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HIGHLIGHTS**

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INDONESIA



GOA



CHENNAI



BELGIUM



ONE BRAND

INTRODUCING
OUR IDENTITY

15 October 2009, was a momentous day, in the history of CG. A day on which, all companies in the CG fold, were bound together, by a new Brand Identity – a new logo "CG" and a new brand line "Smart solutions. Strong relationships."

THE NEW IDENTITY reinforces, the value that we place on relationships, and the ability to provide solutions, which in turn strengthens these relationships.

THE NEW IDENTITY establishes our common lineage, and unites every company and employee in our family with a common face – CG.

ALL 8000 EMPLOYEES of CG across the world will now carry the same card, use similar stationery and there will be synchronisation of appearance of products, facilities and commercial infrastructure across the globe. All companies across the world within the CG Group, will have their names start with "CG", as an identification that they belong to the CG family, and stand for all that CG has stood for during the past 73 years and continues to stand for.

HANNOVER



NASIK



BELGIUM





2009
2010

**CONSOLIDATED
FINANCIAL
HIGHLIGHTS**

Although the international performance of CG remained muted, a strong demand for power products in the domestic sector coupled with a significant growth in the Industrial Systems and Consumer Products businesses enabled CG to register a positive growth in its consolidated figures. Besides, improved productivity, redesign of products and a dip in the commodity prices enabled CG report a significant rise in its bottomline for the year.

ACQUISITIONS TO WIDEN THE BASE

In its drive to becoming a provider of integrated solutions, services and products, on 29 March 2010, CG acquired Power Technology Solutions Limited (PTS), a UK-based high voltage electrical engineering company. PTS provides consulting as well as technical and engineering support to regional electricity companies in the UK. Such services include conceptual engineering and system studies, and complete engineering, procurement and construction (EPC) solutions for sub-stations that cover electrical, civil and structural aspects.

POWER SYSTEMS

The Power Systems SBU enhanced its competitive momentum by forcefully targeting the growth oriented utility power transformer segment, to offset the slowdown in industry demand for distribution transformers. CG is also building competencies and pursuing new attractive segments such as renewable energy, ultra high voltage and energy automation. CG Power is also increasingly finding new profitable opportunities in developing, constructing and supplying end-to-end power solutions in various parts of the world.

INDUSTRIAL SYSTEMS

The Industrial Systems SBU grew through introduction of new products for different markets, such as small motors for agro applications and extension of range up to 5 MW of large rotating machines for several industrial applications. After the end of the year, it also acquired three businesses of Nelco Limited – traction electronics, SCADA and industrial drives for a value of approximately Rs.92 crore. This acquisition will enable CG become a stronger and more comprehensive player in its railways business and also build capabilities in drives.

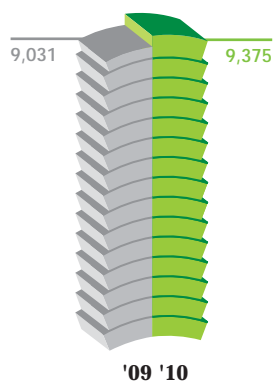
CONSUMER PRODUCTS

The CG's Consumer Products business, its second largest SBU in terms of revenues, grew by 22%, growing 1.5 times the market. A focus area for the Consumer Products business is tapping the vast potential of the Indian rural markets, estimated at Rs.65,000 crore for FMCG products and Rs.5,000 crore for consumer durables.

REVENUES IN RS. CRORE

04↑
PER CENT

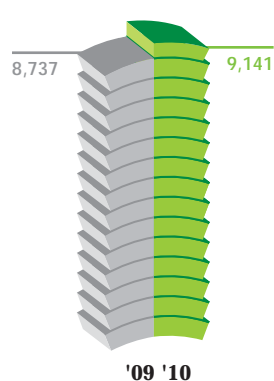
OPERATING REVENUE
GROSS SALES AND SERVICES



'09 '10

05↑
PER CENT

NET SALES & SERVICES

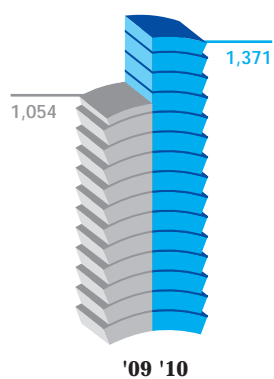


'09 '10

EARNINGS IN RS. CRORE

30↑
PER CENT

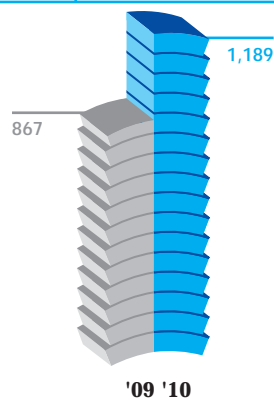
EBIDTA
EARNINGS BEFORE INTEREST,
DEPRECIATION, TAX AND
AMORTISATION



'09 '10

37↑
PER CENT

PBT
PROFIT BEFORE TAX

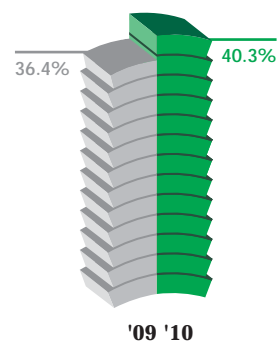


'09 '10

RETURNS PER CENT

3.9↑
PER CENT
POINTS

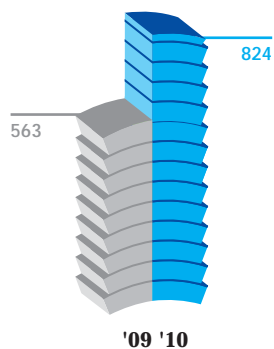
ROCE
RETURN ON CAPITAL
EMPLOYED



'09 '10

46↑
PER CENT

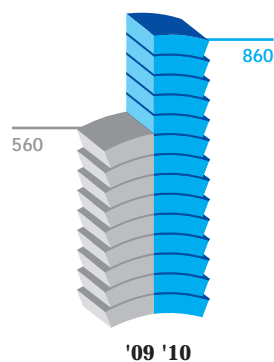
PAT
PROFIT AFTER TAX



'09 '10

54↑
PER CENT

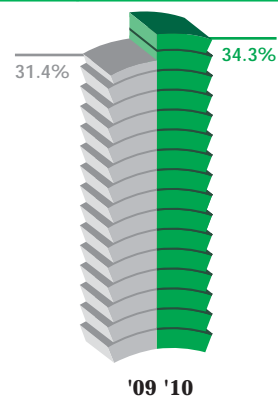
PAT*
*PROFIT AFTER TAX, MINORITY
INTEREST, SHARE OF
ASSOCIATE COMPANIES AND
EXTRAORDINARY ITEM



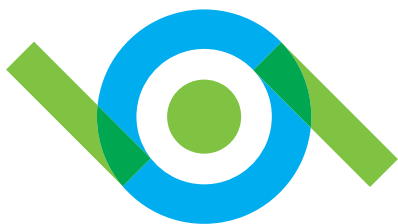
'09 '10

2.9↑
PER CENT
POINTS

RONW
RETURN ON NET WORTH



'09 '10



Chairman's Letter

Dear Shareholder,

When I wrote to you last, the global economic situation was bleak. The United States of America and the Euro Zone were in deep recession. China's GDP growth had slowed down considerably, as had India's. Most of Latin America was in distress. And while governments were pump priming their economies to their utmost, the financial system was still reeling under the effects of various shocks, leading to capital scarcities and high risk premia. At that point, I didn't expect a quick turnaround. There has been a turn for the better, especially in the emerging economies.

China steadily increased its GDP growth rates for the last two quarters of 2009 to achieve 8.7% growth. So, too, has India, and is expected to clock a GDP growth of 7.2% in 2009-10. Some of the developed countries have also done better. From Q3 2009, the US economy has been achieving positive GDP growth: 2.2% in Q3, 5.6% in Q4 and 3.2% in Q1 2010. A few western European nations, too, have moved growth into mildly positive territories.

While some see this as the start of a significant turnaround, I look at the numbers very differently. Despite the European Commission and IMF-sponsored bailout,

Europe is now hit by the Greek debt crisis. At this stage, we speak of the risk of the PIGS (Portugal, Italy, Greece and Spain) economies; but we don't know whether Portugal, Spain or Italy will go under. If either Spain or Italy crashes under the burden of public debt, things will get very serious indeed – requiring a fundamental re-think of euro as the common currency.

We are at an uncertain equilibrium, raising the question, "How should your Company operate in these volatile times?"

Before answering this, let me focus on how CG fared in FY2010 – itself a hard year for most international businesses. The



CG's services divisions offer highly professional, solutions for the repair of transformers of any make and vintage.

These are excellent results in an extraordinarily tough year. They show your Company's steadfast commitment to earning higher profits and rewarding shareholders, even in a very trying period.

answer, I am happy to say, is that your Company has done remarkably well. Here are some facts for the consolidated entity:

- **NET SALES AND SERVICES** grew by 5% to Rs.9,141 crore.
- **EARNINGS BEFORE INTEREST, DEPRECIATION, TAXES, AND AMORTISATION (EBIDTA)** increased by 30% to Rs.1,371 crore.
- **PROFIT BEFORE TAXES (PBT)** grew by 37% to Rs.1,189 crore.
- **RETURN ON CAPITAL EMPLOYED (ROCE)** rose to 40.3% in FY2010, or 390 basis points higher than FY2009.
- **PROFIT AFTER TAXES** (net of minority interests and share of associate companies, but excluding extraordinary item) increased by 47% to Rs.825 crore. Inclusive of extraordinary item, it rose by 54% to Rs.860 crore.
- **EARNINGS PER SHARE (EPS)** excluding extraordinary item was up 48% to Rs.12.9. EPS including extraordinary item was up 54% to Rs.13.4.

These are excellent results in an extraordinarily tough year. They show your Company's steadfast commitment to earning higher profits and rewarding shareholders, even in a very trying period.

In response to the earlier question: "What should your Company do in these uncertain and potentially difficult times?" The answer is in three parts.

First, I believe that it should be cautious of grandiose plans. That is not difficult in your Company. CG strongly believes in the value of money and the need to be vigilant in the allocation of scarce capital; it focuses on maximizing productivity and sweating capital to the fullest; and it considers a good business to be one where the rate of



Lighting solutions offered by CG's lighting division. CG's lighting products illuminate a tennis court, a factory, an art gallery & an office.



A significant event in FY2010 was that Mr. Sudhir Trehan, your Managing Director and CEO was selected by Business Standard as the CEO of the year.

growth of profits consistently exceeds that of sales.

Second, I equally believe that CG should be always looking at careful acquisitions – ones that add substance to the Company's portfolio, enhance expertise and intellectual property, and help CG to deliver profitable end-to-end solutions for its customers. At any point of time, your Company examines such options both abroad and in India to augment its offerings in power systems, industrial systems and consumer products. We look at these as 'string of pearls' acquisitions: not necessarily huge in themselves, but with considerable synergies and potential to take our businesses to higher orbits.

Third, this is a good time to define, disseminate and enhance CG's core strengths. These are the values we place on relationships, and the ability to provide solutions which, in turn, strengthen these relationships. This impetus has driven the

branding exercise which was carried out in FY2010, and the new global CG brand that came into play across the world on a single day, 15 October 2009. Now, the common brand, cutting across all your Company's businesses globally and in India, is CG. And the brand line, 'Smart solutions. Strong relationships.' is exactly the way we want CG to be.

How do I see your Company's businesses in FY2011? Chairmen of listed companies should avoid 'forward-looking' statements. So let me share a few ideas in more general terms. I see good prospects continuing in India. With a GDP growth that may exceed 8% in FY2011, it is fair to expect rising demand for power systems, industrial systems and consumer products. Moreover, power systems ought to reap additional benefits on account of accelerated growth in generation and transmission. I also see fairly robust growth in emerging markets – whether these be

served by your Company from India or abroad.

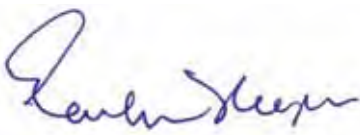
We recognise the imbalance of the Company's portfolio of a high volume of sales coming from the power business. We will continue to focus on opportunities to enhance the value of our Industrial Systems offerings through selected acquisitions. The Consumer Products business of the Company will also certainly benefit from the rebranding and a focus on sales in the rural areas.

Equally, the economic situation in Europe, the US and the Middle East may continue to remain unpredictable throughout FY2011. Your Company will have to work even harder at growing sales and profits in these geographies – which requires a more comprehensive approach to offering unique end-to-end solutions. The good news is that CG is already in the solutions space in the US, Europe and India; and its acquisitions are playing critical roles in developing interesting combinations of services, solutions and products.

A significant event in FY2010 was that Mr. Sudhir Trehan, your Managing Director and CEO was selected by Business Standard as the CEO of the Year. We are delighted with this honour. It recognises the exceptional leadership qualities of Sudhir; and emphasises the fact that he has created and bonded a great team that is delivering superior results each year. Do join me to congratulate Sudhir, and the Company that he leads on your behalf.

This has been another excellent year for your Company. Notwithstanding the difficulties that may come into play in FY2011, I expect CG to do better. Because excelling is a part of this organisation's genes.

Thank you for being there.



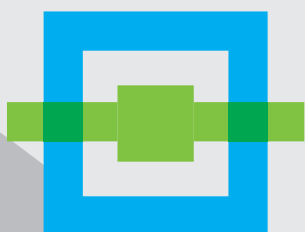
GAUTAM THAPAR
Chairman



EPD Division of India commissioned its first GIS sub-station project at Surat in India.



After improving profitability through better plant efficiencies and cost control, CG's Industrial Systems SBU is set to expand its solutions portfolio by acquiring Nelco's businesses of traction electronics, SCADA and industrial drives.



Corporate Information

BOARD OF DIRECTORS

CHAIRMAN

G Thapar

MANAGING DIRECTOR

SM Trehan

NON-EXECUTIVE, INDEPENDENT

S Bayman

O Goswami

S Labroo

M Pudumjee

S Prabhu

SP Talwar

V von Massow

CHIEF FINANCIAL OFFICER

M Acharya

COMPANY SECRETARY

W Henriques

AUDITORS

Sharp & Tannan

SOLICITORS

Crawford Bayley & Co.

BANKERS

Union Bank of India

State Bank of India

Corporation Bank

Canara Bank

Bank of Maharashtra

Yes Bank Ltd

IDBI Bank Ltd

ICICI Bank Ltd

The Royal Bank of Scotland N.V

Standard Chartered Bank

Credit Agricole CIB

REGISTERED OFFICE

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

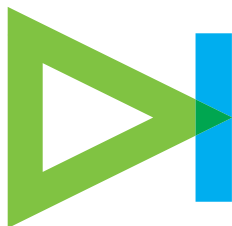
Gautam Thapar, Chairman (Right) and
Sudhir Trehan, Managing Director (Left)





LEFT TO RIGHT : M Kelly, CFO-CG Power; AK Raina, VP-Industrial Systems; DS Patil, CEO-CG Power; JG Kulkarni, VP-CG Power (Asia); W Henriques, Company Secretary, Legal Counsel & Global Head - Human Resources; M Acharya, CFO; SM Trehan, Managing Director; M Schillebeeckx, VP-CG Power (Americas); F Robberechts, VP-CG Power (EMEA); JJ Patel, VP-Global R&D; M Verma, VP-Consumer Products & International Business.





Management Discussion & Analysis

CG: THE NEW BRAND IDENTITY

15 October 2009 was a very important day in the history of an energetic and ever-growing 73 year old global company. Crompton Greaves ('CG' or 'the Company') launched its new corporate brand identity – not just in India but simultaneously across the world.

CG

Smart solutions.
Strong relationships.

Why the need for a uniform corporate brand identity?

In becoming a global corporation, CG has not only been expanding its Indian operations but also acquiring key global facilities spread across the world. The main global acquisitions have been:

- **2005, PAUWELS:** The Company acquired the Pauwels group of Belgium, which operates in the areas of power and distribution transformers, with manufacturing facilities at Belgium, Ireland, the USA, Canada and Indonesia.
- **2006, GANZ:** A high technology company in Hungary, with a consistent track record in power transformers, GIS switchgear and rotating machines, as

well as in the supporting areas of design, erection and commissioning.

- **2007, MICROSOL:** With operations in Ireland, the USA and the UK, Microsol's expertise is in sub-station automation for medium voltage (MV) and high voltage (HV) sub-stations.
- **2008, SONOMATRA:** Located in France, Sonomatra specialises in providing services of on-site maintenance/repair of power transformers and on-load tap changers, oil analysis, oil treatment and retro-filling.
- **2008, MSE:** Based in the USA, MSE is engaged in engineering, procurement and construction (EPC) of high voltage electric power applications. It is a

Rs.1 crore is Rs.10 million.

All figures in US\$ for 2008-09 (FY2009) are at US\$ 1 = Rs. 46.5363; for FY2010 at US\$ 1 = Rs.47.7446. FY2010 stands for fiscal year 2009-10, i.e. 1 April 2009 to 31 March 2010. Analogously, FY2009.

systems integrator in international EPC business, especially in the renewable energy (wind) segment.

In addition, CG India has three main businesses:

- **POWER SYSTEMS:** Manufacturing a large range of transformers, switchgear, and providing transmission and distribution (T&D) solutions with its engineering projects and services capabilities.
- **INDUSTRIAL SYSTEMS:** Producing a wide spectrum of high tension (HT) and low tension (LT) rotating machines, namely motors and generators, as well as related solutions.
- **CONSUMER PRODUCTS:** Manufacturing and marketing a large variety of industrial and household solutions in lighting, fans, pumps and home appliances.

Today, CG is a market leader in most business areas, and has over 8,000 employees worldwide, spanning various nationalities and cultures. It has enhanced and consolidated its global footprint by emphasising a corporate culture built on values, quality and customer service. Till 15 October 2009, all CG's foreign entities had their individual corporate brand names. To amalgamate these entities into the CG family, the Company first integrated processes, systems and technologies across all its operations worldwide. That was not enough. The Company needed to discover that one single inspirational idea common to all companies in the CG fold – an idea that represented a shared philosophy through which CG could present one unified face to the world, and speak with one consistent voice.

The first step in this discovery was extensive research among all CG's stakeholders worldwide, to identify common beliefs. It helped CG to ascertain its shared philosophy, which was "Our core strength is the value we place on relationships, and the ability to provide solutions, which, in turn, strengthen these relationships". Significant traits that also emerged across all the companies in the CG family were that we are passionate, responsive, down-to-earth and trustworthy.

The next step was choosing a corporate brand name. We chose 'CG' because it links all our foreign companies with CG. It establishes our common lineage, and



CG Power Systems Belgium N.V. has developed, manufactured, tested and is delivering CG's biggest power transformer of 750 MVA to the Saudi Electricity Company.

unites every company in our family with a common face.

Our shared philosophy – the value we place on relationships and solutions – was translated into the new brand identity through:

- **A VISUAL:** Two equal forces, 'C' and 'G', which unite to create a synergic new form, 'CG' – where the whole is greater than the sum-total of its parts.
- **A BRAND LINE:** 'Smart solutions. Strong relationships.'

The entire group's commitment to the new brand identity can be gleaned from a simple fact. In just one day, 15 October 2009, the new corporate brand was implemented across all group companies throughout the world. From that day, every official document, presentation, letterhead, e-mail, visiting card, advertisement, poster, billboard, communication and all else that underscored the common corporate brand carried the new brand identity. Today, it has become a part of the group's DNA.

▶ Today, CG is a market leader in most business areas, and has over 8,000 employees worldwide, spanning various nationalities and cultures. It has enhanced and consolidated its global footprint by emphasising a corporate culture built on values, quality and customer service.



CONSOLIDATED FINANCIAL HIGHLIGHTS FY2010

■ FY 2009 ■ FY 2010

05 ↑
PER CENT

**NET SALES
AND SERVICES**
IN RS. CRORE



Net sales and services grew by 5% – from Rs.8,737 crore in FY2009 to Rs.9,141 crore in FY2010.

30 ↑
PER CENT

EBIDTA
IN RS. CRORE



Earnings before interest, depreciation, taxes, and amortisation (EBIDTA) increased by 30% – from Rs.1,054 crore in FY2009 to Rs.1,371 crore in FY2010. As in the previous year, the Company's EBIDTA grew faster than revenue.

30 ↑
PER CENT

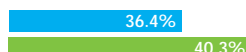
EBIT
IN RS. CRORE



Earnings before interest and taxes (EBIT) rose by 30%, from Rs.932 crore in FY2009 to Rs.1,216 crore in FY2010.

390 ↑
BASIS POINTS

ROCE
IN PERCENT



Return on capital employed (ROCE) increased to 40.3% in FY2010 – up by 390 basis points from FY2009.

37 ↑
PER CENT

PBT
IN RS. CRORE



Profit before taxes (PBT) grew by 37% to Rs.1,189 crore in FY2010. Thus, as before, PBT increased faster than EBIT as well as EBIDTA.

47 ↑
PER CENT

PAT
IN RS. CRORE



Profit after taxes net of minority interests and share of associate companies, but excluding extraordinary item (PAT) rose by 47% to Rs.825 crore in FY2010. Inclusive of extraordinary item, it rose by 54% to Rs.860 crore.

48 ↑
PER CENT

EPS
IN RS.



Earnings per share (EPS) excluding extraordinary item was up 48% to Rs.12.9 in FY2010, versus Rs.8.7 in FY2009. EPS including extraordinary item was up 54% to Rs.13.4.

03 ↓
PER CENT

UEOB
IN RS. CRORE



The unexecuted order book (UEOB) as on 31 March 2010 stood at Rs.6,370 crore. This was down by 3% over the previous year, and represents eight months of sales going forward.

ACQUISITIONS, INVESTMENT AND DIVESTMENT

On 29 March, 2010, in its drive to becoming a 'Provider of Integrated Solutions, Services and Products', CG acquired Power Technology Solutions Limited (PTS), a UK-based high voltage electrical engineering company. PTS provides consulting as well as technical and engineering support to regional electricity companies in the UK. Such services include conceptual engineering and system studies, and complete engineering, procurement and construction (EPC) solutions for sub-stations that cover electrical, civil and structural aspects. The approximate acquisition value was £30 million.

In addition, on 29 April 2010, CG concluded an arrangement for the acquisition of three businesses of Nelco Limited – traction electronics, SCADA and industrial drives for a value of approximately Rs.92 crore. This acquisition should enable CG to become a stronger and more comprehensive player in its railways business and also build capabilities in drives. This is a significant acquisition for CG's Industrial Systems business.

As mentioned in last year's Annual Report, CG holds 32% in Avantha Power and Infrastructure Limited (APIL). This translates to 206.36 million equity shares of APIL at Rs.11 per share – or an investment of Rs.227 crore. APIL, an Avantha Group company, is engaged in the generation, transmission and distribution of electricity.

APIL has filed a draft Red Herring Prospectus with the Securities and Exchange Board of India (SEBI) for a public issue in the near future. As a significant investor, CG is supporting this IPO.

FY2010 also saw a divestment. CG divested its 59% shareholding in Malanpur Captive Power Limited to APIL. This transaction involved the sale of 11.02 million equity shares (face value of Rs.10 each), at a price of Rs.46.63 per share. Thus, CG earned an extraordinary revenue of Rs.51.4 crore, which translated to an extraordinary profit of Rs.40.38 crore. This transaction reflects in the stand-alone and consolidated profit and loss account of CG.

NOTE: Figures for FY2009 have been regrouped wherever necessary in order to make them comparable with those of FY2010.

KEY PERFORMANCE

The key performance highlights of CG for FY2010 is given in the graphs on the left.

STRATEGIC BUSINESS UNITS (SBUS)

CG has three SBUs: (i) CG Power, dealing with power systems, (ii) CG Industrial Systems and (iii) CG Consumer Products. Chart A gives the comparative shares of business of the three SBUs on a consolidated global basis for FY2009 and FY2010.

- Thanks to the aftermath of the global economic crisis, CG Power's net revenues were flat – recording Rs.6,204 crore in FY2010 versus Rs.6,174 crore in FY2009. At the average exchange rate, CG Power's top line was US\$ 1.3 billion.
- Net revenue from CG Industrial Systems increased by 9% – from Rs.1,150 crore in FY2009 to Rs.1,259 crore in FY2010.
- Net revenue from CG Consumer Products rose by 22% from Rs.1,322 crore in FY2009 to Rs.1,612 crore in FY2010.

CG Power accounts for 68% of CG's consolidated net revenues; followed by 17% for CG Consumer Products; and 14% for CG Industrial Systems. Chart B shows this.

CG POWER: CONSOLIDATED PERFORMANCE

CG Power includes the consolidated global transmission and distribution businesses, and is CG's largest SBU. It manufactures power transformers, distribution transformers, extra high voltage (EHV) and medium voltage (MV) circuit breakers, gas insulated switchgear (GIS), EHV instrument transformers, lightning arrestors, isolators, vacuum interrupters and electronic energy meters. It has been moving into providing turnkey solutions for T&D through customised sub-station projects, EPC and other integrated end-to-end contracts that encompass solutions, design, products, procurement, construction, erection and servicing.

The facilities of CG Power in India and overseas are:

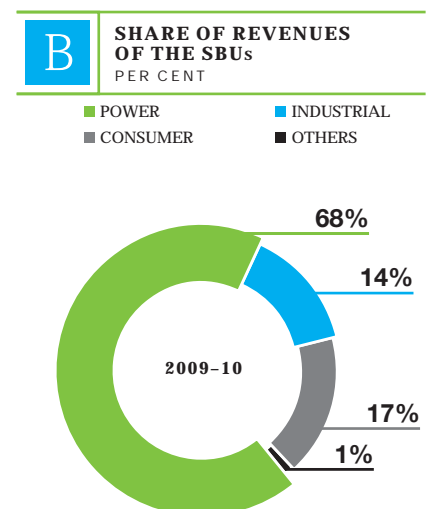
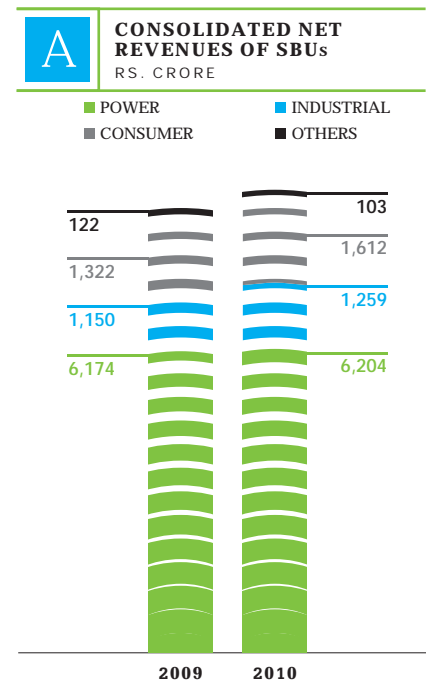
In India

- **KANJUR MARG (MUMBAI), MALANPUR AND MANDIDEEP (MADHYA PRADESH):** Power and distribution transformers.

- **NASIK AND AURANGABAD (MAHARASHTRA), BANGALORE (KARNATAKA):** EHV and MV circuit breakers, EHV and MV instrument transformers, vacuum interrupters, isolators, lightning arrestors, power quality products and solutions and electronic energy meters.
- **GURGAON (HARYANA):** Engineering Projects Division (EPD).

Overseas

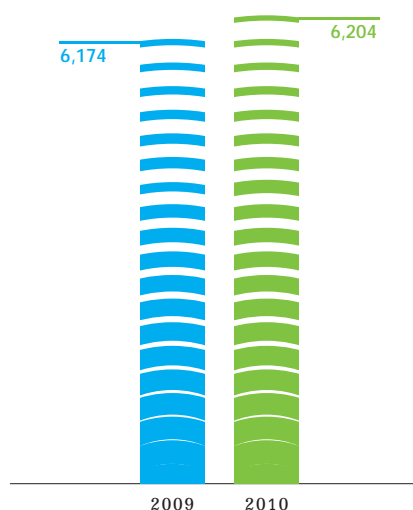
- **MECHELEN (BELGIUM):** Manufactures custom-made medium and large power transformers, large distribution transformers, mobile sub-stations, and is engaged in contracting.
- **CAVAN (IRELAND):** Smaller single-phase and three-phase distribution transformers and micro-substations.
- **CHARLEROI (BELGIUM):** The services division.
- **WASHINGTON (MISSOURI, USA):** Three-phase and pad-mounted transformers, unitised sub-stations and small power transformers.
- **WINNIPEG (CANADA):** Medium and large power transformers, mobile sub-stations and high voltage direct current (HVDC) converter transformers.
- **BOGOR (INDONESIA):** Power transformers from 10 MVA to 260 MVA.
- **TAPIOSELE (HUNGARY):** Transformers, gas insulated switchgear (GIS), and engages in contracting and services. It also manufactures traction motors (see section on CG Industrial Systems).
- **DUBLIN (IRELAND), JARROW (UK), SEYMOUR (CONNECTICUT, USA) AND EAGLE (IDAHO, USA):** These facilities focus on the manufacture of sub-station and distribution automation products and systems; and project delivery and sales management for Europe, the Middle East and the US markets.
- **NORTHERN FRANCE:** These facilities are for servicing of power systems like providing on-site maintenance, repairing of power transformers and offering oil analysis, oil treatment and retro-filling solutions.
- **ALBANY (USA):** A key EPC player of high voltage power transformer systems, especially in renewable energy (wind), sub-stations, aerial lines and wind-plant information and communications systems





MSE's EPC capabilities utilised at a 1200 MW Wind Farm in the Armenia mountains, Pennsylvania, U.S.A.

C CONSOLIDATED NET SALES OF CG POWER RS. CRORE



1 CONSOLIDATED FINANCIAL PERFORMANCE OF CG POWER RS. CRORE

YEAR ENDED 31 MARCH	FY2009	FY2010	GROWTH
Net Sales	6,174	6,204	0%
EBIDTA	713	882	24%
EBIT	625	769	23%
Capital Employed	1,533	1,678	9%
ROCE	40.8%	45.8%	5 % pts
Unexecuted Order Book	6,163	5,987	-3%

NOTE: Figures have been regrouped wherever necessary to make them comparable.

– with offices in Maryland, Pennsylvania, Florida, Texas and Arizona.

• **NOTTINGHAM (UK):** A new acquisition. Power Technology Solutions Limited (PTS), a high voltage electrical engineering company, which provides consulting, technical and engineering support, including EPC services to regional electricity companies.

Thanks to the after-effects of the global economic crisis, the performance of CG Power has been muted, especially outside India. This is due to a sharp drop in the demand for distribution transformers, arising out of major de-growth in housing projects; and a general 'watch-and-wait'

approach of many customers before taking final delivery of products and services.

The financial performance of CG Power is given in Table 1. This includes CG Power's Indian and global operations.

As mentioned, the lack of top-line growth in CG Power has been due to the sharp fall in sales of distribution transformers (DT) in Europe and the USA during FY2010. The outlook for DT remains difficult and uncertain in FY2011. Although there has been a slight uptick in the US housing starts in Q1 2010 (January to March), the growth is very modest. Moreover, as in March 2010, newly built single unit houses have, on average, remained unsold for over 14 months – a number that has remained

persistently high over the last six months. For each single unit home that is actually sold, there is stock of 7.6 completed and saleable homes in the market. In such a scenario, it is likely that sales of DT for the housing market will remain muted in the US. The story is similar in Ireland, Spain, Portugal, the UK and most other parts of western Europe.

Things are different for power transformers (PT), wind, sub-stations and systems integration. This is particularly true of Asia, especially India and south-east Asia, where CG has a strong geographical presence. Demand for PT remains strong in India; so too PT as well as DT in the rest of Asia. After a year of slowdown, largely on account of the extra-cautious approach of banks and financial institutions, renewable energy, particularly wind, is again back in the fore. With its leadership position in SLIM® transformers for windmills and its proven ability to implement integrated solutions that connect wind-farms to transmission grids via sub-stations, CG Power is well positioned to garner

growth will be accounted for by India and China. With it, there will be a steady increase in demand for T&D equipment and solutions – for replacement and for new projects. India will see a huge growth in power sector investments, which has become already apparent within a year of the new government being in power. The investments will span generation, transmission and distribution, and involve supplying of T&D equipment as well as providing end-to-end solutions. CG Power is well placed to exploit these opportunities.

CG Power India: Financial Performance

There is a clear difference in the demand for power equipment and services between Asia and India on the one hand, and the western developed nations on the other. In India, demand has been growing for T&D equipment and solutions. And CG Power India has performed very well in FY2010. The financial performance of CG Power India is given in Table 2.

Net sales of CG Power India grew by

2 PERFORMANCE OF CG POWER (INDIA) RS. CRORE			
YEAR ENDED 31 MARCH	FY2009	FY2010	GROWTH
Net Sales (net of excise duty)	2,224	2,510	13%
EBIDTA	370	484	31%
EBIT	349	462	32%
Capital Employed	430	498	16%
ROCE	81.2%	92.8%	11.6% pts
Unexecuted Order Book	2,431	3,038	25%

an increasing share of the renewable business. Indeed, CG Power is increasingly finding new profitable opportunities in developing, constructing and supplying end-to-end power projects in various parts of the world.

While the short term outlook may be flat – growth in solutions, services and PT being countervailed by difficulties in the DT markets – the medium and longer term outlook for CG Power continues to remain robust.

As we stated last year, the world's demand for primary energy will rise from 11.4 billion metric tons of oil equivalent in 2008 to about 17.7 billion metric tons in 2030. Almost three-fourths of this

13% over last year to reach Rs.2,510 crore. EBIDTA increased by 31% to Rs.484 crore. EBIT rose by 32% to Rs.462 crore. Return on year-end capital employed (ROCE) was at 92.8% – up 11.6 per cent points over the previous year. The unexecuted order book (UEOB) grew by 25% to Rs.3,038 crore.

CG Power Overseas: Financial Performance

The financial performance of the CG Power Overseas is given in Table 3.

Driven by falling demand for distribution transformers (DT), the top-line of CG Power Overseas shrank by 7% to reach Rs.3,733 crore (US\$ 782 million). Despite this, EBIDTA rose by 17% to Rs.400 crore (US\$



KEY PERFORMANCE INDICATORS OF CG POWER: CONSOLIDATED

NET SALES of CG Power remained flat at Rs.6,204 crore in FY2010 – largely on account of depressed demand conditions for distribution transformers in Europe and the USA.

Even so, **EBIDTA** grew by 24% to Rs.882 crore in FY2010.

EBIT rose by 23% to Rs.769 crore in FY2010.

ROCE Despite a 9% growth in capital employed, CG Power's return on capital employed grew by 5 percent points to 45.8% in FY2010.

UNEXECUTED ORDER BOOK (UEOB) As on 31 March 2010, the unexecuted order book decreased by 3% to Rs.5,987 crore.



Vacuum interrupter sub assembly in progress at Vacuum Interrupter & Instrument Transformers division, Aurangabad.

▶ CG Power India, along with ZTR of Ukraine, booked orders for 86 units of 765 kV ultra-high voltage (UHV) reactors valued at Rs.600 crore.

▶ CG Power India's switchgear division entered the UHV segment by indigenously designing and developing India's first 800 kV, 50 kA gas circuit breaker, which was successfully type-tested in laboratories in South Korea and India. The division has already received orders for eight such circuit breakers.

3 PERFORMANCE OF CG POWER (OVERSEAS) RS. CRORE			
YEAR ENDED 31 MARCH	FY2009	FY2010	GROWTH
Net Sales	4,034	3,733	-7%
EBIDTA	342	400	17%
EBIT	276	307	11%
Capital Employed	1,103	1,180	7%
ROCE	25%	26%	1 % pt
Unexecuted Order Book	3,732	2,949	-21%

84 million). EBIT grew by 11% to Rs.307 crore (US\$ 64 million). ROCE grew by 1 per cent point to 26%. Adverse demand conditions show up in the unexecuted order book (UEOB) which, as on 31 March 2010, fell by 21% to Rs.2,949 crore (US\$ 618 million).

CG Power: Key Developments

FY2010 saw several significant developments in CG Power, some of which are given below:

- CG Power India, along with ZTR of Ukraine, booked orders for 86 units of 765 kV ultra-high voltage (UHV) reactors valued at Rs.600 crore. The customer is the Power Grid Corporation of India Limited (PGCIL). CG will be producing 43 such reactors, valued at Rs.352 crore.
- CG Power India saw a significant turnaround in its Engineering Projects Division (EPD). In January 2010, EPD entered the arena of 765 kV sub-stations by bagging the order for the 765 kV / 400 kV Unnao sub-station project in Uttar Pradesh for Rs.302 crore. EPD also successfully completed and handed over the 400 kV Barmer sub-station project in Rajasthan within a period of nine months. EPD also bagged an order worth Rs.125 crore from the Chhattisgarh State Power Transmission Company Limited to construct a 400 kV / 220 kV sub-station at Raipur.
- CG Power India's transformer division at Kanjur Marg, Mumbai, became the first Rs.1,000 crore division in CG Power worldwide.
- CG Power India's switchgear division entered the UHV segment by indigenously designing and developing India's first 800 kV, 50 kA gas circuit breaker, which was successfully type-tested in laboratories in South Korea and India. The division has already received orders for eight such circuit breakers.

- CG Power India won a prestigious order for supplying two 500 MVA power transformers for the Commonwealth Games in New Delhi. This is the highest MVA rating for a 400 kV system.
- CG Power Overseas remains the number 1 for SLIM® transformers and wind farm installations. Its products and services involve many long term agreements with companies such as Siemens Wind Power, Enercon, Multibrid and other players in this market. Introduced a SLIM® transformer for the US distribution transformer market.
- CG Power Overseas has gained a foothold in the solar power market by developing a three-winding transformer designed around solar power applications.
- CG Power (Power Transformer, Belgium) has developed, manufactured, tested and is delivering a 750 MVA power transformer to the Saudi Electricity Company. This will replace existing units at Hawiyah 380 sub-station located in eastern Saudi Arabia, which primarily feeds the electricity needs of the oil industry, namely Aramco. This transformer is designed according to the advanced specifications enabling it to meet requirements in terms of inter-changeability, advanced controls and cooling.
- The Systems Division of CG Power (Belgium) has designed, engineered and are building the transmission grid connection for a 165 MW offshore wind-farm called Belwind, located 50 km in the coastal waters of Belgium. This system connects offshore wind-farms to the main high voltage grid. The project also involved manufacturing, transporting and installing of a 185 MVA power transformer in a totally metal enclosed sub-station that is located on an offshore seabed foundation.
- MSE has interconnected a fourth of all wind power in the USA to the grid. In the process, it has proven itself to be a leader in this business. Today, it can execute an order-to-commission of a sub-station in



Assembly of 132 kV Compact GIS disconnecter for KREC Iran project in the Switchgear factory at Tapioszele.

16 weeks. MSE has developed balance of plant solutions for photo-voltaic solar plants, and is completing its first project of 6 MW in Pennsylvania. In April 2010, MSE and CG Automation Systems acquired the Advanced Distribution Monitoring System (ADMS) technology to monitor wind turbine systems from Second Wind Systems Inc, USA. This has strengthened MSE's offerings of feature-rich inter-connection systems essential for smart-grid solutions.

- CG Power (Belgium) has been developing track side transformers, for high speed trains; and hybrid transformers with Nomex® paper-based insulation systems for the offshore wind industry.

- The Washington (USA) plant of CG Power Overseas began to supply medium power transformers from 10 MVA to 60 MVA, with a rating of up to 650 KV BIL (basic impulse level). The plant at Winnipeg (Canada) produced its first 230 kV mobile sub-station for the North

American market. It also produced the first phase shifting transformer with bi-directional voltage variation; and the first universal re-connectable generator step-up transformer.

- CG Automation Systems, earlier Microsol, introduced the XGate sub-station gateway and distribution automation self-healing networks, and has received good customer reviews. It also delivered and commissioned the division's first IEC61850 compliant sub-station automation system with integrated protection and control.

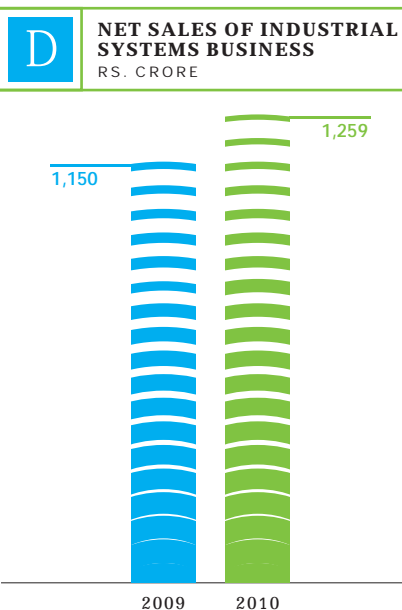
- Through the Unipower (power transformer unification) initiative, CG Power is on target to achieve technology leadership in the transformer business. Power transformer plants at Kanjur Marg and Mandideep in India, Belgium, Canada, Indonesia, and Ganz in Hungary are operating as a seamless whole, in matters of technology and design.

▶ CG Power Overseas has gained a foothold in the solar power market by developing a three-winding transformer designed around solar power applications.



Building the core of a rotor at the M7 division using high permeability silicon steel varnish

KEY PERFORMANCE INDICATORS OF INDUSTRIAL SYSTEMS BUSINESS	
NET SALES	Industrial Systems' net sales increased by 9% over the previous year to reach Rs.1,259 crore.
EBIDTA	rose by 28% to Rs.295 crore.
EBIT	grew by 30% to Rs.276 crore.
ROCE	went up by 31.2 per cent points to 120%.



4 PERFORMANCE OF THE CG INDUSTRIAL SYSTEMS BUSINESS RS. CRORE			
YEAR ENDED 31 MARCH	FY2009	FY2010	GROWTH
Net Sales (net of excise duty)	1,150	1,259	9%
EBIDTA	230	295	28%
EBIT	213	276	30%
Capital Employed	240	230	-4%
ROCE	88.8%	120.0%	31.2 % pts
Unexecuted Order Book	403	378	-6%

CG INDUSTRIAL SYSTEMS

The CG Industrial Systems SBU manufactures the following types of products:

- High tension (HT) motors
- Railway transportation equipment
- Low tension (LT) motors
- Direct current (DC) motors
- AC drives
- Railway signalling equipment
- Fractional horse power (FHP) motors
- AC generators
- Stampings

Its facilities are located at:

- **MADHYA PRADESH:** Mandideep (HT motors and rail transportation equipment) and Pithampur (railway signalling equipment).
- **MAHARASHTRA:** Mumbai, Kanjur Marg (stampings) and Ahmednagar (LT motors,

alternators, AC drives and stampings). Nelco's facilities at Mahape (traction electronics, SCADA and industrial drives).

