



Smart solutions.
Strong relationships.



Analyst Meet - Q1
The Trident, Mumbai
July 20, 2012

Disclaimer



Certain statements in this Investors' Forum concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, global economic conditions, the economic conditions of the regions, locations and industries that are major markets for CGL, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in sectors where we operate including those factors which may affect our cost advantage, wage increases in India and worldwide, trends in raw material prices, market acceptance of new products and services, changes in governmental regulations and costs associated with compliance activities, withdrawal of governmental fiscal incentives, political instability and regional/locational conflicts, legal restrictions on raising capital or acquiring companies within and outside India, and unauthorized use of our intellectual property, interest rates, fluctuations in currency exchange rates and general economic conditions affecting our industry.

CG may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Stock Exchanges and Securities and Exchange Board of India and our reports to shareholders. The company does not intend or undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

Laurent Demortier
CEO & Managing Director

Madhav Acharya
Chief Financial Officer

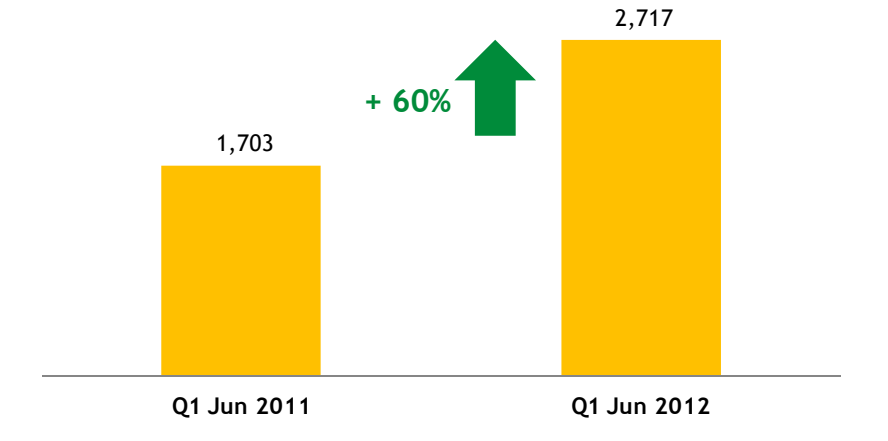
Q1 Results

Q1 Highlights - CG Global



INR Cr.

