retained earnings and foreign exchange fluctuation reserve respectively.

O. Discontinued operations – Power distribution

The Group has classified its Power distribution business as discontinued operations w.e.f 12th August, 2015.

Under Ind AS, the Group has excluded the revenue, expense of discontinued operations and presented profit and tax expenses related to discontinued operation as single line items.

Under Ind AS, assets, liabilities and other comprehensive income related to discontinued operations have been separately presented on the balance sheet (Refer Note 46).

P. Discontinued operations – Transmission & distribution business

The Group has classified its Transmission & distribution business (Power segment) as discontinued operations w.e.f. 9th March, 2016.

Under Ind AS, the Group has excluded the revenue, expense of discontinued operations and presented profit and tax expenses related to discontinued operation as single line items.

Under Ind AS, assets, liabilities and other comprehensive income related to discontinued operations have been separately presented on the balance sheet. For more detail, refer note no 46.

Q. Cash discount

Under Indian GAAP, cash discount of ₹ 7.29 crore was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31st March, 2015.

R. Bonds classified as amortised cost

Bonds issued are carried at amortised cost under Ind AS and the interest expense has been recognised based on effective interest rate method.

S. Excise duty

Excise duty of ₹ 294.79 crore on account of sale of goods have been included in revenue as it is on own account because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not

T. Impact on deferred tax during the year ended 31st March, 2015:

	₹ crore
Deferred tax	
Deferred tax liability recognised on fair valuation of land and buildings as on transition date has been reversed to the extent of additional depreciation during the year	(16.57)
Deferred tax liability recognised on fair valuation of land and buildings as on transition date has been reversed to the extent of assets sold during the year	(32.90)
Deferred tax recognised on amortisation of intangible assets recognised on business combination	(17.13)
Deferred tax on account of stock reserve	(0.78)
Deferred tax on arrangement containing the lease	0.01
Deferred tax asset on expected credit loss	(0.71)
Deferred tax pertaining to subsidiary which is classified as joint venture under Ind AS.	0.07

U. Other adjustments

Movement in other comprehensive income includes fair value change on account of Investment in equity instruments designated as Fair value through other comprehensive income, exchange differences on account of translation differences of foreign operations and effective portion on account of cash flow hedge.

Financial assets and financial liabilities have been regrouped wherever required to comply with Ind AS.

54. Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Group's financial statements is disclosed below. The Group intends to adopt this standard when it becomes effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued in February 2015 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after 1st April, 2018. The Group will adopt the new standard on the required effective date. During the current year, the Group performed a preliminary assessment of Ind AS 115, which is subject to changes arising from a more detailed ongoing analysis.

55. Figures for the previous year have been regrouped wherever necessary.

ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES / ASSOCIATES / JOINT VENTURES FOR THE YEAR ENDED 31ST MARCH 2016

Name of the Entity	Net Assets		Share of Loss		Share in Other Comprehencive income (OCI)		Share in Total Comprehencive income	
	As % of Consolidated Net Assets	Amount (₹ crore)	As % of Consolidated Loss	Amount (₹ crore)	As % of Consolidated OCI	Amount (₹ crore)	As % of total Comprehencive income	Amount (₹ crore)
Parent: Crompton Greaves Limited	89.80	4128.05	275.16	(1091.97)	(142.04)	(47.88)	313.89	(1139.85)
Indian subsidiaries:								
CG-PPI Adhesive Products Limited	0.34	15.41	(0.19)	0.74	-	-	(0.20)	0.74
CG Power Solutions Limited	(1.69)	(77.51)	11.94	(47.39)	-	-	13.05	(47.39)
Crompton Greaves Consumer Products Limited	0.00	0.05	0.27	(1.09)	-	-	0.30	(1.09)
Foreign subsidiaries:								
CG International B.V.	(4.37)	(201.01)	(108.79)	431.73	(217.98)	(73.48)	(98.65)	358.25
CG Holdings Belgium N.V.	(17.72)	(814.41)	42.42	(168.36)	(194.37)	(65.52)	64.40	(233.88)
CG Power Systems Belgium N.V.	(5.32)	(244.79)	31.88	(126.51)	(67.65)	(22.80)	41.12	(149.32)
CG Power Systems Ireland Limited	6.78	311.81	4.82	(19.13)	69.91	23.57	(1.22)	4.43
CG Sales Networks France SA	0.14	6.60	(0.28)	1.10	1.92	0.65	(0.48)	1.74
CG Power Systems Canada Inc.	(0.13)	(5.99)	(3.01)	11.93	(25.83)	(8.71)	(0.89)	3.22
PT. CG Power Systems Indonesia	13.96	641.83	(18.81)	74.64	92.57	31.21	(29.15)	105.85
CG Holdings Hungary Kft.	1.18	54.30	(0.34)	1.36	17.38	5.86	(1.99)	7.21
CG Electric Systems Hungary Zrt.	2.12	97.49	17.59	(69.79)	80.45	27.12	11.75	(42.67)
CG Automation Systems UK Limited	0.05	2.41	(12.30)	48.82	15.02	5.06	(14.84)	53.89
CG Service Systems France SAS	0.23	10.41	0.67	(2.66)	1.40	0.47	0.60	(2.19)
CG Power USA Inc	5.81	267.11	9.10	(36.11)	(5.26)	(1.77)	10.43	(37.88)
CG Power Solutions UK Limited	0.00	(0.01)	3.80	(15.10)	(39.10)	13.18	0.53	(1.92)
CG Power County LLC	-	-	(10.23)	40.58	(5.38)	(1.81)	(10.68)	38.77
CG Power Systems Brazil LTDA	(2.43)	(111.76)	2.28	(9.06)	(16.31)	(5.50)	4.01	(14.56)
CG Power Solutions Saudi Arabia Ltd.	0.11	4.98	0.20	(0.80)	1.57	0.53	0.07	(0.27)
CG Industrial Holdings Sweden AB	(0.20)	(9.32)	5.22	(20.72)	56.22	18.95	0.49	(1.77)
CG Drives and Automation Sweden AB	4.45	204.74	(0.59)	2.34	69.56	23.45	(7.10)	25.79
CG Drives and Automation Netherlands B.V.	0.43	19.79	(0.20)	0.79	6.27	2.11	(0.80)	2.90
CG Drives and Automation Germany GmbH	0.17	7.96	(0.29)	1.15	2.35	0.79	(0.54)	1.95
ZIV Aplicaciones y Tecnologia S.L.	6.35	291.93	(7.18)	(28.50)	135.39	45.64	(4.72)	17.13
ZIV Metering Solutions S.L.	4.12	189.45	(6.65)	26.38	56.03	18.89	(12.47)	45.27
ZIV Grid Automation S.L.	2.06	94.54	2.20	(8.74)	32.59	10.99	(0.62)	2.24
ZIV Communications S.A.	0.21	9.85	(1.87)	7.44	1.66	0.56	(2.20)	8.00
ZIV Do Brazil Ltda	0.06	2.89	1.00	(3.99)	(10.76)	(3.63)	2.10	(7.62)
ZIV I+D Smart Energy Networks	0.16	7.22	(0.47)	1.85	1.96	0.66	(0.69)	2.51
ZIV France, SASU	0.03	1.29	0.14	(0.57)	0.16	0.05	0.14	(0.51)
CG Middle East FZE	(1.38)	(63.62)	(26.59)	105.51	67.08	22.61	(35.28)	128.12
Crompton Greaves Holdings Mauritius Limited	-	-	0.02	(0.08)	-	-	0.02	(0.08)
CG International Holdings Singapore Pte Limited	0.24	11.01	(0.05)	0.20	36.80	12.40	(3.47)	12.61
CG Sales Network Malaysia SDN.BHD.	0.03	1.48	(0.27)	1.09	0.14	0.05	(0.31)	1.14
Minority Interest in All subsidiaries	-	-	0.34	(1.33)	-	-	0.37	(1.33)
Associates								
(Investment as per equity Method)								
Foreign Associates								
Saudi Power Transformers Co Ltd	(0.47)	(21.39)	-	-	-	-	-	-
Pauwels Middle East Trading & Contracting (Pvt) Co. LLC.	0.00	(0.09)	-	-	-	-	-	-
KK El-Fi Co. Ltd	-	-	-	-	-	-	-	-
Joint Ventures								
CG Lucy Switchgear Limited	-	-	(0.53)	2.11	-	-	(0.58)	2.11
PT Crompton Prima Switchgear Indonesia	0.45	20.81	0.23	(0.91)	-	-	0.25	(0.91)

ACCOUNTS IN FOREIGN CURRENCY

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2016

	As at 31-03-2016		As at 31-03-2015	
	USD million	USD million	USD million	USD million
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	**195.63**		238.73	
(b) Capital work-in-progress	**0.30**		0.43	
(c) Investment property	**-**		0.89	
(d) Other intangible assets	**7.63**		15.15	
(e) Intangible assets under development	**5.73**		4.81	
(f) Financial assets				
(i) Investments	**69.22**		160.81	
(ii) Loans	**1.42**		2.29	
(iii) Others	**6.73**		8.98	
(g) Other non-current assets	**3.20**		1.10	
		289.86		433.19
2. CURRENT ASSETS:				
(a) Inventories	**61.46**		58.99	
(b) Financial assets				
(i) Investments	**0.14**		25.70	
(ii) Trade receivables	**257.09**		296.74	
(iii) Cash and cash equivalents	**77.04**		47.10	
(iv) Bank balances other than (iii) above	**0.24**		0.31	
(v) Loans	**156.01**		156.86	
(vi) Others	**34.81**		0.26	
(c) Current tax assets (net)	**3.99**		4.56	
(d) Other current assets	**78.52**		96.10	
		669.30		686.62
3. Assets classified as held for sale and discontinued operations		**37.98**		108.95
TOTAL ASSETS		**997.14**		1228.76
EQUITY AND LIABILITIES				
EQUITY:				
(a) Equity share capital	**18.92**		20.06	
(b) Other equity	**604.18**		718.43	
		623.10		738.49
LIABILITIES				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**0.63**		1.35	
(ii) Other financial liabilities	**0.18**		0.43	
		0.81		1.78
(b) Provisions		**7.96**		9.59
(c) Deferred tax liabilities (net)		**36.26**		48.23
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**78.94**		9.00	
(ii) Trade payables	**166.43**		151.83	
(iii) Other financial liabilities	**22.40**		24.86	
		267.77		185.69
(b) Other current liabilities		**45.29**		36.56
(c) Provisions		**11.41**		10.00
3. Liabilities associated with group of assets classified as held for sale and discontinued operations		**4.54**		198.42
TOTAL EQUITY AND LIABILITIES		**997.14**		1228.76

