



Smart solutions.
Strong relationships.

Analysts' MEET

24th May 2013

Quarter and Year Ended
March 31, 2013

POWER INDUSTRIAL CONSUMER


AVANTHA

Laurent DEMORTIER

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

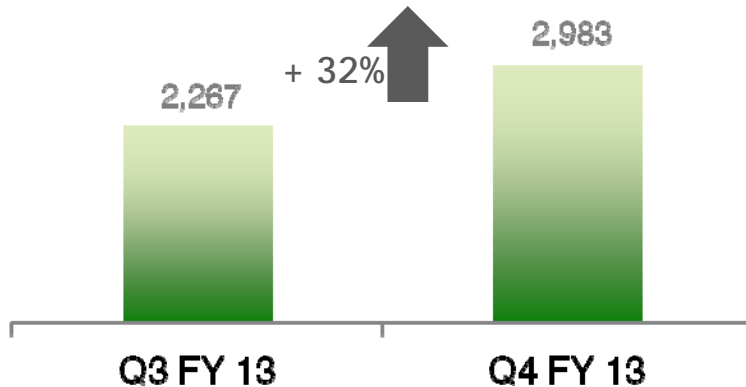
Madhav Acharya
Chief Financial Officer

Q4 FY 13 Highlights - CG Global



INR Cr

Orders Received



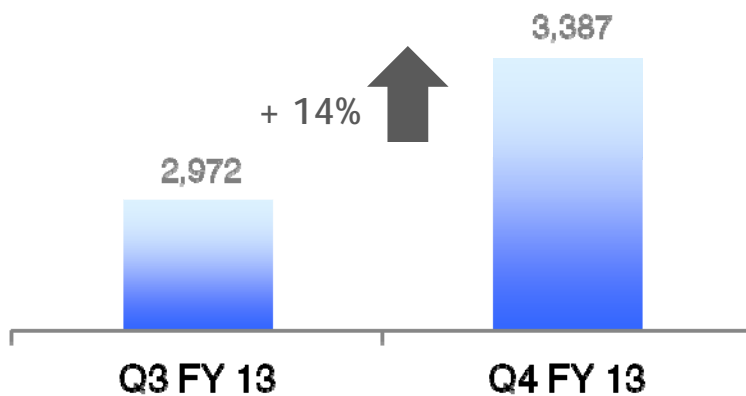
Q4 2012-13 vs Q3 2012-13

- » Order Received +32%
- » Revenue growth +14%

Q4 2012-13 vs Q4 2011-12

- » Order Received +3%
- » Revenue growth +10%

Revenue

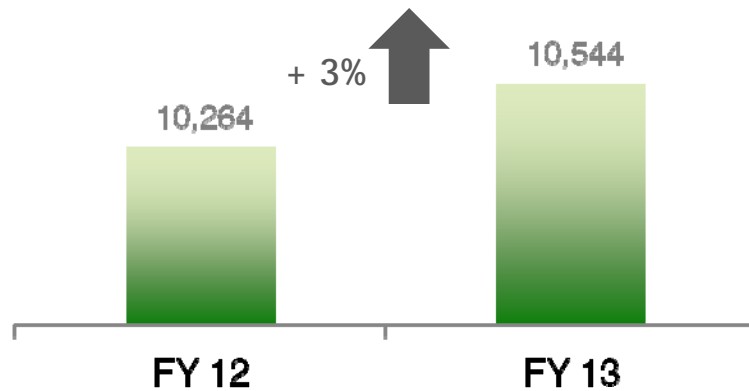


FY 12-13 Highlights- CG Global



INR Cr.

