

September 28, 2016

The Manager  
Listing Department  
**National Stock Exchange of India Ltd**  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East)  
MUMBAI 400 051

Fax # 022-2659 8237/8238/8347/8348  
Symbol: SCHNEIDER

The Secretary  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers, Dalal Street  
MUMBAI 400 001

Fax # 022-2272 3121/2037/2039  
Scrip Code No. 534139

The Secretary  
The Calcutta Stock Exchange Limited  
7, Lyons Range  
KOLKATA 700 001

Fax # 033-2104486/4500/2230/3020  
Scrip Code No. 10030003

Dear Sir,

**Sub : Submission of Annual Report 2015-16 as approved and adopted in the Annual General Meeting held on September 23, 2016, in pursuance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith the Annual Report 2015-16 of the Company, approved and adopted in the Annual General Meeting held on September 23, 2016.

Kindly acknowledge the receipt of the same.


Yours faithfully,  
For Schneider Electric Infrastructure Limited

  
(Priyanka Aggarwal)

Authorized Signatory

Encl: As Above



Life Is  when energy is on  
Ensuring Reliable, Efficient, Connected and Sustainable energy.

## Schneider Electric Infrastructure Limited

ANNUAL REPORT 2016

[www.schneider-electric.com](http://www.schneider-electric.com)

Life Is 

**Schneider**  
 Electric

## > Board of Directors & Key Managerial Personnel



### From Left to Right

- |  |  |
|--|--|
| 1. <b>Mr. Anurag Mantri</b><br>Chief Financial Officer             | 6. <b>Mr. V.S Vasudevan</b><br>Independent Director                  |
| 2. <b>Mr. Vivek Sarwate</b><br>Whole-time Director                 | 7. <b>Mr. Ranjan Pant</b><br>Independent Director                    |
| 3. <b>Mr. Sugata Sircar</b><br>Director                            | 8. <b>Mr. Prakash Kumar Chandraker</b><br>Managing Director & CEO    |
| 4. <b>Mr. Anil Chaudhry</b><br>Director                            | 9. <b>Ms. Sonali Kaushik</b><br>Director                             |
| 5. <b>Mr. Vinod Kumar Dhall</b><br>Chairman & Independent Director | 10. <b>Mr. Anil Rustgi</b><br>Company Secretary & Compliance Officer |

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## > Message from Chairman



I am happy to present the Annual report of Schneider Electric Infrastructure Limited (SEIL) for the Financial Year 2015-16 to our valued shareholders. Your Company has reinforced its market leadership position in its domain and has delivered a stable performance in 2015-16, despite the challenging economic environment.

India's economy has faced subdued demand over the past few years arising from a dampened global business environment. The good news, however, is that there is still a positive socio-economical sentiment and the economic reforms that have been undertaken or promised are expected to lead to a sustainable long-term growth.

The current government had identified infrastructure as its critical priority to trigger economic growth and had also announced several central programs aimed at satisfying the basic as well as future needs of the masses. The government has made its intent clear towards the development of Indian power sector by promising 24x7 uninterrupted power for all by enhancing the reliability of the distribution grid and reducing the AT&C losses. Two key schemes - the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and the Integrated Power Development Scheme (IPDS) have made progress and are expected to improve the reliability of the sub transmission & distribution network in rural and urban areas.

To improve the financial condition of the distribution utilities, the government has also

initiated the Ujwal DISCOM Assurance Yojna (UDAY) for giving a push to the much needed financial turnaround and revival of power distribution companies (DISCOMs), which is aimed to ensure affordable and reliable power for all.

To meet the emerging challenges and to benefit from the new opportunities, at SEIL, we innovate and develop technologies that will transform the way energy is managed. With our design philosophy, we deliver the smart solutions that integrate energy seamlessly into our environment, supporting the rhythm of our lives and empowering people to do more with less. Our intent is to make sure Life Is On for everyone, everywhere and at every moment.

The Company continues to focus on innovative solutions, customer satisfaction and employee engagement as a part of its growth philosophy and is fully aligned to and supportive of the ambitious "Make In India" initiative by the government.

I would like to thank all our shareholders, customers, suppliers, communities and other stakeholders for their continuing and unstinted support to the Company during the year. I would also like to thank all the employees, and my colleagues on the Board of Directors, for their tireless commitment to enhance the performance and well being of the Company.

**Vinod Kumar Dhall**  
Chairman



## > Message from Managing Director



Your Company has made a good progress during 2015-16 in establishing itself as a thought leader in “Intelligent management of future grid”. Government’s vision of “Make in India” and its initiative to develop robust and smart infrastructure for Smart Cities will be a good business proposition for Schneider Electric Infrastructure Ltd (SEIL). Your Company is well positioned to provide self healing and advanced grid solutions in the proposed smart cities, with our wide range of digitized products and solutions.

Many of our gains and advances in efficiency are driven by the convergence of Electrical Operational Technology (OT) and Information Technology (IT). We uniquely bring together energy, automation, and software analytics to make the energy value chain more intelligent, more predictable, more efficient, more reliable and safer. Add to this the growth of the Internet of Things, i.e., more and more connected devices, and our innovation strategy is truly driving greater energy efficiency and process optimization across all market segments.

Growing demand, integration of distributed generation and ageing infrastructures have an increasingly negative effect on grid reliability. Grid operators look to boost operational efficiency,

protect their customers and maintain grid security. Your Company has a renewable integration and a self-healing network solution, which is a smart, cost-effective way to enhance the reliability of electrical distribution grids so that customers can enjoy improved power availability.

Coming to our performance in 2015-16, some of the key projects we delivered were: the first e-house solution to a prominent utility, 33kV GIS in water segment, trunk infrastructure equipment for a major state distribution company, transformers and RMUs for renewable generation projects, GIS for metro projects.

We remain focused on our strategic initiatives around cost optimization and growth in advanced technology solution products and services. Your Company has the vision, the portfolio and the commitment to maintain leadership position in the MV energy business.

I would like to sincerely thank all the stakeholders, employees, customers and board members for their continued support and confidence in our business.

**Prakash Kumar Chandraker**  
Managing Director

# > Corporate Information

## Board of Directors

**Mr. Vinod Kumar Dhall**  
Chairman (Non-Executive)

**Mr. Prakash Kumar Chandraker**  
(Managing Director)

**Mr. Anil Chaudhry**

**Mr. Ranjan Pant**

**Ms. Sonali Kaushik**

**Mr. Subramanian Vishar Vasudevan**

**Mr. Sugata Sircar**

**Mr. Vivek Sarwate\***

\* Appointed effective 04.02.2016

## Chief Financial Officer

Mr. Anurag Mantri

## Company Secretary and Compliance Officer

Mr. Anil Rustgi

## Registered Office

Milestone 87  
Vadodara-Halol Highway  
Village Kotambi, P.O. Jarod  
Vadodara- 391 510, Gujarat

## Registrar & Share Transfer Agent

**C.B. Management Services (P) Ltd.**  
P-22, Bondel Road  
Kolkata-700 019

## Auditors

**S.R. Batliboi & Co.LLP**  
Chartered Accountants  
Golf View Corporate Towers-B  
Sector 42, Sector Road  
Gurgaon 122 002, Haryana

## Committees of Directors

### Nomination & Remuneration Committee

**Mr. Subramanian Vishar Vasudevan** - Chairman  
**Mr. Anil Chaudhry**  
**Mr. Ranjan Pant**  
**Mr. Vinod Kumar Dhall**

### Stakeholder's Relationship Committee

**Mr. Subramanian Vishar Vasudevan** - Chairman  
**Mr. Prakash Kumar Chandraker**  
**Mr. Ranjan Pant**

### Corporate Social Responsibility (CSR) Committee

**Mr. Prakash Kumar Chandraker**  
**Mr. Ranjan Pant**  
**Mr. Subramanian Vishar Vasudevan**

### Audit Committee

**Mr. Vinod Kumar Dhall** - Chairman  
**Mr. Ranjan Pant**  
**Mr. Subramanian Vishar Vasudevan**  
**Mr. Sugata Sircar**

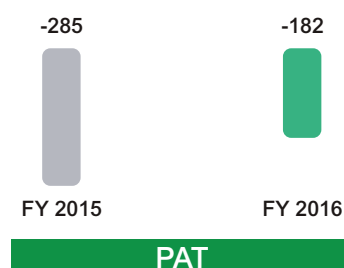
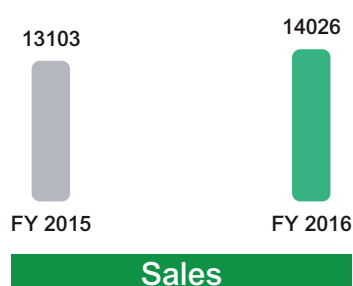
### Risk Management Committee

**Mr. Prakash Kumar Chandraker**  
**Mr. Ranjan Pant**  
**Mr. Subramanian Vishar Vasudevan**

# > Financial Highlights

## SCHNEIDER ELECTRIC INFRASTRUCTURE LTD.

(IN MINR)





## > Directors' Report

Your Directors take pleasure in presenting herewith the Annual Report and Audited Accounts for the year ended March 31, 2016.

### Financial Results

	(In MINR)	
	12M FY 2015/16	12M FY 2014/15
Sales and Services (Net)	14,026	13,103
<b>EBITDA</b>	<b>521</b>	<b>463</b>
(As percentage of net sales)	3.7%	3.5%
Depreciation	258	249
<b>EBITA</b>	<b>263</b>	<b>214</b>
(As percentage of net sales)	1.9%	1.6%
Interest, net	428	385
<b>Earnings after Interest</b>	<b>(165)</b>	<b>(171)</b>
Exceptional items	17	0
<b>Profit before tax</b>	<b>(182)</b>	<b>(171)</b>
Tax expense (Deferred tax Reversal)	0	114
<b>Profit after tax</b>	<b>(182)</b>	<b>(285)</b>

#### Dividend

No dividend has been declared by the Directors for the year ended March 31, 2016, due to losses.

## Performance Review

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The year 2015-2016 was a year of rebalancing for your company. The energy market responded in a mixed manner to all the external impacts, be it global influence, government initiatives or consumer sentiments. We saw business uptake in some nascent segments but at the same time saw a lull in a few traditionally high demand segments like power generation, mining, etc. The company refocused its market outreach to arrest the short term negative impact of the market dynamics on the performance of the company, but at the same time initiated rebalancing initiatives to catch hold of the tailwinds when the market growth translates into on the ground opportunities. We were able to maintain leadership position in our market of operations.

Sales in 2015-2016 stood at INR 14026 million as against INR 13103 million during the same period last year, translating into 7 percent growth. Liquidity and the pace of project execution has remained a challenge due to the market conditions. Still, considering the circumstances, the company has dealt with most of the issues admirably. It has also managed to drive better business mix to create healthy order- book and streamlined the operations for smooth execution.

The focus of SEIL remained as always on "Providing consumers with smart products, systems and services that deliver true value and maximum satisfaction to our customers". This is made possible by our persistent efforts in meeting the customer needs through innovation

and improved organizational operational efficiency. In preparation of the blooming trend of digitization, your company has consciously invested in creating a holistic portfolio of smart connected products and seamless solutions.

This unwavering obsession of the company to put customers at the heart all our strategic as well as operational endeavors has enabled us to both build a culture of trust and strategic partnership with our valued customers. The vast global experience of the group coupled with the focus of the company in providing increasingly reliable, safe and environment friendly offers allowed the company to realize a healthy mix of some large traditional orders as well some relatively small but trend setting examples. The year has seen the company gaining recognition and confidence from both its customers and stakeholders.

Employees are the greatest assets of SEIL. They enable your company achieve its goals and retain its market leader position. We launched several training and engagement initiatives to further enhance their competencies. The workforce remains focused on creating value for customers and stakeholders.

Your company would like to thank all the shareholders, customers, employees and all other stakeholders for their continuous support and confidence in the company.

# 1. Our Strategy

## Leverage the world's new energy challenges

The world's energy challenges are many: growth in energy demand, energy price increases, scarcity of natural resources, CO<sub>2</sub> emissions reduction requirements, integration of unpredictable and intermittent renewable sources of energy, increases in peaks of consumption and infrastructure growth. We have developed a wide range of products and solutions that will provide end users and consumers with significant levels of energy

efficiency and savings. Our smart grid solutions help electricity producers and distributors to improve the efficiency of their assets and to offer a better service to their consumers and build future smart cities. This also contributes to the improvement in the operation of the grid and the reduction in investment in new generation capacity.

## Serve the increasing need for automation of our customers in key market segments

The Make in India as well as rising standard of power reliability and safety is creating significant opportunities for growth. Coupled with this, large corporations are looking to improve operational efficiency across the whole enterprise, while at the same time improving security and safety for operators and the environment. The power

distribution segment is undergoing a transformation to provide 24x7 power to all and improve the reliability and quality. We are today offering advanced automation solutions to establish self healing grids, unmanned stations, asset management solutions.

## Support the digital transformation of customers and partners

The convergence of operational technology (OT) and information technology (IT) creates many new opportunities for customers. It makes their life easier, increases productivity, creates new business models that provide new value propositions for their own customers. Digitization is at the heart of their future growth. Through continuous innovation, we engineer products and

solutions that help them unlock this potential. Schneider Electric builds native connectivity in its product offerings, delivers a range of digital services to help customers' extract value from their data through analytics, ensures cyber security and provides the best customer experience.

## Build two complementary business models: Products and Technology Solutions

Products and solutions are complementary business models and we aim to deliver profitable growth in both. Products allow us to continue to achieve scale and pricing power. In order to reinforce our leadership position and continue to grow, we leverage technology to offer connected, market leading products. Solutions and Services allow us to generate additional growth and profits, lower capital intensity and help reduce cyclicalities.

They provide significant opportunities to establish greater customer intimacy and sustainable business opportunities through dialogue with final end users, which in turn help in our quest for continuous innovation. We have developed tested, validated and documented reference architectures for solutions in targeted end-markets, in order to facilitate smooth integration of our products and speed up project design.

## Invest in profitable and responsible growth while driving efficiency

We believe in the long-term growth potential of our business, and we continuously invest to drive that growth through engagement with customer and partners at the center of our R&D practices. This investment is focused on sustained spending in R&D, as well as on growing our commercial presence and skills, especially in the fields of high value-added technologies and services and also in facilitating engagement and involvement of customers to develop offers aimed at solving current and future

challenges. In addition to the investments we make to foster growth, driving efficiency at all levels of our Company is an equally important focus of the Group. We continuously seek to generate savings from purchasing and manufacturing and through improving operational efficiency by reducing selling, general and administrative expenses, while maintaining best-in-class standards in environmental sustainability and social responsibility.

## 2. Digitization Initiatives

Digitization will drive speed, efficiency, cost reduction and customer satisfaction

- **Bridge SAP:** Go live in April, 2016
- **V FAST (Vendor Forecasting tool)** drive to measure & sustain vendor forecast accuracy for standard parts
- **One MM (Material Management) tool** Maturity
- Extend **Satellite (tool to simplify tendering and order booking process)** to all Switchgear products
- **CNPS@FAT (Customer net promoter score at Final assembly & testing):** online with iPad application
- Online key **shipment tracking**
- Online **ETC (Erection, Testing and Commissioning)** support conceptualization phase over

## 3. Customer Care Excellence (CCE)

### Mission

We deliver “Customer Care by Schneider Electric”

Contributing to **Growth** priorities while continuously improving **Customer Experience and Efficiency**

### Responsibilities

- Deliver the best-in-class Customer Experience to our Customers

- Innovate and provide multi-channel access to Customer Care Centers, increase Customers’ adoption of self-service tools
- Contribute to Growth by generating new leads for Partners and Sales, qualifying leads from Marketing and deploying Inside Sales with Sales Operations
- Develop CCC people Customer centricity and skills and secure a CCC Employee Engagement above Zone level

### Strategic Areas

Shift to Tailored Care	Contribute to Growth	Drive Efficiency
Support customers better from their perspective and provide a personalized Customer Experience	Leverage customer intimacy for growth	Streamline processes, automate answers to simple queries, leverage online and mobile digital services, commit to SLAs
...through... Segment knowledge and Specialized, Empowered and Passionate talent pool	...through... Business acumen, Outbound and onbound Sales activities	...through... Digital & Continuous Improvement
Transforming our people and organization		

## 4. Schneider is (2015-2020)

The company program 'Schneider is ON' shows a good start with most initiatives delivering good results

- Overall progress : very good
- Measurable parameters under each pillar
- Targets were set at the start of 2015 and mostly met

Progress across the 5 pillars:

### 1. Do more for the customers to create more opportunities for them, and for Schneider Electric

- Key initiatives:
  - Commercial transformation (EU coverage/ X-Sell/ Inside sales..etc)
  - Improve project execution
  - Accelerate booster business growth
  - More alignment of supply chain
- Overall customer net promoter score increased + increase in booster businesses

### 2. Simplify the operations for increased efficiency

- Key initiatives:
  - Simplify operations
  - Mutualize optimally for efficiency
  - Align ERP systems
  - Streamline/ simplify processes
- Overall savings through simplification exceeded 2015 targets

### 3. Digitize for customers, for efficiency and simplicity

- Key initiatives:
  - Connect more customers & partners
  - New web deployment
  - More active on social media
  - Enhance use of CCC mobile app
  - Increase the number of connected assets

### 4. Innovate to support growth

- Key initiatives:
  - More interaction between R&D and customers
  - Shorter development timeline & adherence
  - I4I (India for India) product development
  - Greater focus on Access to Energy/ BipBop programs

### 5. "Step Up" people

- Key initiatives:
  - Build organization capability through development initiatives, coaching, training, etc.
  - Improve diversity
  - Introduce work place satisfaction/ Well being initiatives
  - Connect and engage with people
- Increase in D&I initiatives + improvement in EEI and employee wellbeing score

## 5. Our Smart Products for Smart Solutions

As electricity networks become more complex and less stable, the grid needs to become smarter to continue to efficiently balance supply & demand. The Grid will be Smart, once all users are smart grid-ready and connected to the network.

- Utilities will drive **Smarter Supply**, to manage increasing demand, network complexity and environmental concerns
- Energy-efficient companies and active end-users will drive **Smarter Demand**, to maximize the cost and environmental benefits from Energy Efficiency
- And **Demand Response** will efficiently link Demand and Supply

SMART Grid therefore combines electricity operation technology and IT infrastructure to integrate and inter-connect all users (producers, operators, marketers, consumers, etc.), in order to continue to efficiently balance demand and supply over an increasingly complex network.

There is, certainly, a greater need to monitor quite complex voltage grid systems than was previously the case. This expansion of monitoring will lead to an immense amount of data that must be processed.

Several systems are required for this:

- **Distribution Management System (DMS)**: The DMS is the tool that enables the power system engineer and dispatcher to effectively and efficiently engineer, plan and operate the distribution network
- **Global Information System (GIS)**: GIS is used to show where, precisely, the event took place and which region of it is affected
- **Outage Management System (OMS)**: OMS sounds an alarm that informs the operator of the event
- **Customer Information System (CIS)**: CIS provides the information on the utility's website, so that customers can find out for themselves why they have no power or how long it will take to rectify the damage
- **Work Management System (WMS)**: WMS Creates a work order with the GIS data, detailing location of substation for the people to undergo the rectification/ replacement of equipment
- **Cyber Security**: Security of our customers' systems is of paramount importance and this helps provide security guidelines for customers to ensure their systems are protected from attack.

In addition to the above, there is also need for additional solutions which help in establishing an efficient grid namely:

### Digital Substation

Integration of IEC61850 based IEDs into digital control systems can enable the complete substation to be unmanned with remote monitoring and control from control center.

### Self Healing Grid

A self-healing grid is one capable of automatically sensing, isolating and instantaneously responding to power system disturbances, while continually optimizing its own economic as well as operational performance. Smart grid self healing refers to a design concept that enables problematic elements of an electrical system to be identified, isolated, and restored, with little or no manual intervention, so as to minimize interruptions of service. Self healing is, in essence, the smart grid's immune system

### Renewable Integration

The true smart grid should help integrated high number of distributed energy resources and most of them are renewable energy sources Viz. Solar and Wind. Renewable energy sources bring new challenges to grid managers, like Numerous distributed sources of very different sizes located where the resource is (Viz. from small kW (residential solar) to some 100th of MW (large wind farms, hydro), Intermittent production (Seasonal variability, Day/ night cycles (solar), Intra-day variability that is difficult to forecast).

Renewable Integration is one of the most important components of SMART grid, which stimulates new technical opportunities Viz. Distributed sources may allow grids to better withstand the loss of a centralized production unit or a local grid incident; Islanding can become a degraded mode of operation if it is controlled; and Power electronic converters bring the flexibility of software controlled machines, plus the ability to communicate, Ability to operate in different modes, Exchange of information with the grid management.



## E-House: Factory build smart substation

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With the growing needs of high reliability and availability of power, energy utilities and electro sensitive/ intensive industries need to look for innovative solutions, which are compact, mobile, reliable and safe. They also need a single responsible interlocutor to deliver a fully engineered solution with simplified and fast delivery model.

Over the past few years, the Smart Grid has been developing quickly, but unevenly. Recent events have made the Energy equation more complex everywhere, further accelerating the need for Smart Grid applications helping cities to get SMART.

## SMART INFRA: Smarter Grids are transforming the energy value chain

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Rapid economic and social growth, in conjunction with increasing population, translates to more and more energy demand in India. This situation, coupled with strict regulations on the quality and reliability of supply mounts increasing pressure on the Indian Power utilities and authorities to keep the network at the best possible state and ensure power availability round the clock.

To live up to customer expectation and to transform power sector, by and large, Smart Grid has sufficiently transformed the entire value chain of Power Sector, from Generation to Consumption, in India, which is a fastest growing economy. We have our own socio-techno-commercial challenges to deal with and we need to define "How Smartgrid can Transform India's Power Infrastructure Value".

Huge investments are already being made by Government, through schemes like DDUGJY, IPDS, 24/7 Power to all, 175 GW Solar, R-APDRP and National Smart Grid Mission (NSGM), on replacing the ageing infrastructure to ensure the power availability round the

clock. However, with rapid growth, gap between demand & supply and aging network are putting pressure on the network and hence the chance of failure can't be completely eliminated. It is therefore necessary to deploy "Innovative & Smart technologies" to minimize the impact on the affected customers.

Schneider Electric, which is a global leader in the Energy Management, sets the benchmark for innovative and focused technologies for Utilities/ Industry/ O&G/ Transport Segment in India. This is why Schneider Electric has always been at the forefront of leading edge technology at every level of Energy infrastructure essential for social, economical and environmental development.

One reason for Schneider's strength and resilience is our global reach matched with well-developed local capabilities. With such strong initiatives, we are now one of the world leaders in fastest-growing Smartgrid segment with most Robust, Expendable, Scalable and Secure Smartgrid solution.

# 6. Smart City

## Introduction

As the leader in energy management and efficiency, Schneider Electric has a portfolio of solutions to optimize, integrate and improve city infrastructure, including energy, transportation, public services, water, and buildings.

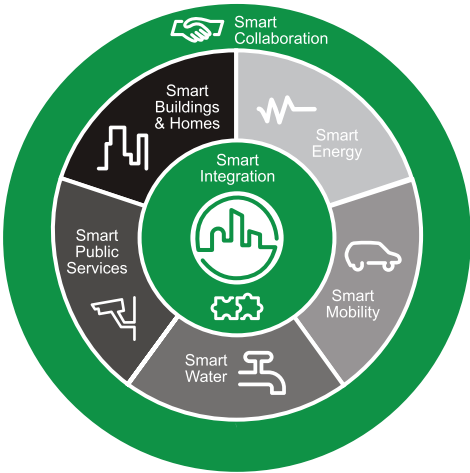
Being smart and sustainable, a city in India increases its competitive advantage for economic growth, and positions the city to attract talent, business and visitors.

The “Smart City” is a relatively new and hot concept and the definition is evolving and will continue to evolve. An appropriate definition that is gaining adoption and acceptance comes from Navigant Research: A smart city is characterized by the integration of technology into a strategic approach to sustainability, citizen wellbeing, and economic development. Ultimately, the Smart City is about urban efficiency and doing more with less - providing differentiated services to citizens, reducing costs and generating revenue.

Schneider Electric delivers systems that provide the infrastructure for business - in energy, water and commercial buildings. Our integrated, collaborative approach enables cities to holistically manage all these systems to achieve urban efficiency - today. Our approach delivers the short-term, visible, measurable, low-investment results that cities need:

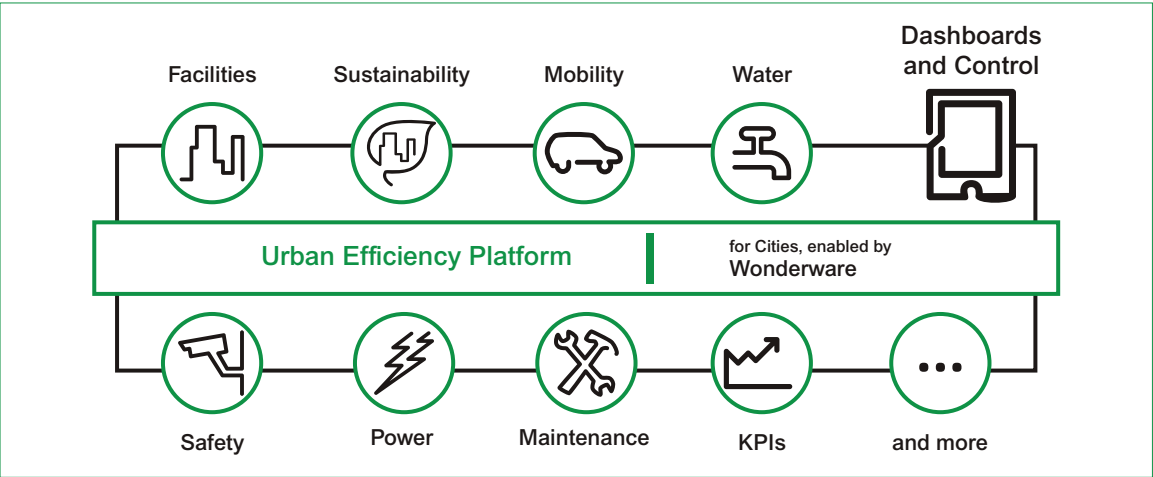
- up to 30% energy savings;
- up to 15% reduction of water losses;
- As well as social and economic benefits.

The solution we propose will allow the city to monitor and control multiple, disparate systems in real time. This Urban Efficiency Platform has been combined with advanced sustainability reporting tools, analytics, operational



control solutions and innovative applications to provide a truly efficient ‘system of systems’.

Our approach for the 100 Smart cities in India will have to be a highly customizable solution with a flexible and scalable open architecture. It will be applicable for both PAN city projects and Area based developments. Easy to configure web and mobile reports allow city stakeholders to monitor operational KPIs. Custom, real-time dashboards aligned directly with the city’s needs provide visible examples of savings and success. The platform can be expanded modularly over time with immediate needs and objectives addressed during initial phases. Efficiencies and cost-savings can be leveraged to expand the platform to other areas of interest. Schneider Electric will intimately work to understand those cities’ objectives and then collaborate to define a system architecture and road-map that delivers substantial value and urban efficiency.



Schneider Electric aspires to work with city leadership to define a roadmap for this technology platform to make Smart Cities the most efficient, seamless, safe and impactful experience for residents and visitors

In a nutshell, Schneider's unique approach towards Smart City for Indian context shall be based on the city and its current status. It will surely differ for Green field projects than with Brownfield projects. Not only that, Schneider's solution are geared up for Whitefield projects like Developer townships of smaller scale compared to as of a city.

In case of Brownfield cities, which are mostly 100 or 20 cities announced by MoUD, Schneider proposes to have Bottom to Upside approach, Which means, it needs to make individual Pillars like Water, Electricity, Gas, Waste, transport, etc., Smart, as they all belong to different utilities. It will be difficult to synergize different departments at first go. Next level can go for Urban Efficiency Platform approach where Cities can have unified Control room for all utilities.

Whereas, In case of Green field cities, We propose the approach of Unified Control Room (Integration) along with all smart verticals together to avoid any integration issues at later stage.

You Company is well placed to leverage the Smart Cities opportunities in its related domain of Medium voltage electrical infrastructure

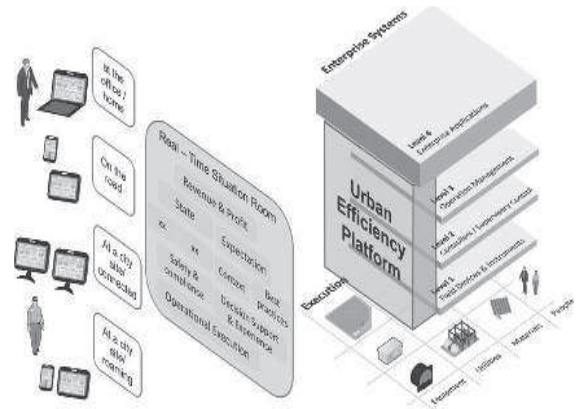


Figure 3: Virtual real-time situation room supported by the Urban Efficiency Platform

## 7. Energy Efficiency

At Schneider Electric infrastructure Limited, we believe in embedding energy efficiency in our DNA. In order to do so, Your Company launched a Company-wide program called Schneider Energy Action (SEA) in 2012 with an aim to drive energy management and energy cost savings in our facilities using our own energy management solutions. Currently, in India, 11 energy intensive facilities are equipped with our energy monitoring tools, and 13 facilities are ISO 50001 certified. The SEA program covers three facilities of SEIL – Salt Lake Works (SLW), Transformers Baroda India (TBI) and Medium Voltage India (MVI).

At SLW Kolkata, the Specific Energy Consumption (SEC) reduced by 40% in FY 2015-16, with an increase of 1% in the nominal kWh consumption (due to increased production). The significant reduction in SEC was achieved with several energy conservation projects that were implemented in 2015, some of which were: installation of sky tubes for daylight harvesting in various areas, VFDs for pumps, and optimizing chilled water circulation and cooling tower fan rotation time using sensors and controllers.

At TBI Vadodara, the nominal kWh consumption reduced by 11% in FY 2015-16. However, the SEC increased by 2%

(due to electrical load expansion at the facility). Energy efficiency projects like installation of a separate lighting transformer, replacement of cooling tower application with an autoclave cooling system, online HVAC monitoring system and use of solar energy for water heating contributed to the reduction in consumption.