- **GOA:** LT motors and FHP motors.
- **HUNGARY:** Tapioszele (rotating machines).

The financial performance of the Industrial Systems is given in Table 4.

- FY2010 saw a significant growth in demand and top-line, especially during the second half of the year for LT Motors. LT Motors has maintained the number 1 position in India for AC motors; improved from number 2 to number 1 in India for alternators by quantity and maintained its number 2 position in DC motors. The range of slip ring alternators for rural market applications showed a steady increase in demand and sales. There was also a significant spurt in demand for the



insulated laminations for optimised output.

smaller range of motors in the second half of FY2010. The division has grown faster than the market across all its segments; and also increased EBIT and ROCE in the process. Additional facility was created at Goa (Thivim) to cater to the growing demand in the lower range of motors; the range of motors was increased to Frame 450, so as to widen the range of manufacture up to 750 KW (four pole). Licensed capacity of unit at Ahmednagar was doubled to 10 million HP.

- The M7 and the railway signalling divisions, which makes HT motors, rail transportation equipment and railways signalling equipment, have also performed well in FY2010. Net sales increased by 16% to Rs.326 crore. In physical terms, almost all products manufactured in M7 showed double-digit growth. The unit's ROCE continued to be in healthy triple-digits. Significant reduction in delivery period as well as in work content through better engineering enabled M7 to execute more orders. Increases in manufacturing capacity as well changes in the plant layout to create additional shop floor space helped improve production as well as productivity. Overall improvement in supply chain management, including new vendor development, helped with costs and in reducing the raw material-to-sales ratio.

- The railway signalling division bagged the highest ever order for carriage fans (BLDC fans) from Indian Railways. The contract is for the supply of 25,791 fans valued at Rs.6.7 crore. As far as rail transportation and railways signalling equipment goes, CG maintains a very strong presence in relays, point machines and BLDC fans – with market shares varying from 32% to 85% and it maintains the number 1 position in all the three products.

- In a difficult scenario for industrial motors in Europe, CG Hungary Rotating Machine (RM) Unit had some notable successes. It executed major orders for the cement industry in UK and Israel, and supplied another motor for a global cement major's unit at Benin (Africa). A five-year on-site maintenance contract was signed for 220 MVA generators that were earlier supplied to a power plant in Hungary. Two 31 MVA generators were supplied for transformer testing plants. The RM unit has installed a 100 metric ton crane for large motors and generators; and a 100 metric ton trolley for moving components between the bays and the finished products to the painting chamber. It has signed agency contracts for Germany, Italy, Slovakia and Czech Republic, the Scandinavian countries, Russia and Bulgaria.

▶ LT Motors has maintained the number 1 position in India for AC motors; improved from number 2 to number 1 in India for alternators by quantity and maintained its number 2 position in DC motors.



CG is the market leader in fans, occupies No. 2 position in lighting and is the leader in domestic



KEY PERFORMANCE INDICATORS OF THE CG CONSUMER PRODUCTS BUSINESS

NET SALES CG's second largest SBU in terms of revenues and the most significant cash generator – grew net sales by 22% to Rs.1,612 crore in FY2010.

EBIDTA by 55% to Rs.237 crore.

EBIT by 58% to Rs.230 crore

ROCE by 190.3 per cent points to 451%, which remains the highest for the Company as a whole.

5 PERFORMANCE OF THE CG CONSUMER PRODUCTS BUSINESS RS. CRORE			
YEAR ENDED 31 MARCH	FY2009	FY2010	GROWTH
Net Sales (net of excise duty)	1,322	1,612	22%
EBIDTA	153	237	55%
EBIT	146	230	58%
Capital Employed	56	51	-9%
ROCE	260.7%	451.0%	190.3 % pts

CG CONSUMER PRODUCTS

The CG Consumer Products business supplies fans, lighting equipment (light sources and luminaires), pumps, integrated security systems, home automation and a range of electrical household appliances. The SBU has the following facilities:

- **BETHORA AND KUNDAIM (GOA):** fans and appliances.
- **BADDI (HIMACHAL PRADESH):** fans.
- **KANJUR MARG (MAHARASHTRA):** luminaires.
- **AHMEDNAGAR (MAHARASHTRA):** pumps.
- **VADODARA (GUJARAT):** light sources.

The financial performance of Consumer Products is given in Table 5.

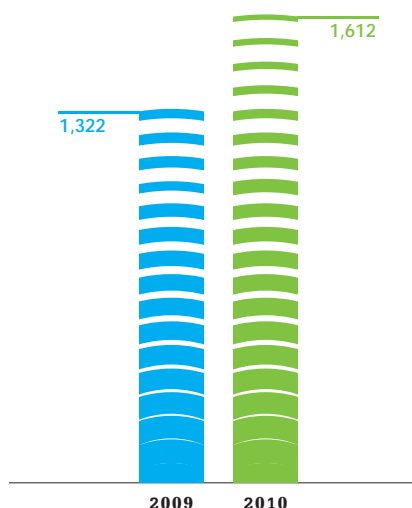
- CG is one of the fastest growing consumer product brands in India. It is the market leader in fans with a strong brand image; occupies the number 2 position in lighting, and is expanding its product portfolio; is the fastest growing brand in home appliances; and is the leader in the domestic pumps segment.
- CG's fans retained its 'Superbrand' status, for the fourth time in succession. It continued to enjoy overall leadership

status – with sale of 6.5 million units in FY2010 and a 24% market share. New products accounted for over 25% of total fan sales. A new range of industrial fans were introduced during the year, such as axial flow and centrifugal fans. The fans division is developing a range of energy efficient fans with Star ratings, including low wattage models that will aspire to attain the 5-Star plus category. The division has acquired a new plot at Baddi (Himachal Pradesh) to augment capacities.

- CG's lighting retained its 'Superbrand' status for the third consecutive time. It maintained its overall number 2 position in India, with leadership in high intensity discharge lamps used for public lighting. The division achieved 11% growth in fluorescent tubular lamps (FTL) against an industry de-growth of 3%. The Company's FTL won the First Prize of the National Energy Conservation Award 2009 for the category. The lighting division has been the first to launch a series of 'High Power Factor' direct fit compact fluorescent lamps (CFL-DF). CG was the first in India to indigenously produce a highly energy efficient light emitting diode (LED) lamp – consuming just 5 watts of power, with



NET SALES OF CONSUMER PRODUCTS BUSINESS RS. CRORE





pumps segment. The photographs depict the testing facilities for all three products.

the light equivalent of a 40 watt bulb, and an average life of 50,000 burning hours. The division is making serious efforts at popularising these LED lamps, for private- and government-sector applications. In addition, the division has positioned itself as a solution provider in a growing space in modern urban India – that of integrated security, home automation and wiring accessories.

- The pumps division achieved sales growth of 33% in FY2010, which was significantly greater than the market growth of 18%. CG's pumps retained their leadership position in the domestic segment. The division is seriously focusing on pumps for agricultural use. It has also entered the industrial pumps segment with horizontal split case pumps and end suction pumps. New products accounted for 37% of total pump sales. The division has acquired a new plot at Ahmednagar for expanding operations. It is also moving towards developing a set of product-based solutions under the rubric of 'integrated water management systems'.

- CG's appliances division has emerged as a strong brand – growing the fastest in India. It has become a prominent player in geysers. In FY2010, it launched Solarium Plus geyser – that was awarded a Five-Star rating by the Bureau of Energy Efficiency. It was also the first to launch a 10-bar geyser, which is for use in high rise buildings. The year saw a focus on the introduction of new products, such as an induction cooker and new varieties of gas stoves. The division has commissioned an

Appliances Product Development Centre to hasten the process of development and introduction of new products.

RESEARCH & DEVELOPMENT (R&D)

CG's growth leverages R&D – its ability to capitalise on relevant research and product development to introduce superior offerings to its customers. This section summarises the Company's achievements in FY2010 across five key areas: (i) new product development; (ii) technology initiatives; (iii) Intellectual Property Right (IPR) achievements; (iv) developing technology networks; and (v) integration with CG's overseas units.

- **NEW PRODUCT DEVELOPMENT:** The Company has a clear metric to measure new product (NP) developments. In FY2010, for CG Power India, NP accounted for 17% of revenues. For CG Industrial Systems, it was 22%. And for CG Consumer Products, it was 23%. Some of the new products include a 200MVA, 420/21 kV single phase generator transformer, 315MVA, 400/220/33 kV 3 phase auto transformer, 800 kV 50kA gas circuit breaker, NEMA premium efficiency motors for range 90-132, high efficiency alternators, a 10 Bar pressure geyser and fans for automobile applications. For more details, see the Directors' Report.

- **TECHNOLOGY INITIATIVES:** During FY2010, several platform technology initiatives were identified. Some of these involved areas such as noise vibration, nano-dielectrics, GIS technology, medium voltage drives and vacuum interrupter

ENERGY EFFICIENT APPLIANCES





FY 2010 saw R&D concentration on high impact platform technologies such as nanotechnology, noise vibration and medium voltage drives.

▶ The Company has a clear metric to measure new product (NP) developments. In FY2010, for CG Power India, NP accounted for 17% of revenues. For CG Industrial Systems, it was 22%. And for CG Consumer Products, it was 23%.

technology. Two new technology groups were formed, covering product reliability and analysis of power systems; and two R&D centres were globalised. These were the Analytics Centre, and the Electronic Design Centre.

● **IPR ACHIEVEMENTS:** FY2010 saw CG apply for 151 patents, and 116 design registrations. In addition, R&D has been focusing on publications. In the year, there were 40 publications – 13 in international conferences, 24 in national conferences, and three in international journals.

● **TECHNOLOGY NETWORKS:** R&D has created and sustained 11 technology networks comprising experts and their laboratories in India and abroad. Seven of these were added during FY2010. These networks cover power systems, power quality, HV products, dielectrics, drives, reliability, electronics and others.

● **INTEGRATION WITH CG'S OVERSEAS UNITS:** There were 19 R&D projects initiated during FY2010 in association with CG's overseas units: eight in Belgium, four in Hungary, three in Ireland, and two each in Canada and the US. Nine of these were completed by the end of the year.

SIX SIGMA AND QUALITY

The Six Sigma movement is central to Crompton Greaves, and is led from the top.

Quarterly reviews of Six Sigma projects are conducted by the Managing Director with the Six Sigma Core Committee. During FY2010, the Company achieved the following milestones:

● **EXECUTED 66 SIX SIGMA BLACK BELT PROJECTS**, in addition to 98 projects last year, across all divisions. Our methods and results were appreciated by key customers.

● **SUPPLIER QUALITY POLICY (SQP) REACHED MATURITY.** Any vendor who manufactures critical-to-quality (CTQ) products is passed only after a rigorous assessment of the vendor's design, manufacturing and quality systems by CG's quality auditors. SQP is now fully integrated with the Company's SAP system. Thus, if a supplier does not meet the quality benchmarks set by the Company, SAP blocks any purchase order involving such a vendor. FY2010 saw 443 CTQ vendor audits. Thanks to CG's consistent drive towards improving vendor quality, 440 of these passed the Company's stringent quality and process standards.

● **LAUNCHED THE COMPANY'S CORRECTIVE ACTION PREVENTIVE ACTION (CAPA) SOFTWARE.** Jointly developed by CG's IT and Quality teams, this software logs in daily quality issues, and identifies: (i) what went wrong; (ii) why it went wrong; (iii) what was the impact of it going wrong; (iv) what corrective action was taken, and by whom and when; (v) whether the corrective action worked; and if so (vi) what has been put in place to ensure that the problem does not repeat itself. Today, a shop-floor manager can review all such information on his computer.

HUMAN RESOURCES (HR)

CG has viewed HR in an integrated manner – that of aligning all facets of its human capital with business and organisational transformation. In fact, HR is being progressively viewed and managed as 'human capital', with the objective of delivering better and more sustainable business performance, while simultaneously enriching the capabilities and careers of CG's employees.

Eighteen months earlier, CG launched its global talent pipeline programme called 'Leading a Global Organisation' (LAGO). It is designed to steer the Company's global plans, and yield future business leaders.

Towards the end of FY2010, one more international company joined the CG fold, Power Technology Solutions of the UK. If we add to that the acquisition of Nelco's businesses, then, between 2005 and now, the addition to the CG fold is seven. With CG steadily expanding its global footprint, there should be more to follow. In such a scenario, LAGO becomes a critically important initiative.

LAGO had its first module in Belgium; completed its second module in India; and the third module is scheduled to be held in the US during FY2011. CG's 'Business Leadership Programme' (BLP) for promising middle management candidates was successfully concluded during FY2010. LAGO and BLP were facilitated by reputed, high calibre faculty from national as well as international universities and business management schools.

During FY2010, the approach to training and development at CG was re-oriented. Moving away from a traditional focus on 'training needs', CG's training calendar was re-directed towards a 'business driver' approach. The HR Council, consisting of the SBU heads, identified the key business drivers to achieve CG's long-term goals, and the training initiatives required for this purpose. This new approach has led to better synchronicity and enhanced alignment between HR and the business. Internal training continues to be supplemented by sponsoring high performing-high potential executives for training programmes conducted by business schools such as the IIMs, Harvard Business School, IMD (Lausanne, Switzerland), and others.

While the Company's HR philosophy focuses on meritocracy, performance and potential, it also recognises the need for CG to become a preferred employer among its competitors. To this end, CG conducted its third Employee Engagement Survey, called 'Sparsh' (or 'touch').

The first survey in 2003 covered only executives; the next, in 2006, covered executives and management staff. The latest 2009 survey also covered the blue collar workforce. The participation rate for the 2009 survey, including blue collar employees, was 97% – which was a landmark in the Indian context. The results have shown an increase in mean scores

from the previous survey; but have also indicated that we have a long journey to cover to reach global benchmarks. An action plan has been formulated, and the Company will strive to do all it can to foster employee engagement as a work ethic in CG. Similar surveys are being planned at all the overseas units in FY2011.

Given CG's objective of having greater employee involvement, a dedicated initiative was launched in FY2010. In this, the senior leadership held open houses at various units, to directly hear the voice of employees. Areas of concern that emerged were addressed in a time bound manner.

CGHR4U, the Company's HR Portal, continues to grow in strength and coverage. Today, it is one of the most talked about HR e-enablement initiatives in the industry. During FY2010, the training and development module was re-structured to respond to the new 'business driver' alignment for training. The retiral fund processes for provident fund, superannuation and gratuity have been end-to-end e-enabled – providing employees with greater transparency, efficiencies in settlements, and also facilitating investment decisions, through better real-time information.

CG's blue collar employees support the Company's plans in all areas. It is with this spirit of understanding and collaboration

▶ Six Sigma Team has launched the Corrective Action Preventive Software (CAPA) which logs in daily quality issues and corrective actions taken; enabling a shop floor manager to better manage quality issues.

▶ CG has viewed HR in an integrated manner – that of aligning all facets of its human capital with business and organisational transformation.



In FY 2010, CG was awarded a 'Commendation Certificate for Significant Achievement' by CII under the CII – Exim Bank Business Excellence framework.

▶ CG is committed to protecting the earth's natural resources and has taken steps towards conserving water, electricity and reducing pollution.

that the Company has successfully concluded its long-term wage settlements with the unions at Kanjur Marg, the switchgear complex at Ambad, and the pumps division. These settlements, based on a workforce commitment of 133% of the norms given in the CG Production Systems (CGPS), are expected to further increase productivity as well as manpower and plant utilisation. CG did not experience a single day's work stoppage or industrial unrest during FY2010.

Mention must be made of the CGPS implementation at the Company's Indonesia operations. During FY2010, the plant achieved 158% of the CGPS norm – 25 per cent points greater than the 133% benchmark. The year saw the start of CGPS implementation in Hungary and Canada. In FY2011, CG plans to extend the CGPS methodology to its plants at Belgium, Ireland and America.

At CG, business excellence is an additional domain for HR. The Company has adopted the CII-EXIM Bank Business Excellence framework, which is based on the European Foundation for Quality Management (EFQM) model of business excellence. In FY2010, CG was awarded a 'Commendation Certificate for Significant Achievement'.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR movement at CG is in its fourth year, and is actively supported by employees at all levels. Given below are the key initiatives.

Giving Back to the Communities

These involve CSR projects in communities that adjoin various plant locations, and have been adopted by the plants.

SANITATION

- Nandurvaidya village, sponsored by the Switchgear complex: toilets for 100 families.
- Hingangaon village, sponsored by LT Motors: toilets for 90 households.
- Lighting division, Baroda: built a toilet block at the local school in Chitral, in addition to 20 toilets at the village of Gametha.
- The Fans division adjoins the village of Kasarwara, which caters to a migrant population. A retainer wall was built over the main drainage in the village.

HEALTH

- LT Motors has set-up a fully equipped gymnasium for the youth of Hingangaon village, at the community centre.
- LT Motors also created a regular health check-up camp in collaboration with the Anand Rishiji Hospital. A mobile van from the hospital visits the village of Hingangaon on a weekly basis, and provides check-up as well as free medicines.

WOMEN'S EMPOWERMENT

- CG believes in empowering the women of the communities. The Kanjur complex works with 46 self-help groups, of which 20 have been recognised by the Brihanmumbai Municipal Corporation. The total number of beneficiaries are 250. To



Health check-up camp organized for senior citizens at Kanjur.



Mr. JG Kulkarni inaugurating the Public Private partnership with ITI, Satpur.

enable the women to learn from groups like their own, a visit to the Sadbhav Foundation at Karjat was organised in FY2010.

- The Fans division organised a three-month course in tailoring for women of Kasarwara village, to enable them generate a livelihood.
- LT Motors organised training in production of masala and papad-making for 30 women of Hingangaon village.

EDUCATION

- Lighting division provided a facelift to the anganwadi primary school in the village of Gametha. The school received a fresh coat of paint, new desks and benches, and the entire courtyard was re-paved. Toilets and drinking water facilities were also upgraded, together with lighting and fans in the school.
- Stampings division, Ahmednagar, undertook the plastering of the external and internal walls of the school in Nimgaon Wagha. In addition, the school was provided with new desks and benches; as well as new electricity poles to ensure reliable electricity supply.
- The Ahmedabad branch of the Western region has adopted the Ramdev Nagar School in Ahmedabad, which caters exclusively for backward class students. It has provided the school with new desks and benches, and has also set up a student library.

OTHER INITIATIVES

- Three community meetings were organised with an NGO at Nandurvaidya village to introduce innovative agricultural practices such as water harvesting, organic farming, horticulture as well as ways to improve their current cattle breed.
- Over 200 students were covered in eight different courses at the Graphics and Multimedia Training Centre, which is supported by the Northern region.
- An Academy of Fashion Design & Handicrafts has been opened in Sundernagri, a deprived community in New Delhi. It aims to provide training to women from the weaker sections of society. The premises were renovated and six automatic stitching machines, one fashion-maker, three dummies, and an LCD TV were installed by the Northern Region. The



CG's Kanjur unit organised a summer camp for children to display their talent.

Centre was inaugurated on 8 September 2009, with the first batch consisting of 45 students across various courses at highly subsidised fees.

- A joint initiative of all the factories located in Menara Permai Industrial Estate contributed towards pre-school education to 40 poor children of Dayeuh village, near the Company's plant at Indonesia. Similarly, educational scholarships were provided to 10 orphaned students to continue their studies by CG Power Indonesia.
- On-the-job training was provided to three batches of six students each from the Technical High School at Cileungsi, by CG Power Indonesia.

HIV/AIDS Prevention

The focus on HIV/AIDS has extended significantly from the workplace to the Company's supply chain and community, with several divisions and regions taking the lead. The total coverage during the year was 3,930 employees of our business partners. World AIDS Day continues to be observed on 1 December across all CG divisions.

Industry-Academia Interface

On 18 August 2009, CG signed a Memorandum of Understanding (MoU) with the ITI in Satpur, Nasik, under Government of India's Public Private Partnership (PPP) programme, for a period of five years. Through this MoU, CG has committed to:

▶ As a part of the common branding exercise, CG moved all its enterprises and employees – in India and abroad – to a new and universal e-mail domain: cgglobal.com.

- Introducing a 'Learn and Earn' environment at the ITI.
- Altering the syllabus to cater to the needs of local industries.
- Ensuring employability by creating a recruitment cell at the ITI and facilitating industry networking.
- Creating sought after finished products (students and products) at the ITI.
- Ensuring that the ITI becomes a profit centre.

Affirmative Action

CG continues with its commitment to the CII Code of Conduct on Affirmative Action. During FY2010, it pursued the following initiatives:

- M7 division recruited 24 Affirmative Action apprentices from ITI Bhopal.
- The LT Motors division in Ahmednagar held the fourth batch of coaching classes for 25 Affirmative Action students, to prepare them for the Common Entrance Examination.
- At ITI Nasik, a six-month electrician's course was held for 25 Affirmative Action candidates, who had been sponsored by the Switchgear complex.

Environment

CG is committed to protecting the earth's natural resources and has taken the following steps towards conserving water, electricity and reducing pollution.

- Pumps division has 5-star energy ratings for most of its products. Their employees also came forward and planted 320 trees.
- Employees of M7 division responded to the call given by the Chief Minister of MP to the citizens of Bhopal to help save the lake. They gathered en masse at the site and helped de-silt the lake bed.
- At the T2 unit, Malanpur, water harvesting was undertaken to help conserve water and 800 trees were planted.
- Kanjur complex distributed 10,000 CFLs in Kanjur village at highly subsidised cost to help conserve carbon emissions. It also distributed 500 saplings to various community members and institutions.
- World Environment Day continues to be celebrated on 5 June at CG's office/factory premises as well as in the surrounding communities – with large scale tree planting drives taking place at every location.

Volunteerism

- Voluntary blood donation was organised on 21 April 2009 at the Cegled City Hospital by CG Power Hungary.
- Voluntary blood donation continued to be observed on 1 October across all units in India. In 2009, CG's employees contributed 1,182 units of blood.

Fund Raising

- CG Power Ireland provided aid to cancer patients through its support of Charity Christmas Cards.
- CG Power Indonesia made a significant donation to the relief fund for the Jogjakarta earthquake victims.
- Relay for Life (a national fund raiser for cancer research) was supported by CG Power USA via sponsorship of a card tournament, a motorcycle run and a silent auction through which employees raised a significant amount for the cause.
- CG Power USA worked with United Way, a community fundraiser that benefits over 20 local area organizations. The Company's contribution was publicly recognised.
- CG Power Canada undertook: (i) fundraising for Canadian National Institute for the Blind; (ii) 'Biking to the Viking', a fundraising event for the Multiple Sclerosis Society of Canada; and (iii) sponsoring the Andrew Dunn Foundation, which assists



Lighting division, Baroda provided a facelift to the anganwadi primary school in the Gametha village, Gujarat.

individuals from adjoining communities in dealing with depression.

Diversity

CG has affirmed its commitment towards diversity by releasing its Diversity Policy. As a transnational Corporation, Crompton Greaves values its employees and people of all cultures, races, religions, nationalities and ethnicities, regardless of gender or sexual orientation. The Company encourages a diverse workforce, and strives to create a work environment that respects individuals, acknowledges their contributions, and fosters innovation.

INFORMATION TECHNOLOGY (IT)

CG has a robust IT network spanning all locations in India and abroad with high speed connectivity using multi-protocol label switching technology. It has a well equipped data centre at Kanjur Marg, which houses all servers running critical applications such as SAP, Business Warehouse, Dealer Portal, After-Sales Service portal, CGHR4U and Six Sigma. The Company has a disaster recovery site at Chennai, with a full-fledged, and frequently tested, disaster recovery plan. CG has an IT policy that covers key aspects of security: physical and electronic access to information; access to critical areas; electronic distribution and sharing of information.

The key initiatives during FY2010 were:

- Global e-mail system: As a part of the common branding exercise, CG moved all its enterprises and employees – in India and abroad – to a new and universal e-mail domain: cggglobal.com. The migration was done rapidly at an optimal cost, with no impact to any business globally.
- An After-Sales Service portal was integrated with a Call Centre to provide superior level of after-sales service. With the facility of toll-free numbers and multi-lingual call center support, customers throughout India can now share their product-related service needs.
- A SAP integrated financial accounts closure software has been deployed to reduce accounts closure time. The SAP MIS module has standardised the financial reporting system across CG.
- There is a SAP-integrated dealer portal which uses the web. There is also a SAP



As a part of the common branding exercise, CG moved all its enterprises and employees – in India and abroad – to a new and universal e-mail domain: cggglobal.com.

integrated price authorisation portal among CG's key dealers.

- CG Power Europe (excluding Hungary) will see an enhanced SAP fully rolled out by June 2010. This will be followed by CG Power USA during the course of FY2011.
- E-payments have been successfully executed throughout the Company. E-sourcing has helped CG to implement an effective company-wide purchasing process that has significantly lowered total costs by coordinating and leveraging common purchases across all divisions.

6 STAND-ALONE PERFORMANCE OF CG		
YEAR ENDED 31 MARCH (IN RS. CRORE, EXCEPT EPS)	FY2009	FY2010
Gross Sales And Services	4,904	5,516
Less: Excise Duty	293	232
Net Sales And Services	4,611	5,284
Manufacturing, Construction & Operating Expenses	3,197	3,623
Staff Expenses	229	256
Selling And Administration Expenses	547	548
Operating EBIDTA	638	857
Other Income (OI)	36	69
EBIDTA Including OI	674	926
Interest And Commitment Charges (Net)	15	4
Depreciation, Amortisation And Impairment	45	52
Operating PBT	578	801
PBT Including OI (Before Extraordinary Item)	614	870
Less: Provision For Taxes		
Current Tax	200	274
Deferred Tax	12	19
Fringe Benefit Tax	5	-
PAT (Before Extraordinary Item)	397	577
Extraordinary Item (Net of Tax)	-	40
PAT (After Extraordinary Item)	397	617
Balance Brought Forward From Previous Year	540	811
Transfer To General Reserve	(40)	(62)
Interim Dividend (Including Corporate Dividend Tax)	(86)	(94)
Balance Carried Forward To The Balance Sheet	811	1,272
Basic And Diluted EPS, Before Extraordinary Item (In Rs.) (Face Value Of Equity Share of Rs. 2 Each)	6.2	9.0
Basic And Diluted EPS, After Extraordinary Item (In Rs.) (Face Value Of Equity Share of Rs. 2 Each)	6.2	9.6

7 STAND-ALONE PERFORMANCE OF CG - KEY RATIOS		
YEAR ENDED 31 MARCH	FY 2009	FY 2010
Profitability Ratios		
Operating EBIDTA w/o Other Income / Net Sales	13.8%	16.2%
EBIDTA With OI / Net Sales	14.6%	17.5%
PBT / Net Sales	13.3%	16.5%
RONW	32.0%	35.0%
ROCE (At Year-End Capital Employed)	46.3%	46.6%
Cash ROCE	49.6%	49.4%
Per Share Ratios		
EPS, Before Extraordinary Item (In Rs. Per Share)	6.2	9.0
EPS, After Extraordinary Item (In Rs. Per Share)	6.2	9.6
Cash EPS, Before Extraordinary Item (In Rs. Per Share)	7.1	10.1
Cash EPS, After Extraordinary Item (In Rs. Per Share)	7.1	10.7
Leverage Ratios		
Total Debt To Equity	0.0	0.0
Interest Coverage Ratio	46.1	231.5
Assets Efficiency Ratios		
Net Sales To Gross Working Capital (Times)	2.4	2.4
Net Sales To Net Working Capital (Times)	8.1	8.5

FINANCIAL PERFORMANCE

We first highlight CG's stand-alone results, after which we discuss the financial performance of overseas entities and, finally, the consolidated financials for the Company as a whole.

CG: Stand-alone Performance

The stand-alone results of CG for the year ended 31 March 2010 is detailed in Table 6. Table 7 gives the key ratios (profitability, assets efficiency and leverage ratios) of the stand-alone entity for FY2009 and FY2010.

- Gross sales grew by over 12% to reach Rs.5,516 crore. Net sales increased by 15% to Rs.5,284 crore.
- Manufacturing, construction and operating expenses as a percentage to net sales has remained constant at 69%.
- Operating earnings before interest, depreciation, amortisation and taxes (operating EBIDTA) grew by 34% over the previous year to Rs.857 crore. Operating EBIDTA to net sales margin increased by 240 basis points, from 13.8% in FY2009 to 16.2% in FY2010.
- Other income (OI) increased from Rs.36 crore in FY2009 to Rs.69 crore in FY2010, largely on account of exchange rate gain.
- Operating profit before taxes (operating PBT) grew by 39% to Rs.801 crore in FY2010.
- Profit after tax (PAT) grew 55% to Rs.617 crore. Excluding extraordinary item, PAT increased by 45% to Rs.577 crore.
- Return on year end capital employed (ROCE) was 46.6%; and return on net worth (RONW) stood at 35%. Earnings per share before extraordinary item increased from Rs.6.2 for each Rs.2 share in FY2009 to Rs.9 in FY2010. After extraordinary item, the EPS is Rs.9.6.
- As a stand-alone entity, CG is a debt free company, with an interest coverage ratio that exceeds 231.

CG Overseas

The consolidated financial performance of all overseas entities is given in Table 8.

For the CG overseas entities:

- Net sales reduced by 7% in rupee terms to clock Rs.3,824 crore in FY2010. This has much to do with the uncertainties in western Europe and the US in the

aftermath of the global economic and financial crisis. In US\$ terms, it decreased by 10% to US\$ 801 million.

- Even so, there was a growth in profitability. Operating EBIDTA grew by 14% to reach Rs.382 crore in FY2010; and by 11% in US\$ to US\$ 80 million.
- PBT grew by 24% in rupees to Rs.300 crore; and by 21% in US\$ to US\$ 63 million.
- PAT increased by 47% to Rs.233 crore; and by 44% to US\$ 49 million.

CG: Consolidated Performance

Table 9 gives the consolidated performance of CG. Table 10 sets out the key ratios of the consolidated entity.

Key financial achievements of CG as a consolidated entity were:

- Net sales and services: CG exceeded the US\$ 1.9 billion mark in FY2010, or Rs.9,141 crore.
- Operating EBIDTA: Stood at US\$ 268 million, or Rs.1,277 crore. It grew by 28% in rupees, and 25% in US\$.
- Operating PBT: Was US\$ 230 million, or Rs.1,095 crore. It increased by 36% in rupees, and 32% in US\$.
- PAT (after accounting for minority interests and share of associate companies, and before extraordinary item) increased by 47% to Rs.825 crore. PAT (after accounting for minority interests and share of associate companies, and after extraordinary item) increased by 54% to Rs.860 crore.

RISK MANAGEMENT

Crompton Greaves has a robust and well-defined risk management policy for risk assessment and mitigation across all divisions and branches – both in India and abroad. CG's Risk Management department along with divisional risk owners conduct risk assessment and suggest the mitigation procedure to the Risk Management Committee of the Board.

The Risk Management Committee of the Board of Directors reviews the adequacy of the risk management framework of CG, conducts quarterly reviews of major risks and their mitigation measures. During FY 2010, there was a comprehensive evaluation of the risks associated with the various dimensions of CG's businesses - operations, technology, financial,

8 CONSOLIDATED FINANCIAL PERFORMANCE OF THE OVERSEAS ENTITIES	FY2009		FY2010	
	Rs. Crore	US \$ Million	Rs. Crore	US \$ Million
Gross Sales & Services	4,128	887	3,824	801
Net Sales & Services	4,128	887	3,824	801
Operating EBIDTA	334	72	382	80
Other Income (OI)	22	4	32	7
EBIDTA Including OI	356	76	414	87
Interest & Commitment Charges	43	9	17	4
Depreciation, Amortisation & Impairment	71	15	97	20
Operating PBT	220	48	268	56
PBT Including OI	242	52	300	63
Less : Provision For Taxes				
Current Tax	59	13	37	8
Deferred Tax	24	5	30	6
PAT	159	34	233	49
Minority Interest	1	0	-	-
Share Of Profit / (Loss) Of Associates	0	0	0	0
Balance Carried Forward To The Balance Sheet	160	34	233	49
Foreign Exchange Rate For US \$ 1		46.5363		47.7446



CG Automation systems introduced the XGate sub-station gateway and distribution automation self-healing networks, and has received good customer reviews.

insurance, natural disasters, information security and record management systems.

For the India and overseas operations, there are pre-planned cycle of presenting risk reports to the Risk Committee of both CG India and overseas.

Two independent Directors, including the chairman of CG's Risk Management Committee, along with the Managing

9 CONSOLIDATED FINANCIAL PERFORMANCE OF CG				
	FY2009		FY2010	
	Rs. Crore	US \$ Million	Rs. Crore	US \$ Million
Gross Sales & Services	9,031	1,941	9,375	1,964
Less: Excise Duty	294	63	234	49
Net Sales & Services	8,737	1,878	9,141	1,915
Manufacturing, Construction & Operating Expenses	5,694	1,224	5,797	1,214
Staff Expenses	1,065	229	1,113	233
Selling & Administration Expenses	983	211	954	200
Operating EBIDTA	995	214	1,277	268
Other Income (OI)	59	12	94	20
EBIDTA Including OI	1,054	226	1,371	288
Interest & Commitment Charges (Net)	65	14	27	6
Depreciation, Amortisation & Impairment	122	26	155	32
Operating PBT	808	174	1,095	230
PBT Including OI	867	186	1,189	250
Less : Provision For Taxes				
Current Tax	261	56	314	66
Deferred Tax	38	8	51	11
Fringe Benefit Tax	5	1	0	0
PAT	563	121	824	173
Minority Interest	(2)	0	(2)	(1)
Share Of Profit / (Loss) Of Associates	(1)	0	3	1
PAT After Minority Interest & Share Of Associates	560	121	825	173
Extraordinary Item	0	0	35	7
PAT After Extraordinary Item	560	121	860	180
Dividend (Including CDT)	(86)	(18)	(95)	(20)
Balance Carried Forward To The Balance Sheet	474	102	765	160
Foreign Exchange Rate For US \$ 1		46.5363		47.7446

10 CONSOLIDATED FINANCIAL PERFORMANCE OF CG - KEY RATIOS		
	FY 2009	FY 2010
Profitability Ratios		
EBIDTA w/o Other Income (OI) / Net Sales	11.4%	14.0%
EBIDTA with OI / Net Sales	12.1%	15.0%
PBT / Net Sales	9.9%	13.0%
RONW	31.4%	34.3%
ROCE (terminal)	36.4%	40.3%
Cash ROCE (terminal)	41.1%	45.5%
Per Share Ratios		
EPS (w/o Extraordinary Item) (In Rs. Per Share)	8.7	12.9
EPS (with Extraordinary Item) (In Rs. Per Share)	8.7	13.4
Cash EPS (w/o Extraordinary Item) (In Rs. Per Share)	11.2	16.1
Cash EPS (with Extraordinary Item) (In Rs. Per Share)	11.2	16.6
Leverage Ratios		
Total Debt To Equity	0.4	0.2
Interest Coverage Ratio	16.1	50.8
Assets Efficiency Ratios		
Net Sales To Gross Working Capital (Times)	2.2	2.2
Net Sales To Net Working Capital (Times)	9.0	8.4

Director, conduct quarterly reviews of the risks at CG's overseas establishments.

INTERNAL CONTROLS AND THEIR ADEQUACY

CG in India and overseas have strong and independent internal audit departments responsible for assessing and improving the effectiveness of internal control and governance. Internal Audit focuses on operational as well as systems audit.

Extensive programmes of risk-based as well as transactions-based internal audits cover all businesses, divisions, plants, branches and the different areas of operations. The Audit Committee of the Board is updated every quarter on significant internal audit observations, compliance with accounting standards, risk management and control systems. The Audit Committee assesses the adequacy and effectiveness of inputs given by internal audit and suggests improvement for strengthening the internal control systems from time to time.

CG has put in place an extensive budgetary control system, which is periodically examined by management vis-a-vis actual performance. It has a well-defined Management Information System (MIS) with clear organisation structures and authorisation levels for conducting business transactions. The internal audit teams continuously review the authorisation matrix for the segregation of duties in the SAP system. Internal audit also extensively interacts with the external auditors.

OUTLOOK

The outlook for FY2011 is somewhat mixed. CG sees significant growth in its power systems business in India and Asia; but less so in Europe and the Americas. This is due to the muted outlook of the housing markets in the developed world – which affects the Company's distribution transformers business. The good news is that wind energy is back in the fray, and CG should be able to leverage its strengths in this sector to increase its market potential.

While it is difficult to give a definite estimate of growth in FY2011, it is becoming increasingly clear that success in the future will depend upon being an end-to-end solutions provider, especially in the power business. Given CG's acquisitions



High Voltage test set-up for Coupling Capacitor Unit at S1 division, Nasik.

up to date, and potential acquisitions that it is pursuing, the Company is well poised to becoming such an end-to-end solutions provider.

SM TREHAN

Managing Director

Mumbai, 13 May 2010

Cautionary Statement

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



Ten Years' Financial Highlights

	2001	2002	2003	2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010
EARNINGS																
YEAR ENDED 31ST MARCH, RS. CRORE																
TOTAL INCOME	1383	1616	1740	1888	2180	2200	2771	4412	3695	6039	4290	7247	4940	9090	5585	9469
GROSS SALES AND SERVICES	1378	1602	1726	1861	2153	2172	2739	4346	3660	5934	4223	7181	4904	9031	5516	9376
NET SALES AND SERVICES	1254	1479	1587	1711	1973	1989	2521	4127	3368	5640	3876	6832	4611	8737	5284	9141
EBIDTA*	-44	157	170	185	190	194	265	390	377	588	553	811	674	1054	927	1371
PBT	-73	7	37	90	125	128	195	277	307	436	486	615	614	867	870	1189
PAT**@	-73	4	28	71	115	120	163	233	192	282	314	407	397	560	617	860
DIVIDEND PER SHARE IN RS	-	-	-	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.60	1.60	2.00	2.00	2.20	2.20
DIVIDEND PAY-OUT	-	-	-	37	37	37	37	37	47	47	59	59	73	73	81	81

WHAT THE COMPANY OWNED																
YEAR ENDED 31ST MARCH, RS. CRORE																
GROSS BLOCK (INCL. CAPITAL WIP)	769	773	792	801	819	825	861	1733	959	2335	1078	2733	1124	3083	1204	3099
NET BLOCK (INCL. CAPITAL WIP)	451	415	394	368	351	354	364	541	433	1087	515	1245	523	1379	567	1376
INVESTMENTS	120	95	74	70	77	83	102	65	135	65	195	93	266	167	688	553
NET CURRENT ASSETS	323	298	282	246	295	297	331	571	414	708	361	759	570	969	620	1085
NET ASSETS EMPLOYED	894	808	750	684	723	734	797	1177	982	1860	1071	2097	1359	2515	1875	3014

* EBIDTA = Earnings before Interest, Depreciation, Amortisation, Tax, and Exceptional Items.

** Profit after tax, Minority Interest and Share of Associate Companies for Consolidated Profit and Loss Account.

@ After extraordinary item for the financial year 2009-10

■ CONSOLIDATED

■ STANDALONE

	2001	2002	2003	2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010
WHAT THE COMPANY OWED																
YEAR ENDED 31ST MARCH, RS. CRORE																
BORROWINGS	627	571	459	334	315	315	250	422	270	904	88	842	54	718	27	501
TOTAL LIABILITIES	1149	1127	1033	982	912	915	1052	1970	1317	3139	1383	3484	1570	3919	1627	3518
NET WORTH OF THE COMPANY																
YEAR ENDED 31ST MARCH, RS. CRORE																
SHARE CAPITAL	52	52	52	52	52	52	52	52	73	73	73	73	73	73	128	128
RESERVES AND SURPLUS	411	404	403	288	356	367	484	733	601	896	858	1229	1169	1758	1637	2376
SHAREHOLDER'S FUNDS	325	417	442	340	408	419	536	785	674	969	931	1302	1242	1831	1765	2504
TANGIBLE NET WORTH***	266	238	291	340	408	419	536	742	674	927	931	1243	1242	1783	1765	2504
RATIOS																
YEAR ENDED 31ST MARCH																
BOOK VALUE PER SHARE IN RS.	4.1	3.7	4.5	5.3	6.4	6.5	8.4	11.6	10.5	14.5	14.5	19.4	19.4	27.8	27.5	39.0
EARNINGS PER SHARE IN RS. @	-1.14	0.06	0.44	1.10	1.79	1.87	2.54	3.63	3.00	4.39	4.89	6.34	6.19	8.73	9.62	13.40
CASH EARNINGS PER SHARE IN RS. @	-0.06	1.22	1.74	2.12	2.45	2.53	3.40	5.03	4.03	6.48	5.76	8.36	7.08	11.22	10.74	16.62
CURRENT RATIO	1.62:1	1.54:1	1.49:1	1.38:1	1.49:1	1.5:1	1.41:1	1.37:1	1.39:1	1.32:1	1.28:1	1.29:1	1.38:1	1.3:1	1.39:1	1.36:1
DEBT EQUITY RATIO	2.36:1	2.40:1	1.58:1	0.98:1	0.77:1	0.75:1	0.47:1	0.57:1	0.4:1	0.98:1	0.09:1	0.68:1	0.04:1	0.4:1	0.02:1	0.2:1
EBIDTA/ NET SALES %	-3.5	10.6	10.7	10.8	9.6	9.8	10.5	9.4	11.2	10.4	14.3	11.9	14.6	12.1	17.5	15.0
RETURN ON TANGIBLE NET WORTH %	-27.4	1.7	9.6	20.9	28.2	28.6	30.4	31.4	28.5	30.4	33.7	32.7	32.0	31.4	35.0	34.3
FIXED ASSETS TURNOVER RATIO TIMES	2.8	3.6	4.0	4.6	5.6	5.6	6.9	7.6	7.8	5.2	7.5	5.5	8.8	6.3	9.3	6.6
NO OF PERMANENT EMPLOYEES	7664	6058	5707	5470	5256	8174	4916	7801	4912	7972	5002	8307	5094	8564	5116	8647

*** Tangible Net Worth = Shareholders' Funds – Miscellaneous Exps. (unamortised) - Deferred Tax Asset.
 @ After extraordinary item for the financial year 2009-10

■ CONSOLIDATED
 ■ STANDALONE



Directors' Report

TO, THE MEMBERS,

Your Directors are pleased to present their Seventy Third Annual Report on the business and operations of the Company and the accounts for the financial year ended 31 March 2010.