Note: Closing exchange rate considered for 1 USD as at 31st March, 2016 is ₹ 66.2500 and as at 31st March, 2015 is ₹ 62.4973

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16		2014-15	
	USD million	USD million	USD million	USD million
CONTINUING OPERATIONS				
INCOME:				
Revenue from operations	**655.97**		740.24	
Other income	**34.08**		21.16	
TOTAL INCOME		**690.05**		761.40
EXPENSES:				
Cost of materials consumed	**429.15**		472.95	
Purchases of stock-in-trade	**18.27**		30.78	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(9.82)**		6.55	
Employee benefits expense	**56.87**		60.77	
Finance costs	**6.12**		6.98	
Depreciation and amortisation expense	**16.50**		18.46	
Other expenses	**126.77**		125.75	
TOTAL EXPENSES		**643.86**		722.24
PROFIT BEFORE EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX		**46.19**		39.16
Exchange gain / (loss)		**8.72**		(7.76)
Exceptional items (net)		**(230.65)**		24.49
PROFIT / (LOSS) BEFORE TAX		**(175.74)**		55.89
TAX EXPENSE:				
Current tax	**15.09**		6.67	
Deferred tax (credit)	**(9.19)**		(7.24)	
		5.90		(0.57)
PROFIT / (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**(181.64)**		56.46
PROFIT FROM DISCONTINUED OPERATIONS BEFORE TAX	**24.07**		60.76	
Tax expense of discontinued operations	**9.37**		20.82	
PROFIT FROM DISCONTINUED OPERATIONS AFTER TAX		**14.70**		39.94
PROFIT / (LOSS) FOR THE YEAR		**(166.94)**		96.40
OTHER COMPREHENSIVE INCOME:				
A (i) Items that will not be reclassified to profit or loss	**(7.32)**		(1.58)	
(ii) Income tax relating to items that will not be reclassified to profit or loss	**-**		-	
B (i) Items that will be reclassified to profit or loss	**-**		-	
(ii) Income tax relating to items that will be reclassified to profit or loss	**-**		-	
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(7.32)**		(1.58)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(174.26)**		94.82
Earnings per share for continuing operations (USD)		**(0.29)**		0.09
Earnings per share for discontinued operations (USD)		**0.02**		0.06
Earnings per share (basic and diluted) (in USD)		**(0.27)**		0.15

Note: Average exchange rate considered for 1 USD in 2015-16 is ₹ 65.4117 and in 2014-15 is ₹ 61.1097

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2016

	As at 31-03-2016		As at 31-03-2015	
	Euro million	Euro million	Euro million	Euro million
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	**171.86**		222.22	
(b) Capital work-in-progress	**0.27**		0.40	
(c) Investment property	**-**		0.83	
(d) Other intangible assets	**6.70**		14.10	
(e) Intangible assets under development	**5.03**		4.48	
(f) Financial assets				
(i) Investments	**60.81**		149.69	
(ii) Loans	**1.25**		2.13	
(iii) Others	**5.91**		8.36	
(g) Other non-current assets	**2.82**		1.02	
		254.65		403.23
2. CURRENT ASSETS:				
(a) Inventories	**53.99**		54.91	
(b) Financial assets				
(i) Investments	**0.13**		23.92	
(ii) Trade receivables	**225.86**		276.21	
(iii) Cash and cash equivalents	**67.68**		43.85	
(iv) Bank balances other than (iii) above	**0.21**		0.29	
(v) Loans	**137.05**		146.01	
(vi) Others	**30.58**		0.24	
(c) Current tax assets (net)	**3.51**		4.24	
(d) Other current assets	**68.98**		89.46	
		587.99		639.13
3. Assets classified as held for sale and discontinued operations		**33.36**		101.41
TOTAL ASSETS		**876.00**		1143.77
EQUITY AND LIABILITIES				
EQUITY:				
(a) Equity share capital	**16.62**		18.67	
(b) Other equity	**530.78**		668.74	
		547.40		687.41
LIABILITIES				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**0.55**		1.25	
(ii) Other financial liabilities	**0.16**		0.41	
		0.71		1.66
(b) Provisions		**6.99**		8.92
(c) Deferred tax liabilities (net)		**31.86**		44.89
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**69.35**		8.37	
(ii) Trade payables	**146.21**		141.34	
(iii) Other financial liabilities	**19.68**		23.14	
		235.24		172.85
(b) Other current liabilities		**39.79**		34.03
(c) Provisions		**10.02**		9.31
3. Liabilities associated with group of assets classified as held for sale and discontinued operations		**3.99**		184.70
TOTAL EQUITY AND LIABILITIES		**876.00**		1143.77

Note: Closing exchange rate considered for 1 Euro as at 31st March, 2016 is ₹ 75.4120 and as at 31st March 2015 is ₹ 67.1410

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16		2014-15	
	Euro million	Euro million	Euro million	Euro million
CONTINUING OPERATIONS				
INCOME:				
Revenue from operations	**594.04**		583.79	
Other income	**30.86**		16.69	
TOTAL INCOME		**624.90**		600.48
EXPENSES:				
Cost of materials consumed	**388.63**		372.99	
Purchases of stock-in-trade	**16.55**		24.28	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(8.90)**		5.16	
Employee benefits expense	**51.50**		47.93	
Finance costs	**5.55**		5.51	
Depreciation and amortisation expense	**14.95**		14.56	
Other expenses	**114.79**		99.17	
TOTAL EXPENSES		**583.07**		569.60
PROFIT BEFORE EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX		**41.83**		30.88
Exchange gain / (loss)		**7.89**		(6.12)
Exceptional items (net)		**(208.87)**		19.32
PROFIT / (LOSS) BEFORE TAX		**(159.15)**		44.08
TAX EXPENSE:				
Current tax	**13.66**		5.26	
Deferred tax (credit)	**(8.32)**		(5.71)	
		5.34		(0.45)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS		**(164.49)**		44.53
PROFIT FROM DISCONTINUED OPERATIONS BEFORE TAX	**21.80**		47.92	
Tax expense of discontinued operations	**8.49**		16.42	
PROFIT FROM DISCONTINUED OPERATIONS AFTER TAX		**13.31**		31.50
PROFIT / (LOSS) FOR THE YEAR		**(151.18)**		76.03
OTHER COMPREHENSIVE INCOME:				
A (i) Items that will not be reclassified to profit or loss	**(6.63)**		(1.25)	
(ii) Income tax relating to items that will not be reclassified to profit or loss	**-**		-	
B (i) Items that will be reclassified to profit or loss	**-**		-	
(ii) Income tax relating to items that will be reclassified to profit or loss	**-**		-	
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(6.63)**		(1.25)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(157.81)**		74.78
Earnings per share for continuing operations (in Euro)		**(0.26)**		0.07
Earnings per share for discontinued operations (in Euro)		**0.02**		0.05
Earnings per share (basic and diluted) (in Euro)		**(0.24)**		0.12

Note: Average exchange rate considered for 1 Euro in 2015-16 is ₹ 72.2315 and in 2014-15 is ₹ 77.4865

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	As at 31-03-2016		As at 31-03-2015	
	USD million	USD million	USD million	USD million
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	**226.53**		459.40	
(b) Capital work-in-progress	**2.15**		8.23	
(c) Investment property	**-**		0.89	
(d) Goodwill	**70.70**		75.31	
(e) Other intangible assets	**96.60**		125.62	
(f) Intangible assets under development	**8.15**		8.44	
(g) Financial assets				
(i) Investments	**31.28**		44.02	
(ii) Loans	**1.42**		2.30	
(iii) Others	**-**		1.12	
(h) Deferred tax assets	**13.57**		31.90	
(i) Other non-current assets	**3.26**		1.18	
		453.66		758.41
2. CURRENT ASSETS:				
(a) Inventories	**88.30**		208.02	
(b) Financial assets				
(i) Investments	**0.14**		25.76	
(ii) Trade receivables	**315.19**		494.09	
(iii) Cash and cash equivalents	**119.61**		108.42	
(iv) Bank balances other than (iii) above	**0.68**		0.83	
(v) Loans	**2.18**		8.87	
(vi) Others	**34.81**		0.26	
(c) Current tax assets (net)	**5.78**		5.51	
(d) Other current assets	**85.84**		194.53	
		652.53		1046.29
3. Assets classified as held for sale and discontinued operations		**557.11**		108.95
TOTAL		**1663.30**		1913.65
EQUITY AND LIABILITIES				
EQUITY:				
(a) Equity share capital	**18.92**		20.06	
(b) Other equity	**674.99**		669.22	
		693.91		689.28
LIABILITIES				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**90.42**		204.37	
(ii) Other financial liabilities	**0.19**		0.44	
		90.61		204.81
(b) Provisions		**7.97**		12.34
(c) Deferred tax liabilities		**51.73**		101.94
(d) Other non-current liabilities		**0.96**		7.90
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**96.15**		105.17	
(ii) Trade payables	**204.96**		328.88	
(iii) Other financial liabilities	**55.23**		71.06	
		356.34		505.11
(b) Other current liabilities		**60.54**		142.48
(c) Provisions		**12.14**		51.37
3. Liabilities associated with group of assets classified as held for sale and discontinued operations		**389.10**		198.42
TOTAL EQUITY AND LIABILITIES		**1663.30**		1913.65