At MVI Vadodara, we have set up a photovoltaic solar panel for canteen operations and are currently working on replacement of existing lighting system with LEDs and using rooftop solar lighting. The implemented projects and operational measures resulted in SEC reduction of 29% and a reduction of 5% in the nominal kWh consumption in FY 2015-16. We further plan to implement an adiabatic cooling system for HVAC, an air conditioning system based on a heat recovery unit and refrigerant additive to improve cooling efficiency.

Overall, with the implementation of various energy efficiency projects, these three facilities were able to reduce the nominal kWh consumption in FY 2015-16 by 6%. (Baseline for all consumption numbers above is FY 2014-15.)

## 8. Execution Centre Activity

The Execution Centre of Your Company (Certified with ISO-9001, ISO-14001 & OHSAS-18001) provides a complete range of electrical solutions for industries and utilities, from substations to electrical power distribution systems. Your Company's greatest strength is the expertise in handling projects from concept to completion. The team is engaged in complete Engineering, Procurement, Construction & Commissioning of Electrical Systems and ensuring the desired performance parameters are delivered. We also provide extended warranties and long term maintenance support. Our range of offerings vary from Intake/ Evacuation substations, Containerized substations (E-House), electrical balance of plants, electrical distribution systems, medium and low voltage packages, customized packages for specific needs, power distribution for

infrastructure and other solutions. The Execution Centre delivers projects with a single window management interface backed with an efficient and competent team experienced in engineering/ execution of various packages specific to customer needs. We are committed to deliver high quality turnkey electrical projects that are efficient, EHS compliant, safe, reliable and meet Indian and international standards.

Your Company maintains its consistency as a key player in the project business market segments and has also entered into new business segments. The unit has been active in various segments such as cement, mining and metal, power-generation, ports, renewable, oil & gas, infrastructure and others. Some major achievements of your Company are as follows:

### Major Orders

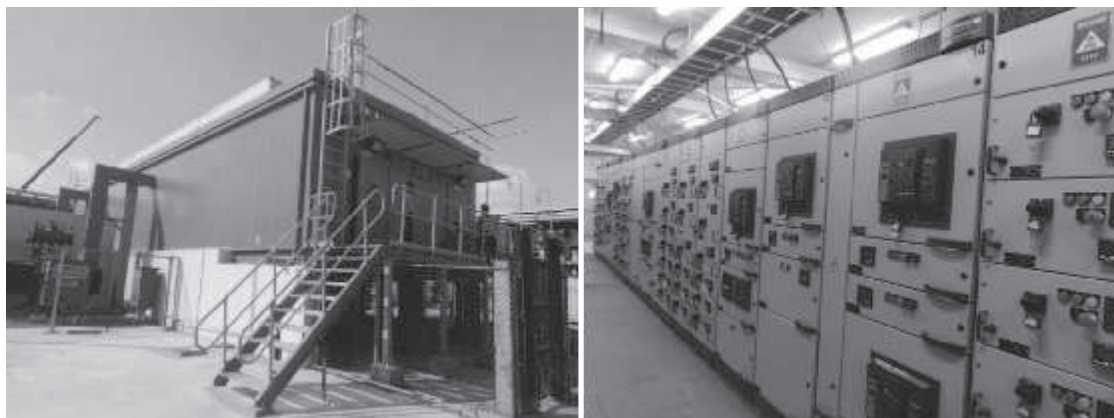
In the Solution business, Your Company has won several major orders as a key player in the turnkey project business segment.

1. JSPL awarded turnkey electrical package to Schneider Electric for their Coke Oven project for their integrated steel plant expansion at Angul (Orissa).
2. Tata Power placed an order of containerized E-House substations.
3. OPTCL (Orissa Power Transmission Corporation Limited), an existing customer of Schneider Electric awarded repeat order supply and installation of containerized E-House substations.
4. IIT BHU awarded a turnkey order for Design, Supply and Installation of 33 kV Gas insulated substation and 11 kV Distribution substations at their campus in Varanasi.
5. OPTCL awarded another order for supply of 33 kV GIS, 11 kV AIS Switchgear panels and Power Transformers.
6. Lodha Developers awarded order for Design, Supply & Installation of SCADA compatible compact substations for Palava City, Dombivali, Maharashtra.

## Some Major Solution Business Milestones of Your Company in 2015-16

- **L&T E House (A/c Cairn Energy)**

Your Company executed this project that included design, supply, installation as well as testing and commissioning of electrical installation comprising of E-House & 2 x 2MVA Transformers. E - House consisted of GIS, LV panels, BBT, DC system, etc., and was the first containerized solution successfully commissioned by Your Company in India. This created a reference in E-House/ containerized solutions for Your Company and helped to bag orders.



- **B Electric (A/c Focal Energy)**

Your Company successfully completed SITC of 132 kV Evacuation Substation for 60 MW Solar Plant. It comprised of 2 x 20 MVA Power transformers, 33 kV AIS, CRP, LT AC & DC system, cabling and 0.5 KM of 132 kV T/L, including complete civil works for Substation. The project was successfully commissioned within contractual timelines to the complete satisfaction of the customer.



- **Hindustan EPC Company Ltd A/c Deligentia Energy and Infrastructures Pvt. Ltd**

Your Company successfully commissioned 15 project from Moserbaer, which included SITC of 33 kV Evacuation substation, Main control room and 12 Invertor substation. This demonstrated the customer confidence in Schneider project delivery capabilities.





- **IL&FS**

Your Company successfully commissioned 66 kV Evacuation substation, which included SITC of 1 x 15 MVA transformer, HT & LT panels, etc. It was first-of-its-kind waste to power generation project using RDF (Refuse Derived Fuel) technology commissioned in the country. Your Company is proud to be associated with IL&FS in delivering this project within committed timelines.



- **MIDHANI**

Your Company successfully completed SITC of 132/11kv Intake substation for MIDHANI, which included 2 x 40 MVA Transformers, AIS panels, AC & DC system, capacitor banks, etc., including complete civil works for control room and switchyard. This is a PSU customer under Ministry of Defense.

- **Tata Projects A/c Pioneer Gas Power Limited**

Your Company successfully completed SITC of 220 kV Evacuation substation comprising of 4 Line bays, 2 Generator transformer bays and 1 bus coupler bays with double main bus scheme. The job was successfully commissioned to the satisfaction of the customer.





## 9. Services Activity

Your Company listens to its customers and understands their needs. We seek to deliver the best customized efficiency solutions while creating long-term trust. Field Services is the heart of SEIL's business model. Being one of the focus areas, Your Company understands Services is a people's business more than any other business. We at Field Services endeavor to help our customers to increase productivity, reliability and safety, mitigate risk, limit downtime, upgrade equipment, enhance life and cut costs thereby improving return on investment.

One of the ways we bring maintenance costs under control, by moving from many agreements with varying costs to one service plan with one responsible provider. This makes management and budgeting easier by creating controlled and consistent costs without surprises.

The Indian power sector is plagued with mounting losses due to various inefficiencies, commercial and technical losses in electrical networks. One of the key issues & initiatives surfaced in the Power reform is to fully utilize the capacity of Generation and Distribution units, including revamping of old, sick and low performing units. With increasing complexity and requirements in the electrical network, lack of permanent skilled resources at site and demand for greater reliability, customers are keen to entrust consulting, maintenance, refurbishing, retrofitting and upgrade of their systems in the hands of experts. This distinctive need of the market is served through the Services business.

Accompanying all along the entire life cycle of our solutions, our aim is to assist our customers to proactively plan, install, operate, optimize and renew all solutions to define and implement the best solution evolution, thereby improving performance and flexibility, while controlling aging infrastructures' costs. We are quick to adapt and act with flexibility that makes it possible to capture opportunities. Adding to this personal attention, which makes us easy to work with, is our expertise in infrastructure digitization and digitized services. Our extensive digital products and systems improve management and customer experience. Offers such as Remote Monitoring Service (RMS) can anticipate threats before they become significant while ensuring that equipment and systems are running at peak efficiency.

On-site maintenance and repair can lower downtime, and make spare parts readily available. Combining our personalized customer service with advanced products and expertise, especially digitization, makes our Field Services offer truly comprehensive.

Your Company Services cover customer needs around the complete installation lifecycle and the portfolio includes "Comprehensive Services to improve performance of customer installation" such as Asset Management program (preventive & predictive services maintenance contract and extended diagnosis for ED equipment), On-Demand Maintenance (one time maintenance, spare parts and repairs), Modernization & Upgrade (retrofit and



### Your Single-Source Service Provider

Our solutions: Maximize electrical reliability, extend equipment life, enhance workplace safety, improve energy efficiency.

revamp solutions) and Installation Assessment (health check). To effectively deliver this, we have a pan India presence of dedicated services and authorized service centers and specialized channel partners, who cater to all the legacy and current brands of Your Company and quickly respond to Customer calls.

Your Company's strong presence in Infrastructure, Power, Building, Industry and IT segments, coupled with our ability to offer Services cutting across these segments, provides us a distinctive advantage to serve our customers. Capability building is key to meet diverse needs of the market viz. minimal shutdowns while doing upgrades and retrofits, scaling up and completing critical projects during short annual maintenance breaks, etc. A dedicated Services Business unit enables this capability building and as the Services market matures, our focus and preparedness takes us ahead of the curve. Composition of Services business and the business model employed makes it very attractive in terms of Return On Capital Employed and enhancing customer satisfaction.

Field Services Business of Your Company has set the benchmark in the country in the field of services in electrical distribution, by obtaining the BVCI's IMS certification comprising of ISO9001:2008 & ISO14001:2004, and also BS OHSAS 18001:2007 for maintenance services, supply of spares, design, engineering, supply, installation, testing and commissioning of retrofit solutions and MV/LV revamp projects.

Some of the major projects by Services Business in 2015-16 includes:

**NTPC, Korba** – Ageing technology needs more than a faceLift. NTPC Korba Plant was established in the 80s. Having served their time, the ageing 6.6 kV 'ALIND expansion' Minimum Oil Switchgear Panels were coming to the end of their lifecycle and encountering frequent breakdowns. This Modernization contract involved replacement and upgradation of 33 kV Kirloskar make SF6 panels to compact Gas Insulated Substation and corresponding old Control Room Panels to new panels with numerical relays. All earthing, cabling and DC system will be upgraded to successfully commission the complete substation. In addition, the project required replacement of all Instrument Transformers and complete



### Life-Cycle Solutions

Our comprehensive Field Services cover the life cycle of electrical equipment, Software and systems.

Relay & Instrument Chamber with latest IEC61850 based numerical relay & SCADA system for monitoring of complete network. The upgradation will not only significantly increase the life of the switchgears, but also considerably improve the reliability of the electricity distribution network. The win reinforces SE Field Services capability to handle the most complex modernization projects with cost effective and state-of-the-art solutions. One out of five units have already been commissioned successfully. This prestigious FS project strategically plays an important role in increasing our presence in important utilities.

**Ford** - Schneider Electric has a sizeable installation of equipments and products business in Ford Sanand Plant in Gujarat. This upcoming facility is a part of Ford's overall commitment to India. Your Company conducted Power System and Arc Flash Study for this plant. A methodical study and analysis, which was validated and approved by

Ford US. The project has reinforced Schneider Electric's service capability while underscoring our image as Energy Experts and Principal Consultants.

**Maruti Suzuki** - Your Company created a customized complex industrial solution for replacement of Generator Auxiliaries, the heart of power distribution in automobile plant, within very challenging timelines. The scope involved complete supply, erection, testing and commissioning of electrical items like GAC, HT Panel board, Bus duct, C&R Panel, cables and dismantling of existing system. Field Services continued delivering the complex industrial solution and once again proved its capability to its customer.

**BHU** - Your Company bagged the eighth year renewal of maintenance contract in one of the best universities of the country, The Operation and Maintenance Contract of Electrical Installation in the Banaras Hindu University is running for more than eight years since 2007. We have been providing support to operate and maintain two 33 kV Grids along with 20 substations feeding entire campus, including Hostels, a hospital and academic blocks. We have taken up 24/7 electrical O&M on both campuses. We are proud to provide an efficient and reliable service and peace of mind to the customer for the last seven years. Renewal of this important maintenance contract from seventh year in a row establishes the confidence and trust of the customer on our services in ensuring customer satisfaction.

## 10. Human Resources

Your Company strongly believes that our people are our most valuable assets and therefore the Human Resource philosophy, policies and strategy of Your Company is structured to attract and retain the best talent that encourages innovation and creates a work environment reflecting our Values: Straightforward, Challenge, Open, Passionate and Effective.

Your Company engages effectively with its employees, who are critical to building and sustaining a high-performing business and retaining talent. Various engagement activities were carried out throughout the year which includes Leadership Connect and Leadership Live sessions to promote leadership behaviour, celebrations, festivals, recreational and sport activities, etc. Additionally, Rewards and Recognition program was reinforced, aiming to create a culture of recognition and celebrating performance at multiple levels across the organization for individuals and teams.

In order to uphold the values of ethical conduct and compliance to our Principles of Responsibility Your

Company ensured that all employees of the Company and everyone who joined new undertook a detailed training and awareness program to familiarize themselves with the standards and expectations.

Your Company aligned all HR systems and processes such as Performance Management System, Development Reviews, Talent Reviews and trained all employees and managers for effectively using these tools. These processes helped both employees and managers to work collaboratively, to work with clear objectives and measurements, and to identify their development needs.

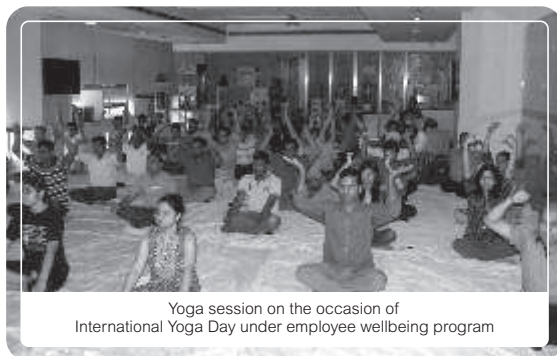
A comprehensive system of Talent Link performance tool was put in place with all HR systems in one platform. This also enables employees to self update their profiles to promote their mobility across the organization. Your Company has built talent pool by recruiting fresh graduate engineers from premier engineering colleges and institutes in India and through need based lateral hiring.

### Employee Wellbeing

We strongly believe that healthy and happy people change the world. If you feel healthy and happy, this will not only generate a positive impact on your colleagues, your team, your manager, but also on your family and on the community in which you live.

Well-being is one of the strategic People Initiatives of our Company program "Schneider is ON". As part of the Well-being Program, our ambition is to train and equip all our employees so that they take better care of their wellbeing, adopting healthier behaviors and lifestyles.

**"Being HEALTHY, HAPPY and... make the most of your ENERGY at work and at home"**



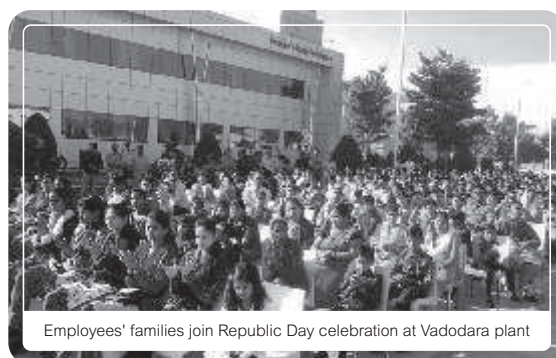
Schneider provides flexible times, work from home, part time working, six months maternity leaves with full pay, extended maternity leaves and sabbaticals to help employees remain engaged with work, while taking care of their personal exigencies and unforeseen needs. Apart from these, Your Organization has invested in making workplaces "Cool" places of work (coolsite 2.0 program) through initiatives such as music, health, food, refurbished indoor sports facilities and quiet room. The leaders in our organization act as role model and prime drivers of these initiatives

**"Well-being is not a special project, its way of life, must achieve it."**





Leadership Connect session with employees for sharing Company's vision, mission and strategic priorities



Employees' families join Republic Day celebration at Vadodara plant



Kids' day out - Employees' kids engaged in fun and creative activities



Family Day celebrations



Health check-up camp



SE team participating in 'Walkathon' during Employee Well being week

## Diversity & Inclusion

Diversity & Inclusion is an integral part of our history, culture and identity. It is a key element that gives us our competitive edge, inspires creativity and openness. At Schneider Electric, we want to develop a culture of diversity being perceived and treated as real value.

**“Diversity for us is not just about promoting gender balance - it's about appreciating different cultures, backgrounds and generations.”**

We have taken great strides for our commitment to D&I, with introduction of Prevention of Sexual Harassment policy, Diversity-friendly policies and by signing United Nations Women Empowerment Principles.

We have introduced bouquet of benefits for women, including more women in the workforce from this year. Maternity benefits have been revised from three to six months with full pay with the option of six months extra or part time work. Flexi work timings and sabbatical options will also help organization focus diversity at all levels.

This year, we celebrated International Women's Day on 8<sup>th</sup> March. The theme of this year's celebration was “Gender Balanced Leadership”. Various initiatives and programs on this theme were organized with an overwhelming participation of employees.

**HeforShe café** was a live webcast across all major locations having both external and internal leaders coming together to share their thoughts and experiences. The discussion led to some very interesting perspectives on how to handle gender balanced teams and sharing of best practices across different industries.

**Case study competition** was organized to create awareness on the imperatives of a gender balanced team.

We have also launched an initiative **“Her Second Innings”** with Jobsforher, aimed at providing an opportunity for women professionals to restart their career journey post taking a break. We did a lot of amplification of this initiative on social media, where we have received positive feedback.





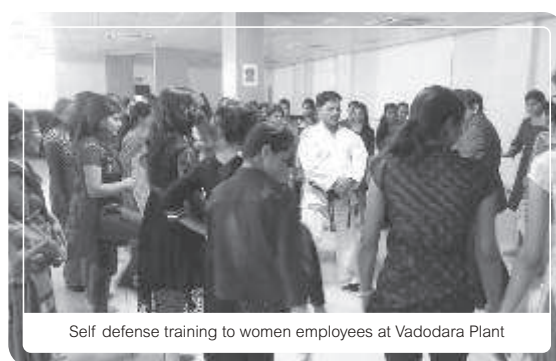
HeForShe campaign at Schneider premises



HeForShe campaign at Schneider premises



All women round table meeting with Prakash Chandraker, MD SEIL



Self defense training to women employees at Vadodara Plant

## Customer Connect

Customer Connect plays an important role in Your Business. It is a key point of differentiation that help us to lead in competitive business environments. We listen to the voice of our customers and explore various opportunities, to connect customers with larger population in the organization. A "Selfie with Customer"

campaign was launched to promote customer connect and customer intimacy. Employees participated enthusiastically and shared their selfies with customers.

**"The success of this business depends on the customer intimacy you have" - Prakash Chandraker**



Customer Connect session with Pravin K. Purang, Management Advisor & Group Head - Procurement & SCM, Jindal Steel & Power Ltd.



Winners of "Selfie with Customer" campaign

## Learning & Development

**"Learning is the way to grow"**

Competency development of people continues to be a key area of strategic focus for us and our Learning and Development initiatives during the year were on the three Es approach viz 'Education, Experience and Exposure'. Thus, all organized trainings were based on competency reviews held by managers addressing real and critical needs of the organization. We conducted more than 6174 man days training and covered more than 97% of employees. This not only included technical skill building trainings but also interventions and workshops of change management and culture building.

We have understood that the need of each group segment of employees may differ and have created a number of unique programs aimed at each segment, to address their core needs. High Potential leaders underwent Global Leadership programs such Leadership Excellence Acceleration Program (LEAP) and LEAD program, which brings leaders together to build collaboration, trust, empowerment and leadership skills. At the same time, High Potential leaders also attended country-specific talent development programs like Champions Club for Junior Management talent, Ojas for Mid-level Management talent and Tejas for Senior management talent.

Middle-level Managers were offered training on Leadership through Performance Management, so as to improve their skills in managing performance of their teams with effective feedback. We identified internal mentors and coaches for a subset of key talent and allocated mentors, who helped these young professionals hone their skills and apply the knowledge effectively for their own development as well as Organizational benefit.

In line with our continued efforts to improve the solutions business, Company has nominated sales and solutions engineers and managers for the Global Schneider Electric Energy and Solutions University certification Program. Besides these programs, employees were also nominated by their managers for select public program and seminars.

In order to make front office team more agile and effective, team-specific programs were organized for Marketing, Sales Execution and Targeted Account Managers to meet their specific development needs.

Internal Trainer policy was designed and Internal Trainer community was formed. This was another key initiative that was launched to encourage and engage Internal Trainers towards common organizational goal for Employee

development. The objective was to leverage the knowledge and experience inside Schneider in a planned and effective manner and help Internal Trainers attach a sense of pride for delivering trainings. The objective was also to motivate them to deliver their best and ensure only good quality training get delivered by trusted Internal faculty.

Our Company continued to promote and strengthen a culture of continuous learning at all levels through the e-learning process. An intensive e-learning campaign was undertaken to create Champions who would drive this process. The company closed the year with more than four hours of e-learning clocked per managerial staff. There was reward and recognition for those who completed the prescribed e-learning modules with maximum hours every month, which acted as a big motivation to other managers to take a lead. By way of encouraging employees to enhance their skills and knowledge, we not only created a learning environment where everyone valued continuous improvement as a way of life, but also improved the productivity and efficiency of our processes by way of application of the acquired knowledge. During the year, more than majority of employees undertook various courses online.



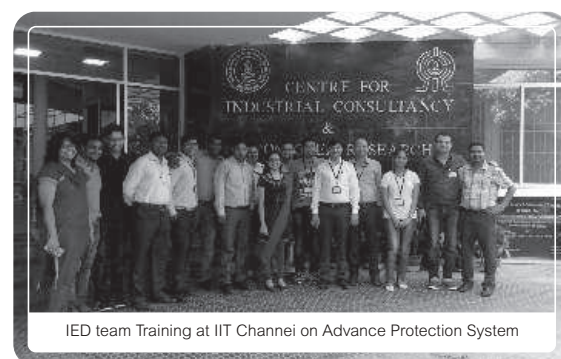
Schneider Electric Kolkata Plant hosted the Teachers' Capability Building Program under Conserve My Planet Program



Marketing Team training focused on Data synthesis & analytics and effective presentation



Marketing Team training focused on Data synthesis & analytics and effective presentation



IED team Training at IIT Chennai on Advance Protection System



Sales Execution Training program on Getting Across - Powerful Communication and Assertion



Learning week celebration across locations



# 11. Key Events of the Year

## ELECRAMA 2016

It was a moment of great pride for Your Company, as we participated in Elecrama 2016 - the biggest event in the world of electricity. With over 10000 footfall at our stall, our presence at Elecrama garnered an overwhelmingly positive response.

At the five day electricity forum held between 13<sup>th</sup> and 17<sup>th</sup> February in Bengaluru, we showcased our diverse portfolio of products and solutions in an endeavour to display our global technological innovations in the field of energy efficient products and solutions. The event proved to be a key driver in creating brand awareness, generating leads and engaging with thousands of customers, consultants, contractors, etc.

Our spectacular stall, designed in the shape of a Power button, found favour with a large number of visitors, many of whom stayed at our stall for long hours, inspecting all our verticals that included Manufacturing, Data Centers, Residential, Buildings, Services, Generation & Distribution, Digital Customer Experience, Corporate Social Responsibility & Human Resources initiative.

### Highlights from the event below:

#### Inauguration Ceremony

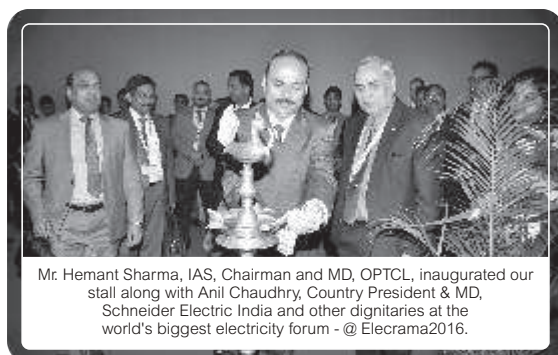
On 13<sup>th</sup> February, we kicked off our participation at Elecrama 2016 with the inauguration of our stall by Mr. Hemant Sharma, IAS, Chairman - OPTCL, along with Mr. Anil Chaudhry, MD & Country President, SE India.

#### Government Dignitaries' Visit

Several high profile government dignitaries stopped by and took a tour of Your Company's stall. These included Mr. Piyush Goel, Union Minister of Power, Coal and New & Renewable Energy, and Mr. Suresh Prabhu, Union Railway Minister. Several journalists were also given a detailed overview of the stall, and our stall managers made sure to answer all their queries.

#### Product Launch

Your Company had launched new products/ solutions in the Indian market on the first and third day of ELECRAMA 2016. Mr. Prakash Chandraker and the marketing team unveiled the T300, P5 and PMCB at the event.



## A date with technology, with TATA Power & Reliance Infrastructure

Your Company has organized Technical Meets at Reliance Infrastructure and TATA Power, Mumbai on 17<sup>th</sup> and 18<sup>th</sup> March 2015 respectively. The events showcased new technologies and solutions of Smart Grid, Substation Automation System, E-House and LV section offered by Schneider Electric.

Attendees at the meets included management and employees of the Tata Power and Reliance Infrastructure. Among the participants were RR Mehta, CEO - Reliance Infrastructure, Ajeet Mondal CTO - Reliance Infrastructure and Ramachandran Pillai, Head Transmission and Distribution, Tata Power. These leaders attended the meet with their management teams and employees from

various departments. The participants at both the organizations actively engaged in SEIL led technical sessions around Comprehensive Asset Management System; Innovative Technologies Primary Distribution Systems, Innovative Technologies Secondary Distribution Systems, Smart Grid Transformers, Renewable Integration, Demand-Response, Low Voltage Intelligent Switchgear, Automatic LT network structure Mapping, AT&C losses/ LT Revenue Protection/ Analytics and many more. The interactive sessions and technology discussions impressed participants with the format and content.

## 'Smart' Show by Schneider Electric Infrastructure Limited

Your Company Exhibits the prowess of Integrated Smart Solutions at Industry Events. The knowhow and experience gleaned from over 250 projects was manifested at the SEIL booth in Smart Cities Expo 2015. Held during 20<sup>th</sup> May to 22<sup>nd</sup> May, 2015 at Pragati Maidan, New Delhi, this exposition aimed at bringing together all the stakeholders to discuss the challenges and opportunities in developing smart cities in India. Showcased at Schneider's booth were capabilities in the areas of smart public services, urban efficiency and energy optimization.

Our pristine booth done in green and white, complete with a working model of a smart city, was visited by over a 1000 attendees. The list of visitors includes eminent names such as Mrs. Yashodhara Raje Scindia, Minister for Commerce, Industries and Employment, and Mr. Chandrakant Khaire, Member of Parliament, Aurangabad. The prominent visitors from the industry included representatives of Reliance Group, Jaypee Group, and Wave Industries.



SEIL stall at Smart City Expo



Customers checking our Smart city model at our stall

## Workshop on 'Smart Cities – The Indian Way'

Your Company organised workshop on 'Smart Cities – The Indian Way' on 21<sup>st</sup> May, 2015 at Pragati Maidan, New Delhi, which registered a commendable hundred plus attendees, many of whom were investors and customers. Gordon Falconer, Director – Smart Cities, and key speaker at the workshop, succeeded in keeping the audience engaged with a real-time case-building exercise. The exposition hosted several panel discussions, where individuals from Schneider Electric acted as panellists –

Mr. Anil Choudhry, Country President and MD, was in a panel on 'Smart Grids in India'; Mr. Anurag Mantri, CFO, spoke in a session on 'Structuring and Financing Smart Cities in India' by Emergent Ventures International; Mr. Aalok Deshmukh, GM, Energy Efficiency, was a panellist for 'Business Case on Green Buildings in Smart Cities' and Mr. Prakash Kumar Chandraker was in a panel on 'Opportunity Pathways for Smart Cities Business in India'.

## Smart Rail India conference 2015, New Delhi

Your Company had participated in the conference cum exhibition on "Smart Rail India conference 2015" on 6<sup>th</sup> November 2015 at Hotel Taj Palace, New Delhi. The Conference was attended by national and international Delegates - Ministry, Railways Board, other Rail Dignitaries and various officials from Railway Department had joined the event.

Both the Rail Ministers - Suresh Prabhu and Manoj Sinha attended the conference, along with the key persons from the Railways Board, including the Chairman - A.K Mittal.



SEIL team at our Booth



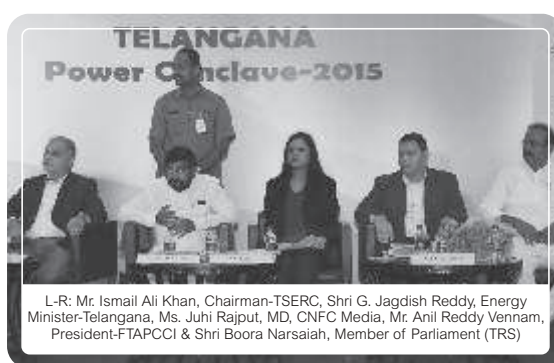
SEIL team participating in panel discussion

## Smart energy solution for sustainable future, Chandigarh

Your Company organized a conference on 'Smart Energy for Sustainable Future' on 26<sup>th</sup> May, 2015 at JW Marriott, Chandigarh. The purpose of this event was to share our technology roadmap with key power distribution companies and to show them efficient ways of improving reliability and operational efficiency. Over 70 customers attended our seminar on new offers and solutions for utility

companies, some of them being discom majors such as HVCNL, DGMB, UT Electricity department and PSPCL. Through seminars and events such as these, we hope to capture a greater mind-share of not only our consumers but also government officials and regulatory authorities. Conducting more such industry interactions may take us a long way in penetrating the utilities market.

## SEIL sponsors the Telangana Power Conclave



Your Company had sponsored Power Conclave organised by CNFC Media on 1<sup>st</sup> september at Hotel Park Hyatt, Hyderabad. The power conclave was inaugurated by Honourable Energy Minister of Telangana, Mr. G Jagadish Reddy and attended by representatives from the Ministry of Power, policy makers from central and state Energy Departments, organisations from Power Generation, Transmission & Distribution sectors like TSSPCDL, TSNPDCL, GENCO & Transco, NTPC, Power Grid, PFC, etc.

The conclave focused on Telengana Government's mission of expanding power generation capacity,

transmission & distribution network and providing 24x7 reliable and quality power at affordable rate to the people. It was an apt gathering to discuss issues and challenges in achieving this goal and bringing Electricity reforms in the state.