OPERATIONS

After the world-wide economic and financial turmoil of 2008, the global economic outlook has improved with a positive growth of above 3% predicted for 2010 after a decline of 1.1% in 2009. Global trade showed signs of bouncing back in the second half of 2009. However, the sustainability of credit revival after the withdrawal of stimulus packages across the world is still to be tested.

Regarding the transmission and distribution (T&D) segment – to which your Company pre-dominantly belongs – the story is somewhat mixed. There are two clear positives. First, the power transformer business is seeing significant growth in India, China, South-East Asia and the Middle East. Second, there is a definite surge in demand for renewables, especially wind. This is true everywhere, but especially so in Europe, the USA and Canada. Equally, there is a negative factor. The housing sector in Europe and the

USA remains in doldrums. Consequently, the distribution transformers segment continues to be badly affected.

Overall, however, demand is growing, with power transformers, wind and renewables, and the business of providing end-to-end solutions doing well, and counteracting the decline in sale of distribution transformers. An over-riding focus on public as well as private investment in transmission systems by many countries, and the drive for energy efficiency, have so far kept the T&D market reasonably buoyant – although not as it was in 2006-07 and 2007-08.

In response to market conditions, your Company has enhanced its competitive momentum by forcefully targeting the growth oriented utility power transformer segment to offset the slowdown in industry demand for distribution transformers and motors. The Company's order backlog of Rs 6,370 crore is marginally lower than the position a year ago. However, a healthy

order intake growth of 21% in the last quarter suggests that the momentum is accelerating.

Your Company is also building competencies and pursuing new attractive segments such as renewable energy, ultra high voltage and energy automation. Its SLIM® transformers remain a market leader in wind farm installations. The Company secured major long term agreements from Siemens Wind Power, Enercon, Multibrid and other players in this market. Besides its product strengths, the Company made a successful foray into turnkey solutions for the renewable segment. Its maiden project of designing and building the transmission grid connection for a 165 MW offshore windpark 'Belwind', located 50 kilometers into the coastal waters of Belgium, in consortium with other reputed players is making good progress and will be commissioned in September 2010.

Emerging market economies including India have led the global recovery, driven by domestic demand and recovering exports. The reforms announced by the United Progressive Alliance Government in 2009-10 have set the agenda for India's growth. Pushed to a low growth level of 6.7% in 2008-09 by the consequences of the worldwide slowdown, after averaging over 9% in the preceding three years, the Indian economy has grown more than 7% in 2009-10. During April-January 2009-10, Index of Industrial Production (IIP) growth was 9.6% compared to 3.3% during April-January 2008-09.


In the Eleventh Five Year Plan, the Government of India has fixed an ambitious target of 78,700 MW of power capacity addition. It is pursuing, through the Central Transmission Utility of India, the 765kV Ultra High Voltage (UHV) upgrading of the current infrastructure. For a couple of years now, your Company has been harnessing its technological competence in the UHV segment. In partnership with its Hungarian subsidiary and ZTR Ukraine, it has secured major orders from the Power Grid Corporation of India Limited (PGCIL) in this area. These projects – won against stiff global competition from Indian and multinational companies – denote a strategic entry of the Company in the UHV market. With the PGCIL orders, your



CG has been harnessing its technological competence in UHV products; Depicted is the Ultra High Voltage lab at T3, Mandideep for testing of 765kV transformers and reactors.

Company has become the first Indian corporation to firmly establish itself as a major and reliable player in the UHV segment.

For the Indian business, the most encouraging event was the recovery of capital goods industry with 11.1% growth and resurgence of the consumer durables industry with 12.5% growth – which resulted in growth for the Company's Industrial Systems and Consumer Products businesses. The Company's Industrial Systems SBU grew by 11.3% over previous year through introduction of new products for different markets, such as small motors for agro applications and extension of range up to 5 MW of large rotating machines for several industrial applications. Capacity expansion for several models of traction machines were undertaken during the year. Your Company became the largest supplier of alternators in the

 Your Company is also building competencies and pursuing new attractive segments such as renewable energy, ultra high voltage and energy automation. Its SLIM® transformers remain a market leader in wind farm installations.



To enhance its solutions capabilities, the CG Group acquired one more company towards the end of the year. On 29 March 2010, the Company acquired Power Technology Solutions Limited (PTS), located in the United Kingdom.



Casting of ceiling fans done with the state of the art CNC machine at Fans division in Goa.

domestic market for the smaller range. Specially designed Slip Ring alternators were introduced in the rural market, amidst stiff operating conditions.

The Company's Consumer Products SBU grew by 22%, growing 1.5 times the market. The business has made an entry into Integrated Security and Home Automation, Light Emitting Diode (LED) lighting systems, industrial fans and industrial pumps during the year. A focus area for the Consumer Products business is tapping the vast potential of the Indian rural markets, estimated at Rs.65,000 crore for FMCG products and Rs.5,000 crore for consumer durables. To implement this, changes have been made in the SBU's organisation structure, with a dedicated Head of Rural Marketing and his team of managers.

Margin expansion continued to be a thrust area. This has been driven by several factors: various value engineering initiatives, better product designs, higher efficiencies in supply chain management and cycle time reduction undertaken by the businesses during the year. The Company-wide global sourcing initiative for critical components, including renegotiation of prices with suppliers and approving new supply sources, resulted in substantial reduction in operations costs – thus ensuring the sustainability of the Company's margin expansion.

Through all these expansion activities, the Company retained its focus on quality. It implemented the One World Quality, Manufacturing Excellence and Project Unipower initiatives, with rigour. The Company's Consumer business renewed its thrust on enhanced after-sales service by commissioning its Customer Call Centre and a network of franchisee-based 'Authorised Service Centres' in metro locations. It also formalised its service promise of "Respond in 6 hours and Resolve in 72 hours".

On 15 October 2009, the Company unveiled its new Brand Identity, 'CG'. Today, CG is the common brand expression across all the Company's subsidiaries, operating in various businesses, in diverse geographies across the world. The new brand reflects the ability of the Company to provide "Smart solutions" and the value that is placed

on "Strong relationships" across all its businesses, geographies and customers. The new brand identity is an important step in the integration of newly acquired companies, reflecting the effective transition of the Company from an India-based electrical equipment manufacturer to a global solutions organisation.

To enhance its solutions capabilities, the CG Group acquired one more company towards the end of the year. On 29 March 2010, the Company acquired Power Technology Solutions Limited (PTS), located in the United Kingdom. PTS is a high voltage electrical engineering company which provides consultancy, technical and engineering support to Regional Electricity Companies (RECs) including, but not limited to conceptual engineering/system studies and also complete EPC detailed engineering, spanning electrical (relay/control, SCADA and sub-station automation) and civil/structural (site foundation, development and structural design).

The above initiatives have enabled the Company to achieve a stand-alone net turnover of Rs.5,284 crore, during the year under review, as compared with Rs.4,611 crore during the previous year 2008-09, a rise of 15%.

The consolidated net turnover of the Company increased from Rs.8,737 crore to Rs.9,141 crore, an increase of 5%.

The Company has recorded a noteworthy stand-alone Profit Before Tax (before extraordinary item) of Rs.870 crore, an increase of 42% as compared with last year. The consolidated Profit Before Tax (before extraordinary item) increased from Rs.867 crore to Rs.1,189 crore. The Company has also recorded a significant stand-alone Profit After Tax (before extraordinary item) of Rs.577 crore, an increase of 45% as compared with last year, and Profit After Tax (including an extraordinary item) of Rs.617 crore, an increase of 55% as compared with last year. The consolidated Profit After Tax (before extraordinary item) increased from Rs.563 crore to Rs.824 crore and Profit After Tax, minority interest, share of profit / loss in associate companies (including an extraordinary item) increased from Rs.560 crore to Rs.860 crore.

FINANCIAL HIGHLIGHTS

PARTICULARS IN RS. CRORE	CG STAND-ALONE		CGIBV CONSOLIDATED* @		CG-CONSOLIDATED**	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009	31.3.2010	31.3.2009
(a) Gross Sales	5516	4904	3824	4128	9375	9031
(b) Less: Excise Duty	232	293	0	0	234	294
(c) Net Sales	5284	4611	3824	4128	9141	8737
(d) Less: Operating Expenses	4427	3973	3442	3794	7864	7742
(e) Operating Profit	857	638	382	334	1277	995
(f) Add: Dividend and Other Income	69	36	32	22	94	59
(g) Profit before Interest, Depreciation, Amortisation and Taxes	926	674	414	356	1371	1054
(h) Less: Interest (net)	4	15	17	43	27	65
(i) Profit before Depreciation, Amortisation and Taxes	922	659	397	313	1344	989
(j) Less: Depreciation, Amortisation and Impairment	52	45	97	71	155	122
(k) Profit Before Tax	870	614	300	242	1189	867
(l) Less: Provision for Current Year Tax	274	200	37	59	314	261
(m) Less: Provision for Deferred Tax	19	12	30	24	51	38
(n) Less: Provision for Fringe Benefit Tax	0	5	0	0	0	5
(o) Profit After Tax	577	397	233	159	824	563
(p) Minority Interest	0	0	0	1	(2)	(2)
(q) Share of Profit/(Loss) of Associate Companies	0	0	0	0	3	(1)
(r) Profit after tax, minority interest and share of profit/(loss) of Associate Companies	577	397	233	160	825	560
(s) Extraordinary Item	40	0	0	0	35	0
(t) Profit available for distribution	617	397	233	160	860	560
(u) Balance brought forward from previous years	811	540	0	0	0	0
Appropriation/Distribution						
(v) Transfer to General Reserve	(62)	(40)	0	0	0	0
(w) Interim Dividend	(81)	(73)	0	0	(81)	(73)
(x) Corporate Tax on Dividend	(13)	(13)	0	0	(14)	(13)
BALANCE CARRIED TO BALANCE SHEET	1272	811	233	160	765	474

*Consolidated Accounts of CG International BV, the holding company for CG's international operations.

** Includes results of CG Stand-alone and CGIBV Consolidated.

@ Figures have been regrouped for the purposes of consolidation.

The Profit Before Interest and Tax of the respective Business Groups, compared with last year is given below:

SBU IN RS. CRORE	2009-2010	2008-2009
Power Systems (CG stand-alone)	462	349
Industrial Systems (CG stand-alone)	260	204
Consumer Products	230	146
Power Systems (including International operations)	769	625
Industrial Systems (including International operations)	276	213

A detailed review of the operations and performance of each Business Group as well as the Company's International operations is contained in the Management Discussion and Analysis Report, which is given as a separate chapter in the Annual Report.

DIVESTMENT OF MALANPUR CAPTIVE POWER LIMITED

In the year 2006, to gain experience in the power generation and distribution business, the Company had acquired a 59% shareholding in Malanpur Captive Power Limited (MCPL), which was developing a 26.19 MW gas based captive power plant at Malanpur, Madhya Pradesh. This

PARTICULARS IN EURO MILLION	CG STAND-ALONE		CGIBV CONSOLIDATED* @		CG-CONSOLIDATED**	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009	31.3.2010	31.3.2009
(a) Gross Sales	817	748	567	630	1390	1378
(b) Less: Excise Duty	34	45	0	0	35	45
(c) Net Sales	783	703	567	630	1355	1333
(d) Less: Operating Expenses	656	606	510	579	1166	1181
(e) Operating Profit	127	97	57	51	189	152
(f) Add: Dividend and Other Income	10	6	5	3	14	9
(g) Profit before Interest, Depreciation, Amortisation and Taxes	137	103	62	54	203	161
(h) Less: Interest (net)	0	2	3	6	4	10
(i) Profit before Depreciation, Amortisation and Taxes	137	101	59	48	199	151
(j) Less: Depreciation, Amortisation and Impairment	8	7	14	11	23	19
(k) Profit Before Tax	129	94	45	37	176	132
(l) Less: Provision for Current Year Tax	40	31	6	9	46	40
(m) Less: Provision for Deferred Tax	3	2	4	4	8	6
(n) Less: Provision for Fringe Benefit Tax	0	1	0	0	0	1
(o) Profit After Tax	86	60	35	24	122	85
(p) Minority Interest	0	0	0	0	0	0
(q) Share of Profit/(Loss) of Associate Companies	0	0	0	0	0	0
(r) Profit after tax, minority interest and share of profit/(loss) of Associate Companies	86	60	35	24	122	85
(s) Extraordinary Item	6	0	0	0	5	0
(t) Profit available for distribution	92	60	35	24	127	85
(u) Balance brought forward from previous years	135	94	0	0	0	0
Appropriation/Distribution						
(v) Transfer to General Reserve	(9)	(6)	0	0	0	0
(w) Interim Dividend	(12)	(11)	0	0	(12)	(11)
(x) Corporate Tax on Dividend	(2)	(2)	0	0	(2)	(2)
BALANCE CARRIED TO BALANCE SHEET	204	135	35	24	113	72

*Consolidated Accounts of CG International BV, the holding company for CG's international operations.

** Includes results of CG Stand-alone and CGIBV Consolidated.

@ Figures have been regrouped for the purposes of consolidation.

Note: Average exchange rate considered for 1 EURO in 2009-10 is Rs.67.4706 and in 2008-09 is Rs.65.5385.

investment was made at the face value of Rs 10/- per share.

Pursuant to the Company's investment in Avantha Power & Infrastructure Ltd. (APIL) last year, engaged in the business of generation, transmission and distribution of electricity, it was felt that it would be better aligned, if, in future, the business of MCPL was managed by APIL. The divestment to APIL was completed in March 2010 at a price of Rs 51.4 crore, which worked out to Rs 46.63 per share.

MERGER OF BROOK CROMPTON GREAVES LIMITED

In August 2009, the Company, acquired 81,60,000 equity shares comprising 51% share capital of Brook Crompton Greaves Limited (BCGL), a joint venture between the

Company and BTR (European Holding) BV. BCGL thus became a 100% subsidiary of the Company.

Since opportunities for synergy and operational efficiencies existed between BCGL and the Company's LT Motors division, the Company and BCGL have entered into a Scheme of Amalgamation, in which all the assets and liabilities of BCGL will be transferred to the Company. The entire share capital of BCGL will be cancelled and the authorised share capital of the Company will be enhanced to the extent of the authorised share capital of BCGL.

Pursuant to the Scheme of Amalgamation, filed by BCGL with the High Court of Judicature at Bombay, the regulatory procedures are in an advanced

PARTICULARS IN USD MILLION	CG STAND-ALONE		CGIBV CONSOLIDATED* [@]		CG-CONSOLIDATED**	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009	31.3.2010	31.3.2009
(a) Gross Sales	1155	1054	801	887	1964	1941
(b) Less: Excise Duty	48	63	0	0	49	63
(c) Net Sales	1107	991	801	887	1915	1878
(d) Less: Operating Expenses	927	854	721	815	1647	1664
(e) Operating Profit	180	137	80	72	268	214
(f) Add: Dividend and Other Income	14	8	7	4	20	12
(g) Profit before Interest, Depreciation, Amortisation and Taxes	194	145	87	76	288	226
(h) Less: Interest (net)	1	3	4	9	6	14
(i) Profit before Depreciation, Amortisation and Taxes	193	142	83	67	282	212
(j) Less: Depreciation, Amortisation and Impairment	11	10	20	15	32	26
(k) Profit Before Tax	182	132	63	52	250	186
(l) Less: Provision for Current Year Tax	57	43	8	13	66	56
(m) Less: Provision for Deferred Tax	4	3	6	5	11	8
(n) Less: Provision for Fringe Benefit Tax	0	1	0	0	0	1
(o) Profit After Tax	121	85	49	34	173	121
(p) Minority Interest	0	0	0	0	(1)	0
(q) Share of Profit/(Loss) of Associate Companies	0	0	0	0	1	0
(r) Profit after tax, minority interest and share of profit/(loss) of Associate Companies	121	85	49	34	173	120
(s) Extraordinary Item	8	0	0	0	7	0
(t) Profit available for distribution	129	85	49	34	180	120
(u) Balance brought forward from previous years	193	135	0	0	0	0
Appropriation/Distribution						
(v) Transfer to General Reserve	(13)	(9)	0	0	0	0
(w) Interim Dividend	(17)	(16)	0	0	(17)	(16)
(x) Corporate Tax on Dividend	(3)	(2)	0	0	(3)	(2)
BALANCE CARRIED TO BALANCE SHEET	290	193	49	34	160	102

*Consolidated Accounts of CG International BV, the holding company for CG's international operations.

** Includes results of CG Stand-alone and CGIBV Consolidated.

[@] Figures have been regrouped for the purposes of consolidation.

Note: Average exchange rate considered for 1 USD in 2009-10 is Rs.47.7446 and in 2008-09 is Rs.46.5363.

stage progress, and are expected to be completed by June, 2010.

INVESTMENT IN AVANTHA POWER & INFRASTRUCTURE LIMITED

As mentioned in last year's Annual Report, CG holds 32% in Avantha Power and Infrastructure Limited (APIL). This translates to 206.36 million equity shares of APIL at Rs.11 per share – or an investment of Rs.227 crore. APIL, an Avantha Group company, is engaged in the generation, transmission and distribution of electricity.

APIL has filed a draft Red Herring Prospectus with the Securities and Exchange Board of India (SEBI) for a public issue in the near future. As a significant investor, CG is supporting this IPO.

BONUS SHARES

In terms of Members' approval accorded at its Extra-Ordinary General Meeting held on 24 February 2010, the Company issued Bonus Shares in the proportion of 3 (three) new equity shares for every 4 (four) equity shares of Rs.2/- each. The Record Date for the issue of Bonus Shares was 9 March 2010.

DIVIDEND

The Company declared two interim dividends during the year:

- Rs.0.80 per equity share (40%) aggregating to a total dividend payout of Rs.34 crore (including dividend tax) declared on 27 October 2009; the Record Date for this purpose was 3 November 2009 and the Interim Dividend was paid on 16 November 2009.



Progress energy mobile unit manufactured by CG Power Canada for the North American market, is the first 230kV class mobile sub-station for the Company.

 The Company's 'Technology Vision 2015' envisions a scenario in which 25% of the Company's revenues would be achieved through new products.

- Rs.1.40 per equity share (70%) aggregating to a total dividend payout of Rs.60 crore (including dividend tax) declared on 28 January 2010; the Record Date for this purpose was 5 February 2010 and the Interim Dividend was paid on 16 February 2010.

The abovementioned dividend payout as a percentage of the share capital works out to 110%.

RESERVES

The Reserves at the beginning of the year were Rs.1,169 crore. The Reserves at the end of the year are Rs.1,636 crore.

DIRECTORATE

Mr. S Prabhu was appointed as an Additional Director on the Company's Board of Directors with effect from 28 January 2010. He holds office upto the date of the forthcoming Annual General Meeting, and considering that the Company will benefit from his continuance as a Director, his appointment is being recommended.

Dr. O Goswami and Ms. M Pudumjee are the Directors who retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-appointment to the Board. The details of the Directors being recommended for appointment and re-appointment are contained in the

accompanying Notice of the forthcoming Annual General Meeting.

PROMOTER GROUP

The Avantha Group is the promoter of the Company. For the purposes of the SEBI (Substantial Acquisition of Shares And Takeovers) Regulations, 1997, the names of the Promoter entities and other entities comprising the 'Group' as defined under the Monopolies and Restrictive Trade Practices Act, 1969, are detailed in Annexure 1 to this Report.

RESEARCH AND DEVELOPMENT

The Company's 'Technology Vision 2015' envisions a scenario in which 25% of the Company's revenues would be achieved through new products. There would be 5 Breakthrough Platform Technologies, reduction in Product Development Cycle time by 75% of the existing cycle time and annual filing of 1000 IPRs. This Vision envisages an enhanced role for the Global R&D Centre wherein the R&D budget would progressively grow to 4% of the total revenues.

The above initiatives have resulted in a greater focus on development of new products. During the year, 20% of the turnover generated in India was through products less than 5 years old. The Company had also rolled out approvals for 6 platform technologies which will be pursued in the near future.

New products and processes developed during the year are detailed in Annexure 2 to this Report.

The Company has also entered into an agreement with New York State, to establish a US R&D facility and take advantage of a New York State funded public/private partnership at the 'Albany Nanotech Facility'. This facility is considered as one of the most advanced silicone wafer R&D and prototype manufacturing facilities in the world and one of the most advanced Nanopower facilities in the US. The Company's facility will be located at the Energy and Environmental Technology Applications Center (E2TAC) of the Nanotech Facility and will be focused on R&D activities in the fields of smart grid technologies and renewable energy applications. The R&D Centre will provide the Company a brand

exposure and recognition in the USA. At E2TAC, the Company will work side by side with industry leaders in smart grid technologies, alongwith reputed industrial entities, electrical utilities and universities. The Company will enjoy shared access to state-of-the-art world-class equipment for nanotechnology, electronics and advanced materials as well as a large pool of highly skilled workforce.

R&D as a function is undergoing a process of global integration. It has undertaken several projects by synergizing multi-functional teams of executives drawn from various geographies in which the Company operates. Initiatives on analytics and electronics design were extended to the global level, towards better integration in this area.

SUBSIDIARY COMPANIES

The Company has four Indian subsidiaries viz CG Energy Management Limited (CEM), CG Capital & Investments Limited (CG Capital), CG-PPI Adhesive Products Limited (CG PPI) and Brook Crompton Greaves Limited (BCGL). CEM, CG Capital and BCGL are subsidiaries of the Company, and CG PPI, being a subsidiary of CG Capital, in terms of the provisions of the Companies Act, 1956, is also the Company's subsidiary.

To reflect the new Brand Identity of the Company, names of its international subsidiaries acquired over the years, through various acquisitions were changed and now the legal entity names start with 'CG', to identify with the CG parentage.

The Netherlands-based CG International B.V, a 100% subsidiary of the Company, is the ultimate mother holding company of the 20 downstream subsidiaries, as under:

- **CG HOLDINGS BELGIUM N.V.** (formerly known as Pauwels International N.V.)
- **CG POWER SYSTEMS BELGIUM N.V.** (formerly known as Pauwels Trafo Belgium N.V.)
- **PAUWELS TRAFO GENT N.V.**
- **CG POWER SYSTEMS IRELAND LIMITED** (formerly known as Pauwels Trafo Ireland Ltd)
- **CG SALES NETWORKS FRANCE S.A.** (formerly known as Pauwels France S.A.)

- **CG SERVICE SYSTEMS CURACAO N.V.** (formerly known as Pauwels Trafo Service N.V.)
- **CG HOLDINGS HUNGARY KFT** (formerly known as Crompton Greaves Hungary Kft)
- **CG ELECTRIC SYSTEMS HUNGARY ZRT** (formerly known as Ganz Transelektro Villamossagi Zrt)
- **CG POWER SYSTEMS CANADA INC** (formerly known as Pauwels Canada Inc)
- **CG POWER SYSTEMS USA INC** (formerly known as Pauwels Transformers Inc)
- **PT CG POWER SYSTEMS INDONESIA** (formerly known as PT Pauwels Trafo Asia)
- **CG POWER HOLDINGS IRELAND LIMITED** (formerly known as Microsol Holdings Ltd)
- **CG AUTOMATION SYSTEMS UK LTD** (formerly known as Microsol UK Ltd)
- **CG AUTOMATION SYSTEMS USA INC** (formerly known as Microsol Inc.)
- **VISERGE LTD**
- **MICROSOL LTD**
- **CG SERVICE SYSTEMS FRANCE SAS** (formerly known as Societe Nouvelle de Maintenance Transformateurs)
- **MSE POWER SYSTEMS INC**
- **CG HOLDINGS GERMANY GMBH** (formerly known as Crompton Greaves Germany GmbH)
- **CG SALES NETWORKS AMERICAS INC** (formerly known as Pauwels Americas Inc.)

In totality, the Company has 25 subsidiaries, 4 Indian and 21 foreign.

The Company has obtained an exemption under Section 212 of the Companies Act, 1956, from annexing to this Report, the Annual Reports of the abovementioned 4 Indian subsidiaries and 21 foreign subsidiaries, for the year ended 31 March 2010. However, if any Member of the Company or its subsidiaries so desires, the Company will make available, the Annual Accounts of the subsidiaries to them, on request. The same will also be available for inspection at the Registered Office of the Company and of its subsidiaries, during working hours upto the date of the Annual General Meeting. The details of accounts of the subsidiaries are also available on the Company's website.

The details of each subsidiary with respect to capital, reserves, total assets, total liabilities, details of investment (except in case of investment in subsidiaries), turnover, profit before taxation, provision



'Bemco' hydraulic press used for inserting core packs in stator castings of motor frames at LT Motors division, Ahmednagar.



Refurbishment of NYRSTAR 28MVA rectifier transformer by CG Power's Services Division, Belgium.

for taxation, profit after taxation and proposed dividend are detailed at Page 119 of the Annual Report.

CONSOLIDATION OF ACCOUNTS

As required by Accounting Standards AS-21 and AS-23 of the Institute of Chartered Accountants of India, the financial statements of the Company reflecting the consolidation of the Accounts of the Company, its 25 subsidiaries mentioned above, and 5 Associate Companies, are annexed to this Report. The Associate Companies are Avantha Power & Infrastructure Limited, CG Actaris Electricity Management Private Limited, CG Lucy Switchgear Limited, International Components India Limited and Pauwels Middle East Trading and Contracting Limited.

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

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the prescribed format as Annexure 2 to this Report.

PARTICULARS OF EMPLOYEES

The statement of particulars required pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2002, forms a part of this Report. However, as permitted by the Companies Act, 1956, the Report and Accounts are being sent to all Members and other entitled persons excluding the above statement. Those interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office and the same will be sent by post. The statement is also available for inspection at the Registered Office, during working hours upto the date of the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 1956.

The Directors confirm that:

- the Annual Accounts have been prepared in conformity with the applicable Accounting Standards.
- the Accounting Policies selected and applied on a consistent basis, give a true and fair view of the affairs of the Company and of the profit for the financial year.
- sufficient care has been taken that adequate accounting records have been maintained for safeguarding the assets of the Company; and for prevention and detection of fraud and other irregularities.
- the Annual Accounts have been prepared on a going concern basis.

AUDITORS

The Company's Auditors, Sharp & Tannan, hold office upto the conclusion of the forthcoming Annual General Meeting and, being eligible, are recommended for re-appointment on terms to be negotiated by the Audit Committee of the Board of Directors. They have furnished the requisite certificate to the effect that their re-appointment, if effected, will be in accordance with Section 224(1B) of the Companies Act, 1956.

FIXED DEPOSITS

Currently, the Company has discontinued acceptance of fresh deposits and also renewal of existing deposits. 93 persons have not claimed repayment of their matured deposits amounting to Rs.12,34,000 as at 31 March 2010. At the date of this Report, an amount of Rs.41,000 has been claimed and repaid therefrom, or transferred to the Investor Education Protection Fund, on completion of seven years.

Link Intime India Pvt. Ltd (formerly Intime Spectrum Registry Limited) continues to be the Company's Registrars for all matters related to the Company's Fixed Deposit Scheme. The contact details of Link Intime India Pvt. Ltd are mentioned in the Report on Corporate Governance.

SHARE REGISTRAR & TRANSFER AGENT

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

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

ENVIRONMENT, HEALTH & SAFETY

The Company is committed to ensuring the health and safety of all its employees, contractors, visitors and other persons at

the Company's workplace and protecting the environment.

The Company has Health and Safety Committees at all locations which regularly monitor the divisions' compliance with the Company's Health & Safety policy. The Company trains and motivates its employees to understand health and safety responsibilities and to participate actively in its health and safety programmes.

The Company conducts regular health check-ups for its employees engaged in handling hazardous materials. It also arranges several seminars and training sessions on AIDS awareness, cardiac awareness and other fatal diseases. Safety audits are undertaken by independent assessors to assess the safety effectiveness at locations.

The Company has also initiated a Group Life Insurance Policy for its Executives, through which, the family of deceased Executives will receive a pre-determined amount, in case of the Executive's unfortunate and untimely death during service, due to any cause.

All the manufacturing units of the Company have received ISO 14001 Environmental Standards and Management Certification and OHSAS 18001 Certification for Occupational Health & Safety Assessment Systems. The Company periodically conducts surveillance audits



Photometry testing of lamps undertaken at Lighting division.



CG Power India's transformer division in Kanjur became the first Rs. 1000 crore division in CG Power world - wide.

Increasing focus is being placed on innovative, energy efficient and green products.

of both ISO 14001 and OHSAS 18001, to ensure continued conformity with these standards.

Increasing focus is being placed on innovative, energy efficient and green products. The Company actively solicits opportunities in the renewable energy segment, which includes supplying products suitable for usage in windmills and solar power projects.

Disposal of hazardous waste is undertaken in compliance with the environmental policies and regulations.

The Company has identified Environment Protection as an important agenda in its Corporate Social Responsibility arena, and has undertaken many initiatives in the area of tree plantation, rain water harvesting etc.

extended by the financial institutions, banks, government authorities, customers, vendors and members during the year under review and look forward towards continued support from them.

The Directors also wish to convey their sincere appreciation to the Company's employees, at all levels, for their continued dedication, hard work and commitment which has been a significant enabler in achieving the Company's performance.

On behalf of the Board of Directors

G THAPAR

Chairman

Mumbai, 13 May 2010

ACKNOWLEDGEMENTS

The Directors acknowledge and are grateful for the encouragement and co-operation

ANNEXURE 1 TO DIRECTORS' REPORT

List of Group Entities

The following entities and persons, along with Crompton Greaves Limited constitute the Group as defined under the Monopolies and Restrictive Trade Practices Act, 1969:

- Gautam Thapar
- Bilt Graphic Paper Products Limited
- Ballarpur International Holdings B.V.
- Ballarpur Paper Holdings B.V.
- Ballarpur International Paper Holdings B.V.
- Ballarpur International Graphic Paper Holdings B.V.
- Avantha International Holdings B.V.
- TAF Asset 2 B.V.
- Avantha International Asset B.V.
- Sabah Forest Industries Sdn. Bhd.
- Ballarpur Speciality Paper Holdings B.V.
- Ballarpur Packaging Holdings B.V.
- Ballarpur International Packaging Holdings B.V.
- Ballarpur Packaging Holdings Private Limited
- Bilt Tree Tech Limited
- JG Containers (Malaysia) Sdn. Bhd.
- Mirabelle Holdings LLC
- Mirabelle Trading Pte. Limited
- MTP NEW Ocean (Mauritius) Limited
- Corella Investments Limited
- Lustre International Limited
- Avantha Holdings Limited (formerly known as NewQuest Corporation Limited)
- Bilt Paper Holdings Limited
- Karam Chand Thapar & Bros. Limited
- KCT Papers Limited
- KCT Chemicals & Electricals Limited
- APR Sacks Limited
- THE Paperbase Company Limited
- Avantha Realty Limited (formerly known as Janpath Investments and Holdings Limited)
- Bilt Industrial Packaging Company Limited
- Biltech Building Elements Limited
- UHL Power Limited
- Asia Aviation Limited
- Toscana Lasts Limited
- Toscana Footwear Components Limited
- NQC Global (Mauritius) Limited
- NQC International (Mauritius) Limited
- NewQuest Services Private Limited
- Avantha Technologies Limited
- NewQuest Insurance Broking Services Limited
- Avantha Power & Infrastructure Limited
- Korba West Power Company Ltd.
- TKS Developers Ltd.
- Jhabua Power Ltd.
- Jhabua Power Investment Private Ltd. (formerly known as Gleneagles Healthcare Holdings Private Ltd.)
- Prestige Wines and Spirits (P) Limited
- Global Green Company Limited
- Global Green USA Limited
- GG International N.V.
- Intergarden N.V.
- Intergarden (India) Private Limited
- Dunakiliti Kanzervuzem Kft
- Greenhouse Agraar Kft
- Floragarden Tarim Gida Sanay ve Ticaret A.S.
- Pusztá Konserv Kft
- Solaris Holdings Limited
- Solaris Chemtech Industries Limited
- Solaris Industrial Chemicals Limited
- Salient Business Solutions Limited
- Salient Knowledge Solutions Limited
- Salient Financial Solutions Limited
- Salient Business Solutions USA, Inc.
- Sairam Infra Projects Private Limited
- Ballarpur Industries Limited
- CG Energy Management Limited
- CG Capital & Investments Limited
- CG-PPI Adhesive Products Limited
- Malanpur Captive Power Limited
- Brook Crompton Greaves Limited
- CG Actaris Electricity Management Private Limited
- CG Lucy Switchgear Limited
- International Components India Limited
- CG International B.V.
- CG Holdings Belgium N.V.
- CG Sales Networks Americas Inc.
- PT CG Power Systems Indonesia
- Pauwels Trafo Gent N.V.
- CG Power Systems Canada Inc.
- CG Power Systems USA Inc.
- CG Power Systems Ireland Limited
- CG Sales Networks France SA
- CG Power Systems Belgium N.V.
- CG Service Systems Curacao N.V.
- Pauwels Middle East Trading & Contracting Limited
- CG Holdings Hungary Kft
- CG Electric Systems Hungary Zrt.
- CG Power Holdings Ireland Limited
- Microsol Limited
- Viserge Limited
- CG Automation Systems UK Limited
- CG Automation Systems USA Inc.
- CG Service Systems France SAS
- MSE Power Systems Inc.
- CG Holdings Germany GmbH
- Power Technology Solutions Limited
- Imerys NewQuest (India) Private Ltd.
- Sohna Stud Farms P. Ltd.
- Vani Agencies P. Ltd.
- ASA Agencies (P) Limited
- Topscore Tradevariety (P) Limited
- Venus Financial Services Limited
- The Pioneer Limited
- Arizona Printers & Packers Private Limited
- Avantha Foundation
- Blue Horizon Investments Limited
- Gyanodaya Prakashan Private Limited
- Krebs & CIE (India) Limited
- Leading Line Merchant Traders Private Limited
- Orient Engineering & Commercial Company Limited
- Oyster Buildwell Private Limited
- Saraswati Travels Private Limited
- Seer Buildwell Private Limited
- Ultima Hygiene Products Private Limited
- Vanity Propbuild Private Limited
- Varun Prakashan Private Limited.
- Content Services & Publishing Private Limited.



CG's new offering: 200MVA, 420/21KV single phase generator transformer.

ANNEXURE 2 TO DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956

A. Conservation Of Energy

A. ENERGY CONSERVATION MEASURES TAKEN:

During the year, several energy efficient technologies and processes have been implemented by the Company's divisions in fulfillment of the Company's commitment to conserve energy and reduce the adverse impact of consumption of fossil fuels on the environment. Energy consumption and usage of renewable energy is regularly monitored across all divisions/offices of the Company.

Efforts are also made to conserve energy through implementation of green technology and manufacturing of low noise products. During the year, the Company won the National Energy Conservation Award from the Ministry of Power for its efforts in improving efficacy of FTL Lamps. The typical measures taken towards energy conservation are:

- Automation in seasoning process for better optimization of on-off cycle of heater, resulting in energy saving
- Doing reactive power compensation to enhance power factor

- Change of reciprocating compressor by screw compressor
- Installation of electronic chokes in light fittings resulting in reduced energy wastage associated with conventional chokes
- Installation of new regenerative oven at Bhopal plant resulting in useful utilization of otherwise wasted heat
- Usage of solar lamps in street lighting within the factory

B. ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION IN CONSUMPTION OF ENERGY:

- Replacement of Aluminum fans with FRP fans in Industrial 3 phase exhaust fans to reduce energy requirements
- Installation of LPG fired furnace instead of LDO/Electric fired furnace
- Achieving superior control and reduced energy consumption in milling machine by using retrofitting motor drive
- Reduction in motor working hours by replacing mechanical clutching system with electrical clutching in boring machine
- Commissioning of dedicated smaller DG set for street & emergency lightings for reducing diesel consumption
- Connection of regenerative drive to motor test set up for feeding energy back to the grid

C. IMPACT OF THE MEASURES AT (A) AND (B) FOR REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION:

The above measures have resulted into effective management and utilization of energy resources and have resulted in cost savings for the Company. However, since the Company's manufacturing processes are not energy intensive, the energy conservation measures have a negligible impact on the Company's overall cost of production of goods.

B. Technology Absorption RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas of significance in which R&D is carried out by the Company:

R&D priorities of the Company are aligned with the Company's strategic Business plan and market indicators. R&D continues its thrust on offering smart solutions through development of new technologies and new products. During the year, R&D concentrated on development of high impact platform technologies such as developing newer applications which leverage on nanotechnology, process development of new grade electrical steels which optimize motor performance, new insulating systems for HV applications, development of Intelligent Electronic Devices for HT Machines and virtual design processes.

2. Benefits derived as a result of the above R&D:

New products developed

Power Systems

- 200MVA, 420/21 kV single phase largest rating generator transformer
- 315MVA, 400/220/33 kV 3 phase largest rating auto transformer
- 45MVA 21/11.5 kV 3 phase unit auxiliary transformer
- 800 kV 50kA gas circuit breaker, first time manufactured in India under UHV switchgear
- 72.5 kV gas circuit breaker with 'Arc Assist' technology
- 400 kV 50 kA spring pneumatic gas circuit breaker without grading capacitor
- ANSI Bushings range – 69kV, 138kV, 230kV
- 420 kV extra high creepage current transformer
- Numerical Relays CGI14N for SCADA applications
- 12 kV, 31.5 kA/40 kA vacuum circuit breaker for outdoor kiosk
- 12 kV, 50 kA indoor vacuum circuit breaker for higher end market segments
- 36 kV, 26.3 kA indoor vacuum circuit breaker
- 12 kV, 26.3 kA porcelain clad vacuum circuit breaker
- 12 kV, 20 kA indoor split vacuum circuit breaker
- 24 kV 16 kA 630 A, vacuum interrupter for RMU application
- 36 kV voltage transformer with 1.9 voltage factor for 8 hours for exports market
- Capacitor switch with SMARTVAR 3

- 3 phase 3 Wire, 180 kVAR rating 'Statcom' power quality improvement solutions
- 145 kV instrument voltage transformer

R&D from CG Power (overseas locations)

The Company has also benefited from the Research and Development work undertaken at CG Power (Overseas locations) as under:

- Track side transformers for high speed trains
- Hybrid transformer with paper/nomex insulation system for off shore wind industry
- 750 MVA, 380 kV: biggest MVA rating ever produced by the Company
- 230 kV mobile substation for North American market
- Phase shifting transformer with bi-directional voltage variation
- Universal re-connectable generator step-up transformer
- XGate substation gateway
- Distribution automation self-healing networks
- 3 winding transformer with interleaved LV windings allowing close impedance matching for Inverter applications
- Green power transformer capable of maintaining reverse power flow to tie green projects to the grid
- New series of HVDC converter transformers
- Onshore Booster Sub-station concept for Offshore wind applications

Industrial Systems

- NEMA premium efficiency motors for range 90-132, with CSA approval
- 160 Frames, 15kVA, 1 phase high efficiency alternator for OEMs
- Range extension of ND 450 frame motor - 10 pole & 6 pole
- E560 frame flameproof motors
- Low cost GD series motors with energy efficiency
- 2 MW, 2 pole motor in closed air circuit air cooled (CACA) enclosure
- 2.7MW, 4 pole motor in CACA enclosure
- 5.4 MW, 6 pole motor in CACA enclosure
- 2.5 MW, 8 pole Vertical 1700 flange size air cooled (1700 VTPC) motor
- 2.5 MW, 10 pole 1700 VTPC motor



NEW PRODUCT DEVELOPMENT

1



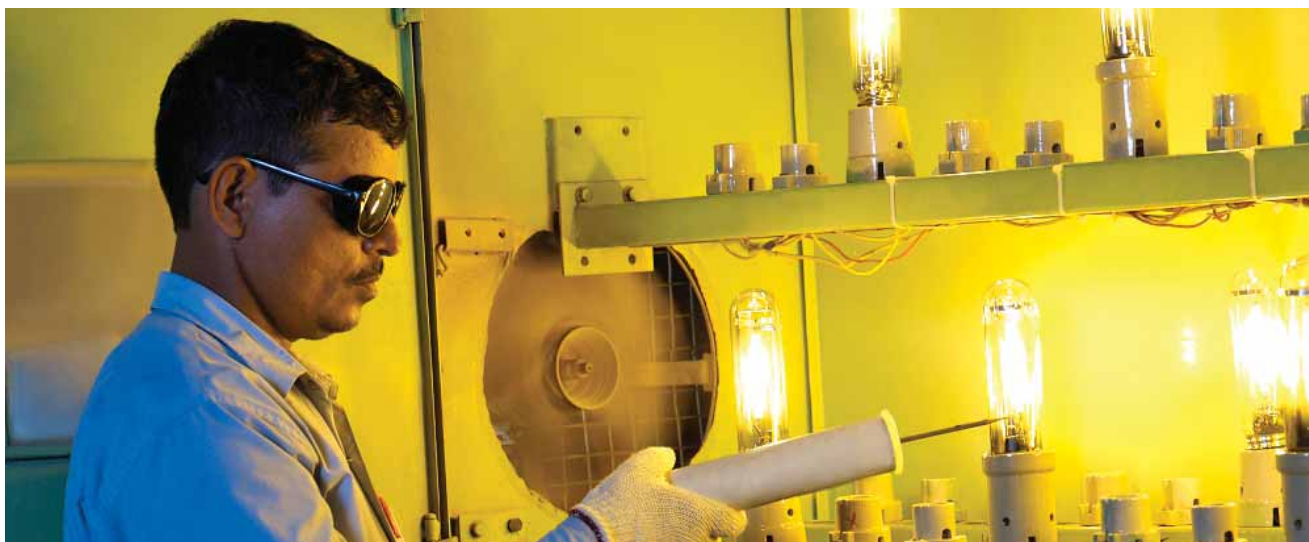
2



3



1. High Pressure Geyser - Magna, first time in India with 10 Bar pressure withstanding capacity.
2. Numerical Relays for SCADA applications .
3. NEMA premium efficiency motors for range 90-132, with CSA approval.



Final testing of HID lamps at lighting division in India.

During the year, the Company has collaborated on protocol development for relays and GIS development, with its Irish and Hungarian counterparts respectively.