Note: Closing exchange rate considered for 1 USD as at 31st March, 2016 is ₹ 66.2500 and as at 31st March, 2015 is ₹ 62.4973

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16		2014-15	
	USD million	USD million	USD million	USD million
CONTINUING OPERATIONS				
INCOME:				
Revenue from operations	**856.90**		949.14	
Other income	**17.06**		15.28	
TOTAL INCOME		**873.96**		964.42
EXPENSES:				
Cost of materials consumed	**525.67**		574.66	
Purchases of stock-in-trade	**18.25**		35.18	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(0.65)**		(3.36)	
Employee benefits expense	**100.12**		109.46	
Finance costs	**12.44**		17.14	
Depreciation and amortisation expense	**39.10**		40.04	
Other expenses	**157.38**		149.88	
TOTAL EXPENSES		**852.31**		923.00
PROFIT BEFORE SHARE OF PROFIT FROM ASSOCIATE AND JOINT VENTURE, EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX		**21.65**		41.42
Share of profit from associate and joint venture		**0.18**		0.23
Exchange gain / (loss)		**8.72**		(7.76)
Exceptional items		**(17.01)**		24.50
PROFIT BEFORE TAX		**13.54**		58.39
TAX EXPENSE:				
Current tax	**15.40**		6.87	
Deferred tax (credit)	**(13.20)**		(8.57)	
		2.20		(1.70)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS		**11.34**		60.09
LOSS FROM DISCONTINUED OPERATIONS	**(52.44)**		(29.75)	
Tax expense of discontinuing operations	**19.57**		26.72	
LOSS FROM DISCONTINUED OPERATIONS AFTER TAX		**(72.01)**		(56.47)
PROFIT / (LOSS) FOR THE YEAR		**(60.67)**		3.62
Attributable to:				
Equity holders of the parent		**(60.47)**		3.84
Non-controlling interests		**0.20**		0.22
		(60.67)		3.62
OTHER COMPREHENSIVE INCOME:				
A (i) Items that will not be reclassified to profit or loss	**(7.01)**		(4.95)	
(ii) Income tax relating to items that will not be reclassified to profit or loss	**-**		-	
B (i) Items that will be reclassified to profit or loss	**12.16**		0.95	
(ii) Income tax relating to items that will be reclassified to profit or loss	**-**		-	
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**5.15**		(4.00)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(55.52)**		(0.38)
Attributable to:				
Equity holders of the parent		**(55.32)**		(0.16)
Non-controlling interests		**0.20**		0.22
Earnings per share for continuing operations (in USD)		**0.02**		0.10
Earnings per share for discontinued operations (in USD)		**(0.12)**		(0.09)
Earnings per share (basic and diluted) (in USD)		**(0.10)**		0.01

Note: Average exchange rate considered for 1 USD in 2015-16 is ₹ 65.4117 and in 2014-15 is ₹ 61.1097

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	As at 31-03-2016		As at 31-03-2015	
	Euro million	Euro million	Euro million	Euro million
ASSETS				
1. NON-CURRENT ASSETS:				
(a) Property, plant and equipment	**199.00**		427.62	
(b) Capital work-in-progress	**1.89**		7.66	
(c) Investment property	**-**		0.83	
(d) Goodwill	**62.11**		70.10	
(e) Other intangible assets	**84.87**		116.93	
(f) Intangible assets under development	**7.16**		7.86	
(g) Financial assets				
(i) Investments	**27.48**		40.98	
(ii) Loans	**1.25**		2.14	
(iii) Others	**-**		1.05	
(h) Deferred tax assets	**11.92**		29.70	
(i) Other non-current assets	**2.86**		1.09	
		398.54		705.96
2. CURRENT ASSETS:				
(a) Inventories	**77.57**		193.63	
(b) Financial assets				
(i) Investments	**0.13**		23.98	
(ii) Trade receivables	**276.90**		459.92	
(iii) Cash and cash equivalents	**105.08**		100.92	
(iv) Bank balances other than (iii) above	**0.59**		0.77	
(v) Loans	**1.91**		8.25	
(vi) Others	**30.58**		0.24	
(c) Current tax assets (net)	**5.08**		5.13	
(d) Other current assets	**75.40**		181.08	
		573.24		973.92
3. Assets classified as held for sale and discontinued operations		**489.43**		101.41
TOTAL		**1461.21**		1781.29
EQUITY AND LIABILITIES				
EQUITY:				
(a) Equity share capital	**16.62**		18.67	
(b) Other equity	**592.98**		622.93	
		609.60		641.60
LIABILITIES				
1. NON-CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**79.43**		190.23	
(ii) Other financial liabilities	**0.17**		0.41	
		79.60		190.64
(b) Provisions		**7.00**		11.49
(c) Deferred tax liabilities (net)		**45.44**		94.89
(d) Other non-current liabilities		**0.84**		7.35
2. CURRENT LIABILITIES:				
(a) Financial liabilities				
(i) Borrowings	**84.47**		97.90	
(ii) Trade payables	**180.06**		306.13	
(iii) Other financial liabilities	**48.52**		66.14	
		313.05		470.17
(b) Other current liabilities		**53.18**		132.63
(c) Provisions		**10.67**		47.82
3. Liabilities associated with group of assets classified as held for sale and discontinued operations		**341.83**		184.70
TOTAL EQUITY AND LIABILITIES		**1461.21**		1781.29

Note: Closing exchange rate considered for 1 Euro as at 31st March, 2016 is ₹ 75.4120 and as at 31st March, 2015 is ₹ 67.1410

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16		2014-15	
	Euro million	Euro million	Euro million	Euro million
CONTINUING OPERATIONS				
INCOME:				
Revenue from operations	**776.00**		748.54	
Other income	**15.45**		12.05	
TOTAL INCOME		**791.45**		760.59
EXPENSES:				
Cost of materials consumed	**476.05**		453.21	
Purchases of stock-in-trade	**16.53**		27.74	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(0.59)**		(2.65)	
Employee benefits expense	**90.67**		86.32	
Finance costs	**11.26**		13.52	
Depreciation and amortisation expense	**35.41**		31.58	
Other expenses	**142.52**		118.20	
TOTAL EXPENSES		**771.85**		727.92
PROFIT BEFORE SHARE OF PROFIT FROM ASSOCIATE AND JOINT VENTURE, EXCHANGE GAIN / (LOSS), EXCEPTIONAL ITEMS AND TAX		**19.60**		32.67
Share of profit from associate and joint venture		**0.17**		0.19
Exchange gain / (loss)		**7.89**		(6.12)
Exceptional items (net)		**(15.40)**		19.31
PROFIT BEFORE TAX		**12.26**		46.05
TAX EXPENSE:				
Current tax	**13.94**		5.42	
Deferred tax (credit)	**(11.95)**		(6.76)	
		1.99		(1.34)
PROFIT FROM CONTINUING OPERATIONS		**10.27**		47.39
LOSS FROM DISCONTINUED OPERATIONS	**(47.49)**		(23.46)	
Tax expense of discontinuing operations	**17.72**		21.07	
LOSS FROM DISCONTINUED OPERATIONS AFTER TAX		**(65.21)**		(44.53)
PROFIT / (LOSS) FOR THE YEAR		**(54.94)**		2.86
Attributable to:				
Equity holders of the parent		**(54.76)**		3.03
Non-controlling interests		**0.18**		0.17
		(54.94)		2.86
OTHER COMPREHENSIVE INCOME:				
A (i) Items that will not be reclassified to profit or loss	**(6.34)**		(3.91)	
(ii) Income tax relating to items that will not be reclassified to profit or loss	**-**		-	
B (i) Items that will be reclassified to profit or loss	**11.01**		0.75	
(ii) Income tax relating to items that will be reclassified to profit or loss	**-**		-	
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**4.67**		(3.16)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(50.27)**		(0.30)
Attributable to:				
Equity holders of the parent		**(50.09)**		(0.13)
Non-controlling interests		**0.18**		0.17
Earnings per share for continuing operations (in Euro)		**0.02**		0.08
Earnings per share for discontinued operations (in Euro)		**(0.10)**		(0.07)
Earnings per share (basic and diluted) (in Euro)		**(0.08)**		0.01

Note: Average exchange rate considered for 1 Euro in 2015-16 is ₹ 72.2315 and in 2014-15 is ₹ 77.4865

PRODUCTS & SERVICES

POWER

CG INDIA

Transformers

- Auto Transformers (up to 1200 kV)
- Distribution Transformers
- Energy Efficient Transformers
- Dry Type Transformers (Cast Resin & VPI)
- Locomotive Transformers
- Traction Transformers
- Furnace Transformers
- Rectifier Transformers
- Shunt Reactors (upto 800 kV)
- Generator Transformers (up to 800 kV)
- Systems Transformers
- Phase Shifting Transformers
- Earthing Transformers
- Isolation Transformers

Switchgear

- Current Transformers upto 800 kV
- Capacitive Voltage Transformer upto 1200 kV
- Inductive Voltage Transformers up to 420 kV
- Condenser Bushings upto 800 kV
- Coupling / Grading Capacitors upto 420 kV
- Indoor & Outdoor Vacuum Circuit Breakers up to 36 kV
- Indoor GIS up to 36 kV
- Gas Circuit Breakers upto 800 kV
- Lightning Arresters upto 1200 kV along with allied accessories(Porcelain as well as Polymer Insulators)
- Disconnectors upto 245 kV
- Vacuum Interrupters upto 72.5 kV, 50 kA, 3150A
- LV & MV Vacuum Contactors upto 12 kV, 1000A
- 12 kV Automatic Vacuum Capacitor Switches
- Unitised Substation up to 24 kV
- Numerical Protection Relays
- SF6 Insulated Vacuum Ring Main Units upto 36 kV
- Oil Ring Main Units up to 12 kV
- Gas Insulated Switchgear (GIS) 66-145-245 kV
- Dead Tank Circuit Breaker (DTB) 72.5 kV