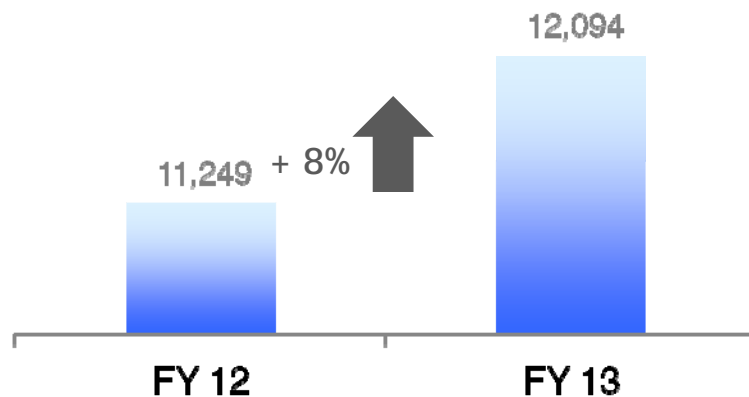
Orders Received



FY 12-13 Vs FY 11-12

- » Order Received growth at +6% including Consumer BU
- » Revenue growth +8%

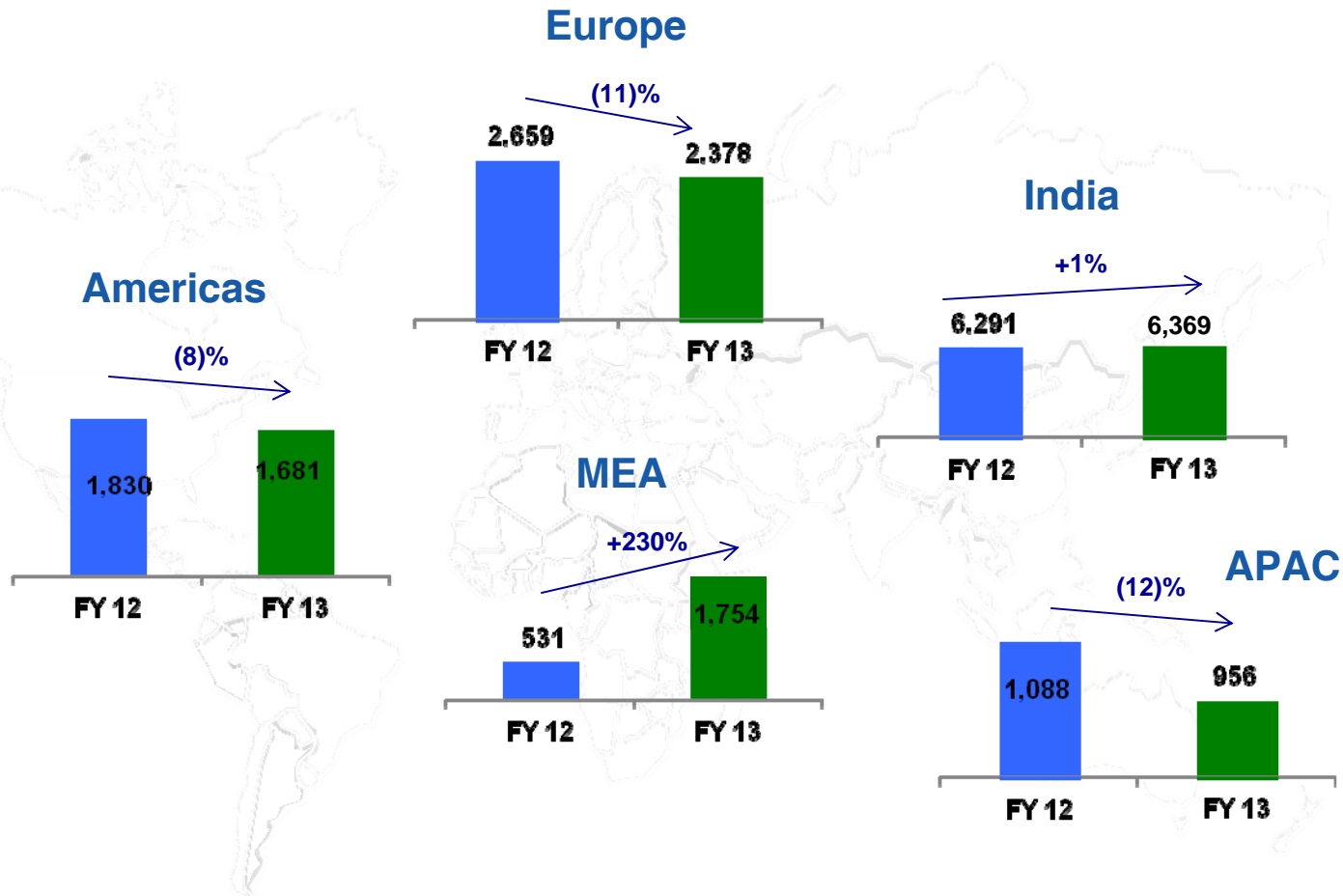
Revenue



Orders growth by Region Full Year



INR Cr



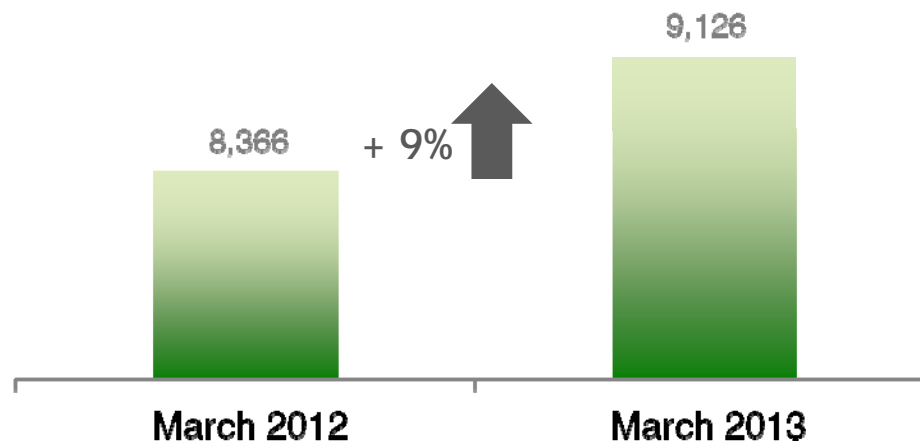
INDIA orders Including CP sales

UEOB Evolution



INR Cr.

UEOB



Consolidated Financials - Q4 2013



Smart solutions.
Strong relationships.

	Q4 Mar 2012	Q4 Mar 2013
Orders Received	2,897	2,983
<i>Growth</i>		3%
Revenues	3,077	3,387
<i>Growth</i>		10%
Order Backlog	8,366	9,126
EBIDTA (W/O Other Income)	213	78
<i>as % revenue</i>		2%
EBIT	150	38
PAT	100	25
EPS (Rs)	1.56	0.40

INR Cr.

- Careful control and selection of order intake for Power Transformer
- 20%+ growth Industrial and Consumer
- Industrial growth driven by railways and drives

- New PT platform ramp up at Hungary, 18 PT units delivered during Q4

- PT stabilization program under way to restore profitability in 3 PT units

Consolidated Financials -FY2013



Smart solutions.
Strong relationships.

INR Cr.

	FY 11-12	FY 12-13
Orders Received	10,264	10,544
<i>Growth</i>		3%
Revenues	11,249	12,094
<i>Growth</i>		8%
Order Backlog	8,366	9,126
<i>Growth</i>		9%
Operational EBIDTA (W/O Other Income)	804	491