- 2.1 MW, 12 pole 1700 VTPC motor
- 2 MW, 14 pole motor in vertical air cooled enclosure
- Vertical totally enclosed tube ventilated slip ring motor
- 1.4 MW, 16 pole motor in vertical air cooled enclosure
- Wide voltage motor (110-260V) with intelligent electronic controller
- Robust & economical 'Sheetal Series Motors' for rural India
- Compact & light weight 'Lite Series Motors' for exports
- Streetlight with T5 lamps, with ingress protection of IP65 class
- Garden lighting - High-end post tops
- 4" submersible pump Popular Series with jacketed stainless steel tube
- 8" submersible pumpsets
- 20HP & 25HP dewatering pumps
- Control panels for pumps
- Monobloc MB, MBG series pumpsets
- Vertical openwell submersible pumpsets for agro sector
- Horizontal split case pumps
- End suction pumps

Consumer Products

- High Pressure Geyser - Magna, first time in India with 10 Bar pressure withstanding capacity
- Fans for Automobile applications - BUZEE
- Ceiling Fans – Trimster, Iris Underlight, Winzer (Institutional), Lotus
- Ceiling Fans – Range extensions for Scorpio, Smart Breeze, Power Saver, Briz Air
- Table/Wall/Pedestal Fans – Hi Flo Wave, Rapid Pedestal, Wind Flo
- Exhaust fans – 150 mm Drift Air Plus, Brisk Air
- LED luminaires – LED Crom-star – 4W, LED 90/120W, LED Tile
- Office luminaire - Luxus range, Oscillar pendant range
- Factory lighting - Well Glass & Highbay induction lamps.

New Processes Implemented/ Processes Improved

- Conversion of notching tools to carbide tools leading to productivity improvement in stampings
- Conversion of gang slotting to progressive based stamping tools to enhance utilization factor of laminations
- Optimisation of materials to enhance life of components in sintering furnace
- Development of process to enable recycling of critical materials in lamp manufacture
- Improvement of wiping assembly for improved repeatability in lamp making

Technology Competence Achieved

- Developed a new range of SF6 Breakers with 'Arc assist' platform technology requiring low energy for operating mechanism, enhancing breaker reliability

- Developed new ceiling fan prototype which has the lowest wattage consumption in its category based on motor technology
- New process of designing for HT Motors which targets 'first time right' and which improves features, performance and reduces design cycle time
- New motor technology adapted to newer applications like fans for automotive applications which reduces size, enhances efficiency and maintenance needs
- Developed alternators with newer topology which offer enhanced power to weight ratio compared to existing technology
- Developed new process for electrical steel which has the potential to become a platform for all requirements of FHP and LT motors

Patents

During the year the Company filed 151 patents in India, which together with 244 patents filed earlier, are pending for registration. No patents have been granted during the year.

3. Future Plan of Action

During the year the Company has formalized its technology strategy, which includes identification of products and platform technologies upto the year 2015. R&D would focus on development of products which are knowledge based and provide solutions to the customers. Besides, the Company has also set threshold levels of growth expected in future from the sale of new products developed by the Company. The product development life cycle will also be benchmarked with the best-in-class in the industry. R&D will also leverage its capabilities by entering into collaborations with the external bodies and universities.

4. Expenditure on R&D

31 MARCH 2010	RS. CRORE
(a) Capital	21
(b) Revenue	34
(c) Total (a + b)	55
(d) Total R&D expenditure:	
as a percentage of net turnover	1.04%
as a percentage of profit before tax and extraordinary item	6.32%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts and Benefits:

The Company is now leveraging on the technology of several companies it had acquired in the last few years to address gaps in its technology portfolio. During the year, the Company has collaborated on protocol development for relays and GIS development, with its Irish and Hungarian counterparts respectively. During the year, the Company's US subsidiary acquired the technology of ADMS (Advanced Distribution Management System) for Wind SCADA system which is one of the leading Wind SCADA products for managing and controlling wind farms.

The Company has also entered into an agreement with the New York State to establish its US R&D facility at Albany Nanotech Facility which will enable it to undertake R&D activities in the fields of smart grid technologies and renewable energy applications.

2. Imported Technology:

Nil

C. Foreign Exchange Earnings And Outgo

A. ACTIVITIES RELATING TO EXPORTS; INITIATIVES TAKEN TO INCREASE EXPORTS; DEVELOPMENT OF NEW EXPORT MARKETS FOR PRODUCTS AND SERVICES; AND EXPORT PLANS:

The Company's activities and initiatives relating to exports are contained in the Management Discussion and Analysis Report.

B. TOTAL FOREIGN EXCHANGE EARNED AND USED:

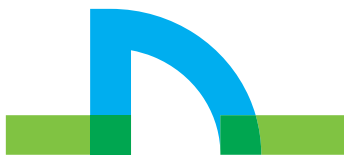
31 MARCH 2010	RS. CRORE
Total Foreign Exchange Earned	1,233
Total Foreign Exchange Used	558

On behalf of the Board of Directors

G THAPAR

Chairman

Mumbai, 13 May 2010



Corporate Governance

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Crompton Greaves ('Crompton Greaves', 'CG' or 'the Company'), corporate governance forms the core of all business endeavours. As the Company continues to grow through organic and inorganic routes, the processes of corporate governance are structured to ensure that management and business decisions are made with objectivity, accountability and integrity.

CG advocates transparency in all its business transactions. Its Board of Directors and employees stand committed to the core principles of transparency, integrity and honesty, by adhering to the CG Values and CG's Code of Business Practices.

With a view to integrate and extend CG's corporate governance initiatives across its foreign locations, the Company had implemented the CG Transnational Governance Guidelines in 2008. These Guidelines underline common governance practices for CG at all its locations worldwide, and ensure that new entities joining the CG fold are integrated from a governance perspective.

BOARD OF DIRECTORS Composition

As on 31 March 2010, the Company had a nine-member Board of Directors. The Chairman, Mr. Gautam Thapar is a Non-Executive Director and a member of the Promoter Group. Seven other Non-Executive Directors – Mr. Scott Bayman, Dr. Omkar Goswami, Mr. Sanjay Labroo, Mr. Suresh Prabhu, Ms. Meher Pudumjee, Mr. Satya Pal Talwar and Dr. Valentin von Massow – are independent in terms of Clause 49 of the Listing Agreement with Stock Exchanges. Mr. Sudhir Trehan is the Managing Director. Thus, the Board of Crompton Greaves presently comprises of one Executive Director and eight Non-Executive Directors, of whom seven are

FY2010 refers to the financial year 2009-10, i.e. 1 April 2009 to 31 March 2010. Analogously, FY2009.

1 COMPOSITION OF THE BOARD				
NAME	PARTICULARS	OTHER BOARD REPRESENTATIONS		
		DIRECTORSHIPS (A)	COMMITTEE MEMBERSHIPS (B)	COMMITTEE CHAIRMANSHIPS (B)
Mr. Gautam Thapar	Non-Executive Chairman; Promoter	13	3	1
Mr. Sudhir Trehan	Executive; Managing Director	7	0	1
Mr. Scott Bayman	Non-Executive; Independent	1	0	0
Dr. Omkar Goswami	Non-Executive; Independent	11	6	2
Mr. Sanjay Labroo	Non-Executive; Independent	15	2	0
Mr. Suresh Prabhu	Non-Executive; Independent	0	0	0
Ms. Meher Pudumjee	Non-Executive; Independent	3	1	0
Mr. Satya Pal Talwar	Non-Executive; Independent	13	4	4
Dr. Valentin von Massow	Non-Executive; Independent	1	0	0

NOTES: (A) Includes private limited companies, but excludes alternate directorships and foreign bodies corporate.
(B) Of only public limited companies.

independent. Table 1 gives the composition of the Board, and the number of outside Directorships held by each. None of the Directors are related to each other.

Board Meetings

There were five Board meetings held during the year: on 17 April, 2009, 20 May 2009, 17 July, 2009, 27 October 2009 and 28 January 2010. The Company's last Annual General Meeting was held on 17 July 2009. Table 2 gives the attendance record of the Directors.

2 ATTENDANCE RECORD OF THE DIRECTORS, FY 2010		
NAME	ATTENDANCE	
	BOARD MEETINGS	LAST AGM
Mr. Gautam Thapar	5	Yes
Mr. Sudhir Trehan	5	Yes
Mr. Scott Bayman	2	No
Dr. Omkar Goswami	5	Yes
Mr. Sanjay Labroo	4	No
Mr. Suresh Prabhu*	1	NA
Ms. Meher Pudumjee	5	Yes
Mr. Satya Pal Talwar	5	Yes
Dr. Valentin von Massow	5	Yes

* Appointed on 28 January, 2010

DIRECTORS' COMPENSATION

Managing Director's Compensation

For FY2010, Mr. Sudhir Trehan, Managing Director received a remuneration package comprising a fixed salary component and a performance linked bonus, as approved by the Remuneration Committee of the Board on 21 October 2008, in terms of the powers delegated by the shareholders at the Annual General Meeting held on 23 July 2008. The Remuneration Committee of the Board is authorised to revise the compensation package of Mr. Trehan, upto a ceiling of 5% of the Company's net profits.

Mr. Trehan's remuneration package is as follows:

- **SALARY:** Rs.96 lakh per annum.
- **PERQUISITES:** Allowances/perquisites up to Rs.37 lakh per annum, which includes reimbursement of expenditure or allowances in respect of house maintenance and repairs, utilities such as gas, electricity, water and furnishings; medical reimbursement, medical insurance, hospital benefits, leave travel concession

and education, for himself and his family; personal accident insurance, club fees, and any other reimbursements, allowances or perquisites in terms of the Company's Rules or as may be decided by the Chairman of the Company.

● PERFORMANCE INCENTIVE/

COMMISSION: To be decided by the Board of Directors every year.

The above does not include rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowance in lieu thereof; company car, with driver; company's contribution to Provident Fund, Superannuation Fund and Gratuity pursuant to the Rules of the Company; encashment of leave; and income tax on the perquisite value of Mr. Trehan's housing accommodation in excess of the amount earlier considered by the Remuneration Committee in January 2008. These amounts are in addition to the limits provided above.

Non-Executive Directors' Compensation

The shareholders, at the 68th Annual General Meeting held on 22 July 2005, approved payment of commission to the Company's Non-Executive Directors, collectively not exceeding 1% of net profits, computed in the manner provided in Section 309(5) of the Companies Act. The Board has formulated guidelines for distribution of commission among the Non-Executive Directors. These comprise a minimum fixed payment for participation at Board Meetings and a variable component for (i) contribution as Chairmen of Board Committees, (ii) greater involvement with the Company executives in strengthening systems and processes; (iii) contributing to the strategic direction of the Company; and (iv) their roles as nominee directors on the Board/Committees of Directors of joint ventures, subsidiaries and associate companies based on their attendance. Based on these guidelines, the commission payable to Mr. Gautam Thapar is higher than the other Non-Executive Directors.

The compensation of all the Directors is given in Table 3.

The Company does not have any stock option plans or schemes.

Directors' Shareholding

As on 31 March 2010, Mr. Trehan held 1,80,320 shares and Dr. Von Massow held 2,187 Global Depository Receipts; none of the other Non-Executive Directors held any shares in the Company.

Code of Conduct

The Company has a Code of Conduct for Directors and Senior Management, that reflects its standards of integrity and ethics. The Directors and Senior Management of the Company have affirmed their adherence to this Code of Conduct and to the absence of any potential conflict with the interests of the Company with reference to material, financial and commercial transactions. As required by Clause 49 of the Listing Agreement, the Managing Director's Declaration on adherence to the Code of Conduct has been annexed to this Report.

COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee comprises five Non-Executive Directors, of whom four are independent. The composition is as follows:

- **MR. SATYA PAL TALWAR** (Chairman, Independent Director)
- **DR. OMKAR GOSWAMI** (Independent Director)
- **MR. SANJAY LABROO** (Independent Director)
- **MR. SURESH PRABHU** (Independent Director)
- **MR. GAUTAM THAPAR** (Non-Executive Director)

The Managing Director, Chief Financial Officer, Chief of Internal Audit, and representatives of the Statutory Auditors attend the meetings of the Audit Committee. The Company Secretary is the Secretary to the Committee.

At every Board meeting, the Chairman of the Audit Committee briefs the Board of

3 COMPENSATION OF THE DIRECTORS, FY 2010 (IN RUPEES)

	SALARY	PERQUISITES	COMMISSION	RETIREMENT BENEFITS	SITTING FEES	TOTAL
Mr. Gautam Thapar			8,25,47,000		2,40,000	8,27,87,000
Mr. Sudhir Trehan	96,00,000	72,74,022	1,84,00,000	75,60,000	--	4,28,34,022
Mr. Scott Bayman			7,00,000		1,00,000	8,00,000
Dr. Omkar Goswami			18,10,000		2,40,000	20,50,000
Mr. Sanjay Labroo			7,00,000		1,40,000	8,40,000
Mr. Suresh Prabhu			1,20,000		20,000	1,40,000
Ms. Meher Pudumjee			7,00,000		1,00,000	8,00,000
Mr. Satya Pal Talwar			17,00,000		2,00,000	19,00,000
Dr. Valentin von Massow			24,03,000		1,40,000	25,43,000

4 AUDIT COMMITTEE MEETINGS, FY 2010		
DIRECTOR	STATUS	MEETINGS ATTENDED
Mr. Satya Pal Talwar	Chairman, Independent Director	4
Dr. Omkar Goswami	Member, Independent Director	4
Mr. Sanjay Labroo	Member, Independent Director	2
Mr. Suresh Prabhu	Member, Independent Director	NA
Mr. Gautam Thapar	Member, Non-Executive Director	2

Directors on the discussions at the Audit Committee meeting.

The Company has an independent internal audit function with resources and skills adapted to the Company's nature, size and complexity of business. The Head of the internal audit reports directly to the Managing Director, and also to the Audit Committee.

The Audit Committee monitors the integrity of the financial information provided by the Company by reviewing the adequacy of internal controls as well as the relevance and consistency of the Accounting Standards used by the Company.

While the audit function undertook operational and system audits at various Divisions during the year, it also focused on identifying and addressing systemic issues which were witnessed at more than one location. This has resulted in the evolution of a control framework for the Company, which is being used to validate the systems for their robustness, and the employees for their adherence. Both India and foreign locations are jointly working on developing of a common methodology of risks and controls based on the concept of risk-based internal auditing, which will be shortly institutionalised across CG on a worldwide basis. This should enable evaluation of Divisions and functions based on their risk profile – and thus combine internal audits and risk in a manner that is more meaningful for today's internal controls.

During the year, the India audit function also benchmarked with foreign locations on audit processes, which resulted strengthening of the audit approach in India as well as abroad.

The year also saw internal audit especially examine risks relating to raw material, namely procurement processes, excess raw material at outsourcers' location,

inventory levels vs. commitments, differences in physical and book stock, etc.

Four Audit Committee meetings were held during FY2010: on 20 May 2009, 17 July 2009, 26 October 2009 and 27 January 2010. The attendance record is given in Table 4.

Remuneration Committee

Although not mandatory in terms of Clause 49 of the Listing Agreement, the Company has a Remuneration Committee comprising three Non-Executive Directors, of which two, including the Chairman, are independent. Presently, the Committee comprises:

- **MR. SANJAY LABROO** (Chairman, Independent Director)
- **DR. OMKAR GOSWAMI** (Independent Director)
- **MR. GAUTAM THAPAR** (Non-Executive Director)

The Committee reviews the remuneration paid to the Managing Director. The Committee also reviews the Company's HR processes related to talent management, recruitment, employee engagement, performance management and compensation philosophy.

Risk Management Committee

The Risk Management Committee comprises four Directors, of whom three are independent. The composition is given below:

- **DR. OMKAR GOSWAMI** (Chairman, Independent Director)
- **MR. SCOTT BAYMAN** (Independent Director)
- **MR. SANJAY LABROO** (Independent Director)
- **MR. SUDHIR TREHAN** (Executive Director)

This Committee reviews CG's business, operational and financial risks, as well

RISK MANAGEMENT COMMITTEE MEETINGS, FY 2010

DIRECTOR	STATUS	MEETINGS ATTENDED
Dr. Omkar Goswami	Chairman, Independent Director	3
Mr. Scott Bayman	Member, Independent Director	1
Mr. Sanjay Labroo	Member, Independent Director	1
Mr. Sudhir Trehan	Executive Director	3

as the adequacy of insurance and other risk mitigation measures adopted by the Company. It ensures that CG's risk management mechanisms provide an evaluation of the most significant risks, relative to its strategy and objectives. During FY2010, a comprehensive evaluation of the risks associated with the various dimensions of the Company's businesses – operations, technology, financial, insurance, natural disasters, information security and record management systems – were evaluated.

As an outcome of the deliberations at the Risk Committee Meetings, CG is moving towards a common global insurance framework. For Indian locations, the Company enhanced its information security practices by launching the Active Directory software which has resulted in standardisation of settings for office desktops, central controls on software, and a standardised, Company-wide password policy.

In FY 2010, there were three Risk Management Committee meetings, held on 21 May 2009, 26 October 2009 and 27 January 2010. The attendance record is given in Table 5.

Shareholders'/Investors' Grievance Committee

The Company has a Shareholders'/Investors' Grievance Committee, details of which are given under the section 'Shareholders' in this chapter.

MANAGEMENT

Management Discussion and Analysis Report

This is given as a separate chapter in the Annual Report.

Disclosure of Material Transactions

During the year, the Company took a decision to divest its investment in Malanpur Captive Power Limited to

Avantha Power and Infrastructure Limited, a Company within the Promoter Group. Details of this divestment are given in the Directors' Report and the chapter on Management Discussion and Analysis. Besides this divestment, considering the size and nature of its operations, there were no related party transactions of a materially significant nature in terms of the Listing Agreement with Stock Exchanges.

Accounting Policies

The Company has adopted accounting treatments which are in conformance with those prescribed by the Accounting Standards.

Insider Trading

The Company has comprehensive guidelines in accordance with the SEBI Regulations, which advise and caution the Directors, management and executives on the procedures to be followed while dealing with securities of the Company. CG's Insider Trading Code helps in ensuring compliance with these requirements.

SHAREHOLDERS

Disclosure regarding Appointment and/or Re-appointment of Directors

Dr. Omkar Goswami and Ms. M Pudumjee retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment. Their brief profiles are given below:

DR. O GOSWAMI (born in 1956) holds a Master's Degree in Economics from the Delhi School of Economics, and also a D.Phil (Ph.D) from Oxford University, UK.

Dr. Goswami has taught and researched economics at various universities and has been associated as advisor to several Government committees and international organisations like the World Bank, the OECD, the IMF and the ADB, during his career spanning over 29 years. He has

also served as Chief Economist with the Confederation of Indian Industry.

Dr. Goswami is the Founder and Executive Chairman of CERG Advisory Private Limited, a company engaged in corporate advisory and consulting services for companies in India and abroad.

DIRECTORSHIPS

- Infosys Technologies Limited
- Dr. Reddy's Laboratories Limited
- IDFC Limited
- Ambuja Cements Limited
- Cairn India Limited
- Godrej Consumer Products Limited
- Max New York Life Insurance Co Limited
- Avantha Power & Infrastructure Limited
- Max India Limited
- DSP BlackRock Investment Managers Private Limited

COMMITTEE POSITIONS

- Infosys Technologies Limited (2)
- Dr. Reddy's Laboratories Limited (1)
- IDFC Limited (2)
- Cairn India Limited (2)
- Godrej Consumer Products Limited (1)

Dr. Goswami does not have any relationship with any of the other Directors on the Board; and does not hold any shares in the Company either in his individual capacity or beneficially for others.

MS. MEHER PUDUMJEE (born in 1966) holds a Masters degree in Chemical Engineering from the Imperial College of Science and Technology, London, and is the Chairperson of Thermax Limited, a company focused in the business of providing solutions for energy and environment management.

INDIAN DIRECTORSHIPS

- Thermax Limited
- RDA Holding & Trading Pvt Limited
- Thermax Social Initiative Foundation
- Imperial College India Foundation
- Shakti Sustainable Energy Solutions Limited

FOREIGN DIRECTORSHIP

Thermax International Limited - Mauritius

COMMITTEE POSITIONS

Thermax Limited (1)

MR. SURESH PRABHU (born in 1953) is a Chartered Accountant with a degree in law; and has been conferred an Honorary Doctorate by the International Forestry Resources and Institutions.

Mr. Prabhu is an ex-Union Cabinet Minister of Power, of Industry, of Energy, of Environment and Forests, of Chemicals and Fertilizers, and of Heavy Industry and Public Enterprises. He was a Member of Parliament from 1996 till 2009. During his tenure as Union Minister, he was instrumental in pioneering the Electricity Bill 2001 as well as the Energy Conservation Bill, 2001 and various other reforms in the power and environment sectors.

Mr. Prabhu has also led, and represented India, in several bilateral meetings, international summits and parliamentary forums, such as G8+5, EU-Asia, World Water Forum, UNESCO, GLOBE and Parliamentary Network of World Bank, India-USA, India-Japan and India-Germany strategic dialogues. Mr. Prabhu currently Chairs the Global Water Partnership (South Asia) and is a member of the United Nations Commission for Biodiversity and Land Use Change. He is a Senior Advisor to the UN. He is also the Chairman of the Council for Energy, Environment and Water.

The attendance record of these Directors at the Board Meetings during the year under review is given in Table 2.

Communication to Shareholders

Full and complete disclosure of information regarding the Company's financial situation and performance is an important part of the Company's Corporate Governance ethos. The Company has demonstrated this commitment by sending its shareholders a full version of its Annual Report, despite a regulatory exemption. For convenience of shareholders and better information, the stand-alone and consolidated balance sheet and profit and loss account are also provided in USD and Euro in the Annual Report.

Clause 41 of the Listing Agreement requires a company to only publish stand-alone financial results, and gives an option to a company having subsidiaries to submit consolidated results to Stock Exchanges. Despite this regulatory exemption, CG

6 INFORMATION ON GENERAL BODY MEETINGS			
FINANCIAL YEAR	LOCATION	DATE	TIME
2006-2007	Sunville Pavilion, Mumbai 400 018	26 July 2007	3.30 p.m.
2007-2008	Ravindra Natya Mandir, Mumbai 400 025	23 July 2008	3.30 p.m.
2008-2009	Ravindra Natya Mandir, Mumbai 400 025	17 July 2009	3.30 p.m.

not only submits quarterly consolidated financial results to the Stock Exchanges, but also publishes both consolidated and stand-alone financial results in the newspapers, for better disclosures to its shareholders.

CG's quarterly results in the format prescribed by the Stock Exchanges are approved and taken on record by the Board within the prescribed timeframe, and sent immediately to all Stock Exchanges on which the Company's shares are listed. Recent amendments to Clause 41 permit a company to publish its quarterly results along with a Limited Review within 45 days from the end of each quarter. However, the Company has decided to continue its practice of submitting quarterly results within 30 days from the end of each quarter. These results are published in leading newspapers: The Economic Times in English and the Maharashtra Times in vernacular. These are also uploaded on the 'Corporate Filing' website sponsored jointly by the National and Bombay Stock Exchanges, as required by the Listing Agreement with Stock Exchanges. The Company further files on-line information on financial statements and other specified matters, on the approved website of London Stock Exchange.

Information about CG in general as well as its financial results, and official press releases can also be accessed at the Company's website www.cgglobal.com.

Information on General Body Meetings

The details of the last 3 Annual General Meetings are given in table 6.

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

26 JULY 2007

No Special Resolution was passed at the 70th Annual General Meeting held on 26 July 2007.

23 JULY 2008

No Special Resolution was passed at the 71st Annual General Meeting held on 23 July 2008.

19 JULY 2009

No Special Resolution was passed at the 72nd Annual General Meeting held on 17 July 2009.

Given below is the Special Resolution that was approved by shareholders at the Extra-Ordinary General Meeting held on:

20 MAY 2009

On 20 May 2009, the shareholders approved a resolution approving buy-back of the Company's equity shares at a price not exceeding Rs.170 per share, and with a maximum exposure of Rs.224.15 crore, through postal ballot without convening any Extraordinary General Meeting. The resolution was passed with an overwhelming majority of 99.93%. Shortly after the above decision, the Company's share price has been rising progressively, and therefore, no public announcement for buy-back of shares has been made.

24 FEBRUARY 2010

Issue of Bonus Shares in the ratio of three equity shares of Rs.2 each for every four equity shares held on the record date.

Details of Capital Market Non-Compliance, if any

The Company has complied with all requirements of the Listing Agreement with Stock Exchanges as well as the regulations and guidelines prescribed by SEBI. There were no penalties or strictures imposed on the Company by any statutory authorities for non-compliance on any matter related to capital markets, during the last three years.

Shareholders'/Investors' Grievance Committee

The Committee comprises Mr. Gautam Thapar (Chairman) and Mr. Sudhir Trehan, Managing Director. Mr. Wilton Henriques, the Company Secretary, has been designated by the Board as the Compliance Officer. During FY2010, the Shareholders'/ Investors' Grievance Committee met on 28 January 2010, at which meeting both Directors were present.

The Committee reviews the redressal of investors' complaints related to transfers and transmission of shares, non-receipt of annual reports, dividends and other share related matters, the periodicity and effectiveness of the share transfer process, statutory certifications, depository related issues and activities of the Registrar and Transfer Agent. In addition to review by this Committee, the Company continues its existing practice of reporting to the Directors at each Board Meeting, the number and category of shareholder complaints received and the status of their resolution.

The Company received only nine shareholders' complaints during the financial year under review, which were satisfactorily resolved; there are no outstanding complaints or shares pending transfer as on 31 March 2010.

Unclaimed Shares

Clause 5A of the Listing Agreement with Stock Exchanges, requires a listed company to transfer shares, which have remained unclaimed pursuant to a public issue or any other issue, to a demat suspense account with a depository participant. In case of a company having physical shares which have not been claimed by shareholders upon amalgamations, bonus issue and sub-division of shares, this presents a practical difficulty of dematerialisation of physical shares and transfer to a dematerialisation suspense account. Since all the Company's unclaimed shares are in these categories, it is of the view that the requirements of Clause 5A are not applicable to it. The Company has sought clarifications from SEBI; and until such time the Company receives the clarification, the Company will continue to hold such unclaimed shares in physical form.

GOVERNANCE OF SUBSIDIARIES

The Indian and foreign subsidiaries of the Company function independently, with an adequately empowered Board of Directors and sufficient resources. However, for more effective governance, the material contents of the minutes of Board Meetings of all Indian as well as foreign subsidiaries of the Company are placed before the Board of Directors of the Company for review. CG has also established a mechanism whereby material defaults, show cause notices, dangerous occurrences, product liability claims, significant developments in human resources, major financial decisions and similar significant actions/ decisions of all subsidiary companies, if any, are reported to the Company's Board of Directors. In addition, internal control procedures and operational risks of these subsidiaries are also reviewed by the Audit and Risk Management Committees of the Board. This framework has been further strengthened by the implementation of the CG Transnational Governance Guidelines.

CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer have certified to the Board with respect to the financial statements, internal controls and other matters, as required by Clause 49 of the Listing Agreement with Stock Exchanges, and this certificate is contained in this Annual Report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance prescribed by Clause 49 of the Listing Agreement with Stock Exchanges, which is attached herewith.

REPORT ON CORPORATE GOVERNANCE

This chapter, read together with the information given in the chapter titled Additional Shareholder Information, constitutes the compliance report on corporate governance for FY2010.



Additional Shareholder Information

ANNUAL GENERAL MEETING

DATE Monday, 19 July, 2010
TIME 3.30 p.m.
VENUE Ravindra Natya Mandir,
 Prabhadevi
 Mumbai 400 025.

FINANCIAL CALENDAR

FIRST QUARTER RESULTS End July
SECOND QUARTER RESULTS End October
THIRD QUARTER RESULTS End January
**LAST QUARTER RESULTS AND
 ANNUAL AUDITED RESULTS** May

DATES OF BOOK CLOSURE

13 JULY 2010 TO 19 JULY 2010

The register of members and share transfer books of the Company will remain closed from Tuesday, 13 July 2010 to Monday, 19 July 2010, both days inclusive.

UNCLAIMED DIVIDENDS

Dividends pertaining to the financial years 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009 and 2009-2010 which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund. To enable the members to claim their dividend before its transfer to the above Fund, the proposed dates of transfer are given below:

DATE OF DECLARATION OF DIVIDEND	DUE DATE FOR TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND
28 October 2003	27 November 2010
22 July 2004	21 August 2011
25 November 2004	24 December 2011
22 March 2005	21 April 2012
14 October 2005	13 November 2012
25 January 2006	24 February 2013
29 March 2006	28 April 2013
14 October 2006	13 November 2013
25 January 2007	24 February 2014
21 March 2007	20 April 2014
30 October 2007	29 November 2014
30 January 2008	29 March 2015
28 March 2008	27 April 2015
21 October 2008	20 November 2015
23 January 2009	22 February 2016
24 March 2009	23 April 2016
27 October 2009	26 November 2016
28 January 2010	27 January 2017

REGISTRAR AND AGENTS

For Shares

The Company's R&T agent is **DATAMATICS FINANCIAL SERVICES LIMITED**, which is a SEBI registered Registrar and Transfer agent, whose contact details are:

DATAMATICS FINANCIAL SERVICES LIMITED

Unit: Crompton Greaves Limited
Plot No B-5, Part B Crosslane
MIDC Marol Andheri (East)
Mumbai 400 093
Tel: + 91 (0) 22 66712151 to 66712160
Fax: + 91 (0) 22 6671 2230
Email: cginvestors@dfssl.com

For Fixed Deposits

The Registrar details are as under:
LINK INTIME INDIA PVT. LTD
(formerly Intime Spectrum Registry Ltd)
C-13 Pannalal Silk Mills Compound
L B S Marg Bhandup (West)
Mumbai 400 078
Tel: + 91 (0) 22 25963838
Fax: + 91 (0) 22 25962691
Email : fd@linkintime.co.in

SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in dematerialised form. In the case of transfers in physical form which are lodged at the Registrar and Transfer agent's office, these are processed within a maximum period of 30 days from the date of receipt.

All share transfers and other share related issues are approved by a Director or by a Senior Executive duly authorised by the Board. Approvals are, generally, on a weekly basis. During FY2010, 40 approvals were obtained. The total number of shares in physical form transferred during the year under review were 79,900 shares.

DEMATERIALISATION OF SHARES

As on 31 March 2010, 98.5% of the total shares of the Company were dematerialised, compared with 98.3% last year.

GLOBAL DEPOSITORY RECEIPTS (GDRS)

The Company issued GDRs in 1996 and the underlying shares for each GDR were

issued in the name of the Depository, The Bank of New York. Each GDR of the Company is equivalent to five shares. As on 31 March 2010, 349,794 GDRs were outstanding, which represented 1,755,094 underlying equity shares.

STOCK CODES

	CODE
1. BSE, Mumbai	500093
2. National Stock Exchange	CROMPGREAV
3. GDR	5090318
5. ISIN	INE067A01029 (NSDL & CDSL)
6. Corporate Identification Number	L99999MH1937PLC002641

LISTING DETAILS

The Company's shares are listed and traded on The Stock Exchange, Mumbai, and the National Stock Exchange. The Company's GDRs are listed on the London Stock Exchange.

The details of the stock exchanges on which the Company's shares are listed are:

NAME	ADDRESS
The Stock Exchange, Mumbai	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
National Stock Exchange of India Ltd	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

The Company's payment of listing fees are up to date.

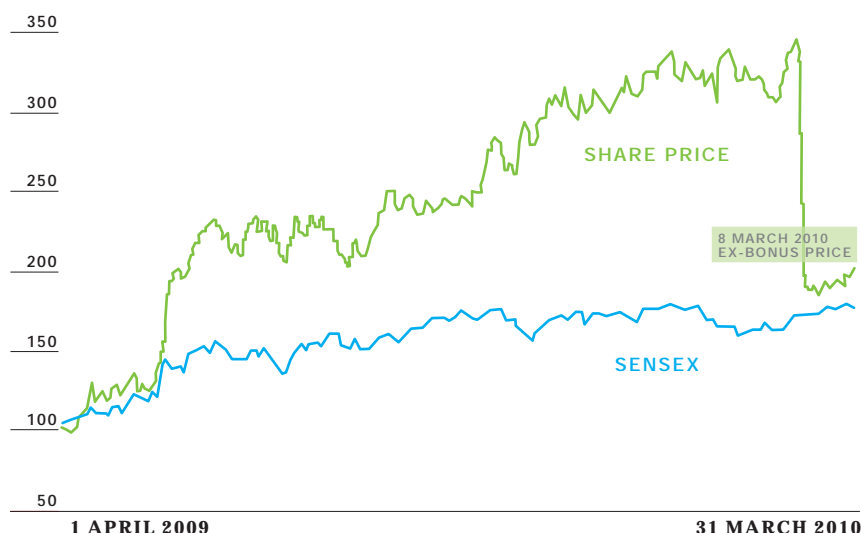
MARKET PRICE DATA - THE STOCK EXCHANGE, MUMBAI

MONTH	HIGHEST OF THE MONTH (RS.)	LOWEST OF THE MONTH (RS.)	CLOSING (1ST TRADING DAY OF THE MONTH) (RS.)	SENSEX (1ST TRADING DAY OF THE MONTH) (RS.)
April 2009	173.20	121.00	129.60	9901.99
May 2009	273.50	157.35	175.70	12134.75
June 2009	311.50	263.25	281.45	14840.63
July 2009	320.00	255.00	292.65	14645.47
August 2009	332.00	261.00	293.50	15924.23
September 2009	334.80	297.25	312.95	15551.19
October 2009	395.00	304.50	320.80	17134.55
November 2009	415.45	353.50	363.10	15404.94
December 2009	428.00	362.90	406.75	17198.27
January 2010	448.00	389.50	433.80	17558.73
February 2010	449.00	392.50	440.40	16356.03
March 2010	458.35	234.05	447.25	16772.56
			Share Price	Sensex
As on 31 March 2010			261.10	17527.77



SHARE PERFORMANCE VS BSE SENSEX

CROMPTON GREAVES SHARE PRICE AND BSE SENSEX = 100 ON 1 APRIL 2009



DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2010

NO OF SHARES	NO OF SHAREHOLDERS	% OF SHAREHOLDERS
Upto 500	59,022	80.39
501-1000	4,956	6.75
1001-2000	4,060	5.53
2001-3000	1,541	2.10
3001-4000	987	1.34
4001-5000	455	0.62
5001-10000	1,198	1.63
10001 and above	1,202	1.64
	73,421	100.00

CATEGORIES OF SHAREHOLDERS ON 31 MARCH 2010

CATEGORY	NO OF SHARES OF RS.2/- EACH	%
Promoters	262,526,641	40.92
Indian Institutional Investors	38,736,035	6.03
Bodies Corporate	47,340,942	7.38
Foreign Institutional Investors	100,986,769	15.74
NRIs, OCBs, GDRs	16,655,624	2.59
Mutual Funds	118,096,546	18.41
General Public	56,968,659	8.90
Directors*	180,320	0.03
	641,491,536	100.00

NOTES: * Mr. SM Trehan, Managing Director, holds 180,320 equity shares.

On 10 March 2010, the Company allotted 274,924,944 Bonus Shares in the ratio of 3:4.

PLANT LOCATIONS

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

ADDRESS FOR CORRESPONDENCE

Corporate Secretarial Department

The Corporate Secretarial department is located at the Company's Registered Office situated at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai 400 030.

Investor Services Department

In addition to the Share Registrar and Transfer Agent, our Investor Services department, which is located at the Company's Registered Office, will be happy to assist, in case investors experience any difficulties in their interaction with Datamatics Financial Services Limited. Contact Person: Mr. SK Athalekar, Senior Executive - Corporate Secretarial Time: 2.00 pm to 5.00 pm (Mondays to Fridays)

Tel: +91 22 24237805

Fax: +91 22 24237788

E-mail: shirish.athalekar@cggglobal.com

NON-MANDATORY REQUIREMENTS

The Company has implemented the following non-mandatory requirements recommended by Clause 49 of the Listing Agreement:

Chairman's Office

A Chairman's Office with requisite facilities is provided and maintained at the Company's expense for use by its non-executive chairman. The Company also reimburses all expenses incurred in his furthering CG's business interests.

Remuneration Committee

A Remuneration Committee comprising three non-executive Directors is already functional, for review and decisions on the remuneration package of the Managing Director.

Financial Results

Financial results as published in the newspapers are made available to the members on request. These results are also sent by e-mail to those members who have provided their e-mail IDs to the Company.

Whistle Blower Policy

The Company has a dedicated email ID addressed to the Managing Director

for enabling the employees to represent concerns about unethical practices, fraud or violation of the Company's Code of Business Practices. This medium provides sufficient safeguards against victimisation of employees who report such matters.

On behalf of the Board of Directors

G THAPAR

Chairman

Mumbai, 13 May 2010

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

Crompton Greaves Limited

CG House,

Dr. Annie Besant Road, Worli,

Mumbai-400 030

Dear Sirs,

We have examined the compliance of conditions of Corporate Governance by Crompton Greaves Limited, for the year ended 31 March 2010, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clauses. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **SHARP & TANNAN**

Chartered Accountants

Registration No. 109982W

L. VAIDYANATHAN

Partner

Membership No.16368

Mumbai, 13 May 2010

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

This is to certify that all the Members of the Board of Directors and Senior Management (i.e. one level below the Executive Directors i.e. Vice President level) of the Company, have confirmed compliance with the Company's Code of Conduct during April 2009 to March 2010.

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

- Fulfill the functions of their office with integrity as well as professionalism and exercise the powers attached thereto, with due care and diligence.
- Act in the best interests of, and fulfill their fiduciary obligations to the Company's shareholders, whilst also considering the interests of other stakeholders.
- Take informed business decisions based on independent judgment and in the best interests of the Company, not influenced by personal interest or gain.
- Respect the confidentiality of information and use utmost discretion whilst deciding its disclosure or dissemination, ensuring that no personal advantage or detriment to the Company results from the same.
- Make available to, and share information with fellow Directors/Executives when considered expedient in the best interests of the Company.
- Protect and use the Company's assets for legitimate business purposes and be alert to situations that could lead to loss or misuse of these assets.
- Minimise any situation or action that can create conflict of interests of the Company vis-à-vis personal interest or interests of associated persons, and make adequate disclosures, where necessary.
- Act in a manner that will protect the Company's reputation.
- Encourage reporting of behaviour, which is contrary to the Company's "Values", and ensure that the person reporting such violation is not aggrieved in any manner.
- Comply, in letter and spirit, with all applicable laws, rules and regulations, and also honour the philosophy of "good

faith", guided by one's sense of right and wrong.

- Abide by the relevant terms of the Insider Trading Code formulated by the Company, and any other Code that may be formulated from time to time, as applicable.
- Adhere to the terms of the powers delegated by the Board.
- Whilst entering into contracts with Service Providers and Consultants, protect the arrangement for disclosure or dissemination of confidential information.
- Establish processes and systems for storage, retrieval and dissemination of documents, both in physical and electronic form, so that the obligations of this Code of Conduct are fulfilled.
- Raise concerns, if any, on the above issues, at a Board Meeting.

SM TREHAN

Managing Director
Mumbai, 13 May 2010

MANAGING DIRECTOR'S AND CHIEF FINANCIAL OFFICER'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Board of Directors
Crompton Greaves Limited

CERTIFICATE

We have reviewed the Stand-alone and Consolidated financial results and the cash flow statement of Crompton Greaves Limited (the Company) for the financial year ended 31 March 2010, and certify that:

- (a) These results and statements, to the best of our knowledge and belief :
 - (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls of which we are aware, and the steps taken and proposed to be taken to rectify these deficiencies.
- (d) We have also indicated to the Auditors and the Audit Committee:
 - (i) significant changes in the internal controls with respect to financial reporting during the year and the achievement of adequate internal controls within the Company's ERP systems;
 - (ii) significant changes in accounting policies during the year, and these have been disclosed in the notes to the financial statements.
- (e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the Management or employees having a significant Role in the Company's internal control systems with respect to financial reporting.

SM TREHAN

Managing Director

M ACHARYA

Chief Financial Officer

Mumbai, 13 May 2010



Crompton
Greaves
Stand-Alone
Financials

AUDITORS' REPORT TO THE SHAREHOLDERS OF CROMPTON GREAVES LIMITED

We have audited the attached Balance Sheet of **Crompton Greaves Limited** as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with provisions of Section 227 of the Companies Act, 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (a) we have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;

- (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956; and
- (e) on the basis of the written representations received from directors of the Company as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010, from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956.

In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies in Schedule 'A' and the Notes on the Balance Sheet and Profit and Loss Account in Schedule 'B', give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No.109982W

L. VAIDYANATHAN
PARTNER

Mumbai, 13th May, 2010

Membership No.16368

ANNEXURE TO THE AUDITORS' REPORT (REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

- (i) (a) The Company is maintaining proper records to show full particulars, including quantitative details and situation of all fixed assets.
- (b) As explained to us, these fixed assets have been physically verified by the management, in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets during the year, so as to affect its going concern status.
- (ii) (a) As explained to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records, which were not material, have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has accepted deposits from the public and in our opinion and according to the information and explanations given to us, the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the rules framed thereunder, where applicable, have been complied with. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, in respect of electric fans, motors, power driven pumps, transformers and electric lamps and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- (ix) (a) According to the information and explanations given to us, in our opinion, the Company has been regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts were in arrears as at 31st March, 2010, for a period of more than six months from the date they become payable.

ANNEXURE TO THE AUDITORS' REPORT (Contd.)