Engineering Projects

- Projects on turnkey basis from concept to commissioning:
  - Turnkey Air Insulated Substation upto 765 kV
  - Turnkey Gas Insulated Substation upto220 kV
  - Control and Automation Projects
  - Engineered Packages
  - Construction Packages for own EHV Equipments

Automation Systems

- Design, Engineering, Manufacturing, Testing and commissioning of Control, Protection and Substation Automation System (SAS) for MV, HV, EHV, and UHV Substations

- Line Distance Protection
- Line Differential Protection
- Transformer Differential Protection
- Distributed Type Bus Bar Protection
- Feeder (Bay) Control & Protection
- Substation Server cum Gateway unit for SAS
- Ethernet Switch for SAS
- GPS time synchronization clock for SAS

- Design, Engineering, Manufacturing, Testing and Commissioning of Analog and Digital Power Line Carrier Communication (PLCC) System for MV, HV, EHV and UHV lines
  - Line Carrier Equipment
  - Line Tele protection Equipment
  - Line Coupling Device
  - Standalone PLCC modem
- Distribution Automation System and AMI / AMR
  - RTU / Protocol Convertors / Gateways
  - FRTU
  - SCADA
  - DMS
  - Smart Meters
  - Data Concentrators
  - Communication Modems
  - Industrial Ethernet Switches
  - Self Healing Networks
  - Smart Grid Solutions
  - Wind SCADA
  - Solar SCADA

CG Power System Service

- Site Services
- Repair & Refurbishment
- Condition Monitoring and Diagnostics of Power Apparatus

CG POWER SYSTEMS BELGIUM NV

Transformers

- Three phase liquid filled Distribution and Small PowerTransformers (up to 30 MVA and 132 kV)
- Single phase transformers for pole- and platform mounting (up to 400 kVA and 36 kV)
- Liquid filled Power Transformers (up to 500 kV)
- Mobile Transformers (up to 230 kV)
- Energy efficient Transformers (as per the EU Eco-design, US DOE regulations and Indian Star program)
- Amorphous Metal Transformers
- Smart Grid Distribution Transformers (up to 4500 kVA and 24 kV)
- Cast Resin Dry Type Transformers (up to 10 MVA and 36 kV)
- Compact SLIM® Transformer (up to 10 MVA and 36 kV)
- Compact Bio-SLIM® Transformers (up to 15 MVA and 36 kV)
- Green City Transformers (up to 30 MVA and 72.5 kV)
- Self-protecting Distribution Transformers (upto 1000 kVA)
- Transformers for hazardous areas like ATEX (up to 30 MVA)
- Auto Transformers
- Neutral grounding Transformers
- Reactors and Neutral Point Reactors
- Traction Transformers (Stationary (trackside) and Locomotive)
- Phase Shifting Transformers
- Converter Transformers
- Generator step-up Transformers
- Compact Unit Substations (up to 2.8 MVA and 36 kV)
- Micro-Substations (up to 315 kVA and 36 kV)
- Primary Unit Substations (IEEE type up to 30 MVA and 138 kV)
- Secondary Unit Substations (IEEE type up to 30 MVA and 34.5 kV)
- Pad mounted Transformers (up to 10 MVA and 36 kV)
- Modular Distribution Transformer (IEEE type up to 10 MVA and 34.5 kV)

CG HOLDINGS BELGIUM NV

Services Division: EMEA

- Installation, Commissioning, Maintenance, Repair & Refurbishment of complete substations, Transformers, On Line Tap Changers, GIS, AIS, of own make and other brands
- Site intervention Services and a Dedicated Repair Shop for Transformers up to 400 kV, all brands, Shell and Core type

- Reverse engineering, refurbishment and repair of On Line Tap Changers in a dedicated repair workshop
- 24 / 7 Operations and Maintenance service for onshore / offshore substations
- Quick delivery of spare parts
- Fast service for refurbishment of Distribution Transformers
- Oil and SF6 treatment
- Condition Based Monitoring
- Asset Assessment and Diagnostics
- Lifetime Extension Programs
- Customer training
- Dedicated Service entities in
  - Belgium (North & South)
  - France (North & South): CG Service Systems France SAS
  - Hungary
  - Kuwait
  - Saudi Arabia
  - United Arab Emirates (Dubai)
  - UK (North & South)

Systems Division

- High Voltage Transmission Systems Engineering and Supervisory services
- Engineering Consultancy for transmission grid operators and Grid compliance analysis
- Turnkey AIS and GIS Transmission Projects up to 765 kV, including:
  - Rural Greenfield Electrification projects
  - Transmission Grid connections and Substations for On- and Offshore wind parks
  - Industrial HV & MV Substation Installations up to 765 kV
  - Modular HV and MV substations up to 220 kV
  - Mobile GIS and AIS Substations and Capacitor Banks up to 220 kV
  - Mobile HV Circuit Breakers up to 220 kV
  - Mobile MV Switchgear up to 220 kV
  - Transmission Line Projects up to 400 kV
  - Submarine cable and underground cable transmission projects up to 220 kV
  - Flexible AC Transmission Systems (FACTS)
- Transmission project asset leasing and renting
- Smart Grid Solutions
- Substation Control and Automation Systems
- Distribution Automation Systems
- Transmission MV and HV SCADA projects
- HV Substation refurbishment projects

CG POWER SYSTEMS IRELAND LTD.

Distribution Transformer Division

- Single phase Distribution Transformers 15 kVA to 200 kVA up to 36 kV
- Three phase Distribution Transformers 25 kVA to 5000 kVA up to 72 kV
- Mini, Micro & PRCS self-protected package substations up to 315 kVA
- Unit substations with or without protection up to 1000 kVA
- MV Distribution System stations complete with MV & LV protection up to 5000 kVA
- Interface Transformers up to 5000 kVA
- Auto Transformers up to 5000 kVA
- Rectifier Transformers
- SLIM® Transformers (up to 36 kV)
- Solar Application Transformers
- House Transformers up to 40 kV
- Three Phase Very Low Loss Transformers
- Refurbishment of Transformers
- Amorphous Core Transformers
- Insulating Liquids: Mineral Oil, Silicon Oil, Synthetic Ester & Natural Ester

CG POWER SOLUTIONS UK LTD

- Provide Project Management, Engineering, Installation, Commissioning and SAP Operations services for Transmission, Distribution, Generation, Renewables, Panel Manufacture and LV Contracting Sectors
- Servicing of Transmission & Distribution Equipment
- Turnkey solutions, from design through to commissioning, for industrial schemes and EPC contracts
- Manufacture of Protection & Control panels

CG ELECTRIC SYSTEMS HUNGARY ZRT

Transformers Division

- High Voltage Power Transformers (up to 800 kV)
- Power Transformers filled with mineral oil (upto 500 MVA)
- Power Transformers filled with biodegradable liquid
- Track side Transformers
- Locomotive Transformers
- Traction Transformers
- Mobile Transformers
- Furnace Transformers
- Rectifier Transformers
- Special Purpose Transformers
- Phase Shifting Transformers

Switchgear Division

- SF6 Gas Circuit Breakers
- Gas Insulated Switchgear (GIS) up to 300 kV
- Dead Tank Breaker 72.5 kV

Systems Division

- GIS and AIS Substations up to 750 kV
- Industrial and Generation HV & MV Substations Installations up to 765 kV
- Transmission Line Projects up to 400 kV
- Submarine and underground cable transmission projects up to 220 kV
- Transmission project asset leasing and renting
- Transmission MV and HV SCADA projects
- Substation refurbishment projects
- High Voltage Transmission Systems Engineering
- Engineering Consultancy for transmission grid operators

Services Division

- Site erection and maintenance of Power Transformers and Gas Insulated Switchgear

CG POWER SOLUTIONS USA INC

Services

- Engineering and EPC Projects for Transmission & Distribution Systems (5–765 kV)
- Substations
- Flexible AC Transmission Systems (FACTS)
- Harmonic Filters
- Substation Automation
- Protective Relay Systems
- SCADA Systems
- Aerial Lines
- Underground Lines
- Renewable Energy Systems (Wind, Solar, Hydro, Geothermal)

CG POWER SYSTEMS USA

- Distribution Transformers filled with mineral oil, silicone oil, synthetic ester oils and vegetable oil
  - Three-phase pad mounted transformers up to 10 MVA and 34.5 kV
  - Three-phase pole & platform mounted transformers up to 2.5 MVA and 34.5 kV
- Secondary Unit Substation Transformers up to 10 MVA and 34.5 kV
- Station Unit Transformers up to 10 MVA and 69 kV
- Modular Distribution Center Units up to 10 MVA and 34.5 kV
- SLIM® & Bio-SLIM® Transformers up to 5 MVA and 34.5 kV

- WindPAD Transformers up to 5 MVA and 34.5 kV: Designs Optimized for Wind Applications
- SolarPAD Transformers (4, 3 & 2 Winding) upto 5 MVA and 46 kV: Designs Optimized for Solar Applications
- Power Transformers up to 85 MVA and 161kV, with and without LTC
- Generator Step-Up Transformers up to 85 MVA and 161 kV
- Dead Tank Breakers up to 72 kV
- Surge Arresters
- Field Commissioning & Testing Services
- Customer Training Services