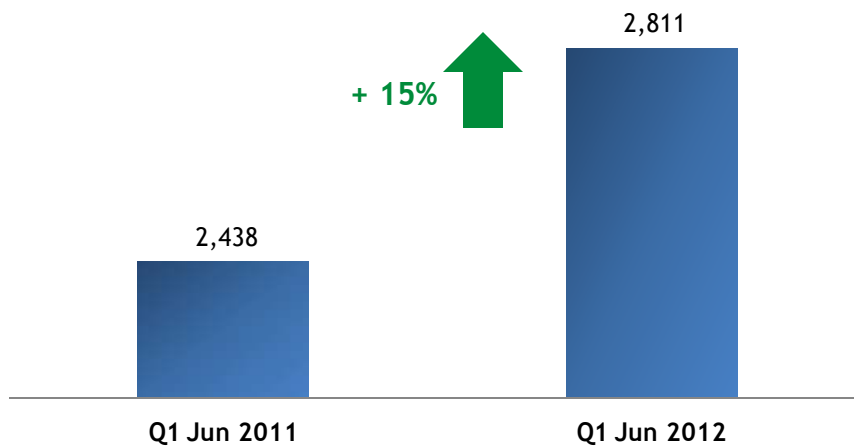
Orders Received



Q1 2012-13 vs Q1 2011-12

- » Orders Received + 60%
- » Revenue growth + 15%

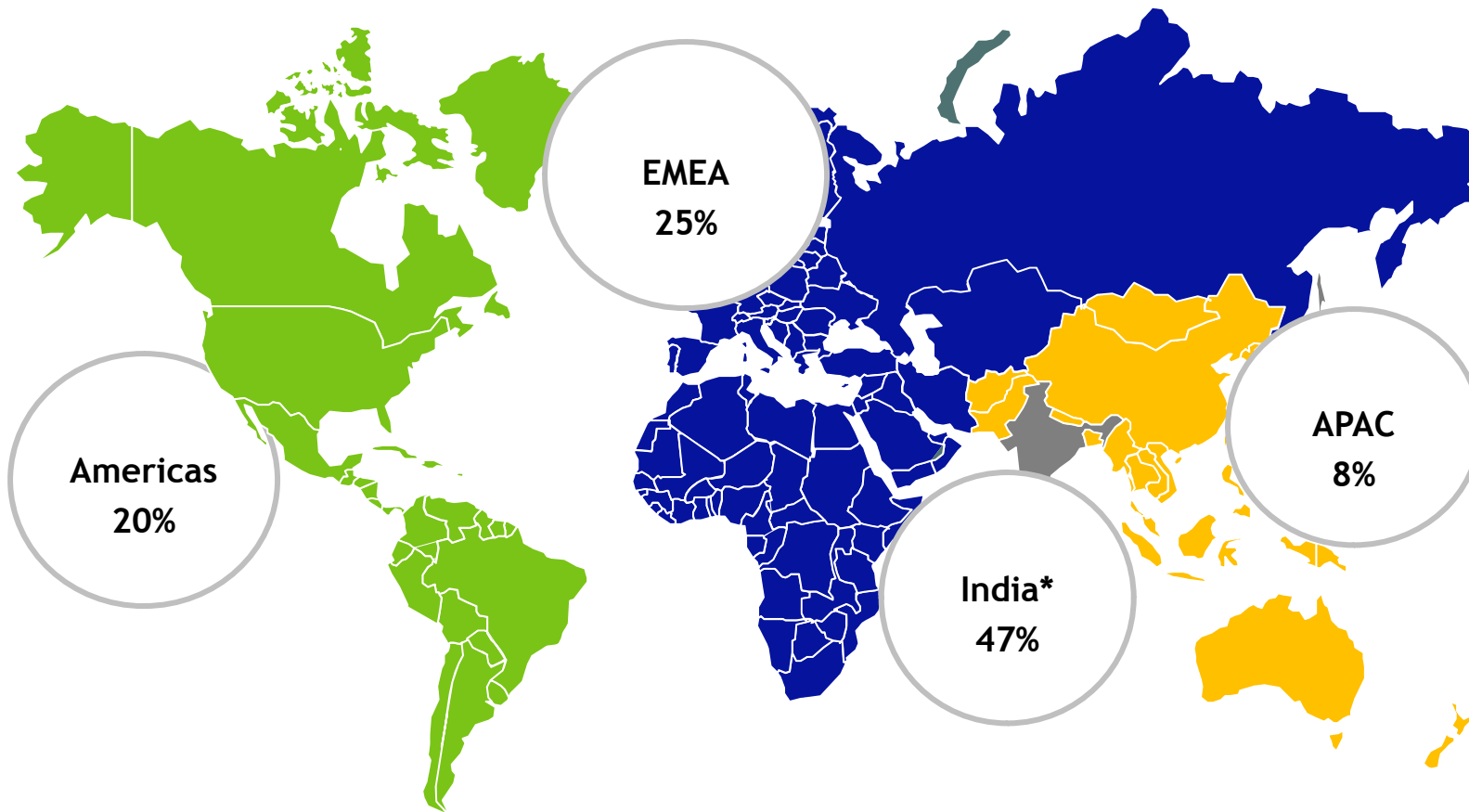
Revenues



Orders Split by Region

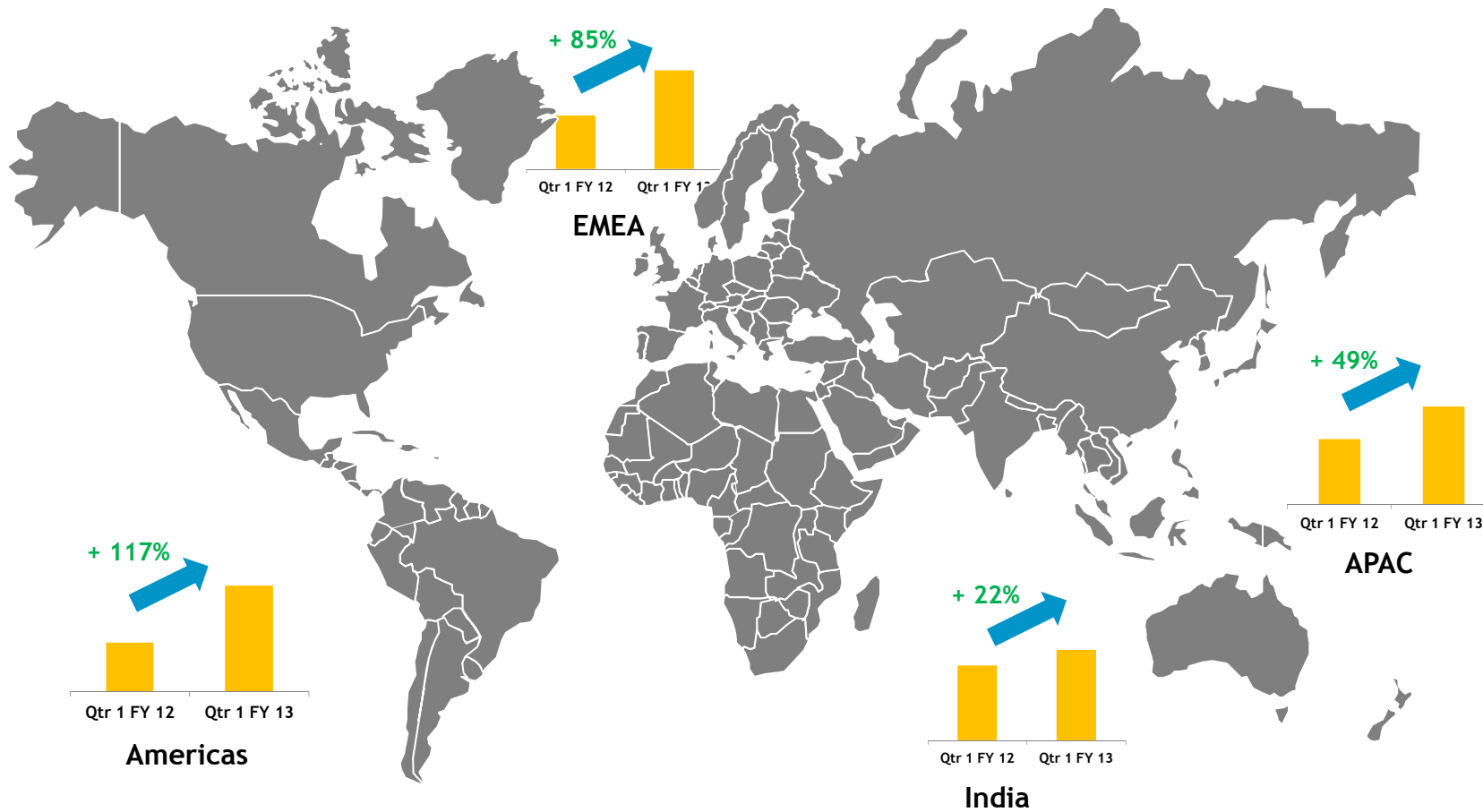


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* Includes India consumers Business

Orders growth by Region



CG has outperformed markets in emerging as well as developed economies in terms of growth in New Orders

Consolidated Financials - Q1



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INR Cr.

	Q1 Jun 2011	Q1 Jun 2012
Orders Received	1703	2717
<i>growth%</i>		<i>59.5%</i>
Revenues	2438	2811
<i>growth%</i>		<i>15.3%</i>
Order Backlog	7087	9172
<i>growth%</i>		<i>29.4%</i>
EBIDTA (W/O Other Income)	182	167
<i>as % revenue</i>		<i>5.9%</i>
EBIT	136	139
PAT	79	86
EPS (Rs)	1.24	1.34