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of income-tax, sales tax, service tax, excise duty and cess as at 31st March, 2010, which have not been deposited on account of a dispute, are as under:

Name of the Statute	Nature of the disputed dues	Amount Rs. crore*	Period to which the amount relates	Forum where disputes are pending
The Income Tax Act, 1961	Tax and interest	4.31	1997-98 to 2004-05	ITAT
The Central Sales Tax Act, 1956, Local Sales Tax Acts and Works Contract Tax Act	Tax, interest and penalty	1.91	1996-97 1999-2000 2005-06 to 2008-09	High Court
		7.85	1994-95 1995-96 1997-98 to 2004-05	Tribunal
		20.00	1996-97 to 2007-08	Commissionerate
		0.80	1998-99 2006-07	Assessing Officer
The Central Excise Act, 1944 and Service tax under the Finance Act, 1994	Duty, service tax and penalty	0.09	2001-02 2002-03 2005-06	High Court
		6.79	1975-76 to 1981-82 1991-92 1999-2000 2001-02 to 2004-05 2006-07 2007-08	CESTAT
		0.95	2004-05 to 2007-08 2009-10	Commissionerate

* Net of pre-deposit paid in getting the stay / appeal admitted

- (x) The Company has no accumulated losses as at 31st March, 2010 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, in our opinion the Company has not defaulted in the repayment of dues to any financial institutions or bank as at the balance sheet date. The Company has not issued any debentures.
- (xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / society are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in securities. The Company has invested surplus fund in mutual funds. According to the information and explanations given to us, proper records have been made of the transactions and contracts and timely entries have been made therein. The investments in mutual funds have been held by the Company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of guarantee given by the Company for loans taken by others from banks or financial institutions are not *prima facie* prejudicial to the interests of the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year.
- (xix) The Company has not issued any debentures during the year. Hence, reporting on paragraph 4 (xix) of the Companies (Auditor's Report) Order, 2003 pertaining to creation of security or charge for debentures does not arise.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, paragraph 4 (xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xxi) During the course of our examination of books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For SHARP & TANNAN
CHARTERED ACCOUNTANTS
 Registration No.109982W

L. VAIDYANATHAN
PARTNER

Mumbai, 13th May, 2010

Membership No. 16368

BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31-03-2010		As at 31-03-2009	
Schedule		Rs. crore	Rs. crore	Rs. crore	Rs. crore
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS:					
Share capital	1	128.30		73.32	
Reserves and surplus	2	1636.42		1168.57	
			1764.72		1241.89
LOAN FUNDS:					
Secured loans	3	13.82		34.52	
Unsecured loans	4	12.96		19.15	
			26.78		53.67
DEFERRED TAX:					
Deferred tax liabilities		88.03		78.21	
Less: Deferred tax assets		4.61		14.29	
(Refer Note 31 of Schedule 'B')			83.42		63.92
			1874.92		1359.48
APPLICATION OF FUNDS					
FIXED ASSETS:		5			
Gross block		1171.40		1111.53	
Less: Depreciation, obsolescence, amortisation and impairment		637.59		600.82	
Net block		533.81		510.71	
Capital work-in-progress		33.03		12.95	
			566.84		523.66
INVESTMENTS	6		688.06		265.52
CURRENT ASSETS, LOANS AND ADVANCES:					
Inventories	7	303.53		281.32	
Sundry debtors	8	1212.79		1012.26	
Cash and bank balances	9	548.50		472.51	
Loans and advances	10	155.37		132.54	
			2220.19		1898.63
Less: CURRENT LIABILITIES AND PROVISIONS:					
Current liabilities	11	1446.60		1187.67	
Provisions	12	153.57		140.66	
			1600.17		1328.33
Net current assets			620.02		570.30
			1874.92		1359.48
CONTINGENT LIABILITIES		19			
SIGNIFICANT ACCOUNTING POLICIES		A			
NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT		B			

The Schedules referred to above and the Notes attached, form an integral part of the Balance Sheet

As per our report attached
For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY
Mumbai, 13th May, 2010

Gautam Thapar
CHAIRMAN

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Schedule	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
INCOME:				
Sales and services	5516.08		4903.72	
Less: Excise duty	232.09		293.06	
Sales and services (net)		5283.99		4610.66
Other income	13	84.40		49.99
		5368.39		4660.65
EXPENDITURE:				
Manufacturing, construction and operating expenses	14	3622.96	3196.42	
Staff expenses	15	255.79	229.14	
Selling and administration expenses	16	547.48	547.06	
Interest and commitment charges	17	20.00	28.55	
Depreciation, obsolescence, amortisation and impairment	18	51.90	45.21	
		4498.13		4046.38
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM		870.26		614.27
Provision for:				
Current tax		273.80	200.21	
Deferred tax		19.50	11.67	
(Refer Note 31 of Schedule 'B')				
Fringe benefit tax		-	5.30	
		293.30		217.18
PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEM		576.96		397.09
Extraordinary item (net of tax expense Rs. nil)		40.38		-
(Refer Note 4 of Schedule 'B')				
PROFIT AFTER TAX AND EXTRAORDINARY ITEM		617.34		397.09
Balance brought forward from previous year		811.42		539.81
PROFIT AVAILABLE FOR APPROPRIATION		1428.76		936.90
Transfer to general reserve		62.00		39.71
PROFIT AVAILABLE FOR DISTRIBUTION		1366.76		897.19
1st Interim dividend		29.33		25.66
2nd Interim dividend		51.32		29.32
3rd Interim dividend		-		18.33
Corporate dividend tax		13.70		12.46
BALANCE CARRIED TO BALANCE SHEET		1272.41		811.42
Earnings per share before extraordinary item (basic and diluted)	Rs.	8.99		6.19
Earnings per share after extraordinary item (basic and diluted)	Rs.	9.62		6.19
(Face value of equity share of Rs. 2 each)				
(Refer Note 30 of Schedule 'B')				
SIGNIFICANT ACCOUNTING POLICIES	A			
NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT	B			

The Schedules referred to above and the Notes attached, form an integral part of the Profit and Loss Account

As per our report attached
For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10	2008-09
	Rs. crore	Rs. crore
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxes	870.26	614.27
Adjustments for :		
Depreciation, obsolescence, amortisation and impairment	51.90	45.21
Provision for doubtful debts and advances	30.11	18.28
Interest expenses	20.00	28.55
Interest income	(15.65)	(13.93)
Income from investments (net)	(2.40)	(1.35)
Profit on sale of investments (net)	(6.84)	(3.73)
Unrealised exchange (gain) / loss (net)	(8.36)	29.52
Loss on sale of fixed assets (net)	0.60	0.14
Provision / (reversal) for diminution in value of investments	(0.17)	0.17
	69.19	102.86
Operating profit before working capital changes	939.45	717.13
Adjustments for :		
(Increase) / Decrease in trade and other receivables	(243.43)	(123.23)
(Increase) / Decrease in Inventories	(22.21)	(18.36)
Increase / (Decrease) in trade and other payables	258.92	145.29
Increase / (Decrease) in provisions	21.03	22.73
	14.31	26.43
Cash generated from operations	953.76	743.56
Direct taxes and fringe benefit tax paid (net of refunds)	(265.79)	(171.12)
Cash generated from / (used in) operations (A)	687.97	572.44
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Add: Inflows from investing activities		
Sale of fixed assets	1.53	1.56
Sale of investments	2284.05	2023.00
Consideration received on divestment of investment in subsidiary	51.40	-
Interest income	17.50	11.36
Income from investments (net)	2.40	1.35
	2356.88	2037.27
Less: Outflows from investing activities		
Purchase of fixed assets	(97.37)	(55.45)
Consideration paid for investment in subsidiary and associate	(233.40)	-
Purchase of investments	(2477.21)	(2090.63)
	(2807.98)	(2146.08)
Net cash (used in) / from investing activities (B)	(451.10)	(108.81)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd.)

	2009-10	2008-09
	Rs. crore	Rs. crore
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Outflows from financing activities		
Secured loans	(18.92)	(32.32)
Unsecured loans	(6.23)	(6.13)
Interim dividend paid	(98.69)	(69.45)
Corporate dividend tax	(16.81)	(11.84)
Interest expenses	(20.23)	(29.03)
Cash generated from / (used in) financing activities	(C) (160.88)	(148.77)
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	75.99	314.86
Cash and cash equivalents at beginning of the year	472.51	157.65
Cash and cash equivalents at end of the year	548.50	472.51

Notes:

- 1 The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 Cash Flow Statements, as specified in the Companies (Accounting Standards) Rules, 2006.
- 2 Additions to fixed assets include movements of capital work-in-progress during the year.
- 3 Cash and cash equivalents at the end of the year represent cash and bank balances and include unrealised gain of Rs. 0.00 crore (Rs. 41,002; *Previous year Rs. 0.19 crore*) on account of translation of foreign currency bank balances.
- 4 Figures for the previous year have been re-grouped / re-classified wherever necessary.

As per our report attached
For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 1	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
SHARE CAPITAL		
Authorised:		
1,30,00,00,000 Equity Shares of Rs. 2 each (Previous year 62,50,00,000 equity shares of Rs. 2 each) (Refer Note 1 of Schedule 'B')	260.00	125.00
Issued:		
64,15,33,836 Equity Shares of Rs. 2 each (Previous year 36,66,08,892 equity shares of Rs. 2 each)	128.30	73.32
Subscribed and paid-up:		
64,14,91,536 Equity Shares of Rs. 2 each (Previous year 36,65,66,592 equity shares of Rs. 2 each)	128.30	73.32
Forfeited shares:		
Amount paid-up on 42,300 equity shares (amount paid-up Rs. 32,175)	0.00	0.00
	128.30	73.32
Note:		
Of the above shares:		
(i) 19,36,000 issued pursuant to a contract without payment being received in cash		
(ii) 8,10,00,000 issued as fully paid-up bonus shares by way of capitalisation of reserves		
(iii) 37,96,58,256 issued as fully paid-up bonus shares by way of capitalisation of securities premium account including 27,49,24,944 shares issued during the year		
(iv) 73,82,830 issued as fully paid-up pursuant to scheme of amalgamation; and		
(v) 3,30,68,750 issued as an international offering of Global Depository Receipts (GDR's) (in US Dollars)		

SCHEDULE: 2	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
RESERVES AND SURPLUS				
Capital reserve		19.12		19.12
Securities premium account:				
As per last balance sheet	206.82		206.82	
Less: Utilised for issue of bonus shares	(54.98)		-	
		151.84		206.82
Revaluation reserve:				
As per last balance sheet	14.58		14.76	
Less: Transferred to Profit and Loss Account	(0.16)		(0.18)	
		14.42		14.58
Government subsidy		0.25		0.25
General reserve:				
As per last balance sheet	116.38		76.34	
Add: Investment allowance (utilised) reserve	-		0.33	
Add: Transferred from Profit and Loss Account	62.00		39.71	
		178.38		116.38
Profit and Loss Account		1272.41		811.42
		1636.42		1168.57

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 3	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
SECURED LOANS		
Term Loans		
From banks		
Foreign currency	13.82	34.52
(Refer Note 6 of Schedule 'B')		
	<u>13.82</u>	<u>34.52</u>

SCHEDULE: 4	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
UNSECURED LOANS		
Interest free sales tax deferral loans from State Governments	12.96	19.15
{Due within one year Rs. 8.45 crore; (Previous year Rs. 6.19 crore)}		
	<u>12.96</u>	<u>19.15</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 5

FIXED ASSETS												Rs. crore	
ASSETS	Gross block (Cost / Valuation)				Impairment		Depreciation / Obsolescence / Amortisation				Net block		
	As at 01-04-2009	Additions	Deductions	As at 31-03-2010	As at 01-04-2009	Reversed	As at 31-03-2010	Upto 31-03-2009	For the year	Deductions	Upto 31-03-2010	As at 31-03-2010	As at 31-03-2009
(A) Tangible Assets													
Freehold land	14.26	1.64	-	15.90	-	-	-	-	-	-	-	15.90	14.26
Buildings	233.82	7.00	0.97	239.85	-	-	-	66.67	6.05	0.56	72.16	167.69	167.15
Plant and equipments	710.75	61.07	13.56	758.26	-	-	-	428.49	36.37	12.40	452.46	305.80	282.26
Railway sidings	0.02	-	-	0.02	-	-	-	0.01	-	-	0.01	0.01	0.01
Furniture and fixtures	109.85	4.50	1.95	112.40	-	-	-	86.60	5.78	1.75	90.63	21.77	23.25
Vehicles	11.91	1.56	0.94	12.53	-	-	-	7.01	1.45	0.58	7.88	4.65	4.90
Sub-total (A)	1080.61	75.77	17.42	1138.96	-	-	-	588.78	49.65	15.29	623.14	515.82	491.83
(B) Intangible Assets													
Leasehold land	15.83	1.29	-	17.12	-	-	-	2.32	0.19	-	2.51	14.61	13.51
Computer software	12.12	0.23	-	12.35	-	-	-	7.94	1.63	-	9.57	2.78	4.18
Technical know-how	2.97	-	-	2.97	-	-	-	1.78	0.59	-	2.37	0.60	1.19
Sub-total (B)	30.92	1.52	-	32.44	-	-	-	12.04	2.41	-	14.45	17.99	18.88
Total (A+B)	1111.53	77.29	17.42	1171.40	-	-	-	600.82	52.06	15.29	637.59	533.81	510.71
Previous year	1055.51	65.09	9.07	1111.53	5.36	5.36	-	557.44	50.75	7.37	600.82		
Add: Capital work-in-progress													
												33.03	12.95
												566.84	523.66

Notes:

(a) Cost / Valuation of Buildings includes ownership accommodation:

(i) in various co-operative societies and apartments: Rs. 4.40 crore; (Previous year Rs. 4.31 crore), including 5 shares of Rs. 100 each and 742 shares of Rs. 50 each.

(ii) in proposed co-operative societies Rs. 3.32 crore; (Previous year Rs. 0.09 crore).

(b) Cost of Land include Rs. 14.52 crore; (Previous year Rs. 14.52 crore) and Buildings include Rs. 9.85 crore; (Previous year Rs. 9.85 crore) added on revaluation on 30th June, 1985.

(c) Additions during the year include Rs. 5.86 crore; (Previous year Rs. 8.40 crore) relating to research and development.

(d) Capital work-in-progress include Rs. 15.28 crore; (Previous year Rs. 2.00 crore) relating to research and development.

(e) Capital work-in-progress include capital advances Rs. 6.76 crore; (Previous year Rs. nil).

(f) Capital advance include Rs. 0.30 crore advance to subsidiary; (Previous year Rs. nil).

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 6		As at 31-03-2010		As at 31-03-2009	
		Rs. crore	Rs. crore	Rs. crore	Rs. crore
INVESTMENTS					
(Refer Note 6 of Schedule 'A')					
Long Term Investments					
Quoted Investments					
Government and trust securities					
			0.75		0.75
Unquoted Investments					
Investment in Subsidiary Companies					
Fully paid equity shares					
		126.81		131.43	
Fully paid preference shares					
		32.93		32.93	
Investment in Associate Companies					
Fully paid equity shares					
		227.69		0.69	
			387.43		165.05
Current Investments					
Quoted Investments					
Fully paid equity shares					
		0.77		0.61	
Other investments					
		299.00		99.00	
			299.77		99.61
Unquoted Investments					
Fully paid equity shares and debentures					
		0.06		0.06	
Other investments					
		0.05		0.05	
			0.11		0.11
			688.06		265.52
Note:					
Quoted Investments					
Book value					
			300.52		100.36
Market value					
			302.97		100.44
Unquoted Investments					
Book value					
			387.54		165.16

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 6

	Face value per unit rupees unless otherwise specified	As at 01-04-2009	Purchased / subscribed during the year	Sold during the year	As at 31-03-2010	As at 31-03-2010	As at 31-03-2009
	No. of units	No. of units	No. of units	No. of units	No. of units	Rs. crore	Rs. crore
INVESTMENTS (Contd.)							
Details of Investments:							
A) Long Term Investments							
Quoted Investments							
Government and trust securities							
1 Central Government Securities - 10.18% GOI 2026 of Rs. 100 each	100	39000	-	-	39000	0.49	0.49
2 State guaranteed bonds - 10.50% APSDL 2011 of Rs. 100 each	100	22000	-	-	22000	0.26	0.26
						0.75	0.75
Unquoted Investments							
Investment in Subsidiary Companies							
Fully paid equity shares							
1 CG Capital & Investments Limited	10	10500000	-	-	10500000	10.50	10.50
2 CG Energy Management Limited	10	1600000	-	-	1600000	0.74	0.74
3 CG International B.V.	EUR 100	180000	-	-	180000	101.33	101.33
4 Malanpur Captive Power Limited (Refer Note 4 of Schedule 'B')	10	11022000	-	11022000	-	-	11.02
5 Brook Crompton Greaves Limited (Refer Note 2 and 3 of Schedule 'B')	10	7840000	8160000	-	16000000	14.24	7.84
						126.81	131.43
Fully paid preference shares							
CG Capital & Investments Limited	10	32928044	-	-	32928044	32.93	32.93
(7% Non-Convertible, Non-Cumulative Redeemable Preference Shares)						32.93	32.93
Investment in Associate Companies							
Fully paid equity shares							
1 CG Lucy Switchgear Limited	10	599993	-	-	599993	0.60	0.60
2 International Components India Limited	10	85500	-	-	85500	0.09	0.09
3 Power Equipment Limited	USD 10	20600	-	-	20600	0.00	0.00
(Carried at nominal value of Rs. 10)							
4 Avantha Power & Infrastructure Limited	10	-	206363636	-	206363636	227.00	-
						227.69	0.69
TOTAL (A)						388.18	165.80

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 6

	Face value per unit rupees unless otherwise specified	As at 01-04-2009	Purchased / subscribed during the year	Sold during the year	As at 31-03-2010	As at 31-03-2010	As at 31-03-2009
		No. of units	No. of units	No. of units	No. of units	Rs. crore	Rs. crore
INVESTMENTS (Contd.)							
B) Current Investments							
Quoted Investments							
Fully paid equity shares							
1 Nicco Corporation Limited	2	66078	-	-	66078	0.03	0.03
{Reversal of diminution in value of Rs. 0.00 crore (Rs. 46,255) provided during the previous year}							
2 IDBI Bank Limited	10	127720	-	-	127720	0.74	0.58
{Reversal of diminution in value of Rs. 0.16 crore provided during the previous year}							
					0.77		0.61
Other investments							
Mutual Funds							
LICMF Savings Plus Fund - Daily Dividend Plan	10	20005658	122974094	124978347	18001405	18.00	20.00
Sundaram BNP Paribas Money Fund Super Institutional Daily Dividend Reinvestment	10	29749244	119029277	148778521	-	-	30.00
Birla Sun Life Short Term Fund - Institutional Daily Dividend	10	14024741	109189572	123214313	-	-	14.00
Religare Credit Opportunities Fund - Institutional Monthly Dividend	10	-	35364855	-	35364855	35.00	-
JPMorgan India Liquid Fund - Super Institutional Daily Dividend Plan - Reinvestment	10	4997596	172102307	167106643	9993260	10.00	5.00
JPMorgan India Short Term Income Fund - Weekly Dividend - Reinvestment	10	-	20000000	-	20000000	20.00	-
Baroda Pioneer Liquid Fund - Institutional Daily Dividend Plan	10	30013699	139963058	169976757	-	-	30.00
Baroda Pioneer Treasury Advantage Fund - Institutional Daily Dividend Plan	10	-	141171591	90680383	50491208	50.00	-
Reliance Regular Savings Fund - Debt Plan - Institutional Growth Plan	10	-	4793500	-	4793500	6.00	-
Reliance Quarterly Interval Fund - Series II - Institutional Dividend Plan	10	-	4998900	-	4998900	5.00	-
Reliance Quarterly Interval Fund - Series III - Institutional Dividend Plan	10	-	4998401	-	4998401	5.00	-
Taurus Ultra Short Term Bond Fund - Super Institutional Daily Dividend Plan	1000	-	70771433	70268435	502998	50.00	-
1484 ICICI Prudential Ultra Short Term Plan Super Premium Daily Dividend	10	-	64960331	20010635	44949696	45.00	-
1588 ICICI Prudential Banking and PSU Debt Fund Daily Dividend	10	-	5014106	-	5014106	5.00	-
NLPIDD Canara Robeco Treasury Advantage Super Institutional Daily Dividend Reinvestment Fund	10	-	40326940	-	40326940	50.00	-
					299.00		99.00

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 6

	Face value per unit rupees unless otherwise specified	As at 01-04-2009	Purchased / subscribed during the year	Sold during the year	As at 31-03-2010	As at 31-03-2010	As at 31-03-2009
	No. of units	No. of units	No. of units	No. of units	No. of units	Rs. crore	Rs. crore
INVESTMENTS (Contd.)							
Unquoted Investments							
Fully paid equity shares and debentures							
1 Radiant Electronics Limited (Carried at nominal value of Rs. 10)	100	190000	-	-	190000	0.00	0.00
2 Dinette Exclusive Club Private Limited (Shares of Rs. 100 each)	100	500	-	-	500	0.01	0.01
3 Dinette Exclusive Club Private Limited (0% Unsecured irredeemable non-convertible debentures)	100	5000	-	-	5000	0.05	0.05
Other Investments							
UTI Unit Scheme 2002	10	88215	-	-	88215	0.05	0.05
TOTAL (B)						0.05	0.05
TOTAL (A+B)						299.88	99.72
						688.06	265.52

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 6

	Purchase Quantity No.	Purchase Value Rs. crore	Sales Quantity No.	Sales Value Rs. crore
INVESTMENTS (Contd.)				
Details of investments purchased and sold during the year				
LICMF Liquid Fund - Growth Plan	6186932	10.00	6186932	10.00
LICMF Liquid Fund - Dividend Plan	121147592	133.00	121147592	133.02
Sundaram BNP Ultra ST Fund - Super Institutional Daily Dividend Reinvestment	59932777	60.01	59932777	60.15
Birla Sun Life Cash Plus - Institutional Premium Daily Dividend - Reinvestment	285089729	285.50	285089729	285.65
Birla Sun Life Savings Fund - Institutional Daily Dividend - Reinvestment	85927199	85.30	85927199	85.99
Religare Liquid Fund - Institutional Daily Dividend	4003042	4.00	4003042	4.01
Religare Liquid Fund - Super Institutional Daily Dividend	62989654	63.00	62989654	63.03
JPMorgan India Treasury Fund Super Institutional Daily Dividend Plan Reinvestment	14525263	14.51	14525263	14.54
TLSD01 TATA Liquid Super High Investment Fund - Daily Dividend	570188	63.50	570188	63.55
JM High Liquidity Fund - Super Institutional Plan - Daily Dividend (92)	78975016	79.00	78975016	79.11
JM Money Manager Fund - Super Plus Plan - Daily Dividend (171)	10074661	10.04	10074661	10.08
UTI Liquid Cash Plan Institutional - Daily Income Option - Reinvestment	1673010	170.39	1673010	170.55
UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option) - Reinvestment	753779	75.01	753779	75.39
Kotak Liquid (Institutional Premium) - Daily Dividend	49086818	60.00	49086818	60.02
Kotak Floater Long Term - Daily Dividend	41833109	42.02	41833109	42.17
Reliance Liquidity Fund - Daily Dividend Reinvestment Option	149743357	149.66	149743357	149.79
Reliance Money Manager Fund - Institutional Option - Daily Dividend Plan	195116	19.50	195116	19.53
Reliance Medium Term Fund - Daily Dividend Plan	11775417	20.08	11775417	20.13
HDFC Liquid Fund Premium Plan - Dividend - Daily Reinvestment	283824877	347.50	283824877	347.96
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily Dividend	10975678	11.00	10975678	11.01
SBI-Magnum Insta Cash Fund - Daily Dividend Option	10448472	17.50	10448472	17.50
SBI Arbitrage Opportunities Fund - Growth	14200443	17.50	14200443	17.72
Taurus Liquid Fund - Super Institutional Daily Dividend Reinvestment	70354520	105.00	70354520	105.01
AIG India Liquid Fund - Super Institutional Daily Dividend	800474	80.12	800474	80.13
AIG India Treasury Fund - Super Institutional Daily Dividend	55159541	55.00	55159541	55.22
Principal Cash Management Fund - Liquid Option Institutional Premium Plan - Dividend Reinvestment Daily	30001804	30.00	30001804	30.00
Principal Ultra Short Term Fund - Dividend Reinvestment Daily (formerly Principal Liquid Plus Fund)	30052399	30.00	30052399	30.11
1564 ICICI Prudential Liquid Super Institutional Plan - Dividend - Daily	9004274	90.05	9004274	90.06
NLFS Canara Robeco Liquid Super Institutional Daily Dividend Reinvestment Fund	49800475	50.00	49800475	50.00

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 7	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
INVENTORIES				
Stores, spares and packing materials		4.44		3.24
Raw materials		87.12		97.17
Work-in-progress - Manufacturing		145.93		111.25
Finished goods - Manufacturing	31.20		31.03	
Add: Excise duty on finished goods	3.44		2.00	
		34.64		33.03
Finished goods - Trading		31.40		17.84
Work-in-progress - Contracts				
At cost	-		0.56	
At realisable sales value	-		27.94	
	-		28.50	
Less: Progress payments	-		9.71	
Due from customers		-		18.79
		303.53		281.32

SCHEDULE: 8	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
SUNDRY DEBTORS				
(Unsecured)				
Debts outstanding for a period exceeding six months				
Considered good	112.58		143.85	
Considered doubtful	61.03		36.28	
	173.61		180.13	
Other debts				
Considered good	1100.21		868.41	
	1273.82		1048.54	
Less: Provision for doubtful debts	61.03	1212.79	36.28	1012.26
		1212.79		1012.26

SCHEDULE: 9	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
CASH AND BANK BALANCES				
Cash on hand		0.13		0.13
Bank balances with scheduled banks				
On current accounts	112.30		181.36	
On deposit accounts	436.07		291.02	
		548.37		472.38
		548.50		472.51

SCHEDULE: 10	As at		As at	
	31-03-2010		31-03-2009	
	Rs. crore		Rs. crore	
LOANS AND ADVANCES				
(Unsecured, considered good)				
Interest accrued on investments and deposits		1.00		2.85
Advances recoverable in cash or in kind or for value to be received		95.38		77.63
Advances to subsidiaries		14.41		11.13
Balances with excise, customs, service tax and value added tax, etc.		44.58		40.93
		155.37		132.54

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 11	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
CURRENT LIABILITIES				
Acceptances		54.82		54.75
Sundry creditors				
Due to micro and small enterprises	31.66		19.29	
Others	872.40		773.47	
		904.06		792.76
Due to customers				
Progress bills raised	202.22		-	
Less: Construction and project related work at realisable value	194.23		-	
		7.99		-
Due to subsidiaries		49.17		28.17
Advances from customers		328.55		224.25
Investor Education and Protection Fund (Refer Note 7 of Schedule 'B')				
Unclaimed dividend	1.50		1.21	
Unclaimed matured fixed deposits	0.13		0.17	
		1.63		1.38
Due to Directors		10.91		4.90
Interest accrued but not due on loans		0.10		0.33
Other liabilities		89.37		81.13
		1446.60		1187.67

SCHEDULE: 12	As at	As at
	31-03-2010	31-03-2009
	Rs. crore	Rs. crore
PROVISIONS		
Taxes	31.47	17.85
(Net of advance tax Rs. 242.33 crore; Previous year Rs. 182.36 crore)		
Fringe benefit tax	-	0.30
(Net of advance tax Rs. nil; Previous year Rs. 5.00 crore)		
Interim dividend	-	18.33
Corporate dividend tax	-	3.11
Employee benefits	24.75	26.83
Others provisions	97.35	74.24
(Refer Note 33 of Schedule 'B')		
	153.57	140.66

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNTS

SCHEDULE: 13	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
OTHER INCOME				
Income from lease of premises / business service centers (Tax deducted at source Rs. 2.94 crore; <i>Previous year Rs. 3.65 crore</i>)		24.29		22.08
Income from investments (net)		2.40		1.35
Interest income on				
Short term deposits	12.11		12.22	
Loan to subsidiaries	0.79		1.58	
Others	2.75		0.13	
(Tax deducted at source Rs. 2.68 crore; <i>Previous year Rs. 2.30 crore</i>)		15.65		13.93
Profit on sale of investments (net)		6.84		3.73
Exchange gain (net)		21.57		-
Miscellaneous income		13.65		8.90
		84.40		49.99

SCHEDULE: 14	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
MANUFACTURING, CONSTRUCTION AND OPERATING EXPENSES				
Materials consumed				
Opening stock	97.17		96.28	
Add: Purchases	2525.55		2237.61	
Less: Closing stock	87.12		97.17	
Total	2535.60		2236.72	
Less: Scrap sales	49.34		68.13	
	2486.26		2168.59	
Add: Construction materials	2.85		12.58	
		2489.11		2181.17
Cost of traded goods				
Opening stock	17.84		17.97	
Add: Purchases	916.71		794.63	
Less: Closing stock	31.40		17.84	
		903.15		794.76
(Increase)/decrease in stocks:				
Closing Stock				
Work-in-progress	145.93		111.81	
Finished goods	34.64		33.03	
	180.57		144.84	
Opening Stock				
Work-in-progress	111.81		113.98	
Finished goods	33.03		29.07	
	144.84	(35.73)	143.05	(1.79)
		3356.53		2974.14
Sub contracting charges		168.16		137.03
Stores and spares		29.18		27.65
Power and fuel		31.02		29.04
Repairs - Buildings		5.86		4.54
Repairs - Plant and equipments		24.24		16.03
Technical and testing fees		7.97		7.99
		3622.96		3196.42

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNTS

SCHEDULE: 15	2009-10	2008-09
	Rs. crore	Rs. crore
STAFF EXPENSES		
Salaries, wages and bonus	206.10	185.73
Provident fund and family pension scheme contributions	9.63	9.16
Superannuation fund contributions	4.05	3.42
Gratuity	6.12	4.02
Post retirement medical benefits	0.63	1.49
Compensated absences	2.58	5.46
Workmen and staff welfare	26.68	19.86
	255.79	229.14

SCHEDULE: 16	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
SELLING AND ADMINISTRATION EXPENSES				
Rent		8.12		6.65
Repairs - others		7.62		6.14
Rates and taxes		23.11		15.72
Insurance		6.16		5.15
Travelling		26.88		27.59
Vehicle maintenance		1.62		1.76
Legal and professional charges		36.81		26.32
Auditors' remuneration (excluding service tax)				
Audit fees	0.49		0.49	
Tax audit fees	0.10		0.10	
Certification work	0.04		0.22	
Other services	0.47		0.20	
Expenses reimbursed	0.18		0.16	
		1.28		1.17
Freight and forwarding		110.84		119.17
Packing materials		50.10		42.11
Advertising		22.65		25.58
After sales services including warranties		61.65		38.48
Sales promotion		61.10		27.22
Bad debts and advances written off	34.20		1.93	
Less: Provision for doubtful debts and advances written back	23.64		0.58	
		10.56		1.35
Provision for doubtful debts and advances		30.11		18.28
Loss on sale of fixed assets (net)		0.60		0.14
Provision for diminution in value of investments		-		0.17
Exchange loss (net)		-		116.93
Directors' fees		0.12		0.13
Miscellaneous expenses		88.15		67.00
		547.48		547.06

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNTS

SCHEDULE: 17	2009-10	2008-09
	Rs. crore	Rs. crore
INTEREST AND COMMITMENT CHARGES		
Fixed loans	1.52	2.72
Others	18.48	25.83
	20.00	28.55

SCHEDULE: 18	2009-10	2008-09
	Rs. crore	Rs. crore
DEPRECIATION, OBSOLESCENCE, AMORTISATION AND IMPAIRMENT		
Depreciation, obsolescence and amortisation	52.06	50.75
Impairment provided / (reversed)	-	(5.36)
Recoupment from revaluation reserve	(0.16)	(0.18)
	51.90	45.21

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE: 19	As at	As at
	31-03-2010	31-03-2009
	Rs. crore	Rs. crore
CONTINGENT LIABILITIES		
(a) Claims against the Company not acknowledged as debts	12.20	11.65
(b) Sales tax liability that may arise in respect of matters in appeal	4.35	1.26
(c) Excise duty / service tax liability that may arise in respect of matters in appeal preferred by the Company	6.08	6.22
(d) Excise duty / service tax liability that may arise in respect of matters preferred by the department	1.56	1.35
(e) Income tax liability that may arise in respect of matters in appeal preferred by the department	4.31	4.31
(f) Guarantees / securities given on behalf of subsidiary companies	218.11	519.05
(g) Bills discounted	83.38	231.16

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES****1 Basis of Preparation of Financial Statements**

The Company maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with the Generally Accepted Accounting Principles (GAAP) and in compliance with the Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and other provisions of the Companies Act, 1956. However, certain escalation and other claims are accounted for in terms of contracts with the customers / admitted by the appropriate authorities.

2 Use of Estimates

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

3 Fixed Assets

- (a) Fixed assets are stated at cost net of tax / duty credit availed, if any, except for land and buildings added prior to 30th June, 1985 which are stated at revalued cost as at that date based on the report of technical expert.
- (b) Fixed assets are eliminated from financial statements, either on disposal or when retired from active use. The retired assets are disposed off immediately.
- (c) Pre-operative expenses, including interest on borrowings upto the date of commercial operations, are treated as part of the project cost and capitalised.
- (d) Internally manufactured / constructed fixed assets are capitalised at factory cost, including excise duty, where applicable.
- (e) Machinery spares which are specific to particular item of fixed assets and whose use is irregular are capitalised as part of the cost of machinery.
- (f) Capital work-in-progress includes cost of fixed assets under installation / erection as at the balance sheet date and capital advances.

4 Impairment of Assets

- (a) The carrying amount of assets, other than inventories is reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated.
- (b) An impairment loss is recognised, whenever the carrying amount of assets or its cash generating units exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow generated from the continuing use of an asset and from its disposal at the end of its useful life, discounted to its present value.
- (c) An impairment loss is reversed, if there has been a change in the estimates made to determine and recognise the recoverable amount in the earlier year.

5 Intangible Assets and Amortisation

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

- (a) Leasehold land : Over the period of lease;
- (b) Specialised software : Over a period of five years; and
- (c) Lump sum fees for technical know-how : Over a period of five years from the year of commercial production.

6 Investments

Long term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary in value of long term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****7 Inventories**

Inventories are valued at the lower of cost and net realisable value, after providing for obsolescence, as under:

- | | | |
|--|---|--|
| (a) Raw materials, packing materials stores and spares | : | At cost, on weighted average basis; |
| (b) Work-in-progress - Manufacturing | : | At cost plus appropriate production overheads; |
| (c) Work-in-progress - Contracts | : | At cost, till certain percentage of completion and thereafter at realisable sales value; |
| (d) Finished goods - Manufacturing | : | At cost plus appropriate production overheads, including excise duty paid / payable on such goods; and |
| (e) Finished goods - Trading | : | At cost, on weighted average basis. |

8 Foreign currency transactions

- (a) The reporting currency of the Company is Indian Rupee.
- (b) Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (c) Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expense in the period in which they arise.

9 Hedge accounting and Derivatives

- (a) If the derivative is designated as a hedging instrument and also documents at the inception of the transaction establishes the relationship between hedging instruments and hedged items as well as its risk management objectives and strategy for undertaking various hedging transactions, then the hedge is classified as the fair value hedge and cash flow hedge.

- (i) Fair value hedge:

Changes in the fair value of the derivatives that are designated and qualified as fair value hedges are recorded in the profit and loss account, together with any change in the fair value of the hedged asset or liability that are attributable to the hedged risk.

- (ii) Cash flow hedge:

The effective portion of the changes in the fair value of derivatives that are designated and qualified as the cash flow hedge are recognised in shareholders' fund and ineffective portion is to be recognised immediately in the profit and loss account. Amount accumulated in shareholders' fund are reclassified in the profit and loss account in the periods the hedged item affects profit and loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss on the hedging instrument recognised in the shareholders' fund, is recognised in the profit and loss account when forecasted transaction occurs.

When the forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in shareholders' fund is immediately transferred to the profit and loss account.

- (b) Derivatives instruments

Derivatives instruments do not qualify for the hedge accounting. Change in the fair value of any of these derivatives instruments are recognised in the profit and loss account. The premium or the discount on forward exchange contracts is amortised as expense or income over the life of the contract.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****10 Revenue Recognition**

- (a) Revenue from sale of products is recognised when all the significant risks and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and acceptance. Sales include excise duty and price variation and are recognised in terms of contracts with the customers. Sales exclude value added tax / sales tax, brokerage and commission.
- (b) Service income is recognised as per the terms of the contracts with the customers.
- (c) Revenue from contracts is recognised based on percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the costs incurred upto the reporting date to the total estimated cost to complete.
- (d) Interest income on deposits, securities and loan is recognised at the agreed rate on accrual basis.
- (e) Dividend income is accounted for when the right to receive is established.

11 Employee Benefits

- (a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders the related service.

- (b) Defined contribution plans

Company's contributions paid / payable during the year to provident fund, officer's superannuation fund, employee state insurance scheme and labour welfare fund are recognised in the profit and loss account during the period in which the employee renders the related service.

- (c) Defined benefit plans

For defined benefit schemes in the form of gratuity fund and post retirement medical benefits, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses are recognised in full in the profit and loss account for the period in which they occur.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

- (d) Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

- (e) Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****12 Depreciation**

- (a) Depreciation on the fixed assets is provided at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, on written down value method other than on buildings and plant and equipments, which are depreciated on a straight line method. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on subsequent review is shorter than that envisaged in the aforesaid Schedule, depreciation is provided at a higher rate based on the management's estimate of useful life / remaining life.
- (b) Buildings constructed on leasehold land are depreciated at normal rate as prescribed in Schedule XIV to the Companies Act, 1956, where the lease period of land is beyond the life of the building. In other cases, amortised over the lease period.
- (c) In the case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of revaluation reserve.
- (d) In case of impaired assets, the depreciation is charged on the adjusted cost computed after impairment.

13 Research and Development

- (a) Revenue expenditure on research and development is charged under respective heads of account.
- (b) Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

14 Borrowing Costs

- (a) Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
- (b) All other borrowing costs are recognised as expense in the period in which they are incurred.