Your Company took this opportunity to showcase SEIL's technology leadership in smart electrical distribution and showcase our commitment towards creating a sustainable and commercial viable power distribution system, robust transmission system for power evacuation, generating capacity to meet the rising power demand and promoting renewable energy development in the state.

## Odisha Power Conclave

Your Company participated in the State Power Conclave organized by PHDCCI, under Government initiative of supplying 24x7 Power by Utilities, on 25<sup>th</sup> May, 2015, at



Hotel Swosti Premium, Bhubaneshwar. The mission of this conclave was to discuss state government's mission of providing 24x7 reliable and quality power at affordable rate to the people, POWER FOR ALL, issues and challenges in achieving this goal, bringing electricity reforms in the state and creating a roadmap for renewable energy development in the state.

The inaugural ceremony was followed by the round table sessions, participated by policy makers and industry leaders, on generation, transmission and distribution sector issues. The summit was attended by state energy department, central PSUs, independent power producers, central & state electricity regulators, financial institutions, electrical equipment manufacturers, academia, institutes, etc.

## Workshop on Electric Energy Distribution - IIT BHU

Your Company participated in a workshop on Electric Energy Distribution organized by IIT - BHU between 6<sup>th</sup> and 8<sup>th</sup> November, 2015. The electrical power network needs to be smarter and reliable, in order to harness the

benefit of these reforms. All the power system organs play major role in fulfilling the objective of continuous and quality supply. The workshop addressed the issues related to distribution networks' operation and control.

## Empower India



Your Company has initiated a campaign targeting utilities with the objective to join the government's mission of delivering 24x7 quality and reliable power, by offering Smart Electrical distribution solutions thereby empowering the Power System with an efficient and reliable network. Your Company organised a series of



roadshows in various cities, to name few - Hyderabad, Bangalore, Mumbai, Goa and Guwahati, by inviting C-Level top managers, Functional heads and other key officials in from various DISCOM, like APDCL, BESCOM, Tata Power, MESCL, etc. All workshops were attended by more than 100 persons.



## 12. Information Systems and Technology

Existing two ERPs on older version of SAP have been successfully migrated to the target ERP SAP ECC6. This was a major milestone that was achieved in April, 2016.

This will provide a platform for various simplification, digitization and optimization initiatives.

## 13. Finance

In the recent trend, finance is playing an important role in supporting business, customer engagement, decision making, performance management, business analytics and controlling. Synergies between processes play a critical role in business success which required a robust process to control and bring in conformity of all the activities. The company follows the Schneider group's best practices of treasury, audit, reporting, taxation,

financial shared services (FISS) and credit to bring synergies with efficient utilization of resources.

Your Company has successfully migrated from its earlier older versions of ERPs into the most recent version of ERP SAP ECC6. This initiative will further strengthen the finance function and leads towards simplification, improving analytics & process and controls.

## 14. Investor Relations

Your Company has a strong belief in stakeholder engagement to build a long-term relation and confidence. The Company is putting its best efforts to ensure the accurate and timely communication of information through press releases, conference calls, investor meetings, and by promptly replying to all stakeholders' queries.

Through conference calls, Your Company created a platform of two-way communication to address the stakeholders and analyst queries and kept them updated on market condition, strategies, business segment and

operational performance of the Company. Your Company kept investors informed of major developments through press releases and stock exchange communications. In addition, all presentations made to investor and financial results are hosted on the website.

Your Company understands and appreciates the significance of good corporate Governance as an important step towards building investor confidence, improving investor protection and maximizing the shareholder value.

## 15. Internal Audit

The in-house internal audit department is an independent unit, responsible to provide reasonable assurance with regard to the effectiveness and adequacy of internal control system and processes. The in-house internal audit department, along with third party audit firms, provides audit assurance on the end-to-end spectrum of the area/processes of the Company. It also adds value for improvement of the Company processes through a systematic, disciplined approach from inception, through fieldwork, to final reporting streamlined to fit in the COSO framework to improve the effectiveness of risk management, control and governance processes.

The audit plan for the year is based on business risk and Internal Control assessment which is approved by the

Audit Committee and Board of Directors of the Company. The Company has set up a robust risk management and Internal Control assessment framework across the organization which facilitates identification, assessment, communication and management of risk in effective manner.

As per the requirement of Companies Act 2013, for the frame work for internal control on financial reporting, the Company has developed Risk and Control Matrix (RCMs). Post-diagnostic review of the Company's processes and testing are also completed in compliance with requirements of ICFR guidelines.

## 16. Customer Satisfaction & Quality

At SEIL, we always believe in the philosophy of "Customer First" and all our processes are aligned accordingly. We always strive to exceed our customers' expectations, including their emotional experience.

We are leveraging all our processes and resources to give a signature experience to our esteemed customers. We have identified a leading indicator, i.e., Customer Net Promoter Score to measure and track the customer satisfaction and customer loyalty level. To measure the customer loyalty, SEIL has very robust process wherein we measure the Net Promoter Score on quarterly basis.

Customer Net promoter score is calculated based on the formula  $CNPS = \{ \% \text{ of Promoters (rating 9 or 10 on 10 point scale)} - \{ \% \text{ of Detractors (rating 0 to 6)} \}$ . To improve the customer experience, we engage all the Passive (rated 7 & 8) and Detractor and provide resolution to their issues. The continuous process of engaging with these customers has enabled us to improve our customer experience year on year.

Due to strong engagement of our customers, we have witnessed a continuous improvement in our CNPS score.



## 17. Directors and Key Managerial Personnel

### Appointment

Mr. Vivek Sarwate was appointed as an Additional Director effective 04.02.2016 till the conclusion of the ensuing Annual General Meeting of the Company. On 04.02.2016, he was also appointed as the Whole-Time Director and Key Managerial Personnel effective 04.02.2016. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 (the Act) from a member proposing candidature of Mr. Vivek Sarwate. The Board of Directors recommends his appointment at the ensuing Annual General Meeting.

### Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company,

Mr. Sugata Sircar and Ms. Sonali Kaushik, Directors, retires by rotation and being eligible, offer themselves for re-appointment.

Considering the background and experience of Mr. Sugata Sircar and Ms. Sonali Kaushik, the Board is of the opinion that their appointment will immensely benefit your Company. The Board recommends their re-appointment.

Brief particulars of the Directors to be appointed/re-appointed are given elsewhere in this Report.

As per the declarations received, none of the Directors of the Company are disqualified for being appointed/re-appointed as Directors as specified in Section 164(2)(a) and (b) of the Companies Act, 2013.

## 18. Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 that the Independent Directors of the Company meet with the criteria of their Independence as prescribed therein.

### Familiarization program for independent directors

The Independent Directors are provided with necessary documents, reports and internal policies to enable them to

familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings on business and performance updates of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at the link <http://www.infra.schneider-electric.com/in/>.

## 19. Evaluation of the Board's Performance

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## 20. Remuneration to Directors

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

## 21. Policy on Remuneration to be paid to Directors, Key Managerial Personnel (KMP) and other employees and criteria for appointment of Directors

Your Company has in place Remuneration Policy for Directors, KMP and all other employees of the Company and Criteria for Appointment of Directors. The policies were adopted in line with the requirements of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

The Policy, inter-alia, requires the Directors to be of high integrity with relevant expertise and experience so as to have a diverse Board. The Policy further lay down the

positive attributes/ criteria which the Nomination and Remuneration Committee keep in mind while recommending the candidature for the appointment as a Director.

Policy on Remuneration to be paid to Directors, Key Managerial Personnel (KMP) and other employees and criteria for appointment of Directors is annexed to this Report at Annexure-I.

## 22. Committees of the Board

The Details of composition of Audit Committee and other committees of the Board of Directors along with the

attendance thereof is provided in the Corporate Governance Report forming part hereof.

## 23. Related Party Transactions

The Company has formulated a policy on dealing with Related Party Transactions. The policy is disclosed on the website of the Company ([www.infra.schneider-electric.com/in/](http://www.infra.schneider-electric.com/in/)). All transactions entered into with Related

Parties were as per the RPT policy adopted by the Company. Your Directors draw attention of the members to Note Number 29 to the financial statements which set out Related Party Disclosures.

## 24. Particulars of Employees

The Information as per Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees'

particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## 25. Directors' Responsibility Statement

### Your Directors state that:

- a. in the preparation of the annual accounts for the year ended 31.03.2016, the applicable accounting standards have been followed and there are no material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and profit and loss of the Company as at 31.03.2016;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 26. Auditors

### i. Statutory Auditors

The observations of Statutory Auditors in their report, read with the relevant Notes to Accounts are self explanatory and therefore, do not require any further explanation.

M/s S.R Batliboi & Co, LLP, Chartered Accountants (ICAI Registration No. 301003E/E300005), Statutory Auditors of the Company, were appointed by the Shareholders of the Company at their 5<sup>th</sup> Annual General Meeting (AGM) held on August 11, 2015 from the conclusion of 5<sup>th</sup> Annual General Meeting up to the conclusion of the 10<sup>th</sup> Annual General Meeting of the Company subject to ratification of appointment by the members at every Annual General Meeting.

M/s. S.R Batliboi & Co, LLP have expressed their willingness to get appointed as the Statutory Auditors of the Company and have furnished a certificate of their eligibility confirming that ratification of their appointment, if made, at the ensuing AGM, would be within the limits specified under Section 139(1) and 141 of the Companies Act, 2013 and the rules framed there under.

The Report given by the Auditors on the Financial Statements of the Company forms part hereof. There have been no qualifications, reservation, adverse remarks or disclaimer given by the Auditor in their report.

There was no fraud transactions reported by the Statutory Auditor of the Company.

### ii. Cost Auditors

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records. The Board of Directors on the recommendation of Audit Committee has appointed M/s. Shome & Banerjee, Cost Auditors, Kolkata (Firm Registration No. 000001) as Cost Auditors to audit the cost records of the Company for the financial year 2016-17. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the forthcoming Annual General Meeting.

### iii. Secretarial Auditor and Secretarial Audit Report

The Board has appointed M/s Nesar and Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2015-16 as required under Section 204 of the Act and Rules made thereunder. The Secretarial Audit Report for the financial year 2015-16 is attached as Annexure - II to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## 27. Public Deposits

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies

(Acceptance of Deposits) Rules, 2014, during the year under review.

## 28. Buy back of Securities

The Company has not bought back any of its securities during the year under review.

## 29. Sweat Equity

The Company has not issued any Sweat Equity shares during the year under review.

## 30. Bonus Shares

No bonus shares were issued during the year under review.

## 31. Corporate Governance

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, a separate report on corporate governance (Annexure - III) along with the Certificate (Annexure - IV) on its compliance is attached with this Report.

## 32. Particulars of Loans, Guarantees or Investments

There are no Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

## 33. Extract of Annual Return

As provided under Section 92(3) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is given in Annexure V in the prescribed Form MGT-9, which forms part of this report.

## 34. Risk Management Policy

In compliance with the requirement of the Companies Act, 2013, the Company has put in place Risk Minimization and Assessment Procedures. In order to effectively and efficiently manage risk and address challenges, the Company has formulated Risk management Policy.

The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main

components of a risk assessment are business risk, service/operational risk and external risk.

The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision-making, and compliance with applicable laws and regulations.

## 35. Significant & material orders passed by the regulators

During the year under review, no significant and material orders were passed by the Regulators or Courts or

Tribunals impacting the going concern status and the Company's operations.

## 36. Vigil mechanism

The Vigil Mechanism of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 includes a Task Force comprising

senior executives of the Company. Protected disclosures can be made by a Whistle Blower through an email or dedicated telephone lines or a letter to the Task Force.

## 37. Material changes and commitments affecting the financial position of the company after 31<sup>st</sup> March 2016

There were no material changes and commitments affecting the financial position of the Company after 31<sup>st</sup> March 2016.



## 38. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the provisions of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 read with Rules as amended upto date, the Company has constituted Internal Complaints Committees (ICCs). ICCs have been given the responsibility to receive and address the complaints

received, if any, at all locations where the Company is present. The Company has also taken steps to create awareness about familiarization to the said policy having been put in place. There was no instance of alleged sexual harassment reported during the year under review.

## 39. Corporate Social Responsibility

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company. The Annual

Report on CSR Activities is not annexed herewith due to non applicability of relevant provisions (losses in three financial years) to the Company.

## 40. Meetings of the Board

Five meetings of the Board of Directors were held during the period under review. For further details, please refer

report on Corporate Governance forming part of this Annual Report.

## 41. Code of conduct and ethics

The Board of the Company has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company. The objective of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's

conduct in dealing with the Company, fellow Directors and Employees and with the environment in which the Company operates. The Code is available on the Company's website ([www.infra.schneider-electric.com/in/](http://www.infra.schneider-electric.com/in/)).

## 42. Conservation of energy, technology absorption and foreign exchange earning and outgo

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the

Companies Act, 2013 is annexed as Annexure-VI and forms part of this Report.

## 43. Employees Stock Option Scheme

The company has not provided any Stock Option Scheme during the year under review.

## 44. Acknowledgments

Your Directors would like to thank all stakeholders, namely, customers, shareholders, dealers, suppliers, bankers, employees and all other business associates for the continuous support given by them to the Company and its Management.

For and on behalf of the Board of Directors

Place: New Delhi  
Date: 8th August, 2016

**Vinod Kumar Dhall**  
Chairman

## Policy on remuneration to be paid to directors, key managerial personnel and other employees and criteria for appointment of directors

### Remuneration Policy

#### Non-Executive Independent Directors

Non-Executive Independent Directors are appointed for their professional expertise in their respective fields in individual capacity and receive sitting fees for attending the meetings of the Board and Committees thereof as approved by the Board from time to time.

#### Executive/Whole-Time Directors

The Committee shall recommend Remuneration of Whole-Time Directors which will be again recommended by the Board and finally approved by the shareholders.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to Whole-Time Directors.

Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. This is further benchmarked so as to attract and retain the right talent for the job.

#### Key Managerial Personnel and Other Employees

The remuneration of Key Managerial Personnel and other employees largely consists of basic salary, perquisites and allowances. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different levels and are governed by the industry pattern, qualification & experience/ merits and performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package as is prevailing in the industry.

The annual variable pay of Key Managerial Personnel and employees is linked to the performance of the Company in general for the relevant year and measured against Company's objectives fixed in the beginning of the year.

#### Director's Qualification and Evaluation Criteria

The composition and strength of the Board of Directors (the "Board") of the Company is subject to the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and Articles of Association of the Company.

Within the defined parameters, as above, the Board determines the size and composition of the Board.

The Nomination and Remuneration Committee of the Board (the "Committee") is responsible for evaluating the qualifications of each candidate to be appointed as Director on the Board of the Company and of those Directors who are to be nominated for election by shareholders at each annual shareholder's meeting.

The qualification criteria set forth herein below is designed to describe the qualities and characteristics desired for the Board as a whole and for Board members individually.

#### Director Qualification Criteria- General

It is not mandatory to establish specific minimum age, education, years of business experience or specific types of skills for Board members, but, in general, it is expected from an independent Director to possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business and to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values. In its evaluation, the Committee shall consider the Board size and composition of the Board according to the following guidelines:

With respect to Board composition as a whole, the Board will maintain composition of the Directors pursuant to applicable laws, rules and regulation and the Independence Standards set forth below:

### **Additional Qualification Review Criteria**

The Committee shall also consider whether each Director candidate and each Director possesses the following:

- The highest level of personal and professional ethics, integrity and values;
- An appreciation of the Company's mission and purpose,
- The ability to exercise objectivity and independence in making informed business decisions;
- The willingness and commitment to devote the time necessary to fulfill his/ her duties;
- The ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others; and
- The skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in manufacturing, international operations, finance, accounting, legal, strategic planning, supply chain, technology and marketing.

### **Independent Directors**

It is expected that an Independent Director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his/ her duties;
- (3) exercise his/ her responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his/ her obligations towards the company for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his/ her exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his/ her position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his/ her independence;
- (8) where circumstances arise which make an independent Director lose his/ her independence, the independent Director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

### **Role and functions:**

The Independent Directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of Board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive Director/s, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive Directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **Duties:**

The independent Directors shall

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his/ her authority, assist in protecting the legitimate interests of the company, shareholders and its employees; not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

### **Independence Review Procedures**

#### **Annual Review**

Determinations of Director's independence will be made by the Board for each Director on an annual basis.

#### **Individual Director - Independence Determinations**

If a Director nominee is considered for election to the Board between annual meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-to-case basis for each Director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any Director is not independent even if he or she satisfies the criteria set forth above.

#### **Notice of Change of Circumstances**

Each Director has an affirmative obligation to notify the Company of any change in circumstances that may put his/ her independence at issue. If so notified, the Committee shall re-evaluate such Director's independence, as promptly as practicable, and make a recommendation to the Board with respect to such Director's independence.



## Secretarial Audit Report

NESAR & Associates  
Company Secretaries

“SANKALP”  
C -227, Ground Floor, Paryavaran Complex, New Delhi-110030  
Email: nesargroup@nesarassociates.com  
Mobile No. 9810044367  
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### FORM NO. MR-3

#### For the Financial Year ended March 31, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

#### The Members

#### Schneider Electric Infrastructure Limited

Milestone 87, Vadodara, Halol Highway  
Post Kotambi, Post office Jarod  
Vadodara - 391510, Gujarat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Schneider Electric Infrastructure Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> 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 (FEMA); 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 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other Applicable Laws:
 

Labour Laws:

  1. The Factories Act, 1948 and Rules framed there under with respect to factory situated at:
    - a. Medium Voltage Switchgear Factory, Milestone 87, Village: Kotambi, Post: Jarod, Vadodara – Halol Highway, Taluka: Waghodia, Vadodara-391510, Gujarat, India

- b. Transformer Factory, Milestone 87, Village: Kotambi, Post: Jarod, Vadodara – Halol Highway, Taluka: Waghodia, Vadodara-391510, Gujarat, India
  - c. Block BN3, Sector V, Salt Lake City, Kokata-700091, West Bengal
  - d. #172, Poonamalle, Bye Pass Road, Poonamalle, Chennai-400056, Tamilnadu, India
2. Shops and Commercial Establishments Act, 1958 read with Shops and Commercial Establishments Rules with respect to offices situated at:
  - a. Floor 4 to 7, Tower 3, IGL Complex, Plot -2B, Sector-126, Noida-201317, UP, India
  - b. G S Road, 406, Orion Tower, Christanbasty, Guwahati,-781005, Assam, India
  - c. #172, Poonamallee By Pass Road, Poonamallee, Chennai-600056, Tamilnadu, India
  - d. 14, Forest Park, Bhubaneswar-751009, Orissa, India
  - e. Marwah House, 2nd Floor, Krishan Lal Marwah Marg, Andheri(East), Mumbai-400072, Maharashtra, India
  - f. A-3/1, Nirode Apartment, L Road, Bistupur, Jamshedpur-831001
  - g. 2nd Floor, R.B. Buisness Centre, Above Puma Showroom, Sanghavi Nagar, Aundh, Pune - 411007
3. The Contract Labour (Regulation & Abolition) Act, 1970 and Rules framed thereunder with respect to factory situated at:
  - a. Medium Voltage Switchgear Factory, Milestone 87, Village: Kotambi, Post: Jarod, Vadodara – Halol Highway, Taluka: Waghodia, Vadodara-391510, Gujarat, India
  - b. Transformer Factory, Milestone 87, Village: Kotambi, Post: Jarod, Vadodara – Halol Highway, Taluka: Waghodia, Vadodara-391510, Gujarat, India
  - c. Block BN3, Sector V, Salt Lake City, Kokata-700091, West Bengal
  - d. #172, Poonamalle, Bye Pass Road, Poonamalle, Chennai-400056, Tamilnadu, India
4. The Apprentices Act, 1961 read with Apprenticeship Rules, 1992
5. Employees Provident Fund and Miscellaneous Provisions Act, 1952.
6. The Employees State Insurance Act, 1948, Employees State Insurance (Central) Rules, 1950 and Employees State Insurance (General) Regulations, 1950
7. The Employment Exchanges Compulsory Notification of Vacancies Act, 1959 and the Employment Exchanges Compulsory Notification of Vacancies Rules, 1960
8. The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976
9. Employee's Compensation Act, 1923 read with State Workmen's Compensation Rules, 1924 and Workmen's Compensation Returns, 1935.
10. The Industrial Disputes Act, 1947 read with State Industrial Disputes Rules framed thereunder.
11. The Maternity Benefit Act, 1961 read with State Maternity Benefit Rules framed thereunder.
12. The Minimum Wages Act, 1948 read with State Minimum Wages Rules framed thereunder.
13. The Payment of Gratuity Act, 1972 read with State Payment of Gratuity Rules framed thereunder.
14. State Labour Welfare Fund Act read with State Labour Welfare Fund Rules framed thereunder.
15. State Industrial Establishments (National and Festival Holidays and Casual and Sick Leave) Act and State Industrial Establishments (National and Festival Holidays and Casual and Sick Leave) Rules.
16. Child Labour (Prohibition and Regulation) Act, 1986 read with Child Labour (Prohibition and Regulation) Rules, 1988.
17. The Payment of Wages Act, 1936 read with State Payment of Wages Rules framed thereunder.
18. The Payment of Bonus Act, 1965 read with the Payment of Bonus Rules, 1975
19. Industrial Employment (Standing Orders) Act, 1946 read with State Industrial Employment (Standing Orders) Rules.
20. Inter-State Migrant Workmen (Regulation of employment and Conditions of Service) Act, 1978 read with Rules framed thereunder.
21. The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules framed thereunder.

**Environmental, Health and Safety Laws:**

22. The Environment Protection Act, 1986 read with Environment Protection Rules, 2002 with respect to factory situated at:

- a. Medium Voltage Switchgear Factory, Milestone 87, Village: Kotambi, Post: Jarod, Vadodara – Halol Highway, Taluka: Waghodia, Vadodara-391510, Gujarat, India
  - b. Transformer Factory, Milestone 87, Village: Kotambi, Post: Jarod, Vadodara – Halol Highway, Taluka: Waghodia, Vadodara-391510, Gujarat, India
  - c. Block BN3, Sector V, Salt Lake City, Kokata-700091, West Bengal
  - d. #172, Poonamalle, Bye Pass Road, Poonamalle, Chennai-400056, Tamilnadu, India
23. Batteries (Management and Handling) Rules, 2001
  24. The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
  25. Noise Pollution (Regulation and Control) Rules, 2000
  26. Air (Prevention and Control of Pollution) Act, 1981 read with State Air (Prevention and Control of Pollution) Rules
  27. Water (Prevention and Control of Pollution) Act, 1974 read with State Water (Prevention and Control of Pollution) Rules
  28. Water (Prevention and Control of Pollution) Cess Act, 1977 read with Water (Prevention and Control of Pollution) Cess Rules, 1978
  29. The Petroleum Act, 1934 read with Petroleum Rules, 1976
  30. Indian Standard Code of Practice for Selection, Installation and Maintenance of Portable First Aid Fire Extinguishers;
  31. The Electricity Act, 2003 read with Central Electricity Authority (Measures Relating to Safety and Electric Supply) Regulations, 2010;
  32. Public Liability Insurance Act, 1991 read with Public Liability Insurance Rules, 1991;

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

- i. The Secretarial Standards.
- ii. The Listing Agreement entered into by the Company with Kolkata Stock Exchange, Bombay Stock Exchange and National Stock Exchange till the same was applicable. Thereafter, the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 were also complied with;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above subject to the following observations:

1. The Company, during the year under review, has entered into transactions with related parties as contemplated in Section 2(76) read with Section 188 of the Act on arm's length basis and in the ordinary course of business and these transactions were presented to the Audit Committees with majority of Independent Directors. The Company has also taken an opinion from M/s Amarchand & Mangaldas & Suresh A. Shroff & Co dated 01.08.2014 and M/s BMR Legal dated 16.09.2014 vide which it was opined by both the firms that transactions with related parties are considered to be at arm's length and in the ordinary course of business and therefore, Section 188 is not applicable to the Company.
2. According to the information given to us, following are the details of show cause notice, demand, litigation (other than tax litigation), prosecution notices and penalty notices issued during the year under review:

S.No.	Claimant	Defendant	Date of Litigation	Brief Description of Claim/Litigation	Amount Sought (INR)	Name of Statute	Statute
1	Schneider Electric Infrastructure Limited	Laxmi Electricals Engineers	29.04.2015	Cheque dishonor recovery case	3,466,412	Negotiable Instruments Act, 1881	The case is currently at the initial stage. Court had summoned Defendant entity and its KMP and they had to appear in Court on 16.02.2016. On 16.02.2016, Summons were issued and received back with comment that no one was present at the address provided. Fresh Summons have been issued. On 05.05.2016 the case was posted to re-service on accused persons. We have filed application seeking issuance of NBW's against the accused persons for deliberately avoiding summons, to be taken up with main file on 09.06.2016.
2	Schneider Electric Infrastructure Limited	Nicco Corporation Ltd.	08.04.2015	Civil Suit for recovery	1,162,831	Civil Procedure Code, 1908	The case is at initial stage. Defendant has filed an application for rejection of our suit plaint. Reply to the application for rejection of plaint has been filed. Master summons & amendment petition have been filed.

S.No.	Claimant	Defendant	Date of Litigation	Brief Description of Claim/Litigation	Amount Sought (INR)	Name of Statute	Statute
3	Schneider Electric Infrastructure Limited	Usher Eco Power Ltd.	14.12.2015	Winding up petition for recovery	4,774,764	The Companies Act, 1956	Winding up Legal Notice issued on 24.11.2014. Winding Up Petition has been filed with Mumbai High Court on 14.12.2015. Diary no. is 3035 / 2015. Lodging No.OS CPL/1246/2015. Case is now posted to 01.07.2016 for consideration on admission and issuance of notice.
4	Schneider Electric Infrastructure Ltd	Alstom T & D India Ltd.	28.10.2015	Interlocutory appeal by SE to Division Bench of Delhi High Court.	38,718,000	The Delhi High Court Act, 1966	Appeal numbered as FAO (OS) 610 / 2015 filed at Delhi High Court. Court has issued notice in appeal. On 22.03.2016, Court directed us to file a compilation of all the agreements executed between the parties along with the scheme of demerger & the same has been filed. As per instructions, we have pointed to the court that we are agreeable for Arbitration, however as per French Law agreed by both parties under the agreement. The Counsel for Alstom stated that he is ok with Arbitration however he suggested to amend the agreement to the extend to keep the arbitration as per Indian law and the seat to be India. This was not agreed by us, we appraised the court that this is against the spirit of the consortium agreement nor are we willing to either amend or re negotiate the terms of the agreement. We pointed out to the court that it was not possible to have the seat of Arbitration in India nor to have Indian law applicable for the present dispute. Case is now posted to 30.05.2016 for arguments on the Appeal.
5	Dinesh Metalicks & Electricals Pvt. Ltd.	Schneider Electric Infrastructure Limited	19.03.2015	Criminal revision petition has been filed by customer against SEIL for quashing the proceedings of Case No. C623 of 2014 & to stay all further proceedings in the said Case.	11,500,000	Code of Criminal Procedure, 1973	In this case, Kolkata High Court has passed an Order of Stay. Our reply to the petition in Court and application for vacation of stay is ready to be filed in Court. Copy of IA (CRAN 1626/15) for extension of Stay & Affidavit received by us on 25.01.2016. Application for vacation of stay was filed on 18.04.2016 and the same has been numbered as CRAN 1574 of 2016.

#### We further report that

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

Adequate notice along with detailed agenda were given to all Directors for the Board Meetings and a system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting in terms of Board Process.

As per the minutes maintained by the Company for the Board/ Committee and Shareholders, we noticed that all the decisions were approved by the respective Board/ Committee and Shareholders without any dissent note.

**We further report that** the Company, during the year, has implemented online software named as "Compliance Tool" to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and we have been given access to the said 'Tool' for verification.

**We also report that** the compliances of other applicable laws, as listed in Para (vi) above, are based on the management certifications and further reporting to the Board through agenda papers.

For **Nesar & Associates**  
Company Secretaries

Place: New Delhi  
Date: 8th June, 2016

**Nesar Ahmad**  
Company Secretary  
FCS: 3360; CP-1966

## Report on Corporate Governance

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# 1. Company's philosophy on Corporate Governance

Your Company is committed to high standards of corporate governance and believes in compliance with the laws and regulations both in letter and spirit. The Company endeavours to set high standards for itself, which are higher than those stipulated by law. The Company is committed to provide in time, accurate and complete information as required, to all its stakeholders.

The Company's guiding principles are enshrined in "Principles of Responsibility" document of Schneider Electric group which is also a tool in carrying out the Company's social responsibility in a more effective manner.

The Company is constantly interacting with all the stakeholders; its borders are expanding, its environment

is changing ever faster, its activities are becoming globalised and its social responsibilities are growing.

Schneider Electric reaffirms its commitment to respect and comply with the laws of and regulations in all the countries in which it works.

The challenge is to gain and maintain the highest confidence level of its customers and in a wider sense of its stakeholders. To support each employee in this approach, the Group emphasises the importance of placing responsibility at the heart of its corporate governance.



## 2. Board of Directors

### A. Composition

The current strength of the Board is eight. The Chairman of the Board is an independent non-executive Director.

Of the total Eight Directors, 6 Directors are Non-Executive and 2 are Executive Directors.

The Company does not have any nominee Director.

The Company meets the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in terms of the composition of its Board.

### B. Attendance of Directors at the Board Meetings and at the last Annual General Meeting

S. No.	Names of Directors*	Position	Classification	Number of Board Meetings attended (April 2015 - March 2016)	Attendance at the last AGM held on 11th August, 2015
1	Mr. Vinod Kumar Dhall	Chairman	Independent (Non-Executive)	5	Yes
2	Mr. Anil Chaudhry	Director	Non-Executive	5	Yes
3	Mr. Prakash Kumar Chandraker	Managing Director	Executive	5	Yes
4	Mr. Ranjan Pant	Director	Independent (Non-Executive)	4	Yes
5	Ms. Sonali Kaushik	Director	Non-Executive	4	Yes
6	Mr. Subramanian Vishar Vasudevan	Director	Independent (Non-executive)	5	Yes
7	Mr. Sugata Sircar	Director	Non-Executive	4	Yes
8	Mr. Vivek Sarwate**	Whole-time Director	Executive	2	Not Applicable

\* Arranged in Alphabetical order except Chairman

\*\*Appointed as Whole Time Director effective 04.02.2016

Brief write-ups about the Directors are given elsewhere in this report.