Consolidated Segment Results - Q1



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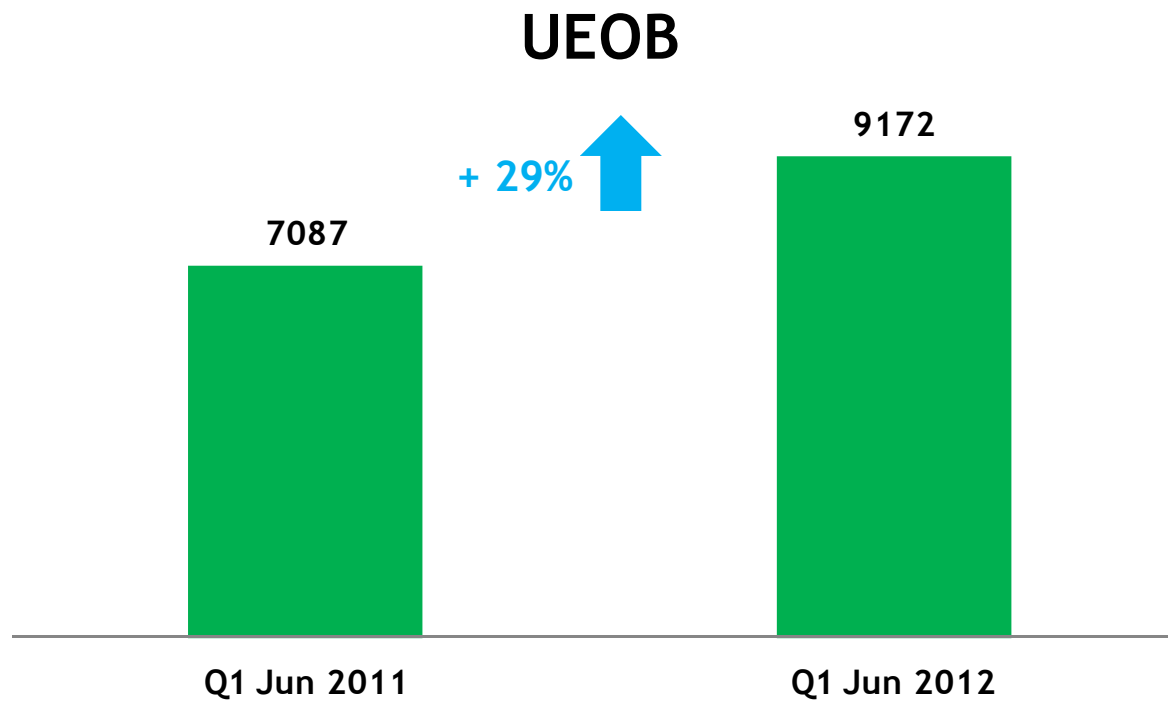
INR Cr.

	Q1 Jun 2011	Q1 Jun 2012	Δ Change
Power			
Orders Received	1268	2118	67%
Revenues	1517	1762	16%
EBIT	40	47	
<i>EBIT Margin</i>	<i>2.6%</i>	<i>2.6%</i>	
Industrial			
Orders Received	435	600	38%
Revenues	380	405	7%
EBIT	51	36	
<i>EBIT Margin</i>	<i>13.4%</i>	<i>9.0%</i>	
Consumer			
Revenues	544	652	20%
EBIT	75	83	
<i>EBIT Margin</i>	<i>13.9%</i>	<i>12.8%</i>	

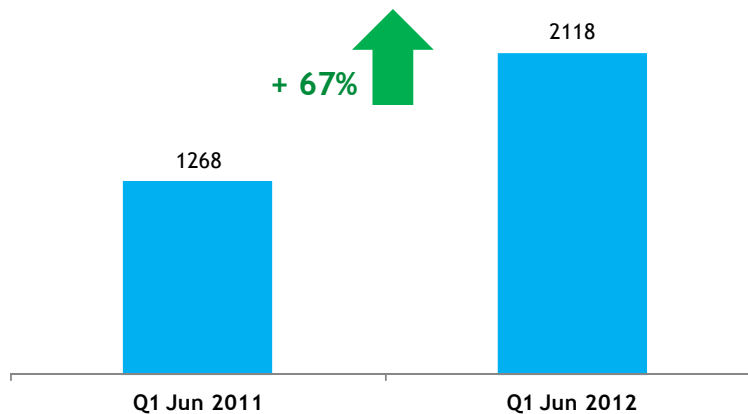
UEOB Evolution



INR Cr.