15 Taxes on Income

- (a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments / appeals.
- (b) Deferred tax reflects the tax effects of timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.
- (c) Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

16 Provisions, Contingent liabilities and Contingent assets

- (a) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if
 - (i) the Company has a present obligation as a result of a past event;
 - (ii) a probable outflow of resources is expected to settle the obligation; and
 - (iii) the amount of the obligation can be reliably estimated.
- (b) Reimbursements by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if, obligation is settled.
- (c) Contingent liability is disclosed in the case of:
 - (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
 - (ii) a present obligation when no reliable estimate is possible;
 - (iii) a possible obligation arising from past events, unless the probability of outflow of resources is remote.
- (d) Contingent assets are neither recognised nor disclosed.
- (e) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

SCHEDULE: B**NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

- 1** The Company has, in its extra ordinary general meeting held on 24th February, 2010, increased its authorised share capital from Rs.125 crore to Rs. 260 crore comprising of 130,00,00,000 number of equity shares of Rs. 2 each and declared bonus shares in the ratio of three shares for every four shares held by utilising securities premium account.
- 2** The Company has, on 27th August, 2009, acquired balance 81,60,000 equity shares in Brook Crompton Greaves Limited (BCGL), for a consideration of Rs. 6.40 crore, making it to a wholly owned subsidiary of the Company.
- 3** The Board of Directors of the Company has approved the Scheme of Amalgamation of BCGL, with effect from 1st April, 2009 at their meeting held on 28th January, 2010. Pending approval of Honourable High Court of Judicature of Bombay, no effect of the amalgamation has been given in the financial statements.
- 4** The Company has, during the year, divested its entire investment in Malanpur Captive Power Limited for consideration of Rs. 51.40 crore to Avantha Power & Infrastructure Limited, an associate of the Company. Profit on sale of above investment of Rs. 40.38 crore has been disclosed as an extraordinary item in the profit and loss account.
- 5** The Company has, during the year, entered into an arrangement for the acquisition of Power Technology Solutions Limited (PTS), based in United Kingdom (UK) at an approximate Enterprise Value of £30 million. PTS is a high voltage electrical engineering company which provides consultancy, technical and engineering support to Regional Electricity Companies (RECs).
- 6 Secured Loans**
 - (a) Term loans from banks are secured by way of equitable mortgage of land and buildings and by way of hypothecation of specific movable properties at certain locations.
 - (b) Working Capital Demand Loans from banks are secured by hypothecation of stocks and book debts, present and future.
- 7** There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2010.
- 8** Other liabilities include Rs. 8.30 crore (*Previous year Rs. 8.30 crore*) received as advance against sale of immovable property of the Company. As per the agreements with the buyers, the Company is entitled to forfeit the said amounts, if the buyers do not comply with the conditions of sale within the stipulated time. Since, the buyers have failed to comply with the conditions and hence, the Company has forfeited these amounts received in accordance with the terms of the agreements. The buyers have filed suits in the Courts for recovery of the advances paid by them. The Company contends that as per the *force majeure* clause of the agreements, is not required to be refunded. Pending disposal of the cases by the Courts, the Company, as a measure of prudence, has not recognised the said amount in the profit and loss account.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

	2009-10	2008-09
	Rs. crore	Rs. crore
9 Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	32.57	7.53
10 Provision for current tax includes wealth tax payable under the Wealth Tax Act, 1957	0.20	0.20
11 Sales are net of:		
(a) Brokerage and commission	42.54	37.76
(b) Cash discount	19.72	10.24
12 Expenses have been capitalised during the year:		
Manufacturing, construction and operating expenses	0.04	1.17
13 Value of imports (on C.I.F. basis)		
(a) Raw materials	428.02	379.89
(b) Trading goods	42.52	43.73
(c) Spare parts	1.66	3.16
(d) Capital goods	3.84	13.56
14 Expenditure in foreign currency		
(a) Technical know-how fees	1.80	3.43
(b) Professional charges	2.27	1.04
(c) Interest	1.03	3.52
(d) Commission, travelling and others	72.83	38.96
15 Remittance in foreign currency on account of dividend:		
3rd Interim dividend for previous year		
(a) Number of non-resident shareholders	405	411
(b) Number of shares held	17299589	24588784
(c) Amount of dividend	0.86	0.98
1st Interim dividend for current year		
(a) Number of non-resident shareholders	400	408
(b) Number of shares held	15417703	22570034
(c) Amount of dividend	1.23	1.58
2nd Interim dividend for current year		
(a) Number of non-resident shareholders	400	408
(b) Number of shares held	15372388	20903337
(c) Amount of dividend	2.15	1.67
16 Earnings in foreign exchange		
(a) Export of goods (on F.O.B. basis) including deemed exports Rs. 236.01 crore; (Previous year Rs. 133.93 crore)	1226.97	1157.65
(b) Service income	5.60	1.26
(c) Others	-	0.20

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

17 Expenditure on research and development	2009-10	2008-09
	Rs. crore	Rs. crore
(a) Capital expenditure		
Building	0.52	0.19
Plant and equipments	4.78	7.17
Furniture and fixtures	0.30	0.79
Vehicles	0.11	0.05
Intangible assets	0.15	0.20
Capital work-in-progress	15.28	2.00
Sub-total (a)	21.14	10.40
(b) Revenue expenditure		
Materials	0.27	-
Stores and spare parts	1.13	2.02
Power and fuel	0.64	0.52
Repairs - Buildings	0.07	0.07
Repairs - Plant and equipments	0.15	0.13
Repairs - Others	0.84	0.30
Staff expenses	17.08	13.92
Rent	0.20	0.13
Rates and taxes	0.19	0.00
Insurance	0.07	0.04
Vehicle expenses	0.09	0.09
Travelling	1.70	1.72
Professional charges	3.55	2.06
Postage and telephone	0.17	0.14
Printing and stationary	0.24	0.19
Upkeep and conservancy	0.26	0.17
Conveyance	0.03	0.07
Testing fees	3.37	1.95
Conference and seminar	0.10	0.01
Newspapers, books and periodicals	0.06	0.05
Meals and refreshment	0.01	0.03
Depreciation	2.61	2.11
Others	0.72	1.63
Sub-total (b)	33.55	27.35
Total (a) + (b)	54.69	37.75

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

18 Raw Materials Consumed:	Unit	2009-10		2008-09	
		Quantity	Rs. crore	Quantity	Rs. crore
(i) Ferrous Metals	Ton	99405	650.04	79691	627.11
(ii) Non-ferrous Metals	Ton	44703	528.85	38353	497.05
(iii) Chemicals, Oils and Paints	K.Ltr	20930	116.34	17706	102.41
(iv) Wires, Pipes, Tubes and Cables	K.Mtr	530443	117.10	458073	81.23
(v) Components	M.Pcs	307	832.99	259	793.81
(vi) Others			290.28		135.11
			2535.60		2236.72

19 Consumption of Raw Materials and Spare Parts:	2009-10		2008-09	
	Percentage of total Consumption	Rs. crore	Percentage of total Consumption	Rs. crore
Raw Materials:				
Imported	15.73	398.87	15.75	352.24
Indigenous	84.27	2136.73	84.25	1884.48
	100.00	2535.60	100.00	2236.72
Spare Parts:				
Imported	5.78	1.69	7.70	2.13
Indigenous	94.22	27.49	92.30	25.52
	100.00	29.18	100.00	27.65

20 Sales:	Unit	2009-10		2008-09	
		Quantity	Rs. crore	Quantity	Rs. crore
(i) Transformers, Reactors and Accessories thereof	Nos.	22913	1790.05	18577	1638.73
(ii) Switchgears, Control Equipments and Accessories thereof	Nos.	288692	620.36	260021	656.87
(iii) Energy Meters	Nos.	367301	24.66	280693	16.44
(iv) Electric Motors and Alternators	Nos.	680371	1116.11	539529	1040.80
(v) Power Driven Pumps *	Nos.	920959	385.46	667618	279.39
(vi) Electrical Steel Stampings and Laminates	M.Ton	5582	46.28	5531	50.62
(vii) Electric Fans, Ventilation Control Systems *	Nos.	7168347	764.49	5644529	603.23
(viii) Electric Lamps *	M.Nos.	90	492.30	83	463.62
(ix) Servicing			38.36		21.01
(x) Others *			238.01		133.01
			5516.08		4903.72

Notes:

- Quantities are net of internal consumption, capitalisation and samples, etc.
- Sales include excise duty Rs. 232.09 crore; (Previous year Rs. 293.06 crore)
- * Sales quantity and value include traded items.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

21 Details of licensed capacity, installed capacity and actual production

Class of goods manufactured		# Licensed Capacity		*Installed Capacity		@Actual Production	
	Unit	As at 31-03-2010	As at 31-03-2009	As at 31-03-2010	As at 31-03-2009	As at 31-03-2010	As at 31-03-2009
(i) Transformers,	MVA	49304	15600	31608	24670	30002	23405
Reactors and	Nos.	38500	38500	57000	27000	24353	18659
Accessories thereof							
(ii) Switchgear,	Nos.	440600	389600	514540	413400	322564	263868
Control Equipment and							
Accessories thereof							
(iii) Energy Meters	Nos.	1000000	1000000	1000000	1000000	367301	280693
(iv) Electric Motors and	HP	10400000	5400000	5540000	4755818	4695487	3911683
Alternators	Nos.	2089500	2089500	553606	592360	432536	353941
(v) Power Driven Pumps	Nos.	460000	130000	130000	130000	127402	91463
(vi) Electrical Steel	MT	22000	22000	22000	22000	16881	16281
Stamping and Laminates							
(vii) Electric Fans,	Nos.	5980000	4480000	5868400	4236400	3633821	2831881
Ventilation and Pollution Control Systems							
(viii) Lighting - Electric Lamps	Nos.	114988000	114988000	114988000	114988000	94437058	78995295
(ix) Other Items	Nos.	1050	1050	1050	1050	73	83

Under the liberalised Industrial Policy of Government of India, the Company obtained the capacities approved by way of acknowledgements against the IEMs submitted by it.

* Installed Capacities are as certified by the Managing Director.

@ The production figures are as per returns submitted to the Department of Industrial Development.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

22 Opening stock and closing stock of finished goods

Class of goods	Unit	As at 31-03-2010		As at 31-03-2009		As at 31-03-2008	
		Quantity	Rs. crore	Quantity	Rs. crore	Quantity	Rs. crore
(i) Transformers, Reactors and Accessories thereof	Nos.	117	0.55	27	8.88	57	0.77
(ii) Switchgears, Control Equipment and Accessories thereof	Nos.	100	2.10	255	2.52	212	1.91
(iii) Energy Meters	Nos.	-	-	-	-	-	-
(iv) Electric Motors and Alternators	Nos.	12924	16.26	17988	13.54	22811	2.44
(v) Power Driven Pumps	Nos.	7025	2.70	2982	1.43	4607	2.13
(vi) Electrical Steel Stampings and Laminations	M.Ton	113	0.88	143	0.86	474	3.35
(vii) Electric Fans Ventilation and Pollution Control Systems	Nos.	167361	13.68	38949	4.62	139133	11.51
(viii) Lighting - Electric Lamps	M.Nos.	1.39	3.26	1.10	2.40	1.85	5.52
(ix) Others			26.61		16.62		19.41
			66.04		50.87		47.04

23 The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31st March, 2010. The disclosure pursuant to the said Act is as under:

Particulars	2009-10	2008-09
	Rs. crore	Rs. crore
(a) Principal amount due to suppliers under MSMED Act, 2006	31.66	19.29
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid (Previous year Rs. 11,972)	-	0.00
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	81.90	71.69
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under MSMED Act (Previous year Rs. 11,972)	-	0.00

Note: The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

24 Managerial Remuneration:

Computation of Net Profit in accordance with the provisions of Section 349 of the Companies Act, 1956

	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
Profit before tax as per profit and loss account		870.26		614.27
Add: Managerial remuneration	13.35		6.99	
Directors sitting fees	0.12		0.13	
Loss on sale of fixed assets (net)	0.60		0.14	
Provision for doubtful debts and advances	30.11		18.28	
Provision for diminution in value of investments	-	44.18	0.17	25.71
Less: Profit on sale of investments (net)	6.84		3.73	
Reversal of diminution in value of investments	0.17		-	
Loss on sale of fixed assets (net) (as per Section 349)	0.60	7.61	0.25	3.98
Net Profit / Loss (-) in terms of Section 349		906.83		636.00
Net profit for the purpose of calculation under Section 309		906.83		636.00
Maximum remuneration to Managing Director under Section 309 (3) @ 5%		45.34		31.80
Maximum Commission eligible to Non-executive directors under Section 309 (4) @ 1%		9.07		6.36
Remuneration to Managing Director / Directors charged to accounts:				
(i) Remuneration to Managing Director				
(a) Salaries, Commission and incentives	2.80		2.00	
(b) Contribution to provident and other funds	0.76		0.54	
(c) Other perquisites	0.72		0.58	
		4.28		3.12
(ii) Commission to Non-Executive directors		9.07		3.87
		13.35		6.99

25 Disclosures under Accounting Standard (AS) 7 Construction Contracts:

	2009-10	2008-09
	Rs. crore	Rs. crore
(a) Contract revenue recognised during the year	166.29	27.94
(b) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress up to the reporting date	194.23	27.94
(c) Amount of customer advances outstanding for contracts in progress as at reporting date	46.96	-
(d) Retention amount due from customer for contract in progress up to reporting date	26.86	1.40

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

26 Disclosures as required by Accounting Standard (AS) 15 Employee Benefits:

(a) Defined Benefit Plans as per Actuarial Valuation are as under:

Rs. crore						
	Gratuity		Leave Encashment		Post Retirement Medical Benefits	
	2009-10 (Funded)	2008-09 (Funded)	2009-10	2008-09	2009-10	2008-09
I Change in obligation during the year						
1 Liability at the beginning of the year	29.36	26.87	16.95	14.18	6.24	5.09
2 Interest cost	2.42	2.20	1.36	1.19	0.49	0.41
3 Current service cost	2.31	1.35	1.33	1.54	0.08	0.08
4 Past service cost	4.73	-	-	-	-	-
5 Benefits paid	(2.70)	(3.27)	(2.39)	(2.69)	(0.35)	(0.34)
6 Actuarial (gains) / losses	(0.64)	2.21	(0.11)	2.73	0.06	1.00
7 Liability at the end of the year	35.48	29.36	17.14	16.95	6.52	6.24
II Change in assets during the year						
1 Plan assets at the beginning of the year	25.72	24.18	-	-	-	-
2 Expected return of plan assets	2.60	2.08	-	-	-	-
3 Contributions	8.14	2.69	2.39	2.69	0.35	0.34
4 Benefits paid	(2.70)	(3.27)	(2.39)	(2.69)	(0.35)	(0.34)
5 Actuarial gain / (loss)	0.63	0.04	-	-	-	-
6 Plan assets at the end of the year	34.39	25.72	-	-	-	-
7 Total actuarial gain / (loss) to be recognised	1.27	(2.17)	(0.11)	2.73	0.06	1.00
III Actual return on plan assets						
1 Expected return on plan assets	2.60	2.08	-	-	-	-
2 Actuarial gain / (loss)	0.63	0.04	-	-	-	-
3 Actual return on plan assets	3.23	2.12	-	-	-	-
IV Net asset / (liability) recognised in the balance sheet						
1 Liability at the end of the year	(35.48)	(29.36)	(17.14)	(16.95)	(6.52)	(6.24)
2 Plan assets at the end of the year	34.39	25.72	-	-	-	-
3 Amount recognised in the balance sheet	(1.09)	(3.64)	(17.14)	(16.95)	(6.52)	(6.24)
V Expenses recognised in the statement of profit and loss account for the year						
1 Current service cost	2.31	1.35	1.33	1.54	0.08	0.08
2 Interest cost	2.42	2.20	1.36	1.19	0.49	0.41
3 Expected return on plan assets	(2.60)	(2.08)	-	-	-	-
4 Actuarial (gains) / losses	(1.27)	2.17	(0.11)	2.73	0.06	1.00
5 Past service cost	4.73	-	-	-	-	-
6 Total expenses as per actuarial valuation	5.59	3.64	2.58	5.46	0.63	1.49
7 Optional payment	0.53	0.38	-	-	-	-
8 Total expenses	6.12	4.02	2.58	5.46	0.63	1.49
VI Balance sheet reconciliation						
1 Opening net liability	3.64	2.69	16.95	14.18	6.24	5.09
2 Expenses as above	5.59	3.64	2.58	5.46	0.63	1.49
3 Employer contribution	8.14	2.69	2.39	2.69	0.35	0.34
4 Amount recognised in the balance sheet	1.09	3.64	17.14	16.95	6.52	6.24

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

26 Disclosures as required by Accounting Standard (AS) 15 Employee Benefits: (Contd.)

(a) Defined Benefit Plans as per Actuarial Valuation are as under: (Contd.)

Rs. crore						
	Gratuity		Leave Encashment		Post Retirement Medical Benefits	
	2009-10 (Funded)	2008-09 (Funded)	2009-10	2008-09	2009-10	2008-09
VII The major categories of plan assets as a percentage of total						
Insurer Managed Funds	100%	100%	-	-	-	-
VIII Effect of one percent point change in the assumed medical inflation rate						
(1) Increase / (decrease) on aggregate service and interest cost of Post Retirement Medical Benefits						
(i) One Percentage point increase in Discount Rate	-	-	-	-	0.06	0.05
(ii) One Percentage point decrease in Discount Rate	-	-	-	-	(0.06)	(0.05)
(2) Increase / (decrease) on present value of defined benefits obligation as at 31st March, 2010						
(i) One Percentage point increase in Medical Inflation Rate	-	-	-	-	0.62	0.59
(ii) One Percentage point decrease in Medical Inflation Rate	-	-	-	-	(0.50)	(0.48)
IX Actuarial assumptions						
1 Discount rate	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
2 Rate of return on plan assets	8.00% p.a.	8.00% p.a.	-	-	-	-
3 Salary escalation	3.00% p.a.	2.50% p.a.	3.00% p.a.	2.50% p.a.	-	-
4 Mortality pre retirement rate	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table	-	-
5 Mortality post retirement rate					LIC (1996-98) Ultimate Table	LIC (1996-98) Ultimate Table
6 Medical premium Inflation rate	-	-	-	-	4.00% p.a.	4.00 % p.a.

(b) The Company makes contribution towards provident fund and superannuation fund as a defined contribution retirement benefit plan for qualifying employees. To fund the benefits, the Company is required to contribute a specified percentage of salary to the respective trusts, which administer the retirement benefit schemes.

(c) The Guidance issued by the Accounting Standard Board (ASB) on implementing the Accounting Standard states that provident funds set up by employers, which require interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The Fund does not have any existing deficit or interest shortfall. As per the Company's Actuary, any future obligation arising due to interest shortfall can not be measured reliably. However, having regard to the assets of the Fund and return on the investments, the Company does not expect any deficiency in the foreseeable future.

SCHEDULE: B**NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)****26 Disclosures as required by Accounting Standard (AS) 15 Employee Benefits: (Contd.)**

- (d) The Company makes annual contributions to the Crompton Greaves Limited Gratuity Trust, which is funded defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the Company's Gratuity Scheme. Vesting occurs upon completion of five years of service.
- (e) The Company provides post retirement medical benefits to qualifying employees.
- (f) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2010. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
- (g) The salary escalation rate is arrived after taking into consideration seniority, promotion and other relevant factors such as demand and supply in employment market.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

27 Disclosures as required by Accounting Standard (AS) 17 Segment Reporting

I Primary Segments (Business Segments)

Particulars						Rs. crore
	Power Systems	Consumer Products	Industrial Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2009-10
Revenue						
External sales (net of excise duty)	2510.20	1611.93	1136.96	24.90	-	5283.99
Inter segment sales	0.06	0.05	37.45	0.07	(37.63)	-
Total	2510.26	1611.98	1174.41	24.97	(37.63)	5283.99
Segment results	462.17	229.86	259.98	1.01		953.02
Add: Interest income						15.65
Less: Interest expense						20.00
Less: Other unallocable expenditure Net of unallocable Income						78.41
Profit before tax						870.26
Provision for Income tax						273.80
Provision for Deferred tax						19.50
Profit after tax and before extraordinary item						576.96
Extraordinary item (net of tax)						40.38
Profit after tax after extraordinary item						617.34
Capital Employed:						
Segment assets	1232.45	340.34	421.64	12.30	1468.36	3475.09
Segment liabilities	733.99	289.31	234.10	15.90	326.87	1600.17
Net Assets	498.46	51.03	187.54	(3.60)	1141.49	1874.92
Capital expenditure	23.70	9.18	6.76	0.05	57.68	97.37
Depreciation	21.51	6.81	11.72	0.57	11.29	51.90
Non-cash expenses other than depreciation	21.79	4.76	3.07	1.29	-	30.91

* Unallocated assets comprise assets and liabilities which cannot be allocated to the segments. Tax credit assets / liabilities are not considered in capital employed.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNTS

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

27 Disclosures as required by Accounting Standard (AS) 17 Segment Reporting (Contd.)

I Primary Segments (Business Segments) (Contd.)

Particulars	Power Systems	Consumer Products	Industrial Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2008-09
Revenue						
External sales (net of excise duty)	2224.26	1321.82	1024.20	40.38	-	4610.66
Inter segment sales	0.10	0.04	31.00	0.05	(31.19)	-
Total	2224.36	1321.86	1055.20	40.43	(31.19)	4610.66
Segment results	349.28	146.28	203.84	0.75		700.15
Add: Interest income						13.93
Less: Interest expense						28.55
Less: Other unallocable expenditure Net of unallocable Income						71.26
Profit before tax						614.27
Provision for Income tax						200.21
Provision for Deferred tax						11.67
Provision for Fringe benefit tax						5.30
Profit after tax						397.09
Capital Employed:						
Segment assets	1092.75	305.88	359.26	15.47	914.45	2687.81
Segment liabilities	662.79	250.00	171.95	19.04	224.55	1328.33
Net Assets	429.96	55.88	187.31	(3.57)	689.90	1359.48
Capital expenditure	21.36	8.65	18.70	-	6.74	55.45
Depreciation	21.17	6.77	11.96	0.60	4.71	45.21
Non-cash expenses other than depreciation	39.19	0.54	0.80	-	8.73	49.26

* Unallocable assets comprise assets and liabilities which cannot be allocated to the segments. Tax credit assets / liabilities are not considered in capital employed.

II Secondary Segments (Geographical Segments)

(a) The distribution of Company's sales by geographical market is as under:

	2009-10	2008-09
	Rs. crore	Rs. crore
Sales and service revenue:		
Domestic	4240.27	3520.70
Overseas:		
Asia	512.17	448.84
Africa	207.02	242.90
North America	31.64	70.02
South America	223.26	213.94
Europe	64.18	84.53
Australia	5.45	29.73
Total	5283.99	4610.66

(b) The Company's tangible fixed assets are located entirely in India.

SCHEDULE: B**NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)****27 Disclosures as required by Accounting Standard (AS) 17 Segment Reporting (Contd.)****III Segment Identification, Reportable Segment and definition of each Reportable Segment:**

(a) Primary segment

In the opinion of the management, the business segment comprises the following :

- (i) Power Systems : Transformer, Switchgear, Turnkey Projects
- (ii) Consumer Products : Fans and Appliances, Luminaires, Light Sources and Pumps
- (iii) Industrial Systems : Electric Motors, Alternators and Drives

(b) Primary / Secondary segment reporting format:

- (i) The risk-return profile of the Company's business is determined predominantly by the nature of its products and services. Accordingly, the business segment constitutes the primary segment for disclosure of segment information.
- (ii) In respect of secondary segment information, the management has identified its geographical segments as (a) Domestic and (b) Overseas. The secondary segment information has been disclosed accordingly.

(c) Segment identification:

Business segments have been identified on the basis of the nature of products / services, the risk-return profile of individual businesses, the organisational structure and the internal reporting system of the Company.

(d) Reportable segments:

Reportable segments have been identified as per the quantitative criteria specified in the Accounting Standard.

(e) Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

(f) Segment assets and liabilities:

Segment assets include all operating assets used by the business segment and mainly consist of fixed assets, debtors and inventories. Segment liabilities primarily include creditors and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

(g) Inter segment transfer:

Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks. Profit or loss on inter segment transfers are eliminated at the Company level.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures

i) List of related parties over which control exists:

Sr. No.	Name of the Related Party	Relationship
1	CG Capital & Investments Limited	Wholly owned Subsidiary
2	CG Energy Management Limited	Wholly owned Subsidiary
3	CG PPI Adhesive Products Limited	Subsidiary of CG Capital & Investments Limited
4	Brook Crompton Greaves Limited (w.e.f. 27th August, 2009)	Wholly owned Subsidiary
5	Malanpur Captive Power Limited (Sold during the year - refer Note No. 4)	Subsidiary (upto 28th February, 2010)
6	CG International B.V.	Wholly owned Subsidiary
7	CG Holdings Belgium N.V. (formerly Pauwels International N.V.)	Wholly owned subsidiary of CG International B.V.
8	CG Power Systems Belgium N.V. (formerly Pauwels Trafo Belgium N.V.)	Subsidiary of CG Holdings Belgium N.V.
9	Pauwels Trafo Gent N.V.	Subsidiary of CG Holdings Belgium N.V.
10	CG Power Systems Ireland Limited (formerly Pauwels Trafo Ireland Limited)	Wholly owned subsidiary of CG Power Systems Belgium N.V.
11	CG Sales Networks France SA (formerly Pauwels France S.A)	Subsidiary of CG Power Systems Belgium N.V.
12	CG Power Systems USA Inc. (formerly Pauwels Transformers Inc.)	Wholly owned subsidiary of CG Power Systems Belgium N.V.
13	CG Sales Networks Americas Inc. (formerly Pauwels Americas Inc.)	Wholly owned subsidiary of CG Holdings Belgium N.V.
14	CG Power Systems Canada Inc. (formerly Pauwels Canada Inc.)	Wholly owned subsidiary of CG Power Systems Belgium N.V.
15	CG Service Systems Curacao N.V. (formerly Pauwels Trafo Service N.V.)	Subsidiary of CG International B.V.
16	PT. CG Power Systems Indonesia (formerly PT. Pauwels Trafo Asia)	Subsidiary of CG Power Systems Belgium N.V.
17	CG Holdings Hungary Kft. (formerly CG Hungary Kft.)	Subsidiary of CG Power Systems Belgium N.V.
18	CG Electric Systems Hungary Zrt. (formerly Ganz Transelektro Villamossagi Zrt.)	Wholly owned subsidiary of CG Power Systems Belgium N.V.
19	CG Power Holdings Ireland Limited (formerly Microsol Holdings Limited)	Wholly owned subsidiary of CG International B.V.
20	Microsol Limited	Wholly owned subsidiary of CG Power Holdings Ireland Limited
21	CG Automation Systems UK Limited {formerly Microsol (UK) Limited}	Wholly owned subsidiary of CG Power Holdings Ireland Limited
22	Viserge Limited	Subsidiary of CG Power Holdings Ireland Limited
23	CG Automation Systems USA Inc. (formerly Microsol Inc.)	Subsidiary of MSE Power Systems Inc.
24	CG Service Systems France SAS {formerly Societe Nouvelle de Maintenance de Transformateurs (Sonomatra)}	Wholly owned subsidiary of CG International B.V.
25	M.S.E. Power Systems Inc.	Subsidiary of CG International B.V.
26	CG Holdings Germany GmbH (formerly Crompton Greaves Germany GmbH)	Wholly owned subsidiary of CG International B.V.

During the year, Transverticum Kft., wholly owned subsidiary of CG Electric Systems Hungary Zrt. and M.S.E West LLC, wholly owned subsidiary of M.S.E Power Systems Inc. have been liquidated.

SCHEDULE: B**NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)****28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures (Contd.)****ii) List of related parties with whom transactions were carried out during the year and description of relationship :****Subsidiaries:**

- 1 CG Capital & Investments Limited
- 2 CG Energy Management Limited
- 3 CG PPI Adhesive Products Limited
- 4 Malanpur Captive Power Limited (upto 28th February, 2010)
- 5 Brook Crompton Greaves Limited (w.e.f. 27th August, 2009)
- 6 CG International B.V.
- 7 PT. CG Power Systems Indonesia
- 8 CG Power Systems USA Inc.
- 9 CG Sales Networks Americas Inc.
- 10 CG Power Systems Belgium N.V.
- 11 CG Power Systems Canada Inc.
- 12 CG Holdings Belgium N.V.
- 13 CG Electric Systems Hungary Zrt.
- 14 CG Automation Systems UK Limited

Associates:

- 1 CG Lucy Switchgear Limited
- 2 International Components India Limited
- 3 Brook Crompton Greaves Limited (upto 26th August, 2009)
- 4 Avantha Power & Infrastructure Limited (w.e.f. 24th November, 2009)

Key Management Personnel:

- 1 Gautam Thapar - Chairman and Promoter Director
- 2 Sudhir Trehan - Managing Director

Other Related Parties in which a director is interested:

- 1 Ballarpur Industries Limited
- 2 Solaris Chemtech Limited
- 3 BILT Graphic Paper Products Limited
- 4 Asia Aviation Limited
- 5 Avantha Holdings Limited (*formerly NewQuest Corporation Limited*)
- 6 Salient Business Solutions Limited
- 7 Avantha Technologies Limited
- 8 Avantha Reality Limited
- 9 Korba West Power Company Limited
- 10 Malanpur Captive Power Limited (w.e.f 1st March, 2010)
- 11 Corella Investments Limited
- 12 Lustre International Limited
- 13 Solaris Holdings Limited
- 14 Janpath Investments & Holdings Limited
- 15 KCT Chemicals & Electricals Limited
- 16 Sabah Forest Industries Sdn. Bhd.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures (Contd.)

iii) The following transactions were carried out with the related parties in the ordinary course of business:

		2009-10	2008-09
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
1	Purchases of goods and services		
	Subsidiaries		
	Brook Crompton Greaves Limited	24.91	-
	CG PPI Adhesive Products Limited	1.82	1.27
	CG Power Systems Belgium N.V.	-	18.11
	CG Electric Systems Hungary Zrt.	5.07	22.59
	CG Automation Systems UK Limited	0.03	0.08
	Associates		
	Brook Crompton Greaves Limited	6.94	6.28
	CG Lucy Switchgear Limited	72.60	50.95
	International Components India Limited	1.94	4.27
	Avantha Power & Infrastructure Limited	0.48	-
	Other Related Parties		
	BILT Graphic Paper Products Limited	0.29	0.29
	Ballarpur Industries Limited	0.54	-
	Avantha Technologies Limited	0.02	-
	Total	114.64	103.84
2	Sales of goods and services		
	Subsidiaries		
	PT. CG Power System Indonesia	2.22	0.01
	CG Power Systems Canada Inc.	0.05	1.10
	CG Power Systems USA Inc.	0.35	-
	CG Sales Networks Americas Inc.	14.53	0.29
	CG Power Systems Belgium N.V.	15.07	29.40
	Malanpur Captive Power Limited	-	0.01
	CG Electric Systems Hungary Zrt.	1.24	3.05
	CG Automation Systems UK Limited	0.01	-
	Brook Crompton Greaves Limited	6.54	-
	CG Holdings Belgium N.V.	-	8.87
	Associates		
	Brook Crompton Greaves Limited	2.53	6.28
	CG Lucy Switchgear Limited	5.02	3.57
	Avantha Power & Infrastructure Limited	2.86	6.76
	Other Related Parties		
	Ballarpur Industries Limited	0.32	2.00
	Solaris Chemtech Limited	2.04	0.28
	BILT Graphic Paper Products Limited	0.47	19.27
	Sabah Forest Industries Sdn. Bhd.	-	0.50
	Avantha Holdings Limited	-	0.00
	(Previous year Rs. 40,000)		
	Total	53.25	81.39
3	Sale of fixed assets		
	Subsidiary		
	Brook Crompton Greaves Limited	0.05	-
	Total	0.05	-

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures (Contd.)

iii) The following transactions were carried out with the related parties in the ordinary course of business: (Contd.)

		2009-10	2008-09
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
4	Purchase of fixed assets		
	Subsidiary		
	CG Electric Systems Hungary Zrt.	8.34	-
	Other Related Party		
	Avantha Technologies Limited	0.03	-
	Total	8.37	-
5	Subscription to equity shares		
	Subsidiary		
	Malanpur Captive Power Limited	-	1.66
	Associate		
	Avantha Power & Infrastructure Limited	227.00	-
	Total	227.00	1.66
6	Sale of Investments		
	Associate		
	Avantha Power & Infrastructure Limited	51.40	-
	Total	51.40	-
7	Interest expenses		
	Subsidiaries		
	CG Capital & Investments Limited	0.29	0.28
	CG Energy Management Limited	0.03	0.03
	Brook Crompton Greaves Limited	0.16	-
	Associate		
	CG Lucy Switchgear Limited	0.19	0.13
	Total	0.67	0.44
8	Dividend received		
	Subsidiary		
	Malanpur Captive Power Limited	1.10	-
	Associate		
	CG Lucy Switchgear Limited	1.20	1.20
	Total	2.30	1.20
9	Commission received		
	Subsidiaries		
	CG Electric Systems Hungary Zrt.	-	0.20
	Brook Crompton Greaves Limited	1.45	-
	Associate		
	Brook Crompton Greaves Limited	0.20	1.07
	Total	1.65	1.27
10	Rental income		
	Other Related Parties		
	Ballarpur Industries Limited	2.26	4.44
	Solaris Chemtech Limited	0.59	-
	Total	2.85	4.44
11	Interest income		
	Subsidiaries		
	CG International B.V.	0.04	-
	Malanpur Captive Power Limited	0.75	0.84
	Other Related Party		
	Malanpur Captive Power Limited	0.06	-
	Total	0.85	0.84

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures (Contd.)

iii) The following transactions were carried out with the related parties in the ordinary course of business: (Contd.)

		2009-10	2008-09
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
12	Payment of salaries, commission and perquisites		
	Key Management Personnel		
	Gautam Thapar	8.26	3.18
	Sudhir Trehan	4.28	3.12
	Total	12.54	6.30
13	Dividend paid		
	Key Management Personnel		
	Gautam Thapar	0.01	0.04
	Sudhir Trehan	0.03	0.02
	Other related parties		
	Corella Investments Limited	1.11	-
	Lustre International Limited	0.67	-
	Solaris Holdings Limited	38.73	28.69
	Janpath Investments & Holdings Limited	0.00	0.00
	(Current year Rs. 4,914) (Previous year Rs. 3,640)		
	KCT Chemicals & Electricals Limited	0.03	0.13
	Total	40.58	28.88
14	Rent paid		
	Other Related Parties		
	Avantha Reality Limited	1.53	-
	Asia Aviation Limited	5.87	4.11
	Total	7.40	4.11
15	Other Expenses		
	Subsidiary		
	CG Power Systems Belgium N.V.	7.99	-
	Associate		
	Avantha Power & Infrastructure Limited	0.17	-
	Other Related Parties		
	Asia Aviation Limited	8.35	0.70
	Avantha Holdings Limited	11.21	1.72
	Avantha Technologies Limited	0.40	-
	Avantha Reality Limited	0.06	-
	Salient Business Solutions Limited	0.82	0.09
	Total	29.00	2.51
16	Recovery of expenses		
	Subsidiary		
	CG International B.V.	4.72	-
	Total	4.72	-
17	Other Income		
	Other Related Party		
	Ballarpur Industries Limited	-	0.38
	Total	-	0.38

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures (Contd.)

iv) Amount due to / from related parties

		As at 31-03-2010	As at 31-03-2009
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
1	Account payable		
	Subsidiaries		
	Brook Crompton Greaves Limited	22.13	-
	CG PPI Adhesive Products Limited	0.35	0.63
	CG Power System USA Inc.	3.51	0.01
	CG Sales Networks Americas Inc.	-	0.01
	CG Power Systems Belgium N.V.	7.99	2.36
	CG Power Systems Canada Inc.	0.02	0.02
	CG Electric Systems Hungary Zrt.	6.72	19.90
	Associates		
	Brook Crompton Greaves Limited	-	10.71
	CG Lucy Switchgear Limited	11.14	19.13
	International Components India Limited	-	0.23
	Other Related Parties		
	Ballarpur Industries Limited	0.02	-
	Salient Business Solutions Limited	-	0.03
	Total	51.88	53.03
2	Account receivable		
	Subsidiaries		
	Brook Crompton Greaves Limited	5.41	-
	PT. CG Power Systems Indonesia	0.10	2.13
	CG Power Systems USA Inc.	0.63	-
	CG Sales Networks Americas Inc.	5.99	3.13
	CG Power Systems Belgium N.V.	0.06	0.08
	CG Power Systems Canada Inc.	0.23	-
	CG Holdings Belgium N.V.	-	0.27
	CG Electric Systems Hungary Zrt.	1.04	0.35
	Associates		
	Brook Crompton Greaves Limited	-	0.73
	CG Lucy Switchgear Limited	1.78	1.62
	International Components India Limited	0.38	-
	Avantha Power & Infrastructure Limited	0.17	0.99
	Other Related Parties		
	BILT Graphic Paper Products Limited	0.06	6.58
	Ballarpur Industries Limited	0.14	-
	Solaris Chemtech Limited	2.12	-
	Avantha Holdings Limited	-	0.01
	Total	18.11	15.89

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNTS

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

28 Disclosures as required by Accounting Standard (AS)18 Related Party Disclosures (Contd.)

iv) Amount due to / from related parties (Contd.)

		As at 31-03-2010	As at 31-03-2009
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
3	Loans and advances receivable		
	Subsidiaries		
	CG International B.V.	13.51	-
	Malanpur Captive Power Limited	-	9.74
	CG Power Systems USA Inc.	0.20	0.06
	CG Power Systems Belgium N.V.	0.70	0.70
	CG Electric Systems Hungary Zrt.	0.30	-
	CG Holdings Belgium N.V.	-	0.63
	Associates		
	CG Lucy Switchgear Limited	0.03	0.01
	Brook Crompton Greaves Limited	-	4.00
	Avantha Power & Infrastructure Limited	-	0.17
	Other Related Parties		
	Malanpur Captive Power Limited	8.35	-
	Ballarpur Industries Limited	0.29	0.33
	Total	23.38	15.64
4	Loans and advances payable		
	Subsidiaries		
	Brook Crompton Greaves Limited	3.04	-
	CG Energy Management Limited	0.57	0.54
	CG Capital and Investments Limited	4.84	4.70
	Other Related Parties		
	Solaris Chemtech Limited	0.10	-
	Ballarpur Industries Limited	0.40	-
	Avantha Holdings Limited	3.00	-
	Asia Aviation Limited	1.28	-
	Korba West Power Company Limited	2.08	-
	Total	15.31	5.24
5	Dividend payable		
	Key Management Personnel		
	Gautam Thapar	-	0.01
	Sudhir Trehan	-	0.01
	Other Related Parties		
	Solaris Holdings Limited	-	7.17
	Janpath Investments & Holdings Limited	-	0.00
	(Previous year Rs. 910)		
	KCT Chemicals & Electricals Limited	-	0.03
	Total	-	7.22
6	Due to Key Management Personnel		
	Gautam Thapar	8.26	3.18
	Sudhir Trehan	1.84	1.04
	Total	10.10	4.22

Note: No amounts have been written off or written back during the year.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

- 29 (a) The Company has not entered into any finance / operating lease as specified in Accounting Standard (AS) 19 Leases. The Company has, however taken various residential / commercial premises and plant and equipments under cancellable operating lease. These lease agreements are normally renewed on expiry, wherever required.
- (b) There are no exceptional / restrictive covenants in the lease agreements.

30 Disclosures as required by Accounting Standard (AS) 20 Earnings Per Share

Particulars		2009-10	2008-09
Profit after taxes and before extraordinary item	Rs. crore	576.96	397.09
Profit after taxes and extraordinary item	Rs. crore	617.34	397.09
Number of equity shares outstanding*	Nos.	641491536	641491536
Face value of equity share	Rs. / Share	2.00	2.00
Earnings per share before extraordinary item (basic and diluted)	Rs.	8.99	6.19
Earnings per share after extraordinary item (basic and diluted)	Rs.	9.62	6.19

*The Company has issued 27,49,24,944 bonus equity shares of Rs. 2 each, fully paid up, in the ratio of three shares for every four shares held to all registered shareholders as on the record date (i.e. 9th March, 2010). The Earnings Per Share data for the year ended 31st March, 2009 have been adjusted for the issue of bonus shares as per Accounting Standard (AS) 20 Earnings Per Share.

31 Deferred Tax

The major components of deferred tax assets and deferred tax liabilities are as under:

Particulars	Rs. crore			
	As at 31-03-2010		As at 31-03-2009	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Difference between book depreciation and tax depreciation		88.03		78.21
Expenses allowable for tax purposes when paid / on payment of TDS	4.34		5.66	
Other items giving rise to timing differences	0.27		8.63	
	4.61	88.03	14.29	78.21
Net deferred tax liability		83.42		63.92
Net Incremental liability charged to profit and loss account		19.50		11.67

- 32 As per the Accounting Standard (AS) 28 Impairment of Assets, the Company has reviewed potential generation of economic benefits from fixed assets. Accordingly, impairment loss amounting to Rs. nil (*Previous year Rs. 5.36 crore*) provided in prior years have been reversed during the year.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

33 Disclosures as required by Accounting Standard (AS) 29 Provisions, Contingent Liabilities and Contingent Assets

(a) Movement in provisions:

Rs. crore					
Nature of Provision	Warranties		Sales Tax / VAT		Excise Duty / Service Tax
	2009-10	2008-09	2009-10	2008-09	2009-10
Carrying amount at the beginning of the year	36.74	26.09	18.85	18.14	4.79
Additional provision made during the year #	28.70	22.32	8.47	0.71	2.00
Amounts used during the year	4.52	2.49	2.34	-	-
Unused amounts reversed during the year #	13.84	9.18	1.82	-	-
Carrying amount at the end of the year	47.08	36.74	23.16	18.85	6.79

Nature of Provision	Liquidated damages		Other Litigation Claims		Total
	2009-10	2008-09	2009-10	2008-09	2009-10
Carrying amount at the beginning of the year	11.88	11.88	1.98	-	74.24
Additional provision made during the year #	5.00	-	1.48	1.98	45.65
Amounts used during the year	-	-	-	-	6.86
Unused amounts reversed during the year #	-	-	0.02	-	15.68
Carrying amount at the end of the year	16.88	11.88	3.44	1.98	97.35

Additional provision made during the year and reversal of unused amount are included in the respective head of accounts.

(b) Nature of Provisions:

- Product Warranties: The Company gives warranties on certain products and services in the nature of repairs / replacement, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligation on account of rectification / replacement. The timing of outflows is expected to be within a period of two years.
- Provision for sales tax represents sales tax liability on account of non-collection of declaration forms and other legal matters which are in appeal under the Act / Rules.
- Provision for excise duty represents the differential duty liability that is expected to materialise in respect of matters in appeal.
- Provision for liquidated damages has been made on contracts for which delivery dates are exceeded and computed in reasonable and prudent manner.
- Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

(c) Disclosures in respect of contingent liabilities: Refer Schedule 19.

34 Foreign currency transactions, Forward contracts and Derivatives:

The particulars of derivative contracts entered into for hedging purposes outstanding as at 31st March, 2010 are as under:

Sr. No.	Category of Derivative Instruments	As at 31-03-2010	As at 31-03-2009
1	For hedging foreign currency risks:	USD million	USD million
	(a) Forward contracts for receivables including firm commitments and highly probable forecasted transactions	72.00	61.00
	(b) Option Contracts	3.00	16.00
		EURO million	EURO million
	(c) Forward contracts for receivables including firm commitments and highly probable forecasted transactions	4.00	-
2	Particulars of Unhedged foreign currency exposure as at the balance sheet date:	Rs. crore	Rs. crore
	(a) Creditors	73.74	60.03
	(b) Loans received	13.82	34.52
	(c) Loan given	13.51	-
	(d) Bank balance in current accounts and term deposit accounts	0.08	6.66
	(e) Investments in overseas subsidiaries	101.33	101.33

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**SCHEDULE: B****NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)****35 Particulars in respect of Loans and Advances in the nature of loans as required by the Listing Agreement:**

Name of the Company	Balance as at		Maximum outstanding during	
	31-03-2010	31-03-2009	2009-10	2008-09
(a) Loans and advances in the nature of loans given to subsidiaries				
CG International BV	13.51	-	13.65	-
CG Holdings Belgium NV	-	0.63	0.71	0.80
CG Power Systems USA Inc	0.20	0.06	1.01	0.10
CG Power Systems Belgium NV	0.70	0.70	0.70	0.70
CG PPI Adhesive Products Limited	-	-	0.01	0.00
Malanpur Captive Power Limited	-	9.74	-	12.92
CG Electric Systems Hungary Zrt	0.30	-	3.18	-
(b) Loans and advances in the nature of loans given to associates				
Brook Crompton Greaves Limited	-	4.00	4.09	4.00
CG Lucy Switchgear Limited	0.03	0.01	0.37	0.09
(c) Loans and advances in the nature of loans where repayment schedule is not specified				
CG Holdings Belgium NV	-	0.63	0.71	0.80
CG Power Systems USA Inc	0.20	0.06	1.01	0.10
CG Power Systems Belgium NV	0.70	0.70	0.70	0.70
CG PPI Adhesive Products Limited	-	-	0.01	0.00
Malanpur Captive Power Limited	-	9.74	-	12.92
Brook Crompton Greaves Limited	-	4.00	4.09	4.00
CG Lucy Switchgear Limited	0.03	0.01	0.37	0.09
CG Electric Systems Hungary Zrt	0.30	-	3.18	-
(d) Loans and advances in the nature of loans where interest is not charged				
CG Holdings Belgium NV	-	0.63	0.71	0.80
CG Power Systems USA Inc	0.20	0.06	1.01	0.10
CG Power Systems Belgium NV	0.70	0.70	0.70	0.70
CG PPI Adhesive Products Limited	-	-	0.01	0.00
Brook Crompton Greaves Limited	-	4.00	4.09	4.00
CG Lucy Switchgear Limited	0.03	0.01	0.37	0.09
CG Electric Systems Hungary Zrt	0.30	-	3.18	-

36 Figures for the previous year have been re-grouped / re-classified wherever necessary.

Signatures to Schedules 1 to 19 and A and B

For SHARP & TANNAN
CHARTERED ACCOUNTANTS
 Registration No. 109982W

L. Vaidyanathan
PARTNER
 Membership No. 16368
 Mumbai, 13th May, 2010

Madhav Acharya
CHIEF FINANCIAL OFFICER

Wilton Henriques
COMPANY SECRETARY

Mumbai, 13th May, 2010

Sudhir Trehan
MANAGING DIRECTOR

Gautam Thapar
CHAIRMAN

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.