<i>as % revenue</i>	7%	4%
EBIT	596	256
PAT	374	-36
EPS (Rs)	5.82	-0.56

- Orders grew 6% y-o-y including consumer BU
- PT order intake focused on higher margin orders
- Expansion in Middle East and Africa
- Strong increase in export from India

- Restructuring of Belgium operations(Power Business) completed
- India manufacturing hub expansion
- Acquisition of Power Automation (ZIV)

- PT operating performance impacted
- Extra Ordinary cost of Rs. 121 cr booked as one time employee payment for Belgium restructuring

Consolidated Segment Results - Q4 2013



Smart solutions.
Strong relationships.

	Q4 Mar 2012	Q4 Mar 2013
Power		
Orders Received	2,453	2,451
<i>Growth</i>		-0.1%
Revenues	1,901	2,060
<i>Growth</i>		8.4%
EBIT	66	-59
<i>EBIT Margin</i>	3.5%	-2.8%
Industrial		
Orders Received	444	531
<i>Growth</i>		19.6%
Revenues	500	496
<i>Growth</i>		-0.8%
EBIT	54	56
<i>EBIT Margin</i>	10.8%	11.3%
Consumer		
Revenues	607	748
<i>Growth</i>		23.2%
EBIT	74	74
<i>EBIT Margin</i>	12.3%	9.9%

INR Cr.

- Power Transformer restructuring Impact
- System Activity

- Performance driven by strong growth in Drives

- Impact of Investment in sales and marketing and Institutional Orders

Consolidated Segment Results - FY2013



Smart solutions.
Strong relationships.