Services

- Installation & Relocation
  - New Transformer
  - Existing Transformer Relocation
  - Disposal
  - Commissioning
- Repairs & Refurbishment
  - Cooler Replacement
  - Gasket Replacement / Leak Repair
  - Cleaning & Painting
  - Oil Testing / Replacement
  - On & Off Load Tap Changer Repair / Refurbishment
  - Buchholz Relay Replacement
  - Temperature Indicator Replacement
  - LV and HV Bushings Refurbishment
  - Breather Replacements
- Transformer Enhancement & Improvement
  - Uprating by addition of Fans, Pumps, Radiators, Heat Exchangers
  - Condition Monitoring
  - Cable Box to Separable
  - Connector Replacements
  - Breather Upgrades
  - Pressure Relief Device
  - Conversion & Ducting
  - On Load Tap Changers
- Spares & Equipment
  - WTI & OTI (Various types & manufacturers)
  - Buchholz Relay
  - Radiators
  - Control Cabinets
  - Fans
  - Pumps
  - Bushings
  - Conservator Tanks
  - Oil Level Gauge – Magnetic & Prismatic
- Testing & Advice
  - Commissioning
  - Visual Survey
  - Oil Testing and Recommendations
  - Condition Monitoring
  - Lifetime Extension Program
  - Mobile Substation Refurbishment

PT CG POWER SYSTEMS INDONESIA

Transformers

- 3-phase Power Transformers up to 300 MVA–500kV
- Single phase Transformers up to 250 MVA, 500 kV
- Phase Shifting Transformers
- Mobile Transformers (up to 100 MVA, 220 kV)
- Special Purpose Transformers

Systems Division

- AIS Switchyards up to 500 kV
- GIS Switchyards up to 275 kV
- Refurbishment / Extension of GIS
- Mobile and Compact Substation up to 100 MVA, 220kV
- Mobile Capacitor Banks
- Substation Automation and SCADA projects
- Substation refurbishment projects
- Engineering Consultancy for transmission grid operators

AUTOMATION

INDIA

Products and Solutions for:

- Control and Protection Systems for
  - Distance / Feeder / Line Control and Protection
  - Transformer / Reactor Control and Protection
  - Busbar Protection
  - Bus Tie / Bus Coupler / Transfer Bus coupler Control and Protection
  - Capacitor Bank Control and Protection
  - Motor Protection
- Transformer Voltage Regulator & RTCC
- IEC 61850 based Substation Automation System (SAS) Solutions.
  - IEC 61850 certified IEDs for Power System Control & Protection
  - IEC 61850 Substation Server cum Gateway for local and remote monitoring and control of substation
  - IEC 61850 Certified Ethernet switches
  - GPS clock with NTP server
- Analog / Digital Power Line Carrier Communication (PLCC) System Solutions
  - Coupling Device
  - Carrier Equipment
  - Protection Coupler
  - PLCC Modem
- Distribution Automation Solutions
  - FRTU for Feeder / RMU / Distribution Transformer Monitoring & Control
  - RTU for T&D Substation Monitoring, data management, protocol conversion, data concentration etc.
  - CG SCADA / HMI Solution with multi protocol support.
- AMI / AMR Systems
  - Digital Multifunction Smart Meters for Industrial, Commercial and Residential Applications
  - Data Concentrator Units with LV supervision.
  - Modems and Routers for AMI / AMR communication
  - Smart Meter Accessories and Cabinets
  - M2M Gateways

Activities and Services

- Control and Protection System Design, Engineering, Testing & Commissioning
- Substation Automation System Design, Engineering, Testing & Commissioning
- Distribution Automation System SCADA and RTU Design, Engineering, Testing & Commissioning
- Power Line Carrier Communication System Design, Engineering, Testing & Commissioning
- Smart Meters AMI / AMR System Design, Engineering, Testing & Commissioning
- Project Management.
- After sales services, training and support to customers

NON INDIA

Substation Automation Systems

- Protection and Control IEDs
  - Line Protection
  - Busbar Protection
  - Transformer Protection
  - Feeder Protection
  - Cap. Bank Protection
  - Bay Control Unit
  - Breaker
  - Single Function Relay
  - Disturbance Recording
- Telecommunications
  - Carrier Systems (Analog & Digital)
  - Teleprotection Systems (Analog & Digital)
  - Line-Matching Units & Accessories Outdoor Indoor
  - Modems

- Networking
- Automation Systems
  - XCELL, Transmission RTU, SAS server, SCS, SCADA, Gateway, Protocol Converter and Data Concentrator
- Software
- Global Engineering Services
  - System engineering
  - IED configuration
  - Communication System
  - System integration
  - Commissioning
  - Training services

DISTRIBUTION AUTOMATION SOLUTIONS

Products

- Smart Meters and Data Concentrators
- Communication Solutions
- MV & LV Grid Automation
- EV charging stations & OEM modules
- Sensors and PLC Couplers for Smart grids

Solutions

- Global AMI Solutions
- LV Supervision systems
- MV Automation Solutions

TRANSIT

- Automation and Supervisory Control for Electric, Transportation & Water Utilities
- Control Room SCADA
- Remote Gateways & RTU's
- Emergency Trip System
- Train Tracking
- Fault Detection

INDUSTRIAL

MV MOTORS & GENERATORS: CG INDIA

- **MV & LV Induction Motor** including safe area, flame proof, increased safety and non sparking industrial duty machines power range upto 12 MW, Polarity upto 24 poles, Voltage up to 13.2 kV and in frame Size 315 to 1120 in horizontal frame & 740 to 2650 frame size in vertical frame, Squirrel Cage and Slip Ring Induction motors in enclosure type TEFC, CACA, CACW, SPDP & TETV.
- **Synchronous Generators from 1 MVA** to 25 MVA in frame size 500 to 1120, upto 13.2 kV in enclosures type CACA,CACW & SPDP
- **Industrial duty DC machines upto 2000 kW**, in frame size from 315 to 710, Voltage upto 800 V, in enclosures type TEFC,CACA,CACW & SPDP

MV MOTORS: CG HUNGARY

- **MV Slip Ring and Squirrel Cage Induction Motors** power upto 25 MW, Pole number upto 16 in standardised designs and non standard designs in very low speeds, voltage upto 15 kV
- **Synchronous Generators** power from 1 MVA upto 70 MVA, Voltage upto 13.2 kV, in high speed 2pole and very low speed even till 48poles, vertical and horizontal configuration
- **Generator refurbishment and overhauling at site and factory** upto 300 MVA MV Motor refurbishment and overhauling at site and factory Stator and Rotor rewinding, balancing, testing and complete diagnostic at factory and site.

LT MOTORS (INDIA)

- AC Motors, Frame 63 to 400 (0.18 kW to 450 kW)
- TEFC Motors available in Squirrel cage & Slipring constructions, suitable for Safe Area & Hazardous Area
- AC Motors Apex Series, Frame 80 to 355LX (0.75 to 250 kW) IE 2 Efficiency and Frame 80 to 132M (0.75 to 7.5 kW) IE 3 Efficiency
- AC Motor NEMA Range 56 to 504 (0.75 to150kW) EPACT & OWP
- AC Motor Kibosh Series, Frame 80 to 200L (0.37 KW to 30 KW)
- DC Motors Frame 100 to 315 (2.2 kW to 550 kW)
- Alternators Brushless Series Frame 132 to 400 (5 kVA to 1010 kVA)
- Alternator Ustad Series: Slipring Alternators from 5 kVA to 82.5 kVA

FHP MOTORS

- NEMA B42, B48 Frame: 30 to 370W, 2 / 4 / 6 / 8 Pole Sheet Metal Body Motors
- M50 Frame (NEMA B56): 187 to 2250W, 2 / 4 Pole Sheet Metal Body Motors
- 100S Frame: 1100 to 2250W, 4 Pole Sheet Metal Body Motors
- IEC 80–132 Frame: 370 to 3750W, 4 Pole CI Body Single Phase Motors
- Flame Proof Enclosure: 370 to 750W, 4 Pole Motors
- IEC 63–112 Frame: 187 to 2250W, 2 / 4 Pole Aluminum Body Single Phase Motors

- Open Construction / Customized frames: 20 to 750W, 2 / 4 / 6 Pole Motors for Domestic Appliance

INDUSTRIAL DRIVES AND AUTOMATION

- LV Drives Systems upto 3 MW, Voltage upto 690 VAC
- LV Softstarters upto 1.6 MW, upto 690 V
- DC Drives System upto 5400 kW, Voltage upto 1000 VDC
- Shaft Power Monitors
- Rotating Heat Exchanger Drives with Switched Reluctance Motors
- CG is into solution business for Sector wise application specific solutions & projects, including Inverter Duty Transformer, Variable Frequency Drives, Switchgear Panels and Rotating Machines as complete package

RAIL TRANSPORTATION AND TRACTION

Propulsion Equipments

- AC & DC Traction motors for AC Locos, Diesel Locos, EMUs & DEMUs
- Traction Alternators for Diesel Locos & DEMUs
- Electrical Traction Controls for Diesel Electric, Tower Car and Multiple Units

Traction Electronics

- Auxillary Converters — GTO
- Power Converters — GTO
- Control Electronics
- 180 kVA Static Inverter
- 3X130 KVA IGBT based Auxillary Converter
- IGBT based Power Converter

Railway Signalling

- Signalling Relays
- Point Machines
- Data Logger
- BLDC Fan
- Integrated Power Supply System
- 25 KVA Underslung Inverter EMX Motor B15

STAMPING AND LAMINATION

- 0.5 mm, 0.65 mm thick lamination from 65mm (2.6 inches) to 1300mm (51 inches) diameter in CRNGO and CRCA material in all grades & coatings for guaranteed watt loss & permeability as per customer requirement
- High speed up to 425 mm diameter with additional features like air gap cutting, auto stacked stators and stacked & skew rotors
- Notching operation up to 1300 mm (51 inches) diameter by single point notching (3operations in one stage, like OD, Slot & ID) and skip notching operation
- Notching operation with programmable tooling on Schular machines Scroll line for better RM utilization
- Compound blanking and segmental lamination blanking up to 1050 mm diameter / width
- Continuous Heat treatment line for laminations up to 450 mm diameter for improving watts / kg & permeability
- Pack building operation with riveting, cleating & welding operation for skew stators
- Electrical lamination: ST& RT for LT Motors, 80 to 500 fr
- Circular & Segmental Electrical Laminations for HT Motors
- Punching & pack building (TIG welding) for Alternators
- Die cast Rotors for Motors
- Segmental lamination for Hydro, Turbo & Wind Mill Alternators
- Auto Stitch & Auto Skewed packs for fan