### C. Number of other directorship and membership of committee(s) (Audit and Stakeholders Relationship Committee) of the Board of Directors in such Companies are as under:

S. No.	Name of the Director*	No. of other Directorships (Excluding foreign Companies and Private Limited Companies)	Number of other Committees	
			As Chairman	As Member
1.	Mr. Vinod Kumar Dhall**	6	3	4
2.	Mr. Vishar Subramanian Vasudevan***	1	-	-
3.	Mr. Anil Chaudhry	-	-	-
4.	Mr. Prakash Kumar Chandraker	-	-	-
5.	Mr. Ranjan Pant	2	-	-
6.	Ms. Sonali Kaushik	-	-	-
7.	Mr. Sugata Sircar	1	-	-
8.	Mr. Vivek Sarwate	-	-	-

\* Arranged in Alphabetical order except Chairman.

\*\* Mr. Vinod Kumar Dhall is the Chairman of the Audit Committee.

\*\*\* Mr. Vishar Subramanian Vasudevan is the Chairman of the Stakeholders Relationship Committee.

## D. Number of Board Meetings held and dates of Board Meetings

Number of Board Meetings held during the period 01.04.2015 to 31.03.2016.

Five

## E. Dates of the Board Meetings:

- May 15, 2015
- August 11, 2015
- November 03, 2015
- February 02, 2016
- March 21, 2016

## F. Meetings of Independent Directors

The Company's Independent Directors meet atleast once in every financial year without the presence of executive directors and management personnel. Accordingly, the Independent Directors met on 3<sup>rd</sup> November, 2015.

## G. Familiarization programme - Independent Directors

In terms of Reg. 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Familiarization Program for Independent Directors was organized as per the following details:

S. No.	Programme held on	Particulars	Name of the Directors			
			Mr. Vinod Kumar Dhall	Mr. Ranjan Pant	Mr. V.S Vasudevan	
1	15.05.2015	Changes brought in by SEBI (Prohibition of Insider Trading) Regulations, 2015	Whether attended	Yes	No	Yes
			Hours spent	Half	Not Applicable	Half
2	11.08.2015	Business update by Managing Director	Whether attended	Yes	Yes	Yes
			Hours spent	One	One	One
3	03.11.2015	Events under clause 49 of the Listing Agreement. - Implementation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Whether attended	Yes	Yes	Yes
			Hours spent	One	One	One
4	21.03.2016	Succession planning for Board of Directors and Senior Management as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Whether attended	Yes	Yes	Yes
			Hours spent	One	One	One

Summary of programmes held during this financial year 2015-16 and on cumulative basis till date

Total no. of programmes held	During the financial year	Cumulative
	4	4
No. of hours spent	3.5	3.5

### 3. Disclosures regarding Directors' appointment and re-appointment

#### Appointment

Mr. Vivek Sarwate was appointed as Whole-time Director and Key Managerial Personnel of the Company with effect from 04.02.2016.

#### Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sugata Sircar and Ms. Sonali Kaushik, Directors, retires by rotation and being eligible, offer themselves for re-appointment.

Brief particulars of all Directors are as under:

Considering the background and experience of Mr. Sugata Sircar and Ms. Sonali Kaushik, the Board is of the opinion that their appointment will immensely benefit your Company. The Board recommends their re- appointment.

As per the declarations received, none of the Directors of the Company are disqualified for being appointed/re-appointed as Directors as specified in Section 164(2)(a) and (b) of the Companies Act, 2013.

#### Mr. Vinod Kumar Dhall



**Mr. Vinod Kumar Dhall** was in the Indian Administrative Service (IAS) where he worked at very high levels in government, at policy as well as executive levels. As Secretary, Ministry of Corporate Affairs, he introduced path-breaking reforms, such as enactment of the

Competition Act, corporate insolvency law and enhancing corporate governance provisions. He set up the Serious Frauds Investigation Office and initiated the pioneering E-governance project MCA21. He has long experience in economic and industrial matters and regulatory experience including as Member, SEBI and in Insurance. As Chairman / CEO of public sector companies, he has direct commercial experience. He also worked overseas with United Nations organizations.

Mr Dhall is identified with the origin and growth of the Indian competition law, and was the first Chairman (actg) of the Competition Commission of India (CCI). He set up

the CCI, established the framework of its policies and procedures for mergers and antitrust cases, draft regulations, analytical models, and the deploying of core staff with requisite training; these have formed the foundations of the working of the CCI. Mr Dhall also set up one of the first competition law practices in India and is highly regarded for handling complex competition matters of several Indian and multinational companies. His highly regarded book on Competition Law is one of the first books on the subject in India.

He is on the Boards of Directors of a number of leading Companies, and is / has been member of various juries for awards in areas like corporate social responsibility and corporate governance.

He is Chairman of the Audit Committee and member of Nomination and Remuneration Committee of the Company.

Mr. Dhall does not hold any shares in the Company.

#### Mr. Ranjan Pant



**Mr. Ranjan Pant** is a global strategy management consultant and change management leader who advises Chief Executive Officers.

Mr. Pant is an independent director on the Boards of several companies.

Mr. Pant was a Partner at Bain & Co. strategy consulting where he led the worldwide Utility Practice. He was also a Director-Corporate Business Development at General Electric headquarters.

He received an MBA from The Wharton School, University of Pennsylvania and a Bachelor in Engineering from the Birla Institute of Technology and Science, Pilani.

He is a Member of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Company.

Mr. Pant does not hold any shares in the Company.

## Mr. Vishar Subramanian Vasudevan



Mr. Vishar Subramanian Vasudevan held the position of CFO at Dr. Reddy's Laboratories Limited, responsible for Finance and Investor Relations for a period of 23 years. During this period Dr. Reddy's transformed itself from a start up to a US \$ 1 Bn company and was

listed in NYSE.

Mr. Vasudevan also held the position of Head of European Operations for a period of 3½ years based in London and during this tenure was responsible for developing the European market for Dr. Reddy's through a series of organic and inorganic moves. As a member of Management Council at Dr. Reddy's, CFO and being on Board of companies in Europe and India, was a key member for developing the strategy and driving execution for Dr. Reddy's growth.

He enabled the company to establish very progressive Corporate Governance policies and practices including ahead of time compliance with Sarbanes Oxley Act and Clause 49 requirements, brought board practices to a world class level in terms of information sharing, analysis of competitor information, detailed analysis and benchmarking of Company information to facilitate decision making. He was a key participant in transforming the company from a regional API manufacturer to a global corporation and key player in formulating strategy and corporate policies.

He contributed to molding the Company, post economic liberalization from 1991 onwards (and for Export sector from 1986 onwards)

He was instrumental in putting together innovative financial structures for the company's R&D activities and Product Development activities – also a case study in Harvard Business School and complimented by Dr. Anji Reddy as 'Innovations need not happen in labs alone, they can also happen in finance'.

He is also on the Board of Schneider Electric President Systems Ltd. and also on the Board of a European Company. Currently he is also doing Equity research and portfolio management with a team of young Management Graduates.

He was nominated as one of the finalists for CNBC for the Best Indian CFO in 2007. He was also awarded Chairman's Excellence Award at Dr. Reddys.

He is a Member of the Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee and Chairman of Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

Mr. Vasudevan does not hold any shares in the Company.

## Mr. Prakash Kumar Chandraker



Mr. Prakash Kumar Chandraker is the Managing Director for Energy Business at Schneider Electric Infrastructure Limited. He has more than 28 years of versatile experience in the Power Industry where he has successfully held different leadership positions in the

domains of Business Management, Marketing, Sales and Operations in companies like Cegelec, Alstom T&D, and Areva T&D. His thought leadership and expertise in the electrical sector has set milestones and has been recognized by the company at various instances. He is bestowed by prestigious awards like Pinnacle Award by Schneider Electric & Excellence in Operations by Areva T&D for his exemplary work.

His remarkable achievement during his tenure as Head Automation business, Areva T&D for spearheading the implementation of State of art, largest unified Load Despatch Centres and Energy Management Schemes for

Power Grid Corporation of India Limited (PGCIL) and various utilities in India was highly appreciated.

He is an Electrical Engineering graduate & has pursued his Professional trainings in Business Leadership from IIM Bangalore and Management Leadership from Management Centre Europe (MCE).

As a member of CII National Committee on Power and part of Executive council of IEEMA, Prakash has presented various technical and strategic papers for Smartcity, Smartgrid, Self healing grid and Energy management. He holds the position of Chairman, for INTELECT 2017. As a specialist in these fields, he has represented Schneider Electric numerous times on media and various other forums.

He is a member of the Share Transfer and Shareholders/ Investors Grievance Committee of the Company.

Mr. Chandraker does not hold any shares in the Company.

## Mr. Anil Chaudhry



Mr. Anil Chaudhry is the Managing Director and Country President of Schneider Electric India Private Limited. Before assuming his current responsibility in March '13, he was the Senior Vice President, Global Sales Organisation of Infrastructure BU and a member of Leadership Team based in Paris. He joined Schneider Electric SAS in June '10 after the acquisition of distribution business of ex-AREVA T&D, where he was a member of the Executive Management Committee.

As Executive Vice President for International Sales Organisation, he was responsible for implementing sales growth and channel management strategy during challenging economic period. Anil moved to Paris in June '07 as Vice President Sales, Automation BU. He held additional responsibility of Executive Vice President for Automation business, from January '08 till June '08, when he re-structured the business and developed 4 Year Strategic Plan (4YP) to accelerate the growth.

Before moving to France, he was Regional Vice President Automation Business in India. He was responsible for developing the team and implementation of strategy to win large projects and customer confidence. As part of his operational responsibility in India, he was instrumental in developing Engineering Back Office and R&D Centre to

support worldwide operations in addition to P&L management.

Anil has held various positions in general management, operations, sales, business development, project management, design and engineering in France and India throughout his career mainly in the energy sector.

In April '16, Anil was conferred the highest French civilian distinction, Chevalier de la Légion d'Honneur (Knight of the Legion of Honour) by Ambassador of France, François Richier, recognizing his significant contribution towards strengthening Indo-French economic relations. It was presented for the considerable body of work, spanning three decades, for French business interest in India and in the world, in the field of infrastructural development, climate change, access to energy and skill development.

He has also published & presented a number of "Technical & Concept Papers" for application of Automation & Information Technologies for Energy Efficiency and Management in Electricity Generation, Transmission and Distribution at various National & International Seminars.

He is a Member of the Nomination and Remuneration Committee of the Company.

Mr. Chaudhry does not hold any shares in the Company.

## Mr. Sugata Sircar



Mr. Sugata Sircar is a Chartered Accountant with 27 years of experience in various industries including Electrical Energy, Gas Distribution, Manufacturing of Chemicals, Textiles, Tyres and FMCG. He has worked as CFO and as Managing Director of a Public Limited Company in India

In the current role he sits on the Board of several Schneider India companies and partners the President & MD in managing all businesses of Schneider in the Greater India Zone.

His focus areas are business performance management, strategy and business decision support, investment decisions, efficiency improvement, processes and systems, leadership and risk management.

He has been actively involved with the CII as chair of CFO and economic forums. He has been awarded as a CFO thrice by the CFO Forum, one of which was under League of Excellence.

He is a Member of the Audit Committee of the Company.

Mr. Sircar does not hold any shares in the Company.

## Ms. Sonali Kaushik



Ms. Sonali Kaushik is a global business leader with 28 years of business management, marketing and sales experience in global market with Fortune 500 MNCs in hi-tech industry. A strong leader in developing and driving growth strategies and plans to maximize

market access and market share growth. Proven track record in leading large organizations to consistently drive revenue and profit growth with strong work ethics. A pioneer and change agent in breaking ground and turning around businesses. A culturally astute leader with a strong passion for Disciplined Sales Process, Organization Design, Talent Acquisition & Leadership Development.

She does not hold any shares in the Company.



## Mr. Vivek Sarwate



Mr. Vivek Sarwate is an Entrepreneurial leader with 20 years expertise in R&D, Product Marketing, Exports, Business Development and ETO (Engineering to Order) Front End Processes like Engineering, Project Management and Tendering.

He has demonstrated strengths in creating strategy for New Products and Product Launches in India and Export Markets.

He has proven ability to create value through improvements in ETO Processes to increase Profitability of ETO plants, by involving cross functional teams and successfully envisaging & implementing strategies with the help of team members.

He has Completed Electrical Engineering from Govt. Engineering College – Jabalpur, India in the year 1996 and Masters of Science in Power Systems from Arizona State University, USA in the year 2003.

He does not hold any shares in the Company.

## 4. Non-executive Directors - Compensation and Disclosures

Sitting fees are paid to the independent Directors for attending the meetings.

The details of the sitting fees paid to the Independent Directors during 2015-16 are as under:

- Mr. Vinod Kumar Dhall : Rs. 9,80,000 ;
- Mr. Ranjan Pant : Rs. 6,80,000; and
- Mr. Subramanian Vishar Vasudevan: Rs.8,80,000

Non-executive Non- independent Directors are not paid any compensation.

## 5. Code of Conduct and Ethics for Directors and Senior Executives

In line with the Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had adopted a Code of Conduct and Ethics for its Directors and Senior Executives.

The purpose of this Code is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders in full compliance with the Principles of Responsibility which applies within all companies forming part of the Schneider Group.

The Code is available on the Company's website <http://www.infra.schneider-electric.com/in/>

A declaration by the Managing Director that all the Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2016 is annexed as **Annexure-A**.

## 6. CEO/CFO Certification

In line with the requirements of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has reviewed the certificate submitted by the Managing Director and the Chief Financial Officer of the Company certifying various covenants about financial/cash flow statements, internal controls, financial reporting, etc. The certificate is annexed as **Annexure-B**.

## 7. Audit Committee

The composition of the Audit Committee is as under:

Name of Director	Designation on the Committee
Mr. Vinod Kumar Dhall	Chairman
Mr. Ranjan Pant	Member
Mr. Subramanian Vishar Vasudevan	Member
Mr. Sugata Sircar	Member

The above composition duly meets the requirement of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The Internal Auditor, representatives of the Statutory Auditors and other executives are invited to the meetings of the Audit Committee.

Mr. Anil Rustgi, Company Secretary is the Secretary to the Audit Committee.

The terms of reference and powers of the Audit Committee include overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issues and issues related to risk management.

The Audit Committee acts as a link between the management, external and internal Auditors and the Board of Directors.

The Audit Committee met 4 times during the year and the attendance of all the Audit Committee Members at the said meetings are as under:

S.No.	Name of Director	Number of Meetings attended
1.	Mr. Vinod Kumar Dhall	4
2.	Mr. Ranjan Pant	3
3.	Mr. Subramanian Vishar Vasudevan	4
4.	Mr. Sugata Sircar	4

Composition of Audit Committee of the Company may be accessed at Company's website at the link <http://www.infra.schneider-electric.com/in/>

## 8. Nomination and Remuneration Committee

### Composition of the Committee

Nomination and Remuneration Committee of the Company comprising of Mr. Subramanian Vishar Vasudevan, Chairman of the Committee; Mr. Vinod Kumar Dhall; Mr. Ranjan Pant; and Mr. Anil Chaudhry, Members of the Committee.

The above composition duly meets the requirement of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee met two times during the year and the attendance of the Committee members at the said meeting are as under:

S.No	Names	Number of Meetings	Attended
1.	Mr. Subramanian Vishar Vasudevan	2	2
2.	Mr. Anil Chaudhry	2	2
3.	Mr. Ranjan Pant	2	1
4.	Mr. Vinod Kumar Dhall	2	2

Mr. Anil Rustgi, Company Secretary is the Secretary to the Nomination and Remuneration Committee.

Composition of Nomination and Remuneration Committee of the Company may be accessed at Company's website at the link <http://www.infra.schneider-electric.com/in/>.

## 9. Remuneration to Directors

No remuneration (other than sitting fees are paid to the Independent Directors, the details of which are given elsewhere in the report) is paid to Non-Executive Directors.

Remuneration paid to the Executive Directors during the period from 01.04.2015 to 31.03.2016 is as under:

S.No	Name of the Director	Salary (Rs.)	Perquisites and allowances, including Retirals (Rs.)	Commission Paid (Rs.)	Total (Rs.)
1.	Prakash Kumar Chandraker, Managing Director	5,711,112	6,286,111	0	11,997,223
2.	Vivek Sarwate, Whole-time Director	2,88,447	5,69,588	0	8,58,035

## 10. Stakeholders Relationship Committee

In line with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Stakeholders Relationship Committee is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and attending to the grievances of the shareholders.

The present composition of the Committee is as under:

Name of the Director	Designation on the Committee
Mr. Subramanian Vishar Vasudevan	Chairman
Mr. Prakash Kumar Chandraker	Member
Mr. Ranjan Pant	Member

Mr. Anil Rustgi, Company Secretary is the Compliance Officer of the Company and also the Secretary to the Committee.

Composition of Stakeholders Relationship Committee of the Company may be accessed at Company's website at the link <http://www.infra.schneider-electric.com/in/>.

## 11. Risk Management Committee

As a pro-active measure, the Board has constituted a Risk Management Committee. The roles and responsibilities of Risk Management Committee are as prescribed under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes monitoring and review of risk management plan and reporting the same to the Board of Directors as it may deem fit.

The present composition of the Committee is as under:

Name of the Director	Designation on the Committee
Mr. Subramanian Vishar Vasudevan	Member
Mr. Ranjan Pant	Member
Mr. Prakash Kumar Chandraker	Member

Mr. Anil Rustgi, Company Secretary is the Secretary to the Risk Management Committee.

Composition of Risk Management Committee and Risk Management Policy of the Company may be accessed at Company's website at the link <http://www.infra.schneider-electric.com/in/>.

## 12. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee to discharge the duties stipulated under Section 135 of the Companies Act, 2013 which includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013; recommendations of the amount of expenditure to be incurred and monitoring the CSR Policy of the Company.

The present composition of the Committee is as under:

Name of the Director	Designation on the Committee
Mr. Subramanian Vishar Vasudevan	Member
Mr. Ranjan Pant	Member
Mr. Prakash Kumar Chandraker	Member

Mr. Anil Rustgi, Company Secretary is the Secretary to the Corporate Social Responsibility Committee.

The contribution to the Corporate Social Responsibility is not applicable on the Company due to losses in the preceding three financial years.

Composition of Corporate Social Responsibility Committee of the Company may be accessed at Company's website at the link <http://www.infra.schneider-electric.com/in/>

## 13. Status for Complaints received and redressed during the period from 01.04.2015 to 31.03.2016

Nature of Complaints	No. of complaints against quarter ended			
	30.06.2015	30.09.2015	31.12.2015	31.03.2016
Non-receipt of Certificates after Transfer/ Demerger	1	2	--	--
Non-receipt of Dividend	1	--	--	--
Non-receipt of Annual Reports & Accounts	1	1	--	--
Others	1	--	--	--
Total	4	3	--	--
Complaints Redressed	4	3	--	--
Complaints Pending	NIL	NIL	NIL	NIL

**Total No. of Complaints: 7**

There are no transfers pending as on 31.03.2016

**Details of complaints received from 01.04.2015 to 31.03.2016**

S.No	Complaint received from	Name	Nature of complaint	Action taken Report
1.	BSE (07.04.2015)	Ms. Juliana Mascarenhas	Non receipt of Dividend	As per Bank Reconciliation statement, dividend for Rs. 340/- for the year ended 31.03.2012 has already been en-cashed by the complainant on 11.08.2012. The complainant has been informed vide letter dated 13.04.2015.

S.No	Complaint received from	Name	Nature of complaint	Action taken Report
2.	BSE (22.05.2015)	Mr. Girish K Shroff	Miscellaneous - Deletion of name	On scrutiny of the documents submitted by the complainant, it was found that the name of the deceased holder on the Death Certificate did not match with the name on the share certificate. The complainant vide our letter dated 20.04.2015 was asked to submit an Affidavit stating that both names belonged to the same person. Reminder letters were sent on 19.05.2015 and 26.05.2015.
3.	BSE (22.05.2015)	Mr. G S Shanthiraj	Non receipt of Annual Report	A copy of Annual Report for the year ended 31.03.2014 was sent to the complainant on 22.05.2015.
4.	SEBI - Scores (18.06.2015)	Mr. Kailash Prasad Bhargava	Non receipt of shares after Stock Split	The complainant vide registered letter dated 23.06.2015 was asked to submit certain additional documents to avoid fraudulent claim by any miscreant.
5.	BSE (07.08.2015)	Ms. Caroline Franco	Non receipt of Shares	Procedures for issue of Duplicate Share Certificate was informed to the complainant vide registered letter dated 07.08.2015.
6.	BSE (05.09.2015)	Mr. Dinesh Kotecha	Non receipt of Annual Report	Hard copy of Annual Report dispatched to the complainant on 09.09.2015 vide registered post.
7.	SEBI - Scores (21.09.2015)	Mr. P Vasudeva Setty	Non receipt of shares after transmission	Clarifications regarding the Court Order for transmission of shares sought from the complainant vide our registered letter dated 29.09.2015.

Composition of Stakeholders Relationship Committee of the Company may be accessed at Company's website at the link <http://www.infra.schneider-electric.com/in/>.

## 14. General Body Meetings

The details of the General Body Meetings held/ Postal Ballot conducted during last three years are given below:

S. No.	General Body Meetings	Date and Time	Venue
1.	Annual General Meeting	01 <sup>st</sup> August 2013 11:30 A.M.	Gateway Hotels Akota Garden, Akota, Vadodara 390 020, Gujarat
2.	Postal Ballot*	17 <sup>th</sup> February, 2014	-
3.	Annual General Meeting	25 <sup>th</sup> September, 2014 11:30 A.M.	Gateway Hotels Akota Garden, Akota, Vadodara 390 020, Gujarat
4.	Postal Ballot*	27 <sup>th</sup> December, 2014	-
5.	Annual General Meeting	11 <sup>th</sup> August, 2015	Gateway Hotels, Akota Garden, Akota, Vadodara 390 020, Gujarat
6.	Postal Ballot**	03 <sup>rd</sup> March, 2016	-

Note:

- *Special resolutions as set out in the Notices to the past three Annual General Meetings were passed with requisite majority in each case.*
- *\*The process of Postal Ballot was conducted by Mr. Nesar Ahmad, a Practicing Company Secretary, under the provisions of Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014*
  - i. Resolution was approved on 17.02.2014 by 83.48%
  - ii. Resolution was approved on 27.12.2014 by 99.89%
- *\*\*The process of Postal Ballot was conducted by Mohd. Nazim Khan, Practicing Company Secretary, under the provisions of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014*
  - i. Resolution was approved on 03.03.2016 by 80.24%.

## 15. Disclosures

### (i) Related party transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and at arm's length basis. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link at <http://www.infra.schneider-electric.com/in/investor-relations/policies.html>.

### (ii) The Company has complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidelines of SEBI. No penalties and strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during the period under review. The Company has not made any rights or public issue during the period covered by this report.

### (iii) The Company has adopted the Vigil Mechanism as required by Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for directors and employees to report concerns about unethical behaviour. The said link has been also uploaded on the website of the Company at the following link <http://www.infra.schneider-electric.com/in/company/por.html>.

### iv) The Company has also adopted Policy on Determination of Materiality for Disclosures, Policy for Preservation of Documents on the Company's website at the following link: <http://www.infra.schneider-electric.com/in/investor-relations/policies.html>.

### (v) Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2016. The annual report of the Company contains a certificate by the CEO and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

### (vi) It is confirmed that the mandatory requirements are complied with and the non mandatory provisions are adopted, wherever necessary.

## 16. Means of Communication

Half-yearly report sent to each household of shareholders	: No, but published in specified newspapers.
Quarterly Results which newspapers normally published in	: Mint (English) and Gujrat Samachar (Gujarati).
Any website, where displayed	: <a href="http://www.infra.schneider-electric.com/in/">http://www.infra.schneider-electric.com/in/</a> .
Whether it also displays official news releases and presentations made to institutional investors or to the analysts	: Yes.
Whether Management Discussions and Analysis is a part of Annual Report or not	: Yes, annexed to the Directors' Report.

## 17. Unclaimed Dividend

Unclaimed dividends lying in the Company's unclaimed dividend account are payable to the shareholders subject to verification of their claim.

Details of unclaimed dividend are available at Company's Website at the link <http://www.infra.schneider-electric.com/in/investor-relations/dividendstatus-of-unclaimed-dividend.html>.

## 18. Subsidiary Company

The Company does not have any subsidiary Company.



## 19. General Shareholder Information

### A. Sixth Annual General Meeting:

Day	: Friday
Date	: 23 <sup>rd</sup> September, 2016
Time	: 11:00 a.m.
Venue	: The Gateway Hotel, Akota Garden, Akota, Vadodara - 390020

### B. Financial Calendar

The tentative dates for approval of unaudited/audited results for financial year 2016-17 are as under:

• Quarter ending June 30, 2016	: 2 <sup>nd</sup> Week of August, 2016
• Quarter ending September 30, 2016	: 2 <sup>nd</sup> Week of November, 2016
• Quarter ending December 31, 2016	: 2 <sup>nd</sup> Week of February, 2017
• Quarter ending March 31, 2017	: Last Week of May, 2017

### C. Dates of Book Closure

: From September 17, 2016 to September 23, 2016 (both days Inclusive)

### D. Dividend Payment Date

: Not Applicable

### E. Listing on Stock Exchanges

: **National Stock Exchange of India Limited.**

Exchange Plaza,  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051

**Bombay Stock Exchange Limited**

Phiroz Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 023

**The Calcutta Stock Exchange Limited**

7 Lyons Range, Kolkata - 700 001

The Company has paid the Listing Fees for the year 2016-17 to the above three Stock Exchanges.

### F. Stock Code

National Stock Exchange of India Ltd.	: Symbol : SCHNEIDER
Bombay Stock Exchange Ltd.	: 534139 for physical and demat scrips
Calcutta Stock Exchange Ltd.	: 10030003
ISIN Number for NSDL and CDSL	: INE 839M01018

**G. Market Price Data**

(i) As quoted in the Stock Exchange, Mumbai and Reference of Schneider Electric Infrastructure Limited in comparison with BSE SENSEX:

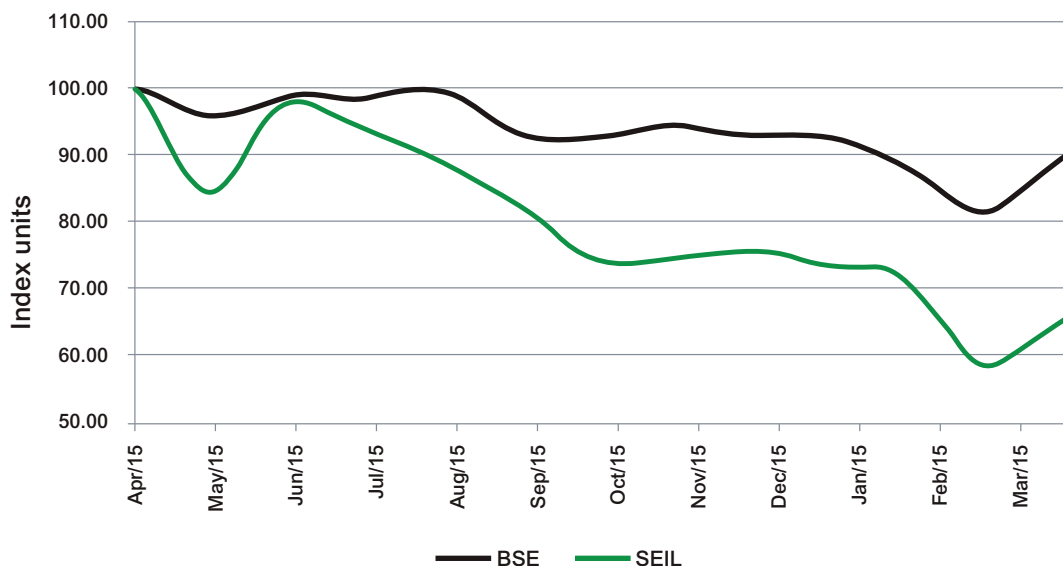
	Schneider Electric Infrastructure Ltd. Share prices on BSE		BSE SENSEX	
	High (INR)	Low (INR)	High (INR)	Low (INR)
April 2015	234.2	176.2	29,094.61	26,897.54
May 2015	223	177.1	28,071.16	26,423.99
June 2015	241	192.1	27,968.75	26,307.07
July 2015	229.8	195.1	28,578.33	27,416.39
August 2015	231	166	28,417.59	25,298.42
September 2015	183.9	157.35	26,471.82	24,833.54
October 2015	180	164	27,618.14	26,168.71
November 2015	181.45	162.25	26,824.30	25,451.42
December 2015	179	151.9	26,256.42	24,867.73
January 2016	185.35	140.2	26,197.27	23,839.76
February 2016	162.35	127.25	25,002.32	22,494.61
March 2016	162	129.6	25,479.62	23,133.18

(ii) As quoted in the National Stock Exchange and Reference of Schneider Electric Infrastructure Limited in comparison with S&P CNX Nifty:

	Schneider Electric Infrastructure Ltd. Share prices on NSE		S&P CNX Nifty	
	High (INR)	Low (INR)	High (INR)	Low (INR)
April 2015	234.25	176.00	8,844.80	8,144.75
May 2015	223.95	177.50	8,489.55	7,997.15
June 2015	241.60	191.10	8,467.15	7,940.30
July 2015	229.70	195.10	8,654.75	8,315.40
August 2015	231.30	166.05	8,621.55	7,667.25
September 2015	183.90	157.30	8,055.00	7,539.50
October 2015	180.45	163.90	8,336.30	7,930.65
November 2015	181.65	160.00	8,116.10	7,714.15
December 2015	178.90	151.40	7,979.30	7,551.05
January 2016	184.9	140.30	7,972.55	7,241.50
February 2016	161.95	126.70	7,600.45	6,825.80
March 2016	161.30	131.00	7,777.60	7,035.10

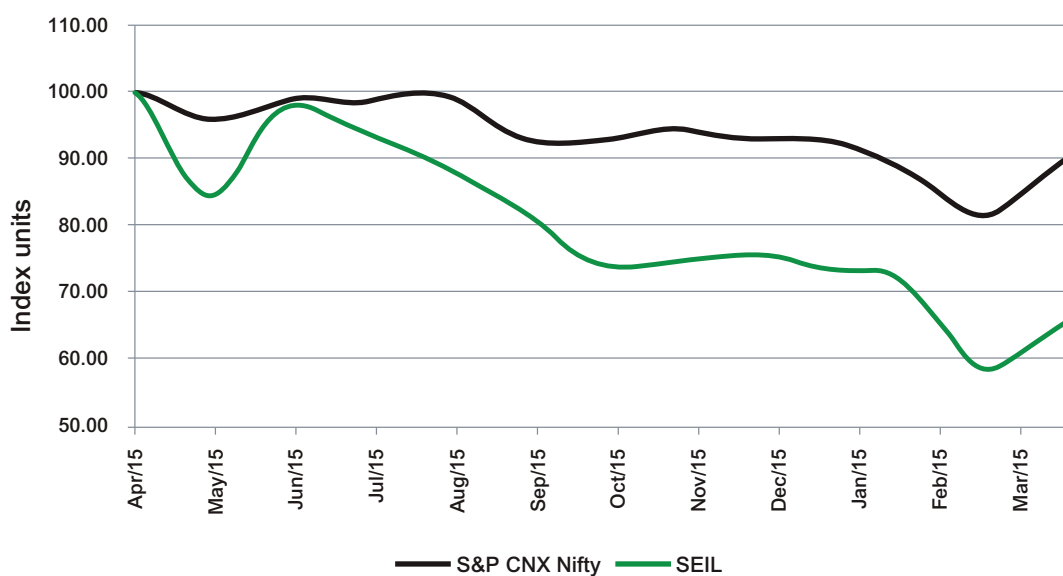
(iii) The shares of the Company were not traded on The Calcutta Stock Exchange Limited and therefore no market price is available.