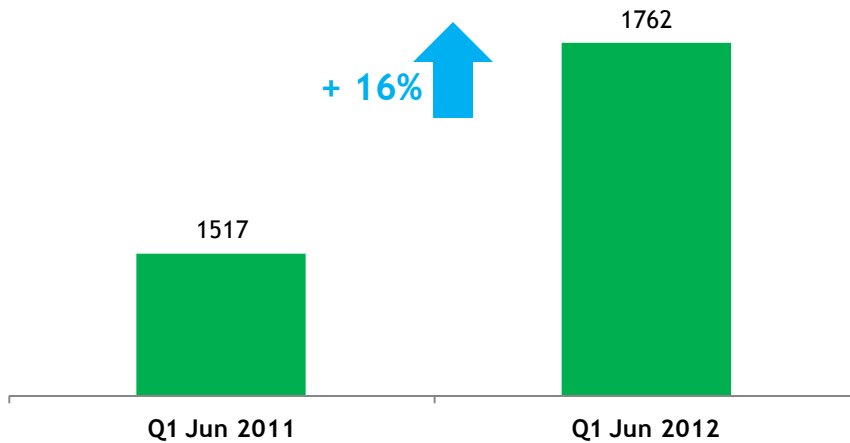
Order Input



Q1 Performance

- » EHV
 - » CG's First 1200kV Auto-Transformer (333MVA 1150/420kV single phase UHVAC Transformer) successfully commissioned at PGCIL's National Test Station, Bina
- » Projects
 - » Biggest order won by CG's Engineering Projects Division for turnkey GIS project for UPPTCL in June 2012
- » Power Automation
 - » Successfully dispatched the first SCADA system in May to a Power Generation Company in Tamil Nadu

Revenues



Q1 Performance

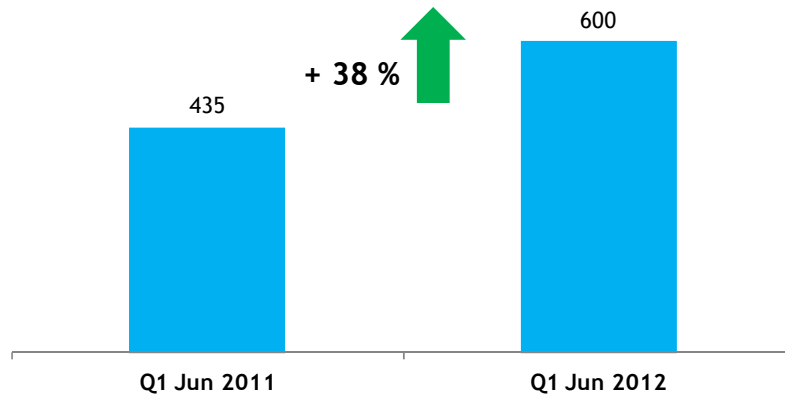
- » Successfully developed 400 kV Spring-spring Gas Circuit breaker . Already received order for a power plant
- » Major order received from Hydro One in Canada for complex Power Transformers with intricate winding design
- » New markets
 - » Bagged an order for New Brazilian plant has for 62 units of 145 kV Circuit Breakers

Industrial Systems

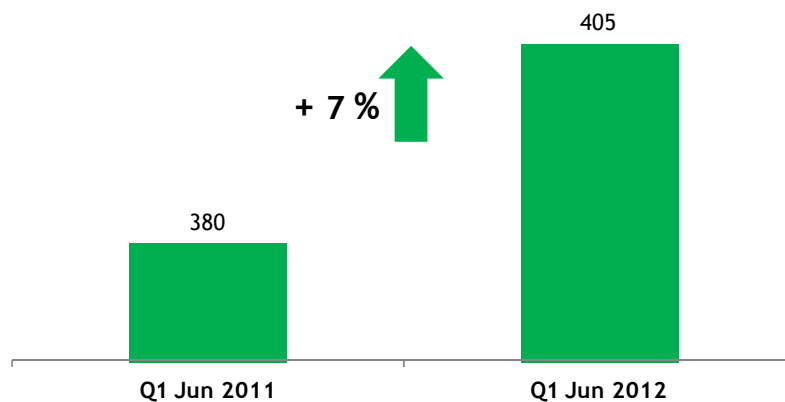


INR Cr

Order Input



Revenues



» Q1 Performance

» Electrical Transportation

- » Booked highest ever order of from Indian Railways for Power & Auxiliary Converters for three phase locos

» Smart Solutions

- » VSD / Soft starter order received from customer in Mining/Steel sector in Sweden
- » Received Order from new customer for in Germany in the Solar sector for 18,500 kW motors & FDU L69-500-21CE