ESTABLISHMENTS

INDIA

REGISTERED OFFICE

CG House, 6th Floor
Dr. Annie Besant Road
Worli, Mumbai 400 030
Maharashtra, India
Tel +91 (0)22 2423 7777, 2423 7764, 2423 7765
Fax +91 (0)22 2423 7733

POWER SYSTEMS

Transformer Division
Kanjur Marg (East), Mumbai 400 042
Maharashtra, India
Tel +91 (0)22 6755 8000, 67558208
Email *yogesh.jaiswal@cgglobal.com*

Plot No. T1-T5 MPAKVN Industrial Area
District Bhind, Malanpur 477 116
Madhya Pradesh, India
Tel +91 (0)7539 301200, 301254, 301260
Fax +91 (0)7539 283585, 301242
Email *surajit.roy@cgglobal.com*

Plot No. 29, 31& 32 New Industrial Area No.1
AKVN, District Raisen, Mandideep 462 046
Madhya Pradesh, India
Tel +91 (0)7480 408285 / 6, 408201
Fax +91 (0)7480 408208, 408255
Email *anirban.saha@cgglobal.com*

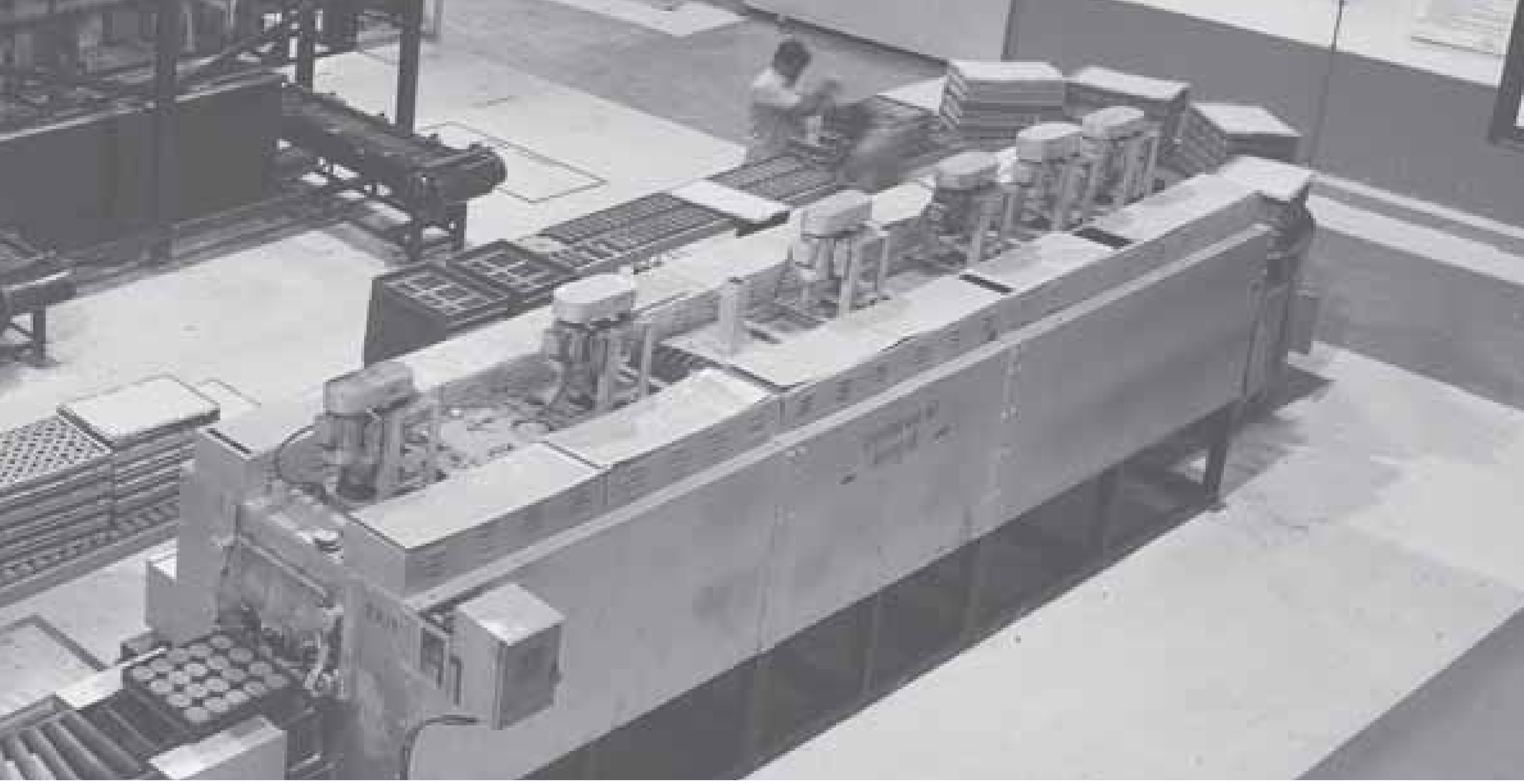
Switchgear Division
A-3, M.I.D.C., Ambad,
Nashik 422 010
Maharashtra, India
Tel +91 (0)253 2382271-75
Fax +91 (0)253 2381247
Email *mukul.srivastava@cgglobal.com*

S6 & Power Quality
Vacuum Interrupters & Instrument Transformer Division
D2 & D1 / 2, MIDC, Waluj
Aurangabad 431 136,
Maharashtra, India
Tel +91 (0)240 2558000, 2558081, 2558001, 2558031
Fax +91 (0)240 2554697
Email *pranav.shanker@cgglobal.com*

Engineering Projects Division
3rd Floor, Tower A, Cyber Greens
DLF Cyber City, Sector 25-A
DLF Phase III, Gurgaon 122 002
Haryana, India
Tel +91 (0)124 3047700, 3047999
Fax +91 (0)124 3047777, 3047888
Email *sanjay.sahni@cgglobal.com*

AUTOMATION

Automation Business Unit (India)
Global Village Tech Park, Block-A
Ground Floor-Right Wing
Mylasandra, RVCE Post,



Bangalore 560059
Karnataka, India
Tel +91 (0)80 30037500
Fax +91 (0)80 30037599
Email *hampesh.thippeswamy@cgglobal.com*

CG-ZIV Power Automation Solutions Ltd.
Global Village Tech Park, Block-A
Ground Floor-Left Wing
Mylasandra, RVCE Post,
Bangalore 560059
Karnataka, India
Tel +91 (0)80 30037500
Fax +91 (0)80 30037599
Email *hampesh.thippeswamy@cgglobal.com*

INDUSTRIAL SYSTEMS

Large and Traction Machines (Unit I)
D5 Industrial Area, MPAKVN
Mandideep 462046
Madhya Pradesh, India
Tel +91 (0)7480 400000, 400102, 400228, 403238, 400181 / 2
Email *jagdish.pant@cgglobal.com*

Large Motors & Generator (Unit II)
Plot No. 9, MPAKVN, Phase 2
Industrial Area, Mandideep-462046
Madhya Pradesh, India
Tel +91 (0)7480 400102
Email *jagdish.pant@cgglobal.com*

LT Motors (Unit I)
A-6 / 2, MIDC Industrial Area,
Ahmednagar 414 111
Maharashtra, India
Tel +91 (0)241 6626150
Email *sajal.mukherjee@cgglobal.com*

LT Motors (Unit II)
B-108 / 109, MIDC Industrial Area,
Ahmednagar 414 111
Maharashtra, India
Tel +91 (0)241 2777145
Email *ravindra.bhong@cgglobal.com*

LT Motors (Unit III)
S / 14-15, Colvale Industrial Estate,
Colvale, Bardez 403 513,
Goa, India
Tel +91 (0)832 301 4000
Email *harish.savaikar@cgglobal.com*

Commercial Motors
Plot No. 196-198,
Kundaim Industrial Estate,
Ponda 403 115, Goa, India
Tel +91 (0)832 398 32 05
Email *pradip.arote@cgglobal.com*

Drives & Automation
Plot No. 9, MPAKVN, Phase 2
Industrial Area, Mandideep 462046
Madhya Pradesh, India
Tel +91 (0)7480 426400, 426403
Email *rajendra.kankal@cgglobal.com*

Rail Transportation & Traction Electronics
Plot No 9, MPAKVN Phase II,
New Industrial Area
Mandideep 462 046
Madhya Pradesh, India
Tel +91 (0)7480 426400, 426401 / 402
Email *ranjan.singh@cgglobal.com*

Railway Signalling Division
11 B, Industrial Area No. 1
Pithampur 454 775, District Dhar
Madhya Pradesh, India
Tel +91 (0)7292 410121, 410107
Email *delip.wakode@cgglobal.com*

Stampings Division
B-110, 111B, 112 / 2 MIDC Industrial Area
Ahmednagar 414 111, Maharashtra, India
Tel +91 (0)241 6610512 / 31
Fax +91 (0)241 6610511
Email *ganesh.pendse@cgglobal.com*

BRANCH & MARKETING OFFICES

Northern Region

Regional Head Office: Gurgaon
6th Floor, Vatika City Point
M.G. Road, Gurgaon
Haryana 122 002, India
Tel +91 (0)124 4392000, 4392001
Fax +91 (0)124 4287039, 4376496

Email *ravi.swarup@cgglobal.com*

Jaipur
Church Road, PO BOX 173
Jaipur 302 001, Rajasthan, India
Tel +91 (0)141 3018800 / 01
Fax +91 (0)141 2365371
Email *sunil.dutt@cgglobal.com*

Jalandhar
BXII-407, 2nd floor, Near BSF Chowk
Ladowali Road, Jalandhar 144 001
Punjab, India
Tel +91 (0)181 3051395
Fax +91 (0)181 2226342
Email *anup.anand@cgglobal.com*