#### H. Stock Performance of Schneider Electric Infrastructure Ltd. (SEIL) Vs. BSE Sensex



SEIL share price as on April 2015 INR 224.75 = 100 units  
 BSE SENSEX as on April 2015 28260.14 = 100 units

#### I. Stock Performance of Schneider Electric Infrastructure Ltd. (SEIL) Vs. S&P CNX Nifty



SEIL share price as on April 2015 INR 225.25 = 100 units  
 S&P CNX Nifty as on April 2015 8586.24 = 100 units

**J. Shareholding pattern as on March 31, 2016**

Sl. No.	Category	No. of Equity Shares held	Percentage %
1	Indian Promoter		
	- Energy Grid Automation Transformers and Switchgears India Private Limited	168735367	70.57
	Foreign Promoter		
	- Schneider Electric Singapore Pte Ltd	10592659	4.43
2	Insurance Companies	8240709	3.45
3	Financial Institutions and Banks	64372	0.03
4	Mutual Funds	9836735	4.12
5	Foreign Institutional Investors (FII) / Foreign Portfolio Investors	678933	0.28
6	Corporate Bodies	13599665	5.69
7	Non-resident Indians, Overseas Corporate Bodies and Foreign Nationals	723189	0.30
8	Directors and their Relatives	-	-
9	General Public	26210757	10.96
10	Others - Clearing Member	413199	0.17
	Others - Trust	7845	0.00
	Others - State Government	605	0.00
	<b>Total</b>	<b>239104035</b>	<b>100.00</b>

**K. Distribution of Holdings as on March 31, 2016**

Category	No. of Shareholders	Percentage %	No. of Shares	Percentage %
1 - 500	42458	83.82	5773443	2.42
501 - 1000	3746	7.39	2976206	1.25
1001 - 2000	2077	4.10	3152763	1.32
2001 - 3000	839	1.66	2153000	0.90
3001 - 4000	414	0.82	1505544	0.63
4001 - 5000	283	0.56	1333876	0.56
5001 - 10000	519	1.02	3836156	1.60
10001 - 50000	264	0.52	5244892	2.19
50001 - 100000	25	0.05	1825061	0.76
100001 - and above	31	0.06	211303094	88.37
	<b>50656</b>	<b>100.00</b>	<b>239104035</b>	<b>100.00</b>

**L. Registrars and Share Transfer Agents**

: **C B Management Services (P) Limited**  
P-22, Bondel Road, Kolkata - 700 019  
Telephone : +91 33 40116700 (100 Lines)/  
22806692/22870263/22823643  
Fax : +91 33 40116739  
E-mail : rta@cbmsl.com

### M. Share Transfer System

A Committee of Directors – Stakeholders Relationship Committee, has been constituted to approve the transfers and transmissions of shares, issue of duplicate share certificates and allied matters. In addition to the above, to expedite the share transfer process, Company Secretary and the Registrars and Share Transfer Agents, CB Management Services (P) Limited have been severally authorised to approve share transfers and transmissions, which are given effect to atleast every fortnight.

The Company's Registrars, CB Management Services (P) Limited have adequate infrastructure to serve the shareholders and process the share transfers. In compliance with the Listing Agreement, every six months the share processing system is audited by a practicing Company Secretary and a Certificate to that effect is issued. The Company's scrip forms part of the SEBI's compulsory demat segment.

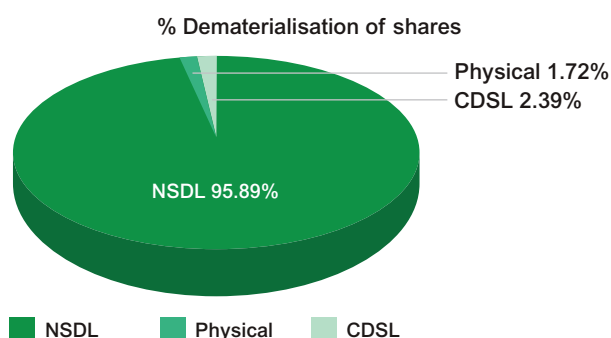
### N. Permanent account number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders/legal heirs be furnished to the Company while obtaining the services of transfer, transposition and transmission of shares.

### O. Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory demat segment for all investors effective 20.03.2012. To facilitate the investors in having an easy access to the Demat System, the Company has signed up with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through the Company's Registrars, CB Management Services (P) Limited.

As at 31.03.2016 a total of 234992247 Equity Shares of the Company, constituting 98.28% of the paid-up share capital stands dematerialized.



### P. Reconciliation of Share Capital

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the share capital reconciliation audit to reconcile the total admitted Capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total Issued and Listed Capital. The Audit is carried out every quarter in the office of the Registrars and Share Transfer Agents and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report, inter alia, confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialized shares and those in the physical mode.

### Q. Nomination facility for Shareholders

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Those Members who hold shares in physical form may obtain nomination from the Company Secretary at 7th Floor, Block 3, IGL Complex, Plot No. 2B, Sector 126, Noida- 201304, UP, India or download the same from the Company's website at <http://www.infra.schneider-electric.com/in/>.

### R. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

**S. Address for Correspondence/ Investor Complaints**

Registered Office :

Milestone 87

Vadodara-Halol Highway

Village Kotambi, P.O. Jarod

Vadodara 391 510, Gujarat

Contact Person :

Mr. Anil Rustgi

Company Secretary

Tel. No. 91 120 6152300/6152763

Fax No. 91 120 6152405

Email : [company.secretary@schneider-electric.com](mailto:company.secretary@schneider-electric.com)

For and on behalf of the Board of Directors

Place: New Delhi

Date: 8th August, 2016

**Vinod Kumar Dhall**

Chairman



Annexure- A

### **Declaration regarding compliance by board members and senior management personnel with the company's code of conduct**

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To

**The Members of Schneider Electric Infrastructure Limited**

This is to declare that the members of board of directors and senior management personnel of the Company have affirmed compliance with the code of conduct of board of directors and senior management for the year ended March 31, 2016.

Place: New Delhi  
Date: 8th August, 2016

**Prakash Kumar Chandraker**  
Managing Director & Chief Executive Officer

## **Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

To,

**The Board of Directors  
Schneider Electric Infrastructure Limited**

We, Prakash Kumar Chandraker, Managing Director & Chief Executive Officer and Anurag Mantri, Chief Financial Officer of Schneider Electric Infrastructure Limited ("the Company"), to the best of our knowledge and belief certify that;

1. We have reviewed the financial statements and the cash flow statements of the Company for the financial year ended 31st March, 2016, and we state that:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, 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.
3. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our evaluation, to the Auditors and the Audit Committee that:
  - i. There are no significant changes in internal control over financial reporting during the year;
  - ii. There are no significant changes in accounting policies.
  - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Anurag Mantri**  
Chief Financial Officer  
PAN: ABMPM4745K

Place: Noida  
Date: 8th August, 2016

**Prakash Kumar Chandraker**  
Managing Director and Chief Executive Officer  
DIN: 05150366

## Certificate of Compliance with the Corporate Governance

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To

**The Members of Schneider Electric Infrastructure Limited**

Milestone 87, Vadodara, Halol Highway  
Post Kotambi, Post office Jarod  
Vadodara - 391510, Gujarat, India

We have examined the compliance of conditions of corporate governance by Schneider Electric Infrastructure Limited (the Company), for the year ended on March 31, 2016, as stipulated in regulation 17 to regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) of the Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Nesar & Associates**

Company Secretaries

**Nesar Ahmad**

Proprietor  
FCS: 3360; C.P No.: 1966

Place: New Delhi

Date: 8th June, 2016

## 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:** L31900GJ2011PLC064420
- ii. **Registration Date:** 12.03.2011
- iii. **Name of the Company:** Schneider Electric Infrastructure Limited
- iv. **Category / Sub-Category of the Company:** Public Listed Company
- v. **Address of the Registered Office and Contact details:** Milestone 87, Vadodara, Halol Highway, Village Kotambi, Post office Jarod, Vadodara, Gujarat 391510, Tel. 02668-664300/664466, Fax: 02668 - 664621
- vi. **Whether listed company:** Yes
- vii. **Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:** C.B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata-700019, Tel. +91 33-40116700/2280, Email: rta@cdmsl.com, Contact Person: Mr. Amit Bannerjee.

## II. Principal business activities of the company

The Company is engaged in the business relating to product and systems for electricity distribution.

S.No	Product Particulars	Amount (In Millions)	Total Revenue (In Millions)	%
1.	Switchgear, Ring Main Units, etc.	6776.77	13,817.50	49.04%
2.	Transformers	2977.45	13,817.50	21.55%
3.	Automation and Others	4063.28	13,817.50	29.41%

## III. Particulars of holding, subsidiary and associate companies

S.No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Energy Grid Automation Transformers And Switchgears India Private Limited	U65921HR2010PTC041756	Holding Company	70.57	2(46)

## IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

## (i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoter</b>									
<b>1 Indian</b>									
(a) Individuals/ HUF									
(b) Central Government									
(c) State Government(s)									
(d) Bodies Corporate	168735367	0	168735367	70.57	168735367	0	168735367	70.57	0.00
(e) Bank/Financial Institutions									
(f) Any Other (specify)									
<b>Sub Total(A)(1)</b>	<b>168735367</b>	<b>0</b>	<b>168735367</b>	<b>70.57</b>	<b>168735367</b>	<b>0</b>	<b>168735367</b>	<b>70.57</b>	<b>0.00</b>

Category of Shareholder	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2 Foreign</b>									
(a) NRIs-Individuals									
(b) Other-Individuals									
(c) Bodies Corporate	10592659	0	10592659	4.43	10592659	0	10592659	4.43	0.00
(d) Bank/Financial Institutions									
(e) Any Other (specify)									
<b>Sub Total(A)(2)</b>	<b>10592659</b>	<b>0</b>	<b>10592659</b>	<b>4.43</b>	<b>10592659</b>	<b>0</b>	<b>10592659</b>	<b>4.43</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>179328026</b>	<b>0</b>	<b>179328026</b>	<b>75.00</b>	<b>179328026</b>	<b>0</b>	<b>179328026</b>	<b>75.00</b>	<b>0.00</b>
<b>(B) Public shareholding</b>									
<b>1 Institutions</b>									
(a) Mutual Funds	14808392	3500	14811892	6.19	9833235	3500	9836735	4.11	-2.08
(b) Bank/Financial Institutions	43864	8015	51879	0.02	56357	8015	64372	0.03	0.01
(c) Central Govt									
(d) State Govt(s)	0	605	605	0.00	0	605	605	0.00	0.00
(e) Venture Capital Funds									
(f) Insurance Companies	8280941	0	8280941	3.46	8240709	0	8240709	3.45	-0.02
(g) Foreign Institutional Investors (FII)/ Foreign Portfolio Investors	326706	4450	331156	0.14	674483	4450	678933	0.28	0.15
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
(i-i) UTI	6000	0	6000	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>	<b>23465903</b>	<b>16570</b>	<b>23482473</b>	<b>9.82</b>	<b>18804784</b>	<b>16570</b>	<b>18821354</b>	<b>7.87</b>	<b>-1.95</b>
<b>2 Non-institutions</b>									
(a) Bodies Corporate									
i) Indian	11252293	80125	11332418	4.74	13520540	79125	13599665	5.69	0.95
ii) Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital up to Rs 1 lakh	15166449	4056798	19223247	8.04	18549859	3926868	22476727	9.40	1.36
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	3286440	0	3286440	1.37	3734030	0	3734030	1.56	0.19
(c) Others (specify)									
(c-i) NRI	494085	88820	582905	0.24	629714	88820	718534	0.30	0.06
(c-ii) Foreign National	4250	405	4655	0.00	4250	405	4655	0.00	0.00
(c-iii) Trust	5545	0	5545	0.00	7845	0	7845	0.00	0.00
(c-iv) Clearing Member	1858326	0	1858326	0.78	413199	0	413199	0.17	-0.60
<b>Sub-Total (B)(2)</b>	<b>32067388</b>	<b>4226148</b>	<b>36293536</b>	<b>15.18</b>	<b>36859437</b>	<b>4095218</b>	<b>40954655</b>	<b>17.13</b>	<b>1.95</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>55533291</b>	<b>4242718</b>	<b>59776009</b>	<b>25.00</b>	<b>55664221</b>	<b>4111788</b>	<b>59776009</b>	<b>25.00</b>	<b>0.00</b>
<b>TOTAL (A)+(B)</b>	<b>234861317</b>	<b>4242718</b>	<b>239104035</b>	<b>100.00</b>	<b>234992247</b>	<b>4111788</b>	<b>239104035</b>	<b>100.00</b>	<b>0.00</b>
<b>(C) Shares held by Custodians for GDRs &amp; ADRs</b>									
<b>Sub-Total (C)</b>									
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>234861317</b>	<b>4242718</b>	<b>239104035</b>	<b>100.00</b>	<b>234992247</b>	<b>4111788</b>	<b>239104035</b>	<b>100.00</b>	<b>0.00</b>

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			
		No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	%change in shareholding during the year
1	Energy Grid Automation Transformers and Switchgears India Private Limited	168735367	70.57	0.00	168735367	70.57	0.00	0.00
2	Schneider Electric Singapore PTE Ltd.	10592659	4.43	0.00	10592659	4.43	0.00	0.00
	<b>Total</b>	<b>179328026</b>	<b>75.00</b>	<b>0.00</b>	<b>179328026</b>	<b>75.00</b>	<b>0.00</b>	<b>0.00</b>

(iii) Change in Promoter's Shareholding (please specify if there is no change)

S. No.	Folio No.	Name	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2015)		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1	IN30014210717156	Energy Grid Automation Transformers and Switchgears India Private Limited	At the beginning of the year	01-04-2015	168735367	70.57	168735367	70.57
			At the end of the year	31-03-2016			168735367	70.57
2	IN30263810065687	Schneider Electric Singapore PTE Ltd.	At the beginning of the year	01-04-2015	10592659	4.43	10592659	4.43
			At the end of the year	31-03-2016			10592659	4.43

Note : There is no change in Promoters' shareholding

(iv) Shareholding Pattern of Top Ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRS)

S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2015)		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1	IN30016710015686	Reliance Capital Trustee Co. Ltd. - A/c Reliance Tax Saver (ELSS) Fund	At the beginning of the year	01-04-2015	6372000	2.66	6372000	2.66
			Decrease	17-04-2015	12388	0.01	6359612	2.66
			Increase	01-05-2015	68885	0.03	6428497	2.69
			Increase	08-05-2015	51503	0.02	6480000	2.71
			Increase	05-06-2015	33840	0.01	6513840	2.72
			Increase	12-06-2015	61112	0.03	6574952	2.75
			Increase	19-06-2015	30000	0.01	6604952	2.76
			Increase	26-06-2015	27000	0.01	6631952	2.77
			Decrease	10-07-2015	51145	0.02	6580807	2.75
			Decrease	17-07-2015	140227	0.06	6440580	2.69
			Decrease	24-07-2015	127843	0.05	6312737	2.64
			Decrease	31-07-2015	169741	0.07	6142996	2.57



S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year ( 01.04.2015 )		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
			Decrease	04-08-2015	31613	0.01	6111383	2.56
			Decrease	07-08-2015	476703	0.20	5634680	2.36
			Decrease	14-08-2015	184576	0.08	5450104	2.28
			Decrease	21-08-2015	152433	0.06	5297671	2.22
			Increase	28-08-2015	54867	0.02	5352538	2.24
			Decrease	04-09-2015	62802	0.03	5289736	2.21
			Decrease	11-09-2015	8049	0.00	5281687	2.21
			Decrease	18-09-2015	19589	0.01	5262098	2.20
			Decrease	25-09-2015	122252	0.05	5139846	2.15
			Decrease	30-09-2015	10667	0.00	5129179	2.15
			Decrease	02-10-2015	72766	0.03	5056413	2.11
			Decrease	09-10-2015	242897	0.10	4813516	2.01
			Decrease	16-10-2015	274633	0.11	4538883	1.90
			Decrease	23-10-2015	275720	0.12	4263163	1.78
			Decrease	30-10-2015	45221	0.02	4217942	1.76
			Decrease	06-11-2015	47436	0.02	4170506	1.74
			Decrease	20-11-2015	61145	0.03	4109361	1.72
			Decrease	27-11-2015	49475	0.02	4059886	1.70
			Decrease	04-12-2015	123385	0.05	3936501	1.65
			Decrease	11-12-2015	18016	0.01	3918485	1.64
			Decrease	25-12-2015	36250	0.02	3882235	1.62
			Decrease	31-12-2015	33861	0.01	3848374	1.61
			Decrease	08-01-2016	209329	0.09	3639045	1.52
			Decrease	15-01-2016	39045	0.02	3600000	1.51
			Increase	04-03-2016	43185	0.02	3643185	1.52
			Increase	11-03-2016	46815	0.02	3690000	1.54
			At the end of the year	31-03-2016			3690000	1.54
2	IN30016710014415	Reliance Capital Trustee Co. Ltd A/c Reliance equity Opportunities Fund	At the beginning of the year	01-04-2015	4921604	2.06	4921604	2.06
			At the end of the year	31-03-2016			4921604	2.06
3	IN30081210001728	The New India Assurance Company Limited	At the beginning of the year	01-04-2015	3891760	1.63	3891760	1.63
			At the end of the year	31-03-2016			3891760	1.63
4	IN30005410059668	Vidya Investment and Trading Co Pvt Ltd	At the beginning of the year	01-04-2015	2990300	1.25	2990300	1.25
			Decrease	24-04-2015	2990300	1.25	0	0.00
			At the end of the year	31-03-2016			0	0.00
5	IN30081210000029	General Insurance Corporation of India	At the beginning of the year	01-04-2015	2301000	0.96	2301000	0.96
			Decrease	30-10-2015	6072	0.00	2294928	0.96
			Decrease	06-11-2015	28549	0.01	2266379	0.95
			Decrease	04-12-2015	50573	0.02	2215806	0.93

S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year ( 01.04.2015 )		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
			At the end of the year	31-03-2016			2215806	0.93
6	IN30005410059684	Napean Trading and Investment Co Pvt Ltd	At the beginning of the year	01-04-2015	2194283	0.92	2194283	0.92
			Decrease	24-04-2015	2194283	0.92	0	0.00
			At the end of the year	31-03-2016			0	0.00
7	IN30005410043954	Napean Trading and Investment Co Pvt Ltd	At the beginning of the year	01-04-2015	2111871	0.88	2111871	0.88
			Decrease	07-08-2015	2111871	0.88	0	0.00
			At the end of the year	31-03-2016			0	0.00
8	IN30005410059676	Regal Investment and Trading Co Pvt Ltd	At the beginning of the year	01-04-2015	1913767	0.80	1913767	0.8
			Decrease	24-04-2015	1913767	0.80	0	0.00
			At the end of the year	31-03-2016			0	0.00
9	IN30047640314385	Akash Bhanshali	At the beginning of the year	01-04-2015	1887268	0.79	1887268	0.79
			At the end of the year	31-03-2016			1887268	0.79
10	IN30016710034152	Franklin Templeton Mutual Fund A/c Franklin India High Growth Companies Fund	At the beginning of the year	01-04-2015	1450000	0.61	1450000	0.61
			Decrease	10-04-2015	32003	0.01	1417997	0.59
			Decrease	17-04-2015	33436	0.01	1384561	0.58
			Decrease	24-04-2015	7307	0.00	1377254	0.58
			Decrease	22-05-2015	4828	0.00	1372426	0.57
			Decrease	29-05-2015	16186	0.01	1356240	0.57
			Decrease	05-06-2015	156240	0.07	1200000	0.5
			Decrease	12-06-2015	109837	0.05	1090163	0.46
			Decrease	19-06-2015	148250	0.06	941913	0.39
			Decrease	26-06-2015	919913	0.38	22000	0.01
			Decrease	26-06-2015	22000	0.01	0	0.00
			At the end of the year	31-03-2016			0	0.00
11	IN30005410063505	Hasham Investment and Trading Company Private Limited	At the beginning of the year	01-04-2015	0	0.00	0	0.00
			Increase	01-05-2015	7098350	2.97	7098350	2.97
			Increase	14-08-2015	2111871	0.88	9210221	3.85
			At the end of the year	31-03-2016			9210221	3.85
12	IN30154930468282	Aadi Financial Advisors LLP	At the beginning of the year	01-04-2015	1000000	0.42	1000000	0.42
			At the end of the year	31-03-2016			1000000	0.42

S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year ( 01.04.2015 )		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
					No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
13	IN30014210553832	Max Life Insurance Company Limited A/c - ULIF00125/06/04 LIFEGROWTH104 - Growth Fund	At the beginning of the year	01-04-2015	749529	0.31	749529	0.31
			Increase	30-06-2015	150000	0.06	899529	0.38
			Decrease	25-03-2016	3818	0.00	895711	0.37
			Decrease	31-03-2016	1220	0.00	894491	0.37
			At the end of the year	31-03-2016			894491	0.37
14	IN30081210000560	The Oriental Insurance Company Limited	At the beginning of the year	01-04-2015	826950	0.35	826950	0.35
			At the end of the year	31-03-2016			826950	0.35
15	IN30081210000502	National Insurance Company Ltd	At the beginning of the year	01-04-2015	511702	0.21	511702	0.21
			Decrease	15-05-2015	47661	0.02	464041	0.19
			Decrease	22-05-2015	2339	0.00	461702	0.19
			Decrease	26-06-2015	50000	0.02	411702	0.17
			At the end of the year	31-03-2016			411702	0.17

(v) Shareholding Pattern of Directors and Key Managerial Personnel

S. No.	Name - For each of the Directors and KMP	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year ( 01.04.2015 )		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Vinod Kumar Dhall	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
2	Mr. Prakash Kumar Chandraker	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
3	Mr. Anil Chaudhry	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
4	Mr. Ranjan Pant	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
5	Mr. Vishar Subramanian Vasudevan	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
6	Mr. Manish Arun Jaiswal	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00

S. No.	Name - For each of the Directors and KMP	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year ( 01.04.2015 )		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
				No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
7	Mr. Sugata Sircar	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
8	Ms. Sonali Kaushik	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
9	Mr. Vivek Sarwate	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
10.	Mr. Anurag Mantri	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of the year	31-03-2016			0	0.00
11.	Mr. Anil Rustgi	At the beginning of the year	01-04-2015	0	0.00	0	0.00
		At the end of	31-03-2016			0	0.00

(vi) Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment				(Rupees)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	3,332,698,000	15,543,615	3,348,241,615
ii) Interest due but not paid	Nil	174,201,956	Nil	174,201,956
iii) Interest accrued but not due	Nil			
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>3,506,899,956</b>	<b>15,543,615</b>	<b>3,522,443,571</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	904,360,000	56,30,673	909,990,673
• Reduction	Nil	2,647,343,188	Nil	2,647,343,188
<b>Net Change</b>		<b>1,742,983,188</b>	<b>56,30,673</b>	<b>1,737,352,515</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	1,752,893,478	21,174,288	1,774,067,766
ii) Interest due but not paid	Nil	11,023,290	Nil	11,023,290
iii) Interest accrued but not due	Nil			
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>1,763,916,768</b>	<b>21,174,288</b>	<b>1,785,091,056</b>

(vii) Remuneration of Directors and Key Managerial Personnel

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rupees)

S. No.	Particulars of Remuneration	Name of MD/Whole Time Director/Manager		Total Amount
		MD Prakash Kumar Chandraker	WTD Vivek Sarwate	
1.	Gross salary	5,711,112	424,425	6,135,537
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	61,96,111	433,609	6,629,720
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	90,000	Nil	90,000
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- Others Specify	Nil	Nil	Nil
	- others, specify..	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	11,997,223	8,58,034	12,855,257
	Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is within the limits.		

**B. Remuneration to other directors:**

(Rupees)

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		(Amount in INR)			
1.	A. Independent Directors	Vinod Kumar Dhall	V.S. Vasudevan	Ranjan Pant	
	Fee for attending board committee meetings	9,80,000	6,80,000	8,80,000	25,40,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>9,80,000</b>	<b>6,80,000</b>	<b>8,80,000</b>	<b>25,40,000</b>
2.	B. Other Non-Executive Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission				
	Others, please specify				
	Total (B)	Nil	Nil	Nil	Nil
3.	<b>Total (C)=(A+B)</b>				<b>25,40,000</b>
4.	<b>Total Managerial Remuneration</b>				<b>15,395,257</b>
5.	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is within the limits			

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD** (Rupees)

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount	
		CEO	CFO		Company Secretary
		Anurag Mantri			Anil Rustgi
		(Amount in INR)			
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,807,976	1,995,968	78,03,944	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,040,516	1,261,311	8,301,827	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	Nil	Nil	Nil	
3.	Sweat Equity	Nil	Nil	Nil	
4.	Commission				
	- as % of profit	Nil	Nil	Nil	
	- others, specify...	Nil	Nil	Nil	
5.	Others, please specify	Nil	Nil	Nil	
	Total	12,848,492	3,257,279	16,105,771	

**(viii) 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)
<b>A. Company</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. Directors</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. Other Officers In Default</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil



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

### A. Conservation of Energy

i. The Steps taken or impact on conservation of energy	<ul style="list-style-type: none"> <li>All ETO plants are ISO 50001 (Energy Management System ) certified by Bureau Veritas.</li> <li>All plants are having online monitoring of Energy consumption by REM software.</li> <li>Regular Energy audit being held by Schneider Energy Team.</li> <li>Special drive being taken for more awareness among user to stop waste of energy consumption .</li> <li>Major source of Energy is Electrical energy , diesel &amp; LPG Gas.</li> <li>Regular monitoring &amp; Energy Review being held in all plants by plant head.</li> <li>Each plant is having one Energy manager who is constantly monitoring Energy efficiency , Energy consumption &amp; progress of improvement projects.</li> <li>Every month, Energy managers are loading data for energy consumption &amp; equivalent production data in ENPI tool from where reduction of energy consumption is calculated.</li> </ul>
ii the steps taken by the Company for utilizing alternate sources of energ	<ul style="list-style-type: none"> <li>Use of sky tube during day light. Here direct sunlight entering to sop/ office &amp; illuminate the place. Around 45 skytube fitted covering Kolkata &amp; MVI plants.</li> <li>Use of motion / occupancy sensors in rooms &amp; toilets so that during unused period, lights are automatically switched off.</li> <li>Use of VFD (variable frequency drive ) in Air conditioning plant.</li> <li>Improving power factor level to 1 to be able to use effectively the supplied power without any loss . APFC panel installed.</li> <li>Periodical checking of pneumatic &amp; other electrical line/ wiring to prevent loss of energy</li> <li>Creating habit to employee to put off light, fans etc when they are not using it.</li> <li>Visual posters all around the workplace to create awareness among people about Energy Conservation.</li> <li>Periodical energy audit by experts to find out deficiencies &amp; taking corrective actions on that.</li> <li>Setting central air conditioner at a cutoff temp (24 deg cent)so that nobody can go below that one.</li> <li>Proper utilization of high power consuming plant/ machinery by proper utilization plan</li> </ul>
iii. the capital investment on energy conservation equipments	Nil

## B. Technology Absorption

i. The effort made towards technology absorption	<ul style="list-style-type: none"> <li>• Easypact MV -- new vacuum circuit breaker designed in France will be manufactured in Vadodara plant from Q1 2017.</li> <li>• New Locomotive breaker technology for Indian Railways is under final stage of discussion with Alstom.</li> <li>• Level C for pole mounted switchgear started in Vadodara plant.</li> </ul>
ii The benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> <li>• New outdoor 36kV solution with Flusarc and metering solution is developed for utility market.</li> <li>• Vacuum interrupter V807 for locomotive is replaced by VG series VI to improve quality and cost benefit.</li> <li>• Cost reduction programme for all products is driven to get upto 4% material productivity.</li> </ul>
iii In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	<ul style="list-style-type: none"> <li>• No technology was imported for MV in 2016.</li> </ul>
a) The details of technology imported	
b) The year of Import	
c) Whether the technology has been fully absorbed	
d) if not fully absorbed, area where absorption has not taken place and the reasons thereof	
iv The expenditure incurred on Research and Development	<ul style="list-style-type: none"> <li>• Rs. 6,59,50,508</li> </ul>

## C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings	Rs. 1049.35 Millions
Foreign Outgo	Rs. 404.50 Millions

## Schedule of Imported Technology

Sl. No.	Technology	Year	Status regarding Absorption
1	ADMS (Advanced Distribution Management System)	2012	Successful Customer Inspection finished for Bihar/ Kerala & Puri project
2	Communicable FPI (Fault Passage Indicator)	2013	Thousands of FPI Successfully Supplied and Integrated in various states of India.
3	Saitel HU_BI	2014	Successful Localization & Manufacturing of HU_BI in India.
4	Self Healing Grid Solution	2014	Schneider is sponsoring the first pilot with Tata Power Mumbai Would be implemented this year
5	EcoSUI – New HMI for PACiS Substation Automation	2014	New Human Machine Interface for Substation Automation Systems
6	Web HMI for Substation Automation	2015	Executed one Pilot project
7	Cyber Security for Substation Automation	2015	Few pilots are under discussion with Utility
8	Titanium AML	2015	Developing offer preparation for Smart Metering with Smart Infra Spain
9	Renewable Forecasting & Integration	2015	Developing offer preparation for Win Generation Forecasting, Lighting Alarm & Renewable Integration with Smart Infra Spain
10	Traction Automation	2015	Developing OASys SCADA based offer preparation for Traction & Signaling Solution with Smart Infra Spain
11	Telecom Consultancy Solution	2015	Developing offer preparation for Telecom Consultancy Solution with Smart Infra Spain
12	eDNA & PRISM, Historian & Asset Performance Management Solution	2016	New generation Data Analytics and Historian Solution
13	ArcFM GIS for Utility Asset Mapping	2016	World's best Utility Geographical Information and Asset Mapping Solution
14	T300 & Easergy P5 new range of Automation devices	2016	State-of-the-art New Generation Feeder Automation and Protection devices

# > Management Discussion and Analysis Report (2015-16)

## Economic Overview

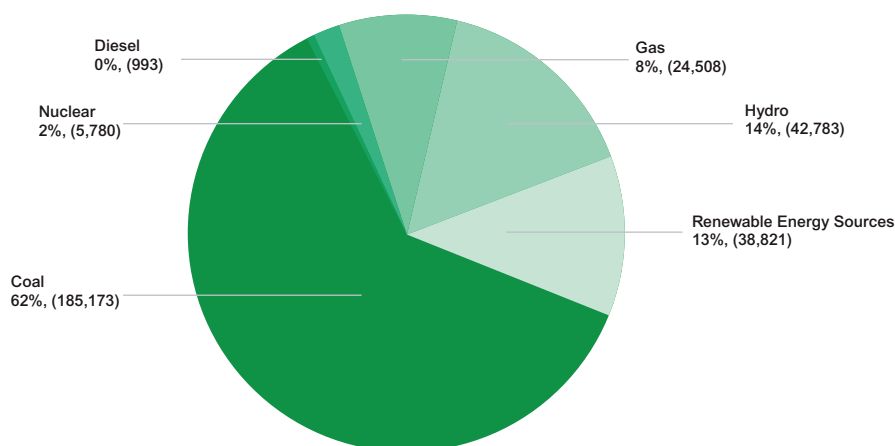
The Indian economy has emerged as a bright spot in the world economy, becoming one of the fastest growing large economies in the world. The 7.6 percent growth in the GDP at constant market prices in 2015-16 is estimated to be achieved despite subdued global demand that dampened India's exports significantly, and two consecutive below-normal monsoons that impacted farm output and productivity. This year witnessed the

continuation of the reform momentum built in 2014-15, aiming at aiding growth and macroeconomic stability. The new initiatives like Public Sector Banks' Revamp Plan, UDAY (Ujwal DISCOM Assurance Yojana) for ensuring financial turnaround of the ailing power distribution companies and Start-up India for tapping budding entrepreneurial potential, add to the ongoing reform measures.