» Exports

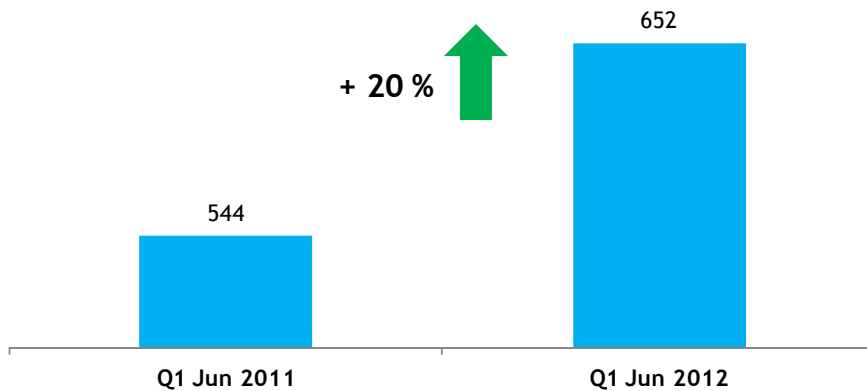
- » Highest package order for exports to Germany for VFD to be used in a Solar Power project
- » Order received for Generator motor 750 kW - 5250kW, 6p - 14p, for a customer in South East Asia

Consumer Products



INR Cr

Revenues



Horizontal Split Case (HSC) Pumps - New series for industrial application



90 W LED Highbay with Chip On Board for Industrial applications



Avancer , Taurus and Flavia- New range of Fans for premium segment

» Fans

- » Maintained leadership status with 22.5% market share with growth of 27% in Q1
- » Launched ceiling fans in new metallic colours in automotive finish
- » Bagged an order for supply of 10,200 ceiling fans from SBI

» Lighting

- » Won an order for supply of HIGH MAST Lighting comprising poles, automatic control panels for illumination, floodlights, LED aviation lamps, etc
- » Largest single order in the Industry for Induction lighting for Indian railways

» Pumps

- » Received India Design Mark (I-Mark) certification for its Submersible pump sets - First Indian manufacturer to get the certification
- » Gain in market share in Q1

Update on Value Creation Levers

Strategic levers

Offering

- Move to High value added offerings
- Enter new segments
- Focus on new geographies - Middle East, Brazil

Sourcing

- Global sourcing organization
- Sourcing office established in Shanghai, China

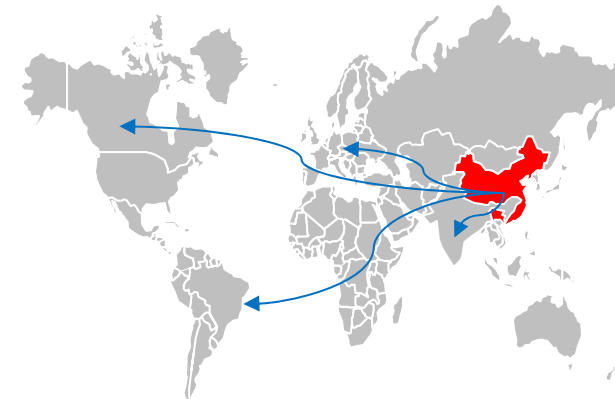
Planned Actions Steps

and

Q1 initiatives



Brazil Plant inaugurated - capacity addition of 500 HV breakers, 1000 lightning arresters and 300 instrument transformers



New Design for traction transformer



Aluminium Wire Wound Motor



Air cooled Induction motor (vertical)

- China IPO (International Procurement Office) fully functional from Q2 2012
- Global Sourcing organization established with new Global Head
- KCM (Key Commodity Managers) identified for global procurement of major materials like Copper & Steel