INR Cr.

	FY 11-12	FY 12-13
Power		
Orders Received	8,471	8,397
<i>Growth</i>		-0.8%
Revenues	7,195	7,336
<i>Growth</i>		2.0%
EBIT	249	-110
EBIT Margin	3.5%	-1.5%
Industrial		
Orders Received	1,793	2,148
<i>Growth</i>		20%
Revenues	1,820	1,835
<i>Growth</i>		0.8%
EBIT	210	214
EBIT Margin	11.6%	11.6%
Consumer		
Revenues	2,134	2,593
<i>Growth</i>		22%
EBIT	263	278
EBIT Margin	12.3%	10.7%

- Results impacted by restructuring of PT product line, which constitutes 41% of Power revenue
- Sustained activity in renewable wind offshore

- Successful development Drive and Railways segment
- Revenue impacted by capex slowdown in India
- Energy efficient motors getting traction in all geographies

- Growth driven strengthening the distributions channels, 1 Lac retailers across India
- Investment in marketing activities to reposition the business



Business Unit Performance

CG- Power



INR Cr.

Key Highlights

UHV segment-

- First 1,200 kV transformer in operation at Bina from 26, May 2012
- Equipped more than 83 EHV substations for 765 kV, PGCIL India, making CG the market leader in UHV/ EHV segment
- Careful selection of PT order intake

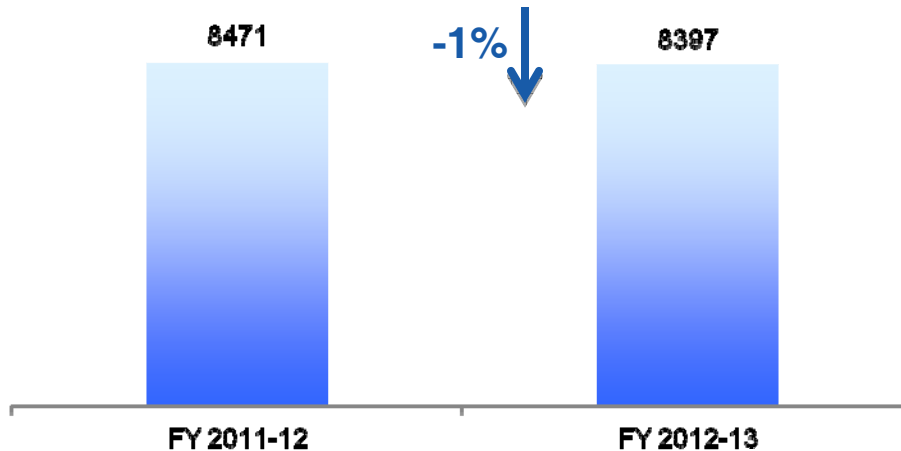
Renewable Segment-

- Success of system projects - 6 platforms
- First smart grid order for electrical transportation

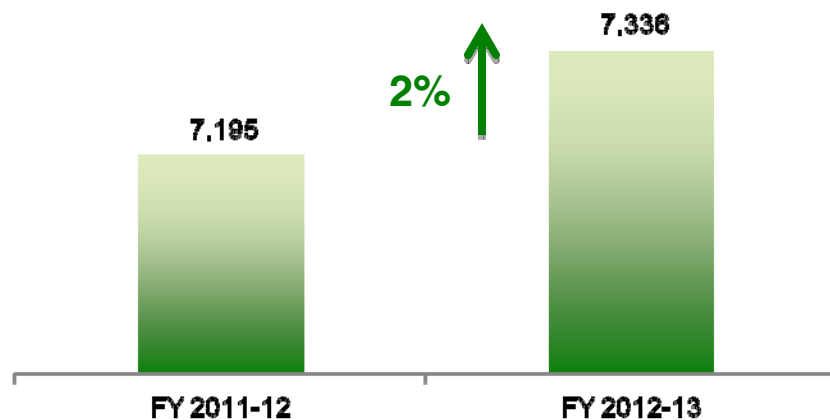
Turnkey Substation

\$60 million for the turnkey construction of four high voltage GIS substations in Iraq