## Power Sector Overview

As of the closure of the last financial year, the country stands at close to 298 GW of installed generation capacity

(excluding captive plants contribution). The contribution from the captive generation sector stands at about 40 GW.



For the month of January for the last financial year 2014-15, India saw an Energy deficit of -1.7% and a peak demand deficit of -1.3%. There was improvement seen on

both the parameters when compared to the same period of the previous year.

Power Supply Position (Energy & Peak) in February 2016

Region	Energy (MU)				Deficit (%)	
	Requirement		Availability			
	Feb '15	Feb '16	Feb '15	Feb '16	Jan '14	Jan '15
Northern	23549	25115	22371	23926	-5.0	-4.7
Western	23457	28603	23269	28579	-0.8	-0.1
Southern	23035	24443	22567	24232	-2.0	-0.9
Eastern	8417	9515	8310	9493	-1.3	-0.2
North Eastern	1044	1111	982	1087	-5.9	-2.2
All India	79502	88787	77499	87317	-2.5	-1.7

### Sources:

<http://indiabudget.nic.in/ub2016-17/frbm/frbm1.pdf>

<http://www.ibef.org/industry/power-sector-india.aspx>

[http://www.cea.nic.in/reports/monthly/installedcapacity/2016/installed\\_capacity-03.pdf](http://www.cea.nic.in/reports/monthly/installedcapacity/2016/installed_capacity-03.pdf)

## Peak Demand / Peak Met in February 2016

Region	Power (MW)				Deficit (%)	
	Peak Demand		Peak Met			
	Feb '15	Feb '16	Feb '15	Feb '16	Jan '14	Jan '15
Northern	40474	41547	38586	39842	-4.7	-4.1
Western	42966	45110	42750	45070	-0.5	-0.1
Southern	37602	37053	35818	37053	-4.7	-0.0
Eastern	16020	17456	15892	17456	-0.8	-0.0
North Eastern	2318	2401	135201	2328	-7.0	-3.0
All India	139380	142146	77499	140346	-3.0	-1.3

## Introduction

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

## Market Size

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power For All' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). The Planning Commission's 12<sup>th</sup> Five-Year Plan estimates total domestic energy production to reach 669.6 million tonnes of oil equivalent (MTOE) by 2016–17 and 844 MTOE by 2021–22. By 2030–35, energy demand in India is projected to be the highest among all countries according to the 2014 energy outlook report by British oil giant, BP.

India's rooftop solar capacity addition grew 66 per cent from last year to reach 525 Mega Watts (MW), and has the potential to grow up to 6.5 giga watts (GW)<sup>1</sup>. India's wind power capacity, installed in FY2016, is estimated to increase 20 per cent over last year to 2,800 Mega Watt (MW)<sup>2</sup>, led by favourable policy support that has encouraged both independent power producers (IPP) and non-IPPs. India's wind energy market is expected to attract investments totalling Rs 1,00,000 crore (US\$ 15.7 billion) by 2020, and wind power capacity is estimated to almost double by 2020 from over 23,000 MW in June 2015, with an addition of about 4,000 MW per annum in the next five years.

## Source:

[http://www.cea.nic.in/reports/monthly/executivesummary/2016/exe\\_summary-02.pdf](http://www.cea.nic.in/reports/monthly/executivesummary/2016/exe_summary-02.pdf)

## Investment Scenario

Around 293 global and domestic companies have committed to generate 266 GW of solar, wind, mini-hydel and biomass-based power in India over the next 5–10 years. The initiative would entail an investment of about US\$ 310–350 billion. Between April 2000 and September 2015, the industry attracted US\$ 9.97 billion in Foreign Direct Investment (FDI).

## Government Initiatives

The Government of India has identified power sector as a key sector of focus so as to promote sustained industrial growth. Some initiatives by the Government of India to boost the Indian power sector:

- The Union Cabinet has approved the Ujwal DISCOM Assurance Yojna (UDAY) for financial turnaround and revival of power distribution companies (DISCOMs), which will ensure accessible, affordable and available power for all.
- The Government of India has resolved the issues regarding transfer of mining leases and grant of forest clearances to the winning bidders of coal blocks. It expects operations to start in about 10 more mines by March 2016, easing coal availability to the projects attached to these mines.
- The Ministry of Power has planned to provide electricity to 18,500 villages in three years under the Deendayal Upadhyaya Gram Jyoti Yojana (DUGJY). Out of these, 3,500 villages would receive electricity through off-grid or renewable energy solutions.
- The Ministry of Power has flagged off IPDS (Integrated Power Development Scheme) with a total investment of 32000 crores of INR for strengthening and improving efficiency of power distribution networks in Urban areas.
- The Ministry of New & Renewable Energy is implementing two national level programmes, namely Grid Connected Rooftop & Small Solar Power Plants Programme and Off-Grid & Decentralised Solar Applications, in order to promote installation of solar rooftop systems, as per Mr Piyush Goyal, Minister of State (Independent Charge) for Power, Coal & New and Renewable Energy.

- The Government of Odisha plans to set up a large 1,000-MW solar power park under public-private partnership (PPP) mode, involving an investment of about Rs 6,500 crore (US\$ 1 billion).
- The Government of Telangana plans to set up an incubator centre, in collaboration with University of Austin, Texas, for start-ups in the renewable energy sector, to support new companies entering the renewable energy market.
- A Joint Indo-US PACE Setter Fund has been established, with a contribution of US\$ 4 million from each side to enhance clean energy cooperation.
- The Government of India announced a massive renewable power production target of 175,000 MW by 2022; this comprises generation of 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass, and 5,000 MW from small hydro power projects.
- The Union Cabinet of India approved 15,000 MW of grid-connected solar power projects of National Thermal Power Corp Ltd (NTPC).
- The Indian Railways signed a bilateral power procurement agreement with the Damodar Valley Corporation (DVC). The agreement was signed between North Central Railway and DVC. This is the first time the Railways will directly buy power from a supplier.

- US Federal Agencies committed a total of US\$ 4 billion for projects and equipment sourcing, which is one of the biggest deals for the growing renewable energy sector in India.

### The Road Ahead

The Indian power sector has an investment potential of Rs15 trillion (US\$ 237 billion) in the next 4-5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment, according to Union Minister Mr Piyush Goyal.

The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agriculture use.

The Government of India is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve India's ambitious renewable energy targets of adding 175 GigaWatts (GW) of renewable energy, including addition of 100 GW of solar power, by the year 2022. The cumulative installed capacity of solar power in India has crossed the 4 Gigawatt mark as of June 30, 2015. The government has also sought to restart the stalled hydro power projects and increase the wind energy production target to 60 GW by 2022 from the current 20 GW.

## Oil & Gas

Growing economy and population growth are the main drivers for Oil & Gas demand. Improvement in road infrastructure further drives the demand.

### Growth Opportunities

Preparing to meet the growth objectives based on the current plan 2012-17, the investments in new refineries/ expansion in taking place. Plan for grand public sector refinery in western India is on drawing board. In the meantime, public sector refineries continue to invest in expanding/ augmenting the existing installation, including upgrading petrol and diesel quality to meet Euro VI/ Bharat Stage (BS) norms.

On the upstream side, ONGC is in the process of selecting detailed engineering partner for the K.G.Basin.

The investment in LNG receiving terminal and associated pipelines continues.

Some activity can be seen on the fertilizer projects as well.

The year gone saw the global collapse in crude prices, which impacted Indian upstream operators. The planned investment did not materialise. On the flip side, the downstream industry is buoyed by low crude price and is planning investments.

## MMM

India's crude steel capacity reached 109.85 Million Tonnes (MT) - a growth of 7.4 percent. Production of crude steel grew by 8.9 percent to 88.98 MT. The country is slated to become the second-largest steel producer by 2017/18, as large public and private sector players are strengthening the steel production capacity in view of the rising demand.

### Growth Opportunities

India's per capita consumption of steel is ~59 kg, which is close to one fourth of the international average, indicating

strong growth opportunity however linked to the Government policies and growth in infrastructure construction, automobile and railways sectors

Domestic players' investment on major expansions is on hold or moving at a very slow pace due to steel price and mining & coal issues.





# HIGHLIGHTS of 2015-16

Partnerships, Major Contracts, Commissioning and Awards

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## > Partnerships, Major Contracts, Commissioning and Awards

### Major landmarks during the year 2015-16

Your Company continued its strong presence and broke new grounds in the important business segments of MMM, Oil & Gas, Transport and Utilities. Significant orders from these segments, either direct from end users, or from EPCs were booked as below:

#### Power Utility:

Significant orders acquired from utility

- PUVNL RAPDRP - 11kV Equipment from Tata Projects
- J&K PDD RAPDRP - 11kV MV Equipment from EMC
- MPPGCL 2x 660 MW Khandawa TPP - MV Equipment from L&T Power
- NTPC Korba - MV Breaker and Relay Retrofitting
- SCADA compatible RMU from JVVNL Jaipur, Chattisgarh Utility
- Repeat order for Containerised 33kV / 11kV substation for OPTCL - Odisha with optimum offering of Schneider, including PremSet
- 11kV MV Equipment - for AP Transco from Amar Raja
- Sectionalisers for Various utilities associated with RAPDRP Part B implementation.

#### MMM (Mining, Minerals and Metals):

Significant orders acquired from this segment include the ones from Jindal Steel & Power Limited (JSPL), Tata Steel.

- Orders from JSPL, Angul for its 6 MTPA expansion include:
  - Electrical Power distribution package for Coke Oven
  - Power Transformers
  - MV equipment

- Order for MV equipment from Mecon for SAIL Bokaro
- Order for RMU & Transformer from SAIL Rourkela.
- Transformer & MV Equipment order from Linde for JSW Steel Dolvi
- MV Equipment order from Tata Steel & Tata mines

#### Oil & Gas

Execution completed for MV Equipment and Power Transformers against major contracts for Reliance J3 Expansion Project.

Order received for Bongaigaon Refinery & Petrochemicals for MV equipment and Relay Retrofitting for IOCL Panipat.

#### Transport

Orders and successful execution of Major contracts from leading EPC L&T, Ircon, Isolux and Siemens for 25kV GIS, 33kV GIS, 33kV AIS, CRP & Automation, SCADA for DMRC Phase - III and 25 kV GIS from L&T for Lucknow Metro.

#### Renewable

Major order for state-of-the-art design Five Winding Transformer, for 648MW Solar Project in Tamil Nadu, from Adani Infra.

Orders were received also from Mahindra Solar, Azure Power, L&T and Sterling Wilson for Inverter Transformers for various Solar Projects.



# Financial Statements Schneider Electric Infrastructure Limited

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# > Independent Auditor's Report

## To The Members of SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 the design, implementation and maintenance of adequate internal financial control 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 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 the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 accounting policies used and the 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 audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2016, its loss, 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 sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit;
  - (b) In our opinion proper books of account as required bylaw have been kept by the Company so far as it appears from our examination of those books;



- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 6 to the financial statements;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Place: Noida  
Date: 25th May, 2016

per **Manoj Kumar Gupta**  
Partner  
Membership Number: 83906

## > Annexure

**Annexure referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date**

**Re: Schneider Electric Infrastructure Limited (“the Company”)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of power transformers, switchgears and other related products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Wrong availment of CENVAT on Inter Unit transfer	361.59	-	2007-08	CESTAT - CHENNAI
Central Excise Act, 1944	Demand of duty for Exemption under notification 108/95	10.29	-	2001-02	Tribunal Delhi
Central Excise Act, 1944	Under valuation of VIT tubes CAS 4 not considered by department for earlier period	5.21	2.00	1994-95	CESTAT - CHENNAI
Central Excise Act, 1944	Non inclusion of 15% Profit Margin in Transfer Pricing	5.13	-	1993-94 & 1994-95	Kolkata High Court

Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Rejection of refund claim towards CENVAT reversals as insisted during Excise audit	4.44*	-	2012-13	CESTAT - CHENNAI
Central Excise Act, 1944	Wrongly availment and distribution of ISD Credit	15.07	-	2011-13	CESTAT - AHMEDABAD
Central Excise Act, 1944	Refund of excise duty denied for cases where proof of Export submitted after payment of Excise Duty after 180 days of export	3.07	-	2012-13	Tribunal Gujarat
Central Excise Act, 1944	Captively consumed goods cleared by availing exemption under notification 6/2006	2.26*	-	2008-09 & 2010-11	CESTAT - CHENNAI
Central Excise Act, 1944	Disallowance of CENVAT Credit, duty on captive consumption and clearance of goods under Notification 6 of 2006	1.11*	-	2009-10	CESTAT - CHENNAI
Central Excise Act, 1944	Short payment of Duty	1.35	-	2007-08	Commissioner (Appeals) LTU
Central Excise Act, 1944	Demand of duty for Exemption u/n 108/95	0.47*	-	2003-04	Commissioner (Adj.) New Delhi
Central Excise Act, 1944	CENVAT Credit availed on SAP maintenance charges	0.21*	-	2008-09	HIGH COURT - CHENNAI
Central Excise Act, 1944	Levy of penalty	0.02	-	2011-12	CESTAT - CHENNAI
Central Excise Act, 1944	Seizure of spares while being transported to Railway Station alleging transportation without Invoice.	0.01	-	1996-97	Commissioner (Appeals) Allahabad
Central Excise Act, 1944	Service Tax on testing and technical Analysis Service	0.45	-	-	Commissioner Appeal
Central Excise Act, 1944	Wrongly availment and utilized Cenvat Credit. Address on Invoices	0.54	0.08	2013-14	Commissioner Appeal
Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	151.40*	24.93	2010-11 & 2011-12	Deputy Commissioner Appeal
Central Sales Tax Act, 1956	Non submission of declaration forms, Input tax claim disallowed	168.38	-	2007-08	Senior Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of Form C/I/E-1 and export documents	59.26*	44.30	2009-10	Joint Commissioner - Corporate Circle
Central Sales Tax Act, 1956	Non collection of declaration forms	22.52*	37.97	2007-08	Joint Commissioner, Allahabad
Central Sales Tax Act, 1956	Non collection of declaration forms & CST treated as local VAT Sale	72.96*	14.59	2010-11	Joint Commissioner (Corporate Circle)
Central Sales Tax Act, 1956	Non submission of form C/I/E-1 and export documents	56.23*	48.56	2008-09	Joint commissioner (Allahabad)





Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non Submission of C Forms	44.87*	9.47	2009-10	Deputy Commissioner of Commercial Tax, Vadodara
Central Sales Tax Act, 1956	Non submission of Declaration forms	20.65*	20.65	2010-11 & 2011-12	High Court (Madras)
Central Sales Tax Act, 1956	Non collection of declaration forms	28.05*	21.19	2006-07	Deputy Commissioner, Allahabad
Central Sales Tax Act, 1956	Non collection of declaration forms	1.57*	0.76	1993-94, 1997-1998, 2003-04, 2004-05 & 2005-06	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non submission of Declaration forms	14.87*	14.87	2008-09 & 2009-10	Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non collection of declaration forms	17.21*	-	2005-06, 2006-07 & 2007-08	Deputy Commissioner, U.P. Sales Tax
Central Sales Tax Act, 1956	Input tax claim disallowed, non-submission of declaration forms	9.30*	-	2009-10	Joint Commissioner (Appeals)
Gujarat Value Added Tax, 2003	Non collection of declaration form	16.56*	3.35	2007-08 & 2008-09	Deputy Commissioner
Central Sales Tax Act, 1956	Non collection of declaration forms	6.36*	-	2002-03	High Court of Kolkata
Uttar Pradesh Trade Tax Act, 1948	Project sales tax assessment	5.50*	4.61	2005-06	Deputy Commissioner, U.P. Sales Tax
Central Sales Tax Act, 1956	Non collection of declaration forms	3.91*	-	2001-02, 2002-03 & 2011-12	Deputy Commissioner
Central Sales Tax Act, 1956	Disallowance of stock transfers made within the state, Denial of input tax credit, Difference in interpretation of rates and Non submission of documents to substantiate the purchases	3.58*	3.58	2008-09	Joint commissioner (Allahabad)
West Bengal Sales Tax Act, 1994	Non collection of declaration forms	3.20	-	1997-98	West Bengal Tribunal
Delhi Value Added Tax Act, 2004	VAT Audit objections and exparte assessment done	1.83	-	2007-08	VAT Audit Officer, Delhi
Central Sales Tax Act, 1956	Non submission of declaration forms, Input tax claim disallowed	1*	0.40	2006-07	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non collection of declaration form CST, Documents like PO, Endorsed ARE 1 (Vanijy Bhavan), E1 Forms	0.54*	-	2009-10	Deputy Commissioner, Comm Tax



Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
Uttar Pradesh Trade Tax Act, 1948	Levy of purchase Tax due to Unregistered purchases made	0.33*	-	2006-07	Deputy Commissioner, U.P. Sales Tax
Tamil Nadu General Sales Tax Act, 1959	Levy of penalty for wrong disclosure of turnover and Non furnishing of required documents for export & other claims	0.29*	-	1991-92	Sales Tax Appellate Tribunal, Chennai
Central Sales Tax Act, 1956	Non collection of declaration forms	0.26*	1.24	2008-09	Deputy Commissioner, Jaipur
Madhya Pradesh Value Added Tax Act, 2002	Non collection of declaration form CST treated as local VAT Sale	0.18*	0.06	2010-11	Deputy Commissioner Appeal
Rajasthan Value Added Tax Act, 2003	Input tax claim disallowed	0.08*	-	2008-09	Deputy Commissioner, Jaipur
Madhya Pradesh Value Added Tax Act, 2002	Entry Tax On High Sea Sales Imported Material	0.07*	0.02	2010-11	Deputy Commissioner Appeal
Central Sales Tax Act, 1956	Provisional Assessment	4.54	0.91	2014-15	Additional Commissioner Appeal
Gujarat Value Added Tax, 2003	Input tax claim disallowed, non-submission of declaration forms	146.50*	28.27	2011-12	Joint Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	39.39	5.11	2011-12, 2013-14	Additional Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	17.04	-	2013-14	Deputy Commissioner
Central Sales Tax Act, 1956	Non collection of declaration forms	16.87	2.53	2012-13	Joint Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	7.25	-	2012-13	High Court
Central Sales Tax Act, 1956	Non collection of declaration forms	7.67*	3.56	2008-09, 2011-12	Deputy Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	11.09*	-	2009-10	Joint Commissioner (Allahabad)
Central Sales Tax Act, 1956	Non collection of declaration forms	12.10*	2.42	2011-12	Joint Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	1.77*	-	2009-10	Deputy Commissioner Appeal



Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non collection of declaration forms	0.42*	0.14	2010-11	Deputy Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	6.82*	1.43	2010-11	Deputy Commissioner Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	2.80	-	1997-98	Deputy Commissioner, Comm Tax-Jharkhand
Central Sales Tax Act, 1956	Non collection of declaration forms	16.79	-	1993-94	Deputy Commissioner, Comm Tax-Gujarat
Finance Act, 1994	Non-payment of Service Tax on amount paid for the use of Trade Mark	35.84*	17.92	2010-11 & 2011-12	CESTAT – CHENNAI
Finance Act, 1994	Non-payment of service tax on provision created in books/ short payment of service tax on royalty and technical knowhow payments made under intellectual property right services.	10.12*	-	2010-11	CESTAT – CHENNAI
Finance Act, 1994	Irregular availment of CENVAT Credit of Service Tax	4.98*	-	2012-13	CESTAT – CHENNAI
Finance Act, 1994	Disallowance of CENVAT credit availed on certain input services	0.79*	-	2012-13	CESTAT – CHENNAI
Finance Act, 1994	Non-payment of service tax on provision created in books /short payment of service tax on royalty and technical knowhow payments made under intellectual property right services.	0.65*	-	2011-12	CESTAT - CHENNAI
Finance Act, 1994	Non-payment of Service Tax on Manpower supply services	0.62*	-	2012-13	CESTAT - CHENNAI
Finance Act, 1994	Rejection of refund claim of interest paid for CENVAT credit wrongly availed but not utilised	0.13*	-	2012-13	CESTAT – CHENNAI
Finance Act, 1994	Short payment of service tax on GTA	0.08*	-	2009-10	HIGH COURT-CHENNAI
The Custom Act, 1962	Refund of drawback for non-realisation of export proceeds	5.59	-	2012-13	Commissioner of Customs (Appeals)

*\* Represents Company's share of Rs.785.62 Million of dues pending in forums Jointly with ALSTOM T&D India Limited (Refer Note 31 of the accompanying financial statements)*

According to the information and explanations given to us, there are no dues of income tax, and cess which have not been deposited on account of dispute.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Battiboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Place: Noida  
Date: 25th May, 2016

per **Manoj Kumar Gupta**  
Partner  
Membership Number: 83906

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED ("the Company")**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED ("the Company") as of March 31, 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 issued by the Institute of Chartered Accountants of India. 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 the 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.

#### **Auditor's 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Battiboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Place: Noida  
Date: 25th May, 2016

per **Manoj Kumar Gupta**  
Partner  
Membership Number: 83906



## > Balance Sheet as at March 31, 2016

Schneider Electric Infrastructure Limited

(Rupees Millions)

	Notes	As at March 31, 2016	As at March 31, 2015
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	2,198.21	478.21
Reserves and surplus	4	190.23	372.18
		<b>2,388.44</b>	<b>850.39</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	915.00	1,900.00
Long-term provisions	6	209.44	196.50
		<b>1,124.44</b>	<b>2,096.50</b>
<b>Current liabilities</b>			
Short-term borrowings	7	837.90	962.70
Trade payables	8		
- Total outstanding dues of micro enterprises and small enterprises		44.38	31.19
- Total outstanding dues of creditors other than micro enterprises and small enterprises		7,270.57	7,621.05
Other current liabilities	8	448.08	1,156.34
Short-term provisions	6	786.00	753.45
		<b>9,386.93</b>	<b>10,524.73</b>
<b>TOTAL</b>		<b>12,899.81</b>	<b>13,471.62</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	9	1,837.91	1,945.47
- Capital work-in-progress		74.65	10.09
Loans and advances	10	356.50	281.81
Trade receivables	11	144.86	212.45
		<b>2,413.92</b>	<b>2,449.82</b>
<b>Current assets</b>			
Inventories	12	2,287.64	2,118.28
Trade receivables	11	6,694.86	6,909.39
Cash and bank balances	13	12.70	544.82
Loans and advances	10	1,421.38	1,212.12
Other current assets	14	69.31	237.19
		<b>10,485.89</b>	<b>11,021.80</b>
<b>TOTAL</b>		<b>12,899.81</b>	<b>13,471.62</b>
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For and on behalf of the Board of Directors of  
Schneider Electric Infrastructure Limited

For S.R.Batliboi & Co. LLP  
ICAI Firm Registration No.: 301003E/E300005  
Chartered Accountants

Per Manoj Kumar Gupta  
Partner  
Membership No.83906

Prakash Kumar Chandraker  
Managing Director

Anil Chaudhry  
Director

Anurag Mantri  
Chief Financial officer

Anil Rustgi  
Company Secretary

Place: Noida  
Date: May 25, 2016





# > Statement of Profit and Loss for the Year Ended March 31, 2016

Schneider Electric Infrastructure Limited

(Rupees Millions)

	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Income</b>			
Revenue from operations (gross)	15	15,528.57	14,332.95
Less: Excise duty		(1,502.50)	(1,228.16)
Revenue from operations (net)		<b>14,026.07</b>	<b>13,104.79</b>
Other income	16	106.08	695.72
<b>Total revenue (I)</b>		<b>14,132.15</b>	<b>13,800.51</b>
<b>Expenses</b>			
Cost of raw material and components consumed	17	9,966.88	9,634.20
Purchase of traded goods	18	124.73	-
(Increase)/ Decrease in Inventories of finished goods and work-in-progress and traded goods	19	(144.81)	120.86
Employee benefits expense	20	1,681.77	1,516.96
Other expenses	21	1,982.40	2,066.08
<b>Total Expenses (II)</b>		<b>13,610.97</b>	<b>13,338.10</b>
<b>Earnings before interest, tax and depreciation and amortisation (EBITDA) (I) - (II)</b>		<b>521.18</b>	<b>462.41</b>
Depreciation and amortization expense	22	257.82	248.62
Finance costs	23	428.00	384.96
<b>Profit/ (loss) before Exceptional Items and Tax</b>		<b>(164.64)</b>	<b>(171.17)</b>
Exceptional Items	24	17.31	-
<b>Profit/ (loss) before Tax</b>		<b>(181.95)</b>	<b>(171.17)</b>
Current tax		-	-
Deferred tax		-	114.23
<b>Total tax expense</b>		<b>-</b>	<b>114.23</b>
<b>Profit/ (loss) for the year</b>		<b>(181.95)</b>	<b>(285.40)</b>
Earnings per equity share	25		
Basic and Diluted (In Rupees)		(0.89)	(1.19)
Nominal value of share		2	2
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For and on behalf of the Board of Directors of  
Schneider Electric Infrastructure Limited

For S.R.Batliloi & Co. LLP  
ICAI Firm Registration No.: 301003E/E300005  
Chartered Accountants

Per Manoj Kumar Gupta  
Partner  
Membership No.83906

Prakash Kumar Chandraker  
Managing Director

Anil Chaudhry  
Director

Anurag Mantri  
Chief Financial officer

Anil Rustgi  
Company Secretary

Place: Noida  
Date: May 25, 2016



# > Cash Flow Statement for the Year Ended March 31, 2016

Schneider Electric Infrastructure Limited

(Rupees Millions)

	March 31, 2016	March 31, 2015
<b>A. Cash flow from operating activities</b>		
<b>Profit / (Loss) before tax</b>	<b>(181.95)</b>	<b>(171.17)</b>
Adjustments to reconcile profit / (loss) before tax to net cash flows		
Provision for warranties	128.91	106.85
Provision written back	(40.04)	(28.22)
Provision for litigation	-	19.82
Provision for doubtful debts / advances	42.69	223.92
Provision for Contract Losses	35.78	19.37
Bad debts / advances written off	-	4.84
Loss on sale/written off of Tangible Assets	1.66	2.28
Profit on sale of tangible assets	-	(40.15)
Interest Income	(6.81)	(1.38)
Unrealised foreign exchange variation (net)	314.76	(199.43)
Depreciation	257.82	248.62
Interest expense	320.18	299.58
<b>Operating profit before working capital changes</b>	<b>873.00</b>	<b>484.93</b>
Movements in Working Capital :		
(Increase) / Decrease in Trade receivables	308.86	(892.46)
(Increase) / Decrease in Loans and advances	(274.74)	(316.82)
(Increase) / Decrease in Other current assets	167.88	(113.12)
(Increase) / Decrease in Inventories	(169.36)	(103.33)
Increase / (Decrease) in Trade payables	(680.08)	1,276.12
Increase / (Decrease) in Other current liabilities	(76.34)	46.88
Increase / (Decrease) in Provisions	(119.20)	(103.83)
<b>Cash generated from operations</b>	<b>30.02</b>	<b>278.37</b>
Direct taxes paid	(12.06)	(26.10)
<b>Net cash from operating activities (A)</b>	<b>17.96</b>	<b>252.27</b>
<b>B. Cash flow from investing activities</b>		
Purchase of tangible assets (including Capital work-in-progress)	(222.80)	(287.41)
Proceeds from Sale of tangible assets	7.60	29.14
Interest received	6.81	1.38
(Increase) / Decrease in capital advances	(0.80)	(2.09)
<b>Net cash (used in) investing activities (B)</b>	<b>(209.19)</b>	<b>(258.98)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from Long term borrowings	265.00	1,815.63
Repayment of long term borrowings	-	(1,373.12)
Repayment of short term borrowings	(143.54)	470.00
Proceed/(Repayment) of bank overdraft (net)	24.44	(178.12)
Dividends paid on equity shares (Unclaimed dividend)	(0.02)	(0.01)
Interest paid	(483.36)	(168.04)
<b>Net cash from / (used in) financing activities (C)</b>	<b>(337.48)</b>	<b>566.34</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(528.71)</b>	<b>559.63</b>
Effect of exchange differences on cash and cash equivalents held in foreign currency	(3.41)	(26.04)
Cash and cash equivalents at the beginning of the year	544.82	11.23
Cash and cash equivalents at the end of the year	12.70	544.82
<b>Components of Cash and Cash equivalents at the end of the Year</b>		
With Banks on Current Account	2.31	1.24
With Banks On EEFC Account	9.54	542.71
Unclaimed Dividend Account *	0.85	0.87
<b>Total Cash and Cash Equivalents (Refer Note 13)</b>	<b>12.70</b>	<b>544.82</b>

Summary of significant accounting policies 2.1

\* The company can utilize the balances only toward settlement of the respective unclaimed dividend.