Lucknow
Saran Chambers II, 3rd floor
5 Park Road, Lucknow 226 001
Uttar Pradesh, India
Tel +91 (0)522 4935750 / 56, 4935765
Fax +91 (0)522 4935758
Email *vivek.asthana@cgglobal.com*

Rail Transportation Systems
6th Floor, Vatika City Point
M.G. Road, Gurgaon
Haryana 122 002, India
Tel +91 (0)124 4392000, 4392001
Fax +91 (0)124 4287039, 4376496
Email *salil.kumar@cgglobal.com*

Eastern Region

Regional Head Office: Kolkata
50 Chowringhee Road
Kolkata 700 071
West Bengal, India
Tel +91 (0)33 22829681- 85
Fax +91 (0)33 22829942
Email *sushanta.roy@cgglobal.com*
pintu.chatterjee@cgglobal.com

Bhubaneshwar
Janpath Tower, 3rd Floor, Ashok Nagar Unit II
Bhubaneshwar 751 009
Orissa, India
Tel +91 (0)674 2531128, 2531429
Fax +91 (0)674 2533521
Email *sushanta.roy@cgglobal.com*

Guwahati
C / o SKC Logistics Pvt. Ltd.
GS Road, Dispur, Near Car Ghar
Guwahati-781005
Assam, India
Tel +91 (0)8811094991
Email *sushanta.roy@cgglobal.com*

Ranchi
3, Westend Park
Kaju Bagan (Near DAV Junior School)
Hehal, Ratu Road,
Ranchi 834 005
Jharkhand, India
Tel +91 (0)651 2512095
Email *sushanta.roy@cgglobal.com*

Patna
501 Luv Kush Tower
Exhibition Road
Patna 800 001
Bihar, India
Tel +91 (0)612 2320050
Email *sushanta.roy@cgglobal.com*

Western Region

Regional Head Office: Mumbai
Western Region
1st Floor, Kanjurmarg (East)
Mumbai 400 042
Maharashtra, India
Tel +91 (0)22 67558000,
67558611, 67558600
Email *ashok.kulkarni@cgglobal.com*
vivek.sarkar@cgglobal.com

Ahmedabad
909-916, Sakar II, Near Ellis Bridge
Ahmedabad 380 006,
Gujarat, India
Tel +91 (0)79-26584831
Email *nirav.shah@cgglobal.com*
vinit.kaushik@cgglobal.com

Baroda (Satellite office)
10-A, Vrundavan Colony
Near Harinagar Water Tank
Gotri Road, Baroda 390 007
Gujarat, India
Tel +91 (0)265 2332460, 2334447
Email *nirav.shah@cgglobal.com*
dashrath.darji@cgglobal.com

Indore
103-B, Apollo Trade Centre
2B, Rajgarh Kothi
Mumbai-Agra Road
Indore-452 001
Madhya Pradesh, India
Tel +91 (0)731 4232603, 4232610
Email *gajanan.wandhare@cgglobal.com*

rashmi.nayak@cgglobal.com

Pune
Sr. No. 264 / 4 / 2, 3rd floor,
Above Hotel Magnolia,
Nr. Nachiket Park, Baner Road,
Pune-411045, Maharashtra, India
Tel +91 (0)9765771777
Email *sanjaykumar.bahirgonde@cgglobal.com*
sameer.ghule@cgglobal.com

Nagpur
2nd Floor, Global Trade Centre
Ramakrishna Nagar
Plot No 31A, Khamla Road
Nagpur-440015, Maharashtra, India
Tel +91 (0)712 2232853
Email *gajanan.wandhare@cgglobal.com*
ankit.gupta@cgglobal.com

Raipur
A 207, Crystal Arcade
Near Lodhi Para Square
Shankar Nagar Road
Raipur 492 007
Chhattisgarh, India
Tel +91 (0)771 4019201, 4019202
Email *gajanan.wandhare@cgglobal.com*
ankit.gupta@cgglobal.com

Southern Region

Regional Head Office: Chennai
Crompton House-3, Dr. MGR Salai
(Kodambakkam High Road)
Nungambakkam,
Chennai 600 034
Tamil Nadu, India
Tel +91 (0)44 42247500
Email *arokianathan.r@cgglobal.com*

Bangalore
J P Square, 3rd Floor
No:17, 3rd Cross, 5th Main
Chamrajpet, Bangalore 560 018
Karnataka, India
Tel +91 (0) 80 41391908
Email *baskar.e@cgglobal.com*

Cochin
Crompton Greaves Limited
2 / 141C, Sahib Sons Warehouse
Udyogmandal PO
Eloor North
Ernakulam-683501, Kerala, India
Email *suresh.warrier@cgglobal.com*

Secunderabad
Minerva Complex, 4th floor
94 Sarojni Devi Road
Secunderabad-500 003
Hyderabad, Andhra Pradesh, India
Tel +91 (0)40 40002300
Email *prashant.reddy@cgglobal.com*

SERVICE CENTRES

Northern Region

Gurgaon
6th Floor, Vatika City Point
M.G. Road, Gurgaon
Haryana 122 002, India
Tel +91 (0)124 4392000, 4392001
Fax +91 (0)124 4287039, 4376496
Email *vipin.sahu@cgglobal.com*

Jaipur
Church Road, PO Box 173
Jaipur 302 001
Rajasthan, India
Tel +91 (0)141 3018800, 3018806, 3018807
Fax +91 (0)141 2365371
Email sunil.dutt@cgglobal.com
sameer.kulkarni@cgglobal.com

Jalandhar
BXII 407, 2nd Floor
Near BSF Chowk, Ladowali Road
Jalandhar 144001, Punjab, India
Tel +91 (0)181 3051395
Fax +91 (0)181 2226342
Email *anup.anand@cgglobal.com*
gurpreet.bhathal@cgglobal.com

Lucknow
Saran Chambers II, 3rd Floor
5 Park Road, Lucknow 226 001
Uttar Pradesh, India
Tel +91 (0)522 4935757, 4935775, 4935750
Fax +91 (0)522 4935758
Email *kamlesh.sinha@cgglobal.com*

Eastern Region

Kolkata
21, RN Mukherjee Road, Kolkata 700 001
West Bengal, India
Tel +91 (0)33 22489160, 22488911
Fax +91 (0)33 22489737
Email *subhash.ghosh@cgglobal.com*
sushanta.roy@cgglobal.com

Bhubaneshwar
Janpath Tower (Basement), Ashok Nagar
Unit II, Bhubaneshwar 751 009
Orissa, India
Tel +91 (0)674 2531128, 2531429, 2531592
Fax +91 (0)674 2531592
Email *sushanta.roy@cgglobal.com*

Patna
Vishwasadan, Behind Jeevan Deep Building
East of Narmada Apartment, Exhibition Road
Patna 800 001
Bihar, India
Tel +91 (0)612 6453160 / 6453161
Email *sushanta.roy@cgglobal.com*

Ranchi
3, Westend Park
Kaju Bagan (Near DAV Junior School)
Hehal, Ratu Road
Ranchi 834 005
Jharkhand, India
Tel +91 (0)651 2512095
Email *sushanta.roy@cgglobal.com*

Guwahati
SKC Logistics Private Limited
G.S Road, Dispur, Near Car Ghar
Guwahati 781005
Assam, India
Tel +91 8811094991
Email *sushanta.roy@cgglobal.com*

Western Region

Mumbai
Crompton Greaves Limited
Western Region Building, 1st Floor,
Kanjurmarg (East)
Mumbai 400 042, Maharashtra, India
Tel +91 (0)22 67558679
Email *shrihari.kulkarni@cgglobal.com*

Ahmedabad
909-916, Sakar II, Near Ellis Bridge
Ahmedabad 380 006
Gujarat, India
Tel +91 (0)79-26584831
Email *nirav.shah@cgglobal.com*

Indore
103-B, Apollo Trade Centre
2B, Rajgarh Kothi
Mumbai-Agra Road
Indore-452 001
Madhya Pradesh, India
Tel +91 (0)731 4232603
Email *gajanan.wandhare@cgglobal.com*

Pune
Sr. No. 264 / 4 / 2, 3rd floor,
Above Hotel Magnolia,
Nr. Nachiket Park, Baner Road,
Pune-411045, Maharashtra, India
Mob 9765771777
Email *sanjaykumar.bahirgonde@cgglobal.com*

Nagpur
2nd Floor, Global Trade Centre
Ramakrishna Nagar
Plot No. 31A, Khamla Road
Nagpur-440015, Maharashtra, India
Tel +91 (0)712 2232853
Email *gajanan.wandhare@cgglobal.com*

Raipur
A 207, Crystal Arcade
Near Lodhi Para Square
Shankar Nagar Road
Raipur 492 007
Chhattisgarh, India
Tel +91 (0)771 4019201, 4019202
Email *gajanan.wandhare@cgglobal.com*

Southern Region

Chennai
Crompton House-3, Dr. MGR Salai
(Kodambakkam High Road) Nungambakkam,
Chennai 600 034, Tamil Nadu, India
Tel +91 (0)44 42247500, 42247502
Email *r.ramesh@cgglobal.com*

Bangalore
J P Square, 3rd Floor
No:17, 3rd Cross, 5th Main
Chamrajpet, Bangalore 560 018
Karnataka, India
Tel +91 (0) 80 41391908
Email *michael.aa@cgglobal.com*

Secunderabad
Minerva Complex, 4th floor
94 Sarojni Devi Road
Secunderabad-500 003
Hyderabad, India
Tel +91 (0)40 40002300
Email *satish.m@cgglobal.com*
ravikumar.vadla@cgglobal.com

Cochin
Crompton Greaves Limited
2 / 141C, Sahib Sons Warehouse
Udyogmandal PO
Eloor North
Ernakulam-683 501
Kerala, India
Email *mayilazhagan.sivaguru@cgglobal.com*