Orders Received



Revenue

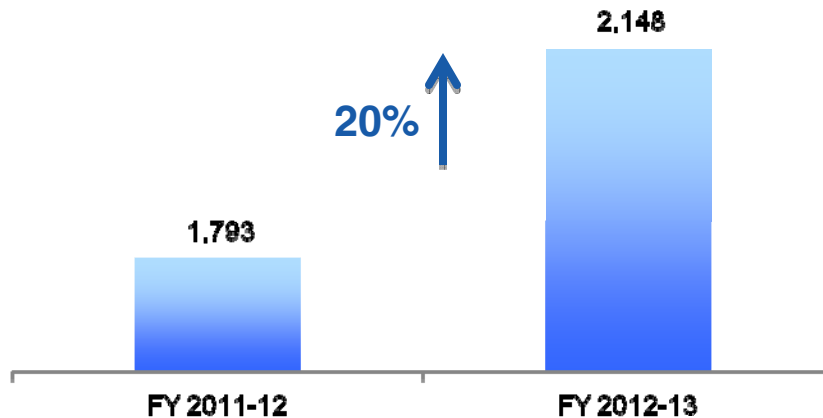


CG- Industrial



INR Cr.

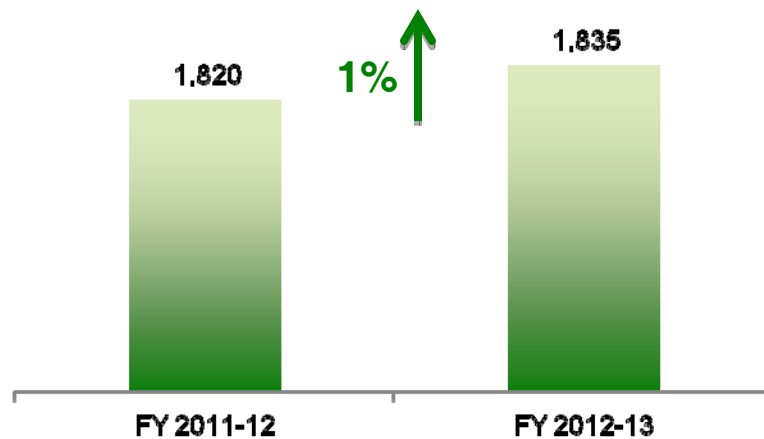
Orders Received



Key Highlihgts

- New manufacturing facilities for large motors and synchronous generator commissioned and started production at Mandideep, Bhopal
- IE3 / NEMA Premium LV Motor Range upto 7.5 kW launched
- Delivered largest rating MV for Sterlite (Vedanta Power Orrisa), 6MW, 8 Pole, 11kV in 1120 Fr. Weight: 35 MT
- IP 21 AC Drive Manufacturing & Test establishment at D&A India plant

Revenue

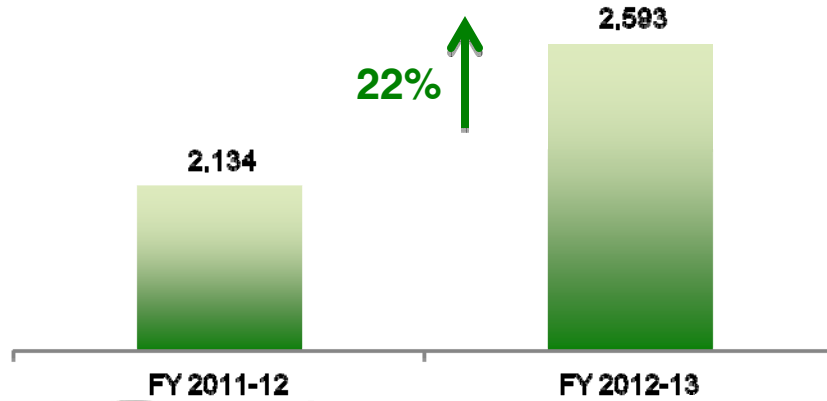


CG- Consumer



Revenue

INR Cr.