As per our report of even date

For and on behalf of the Board of Directors of  
Schneider Electric Infrastructure Limited

For S.R.Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

Per Manoj Kumar Gupta  
Partner  
Membership No.83906

Prakash Kumar Chandraker  
Managing Director

Anil Chaudhry  
Director

Anurag Mantri  
Chief Financial officer

Anil Rustgi  
Company Secretary

Place: Noida  
Date: May 25, 2016



## > Notes to Financial Statements

### 1. Nature of operations

Schneider Electric Infrastructure Limited was incorporated on March 12, 2011. It is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on three stock exchanges in India. The Company is engaged in the business of manufacturing, designing, building and

servicing technologically advanced products and systems for electricity distribution including products such as distribution transformers, medium voltage switchgears, medium and low voltage protection relays and electricity distribution and automation equipment.

### 2. Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the

Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### 2.1. Summary of significant accounting policies

##### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### (b) Tangible Fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Similarly, when significant parts of plant and equipment are required to be replaced at intervals or when a major inspection/overhauling is required to be performed, such cost of replacement or inspection is capitalised (if the recognition criteria is satisfied) in the carrying amount of plant and equipment as a replacement cost or cost of major inspection/overhauling, as the case may be and depreciated separately based on their specific useful life.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period

during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

##### c) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates/life arrived at based on the useful lives estimated by the management on technical evaluation; these rates are in certain cases different from lives prescribed under Schedule II. The Company has used the following rates to provide depreciation on its fixed assets.

Particulars	Estimated useful lives (In Years)
Buildings	5,8,10,25 and 30
Plant and equipment	1,3,5,6,5,8 and 10.
EDP equipment	1,3,4 and 6.
Furniture and fixtures (including office equipment)	1,3,4,5,6,5, and 10.
Motor vehicles	3,4 and 8.

Leasehold land is amortized on a straight line basis over the period of the lease. Cost of leasehold improvement is depreciated over their useful life or unexpired lease period, whichever is lower.

##### (d) Leases

###### Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining



balance of the liability. Finance charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### **(e) Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **f) Impairment of tangible 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 cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering 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 recognized in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss.

#### **(g) Inventories**

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **(h) Revenue recognition**

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### **Sale of goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

##### **Income from services**

Revenue from maintenance contracts is recognized pro-rata over the period of the contract as and when services are rendered.

Revenue from engineering and designing services is recognized on the basis of amounts agreed on for the time spent and expenses incurred on the activities.

The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.



### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

#### **(i) Long-term contracts**

Sales revenue and margins on construction contracts and certain services are recognized according to the percentage of completion method ("PCM"), as provided in AS 7 ("Revised") - "Construction contracts". Sales revenue and income from long-term contracts are recognized over the period of performance of the contract on achievement of certain internal milestones. Depending on the contract terms, the percentage of completion is determined based on costs or the stage of physical completion. Under the cost-based PCM formula, the stage of completion is equal to the ratio of costs to the total estimated cost of the contract. Under the physical completion PCM formula, a predetermined percentage of completion is assigned to each stage of completion of the contract. The sales revenue and costs recognized at the end of the period are equal to the percentage of sales revenue and anticipated costs for the stage of completion achieved at that date. Income recognition arising on these contracts is based on estimated overall profitability of individual contracts reviewed periodically.

Direct costs incurred for long term contracts over and above the pro-rata to sales are considered as work-in-progress. Provision for expected loss is recognised immediately when it is probable that the total estimated contract costs will exceed total contract revenue, based on Management's analysis of the risks and exposures on a case to case basis.

#### **(j) Foreign currency transactions**

##### **Foreign currency transactions and balances Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

##### **Exchange differences**

All exchange differences are recognized as income or as expenses in the period in which they arise.

##### **Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability**

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized

in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

#### **(k) Retirement and other employee benefits**

Retirement benefit in the form of Superannuation Fund, Provident Fund and ESI are defined contribution schemes. There are no other obligations other than the contributions payable to the respective funds. The Company recognizes contribution payable to the respective fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity is the defined benefit plan of the Company for its employees. The costs of providing benefits for gratuity plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the Statement of Profit and Loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

The company recognizes termination benefit as a liability and an expense when the company has a present obligation as a result of 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. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.



**(l) Income Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**(m) Segment Reporting Policies****Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**Inter-segment transfers**

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

**Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**(n) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(o) Provisions**

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

**Warranty provisions**

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.



**(p) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**(q) Cash and Cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**(r) Derivative instruments**

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the Statement of Profit and Loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

**(s) Measurement of EBITDA**

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

### 3. Share capital

(Rupees Millions)

	March 31, 2016	March 31, 2015
<b>Authorized share capital</b>		
- 250,000,000 (31 March, 2015: 250,000,000) equity shares of Rupees 2 each	500.00	500.00
- 180,000,000 (31 March, 2015: Nil) 8% cumulative redeemable preference shares of Rupees 10 each	1,800.00	-
<b>Issued, subscribed and fully paid-up share capital</b>		
- 239,104,035 (31 March, 2015: 239,104,035) equity shares of Rupees 2 each	478.21	478.21
- 172,000,000 (31 March, 2015: Nil) 8% cumulative redeemable preference shares of Rupees 10 each	1,720.00	-
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>2,198.21</b>	<b>478.21</b>

**a. Terms/rights attached to equity shares**

The company has equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

"During the Current year, the Company issued 172,000,000 Cumulative Redeemable Preference Shares of Rs. 10 each fully paid-up by conversion of loans. Cumulative Redeemable Preference Shares carry cumulative dividend @ 8% p.a. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting."

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b. Shares held by Holding/ ultimate holding company and/or their subsidiaries/ associates :**

Out of equity and preference shares issued by the Company, shares held by its holding company and/or their subsidiaries are as below:

Equity Shares	Number of shares (in Millions)		Amount (in Millions)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Energy Grid Automation Transformers and Switchgears India Private Limited, the holding company	168.74	168.74	337.47	337.47
Schneider Electric Singapore Pte. Limited, Parent of holding company	10.59	10.59	21.18	21.18
<b>Preference Shares</b>				
Energy Grid Automation Transformers and Switchgears India Private Limited, the holding company	47.00	-	470.00	-
Schneider Electric IT Business India Private Limited, India, fellow subsidiary	125.00	-	1,250.00	-





**c. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

**Equity Shares**

	March 31, 2016		March 31, 2015	
	Number (in Millions)	Rupees (Millions)	Number (in Millions)	Rupees (Millions)
Outstanding at the beginning of the year	239.10	478.21	239.10	478.21
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>239.10</b>	<b>478.21</b>	<b>239.10</b>	<b>478.21</b>

**Preference Shares**

	March 31, 2016		March 31, 2015	
	Number (in Millions)	Rupees (Millions)	Number (in Millions)	Rupees (Millions)
Outstanding at the beginning of the year	-	-	-	-
Issued during the year	172.00	1,720.00	-	-
<b>Outstanding at the end of the year</b>	<b>172.00</b>	<b>1,720.00</b>	<b>-</b>	<b>-</b>

**d. Details of shareholders holding more than 5% shares in the Company**

	March 31, 2016		March 31, 2015	
	Number (in Millions)	Percentage (%)	Number (in Millions)	Percentage (%)
<b>Equity shares of Rupees 2 each fully paid:</b>				
Energy Grid Automation Transformers and Switchgears India Private Limited, the Holding Company	168.74	70.57%	168.74	70.57%
<b>Cumulative Redeemable Preference Shares of Rs.10 each fully paid</b>				
Schneider Electric IT Business India Private Limited, fellow subsidiary	125.00	72.67%	-	-
Energy Grid Automation Transformers and Switchgears India Private Limited, the Holding Company	47.00	27.33%	-	-

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e. Arrears of cumulative dividends (including dividend distribution tax) on Cumulative Redeemable Preference shares as at March 31, 2016 Rs. 31.11 Millions (March 31, 2015 - Nil)

## 4. Reserves and surplus

(Rupees Millions)

	March 31, 2016	March 31, 2015
<b>Capital reserve</b>		
Balance as per the last financial statements	410.25	410.25
<b>Closing balance</b>	<b>410.25</b>	<b>410.25</b>
<b>General reserve</b>		
Balance as per the last financial statements	1,534.63	1,534.63
Add: amount transferred from statement of profit and loss	-	-
<b>Closing balance</b>	<b>1,534.63</b>	<b>1,534.63</b>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per the last financial statements	(1,572.70)	(1,287.30)
Add: Profit / (Loss) for the year	(181.95)	(285.40)
<b>Net surplus / (deficit) in the statement of profit and loss</b>	<b>(1,754.65)</b>	<b>(1,572.70)</b>
<b>Total</b>	<b>190.23</b>	<b>372.18</b>



## 5. Long-term borrowings

(Rupees Millions)

	Non-current portion		Current maturities	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Loans from related parties				
- Schneider Electric IT Business India Private Limited	915.00	1,900.00	-	-
- Energy Grid Automation Transformers and Switchgears India Private Limited	-	-	-	470.00
	915.00	1,900.00	-	470.00
<b>The above amount includes</b>				
- Secured borrowings	-	-	-	-
- Unsecured borrowings	915.00	1,900.00	-	470.00
Less: Amount disclosed under the head 'other current liabilities' (note 8)	-	-	-	470.00
	<b>915.00</b>	<b>1,900.00</b>	<b>-</b>	<b>-</b>

Loan taken from Schneider Electric IT Business India Private Limited carries interest rate of 7.25% to 7.50% per annum (March 31, 2015 interest rate at 8.30% per annum). The loan is repayable within 15 to 31 months from the date of balance sheet.

## 6. Provisions

(Rupees Millions)

	Long-term		Short-term	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Provision for employee benefits</b>				
Provision for gratuity (refer note 26.1)	0.13	-	8.47	-
Provision for leave encashment	80.51	63.91	3.18	2.75
<b>Other provisions</b>				
Provision for warranties	112.63	116.67	337.88	350.01
Provision for lease equalization	16.17	15.92	-	-
Provision for contract losses	-	-	42.92	7.14
Provision for litigation	-	-	393.55	393.55
	<b>209.44</b>	<b>196.50</b>	<b>786.00</b>	<b>753.45</b>

### Provision for Warranties:

A provision is recognised for expected warranty claims on products sold during the last 18 to 24 months, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be paid out in the next financial year and all will have been paid out within two years after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the 18 to 24 months warranty period for products sold.

### Provision for Litigation:

Provision for Litigations represent provisions in respect of litigations for sales tax, excise duty and service tax. Although the company continues to contest the cases at different forums, the management believes that outflow of resources embodying economic benefits is probable. Hence, the Company has created a provision towards the same.

### Movement of Provisions

(Rupees Millions)

	Provision for Warranties		Provision for Litigation	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
At the beginning of the year	466.68	491.14	393.55	373.73
Arising during the year	128.91	146.22	-	19.82
Utilized during the year	145.08	170.68	-	-
<b>At the end of the year</b>	<b>450.51</b>	<b>466.68</b>	<b>393.55</b>	<b>393.55</b>
Current portion	337.88	350.01	393.55	393.55
Non-current portion	112.63	116.67	-	-



## 7. Short-term borrowings

(Rupees Millions)

	March 31, 2016	March 31, 2015
Cash credit from banks	121.51	97.07
Short term loan from banks	200.00	350.00
Foreign currency loan from banks	481.39	515.63
Loan from related party :		
- Energy Grid Automation Transformers and Switchgears India Private Limited	35.00	-
	<b>837.90</b>	<b>962.70</b>
The above amount includes		
- Secured borrowings	-	-
- Unsecured borrowings	837.90	962.70

a. Cash credit is repayable on demand and carries interest @ 9.50% per annum.

b. Short term loan from bank carries interest rate of 9.05% and payable within 30 days from the balance sheet date.

c. Foreign currency loan from banks carries interest rate of 0.88% to 1.23% and payable within 15 to 150 days from the balance sheet date.

d. Loan taken from Energy Grid Automation Transformers and Switchgears India Private Limited carries interest rate of 7.25% per annum. The loan is repayable within 90 days from the date of loan i.e. March 29, 2016.

## 8. Other current liabilities

(Rupees Millions)

	March 31, 2016	March 31, 2015
<b>Trade payables</b> (including acceptances)		
- total outstanding dues of micro enterprises and small enterprises (refer note 34 for details of dues to Micro, Small and Medium enterprises)	44.38	31.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	7,270.57	7,621.05
	<b>7,314.95</b>	<b>7,652.24</b>
<b>Other liabilities</b>		
Current maturities of long term borrowings (refer note 5)	-	470.00
Advance from Customers	207.14	296.65
Advance billing to Customers	66.24	26.75
Capital Creditors	9.80	8.52
Security deposits from employees	21.17	15.54
Interest accrued but not due on borrowings	11.02	174.20
Unclaimed dividend - Investor Education and Protection Fund will be credited (as and when due)	0.85	0.87
Derivative liability - forward contracts	-	38.14
<b>Others</b>		
Excise Duty on Finished Goods	52.74	31.06
Other statutory dues	79.12	94.61
	<b>448.08</b>	<b>1,156.34</b>



## 9. Tangible assets

(Rupees Millions)

Particulars	Freehold Land	Leasehold Land	Leasehold Improvements	Buildings	Plant and Equipments	Furniture and Fixtures	EDP Equipments	Motor Vehicles	Total
<b>Cost</b>									
<b>At March 31, 2014</b>	<b>103.36</b>	<b>62.79</b>	<b>12.30</b>	<b>1,090.21</b>	<b>1,197.20</b>	<b>91.04</b>	<b>247.69</b>	<b>77.63</b>	<b>2,882.22</b>
Additions during the year	-	-	21.74	217.14	70.11	45.73	22.80	52.23	429.75
Disposals*	-	-	-	2.04	-	0.56	1.06	6.81	10.47
Adjustment**	-	-	-	-	27.94	2.22	3.11	-	33.27
<b>At March 31, 2015</b>	<b>103.36</b>	<b>62.79</b>	<b>34.04</b>	<b>1,305.31</b>	<b>1,295.25</b>	<b>138.43</b>	<b>272.54</b>	<b>123.05</b>	<b>3,334.77</b>
Additions during the year	-	-	-	43.93	49.10	3.54	14.73	40.53	151.83
Disposals*	-	-	-	0.06	20.26	1.98	25.75	7.01	55.06
Adjustment**	-	-	-	-	11.72	-	-	-	11.72
<b>At March 31, 2016</b>	<b>103.36</b>	<b>62.79</b>	<b>34.04</b>	<b>1,349.18</b>	<b>1,335.81</b>	<b>139.99</b>	<b>261.52</b>	<b>156.57</b>	<b>3,443.26</b>
<b>Depreciation</b>									
<b>At March 31, 2014</b>	<b>-</b>	<b>0.05</b>	<b>0.39</b>	<b>227.65</b>	<b>622.40</b>	<b>62.27</b>	<b>190.46</b>	<b>23.40</b>	<b>1,126.62</b>
Charge for the year	-	0.06	4.38	58.55	114.00	13.66	31.10	26.86	248.61
Disposals*	-	-	-	1.15	-	0.41	1.00	2.22	4.78
Adjustment**	-	-	-	-	13.89	1.86	3.10	-	18.85
<b>At March 31, 2015</b>	<b>-</b>	<b>0.11</b>	<b>4.77</b>	<b>285.05</b>	<b>750.29</b>	<b>77.38</b>	<b>223.66</b>	<b>48.04</b>	<b>1,389.30</b>
Charge for the year	-	0.06	4.76	63.90	122.15	11.16	22.02	33.77	257.82
Disposals*	-	-	-	-	15.77	1.64	24.81	3.58	45.80
Adjustment**	-	-	-	-	4.03	-	-	-	4.03
<b>At March 31, 2016</b>	<b>-</b>	<b>0.17</b>	<b>9.53</b>	<b>348.95</b>	<b>860.70</b>	<b>86.90</b>	<b>220.87</b>	<b>78.23</b>	<b>1,605.35</b>
<b>Net Block</b>									
<b>At March 31, 2016</b>	<b>103.36</b>	<b>62.62</b>	<b>24.51</b>	<b>1,000.23</b>	<b>475.11</b>	<b>53.09</b>	<b>40.65</b>	<b>78.34</b>	<b>1,837.91</b>
<b>At March 31, 2015</b>	<b>103.36</b>	<b>62.68</b>	<b>29.27</b>	<b>1,020.26</b>	<b>544.96</b>	<b>61.05</b>	<b>48.88</b>	<b>75.01</b>	<b>1,945.47</b>

\*Disposals include tangible assets written off - Rupees 0.34 Millions (March 31, 2015 - Rupees 2.28 Millions)

\*\*\* Adjustment made on account of fixed assets which was previously written off in the financial statements being considered unusable at that time.

Note : Buildings include those constructed on Leasehold Land :

(Rupees Millions)

	March 31, 2016	March 31, 2015
Gross Block	208.40	207.52
Depreciation Charge for the year	8.32	8.30
Accumulated Depreciation	49.89	41.57
<b>Net Block Value</b>	<b>158.51</b>	<b>165.95</b>



## 10. Loans and advances

(Rupees Millions)

	Non-Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Capital advances</b>				
Unsecured, considered good	7.65	6.85	-	-
<b>Security deposit</b>				
Unsecured, considered good	10.57	19.65	69.15	67.88
Unsecured, considered doubtful	45.80	45.80	-	-
	<b>56.37</b>	<b>65.45</b>	<b>69.15</b>	<b>67.88</b>
Less : Provision for doubtful security deposits	45.80	45.80	-	-
	<b>10.57</b>	<b>19.65</b>	<b>69.15</b>	<b>67.88</b>
<b>Advances recoverable in cash or kind</b>				
Unsecured, considered good (include advance to related parties Rupees 1.92 Millions, March 31, 2015 Rupees 15.87 Millions)	-	-	212.57	197.76
Unsecured, considered doubtful	-	-	3.65	-
	-	-	<b>216.22</b>	<b>197.76</b>
Less : Provision for doubtful balances	-	-	3.65	-
	-	-	<b>212.57</b>	<b>197.76</b>
<b>Other loans and advances (Unsecured, considered good)</b>				
Advance income-tax (net of provision for income tax)			137.59	125.53
Prepaid expenses	-	-	31.56	29.02
Loans to employees	-	-	5.48	7.98
Balances with statutory / government authorities	338.28	255.31	965.03	776.06
Balance in gratuity fund (refer note 26.1)			-	7.89
	<b>356.50</b>	<b>281.81</b>	<b>1,421.38</b>	<b>1,212.12</b>

## 11. Trade receivables

(Rupees Millions)

	Non-Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, Considered good	144.86	212.45	2,255.84	2,287.79
Unsecured, Considered Doubtful	-	-	632.39	904.48
	<b>144.86</b>	<b>212.45</b>	<b>2,888.23</b>	<b>3,192.27</b>
Less: Provision for doubtful trade receivables	-	-	632.39	904.48
	<b>144.86</b>	<b>212.45</b>	<b>2,255.84</b>	<b>2,287.79</b>
Others Unsecured, Considered good	-	-	4,439.02	4,621.60
	<b>144.86</b>	<b>212.45</b>	<b>6,694.86</b>	<b>6,909.39</b>
<b>Trade receivables includes dues from companies in which Company's Non-executive director is a director</b>				
Schneider Electric India Private Limited	-	-	95.05	273.20
Schneider Electric Lanka Private Limited	-	-	70.06	32.80



## 12. Inventories (valued at lower of cost and net realisable value)

(Rupees Millions)

	March 31, 2016	March 31, 2015
Raw materials and components (Includes in transit Rupees 173.10 Millions; March 31, 2015 - Rupees 196.55 Millions) (refer note 17)	970.92	946.27
Work-in-progress (refer note 19)	736.15	879.49
Finished goods (Includes in transit Rupees 67.92 Millions; March 31, 2015 - Rupees 48.15 Millions) (refer note 19)	538.25	291.79
Traded Goods (Includes in transit Rupees 23.22 Millions; March 31, 2015 - Nil ) (refer note 19)	41.69	-
Stores and spares	0.63	0.73
	<b>2,287.64</b>	<b>2,118.28</b>

## 13. Cash and bank balances

(Rupees Millions)

	March 31, 2016	March 31, 2015
Cash and cash equivalents:		
Balances with banks:		
On current accounts	2.31	1.24
On EEFC accounts	9.54	542.71
	<b>11.85</b>	<b>543.95</b>
Other bank balances		
Unclaimed dividend*	0.85	0.87
	<b>12.70</b>	<b>544.82</b>

\* The company can utilize the balances only toward settlement of the respective unclaimed dividend.

## 14. Other current assets

(Rupees Millions)

	March 31, 2016	March 31, 2015
Unbilled Contract Revenue (Unsecured, considered good)	69.31	237.19
	<b>69.31</b>	<b>237.19</b>

## 15. Revenue from operations

(Rupees Millions)

	March 31, 2016	March 31, 2015
Sale of finished goods	13,731.34	13,080.04
Sale of traded goods	86.16	-
Project revenue (Refer note 33)	1,056.88	743.57
Sale of Services	568.95	418.76
Other operating revenue:		
Scrap sales	72.68	88.92
Others	12.56	1.66
<b>Revenue from operations (gross)</b>	<b>15,528.57</b>	<b>14,332.95</b>
Less: Excise duty *	1,502.50	1,228.16
<b>Revenue from operations (net)</b>	<b>14,026.07</b>	<b>13,104.79</b>

\* Excise duty on sales amounting to Rupees 1,502.50 Millions (March 31, 2015 - Rupees 1,228.16 Millions) has been reduced from sales in Statement of profit and loss and excise duty on (increase)/decrease in inventory amounting to Rupees 16.82 Millions (March 31, 2015 - Rupees (9.09 Millions) has been considered as (income)/expense in Note 21 of Financial Statements.



	(Rupees Millions)	
	March 31, 2016	March 31, 2015
<b>Details of finished goods sold</b>		
Switchgear, Ring Main Units, etc.	6,776.77	6,903.02
Transformers	2,977.45	3,032.53
Automation	1,397.64	1,561.49
Others	2,579.48	1,583.00
	<b>13,731.34</b>	<b>13,080.04</b>
<b>Details of traded goods sold</b>		
Evolis Breaker	27.98	-
Auto Recloser	11.48	-
Ring Main Unit (RMU)	21.11	-
Others	25.59	-
	<b>86.16</b>	<b>-</b>
<b>Details of services rendered</b>		
Engineering and Design Services	220.65	178.97
Maintenance Contract Services	345.30	239.79
Others	3.00	-
	<b>568.95</b>	<b>418.76</b>

## 16. Other income

	(Rupees Millions)	
	March 31, 2016	March 31, 2015
Interest income on		
- Bank deposits	2.44	-
- Others	4.37	1.38
Excess provisions written back	40.04	28.22
Subvention from corporate*	-	492.85
Foreign exchange variation income (net)	-	47.58
Bad debts recovered	51.65	66.23
Profit on sale of fixed assets	-	40.15
Other non-operating income	7.58	19.31
	<b>106.08</b>	<b>695.72</b>

\*Subvention from corporate was received for operational financial grant.

## 17. Cost of raw material and components consumed

	(Rupees Millions)	
	March 31, 2016	March 31, 2015
Inventory at the beginning of the year	946.27	714.36
Add: Purchases	9,991.53	9,866.11
	<b>10,937.80</b>	<b>10,580.47</b>
Less: inventory at the end of the year	970.92	946.27
<b>Cost of raw material and components consumed</b>	<b>9,966.88</b>	<b>9,634.20</b>
<b>Details of raw material and components consumed</b>		
Ferrous	889.23	927.11
Non-Ferrous	6,336.39	7,625.21
Components and others	2,741.26	1,081.88
	<b>9,966.88</b>	<b>9,634.20</b>
<b>Details of Inventory - Raw materials and Components</b>		
Ferrous	103.70	98.80
Non-Ferrous	303.52	530.34
Components and others	563.70	317.13
	<b>970.92</b>	<b>946.27</b>





## 18. Purchase of traded goods

(Rupees Millions)

	March 31, 2016	March 31, 2015
Purchases of traded goods	124.73	-
	<b>124.73</b>	<b>-</b>
<b>Detail of purchase of traded goods</b>		
Auto Recloser	12.57	-
Evolis Breaker	29.04	-
Ring Main Unit (RMU)	41.35	-
Others	41.77	-
	<b>124.73</b>	<b>-</b>

## 19. (Increase)/decrease in inventories

(Rupees Millions)

	March 31, 2016	March 31, 2015
<b>Work in Progress</b>		
At the beginning of the year	879.49	797.62
Less: At the end of the year	736.15	879.49
<b>(Increase) / Decrease in Work in progress</b>	<b>143.34</b>	<b>(81.87)</b>
<b>Finished Goods</b>		
At the beginning of the year	291.79	494.52
Less: At the end of the year	538.25	291.79
<b>(Increase) / Decrease in Finished goods</b>	<b>(246.46)</b>	<b>202.73</b>
<b>Traded Goods</b>		
At the beginning of the year	-	-
Less: At the end of the year	41.69	-
<b>(Increase) / Decrease in Finished goods</b>	<b>(41.69)</b>	<b>-</b>
<b>(Increase) / Decrease in inventories</b>	<b>(144.81)</b>	<b>120.86</b>
<b>Details of inventory</b>		
<b>Work-in-progress</b>		
Switchgear, Ring Main Units, etc.	166.40	170.48
Transformers	163.84	329.14
Automation	347.89	316.53
Others	58.02	63.34
	<b>736.15</b>	<b>879.49</b>
<b>Finished goods</b>		
Switchgear, Ring Main Units, etc.	245.79	189.38
Transformers	192.65	54.08
Automation	48.67	32.86
Others	51.14	15.47
	<b>538.25</b>	<b>291.79</b>
<b>Traded goods</b>		
Auto Recloser	2.09	-
Evolis Breaker	2.06	-
Ring Main Unit (RMU)	21.24	-
Others	16.30	-
	<b>41.69</b>	<b>-</b>



## 20. Employee benefits expense

(Rupees Millions)

	March 31, 2016	March 31, 2015
Salaries, wages and bonus	1,435.13	1,305.16
Contribution to provident and other fund (including gratuity expense)	98.18	93.96
Staff welfare expenses	148.46	117.84
	<b>1,681.77</b>	<b>1,516.96</b>

## 21. Other expenses

(Rupees Millions)

	March 31, 2016	March 31, 2015
Consumption of stores and spare parts	34.85	33.63
Power and fuel	64.05	67.50
Rent	73.15	79.36
Rates and taxes	24.34	12.68
Repairs and maintenance		
- Buildings	106.54	96.82
- Plant and machinery	14.05	12.88
- Others	87.20	67.57
Insurance	31.84	41.35
Royalty and technical know-how	2.07	2.02
Directors' sitting fees	2.54	2.84
Freight and forwarding charges	274.98	228.30
Travelling and conveyance	192.00	168.70
Remuneration to Auditors	14.68	16.28
Provision for doubtful debts / advances	42.69	223.92
Provision for warranties	128.91	106.85
Provision for contract loss	35.78	19.37
Bad debts / advances written off	-	4.84
Provision for litigation	-	19.82
Loss on sale of Tangible Assets	1.32	-
Tangible assets written off	0.34	2.28
Trade mark fees	246.60	232.98
Management support fee	-	251.72
Data management charges	118.36	136.74
(Increase) / decrease of excise duty on inventory	16.82	(9.09)
Foreign exchange variation cost (net)	202.72	-
Miscellaneous expenses	266.57	246.72
	<b>1,982.40</b>	<b>2,066.08</b>
<b>Remuneration to Auditors:</b>		
for audit fee	8.50	9.15
for tax audit fee	0.80	0.80
for limited review	4.40	4.05
for other services (certification fees)	0.10	0.15
for reimbursement of expenses	0.88	2.13
	<b>14.68</b>	<b>16.28</b>



## 22. Depreciation and amortization expense

(Rupees Millions)

	March 31, 2016	March 31, 2015
Depreciation of tangible assets	257.82	248.62
	<b>257.82</b>	<b>248.62</b>

## 23. Finance costs

(Rupees Millions)

	March 31, 2016	March 31, 2015
Interest*	320.18	299.58
Bank charges	69.52	82.78
Foreign exchange variation treated as borrowing cost	38.30	2.60
	<b>428.00</b>	<b>384.96</b>

\* include interest on delayed payment of statutory dues Rupees 2.55 Millions (March 31, 2015 - 2.62 Millions) and interest under Micro, Small and Medium Enterprises Act Rupees 1.22 Millions (March 31, 2015 Rupees - 1.85 Millions)

## 24. Exceptional items

(Rupees Millions)

	March 31, 2016	March 31, 2015
Exceptional items	17.31	-
	<b>17.31</b>	<b>-</b>

Exceptional items represents expenses mainly employee settlement costs on account of closure of one of the factory of the company.

## 25. Earnings per share (EPS)

(Rupees Millions)

	March 31, 2016	March 31, 2015
The following reflects the loss and share data used in the basic and diluted EPS computations:		
<b>Basic EPS</b>		
Profit/ (loss) after tax as per the statement of Profit and Loss	(181.95)	(285.40)
Less:		
Dividend on 8% 172,000,000 Cumulative Redeemable Preference Shares	(26.77)	-
Dividend Distribution Tax	(4.34)	-
Net Profit/ (loss) for calculation of basic EPS	(213.06)	(285.40)
Weighted average number of equity shares in calculating basic EPS (Nos. in Millions)	239.10	239.10
Basic earning/(loss) per share as reported in Rupees	(0.89)	(1.19)
<b>Diluted EPS</b>		
Profit/ (loss) after tax as per the statement of Profit and Loss	(181.95)	(285.40)
Less:		
Dividend on 8% 172,000,000 Cumulative Redeemable Preference Shares	(26.77)	-
Dividend Distribution Tax	(4.34)	-
Net Profit/ (loss) for calculation of diluted EPS	(213.06)	(285.40)
Weighted average number of equity shares in calculating diluted EPS (Nos. in Millions)	239.10	239.10
Diluted earning/(loss) per share as reported in Rupees	(0.89)	(1.19)



## 26. Employee Benefits

26.1 The company has a defined gratuity plan. Every employee who has completed five years or more of service (as per Gratuity Act) gets a gratuity on retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The liability is provided as per actuarial valuation.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the Gratuity.