				2	6	4	1
--	--	--	--	---	---	---	---

State Code

1	1
---	---

Balance Sheet Date

3	1	0	3	2	0	1	0
---	---	---	---	---	---	---	---

II Capital Raised during the year (Amount in Rs.Thousands)

Public issue

					N	I	L
--	--	--	--	--	---	---	---

Bonus issue

		5	4	9	8	5	0
--	--	---	---	---	---	---	---

Rights issue

					N	I	L
--	--	--	--	--	---	---	---

Private placement

					N	I	L
--	--	--	--	--	---	---	---

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total liabilities

1	8	7	4	9	2	2	5
---	---	---	---	---	---	---	---

Sources of Funds

Paid-up capital

	1	2	8	3	0	1	5
--	---	---	---	---	---	---	---

Secured loans

		1	3	8	1	5	4
--	--	---	---	---	---	---	---

Net deferred tax liabilities

		8	3	4	2	0	0
--	--	---	---	---	---	---	---

Application of Funds

Net fixed assets and intangible assets

	5	6	6	8	3	9	5
--	---	---	---	---	---	---	---

Net current assets

	6	2	0	0	2	4	7
--	---	---	---	---	---	---	---

Total assets

1	8	7	4	9	2	2	5
---	---	---	---	---	---	---	---

Reserves & surplus

1	6	3	6	4	2	1	9
---	---	---	---	---	---	---	---

Unsecured loans

		1	2	9	6	3	7
--	--	---	---	---	---	---	---

Investments

	6	8	8	0	5	8	3
--	---	---	---	---	---	---	---

IV Performance of Company (Amount in Rs. Thousands)

Turnover (including other income)

5	6	0	0	4	7	9	0
---	---	---	---	---	---	---	---

+ -

Profit / Loss before tax before extraordinary item

+			8	7	0	2	6	3	8
---	--	--	---	---	---	---	---	---	---

+ -

Profit / Loss after tax

+			6	1	7	3	4	1	8
---	--	--	---	---	---	---	---	---	---

Dividend rate %

	1	1	0
--	---	---	---

Total expenditure

4	7	3	0	2	1	5	2
---	---	---	---	---	---	---	---

+ -

Profit / Loss before Tax after extraordinary item

+			9	1	0	6	4	1	8
---	--	--	---	---	---	---	---	---	---

Basic earnings per share in Rs.

				9	.	6	2
--	--	--	--	---	---	---	---

V Generic names of the principal products, services of the Company:

Item code no. (ITC code)

		8	5	.	0	4
--	--	---	---	---	---	---

Product description

Transformers							
--------------	--	--	--	--	--	--	--

Item code no. (ITC code)

		8	5	.	3	5
--	--	---	---	---	---	---

Product description

Switchgears and power control equipments							
--	--	--	--	--	--	--	--

Item code no. (ITC code)

		8	4	.	1	4
--	--	---	---	---	---	---

Product description

Fan, light sources and luminaires							
-----------------------------------	--	--	--	--	--	--	--

Item code no. (ITC code)

		8	5	.	0	1
--	--	---	---	---	---	---

Product description

Electrical motors and alternators							
-----------------------------------	--	--	--	--	--	--	--

Item code no. (ITC code)

		8	5	.	1	7
--	--	---	---	---	---	---

Product description

Telecom and networking							
------------------------	--	--	--	--	--	--	--

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010

STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956

Sr. No.	Name of the Subsidiary	Financial year of the subsidiary ended on	Extent of holding by Crompton Greaves Limited in the subsidiary as on 31st March, 2010	Profit / (loss) so far as it concerns the members of Crompton Greaves Limited			Rs. crore	
				and not dealt with in the accounts of Crompton Greaves Limited	For the financial year ended 31st March, 2010	For the previous years since it became a subsidiary	Profit / (loss) so far as it concerns the members of Crompton Greaves Limited and dealt with in the accounts of Crompton Greaves Limited	For the previous years since it became a subsidiary
1	CG Capital & Investments Limited	31st March, 2010	100.00%	0.68	14.18	NIL	NIL	NIL
2	CG Energy Management Limited	31st March, 2010	100.00%	0.04	(0.88)	NIL	NIL	NIL
3	CG PPI Adhesive Products Limited	31st March, 2010	81.42%	(1.66)	13.58	NIL	NIL	NIL
4	Brook Crompton Greaves Limited	31st March, 2010	100.00%	4.20	-	NIL	NIL	NIL
5	CG International B.V.	31st March, 2010	100.00%	(2.55)	22.53	NIL	NIL	NIL
6	CG Holdings Belgium N.V.	31st March, 2010	100.00%	(9.02)	347.16	NIL	NIL	NIL
7	CG Power Systems Belgium N.V.	31st March, 2010	100.00%	(6.08)	185.66	NIL	NIL	NIL
8	Pauwels Trafo Gent N.V.	31st March, 2010	100.00%	(1.67)	(9.96)	NIL	NIL	NIL
9	CG Power Systems Ireland Limited	31st March, 2010	100.00%	2.88	83.96	NIL	NIL	NIL
10	CG Sales Networks France SA	31st March, 2010	99.40%	0.81	0.99	NIL	NIL	NIL
11	CG Power Systems USA Inc.	31st March, 2010	100.00%	6.34	131.18	NIL	NIL	NIL
12	CG Sales Networks Americas Inc.	31st March, 2010	100.00%	2.60	(1.02)	NIL	NIL	NIL
13	CG Power Systems Canada Inc.	31st March, 2010	100.00%	54.24	30.72	NIL	NIL	NIL
14	CG Service Systems Curacao N.V.	31st March, 2010	100.00%	(0.13)	0.52	NIL	NIL	NIL
15	PT. CG Power Systems Indonesia	31st March, 2010	95.00%	74.51	45.77	NIL	NIL	NIL
16	CG Holdings Hungary Kft.	31st March, 2010	100.00%	9.57	(138.06)	NIL	NIL	NIL
17	CG Electric Systems Hungary Zrt.	31st March, 2010	100.00%	52.57	4.42	NIL	NIL	NIL
18	CG Power Holdings Ireland Limited	31st March, 2010	100.00%	0.31	(129.82)	NIL	NIL	NIL
19	Microsol Limited	31st March, 2010	100.00%	-	119.08	NIL	NIL	NIL
20	CG Automation Systems UK Limited	31st March, 2010	100.00%	0.61	0.15	NIL	NIL	NIL
21	Viserge Limited	31st March, 2010	100.00%	3.17	(1.04)	NIL	NIL	NIL
22	CG Automation Systems USA Inc.	31st March, 2010	100.00%	0.21	(1.11)	NIL	NIL	NIL
23	CG Service Systems France SAS	31st March, 2010	100.00%	0.60	0.45	NIL	NIL	NIL
24	M.S.E. Power Systems Inc.	31st March, 2010	100.00%	(10.48)	0.42	NIL	NIL	NIL
25	CG Holdings Germany GmbH	31st March, 2010	100.00%	0.00	(0.01)	NIL	NIL	NIL

Madhav Acharya

CHIEF FINANCIAL OFFICER

Mumbai, 13th May, 2010

Wilton Henriques

COMPANY SECRETARY

Sudhir Trehan

MANAGING DIRECTOR

Gautam Thapar

CHAIRMAN

INFORMATION IN RESPECT OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2010

Sr. No.	Name of Subsidiary Company	Reporting Currency	Exchange Rate	Equity Share Capital	Capital Preference Share Capital	Reserves	Total Assets	Total Liabilities	Investment (included in total assets)	Turnover (including other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	Country
1	CG Capital & Investments Limited	INR	1.0000	10.50	32.93	14.86	58.45	0.16	11.63	0.85	0.84	0.16	0.68	-	India
2	CG Energy Management Limited	INR	1.0000	1.60	-	(0.84)	0.76	0.00	-	0.05	0.05	0.01	0.04	-	India
3	CG PPI Adhesive Products Limited	INR	1.0000	3.90	-	5.84	11.86	2.12	-	9.42	(2.18)	(0.14)	(2.04)	-	India
4	Brook Crompton Greaves Limited	INR	1.0000	16.00	-	7.83	42.04	18.21	-	39.09	6.46	2.22	4.24	-	India
5	CG International B.V.	EUR	60.4525	101.33	-	100.18	675.15	473.64	599.38	19.83	(2.55)	-	(2.55)	-	The Netherlands
6	CG Holdings Belgium N.V.	EUR	60.4525	693.28	-	963.60	2304.01	647.13	246.78	637.38	3.86	12.88	(9.02)	-	Belgium
7	CG Power Systems Belgium N.V.	EUR	60.4525	183.74	-	279.39	2458.61	1995.48	1510.81	1684.75	(7.87)	(1.79)	(6.08)	-	Belgium
8	Pauwels Trafo Gent N.V.	EUR	60.4525	22.63	-	(90.86)	0.18	68.41	-	0.55	(1.67)	-	(1.67)	-	Belgium
9	CG Power Systems Ireland Limited	EUR	60.4525	20.31	15.50	110.74	288.25	141.70	-	450.46	3.72	0.84	2.88	1.01	Ireland
10	CG Sales Networks France SA	EUR	60.4525	0.25	-	3.35	28.65	25.05	-	78.04	1.27	0.46	0.81	-	France
11	CG Power Systems USA Inc.	USD	44.9000	6.68	6.68	81.43	300.02	205.23	4.67	336.25	13.91	7.57	6.34	-	USA
12	CG Sales Networks Americas Inc.	USD	44.9000	0.45	-	(4.25)	9.54	13.34	-	22.33	2.56	(0.04)	2.60	-	USA
13	CG Power Systems Canada Inc.	CAD	44.1800	105.11	32.55	(70.83)	305.54	238.71	-	460.38	74.15	19.91	54.24	-	Canada
14	CG Service Systems Curacao N.V.	EUR	60.4525	0.05	-	0.91	1.41	0.45	-	1.66	0.21	0.34	(0.13)	-	Netherlands Antilles
15	PT. CG Power Systems Indonesia	USD	44.9000	56.36	-	97.45	297.20	143.39	-	379.60	99.80	25.29	74.51	-	Indonesia
16	CG Holdings Hungary Kft.	HUF	0.2279	0.06	-	(62.04)	98.39	160.37	-	12.07	9.97	0.40	9.57	-	Hungary
17	CG Electric Systems Hungary Zrt.	HUF	0.2279	542.25	-	(421.67)	595.62	475.04	-	536.17	55.93	3.36	52.57	-	Hungary
18	CG Power Holdings Ireland Limited	EUR	60.4525	21.30	4.66	(49.57)	17.01	40.62	8.76	-	0.31	-	0.31	-	Ireland
19	Microsol Limited	EUR	60.4525	5.44	1.24	(6.65)	0.03	-	-	-	0.00	-	-	-	Ireland
20	CG Automation Systems UK Limited	EUR	60.4525	8.36	-	1.16	19.00	9.48	-	32.78	0.95	0.34	0.61	-	United Kingdom
21	Viserge Limited	EUR	60.4525	0.01	-	15.90	16.01	0.10	-	3.21	3.17	-	3.17	-	Ireland
22	CG Automation Systems USA Inc.	USD	44.9000	9.77	-	(7.67)	18.26	16.16	-	18.74	0.21	-	0.21	-	USA
23	CG Service Systems France SAS	EUR	60.4525	1.35	-	1.80	10.05	6.90	-	17.55	1.27	0.67	0.60	-	France
24	M.S.E. Power Systems Inc.	USD	44.9000	38.00	-	(26.05)	92.14	80.19	-	187.52	(15.44)	(4.96)	(10.48)	-	USA
25	CG Holdings Germany GmbH	EUR	60.4525	0.17	-	(0.02)	0.15	-	-	-	0.00	-	0.00	-	Germany



Crompton
Greaves
Consolidated
Financials

AUDITORS' REPORT TO THE BOARD OF DIRECTORS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CROMPTON GREAVES LIMITED AND ITS SUBSIDIARIES

1. We have audited the attached Consolidated Balance Sheet of Crompton Greaves Limited and its subsidiaries and associates ('the Crompton Greaves Group') as at 31st March, 2010, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries, namely, CG Capital & Investments Limited and CG International B.V., The Netherlands and its subsidiaries whose financial statements reflect total assets of Rs. 2814.33 crore as at 31st March, 2010, total revenues of Rs. 3859.55 crore and the cash inflows being Rs. 13.01 crore for the year ended on that date and certain associates, namely, CG Actaris Electricity Management Private Limited, Pauwels Middle East Trading & Contracting Private Limited and Avantha Power & Infrastructure Limited whose net carrying cost of investments being Rs. 231.58 crore and current year share of profit being Rs. 2.56 crore. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and associates, is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 Consolidated Financial Statements and (AS) 23 Accounting for Investments in Associates in Consolidated Financial Statements specified by the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and on the basis of the separate audited financial statements of the Crompton Greaves Group included in the consolidated financial statements.
5. In our opinion and to the best of our information and explanations given to us and on consideration of the separate audit report on individual audited financial statements of the Crompton Greaves Group, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Crompton Greaves Group as at 31st March, 2010;
 - (b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Crompton Greaves Group for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Crompton Greaves Group for the year ended on that date.

For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No.109982W

L. VAIDYANATHAN
PARTNER

Mumbai, 13th May, 2010

Membership No. 16368

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31-03-2010		As at 31-03-2009	
	Schedule	Rs. crore	Rs. crore	Rs. crore	Rs. crore
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS:					
Share capital	1	128.30		73.32	
Reserves and surplus	2	2375.98		1757.73	
			2504.28		1831.05
MINORITY INTEREST	3		4.30		13.85
LOAN FUNDS:					
Secured loans	4	476.57		692.25	
Unsecured loans	5	24.38		25.95	
			500.95		718.20
DEFERRED TAX LIABILITIES			94.53		84.77
(Refer Note 13 of Schedule 'B')					
			3104.06		2647.87
APPLICATION OF FUNDS					
FIXED ASSETS:		6			
Gross block		2985.76		3028.85	
Less: Depreciation, obsolescence, amortisation and impairment		1723.43		1704.02	
Net block		1262.33		1324.83	
Capital work-in-progress		113.69		53.70	
			1376.02		1378.53
INVESTMENTS	7		553.57		167.21
DEFERRED TAX ASSETS			89.60		132.98
(Refer Note 13 of Schedule 'B')					
CURRENT ASSETS, LOANS AND ADVANCES:					
Inventories	8	1041.21		1094.92	
Sundry debtors	9	2146.27		2055.64	
Cash and bank balances	10	668.82		565.64	
Loans and advances	11	245.54		228.97	
		4101.84		3945.17	
Less: CURRENT LIABILITIES AND PROVISIONS:					
Current liabilities	12	2656.72		2602.15	
Provisions	13	360.25		373.87	
		3016.97		2976.02	
Net current assets			1084.87		969.15
			3104.06		2647.87
CONTINGENT LIABILITIES		20			
SIGNIFICANT ACCOUNTING POLICIES		A			
NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT		B			

The Schedules referred to above and the Notes attached, form an integral part of the Consolidated Balance Sheet

As per our report attached
For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Schedule	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
INCOME:				
Sales and services	9375.50		9031.08	
Less: Excise duty	234.63		293.82	
Sales and services (net)		9140.87		8737.26
Other income	14	109.98		73.99
		9250.85		8811.25
EXPENDITURE:				
Manufacturing, construction and operating expenses	15	5796.60		5693.76
Staff expenses	16	1113.14		1064.62
Selling and administration expenses	17	954.18		983.30
Interest and commitment charges	18	42.79		80.80
Depreciation, obsolescence, amortisation and impairment	19	155.09		121.60
		8061.80		7944.08
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM		1189.05		867.17
Provision for:				
Current tax		313.72		261.30
Deferred tax		51.27		38.04
(Refer Note 13 of Schedule 'B')				
Fringe benefit tax		-		5.33
		364.99		304.67
PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEM		824.06		562.50
Minority interest in income		(2.55)		(1.71)
Share of profit / (loss) of Associate companies		3.15		(0.89)
PROFIT AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT / (LOSS) IN ASSOCIATE COMPANIES, BEFORE EXTRAORDINARY ITEM		824.66		559.90
Extraordinary item (net of tax expense Rs. nil)		35.21		-
(Refer Note 1 of Schedule 'B')				
PROFIT AVAILABLE FOR DISTRIBUTION		859.87		559.90
1st Interim dividend		29.33		25.66
2nd Interim dividend		51.32		29.32
3rd Interim dividend		-		18.33
Corporate dividend tax		14.08		12.57
BALANCE CARRIED TO BALANCE SHEET		765.14		474.02
Earnings per share before extraordinary item (basic and diluted)	Rs.	12.86		8.73
Earnings per share after extraordinary item (basic and diluted)	Rs.	13.40		8.73
(Face value of equity share of Rs. 2 each)				
(Refer Note 12 of Schedule 'B')				
SIGNIFICANT ACCOUNTING POLICIES	A			
NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT	B			

The Schedules referred to above and the Notes attached, form an integral part of the Consolidated Profit and Loss Account

As per our report attached
For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10	2008-09
	Rs. crore	Rs. crore
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxes	1189.05	867.17
Adjustments for:		
Depreciation, obsolescence, amortisation and impairment	155.09	121.60
Provision for doubtful debts and advances	30.61	18.80
Interest expenses	42.79	80.80
Interest income	(16.30)	(15.29)
Income from investments (net)	(0.17)	(1.41)
Profit on sale of investments (net)	(6.85)	(3.78)
Unrealised exchange (gain) / loss (net)	(8.36)	29.52
Unrealised foreign exchange gain on consolidation (net)	(92.64)	60.18
(Profit) / Loss on sale of fixed assets (net)	0.18	(0.09)
Provision / (reversal) for diminution in value of Investments	(0.17)	0.17
	104.18	290.50
Operating profit before working capital changes	1293.23	1157.67
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(88.86)	(314.74)
(Increase) / Decrease in Inventories	95.03	(25.05)
Increase / (Decrease) in trade and other payables	40.74	358.41
Increase / (Decrease) in provisions	7.35	(12.77)
	54.26	5.85
Cash generated from operations	1347.49	1163.52
Direct taxes and fringe benefit tax paid (net of refunds)	(292.00)	(216.54)
Minority interest in income	(2.55)	(1.71)
Share of profit / (loss) of associate companies	3.15	(0.89)
Cash generated from / (used in) operations	[A] 1056.09	944.38
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Add: Inflows from investing activities		
Sale of fixed assets	83.33	3.55
Sale of investments	2284.05	2026.27
Consideration received on divestment of investment in subsidiary	51.40	-
Change in minority interest	-	1.60
Change in investment in associate companies	7.44	0.89
Cash and cash equivalents acquired pursuant to acquisition of subsidiary companies	2.05	15.33
Interest income	16.30	12.69
Income from investments (net)	0.17	1.41
	2444.74	2061.74
Less: Outflows from investing activities		
Purchase of fixed assets	(290.35)	(201.22)
Purchase of investments	(2486.51)	(2097.70)
Change in minority interest	(9.55)	-
Acquisition of subsidiary, associate and minority interest	(233.40)	(84.38)
	(3019.81)	(2383.30)
Net Cash (used in) / from investing activities	[B] (575.07)	(321.56)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd.)

	2009-10	2008-09
	Rs. crore	Rs. crore
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Outflows from financing activities		
Secured loans	(213.89)	(131.54)
Unsecured loans	(2.98)	(5.82)
Interim dividend paid	(98.69)	(69.45)
Corporate dividend tax	(17.19)	(11.95)
Interest expenses	(45.09)	(82.91)
	(377.84)	(301.67)
Cash generated from / (used in) financing activities [C]	(377.84)	(301.67)
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	103.18	321.15
Cash and cash equivalents at beginning of the year	565.64	244.49
Cash and cash equivalents at end of the year	668.82	565.64

Notes:

- The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 Cash Flow Statements, as specified in the Companies (Accounting Standards) Rules, 2006.
- Additions to fixed assets include movements of capital work-in-progress during the year.
- Cash and cash equivalents at the end of the year represent cash and bank balances and include unrealised gain of Rs. 0.00 crore (Rs. 41,002; *Previous year Rs. 0.19 crore*) on account of translation of foreign currency bank balances.
- Figures for the previous year have been re-grouped / re-classified wherever necessary.

As per our report attached
For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 1	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
SHARE CAPITAL		
Authorised:		
1,30,00,00,000 Equity Shares of Rs. 2 each	260.00	125.00
<i>(Previous year 62,50,00,000 equity shares of Rs. 2 each)</i>		
Issued:		
64,15,33,836 Equity Shares of Rs. 2 each	128.30	73.32
<i>(Previous year 36,66,08,892 equity shares of Rs. 2 each)</i>		
Subscribed and paid-up:		
64,14,91,536 Equity Shares of Rs. 2 each	128.30	73.32
<i>(Previous year 36,65,66,592 equity shares of Rs. 2 each)</i>		
Forfeited shares:		
Amount paid-up on 42,300 equity shares	0.00	0.00
<i>(amount paid-up Rs. 32,175)</i>		
	128.30	73.32

Note:

Of the above shares:

- (i) 19,36,000 issued pursuant to a contract without payment being received
- (ii) 8,10,00,000 issued as fully paid up bonus shares by way of capitalisation of reserves
- (iii) 37,96,58,256 issued as fully paid up bonus shares by way of capitalisation of securities premium account including 27,49,24,944 shares issued during the year
- (iv) 73,82,830 issued as fully paid up pursuant to scheme of amalgamation; and
- (v) 3,30,68,750 issued as an international offering of Global Depository Receipts (GDR's) (in US Dollars)

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 2	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
RESERVES AND SURPLUS				
Capital reserve on consolidation:				
As per last balance sheet	156.68		156.68	
Add: Acquisition of Brook Crompton Greaves Limited	3.61		-	
Acquisition / subscription of Avantha Power & Infrastructure Limited	1.42		-	
		161.71		156.68
Capital reserve		19.12		19.12
Securities premium account:				
As per last balance sheet	206.82		206.82	
Less: Utilised for issue of bonus shares	(54.98)		-	
		151.84		206.82
Capital redemption reserve		10.00		10.00
Revaluation reserve:				
As per last balance sheet	14.58		14.76	
Less: Transferred to Profit and Loss Account	(0.16)		(0.18)	
		14.42		14.58
Government subsidy:				
As per last balance sheet	0.38		0.39	
Less: Transferred to retained earnings	-		(0.01)	
		0.38		0.38
Foreign currency translation reserve:				
As per last balance sheet	42.89		(22.72)	
Addition / (deduction) during the year	(91.02)		65.61	
		(48.13)		42.89
Investment allowance (Utilised) reserve:				
As per last balance sheet	-		0.33	
Less: Transferred to retained earnings	-		(0.33)	
		-		-
Hedge Reserve		(5.76)		-
(Refer Note 16 of Schedule 'B')				
Retained earnings:				
As per last balance sheet	1307.26		843.09	
Add / (Less): Transferred from:				
Profit and Loss Account	765.14		474.02	
Investment allowance (Utilised) reserve	-		0.33	
Government subsidy	-		0.01	
Employee benefits	-		(10.18)	
Acquisition of share of minority interest	-		(0.01)	
		2072.40		1307.26
		2375.98		1757.73

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 3	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
MINORITY INTEREST		
Opening balance	13.85	12.25
Adjustments on account of divestment / investment in subsidiaries	(11.25)	0.06
Share of profit for the year	2.55	1.71
Dividend to minority shareholders	(0.85)	(0.17)
Closing balance	4.30	13.85

SCHEDULE: 4	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
SECURED LOANS		
Term Loans		
From banks	418.59	554.04
From financial institutions	57.98	138.21
(Refer Note 17 of Schedule 'B')		
	476.57	692.25

SCHEDULE: 5	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
UNSECURED LOANS		
Inter-corporate deposits	-	2.21
{Due within one year Rs. nil; (Previous year Rs. 2.21 crore)}		
Lease finance	11.34	4.07
{Due within one year Rs. 3.11 crore; (Previous year Rs. 2.27 crore)}		
Interest free sales tax deferral loans from State Governments	13.04	19.15
{Due within one year Rs. 8.45 crore; (Previous year Rs. 6.19 crore)}		
Others	-	0.52
{Due within one year Rs. nil (Previous year Rs. 0.52 crore)}		
	24.38	25.95

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 6

Rs. crore

FIXED ASSETS

ASSETS	Gross block (Cost / Valuation)				Impairment		Depreciation / Obsolescence / Amortisation				Net block				
	As at 01-04-2009	Additions and adjustment	Deductions and adjustment	Translation Adjustments	As at 31-03-2010	As at 01-04-2009	Reversed Adjustments	As at 31-03-2010	Upto 31-03-2009	For the year	Deductions	Translation Adjustments	Upto 31-03-2010	As at 31-03-2010	As at 31-03-2009
(A) Tangible Assets															
Freehold land	37.96	1.64	-	(1.14)	38.46	-	-	-	-	-	-	-	-	38.46	37.96
Buildings	698.33	38.26	6.69	(23.82)	706.08	-	-	-	351.69	22.86	2.09	(20.80)	351.66	354.42	346.64
Plant and equipments	1499.57	151.18	106.23	(46.63)	1497.89	-	-	-	999.56	81.13	29.08	(37.97)	1013.64	484.25	500.01
Railway sidings	0.02	-	-	-	0.02	-	-	-	0.01	-	-	-	0.01	0.01	0.01
Furniture and fixtures	202.68	8.81	5.95	(8.25)	197.29	-	-	-	161.48	11.86	5.47	(6.61)	161.26	36.03	41.20
Vehicles	32.82	2.01	4.18	(1.12)	29.53	-	-	-	22.38	3.03	3.49	(1.20)	20.72	8.81	10.44
Sub-total (A)	2471.38	201.90	123.05	(80.96)	2469.27	-	-	-	1535.12	118.88	40.13	(66.59)	1547.29	921.98	936.26
(B) Intangible Assets															
Goodwill on consolidation	414.25	-	-	(42.93)	371.32	-	-	-	83.10	36.50	-	(8.04)	111.56	259.76	331.15
Leasehold land	16.34	1.64	0.36	-	17.62	-	-	-	2.44	0.25	0.05	-	2.64	14.98	13.90
Computer software	99.41	4.79	27.25	(2.26)	74.69	-	-	-	72.77	11.04	27.25	(6.14)	50.42	24.27	26.64
Technical know-how	2.97	10.53	-	(1.10)	12.40	-	-	-	1.78	0.59	-	-	2.37	10.03	1.19
Patents and licenses	0.33	-	0.30	-	0.03	-	-	-	0.01	0.02	0.03	-	-	0.03	0.32
Research and development	24.17	21.89	-	(5.63)	40.43	-	-	-	8.80	5.15	-	(4.80)	9.15	31.28	15.37
Sub-total (B)	557.47	38.85	27.91	(51.92)	516.49	-	-	-	168.90	53.55	27.33	(18.99)	176.14	340.35	388.57
Total (A+B)	3028.85	240.75	150.96	(132.88)	2985.76	-	-	-	1704.02	172.43	67.46	(85.56)	1723.43	1262.33	1324.83
Previous year	2685.41	198.08	13.02	158.38	3028.85	5.36	5.36	-	1483.22	127.14	9.56	103.22	1704.02	113.69	53.70
Add: Capital work-in-progress															
														1376.02	1378.53

Notes:

- Addition to the fixed assets include Rs. 27.57 crore due to acquisition of Subsidiary - Brook Crompton Greaves Limited.
- Depreciation for the year include accumulated depreciation of Rs. 17.18 crore due to acquisition of subsidiary - Brook Crompton Greaves Limited.
- Deduction in the fixed assets include Rs. 92.10 crore due to sale of subsidiary - Malanpur Capitive Power Limited.
- Deduction in the depreciation include Rs. 12.44 crore due to sale of subsidiary - Malanpur Capitive Power Limited.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 7	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
INVESTMENTS				
(Refer Note 7 of Schedule 'A')				
Long Term Investments				
Government and trust securities	0.75		0.75	
Fully paid shares of associate companies (Under equity method)	248.16		27.19	
Fully paid preference / equity shares of other companies	0.11		0.52	
Bonds and debentures	4.67		34.24	
		253.69		62.70
Current Investments				
Other fully paid equity shares	0.83		0.66	
Other investments	299.05		103.85	
		299.88		104.51
		553.57		167.21

SCHEDULE: 8	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
INVENTORIES				
Stores, spares and packing materials		7.79		7.73
Raw materials		325.29		370.08
Work-in-progress - Manufacturing		510.44		566.02
Finished goods - Manufacturing	101.51		81.53	
Add: Excise duty on finished goods	3.47		2.00	
		104.98		83.53
Finished goods - Trading		31.59		23.24
Work-in-progress - Contracts				
At cost	8.31		5.00	
At realisable sales value	37.23		443.43	
	45.54		448.43	
Less: Progress payments	23.70		404.11	
Due from customers		21.84		44.32
Shares / Bonds held as stock-in-trade		39.28		-
(Refer Note 6 of Schedule 'B')				
		1041.21		1094.92

SCHEDULE: 9	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
SUNDRY DEBTORS				
(Unsecured)				
Debts outstanding for a period exceeding six months				
Considered good	184.40		195.98	
Considered doubtful	79.65		55.46	
	264.05		251.44	
Other debts				
Considered good	1961.87		1859.66	
Considered doubtful	0.52		0.70	
	2226.44		2111.80	
Less: Provision for doubtful debts	80.17		56.16	
		2146.27		2055.64
		2146.27		2055.64

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 10	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
CASH AND BANK BALANCES				
Cash on hand		0.36		0.32
Bank balances with scheduled banks				
On current accounts	114.81		186.20	
On deposit accounts	441.24		297.08	
		556.05		483.28
Bank balances with non-scheduled banks				
On current accounts	107.54		76.08	
On deposit accounts	4.87		5.96	
		112.41		82.04
		668.82		565.64

SCHEDULE: 11	As at 31-03-2010		As at 31-03-2009	
	Rs. crore		Rs. crore	
LOANS AND ADVANCES				
(Unsecured, considered good)				
Interest accrued on investments and deposits		1.05		2.89
Advances recoverable in cash or in kind or for value to be received		174.14		140.74
Balances with excise, customs, service tax and value added tax, etc.		70.35		85.34
		245.54		228.97

SCHEDULE: 12	As at 31-03-2010		As at 31-03-2009	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
CURRENT LIABILITIES				
Acceptances		123.29		156.52
Sundry creditors		1486.51		1431.88
Due to customers				
Progress bills raised	359.32		-	
Less: Construction and project related work at realisable value	339.61		-	
		19.71		-
Advances from customers		726.28		729.04
Investor Education and Protection Fund				
Unclaimed dividend	1.54		1.25	
Unclaimed matured fixed deposits	0.13		0.17	
		1.67		1.42
Due to Directors		10.91		4.90
Interest accrued but not due on loans		0.22		2.52
Other liabilities		255.05		224.81
Due to erstwhile shareholders of acquired subsidiaries		33.08		51.06
		2656.72		2602.15

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 13	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
PROVISIONS		
Taxes	42.29	41.59
(Net of advance tax Rs. 271.43 crore; <i>previous year Rs. 219.71 crore</i>)		
Fringe benefit tax	-	0.30
(Net of advance tax Rs. nil; <i>previous year Rs. 5.03 crore</i>)		
Interim dividend	-	18.33
Corporate dividend tax	-	3.11
Employee benefits	86.86	103.89
Others provisions	231.10	206.65
(Refer Note 15 of Schedule 'B')		
	360.25	373.87

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE: 14	2009-10	2008-09
	Rs. crore	Rs. crore
OTHER INCOME		
Income from lease of premises / business service centers	24.29	22.08
Income from investments (net)	0.17	1.41
Interest income on		
Short Term deposits	12.23	12.22
Others	4.07	3.07
Profit on sale of investments (net)	6.85	3.78
Profit on sale of fixed assets (net)	-	0.09
Exchange gain (net)	31.49	-
Miscellaneous income	30.88	31.34
	109.98	73.99

SCHEDULE: 15	2009-10		2008-09	
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
MANUFACTURING, CONSTRUCTION AND OPERATING EXPENSES				
Materials consumed				
Opening stock	370.08		363.39	
Add: Purchases	4327.04		4273.00	
Less: Closing stock	325.29		370.08	
Total	4371.83		4266.31	
Less: Scrap sales	66.48		89.25	
	4305.35		4177.06	
Add: Construction materials	66.21		182.07	
		4371.56		4359.13
Cost of traded goods				
Opening stock	23.24		17.97	
Add: Purchases	945.81		932.10	
Less: Closing stock	31.59		23.24	
		937.46		926.83
(Increase) / decrease in stocks:				
Closing Stock				
Work-in-progress	518.75		571.02	
Finished goods	104.98		83.53	
	623.73		654.55	
Opening Stock				
Work-in-progress	571.02		532.82	
Finished goods	83.53		102.87	
	654.55	30.82	635.69	(18.86)
		5339.84		5267.10
Sub contracting charges		252.47		225.27
Stores and spares		58.53		60.91
Power and fuel		74.30		75.78
Repairs - Buildings		16.75		16.07
Repairs - Plant and equipments		42.87		36.14
Technical and testing fees		11.84		12.49
		5796.60		5693.76

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE: 16	2009-10	2008-09
	Rs. crore	Rs. crore
STAFF EXPENSES		
Salaries, wages and bonus	883.69	833.35
Provident fund and family pension scheme contributions	9.76	9.25
Superannuation fund contributions	4.08	3.45
Gratuity	6.12	4.04
Pension / social security	129.10	136.06
Post retirement medical benefits	0.63	1.49
Compensated absences	2.60	5.49
Workmen and staff welfare	77.16	71.49
	1113.14	1064.62

SCHEDULE: 17	2009-10	2008-09
	Rs. crore	Rs. crore
SELLING AND ADMINISTRATION EXPENSES		
Rent	32.88	27.31
Repairs - others	28.70	28.39
Rates and taxes	44.89	32.42
Insurance	23.97	27.55
Travelling	58.75	59.36
Legal and professional charges	94.97	65.71
Auditors' remuneration	6.82	6.34
Freight and forwarding	252.45	267.47
Packing materials	50.10	42.11
After sales services including warranties	74.93	55.00
Sales promotion	57.84	27.22
Bad debts and advances written off	36.47	7.82
Less: Provision for doubtful debts and advances written back	23.64	0.76
	12.83	7.06
Provision for doubtful debts and advances	30.61	18.80
Loss on sale of fixed assets (net)	0.18	-
Provision for diminution in value of investments	-	0.17
Exchange loss (net)	-	127.82
Directors' fees	0.15	0.15
Miscellaneous expenses	184.11	190.42
	954.18	983.30

SCHEDULE: 18	2009-10	2008-09
	Rs. crore	Rs. crore
INTEREST AND COMMITMENT CHARGES		
Fixed loans	14.66	41.20
Others	28.13	39.60
	42.79	80.80

SCHEDULE: 19	2009-10	2008-09
	Rs. crore	Rs. crore
DEPRECIATION, OBSOLESCENCE, AMORTISATION AND IMPAIRMENT		
Depreciation, obsolescence and amortisation	155.25	127.14
Impairment provided / (reversed)	-	(5.36)
Recoupment from revaluation reserve	(0.16)	(0.18)
	155.09	121.60

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE: 20	As at	As at
	31-03-2010	31-03-2009
	Rs. crore	Rs. crore
CONTINGENT LIABILITIES		
(a) Claims against the companies not acknowledged as debts	12.20	11.87
(b) Sales tax liability that may arise in respect of matters in appeal	4.77	1.41
(c) Excise duty / service tax liability that may arise in respect of matters in appeal preferred by the companies	6.08	6.27
(d) Excise duty / service tax liability that may arise in respect of matters preferred by the department	1.57	1.35
(e) Income tax liability that may arise in respect of matters in appeal preferred by the companies	0.09	3.34
(f) Income tax liability that may arise in respect of matters in appeal preferred by the department	7.55	10.09
(g) Guarantees issued to bankers by associate companies	-	0.14
(h) Bills discounted	84.11	231.78

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES****1 Basis of Preparation of Financial Statements**

The consolidated financial statements relate to Crompton Greaves Limited (the Parent Company), its subsidiary companies and associates. The Parent Company with its subsidiaries and associates constitute the Group.

- (a) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e. year ended 31st March, 2010.
- (b) The Group maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with the Generally Accepted Accounting Principles (GAAP) and in compliance with the Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and other provisions of the Companies Act, 1956. However, certain escalation and other claims are accounted for in terms of contracts with the customers / admitted by the appropriate authorities.
- (c) The financial statements of all Indian subsidiaries and associates are prepared in compliance with the Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and other provisions of the Companies Act, 1956 and those of the foreign subsidiaries and associates, have been prepared in compliance with the local laws and applicable accounting standards.

2 Use of Estimates

The preparation of financial statements in conformity with GAAP requires that the respective management of the companies makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

3 Principles of Consolidation

- (a) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra-group transactions and unrealised profits resulting therefrom and are presented to the extent possible, in the same manner as the Company's independent financial statements.
- (b) The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.
- (c) The excess of cost to the Parent Company of its investment in each of the subsidiaries over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the consolidated financial statements as 'goodwill on consolidation' and carried in the balance sheet as an asset. Where the share of equity in the subsidiary companies as on the date of investment, is in excess of cost of investment of the company, it is recognised as 'capital reserve' and shown under the head Reserves and Surplus, in the consolidated financial statements.
- (d) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.
- (e) Investments in associate companies have been accounted under the equity method as per Accounting Standard (AS) 23 Accounting for Investments in Associates in Consolidated Financial Statements.

Under the equity method of accounting, the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquisition. The carrying amount of investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. The consolidated profit and loss account reflects the investor's share of the results of the operations of the investee.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****4 Fixed Assets**

- (a) Fixed assets are stated at cost net of tax / duty credit availed, if any, except for land and buildings added prior to 30th June, 1985 which are stated at revalued cost as at that date based on the report of technical expert (in case of the Parent Company).
- (b) Fixed assets are eliminated from financial statements, either on disposal or when retired from active use. The retired assets are disposed off immediately.
- (c) Pre-operative expenses, including interest on borrowings upto the date of commercial operations, are treated as part of the project cost and capitalised.
- (d) Internally manufactured / constructed fixed assets are capitalised at factory cost, including excise duty, where applicable.
- (e) Machinery spares which are specific to particular item of fixed assets and whose use is irregular are capitalised as part of the cost of machinery.
- (f) Capital work-in-progress includes cost of fixed assets under installation / erection as at the balance sheet date and capital advances.

5 Impairment of Assets

- (a) The carrying amount of assets, other than inventories is reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated.
- (b) An impairment loss is recognised, whenever the carrying amount of assets or its cash generating units exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow generated from the continuing use of an asset and from its disposal at the end of its useful life, discounted to its present value.
- (c) An impairment loss is reversed, if there has been a change in the estimates made to determine and recognise the recoverable amount in the earlier year.

6 Intangible Assets and Amortisation

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

- (a) Leasehold land : Over the period of lease;
- (b) Specialised software : Over a period of three to five years;
- (c) Lump sum fees for technical know-how : Over a period of five years from the year of commercial production;
- (d) Goodwill on consolidation : Over the period of ten years; and
- (e) Other intangible assets : Over the period of five years.

7 Investments

Long term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary in value of long term investments and is determined separately for each individual investments. Current investment are carried at lower of cost and fair value, computed separately in respect of each category on investment.

8 Inventories

Inventories are valued at the lower of cost and net realisable value, after providing for obsolescence as under:

- (a) Raw materials, packing materials, stores and spares : At cost, on weighted average basis;
- (b) Work-in-progress - Manufacturing : At cost plus appropriate production overheads;
- (c) Work-in-progress - Contracts : At cost, till certain percentage of completion and thereafter at realisable value;
- (d) Finished goods - Manufacturing : At cost plus appropriate production overheads, including excise duty paid / payable on such goods; and
- (e) Finished goods - Trading : At cost, on weighted average basis.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****9 Foreign currency transactions**

- (a) The reporting currency is Indian Rupee.
- (b) Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (c) Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the company's monetary items at the closing rate are recognised as income or expense in the period in which they arise.
- (d) The operation of foreign subsidiaries which are considered as non-integral operations, their financial statements are translated at the following exchange rates:
 - (i) Revenue and Expenses : At the average exchange rate during the year
 - (ii) Current assets and Current liabilities : Exchange rate prevailing at the end of the year
 - (iii) Fixed Assets : Exchange rate prevailing at the end of the year
 - (iv) Share Capital : At the original rate when the capital was infused.

The resultant exchange difference is accounted as Foreign Currency Translation Reserve until the disposal of the net investment.

10 Hedge accounting and Derivatives

- (a) If the derivative is designated as a hedging instrument and also documents at the inception of the transaction establishes the relationship between hedging instruments and hedged items as well as its risk management objectives and strategy for undertaking various hedging transactions, then the hedge is classified in the fair value hedge and cash flow hedge.
 - i) Fair value hedge:

Changes in the fair value of the derivatives that are designated and qualified as fair value hedges are recorded in the profit and loss account, together with any change in the fair value of the hedged asset or liability that are attributable to the hedged risk.
 - ii) Cash flow hedge:

The effective portion of the changes in the fair value of derivatives that are designated and qualified as the cash flow hedge are recognised in shareholders' fund and ineffective portion is to be recognised immediately in the profit and loss account. Amount accumulated in shareholders' fund are reclassified in the profit and loss account in the periods the hedged item affects profit and loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss on the hedging instrument recognised in the shareholders' fund, is recognised in the profit and loss account when forecasted transaction occurs.

When the forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in shareholders' fund is immediately transferred to the profit and loss account.
- (b) Derivatives instruments

Derivatives instruments do not qualify for the hedge accounting. Change in the fair value of any of these derivatives instruments are recognised in the profit and loss account. The premium or the discount on forward exchange contracts is amortised as expense or income over the life of the contract.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****11 Revenue Recognition**

- (a) Revenue from sale of products is recognised when all the significant risks and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and acceptance. Sales include excise duty and price variation and are recognised in terms of contracts with the customers. Sales exclude value added tax / sales tax, brokerage and commission.
- (b) Service income is recognised as per the terms of the contracts with the customers.
- (c) Revenue from contracts is recognised based on percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the costs incurred upto the reporting date to the total estimated cost to complete.
- (d) Income from interest on deposits, loans and interest bearing securities is recognised on accrual basis.
- (e) Dividend income is accounted for when the right to receive income is established.

12 Employee Benefits

Employee benefits including contributions towards social security, retirement benefit schemes are accounted for based on the regulatory framework in the respective countries and employment rules / contracts applicable to the specific companies.