Entice Series- Appliances



Newly launched Avancer Series for Fan

Key Highlights

- Recently launched major program for increasing the reach. Added 46 new distributors, 2,600 new retailers in the last two months
- New Channels to introduce - Government, Modern Retail, Exclusive distributors

Fans

- First Fan company to cross sales of INR 1,000 cr
- Successfully developed Super Energy Efficient Ceiling Fan, which consumes 50% lower energy

Pumps

- Indian Design Mark award for 4” submersible pumps

Appliances

- Successfully launched patented polymer coated technology for geysers
- Entice range for kitchenware

Lighting

- First in India to introduce highly energy efficient LEDs

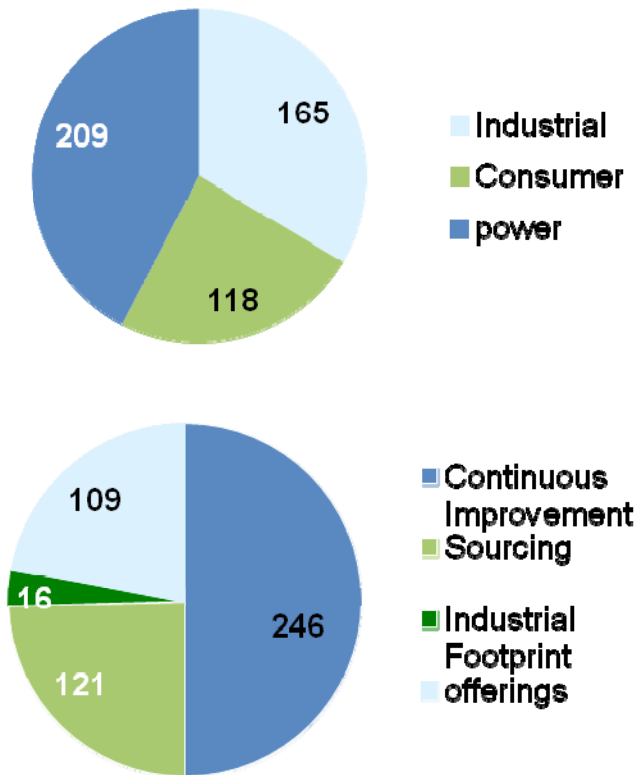
Business Transformation Projects



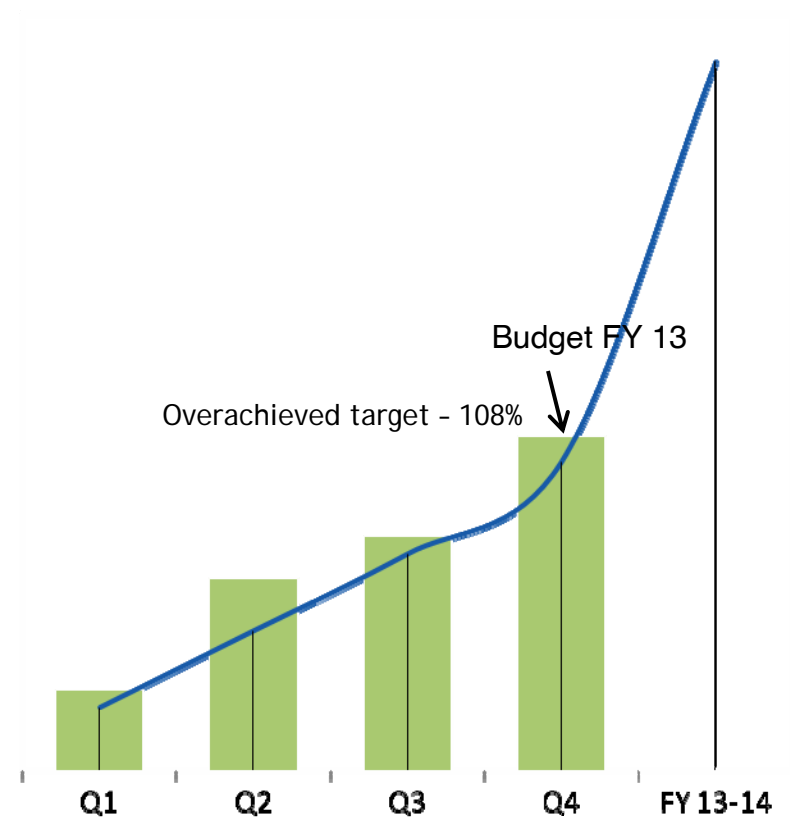
Breakdown of business transformation projects

Business transformation projects Impact on EBITDA (FY 12-13)

Number of projects



Actual Savings — Cumulative Budgeted savings



Strategic Agenda- 1 year after...