### Net employee benefit expense recognized in the employee cost

(Rupees Millions)

	March 31, 2016	March 31, 2015
Current service cost	14.48	13.36
Interest cost on benefit obligation	10.82	12.20
Expected return on plan assets	(13.11)	(13.19)
Net actuarial( gain) / loss recognized in the year	9.30	(24.09)
<b>Net benefit expense</b>	<b>21.49</b>	<b>(11.72)</b>
Actual return on plan assets	11.48	12.30
<b>Benefit asset/ liability</b>		
Present value of defined benefit obligation	155.13	137.79
Fair value of plan assets	146.53	145.68
<b>Plan asset / (liability)</b>	<b>(8.60)</b>	<b>7.89</b>
<b>Changes in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit obligation	137.79	155.44
Current service cost	14.48	13.36
Interest cost	10.82	12.20
Benefits paid	(15.61)	(18.23)
Actuarial (gains) / losses on obligation	7.65	(24.98)
<b>Closing defined benefit obligation</b>	<b>155.13</b>	<b>137.79</b>
<b>Changes in the fair value of plan assets are as follows:</b>		
Opening fair value of plan assets	145.68	146.60
Expected return	13.09	13.19
Contributions by employer	5.00	5.01
Benefits paid	(15.61)	(18.23)
Actuarial gains / (losses)	(1.63)	(0.89)
<b>Closing fair value of plan assets</b>	<b>146.53</b>	<b>145.68</b>

The company expects to contribute Rupees 24.19 Millions (March 31, 2015 - Rupees 19.70 Millions) to gratuity in the next year.

### The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Investments with insurer	100%	100%
--------------------------	------	------

### The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

Discount rate	7.85%	7.85%
Expected rate of return on plan assets	8.35%	9.00%
Attrition rate	1-3%	1-3%
Salary escalation	5.00%	5.00%
Mortality table	IALM(2006-08)	IALM(2006-08)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.



Amounts for the current period are as follows:

(Rupees Millions)

Gratuity	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	155.13	137.79	155.43	160.61	134.67
Plan assets	146.53	145.68	146.59	145.14	127.59
Surplus / (deficit)	(8.60)	7.89	(8.84)	(15.47)	(7.08)
Experience adjustments on plan liabilities	(7.65)	24.98	11.32	(8.45)	4.59
Experience adjustments on plan assets	(1.63)	(0.89)	(1.14)	(0.83)	(3.75)

26.2 The Company has defined contribution plans towards Provident Fund ,Superannuation fund and ESI recognised as an expense and included in Employee benefit expense in the Statement of Profit and Loss as described in the below table.

**Contribution to Defined contribution Plans**

(Rupees Millions)

Particulars	March 31, 2016	March 31, 2015
Provident fund	61.40	53.16
Superannuation fund and ESI	15.29	5.30
<b>TOTAL</b>	<b>76.69</b>	<b>58.46</b>

## 27. Leases

**Operating Lease: Company as Lessee**

The company has entered into non-cancellable lease for an office at Noida. As per contract, this lease has an average life of nine years and 15% escalation clause at the end of every three years.

The lease rental expense recognized in the Statement of Profit and Loss during the year in respect of this lease transaction is Rupees 55.85 Millions (March 31, 2015 - Rupees 55.76 Millions).

Future minimum rentals payable under non-cancellable operating leases are as follows:

(Rupees Millions)

	March 31, 2016	March 31, 2015
Within one year	55.50	55.50
After one year but not more than five years	234.79	234.10
More than five years	-	56.20
	<b>290.29</b>	<b>345.80</b>

The Company has cancellable operating lease arrangements for its office premises and storage locations, with varying renewable options. Some of the lease agreements have escalation clause ranging from 5% to 15%. There are no exceptional / restrictive covenants in the lease agreements. Lease payments recognised in the statement of profit and loss for the year is Rupees 17.30 Millions (March 31, 2015 - Rupees 23.60 Millions).

## 28. Segment information

The Company is engaged in the business relating to product and systems for electricity distribution only, and accordingly there are no primary segments to be reported, as per Accounting Standard 17 "Segment Reporting".

The secondary segment by geographical location is given below :

(Rupees Millions)

	Segment Sales	Segment Assets	Capital Expenditure
India	14,359.43	12,409.72	216.39
	(13,318.21)	(13,068.02)	(249.00)
Outside India	1,169.14	490.09	-
	(1,014.74)	(403.60)	-
<b>Total</b>	<b>15,528.57</b>	<b>12,899.81</b>	<b>216.39</b>
	<b>(14,332.95)</b>	<b>(13,471.62)</b>	<b>(249.00)</b>

Amounts in parentheses are pertaining to previous year ended March 31, 2015



## 29. Related party disclosures

### a. Names of related parties and related party relationship

#### Related parties where control exists

Holding company	Energy Grid Automation Transformers and Switchgears India Private Limited
Ultimate holding Company	Schneider Electric Industries SAS, France
Parent of holding Company	Schneider Electric Singapore Pte. Limited, Singapore

### b. Related parties with whom transactions have taken place during the year :

#### Fellow subsidiaries

Schneider Electric India Private Limited, India	Schneider Electric Canada Inc., Canada
Schneider Electric Protection-Et Controle, France	Schneider Electric FZE, Oman (UAE)
Schneider Electric Sachsenwerk GmbH, Germany	Schneider Electric Brazil Ltda, Brazil
Schneider Electric Services International SPRL, Belgium	Schneider Electric Indonesia PT, Indonesia
Schneider Switchgear (Suzhou) Co. Ltd., China	Schneider Electric President Systems Limited, India
Schneider Electric Energy Poland SP ZOO, Poland	Schneider Electric Huadian Switchgear (Xiamen) Co. Limited, China
Schneider Electric Energy, France	Schneider Electric Taiwan Co., Limited, Taiwan
Schneider Electric (Honk Kong) Limited	Schneider Electric Energy Hungary Limited, Hungary
Schneider Electric Telecontrol, France	Schneider Electric (China) Investment Co. Ltd., Shanghai
Schneider Electric DMS Ns LLC, Serbia	Schneider Electric de Columbia, S.A., Columbia
Schneider Electric Lanka Pvt.Ltd, Sri Lanka	Schneider Electric Vietnam Limited, Vietnam
Schneider Electric Overseas Asia PTE Limited, Singapore	Schneider Electric (Australia) Pty Ltd., Australia
Schneider Electric Industries (M) SDN BHD, Malaysia	Schneider Electric Nigeria Limited, Nigeria
Schneider Electric Energy Manufacturing Italia Srt, Italy	Shanghai Schneider Electric Power Automation Co. Limited, China
Schneider Electric Energy UK Limited, United Kingdom	Schneider Electric Espana SA, Spain
Schneider Electric Turkey, Turkey	Schneider Electric Limited, United Kingdom
Schneider Elektrik Sanayi ve Ticaret AS, Turkey	Vamp Limited, Finland
Telvent Energia S.A.	Manufacturas Electricas SAU, Spain
Telvent Tráfico y Transporte, S.A.	S.E. Logistics Asia Pte Ltd, Singapore
Power Measurement Ltd, Canada	Schneider Electric Centro, USA
Schneider Beijing M & Low Voltage Co, China	Schneider Electric Dms Ns LLC, Siberia
Schneider Electric D.O.O., Italy (Schneider Electric Spa, Italy)	Schneider Electric Energy, Malaysia
Schneider Electric D-O-O- Croatia, Croatia	Schneider Electric Espana Sau, Spain
Schneider Electric Hudian Switchgear, China	Schneider Electric Industries, UAE
Schneider Electric Overseas, Singapore	Schneider Electric Industries (M), Malaysia
Schneider Electric Taiwan Co Ltd	Schneider Electric Mexico, Mexico
Schneider Electric ADH, Turkey	Shanghai Schneider Electric Power - CN5001, China
Shanghai Schneider Electric Power Automation Co Ltd-Pcw-Cn China	Schneider Electric IT Business India Private Limited, India
Schneider Electric South East Asia (HQ) Pte.Ltd, Singapore	Schneider Electric Peru, Peru
Schneider Electric USA Inc, USA	Invensys India Private Limited, India
Electric Power Distribution Board and Switchgears Ltd, Saudi Arabia	FranceTransfo, France
Luminous Power Technologies Private Limited, India	Schneider Electric A.E.B.E, Greece
Schneider Electric Argentina, Argentina	Schneider Electric Asia Pacific Limited, Hongkong
Schneider Electric Korea Paju DC, South Korea	Schneider Electric, Saudi Arabia
Schneider Electric East Mediterrane, Lebanon	Telvent USA LLC, USA
Schneider Electric Egypt, Egypt	Skelta Software Private Limited, India

### c. Key management personnel :

Mr. Prakash Kumar Chandraker, Managing Director  
 Mr. Vivek Sarwate, Whole Time Director  
 (With effect from February 4, 2016)  
 Mr. Manish Jaiswal, Whole Time Director  
 (June 18 2014 to March 31, 2015)

### d. Additional related parties as per companies act 2013 with whom transactions have taken place during the year :

Mr. Anurag Mantri, Chief Financial Officer  
 Mr. Vinod Kumar Dhall, Chairman and Director  
 Mr. Ranjan Pant, Director  
 Mr. Subramanian Vishar Vasudeven, Director  
 Mr. Anil Rustgi, Company Secretary (With effect from May 15,2015)  
 Mr. Sameet Gambhir, Company Secretary (April 1, 2014 to Mar 14, 2015)



**e. Transactions and Balances Outstanding with Related Parties**

(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Transactions with related parties</b>								
<b>1. Sale of Goods</b>								
Schneider Electric India Private Limited, India			229.67	185.95			229.67	185.95
Schneider Electric Protec Controle, France			-	51.30			-	51.30
Schneider Electric Industries-Nigeria			176.19	64.18			176.19	64.18
Schneider Electric Sachsenwerk Gmbh, Germany			45.40	26.41			45.40	26.41
Schneider Electric (Honk Kong) Ltd			-	17.18			-	17.18
Schneider Electric Fze,Oman			14.62	20.82			14.62	20.82
Schneider Electric Industries (M), Malaysia			-	48.37			-	48.37
Schneider Electric Lanka Pvt-Ltd, Sri Lanka			135.30	43.75			135.30	43.75
Schneider Electric Mexico			-	11.38			-	11.38
Schneider Electric Korea Paju DC			210.70	-			210.70	-
Others			176.88	26.82			176.88	26.82
<b>Total</b>			<b>988.76</b>	<b>496.16</b>			<b>988.76</b>	<b>496.16</b>
<b>2. Sale of Services</b>								
Energy Grid Automation Transformers and Switchgears India Private Limited	3.00	-					3.00	-
Schneider Electric Energy, France			-	44.86			-	44.86
Schneider Electric Espana Sau			1.32	0.94			1.32	0.94
Schneider Electric India Private Limited, India			130.51	30.39			130.51	30.39
Schneider Electric Industries SAS, France	74.79	98.60					74.79	98.60
Schneider Electric Protection-Et Controle, France			30.01	31.56			30.01	31.56
Others			23.88	2.09			23.88	2.09
<b>Total</b>	<b>77.79</b>	<b>98.60</b>	<b>185.72</b>	<b>109.84</b>			<b>263.51</b>	<b>208.44</b>
<b>3. Purchase of Goods</b>								
Schneider Electric India Private Limited, India			453.34	901.18			453.34	901.18
VAMP Ltd, Finland			151.79	120.14			151.79	120.14
Schneider Electric Sachsenwerk Gmbh, Germany			513.64	770.60			513.64	770.60
Schneider Electric Protec Controle, France			676.19	640.32			676.19	640.32
Schneider Switchgear (Suzhou) Co. Ltd., China			0.74	127.86			0.74	127.86
Schneider Electric D.O.O., Italy (Schneider Electric Spa, Italy)			94.61	76.74			94.61	76.74
Others			595.05	171.98			595.05	171.98
<b>Total</b>			<b>2,485.36</b>	<b>2,808.82</b>			<b>2,485.36</b>	<b>2,808.82</b>
<b>4. Purchase of Services</b>								
Schneider Electric India Private Limited, India			134.80	108.07			134.80	108.07
Schneider Electric Dms Ns LLC, Siberia			14.90	10.44			14.90	10.44
Telvent Tráfico y Transporte, S.A, Spain			-	3.64			-	3.64
Schneider Electric Vietnam., Ltd			-	0.16			-	0.16
Schneider Electric Canada			-	10.17			-	10.17
Schneider Electric, ADH			3.24	3.47			3.24	3.47
Schneider Electric Energy, Poland			2.06	-			2.06	-
Schneider Electric Industries SAS, France	32.20	31.22					32.20	31.22
Others			8.51	-			8.51	-
<b>Total</b>	<b>32.20</b>	<b>31.22</b>	<b>163.51</b>	<b>135.95</b>			<b>195.71</b>	<b>167.17</b>
<b>5. Reimbursement by the Company</b>								
Schneider Electric India Private Limited, India			168.63	21.11			168.63	21.11
Schneider Electric Canada			6.80	3.18			6.80	3.18
Schneider Electric Asia Pacific Limited			0.91	44.39			0.91	44.39
Schneider Electric Industries (M)Sdn, Malaysia			0.83	0.16			0.83	0.16
Schneider Electric USA Inc.			0.50	3.12			0.50	3.12
Others			1.21	-			1.21	-
<b>Total</b>			<b>178.88</b>	<b>71.96</b>			<b>178.88</b>	<b>71.96</b>





## FINANCIAL STATEMENTS SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>6. Reimbursement to the Company</b>								
Schneider Electric Industries SAS, France	63.16	8.36					63.16	8.36
Schneider Electric P&C SAS, Lattes			4.83	-			4.83	-
EPS/Electrical Power Distribution			3.05	-			3.05	-
Schneider Electric Canada			1.92	3.18			1.92	3.18
Schneider Electric Pty Ltd., Australia			-	0.16			-	0.16
VAMP Ltd, Finland			7.24	3.12			7.24	3.12
Schneider Electric FZE, Dubai			1.16	-			1.16	-
Schneider Electric Espana			0.58	-			0.58	-
<b>Total</b>	<b>63.16</b>	<b>8.36</b>	<b>18.78</b>	<b>6.46</b>			<b>81.94</b>	<b>14.82</b>
<b>7. Managerial Remuneration*</b>								
Prakash Kumar Chandraker					12.00	9.11	12.00	9.11
Manish Jaiswal					-	6.32	-	6.32
Vivek Sarwate					0.87	-	0.87	-
Anurag Mantri					12.84	10.40	12.84	10.40
Anil Rustgi					3.26	-	3.26	-
Sameet Gambhir					-	3.02	-	3.02
<b>Total</b>					<b>28.97</b>	<b>28.85</b>	<b>28.97</b>	<b>28.85</b>
<b>8. Sitting Fees to Directors</b>								
Vinod Kumar Dhall					0.98	1.02	0.98	1.02
Ranjan Pant					0.68	0.94	0.68	0.94
Subramanian Vishar Vasudeven					0.88	0.88	0.88	0.88
<b>Total</b>					<b>2.54</b>	<b>2.84</b>	<b>2.54</b>	<b>2.84</b>
<b>9. Rent</b>								
Schneider Electric India Private Limited, India			12.90	13.15			12.90	13.15
<b>Total</b>			<b>12.90</b>	<b>13.15</b>			<b>12.90</b>	<b>13.15</b>
<b>10. Interest Expenses</b>								
Schneider Electric IT Business India Private Ltd			149.79	153.10			149.79	153.10
Energy Grid Automation Transformers and Switchgears India Private Limited	12.95	33.42					12.95	33.42
<b>Total</b>	<b>12.95</b>	<b>33.42</b>	<b>149.79</b>	<b>153.10</b>			<b>162.74</b>	<b>186.52</b>
<b>11. Subvention Income from Corporate</b>								
Schneider Electric South East Asia (HQ) Pte.Ltd, Singapore			-	492.85			-	492.85
<b>Total</b>			<b>-</b>	<b>492.85</b>			<b>-</b>	<b>492.85</b>
<b>12. Management Support Fee</b>								
Schneider Electric South East Asia (HQ) Pte.Ltd, Singapore			-	251.72			-	251.72
<b>Total</b>			<b>-</b>	<b>251.72</b>			<b>-</b>	<b>251.72</b>
<b>13. Trademark Fees Paid</b>								
Schneider Electric Services International SPRL, Belgium			246.60	232.98			246.60	232.98
<b>Total</b>			<b>246.60</b>	<b>232.98</b>			<b>246.60</b>	<b>232.98</b>
<b>14. Data Management Charges Paid</b>								
Schneider Electric Industries SAS, France	93.36	105.68					93.36	105.68
Schneider Electric India Private Limited, India			25.00	30.43			25.00	30.43
<b>Total</b>	<b>93.36</b>	<b>105.68</b>	<b>25.00</b>	<b>30.43</b>			<b>118.36</b>	<b>136.11</b>
<b>15. Sale of Fixed Assets</b>								
Schneider Electric Indonesia (Pt. Schneider Electric Indonesia)			4.16	-			4.16	-
Schneider Electric India Private Limited, India			-	4.63			-	4.63
<b>Total</b>			<b>4.16</b>	<b>4.63</b>			<b>4.16</b>	<b>4.63</b>
<b>16. Purchase of Tangible Fixed Assets</b>								
Schneider Electric India Private Limited, India			16.35	0.95			16.35	0.95
Others			1.17	-			1.17	-
<b>Total</b>			<b>17.52</b>	<b>0.95</b>			<b>17.52</b>	<b>0.95</b>



## FINANCIAL STATEMENTS SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>17. Inter-corporate Loan Converted Into 8 % Cumulative Redeemable Preference Shares</b>								
Energy Grid Automation Transformers and Switchgears India Private Limited	470.00	-					470.00	-
Schneider Electric IT Business India Private Limited			1,250.00	-			1,250.00	-
<b>Total</b>	<b>470.00</b>	<b>-</b>	<b>1,250.00</b>	<b>-</b>			<b>1,720.00</b>	<b>-</b>
<b>18. Long Term Borrowings</b>								
Schneider Electric IT Business India Private Limited			265.00	-			265.00	-
<b>Total</b>			<b>265.00</b>	<b>-</b>			<b>265.00</b>	<b>-</b>
<b>19. Short Term Borrowings</b>								
Energy Grid Automation Transformers and Switchgears India Private Limited	35.00	-					35.00	-
<b>Total</b>	<b>35.00</b>	<b>-</b>					<b>35.00</b>	<b>-</b>
<b>Balances Outstanding At The Year End:</b>								
<b>1. 8 % Cumulative Redeemable Preference Shares of Rs 10 Each Fully Paid Up</b>								
Energy Grid Automation Transformers and Switchgears India Private Limited	470.00	-					470.00	-
Schneider Electric IT Business India Private Limited			1,250.00	-			1,250.00	-
<b>Total</b>	<b>470.00</b>	<b>-</b>	<b>1,250.00</b>	<b>-</b>			<b>1,720.00</b>	<b>-</b>
<b>2. Long Term Borrowings</b>								
Schneider Electric IT Business India Private Ltd			915.00	1,900.00			915.00	1,900.00
<b>Total</b>			<b>915.00</b>	<b>1,900.00</b>			<b>915.00</b>	<b>1,900.00</b>
<b>3. Short Term Borrowings</b>								
Energy Grid Automation Transformers and Switchgears India Private Limited	35.00	470.00					35.00	470.00
<b>Total</b>	<b>35.00</b>	<b>470.00</b>					<b>35.00</b>	<b>470.00</b>
<b>4. Trade Payables</b>								
Schneider Electric India Private Limited, India			173.13	725.95			173.13	725.95
Schneider Electric Protec Controle, France			1,129.87	1,114.46			1,129.87	1,114.46
Schneider Electric Sachsenwerk GmbH, Germany			285.72	267.14			285.72	267.14
Schneider Electric Services International SPRL, Belgium			558.16	445.16			558.16	445.16
Schneider Electric Industries SAS, France	399.25	-					399.25	-
Schneider Electric South East Asia (HQ) Pte.Ltd			246.76	224.72			246.76	224.72
Others			917.03	487.21			917.03	487.21
<b>Total</b>	<b>399.25</b>	<b>-</b>	<b>3,310.67</b>	<b>3,264.64</b>			<b>3,709.92</b>	<b>3,264.64</b>
<b>5. Interest Accrued but not Due</b>								
Schneider Electric IT Business India Private Ltd			8.51	138.54			8.51	138.54
Energy Grid Automation Transformers and Switchgears India Private Limited	0.02	28.07					0.02	28.07
<b>Total</b>	<b>0.02</b>	<b>28.07</b>	<b>8.51</b>	<b>138.54</b>			<b>8.53</b>	<b>166.61</b>
<b>6. Advances from Customer</b>								
Schneider Electric Energy, France			2.58	-			2.58	-
Schneider Electric Mexico			6.85	-			6.85	-
Schneider Electric de Columbia, S.A., Columbia			0.96	0.96			0.96	0.96
Others			8.82	0.02			8.82	0.02
<b>Total</b>			<b>19.21</b>	<b>0.98</b>			<b>19.21</b>	<b>0.98</b>
<b>7. Trade Receivables</b>								
Schneider Electric India Private Limited, India			95.05	273.20			95.05	273.20
Schneider Electric Protec Controle, France			29.94	57.19			29.94	57.19
Schneider Electric Sachsenwerk GmbH, Germany			30.31	32.66			30.31	32.66
Schneider Electric Lanka Pvt-Ltd ,Sri Lanka			70.06	32.80			70.06	32.80
Schneider Electric Industries SAS, France	5.18	46.75					5.18	46.75
Schneider Electric Industries-Nigeria (Schneider Electric nigeria Ltd)			190.54	65.19			190.54	65.19
Others			221.74	88.77			221.74	88.77
<b>Total</b>	<b>5.18</b>	<b>46.75</b>	<b>637.64</b>	<b>549.81</b>			<b>642.82</b>	<b>596.56</b>



(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>8. Advances Recoverable in Cash or in Kind</b>								
Schneider Electric Industries SAS, France	1.62	12.75					1.62	12.75
VAMP Ltd, Finland			0.30	3.12			0.30	3.12
<b>Total</b>	<b>1.62</b>	<b>12.75</b>	<b>0.30</b>	<b>3.12</b>			<b>1.92</b>	<b>15.87</b>

\*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

### 30. Capital and other commitments

- At March 31, 2016, the company has commitments of Rupees 20.21 Millions (March 31, 2015: Rupees 89.86 Millions) relating to purchase of tangible fixed assets.
- There are no significant other commitments.

### 31. Contingent Liabilities

- Total outstanding demands of Income Tax aggregates to Rupees 116.78 Millions considered as contingent as at March 31, 2016 net of provisions Nil (March 31, 2015 - Rupees Nil).
- Post demerger, Company and ALSTOM T&D India Limited (ALSTOM) have bifurcated the total outstanding demands of Excise/ Service Tax and Sales tax in accordance with the arrangement agreed between the two Companies. Accordingly, ALSTOM is contesting the total outstanding demands, before various appellate authorities, including the share of the Company.
  - Total outstanding demands of Excise / Service tax aggregates to Rupees 249.18 Million out of which Company share is Rupees 61.70 Million. The Company has considered demands amounting to Rupees 5.78 Millions as contingent as at March 31, 2016, net of provisions of Rupees 55.92 Million  
(March 31, 2015- Total outstanding demands of Excise / Service tax aggregates to Rupees 270.53 Million out of which Company share is Rupees 65.35 Million. The Company has considered demands amounting to Rupees NIL demand as contingent , net of service tax provision of Rupees 59.74 Million) The deposits pertaining to Excise/ Service tax considered as contingent aggregates to Rupees 35.84 Million (March 31, 2015 - Rupees 17.92 Million).
  - Total outstanding demands of Sales Tax aggregates to Rupees 1,779.70 Million out of which Company share is Rupees 723.93 Million. The Company has considered demands amounting to Rupees 476.35 Million as contingent, net of provisions of Rupees 247.58 Million.  
(March 31, 2015- Total outstanding demands of Sales Tax aggregates to Rupees 2,277.29 Million out of which Company share is Rupees 699.44 Million. The Company has considered demands amounting to Rupees 428.34 Million as contingent, net of provisions of Rupees 270.81 Million).The deposits pertaining to Sales tax cases considered as contingent aggregates to Rupees 285.13 Million (March 31, 2015- Rupees 224.11 Million)
- For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Excise/ Service Tax demands amounting to Rupees 389.70 Million as contingent ,net of provisions of Rupees 13.03 Million.  
(March 31, 2015 - Rupees 368.87 Million, net of provision of Rupees 10.34 Million). The deposits pertaining to Excise/ Service tax considered as contingent aggregates to Rupees 2.08 Million (March 31, 2015 - Rupees 0.02 Million)
- For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Sales Tax demands amounting to Rupees 216.26 Million as contingent, net of provisions of Rupees 61.83 Million.  
(March 31, 2015 - Rupees 159.97 Million, net of provision of Rupees 49.97 Million). The deposits pertaining to Sales Tax cases considered as contingent aggregates to Rupees 8.55 Million.(March 31, 2015- Rupees 5.85 Million)
- For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Custom tax demands amounting to Rupees 5.59 Million as contingent, net of provisions of Rupees Nil  
(March 31, 2015 - Rupees 5.59 Million, net of provision of Rupees Nil)

The Company has preferred appeals against the above demands which is pending before various appellate authorities, and has been advised by the reputed professional advisers, engaged by it, that there are reasonable chances of success in these appeals.

### 32. Forward cover instruments and unhedged foreign currency exposure

(In Millions)

Particulars	Currency	Foreign Currency	Indian Currency	Purpose
<b>a. Forward covers outstanding</b>				
Buy	Euro	0.50 (2.41)	37.24 (199.52)	To hedge Import purchases



**b. Particulars of unhedged foreign currency exposure**

Particulars	Currency	Foreign Currency	(Rupees Millions) Indian Currency
Trade payables	USD	4.42 (2.71)	292.48 (169.08)
	EUR	38.20 (21.75)	2,878.96 (1,388.21)
	Others	1.22 (0.27)	17.10 (14.54)
Trade receivables	USD	6.65 (3.21)	440.75 (200.49)
	EUR	0.65 (3.69)	49.34 (248.14)
Borrowings	USD	7.26 (8.25)	481.39 (515.63)
EEFC account	USD	0.14 (0.07)	9.12 (4.35)
	EUR	0.01 (8.01)	0.42 (538.36)

Amounts in parentheses are pertaining to Previous Year ended March 31, 2015

**33. Disclosure pursuant to AS - 7 - "Construction Contracts":**

(Rupees Millions)

	March 31, 2016	March 31, 2015
Contract revenue recognised for the year	1,056.88	743.57
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress upto the reporting date	1,810.00	880.97
Gross amount due from customers for contracts in progress	69.31	232.63
Gross amount due to customers for contracts in progress	66.24	26.75
Amount of advances received	12.71	-
Amount of retentions	257.75	107.86

**34. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006**

(Rupees Millions)

	March 31, 2016	March 31, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year :		
Principal amount due to micro, small and medium enterprises	44.38	31.19
Interest due on above	1.22	1.85
	<b>45.60</b>	<b>33.04</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	16.85	15.63
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	16.85	15.63

**35. Earnings in foreign exchange (accrual basis)**

(Rupees Millions)

	March 31, 2016	March 31, 2015
FOB value of exports	921.60	819.06
Subvention from corporate	-	492.85
Other service income	127.75	195.68
	<b>1,049.35</b>	<b>1,507.59</b>



### 36. Value of imports calculated on CIF basis

(Rupees Millions)

	March 31, 2016	March 31, 2015
Raw materials and Components	2,653.86	2,659.49
Store and Spare parts	4.19	4.77
Capital goods	4.05	0.36
	<b>2,662.10</b>	<b>2,664.62</b>

### 37. Expenditure in foreign currency (accrual basis)

(Rupees Millions)

	March 31, 2016	March 31, 2015
Travelling	8.44	13.39
Royalty and technical know-how	2.07	2.02
Trademark fees	246.60	232.98
Management support fee	-	251.72
Data management charges	93.36	105.68
Interest	4.91	-
Others	49.12	154.05
	<b>404.50</b>	<b>759.84</b>

### 38. Imported and indigenous raw materials, components and spare parts consumed

(Rupees Millions)

	% of total consumption	March 31, 2016 Value	% of total consumption	March 31, 2015 Value
<b>Raw Materials and Components</b>				
Imported	28%	2,798.54	27%	2,631.15
Indigenous	72%	7,168.34	73%	7,003.05
	<b>100%</b>	<b>9,966.88</b>	<b>100%</b>	<b>9,634.20</b>
<b>Stores and Spare parts</b>				
Imported	22%	7.63	7%	2.20
Indigenous	78%	27.22	93%	31.43
	<b>100%</b>	<b>34.85</b>	<b>100%</b>	<b>33.63</b>

**39.** The Company follows Accounting Standard - 22 "Accounting for Taxes on Income" as notified by the Company Accounting Standards Rules, 2006 (as amended). The Company has net deferred tax assets primarily consisting of unabsorbed depreciation and carry forward losses. However, the subsequent realization of such amount is not virtually certain in near future and the management is of the view that it is prudent not to recognize deferred tax assets.

**40.** Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For and on behalf of the Board of Directors of  
Schneider Electric Infrastructure Limited

For S.R.Batliboi & Co. LLP  
ICAI Firm Registration No.: 301003E/E300005  
Chartered Accountants

Per Manoj Kumar Gupta  
Partner  
Membership No.83906

Prakash Kumar Chandraker  
Managing Director

Anil Chaudhry  
Director

Anurag Mantri  
Chief Financial officer

Anil Rustgi  
Company Secretary

Place: Noida  
Date: May 25, 2016

**Schneider Electric Infrastructure Limited**

4-7th Floor, Tower 3, IGL complex, Plot No. 2B,  
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General number: 0124 4222040

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