REGION EMEA

CORPORATE OFFICES

CG Holdings Belgium NV
Registered Office
Antwerpsesteenweg 167
B-2800 Mechelen, Belgium
Tel +32 15 283 333
Fax +32 15 283 300

CG Electric Systems Hungary Zrt
Mariassy Street 7
H-1095 Budapest, Hungary
Tel +36 1 483 66 00
Fax +36 1 266 66 13

CG Power Holdings Ireland Ltd
Registered Office
Dublin Road, Cavan
Ireland
Tel +353 49 433 1588

CG Drives & Automation Sweden AB
Mörsaregatan 12
Box 222 25
SE-250 24 Helsingborg, Sweden
Tel +46 42 16 99 00
Fax +46 42 16 99 49

CG Automation ZIV Headquarters
ZIV Aplicaciones y Tecnología, S.L
ZIV Grid Automation S.L
Parque Tecnológico, 210
48170 Zamudio, Bizkaia, Espana
Tel +34 94 452 2003
Fax +34 94 452 2140

ZIV Metering Solutions, SL
Parque Tecnológico, 407
48170 Zamudio, Bizkaia, Espana
Tel +34 94 452 2003
Fax +34 94 452 2140

BUSINESS UNITS

CG Power Systems Belgium NV
Distribution Transformer Division
Power Transformer Division
Antwerpsesteenweg 167
B-2800 Mechelen, Belgium
Tel +32 15 283 333
Fax +32 15 283 300

CG Power Systems Ireland Ltd
Distribution Transformer Division
Dublin Road, Cavan, Ireland
Tel +353 49 433 1588

CG Power Systems Ireland Ltd
Automation Systems Division
Herbert House, Harmony Row
Dublin 2
Republic of Ireland
Tel +353 1 415 3700
Fax +353 1 678 7913

CG Holdings Belgium NV
Systems Division
Antwerpsesteenweg 167
B-2800 Mechelen, Belgium
Tel +32 15 283 621
Fax +32 15 283 491

CG Holdings Belgium NV
Services Division
Rue Vital Francoisse 220, BP 1581
B-6000 Charleroi, Belgium
Tel +32 71 44 10 20
Fax +32 71 47 01 89

CG Services Systems France SAS (Siège Social)
Parc d'Activité des Hautes Falaises
Avenue Jean York
F-76400 Saint Leonard, France
Tel +33 2 35 10 31 57
Fax +33 2 35 29 23 51

CG Services Systems France (Agence Sud)
Z. I. Courtine
20, Rue Michel Cazaux
84000 Avignon, France
Tel +33 (0) 4 90 82 51 43
Fax +33 (0) 4 90 82 42 64

CG Electric Systems Hungary Zrt
Gyorgyei ut 14
H-2766 Tapioszele, Hungary
Tel +36 1 483 6600
Fax +36 1 483 6855

CG Automation Systems UK Ltd
Unit F, Network Business Centre
Jarrow, Tyne & Wear
NE31 1SF, United Kingdom
Tel +44 191 425 5200
Fax +44 191 425 5202

CG Drives & Automation Netherlands BV
Polakkers 5, 5531 NX BLADEL
Postbus 132, 5530 AC BLADEL
The Netherlands
Tel +31 (0)497 389 222
Fax +31 (0)497 386 275

CG Drives & Automation Germany GmbH
GieBerweg 3, D-38855 Wernigerode
Germany
Tel +49 (0)3943-92050
Fax +49 (0)3943 92055

CG Automation-Grenoble
22-Rue Jean Pierre Timbaud
38600 Fontaine
France
Tel +33 (0) 7 82 06 84 22

SALES OFFICES

CG Power Solutions UK Ltd
Concepts House
3 Watchgate
Newby Road Industrial Estate
Hazel Grove, Stockport
SK7 5DB
United Kingdom
Tel +44 845 634 11 33
Fax +44 845 634 11 32

CG Power Solutions UK Ltd
7 Ferranti Court
Staffordshire Technology Park
Stafford ST18 0LQ
United Kingdom
Tel +44 1785 330 655

CG Sales Networks France SA
11, rue de Cambrai
Immeuble l'Artois
CS 90042
F-75945 Paris Cedex
Tel +33 1 78 42 91 66

CG Sales Networks France S.A.
Bâtiment Cobalt, Actipôle de la Fonderie
470 Route du Tilleul
F-69270 Cailloux sur Fontaines
Tel +33 (0)4 26 02 16 48
Fax +33 (0)4 82 33 83 39

CG Power Systems
Parque Leganés Tecnológico
C / Diego Marín Aguilera 14
28918 Leganés (Madrid)

Tel +34 (0)91 127 83 58

CG Holdings Belgium NV
Saudi Arabia Representative Office
Office No. 429, 4th Floor Al Akariya-2
Olaya Main Street
Olaya, Riyadh
Tel +966 (0)11 419 1463

CG Middle East FZE
Dubai Silicon Oasis, Head Quarters, EG 7
PO Box 341201, Dubai
UAE
Tel +971 (0)4 3724667

CG Power Systems Belgium NV
14 Cité Djenane El Malik, Hydra, Alger3
Tel +213 21 69 11 64
Fax +213 21 48 08 24

CG Automation ZIV Madrid
C / Diego Marín Aguilera, nº 14.
Parque Tecnológico de Leganés
28918 Leganés-Madrid.
Tel +34 91 352 70 56
Fax +34 91 352 63 04

CG Automation ZIV Barcelona
ZIV Communications, SL
C / Antonio Machado 78-80, Planta Baja
Viladecans Business Park
Edificio Australia
08840 Viladecans-Barcelona
Tel +34 93 349 07 00
Fax +34 93 349 22 58

REGION AMERICAS

BUSINESS UNITS

CG Power Systems USA Inc
Distribution Transformer Division
One Pauwels Drive, Washington
Missouri 63090, USA
Tel +1 636 239 9300
Fax +1 636 239 9398

CG Power Systems USA Inc
Power Transformer Division
6349 Avantha Drive, Washington,
Missouri 63090, USA
Tel +1 636 239 9300
Fax +1 636 239 9396

CG Power Systems USA Inc.
North American Services Division
One Pauwels Drive, Washington
Missouri 63090, USA
Tel +1 636 239 9300
Fax +1 636 239 9398

CG Automation Solutions USA Inc
60 Fadem Road
Springfield, NJ 07081
USA
Tel +1 908 379 7400

CG Automation ZIV do Brazil Ltda
Rua Visconde de Itaborai, 74 Ponta da Areia
Niterói / RJ, CEP: 24.030-091, Brazil
Tel +55 21 36 02 8511 / 55 21 3189 8506
Fax +55 21 36 02 8511

SALES OFFICE

CG Power Systems USA
1 Pauwels Drive
Washington, Missouri 63090, USA
Tel +1 636 239 9300
Fax +1 636 239 9398

CG Sales Network Americas Inc
3625 NW, 82nd Ave, Ste 202
Miami, Florida 33166, USA
Tel +1 3054060212
Fax +1 3054060213

CG Power Solutions USA Inc
7 Century Hill Drive,
Latham NY 12110, USA
Tel +1 518 452 7718
Fax +1 518 452 7716

CG Drives and Automation Latin America Inc.
200 North Shore Drive
Miami Beach, FL 33141, USA
Tel +1 305 573 0605
CG Industrial Systems
1080 Peachtree St NE Unit 811,
Atlanta, GA30309, USA
Tel +1 314 922 6696

CG Automation
5410 Newport Drive, Suite 38
Rolling Meadows, IL 60008, USA

CG Automation
1200-A Scottsville Road, Suite 470-C
Rochester, NY 14624, USA
Tel +1 224 7353961
Fax +1 224 7353962

REGION SEAP

MANUFACTURING PLANTS

PT CG Power Systems Indonesia
Power Transformer Division
Kawasan Industri Menara Permai Kav 10
Jl. Raya Narogong, Cileungsi
Bogor 16820, Indonesia
Tel +62 21 823 04 30 / 36, 3048 1270 / 76
Fax +62 21 823 42 22

BUSINESS UNIT

PT CG Power Systems Indonesia
Global Sales Network Indonesia
& Systems Division
Alamanda Tower-18th Fl.
Jl. TB Simatupang Kav. 23-24
Cilandak, Jakarta 12430
Indonesia
Tel +62 21 2966 0055
Fax +62 21 2966 0054

CG Power Systems
New Zealand Office
31 Stevens Street, Waltham
Christchurch 8011, New Zealand
Tel +64 3 377 82 90, +64 274 661040
Fax +64 3 377 82 72

CG Power Systems
Australia Office
Level9, 123 pping Road
North Ryde, MSW 2018
Australia
Tel +61 481 454407

Crompton Greaves Sales Network Malaysia Sdn. Bhd.
Unit No B-1-21, Block B,
Jalan Sungai Jernih 8 / 1
Pusat Perniagaan Seksyen 8
Petaling Jaya 46050, Malaysia
Tel +60 3 79544766, +60 135201938

CG Power Systems
Korea Office
Unit 9-33 Holbech Road
43, Dosan-daero 50 gil,
Gangam-gu, Seoul, Korea
Tel +82 10 2811 7719

CG Power Systems
Vietnam Office
Unit A50, 5th Floor, 68 Nguyen Du Building
Hai Ba Trung District
Ha Noi, Vietnam
Tel +84 913220910

CG Automation ZIV Singapore
133 Cecil Street, #08-02 /
02A, Keck Seng Tower
Singapore 069535
Tel +65 6410 9625
Fax +65 6410 9631

CG Drives & Automation
Representative Office
Room 1918 No. 325 Tianyaoqiao Road
Shanghai Gateway International Plaza
Shanghai 200030, China
Tel +86 21 6440 1635

GLOBAL COMMUNICATIONS AND CORPORATE SECRETARIAL
DESIGN WWW.ICDINDIA.COM | PRINTS WWW.SAPPRINTS.COM