Offering

- Equipped more than 83 EHV substations for 765 kV, PGCIL India, making CG the market leader in UHV/ EHV segment
- 1200 kV transformer and CVT at Bina
- Energy efficient motors represented 11.5% of total Sales
- Middle East orders reached 1,753 cr, representing 230% growth for the region
- 367 Cr order in LAM representing 197% growth
- **EBITDA Level Savings- 90 bps**

Sourcing

- Globalization of sourcing for 7 key commodities
- International purchasing office set up in China
- **EBITDA Level Savings- 100 bps**

Manufacturing Footprint

- Project Merlin completed. PT capacity consolidation in eastern Europe
- Indian manufacturing Hub on the way. Plant capacity expansion- PT Bhopal, HT Motors- Mandideep, Switchgears- Nasik
- First full JIT plant for LVRM at Goa, producing 15,000 motors per month
- **Record production(18 transformers) in PT Hungary for Q4 with positive EBIT**

Continuous Improvement

- 355 Green + Black belt
- 492 projects across CG sites
- **EBITDA Level Savings- 35 bps**

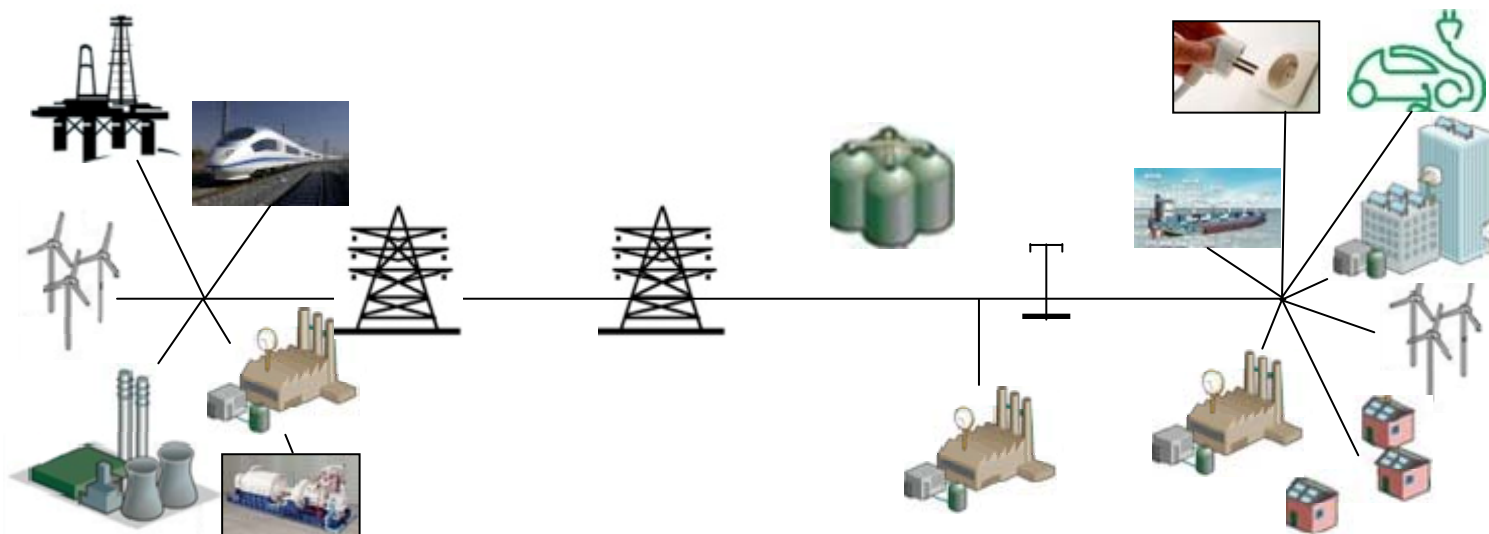
Outlook



- Solid order book to sustain FY 14 sales growth
- Robust Order Intake expected in high value added segments-
 - Power BU- UHV / EHV in Asia, Automation/ smart grid
 - Industrial BU- Motors in EMEA market, Railway transportation and electronic drives
 - Consumer BU- Portfolio and retail and distribution channels expansion
- Operation improvements to be driven by the new cost effective operating set up of power transformer



Smart solutions.
Strong relationships.



We put all our energy
into saving yours