Update on Value Creation Levers

Strategic levers

Manufacturing Footprint

Continuous Improvement

Planned Actions Steps

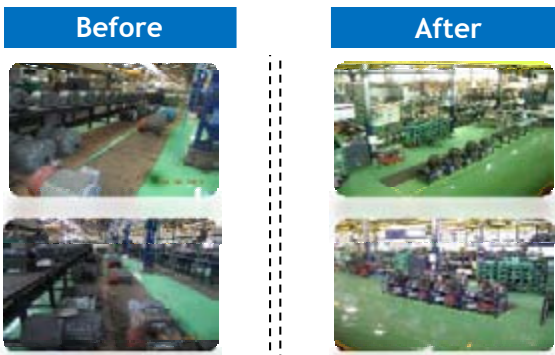
- Consolidation of European platform
 - Belgium Operations to be optimized for cost advantages
 - 260 employees are contemplated to be covered under the right-sizing exercise
 - Commenced consultation process with the Works Council as required by the Belgium Labour Regulations
- CGPS and Lean Manufacturing Roll out for productivity improvement

- Six sigma program roll out world wide
- Sustainability program deployed in each unit

Six Sigma and CI Projects

and

Lean Manf. - MTO line in LTM Plant in India



- Reduce WIP inventories ; Cycle Time
- Improve Productivity & Quality
- Enhance space utilisation



- Six Sigma methodology established as a base for all Improvement projects
- Projects have started at Indonesia, Hungary, Belgium, Ireland, Washington (USA) and Winnipeg (CA)
- Major training program also launched. Over 500 CG executives already trained in 6σ worldwide.

Q1 initiatives

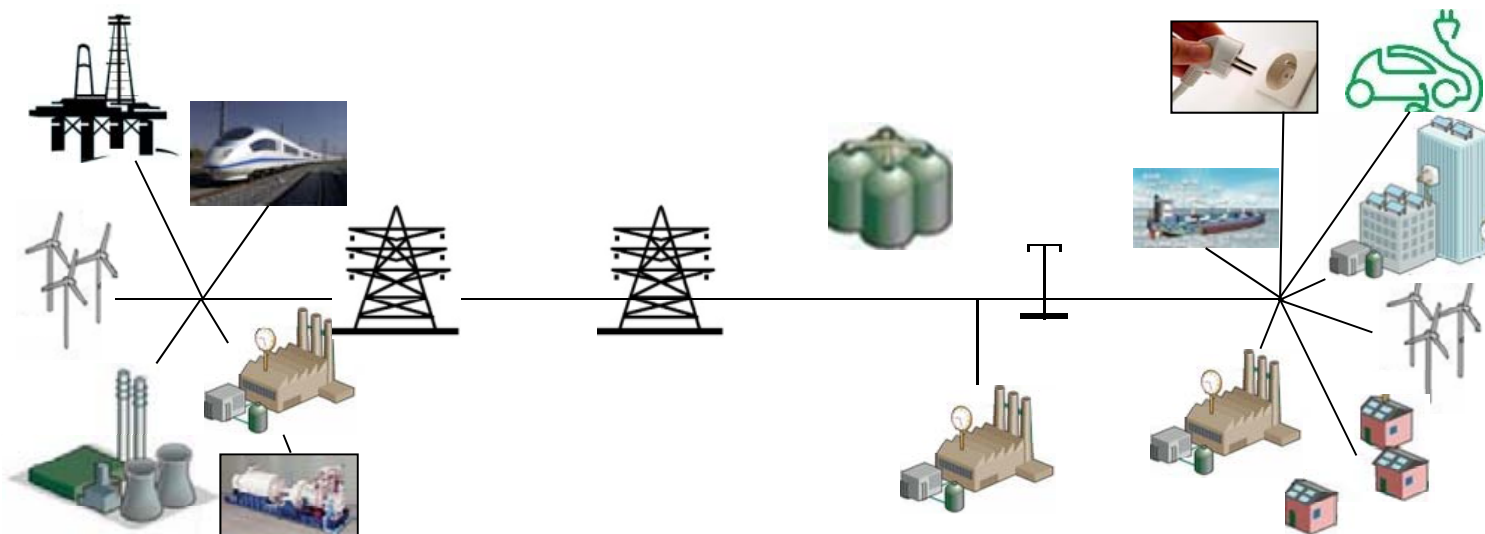
Key Takeaways from Q1



- CG outperformed the market in all regions and product lines mainly due to successful integration of new offerings (HV Transmission, consumer)
- Q1 margins impacted due to Transformer operations in Belgium and lower sales of HT motors in India
- Record backlog with approximately one year of operations
- Market to remain difficult in India, Europe and America for following qtrs



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We put all our energy
into saving yours