13 Depreciation

- (a) Depreciation on the fixed assets is provided at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, on written down value method except in the case of the Parent Company, where depreciation on buildings and plant and equipment is provided on straight line method. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on subsequent review is shorter than that envisaged in the aforesaid Schedule, depreciation is provided at a higher rate based on the management's estimate of useful life / remaining life.
- (b) Buildings constructed on leasehold land are depreciated at normal rate as prescribed in Schedule XIV to the Companies Act, 1956, where the lease period of land is beyond the life of the building. In other cases, amortised over the lease period.
- (c) In the case of revalued assets, the difference between the depreciation based on revaluation and the depreciation charged on historical cost is recouped out of revaluation reserve.
- (d) In case of impaired assets, the depreciation is charged on the adjusted cost computed after impairment.
- (e) In case of foreign subsidiaries, depreciation on fixed assets has been provided at the rates required / permissible by the GAAPs of the respective countries. However, the depreciation rates are higher than the rates specified in the Schedule XIV to the Companies Act, 1956.

14 Research and Development

- (a) Revenue expenditure on research and development is charged under respective heads of account.
- (b) Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

15 Borrowing Costs

- (a) Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
- (b) All other borrowing costs are recognised as expense in the period in which they are incurred.

SCHEDULE: A**SIGNIFICANT ACCOUNTING POLICIES (Contd.)****16 Leases**

- (a) Assets acquired under leases where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- (b) Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the profit and loss account on accrual basis.

17 Taxes on Income

- (a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of relevant tax laws and based on the expected outcome of assessments / appeals.
- (b) Deferred tax reflects the tax effects of timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.
- (c) Deferred tax assets are recognised and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- (d) The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the respective companies have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

18 Provisions, Contingent liabilities and Contingent assets

- (a) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if
 - i) the Company has a present obligation as a result of a past event;
 - ii) a probable outflow of resources is expected to settle the obligation; and
 - iii) the amount of the obligation can be reliably estimated.
- (b) Reimbursements by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if, obligation is settled.
- (c) Contingent liability is disclosed in the case of :
 - i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
 - ii) a present obligation when no reliable estimate is possible;
 - iii) a possible obligation arising from past events, unless the probability of outflow of resources is remote.
- (d) Contingent assets are neither recognised nor disclosed.
- (e) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

19 Government grants / Subsidy

- (a) Capital grants in case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as capital grants which are recognised as income in the profit and loss account over the period and in proportion in which depreciation is charged.
- (b) Revenue grants are recognised in the profit and loss account in the same period as the related cost which they are intended to compensate are accounted for.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

- 1 (a) In terms of Accounting Standard (AS) 21 Consolidated Financial Statements and Accounting Standard (AS) 23 Accounting for Investments in Associates in Consolidated Financial Statements, the consolidated financial statements present the consolidated accounts of Crompton Greaves Limited (the Parent Company) with its subsidiaries and associates as under:

Sr. No.		Country of Incorporation	Proportion of Ownership Interest either directly or through subsidiary	
			As at 31-03-2010	As at 31-03-2009
Subsidiaries				
1	CG Capital & Investments Limited	India	100.00	100.00
2	CG Energy Management Limited	India	100.00	100.00
3	CG PPI Adhesive Products Limited	India	81.42	81.42
4	Malanpur Captive Power Limited	India	-	59.00
5	Brook Crompton Greaves Limited	India	100.00	49.00
6	CG International B.V.	The Netherlands	100.00	100.00
7	CG Holdings Belgium N.V. (formerly Pauwels International N.V.)	Belgium	100.00	100.00
8	CG Power Systems Belgium N.V. (formerly Pauwels Trafo Belgium N.V.)	Belgium	100.00	100.00
9	Pauwels Trafo Gent N.V.	Belgium	100.00	100.00
10	CG Power Systems Ireland Limited (formerly Pauwels Trafo Ireland Limited)	Ireland	100.00	100.00
11	CG Sales Networks France SA (formerly Pauwels France S.A)	France	99.40	99.80
12	CG Power Systems USA Inc. (formerly Pauwels Transformers Inc.)	USA	100.00	100.00
13	CG Sales Networks Americas Inc. (formerly Pauwels Americas Inc.)	USA	100.00	100.00
14	CG Power Systems Canada Inc. (formerly Pauwels Canada Inc.)	Canada	100.00	100.00
15	CG Service Systems Curacao N.V. (formerly Pauwels Trafo Services N.V.)	Netherlands Antilles	100.00	100.00
16	PT. CG Power Systems Indonesia (formerly PT Pauwels Trafo Asia)	Indonesia	95.00	95.00
17	CG Holdings Hungary Kft. (formerly CG Hungary Kft.)	Hungary	100.00	100.00
18	CG Electric Systems Hungary Zrt. (formerly Ganz Transelektro Villamossagi Zrt.)	Hungary	100.00	100.00
19	Transverticum Kft. (liquidated on 18th January, 2010)	Hungary	-	100.00
20	CG Power Holdings Ireland Limited (formerly Microsol Holdings Limited)	Ireland	100.00	100.00
21	Microsol Limited	Ireland	100.00	100.00
22	CG Automation Systems UK Limited (formerly Microsol (UK) Limited)	United Kingdom	100.00	100.00
23	Viserge Limited	Ireland	100.00	100.00
24	CG Automation Systems USA Inc. (formerly Microsol Inc.)	USA	100.00	100.00
25	CG Service Systems France SAS (formerly Societe Nouvelle de Maintenance deTransformateurs (Sonomatra))	France	100.00	100.00
26	M.S.E. Power Systems, Inc.	USA	100.00	100.00
27	M.S.E. West LLC (liquidated on 30th June, 2009)	USA	-	100.00
28	CG Holdings Germany GmbH (formerly Crompton Greaves Germany GmbH)	Germany	100.00	100.00
Associates				
1	CG Actaris Electricity Management Private Limited	India	49.00	49.00
2	CG Lucy Switchgears Limited	India	50.00	50.00
3	International Components India Limited	India	50.00	50.00
4	Avantha Power & Infrastructure Limited (w.e.f. 24th November, 2009)	India	31.61	-
5	Pauwels Middle East Trading & Contracting Private Limited	Sharjah	49.00	49.00

- (b) For the purposes of consolidation, the financial statements of the foreign subsidiaries and associates as at 31st March, 2010, have been restated to comply with the Generally Accepted Accounting Principles in India.

- (c) The Parent Company has, on 1st March, 2010, divested its entire investments in Malanpur Captive Power Limited at an aggregate consideration of Rs. 51.40 crores to Avantha Power & Infrastructure Limited. Profit on sale of investment of Rs 35.21 crore (net of accumulated reserve) has been disclosed as an extraordinary item.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

- (d) The Parent Company has, on 27th August, 2009, acquired balance 81,60,000 equity shares in Brook Crompton Greaves Limited (BCGL), for a consideration of Rs. 6.40 crores, making it to a wholly owned subsidiary of the Parent Company.
- (e) The Parent Company has, during the year, subscribed 20,63,63,636 equity shares of Avantha Power & Infrastructure Limited at the total consideration of Rs. 227 crore.
- (f) In case of CG Actaris Electricity Management Private Limited, the financial statements as at 31st December, 2009 have been considered. There were no material adjustments required for any significant events or transactions for three months upto 31st March, 2010.
- (g) For the purposes of consolidation in accordance with Accounting Standard (AS) 23 Accounting for Investments in Associates in Consolidated Financial Statements, other defunct associate companies which do not fulfill the criterion specified in the said standard have been excluded. Investments in such associates have been accounted for in accordance with Accounting Standard (AS) 13 Accounting for Investments. The list of associates not included in the consolidated financial statements are as under:
- (i) Power Equipment Limited
 - (ii) Radiant Electronics Limited

	Rs. crore	Rs. crore
2 The effect of acquisition / divestment of subsidiary during the year:	Effect on Group Profit After Minority Interest Increase / (Decrease)	Net Assets as at 31-03-2010 Increase / (Decrease)
(a) Acquisition:		
Brook Crompton Greaves Limited	4.20	23.83
(b) Divestment:		
Malanpur Captive Power Limited	(4.23)	(16.19)
	As at 31-03-2010	As at 31-03-2009
3 Goodwill on Consolidation:		
Opening Balance	331.15	275.48
Goodwill on acquisition of subsidiaries during the year	-	72.69
Less: Goodwill charged to profit and loss account during the year	36.50	32.84
Translation adjustment	(34.89)	15.82
Closing balance	259.76	331.15
4 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	63.84	51.71
5 Advances recoverable in cash or in kind or for value to be received include:		
Rent deposit with director	-	0.02
6 CG Capital & Investments Limited has, during the year, converted a part of it's investments into Stock-in-trade at book value of Rs. 39.28 crore vide Board's resolution dated 20th May, 2009.		
	2009-10	2008-09
	Rs. crore	Rs. crore
7 Sales are net of:		
(a) Brokerage and commission	79.49	70.93
(b) Cash discount	20.50	11.03
8 Disclosures under Accounting Standard (AS) 7 Construction Contracts		
(a) Contract revenue recognised during the year	376.84	316.75
(b) Aggregate amount of contract cost incurred and recognised profits (less recognised losses) for all contracts in progress up to the reporting date.	385.15	429.02
(c) Amount of customer advances outstanding for contracts in progress up to the reporting date	75.27	18.87
(d) Retention amount due from customer for contract in progress up to reporting date	30.30	4.88

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

9 Disclosures as required by Accounting Standard (AS) 17 Segment Reporting

I Primary Segment (Business Segment)

						Rs. crore
Particulars	Power Systems	Consumer Products	Industrial Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2009-10
Revenue						
External sales (net of excise duty)	6204.40	1611.93	1221.20	103.34	-	9140.87
Inter segment sales	0.06	0.05	37.45	0.07	(37.63)	-
Total	6204.46	1611.98	1258.65	103.41	(37.63)	9140.87
Segment results	769.35	229.86	275.98	15.10		1290.29
Add: Interest income						16.30
Less: Interest expense						42.79
Less: Other unallocable expenditure						
Net of unallocable income						74.75
Profit before taxes						1189.05
Capital Employed:						
Segment assets	3780.50	340.34	516.17	85.79	1308.63	6031.43
Segment liabilities	2102.30	289.31	286.24	19.33	319.79	3016.97
Net Assets	1678.20	51.03	229.93	66.46	988.84	3014.46
Capital expenditure	198.09	9.18	35.57	0.22	57.68	300.74
Depreciation / Amortisation	113.12	6.81	18.56	5.31	11.29	155.09
Non-cash expenses other than depreciation	21.79	4.76	3.76	1.29	-	31.60

						Rs. crore
Particulars	Power Systems	Consumer Products	Industrial Systems	Others	Eliminations / Unallocable Expenditure / Assets*	Total 2008-09
Revenue						
External sales (net of excise duty)	6174.38	1321.82	1118.77	122.29	-	8737.26
Inter segment sales	0.10	0.04	31.00	0.05	(31.19)	-
Total	6174.48	1321.86	1149.77	122.34	(31.19)	8737.26
Segment results	624.97	146.28	213.27	19.43		1003.95
Add: Interest income						15.29
Less: Interest expense						80.80
Less: Other unallocable expenditure						
Net of unallocable income						71.27
Profit before taxes						867.17
Capital Employed:						
Segment assets	3817.91	305.88	433.82	183.69	749.61	5490.91
Segment liabilities	2284.55	250.00	193.91	26.95	220.61	2976.02
Net Assets	1533.36	55.88	239.91	156.74	529.00	2514.89
Capital expenditure	168.21	8.65	20.08	0.52	6.74	204.20
Depreciation / Amortisation	87.77	6.77	16.66	5.70	4.70	121.60
Non-cash expenses other than depreciation	39.19	0.54	0.80	-	8.73	49.26

* Unallocable assets comprise assets and liabilities which cannot be allocated to the segments. Tax credit assets / liabilities are not considered in capital employed above.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

9 Disclosures as required by Accounting Standard (AS) 17 Segment Reporting (Contd.)

II Secondary Segment (Geographical Segment)

(a) The distribution of sales :

	2009-10	2008-09
	Rs. crore	Rs. crore
Sales and Service Revenue:		
Domestic	4305.83	3602.60
Overseas	4835.04	5134.66
Total	9140.87	8737.26

(b) The location of tangible / intangible fixed assets :

	As at 31-03-2010	As at 31-03-2009
	Rs. crore	Rs. crore
Particulars		
Domestic	579.33	610.70
Overseas	796.69	767.83
Total	1376.02	1378.53

III Continent wise sales

	2009-10	2008-09
	Rs. crore	Rs. crore
Continents		
Asia	5670.92	4782.61
Africa	457.89	593.16
North America	981.24	1044.86
South America	244.96	235.61
Europe	1595.45	1950.28
Australia	190.41	130.74
Total	9140.87	8737.26

IV Segment Identification, Reportable Segment and definition of each Reportable Segment:

(a) Primary segment

In the opinion of the management, the business segment comprises the following :

- (i) Power Systems : Transformer, Switchgear, Turnkey Projects
- (ii) Consumer Products : Fans and Appliances, Luminaires, Light Sources and Pumps
- (iii) Industrial Systems : Electric Motors, Alternators and Drives
- (iv) Others : Telecommunication, Investment Activity, Generation and Distribution of electricity etc.

(b) Primary / Secondary segment reporting format:

- (i) The risk-return profile of the Group's business is determined predominantly by the nature of its products and services. Accordingly, the business segment constitutes the primary segment for disclosure of segment information.
- (ii) In respect of secondary segment information, the Group has identified its geographical segments as (a) Domestic and (b) Overseas. The secondary segment information has been disclosed accordingly.

(c) Segment identification:

Business segments have been identified on the basis of the nature of products / services, the risk-return profile of individual business, the organizational structure and the internal reporting system.

(d) Reportable segments:

Reportable segments have been identified as per the quantitative criteria specified in the Accounting Standard.

(e) Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure. (Net of unallocable income)

(f) Segment assets and liabilities:

Segment assets include all operating assets used by the business segment and mainly consist of fixed assets, debtors and inventories. Segment liabilities primarily include creditors and other liabilities. Common Assets and Liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

9 Disclosures as required by Accounting Standard (AS) 17 Segment Reporting (Contd.)

(g) Inter segment transfer:

Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks. Profit or loss on inter segment transfers are eliminated at the Group level.

10 Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures

(a) List of related parties with whom transactions were carried out during the year:

(i) Associates:

- 1 CG Lucy Switchgear Limited
- 2 International Components India Limited
- 3 Brook Crompton Greaves Limited (upto 26th August, 2009)
- 4 Avantha Power & Infrastructure Limited (w.e.f. 24th November, 2009)

(ii) Key Management Personnel:

- 1 Gautam Thapar - Chairman and Promoter Director
- 2 Sudhir Trehan - Managing Director

(iii) Other Related Parties in which a director is interested:

- 1 Ballarpur Industries Limited
- 2 Solaris Chemtech Limited
- 3 BILT Graphic Paper Products Limited
- 4 Asia Aviation Limited
- 5 Sabah Forest Industries Sdn. Bhd.
- 6 Avantha Holdings Limited (formerly NewQuest Corporation Limited)
- 7 Salient Business Solutions Limited
- 8 Corella Investments Limited
- 9 Lustre International Limited
- 10 Solaris Holdings Limited
- 11 Janpath Investments & Holdings Limited
- 12 KCT Chemicals & Electricals Limited
- 13 Avantha Technologies Limited
- 14 Avantha Reality Limited
- 15 Korba West Power Company Limited
- 16 Malanpur Captive Power Limited (w.e.f 1st March, 2010)

(b) The following transactions were carried out with the related parties in the ordinary course of business:

		2009-10	2008-09
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
1	Purchases of goods and services		
	Associates		
	Brook Crompton Greaves Limited	6.94	6.28
	CG Lucy Switchgear Limited	72.60	50.95
	International Components India Limited	1.94	4.27
	Avantha Power & Infrastructure Limited	0.48	-
	Other Related Parties		
	BILT Graphic Paper Products Limited	0.29	0.29
	Ballarpur Industries Limited	0.54	-
	Avantha Technologies Limited	0.02	-
Total		82.81	61.79

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

10 Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures (Contd.)

(b) The following transactions were carried out with the related parties in the ordinary course of business: (Contd.)

		2009-10	2008-09
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
2	Sales of goods and services		
	Associates		
	Brook Crompton Greaves Limited	2.53	6.28
	CG Lucy Switchgear Limited	5.02	3.57
	Avantha Power & Infrastructure Limited	2.86	6.76
	Other Related Parties		
	Ballarpur Industries Limited	0.32	2.00
	Solaris Chemtech Limited	2.04	0.28
	BILT Graphic Paper Products Limited	0.47	19.27
	Sabah Forest Industries Sdn. Bhd.	-	0.50
	Avantha Holdings Limited	-	0.00
	(Previous year Rs.40,000)		
	Total	13.24	38.66
3	Purchase of fixed assets		
	Other Related Parties		
	Avantha Technologies Limited	0.03	-
	Total	0.03	-
4	Subscription to equity shares		
	Associate		
	Avantha Power & Infrastructure Limited	227.00	-
	Total	227.00	-
5	Sale of Investments		
	Associate		
	Avantha Power & Infrastructure Limited	51.40	-
	Total	51.40	-
6	Interest expenses		
	Associate		
	CG Lucy Switchgear Limited	0.19	0.13
	Total	0.19	0.13
7	Dividend received		
	Associate		
	CG Lucy Switchgear Limited	1.20	1.20
	Total	1.20	1.20
8	Commission received		
	Associate		
	Brook Crompton Greaves Limited	0.20	1.07
	Total	0.20	1.07
9	Rental income		
	Other Related Parties		
	Ballarpur Industries Limited	2.26	4.44
	Solaris Chemtech Limited	0.59	-
	Total	2.85	4.44

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

10 Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures (Contd.)

(b) The following transactions were carried out with the related parties in the ordinary course of business: (Contd.)

		2009-10	2008-09
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
10	Interest income		
	Other Related Party		
	Malanpur Captive Power Limited	0.06	-
	Total	0.06	-
11	Payment of Salaries, commission and perquisites		
	Key Management Personnel		
	Gautam Thapar	8.26	3.18
	Sudhir Trehan	4.28	3.12
	Total	12.54	6.30
12	Dividend paid		
	Key Management Personnel		
	Gautam Thapar	0.01	0.04
	Sudhir Trehan	0.03	0.02
	Other Related Parties		
	Corella Investments Limited	1.11	-
	Lustre International Limited	0.67	-
	Solaris Holdings Limited	38.73	28.69
	Janpath Investments & Holdings Limited	0.00	0.00
	(Current year Rs. 4,914, Previous year Rs. 3,640)		
	KCT Chemicals & Electricals Limited	0.03	0.13
	Total	40.58	28.88
13	Rent paid		
	Other Related Parties		
	Ballarpur Industries Limited	1.53	-
	Asia Aviation Limited	5.87	4.11
	Total	7.40	4.11
14	Other Expenses		
	Associate		
	Avantha Power & Infrastructure Limited	0.17	-
	Other Related Parties		
	Asia Aviation Limited	8.35	0.70
	Avantha Holdings Limited	11.21	1.72
	Avantha Technologies Limited	0.40	-
	Avantha Reality Limited	0.06	-
	Salient Business Solutions Limited	0.82	0.09
	Total	21.01	2.51
15	Other Income		
	Other Related Party		
	Ballarpur Industries Limited	-	0.38
	Total	-	0.38

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

10 Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures (Contd.)

(c) Amount due to / from related parties		As at 31-03-2010	As at 31-03-2009
		Rs. crore	Rs. crore
Sr. No.	Nature of transaction / relationship		
1	Account payable		
	Associates		
	Brook Crompton Greaves Limited	-	10.71
	CG Lucy Switchgear Limited	11.14	19.13
	International Components India Limited	-	0.23
	Other Related Parties		
	Ballarpur Industries Limited	0.02	-
	Salient Business Solutions Limited	-	0.03
	Total	11.16	30.10
2	Account receivable		
	Associates		
	Brook Crompton Greaves Limited	-	0.73
	CG Lucy Switchgear Limited	1.78	1.62
	International Components India Limited	0.38	-
	Avantha Power & Infrastructure Limited	0.17	0.99
	Other Related Parties		
	BILT Graphic Paper Products Limited	0.06	6.58
	Ballarpur Industries Limited	0.14	-
	Solaris Chemtech Limited	2.12	-
	Avantha Holdings Limited	-	0.01
	Total	4.65	9.93
3	Loans and advances receivable		
	Associates		
	CG Lucy Switchgear Limited	0.03	0.01
	Brook Crompton Greaves Limited	-	4.00
	Avantha Power & Infrastructure Limited	-	0.17
	Other Related Parties		
	Malanpur Captive Power Limited	8.35	-
	Ballarpur Industries Limited	0.29	0.33
	Total	8.67	4.51
4	Loans and advances payable		
	Other Related Parties		
	Solaris Chemtech Limited	0.10	-
	Ballarpur Industries Limited	0.40	-
	Avantha Holdings Limited	3.00	-
	Asia Aviation Limited	1.28	-
	Korba West Power Company Limited	2.08	-
	Total	6.86	-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

10 Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures (Contd.)

(c) Amount due to / from related parties (Contd.)

Sr. No.	Nature of transaction / relationship	As at 31-03-2010	As at 31-03-2009
		Rs. crore	Rs. crore
5	Dividend payable		
	Key Management Personnel		
	Gautam Thapar	-	0.01
	Sudhir Trehan	-	0.01
	Other Related Parties		
	Solaris Holdings Limited	-	7.17
	Janpath Investments & Holdings Limited (Previous year Rs. 910)	-	0.00
	KCT Chemicals & Electricals Limited	-	0.03
	Total	-	7.22
6	Due to Key Management Personnel		
	Gautam Thapar	8.26	3.18
	Sudhir Trehan	1.84	1.04
	Total	10.10	4.22

Note: No amounts have been written off or written back during the year.

11 (a) Finance Lease:

Assets acquired on finance lease mainly comprise cars and equipments. The lease have primary period, which is fixed and non-cancellable. The Group has an option to renew the lease for a secondary period.

The minimum lease rentals as at 31st March, 2010 and the present value as at 31st March, 2010 of minimum payments in respect of assets acquired under finance leases are as follows:

Particulars	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	2009-10	2008-09	2009-10	2008-09
	Rs. crore	Rs. crore	Rs. crore	Rs. crore
Amount due within one year	3.11	2.27	2.59	1.83
Amount due one to five years	7.49	2.64	6.63	2.24
Amount due beyond five years	2.12	-	2.12	-
Total	12.72	4.91	11.34	4.07

(b) The Group has not entered into any operating lease as specified in Accounting Standard (AS) 19 Leases. The Group has, however taken various residential / commercial premises and plant and equipments under cancellable operating lease. These lease agreements are normally renewed on expiry, wherever required.

(c) There are no exceptional / restrictive covenants in the lease agreements.

12 Disclosures as required by Accounting Standard (AS) 20 Earnings Per Share

Particulars	2009-10	2008-09
Profit after taxes, minority interest and share of profit / (loss) of associate companies and before extraordinary item	Rs. crore 824.66	559.90
Profit after taxes, minority interest and share of profit / (loss) of associate companies and after extraordinary item	Rs. crore 859.87	559.90
Number of equity shares outstanding*	Nos. 641491536	641491536
Face value of equity share	Rs. / Share 2.00	2.00
Earnings per share before extraordinary item (basic and diluted)	Rs. 12.86	8.73
Earnings per share after extraordinary item (basic and diluted)	Rs. 13.40	8.73

*The Parent Company has issued 27,49,24,944 bonus equity shares of Rs. 2 each, fully paid up, in the ratio of three shares for every four shares held to all registered shareholders as on the record date (i.e. 9th March, 2010). The Earnings Per Share data for the year ended 31st March, 2009 have been adjusted for the issue of bonus shares as per Accounting Standard (AS) 20 Earnings Per Share.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

13 Deferred Tax

The major components of deferred tax assets and deferred tax liabilities are as under:

Particulars	As at 31-03-2010		As at 31-03-2009	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Difference between book and tax depreciation	-	94.53	-	84.77
Expenses allowable for tax purposes when paid /on payment of TDS	14.30	-	16.94	-
Unabsorbed carried forward tax losses / depreciation	71.36	-	80.17	-
Other items giving rise to timing differences	3.94	-	35.87	-
	89.60	94.53	132.98	84.77
Net deferred tax (liability) / asset		(4.93)	48.21	-
Deferred tax assets on acquisition of subsidiaries	-	-	19.29	-
Deferred tax liabilities on divestment of subsidiary	2.93	-	-	-
Effect of translation gain / loss	-	4.80	8.15	-
Net liability charged to the profit and loss account	-	51.27	-	38.04
	2.93	56.07	27.44	38.04
Net incremental liability		(53.14)		(10.60)

- 14 As per the Accounting Standard (AS) 28 Impairment of Assets, the Group has reviewed potential generation of economic benefits from fixed assets. Accordingly, impairment loss amounting to Rs. nil (*Previous year Rs. 5.36 crore*) provided in prior years have been reversed during the year.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE: B

NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

15 Disclosures as required by Accounting Standard (AS) 29 Provisions, Contingent Liabilities and Contingent Assets

(a) Movement in provisions:

Rs. crore						
Nature of Provision	Warranties		Sales Tax / VAT		Excise Duty / Service Tax	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Carrying amount at the beginning of the year	101.02	83.08	18.85	18.14	4.79	1.82
Additional provision made during the year #	60.22	41.83	8.47	0.71	2.00	2.97
Amounts used during the year	7.42	18.25	2.34	-	-	-
Unused amounts reversed during the year #	31.99	12.16	1.82	-	-	-
Translation adjustment	(2.57)	6.52	-	-	-	-
Carrying amount at the end of the year	119.26	101.02	23.16	18.85	6.79	4.79

Nature of Provision	Liquidated Damages		Other Litigation Claims		Environmental Obligation	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Carrying amount at the beginning of the year	55.82	59.78	1.98	-	24.19	23.80
Additional provision made during the year #	43.90	14.27	1.48	1.98	4.21	-
Amounts used during the year	24.38	-	-	-	2.85	-
Unused amounts reversed during the year #	18.33	18.26	0.02	-	0.44	1.23
Translation adjustment	(1.07)	0.03	-	-	(2.60)	1.62
Carrying amount at the end of the year	55.94	55.82	3.44	1.98	22.51	24.19

Nature of Provision	Total	
	2009-10	2008-09
Carrying amount at the beginning of the year	206.65	186.62
Additional provision made during the year #	120.28	61.76
Amounts used during the year	36.99	18.25
Unused amounts reversed during the year #	52.60	31.65
Translation adjustment	(6.24)	8.17
Carrying amount at the end of the year	231.10	206.65

Additional provision made during the year and reversal of unused amount are included in the respective head of accounts.

(b) Nature of Provisions:

- Product Warranties: The Company gives warranties on certain products and services in the nature of repairs / replacement, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligation on account of rectification / replacement. The timing of outflows is expected to be within a period of two years.
- Provision for sales tax represents sales tax liability on account of non-collection of declaration forms and other legal matters which are in appeal under the Act / Rules.
- Provision for excise duty represents the differential duty liability that is expected to materialise in respect of matters in appeal.
- Provision for liquidated damages has been made on contracts for which delivery dates are exceeded and computed in reasonable and prudent manner.
- Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.
- Provision for environmental obligations represents liabilities towards the costs expected to be incurred to treat contaminated soil / effluents at its manufacturing locations, wherever required by local law.

(c) Disclosures in respect of contingent liabilities: Refer Schedule 20.

SCHEDULE: B**NOTES ON THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)****16 Foreign currency transactions, Forward contracts and Derivatives:**

The Group has adopted the principles of hedge accounting as per the Accounting Standard (AS) 30 Financial Instruments: Recognition and Measurement, in respect of those derivative transactions which are not covered by the existing Accounting Standard (AS) 11. This treatment has resulted in a net loss of Rs. 5.76 crore (*Previous year Rs. nil*) arising due to change in the fair value of derivatives has been recognised in the shareholders' fund as a cash flow hedge.

17 The Group has availed various loan facilities from Banks and Financial Institutions secured by the equitable mortgage of immovable properties and hypothecation of movable assets, inventories and receivables, present and future.

18 Current year figures include the results of the subsidiaries acquired during the year. Consequently, the figures for the current year are not comparable with the figures of the previous year and figures for the previous year have been regrouped and reclassified, wherever necessary.

Signature to schedule 1 to 20, A and B

For SHARP & TANNAN
CHARTERED ACCOUNTANTS
Registration No. 109982W

Madhav Acharya
CHIEF FINANCIAL OFFICER

Sudhir Trehan
MANAGING DIRECTOR

L. Vaidyanathan
PARTNER
Membership No. 16368
Mumbai, 13th May, 2010

Wilton Henriques
COMPANY SECRETARY

Gautam Thapar
CHAIRMAN

Mumbai, 13th May, 2010



Accounts In Foreign Currency

Only for convenience of Shareholders

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2010

	As at 31-03-2010		As at 31-03-2009	
	USD million	USD million	USD million	USD million
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS:				
Share capital	28.57		14.46	
Reserves and surplus	364.46		230.44	
		393.03		244.90
LOAN FUNDS:				
Secured loans	3.08		6.81	
Unsecured loans	2.89		3.78	
		5.97		10.59
DEFERRED TAX:				
Deferred tax liabilities	19.61		15.42	
Less: Deferred tax assets	1.03		2.82	
		18.58		12.60
		417.58		268.09
APPLICATION OF FUNDS				
FIXED ASSETS:				
Gross block	260.89		219.19	
Less: Depreciation, obsolescence, amortisation and impairment	142.00		118.48	
Net block	118.89		100.71	
Capital work-in-progress	7.36		2.56	
		126.25		103.27
		153.24		52.36
INVESTMENTS				
CURRENT ASSETS, LOANS AND ADVANCES:				
Inventories	67.60		55.48	
Sundry debtors	270.11		199.62	
Cash and bank balances	122.16		93.18	
Loans and advances	34.60		26.13	
	494.47		374.41	
Less: CURRENT LIABILITIES AND PROVISIONS:				
Current liabilities	322.18		234.21	
Provisions	34.20		27.74	
	356.38		261.95	
Net current assets		138.09		112.46
		417.58		268.09

Note: Closing exchange rate considered for 1 USD as on 31st March, 2010 is Rs. 44.90 and as on 31st March, 2009 is Rs. 50.71.

STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10		2008-09	
	USD million	USD million	USD million	USD million
INCOME:				
Sales and services	1155.33		1053.74	
Less: Excise duty	48.61		62.97	
Sales and services (net)		1106.72		990.77
Other income		17.68		10.74
		1124.40		1001.51
EXPENDITURE:				
Manufacturing, construction and operating expenses	758.82		686.87	
Staff expenses	53.57		49.24	
Selling and administration expenses	114.67		117.55	
Interest and commitment charges	4.19		6.13	
Depreciation, obsolescence, amortisation and impairment	10.87		9.72	
		942.12		869.51
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM		182.28		132.00
Provision for:				
Current tax	57.35		43.02	
Deferred tax	4.08		2.51	
Fringe benefit tax	-		1.14	
		61.43		46.67
PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEM		120.85		85.33
Extraordinary item (net of tax expense USD nil)		8.46		-
PROFIT AFTER TAX AND EXTRAORDINARY ITEM		129.31		85.33
Balance brought forward from previous year		192.92		134.55
PROFIT AVAILABLE FOR APPROPRIATION		322.23		219.88
Transfer to general reserve		12.99		8.53
PROFIT AVAILABLE FOR DISTRIBUTION		309.24		211.35
1st Interim dividend		6.14		5.51
2nd Interim dividend		10.75		6.30
3rd Interim dividend		-		3.94
Corporate dividend tax		2.87		2.68
BALANCE CARRIED TO BALANCE SHEET		289.48		192.92
Earning per share before extraordinary item				
(basic and diluted) (in USD)		0.19		0.13
Earning per share after extraordinary item				
(basic and diluted) (in USD)		0.20		0.13

Note: Average exchange rate considered for 1 USD in 2009-10 is Rs. 47.7446 and in 2008-09 is Rs. 46.5363.

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2010

	As at 31-03-2010		As at 31-03-2009	
	Euro million	Euro million	Euro million	Euro million
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS:				
Share capital	21.22		10.87	
Reserves and surplus	270.71		173.28	
		291.93		184.15
LOAN FUNDS:				
Secured loans	2.29		5.12	
Unsecured loans	2.14		2.84	
		4.43		7.96
DEFERRED TAX:				
Deferred tax liabilities	14.56		11.59	
Less: Deferred tax assets	0.76		2.12	
		13.80		9.47
		310.16		201.58
APPLICATION OF FUNDS				
FIXED ASSETS:				
Gross block	193.78		164.82	
Less: Depreciation, obsolescence, amortisation and impairment	105.47		89.09	
Net block	88.31		75.73	
Capital work-in-progress	5.46		1.92	
		93.77		77.65
		113.82		39.37
INVESTMENTS				
CURRENT ASSETS, LOANS AND ADVANCES:				
Inventories	50.21		41.71	
Sundry debtors	200.63		150.10	
Cash and bank balances	90.74		70.07	
Loans and advances	25.70		19.65	
	367.28		281.53	
Less: CURRENT LIABILITIES AND PROVISIONS:				
Current liabilities	239.31		176.11	
Provisions	25.40		20.86	
	264.71		196.97	
Net current assets		102.57		84.56
		310.16		201.58

Note: Closing exchange rate considered for 1 Euro as on 31st March, 2010 is Rs. 60.45 and as on 31st March, 2009 is Rs. 67.44.

STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10		2008-09	
	Euro million	Euro million	Euro million	Euro million
INCOME:				
Sales and services	817.55		748.22	
Less: Excise duty	34.40		44.72	
Sales and services (net)		783.15		703.50
Other income		12.51		7.63
		795.66		711.13
EXPENDITURE:				
Manufacturing, construction and operating expenses	536.97		487.72	
Staff expenses	37.91		34.96	
Selling and administration expenses	81.14		83.47	
Interest and commitment charges	2.96		4.35	
Depreciation, obsolescence, amortisation and impairment	7.69		6.90	
		666.67		617.40
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM		128.99		93.73
Provision for:				
Current tax	40.58		30.55	
Deferred tax	2.89		1.78	
Fringe benefit tax	-		0.81	
		43.47		33.14
PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEM		85.52		60.59
Extraordinary item (net of tax expense Euro nil)		5.98		-
PROFIT AFTER TAX AND EXTRAORDINARY ITEM		91.50		60.59
Balance brought forward from previous year		135.39		93.95
PROFIT AVAILABLE FOR APPROPRIATION		226.89		154.54
Transfer to general reserve		9.19		6.06
PROFIT AVAILABLE FOR DISTRIBUTION		217.70		148.48
1st Interim dividend		4.34		3.92
2nd Interim dividend		7.61		4.47
3rd Interim dividend		-		2.80
Corporate dividend tax		2.03		1.90
BALANCE CARRIED TO BALANCE SHEET		203.72		135.39
Earning per share before extraordinary item (basic and diluted) (in Euro)		0.13		0.09
Earning per share after extraordinary item (basic and diluted) (in Euro)		0.14		0.09

Note: Average exchange rate considered for 1 Euro in 2009-10 is Rs. 67.4706 and in 2008-09 is Rs. 65.5385.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	As at 31-03-2010		As at 31-03-2009	
	USD million	USD million	USD million	USD million
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS:				
Share capital	28.57		14.46	
Reserves and surplus	529.18		346.62	
		557.75		361.08
MINORITY INTEREST		0.96		2.73
LOAN FUNDS:				
Secured Loans	106.14		136.51	
Unsecured Loans	5.43		5.12	
		111.57		141.63
DEFERRED TAX LIABILITIES		21.05		16.72
		691.33		522.16
APPLICATION OF FUNDS				
FIXED ASSETS:				
Gross block	664.98		597.29	
Less: Depreciation, obsolescence, amortisation and impairment	383.84		336.03	
Net block	281.14		261.26	
Capital work-in-progress	25.32		10.59	
		306.46		271.85
INVESTMENTS		123.29		32.97
DEFERRED TAX ASSETS		19.96		26.22
CURRENT ASSETS, LOANS AND ADVANCES:				
Inventories	231.89		215.92	
Sundry debtors	478.01		405.38	
Cash and bank balances	148.96		111.54	
Loans and advances	54.69		45.15	
	913.55		777.99	
Less: CURRENT LIABILITIES AND PROVISIONS:				
Current liabilities	591.70		513.14	
Provisions	80.23		73.73	
	671.93		586.87	
Net current assets		241.62		191.12
		691.33		522.16

Note: Closing exchange rate considered for 1 USD in 2009-10 is Rs. 44.90 and for 2008-09 is Rs. 50.71

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10		2008-09	
	USD million	USD million	USD million	USD million
INCOME:				
Sales and services	1963.68		1940.65	
Less: Excise duty	49.14		63.14	
Sales and services (net)		1914.54		1877.51
Other income		23.03		15.90
		1937.57		1893.41
EXPENDITURE:				
Manufacturing, construction and operating expenses	1214.08		1223.51	
Staff expenses	233.14		228.77	
Selling and administration expenses	199.85		211.30	
Interest and commitment charges	8.96		17.36	
Depreciation, obsolescence, amortisation and impairment	32.48		26.13	
		1688.51		1707.07
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM		249.06		186.34
Provision for:				
Current tax	65.71		56.15	
Deferred tax	10.74		8.17	
Fringe benefit tax	-		1.15	
		76.45		65.47
PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEM		172.61		120.87
Minority interest in income		(0.53)		(0.37)
Share of profit / (loss) of Associate Companies		0.66		(0.19)
PROFIT AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT / (LOSS) IN ASSOCIATE COMPANIES, BEFORE EXTRAORDINARY ITEM		172.74		120.31
Extraordinary item (net of tax expense USD nil)		7.37		-
NET PROFIT AVAILABLE FOR DISTRIBUTION		180.11		120.31
1st Interim dividend		6.14		5.51
2nd Interim dividend		10.75		6.30
3rd Interim dividend		-		3.94
Corporate dividend tax		2.95		2.70
BALANCE CARRIED TO BALANCE SHEET		160.27		101.86
Earnings per share before extraordinary item				
(basic and diluted) (In USD)		0.27		0.19
Earnings per share after extraordinary item				
(basic and diluted) (In USD)		0.28		0.19

Note: Average exchange rate considered for 1 USD in 2009-10 is Rs. 47.7446 and for 2008-09 is Rs. 46.5363

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	As at 31-03-2010		As at 31-03-2009	
	Euro million	Euro million	Euro million	Euro million
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS:				
Share capital	21.22		10.87	
Reserve and surplus	393.05		260.64	
		414.27		271.51
MINORITY INTEREST				
		0.71		2.05
LOAN FUNDS:				
Secured Loans	78.84		102.65	
Unsecured Loans	4.03		3.85	
		82.87		106.50
DEFERRED TAX LIABILITIES				
		15.64		12.57
		513.49		392.63
APPLICATION OF FUNDS				
FIXED ASSETS:				
Gross block	493.92		449.12	
Less: Depreciation, obsolescence, amortisation and impairment	285.10		252.67	
Net block	208.82		196.45	
Capital work-in-progress	18.81		7.96	
		227.63		204.41
INVESTMENTS				
		91.58		24.79
DEFERRED TAX ASSETS				
		14.82		19.72
CURRENT ASSETS, LOANS AND ADVANCES:				
Inventories	172.24		162.36	
Sundry debtors	355.05		304.81	
Cash and bank balances	110.64		83.87	
Loans and advances	40.62		33.95	
	678.55		584.99	
Less: CURRENT LIABILITIES AND PROVISIONS:				
Current liabilities	439.49		385.85	
Provisions	59.60		55.43	
	499.09		441.28	
Net current assets		179.46		143.71
		513.49		392.63

Note: Closing Exchange rate considered for 1 Euro in 2009-10 is Rs. 60.45 and for 2008-09 is Rs. 67.44

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10		2008-09	
	Euro million	Euro million	Euro million	Euro million
INCOME:				
Sales and services	1389.57		1377.98	
Less: Excise duty	34.78		44.83	
Sales and services (net)		1354.79		1333.15
Other income		16.30		11.29
		1371.09		1344.44
EXPENDITURE:				
Manufacturing, construction and operating expenses	859.13		868.77	
Staff expenses	164.98		162.45	
Selling and administration expenses	141.42		150.03	
Interest and commitment charges	6.34		12.33	
Depreciation, obsolescence, amortisation and impairment	22.99		18.55	
		1194.86		1212.13
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM		176.23		132.31
Provision for:				
Current tax	46.50		39.87	
Deferred tax	7.60		5.80	
Fringe benefit tax	-		0.81	
		54.10		46.48
PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEM		122.13		85.83
Less: Minority interest in income		(0.38)		(0.26)
Share of profit / (loss) of Associate Companies		0.47		(0.14)
PROFIT AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT / (LOSS) IN ASSOCIATE COMPANIES, BEFORE EXTRAORDINARY ITEM		122.22		85.43
Extraordinary item (net of tax expense Euro nil)		5.22		-
NET PROFIT AVAILABLE FOR DISTRIBUTION		127.44		85.43
1st Interim dividend		4.35		3.92
2nd Interim dividend		7.61		4.47
3rd Interim dividend		-		2.80
Corporate dividend tax		2.09		1.92
BALANCE CARRIED TO BALANCE SHEET		113.39		72.32
Earnings per share before extraordinary item (basic and diluted) (In Euro)		0.19		0.13
Earnings per share after extraordinary item (basic and diluted) (In Euro)		0.20		0.13

Note: Average Exchange rate considered for 1 Euro in 2009-10 is Rs. 67.4706 and for 2008-09 is Rs. 65.5385



Products
& Services

PRODUCTS & SERVICES

POWER SYSTEMS

TRANSFORMERS: CG

- Auto Transformers (up to 765 kV)
- Distribution Transformers
- Energy Efficient Transformers
- Dry Type Transformers (Cast Resin & VPI)
- Locomotive Transformers
- Traction Transformers
- Furnace Transformers
- Rectifier Transformers
- Shunt Reactors (upto 765 kV)
- Generator Transformers (up to 765 kV)
- Systems Transformers
- Phase Shifting Transformers
- Mobile-Substation
- Earthing Transformers
- Isolation Transformers

SWITCHGEAR: CG

- OIP-Instrument Transformers upto 550 kV
- Capacitive Voltage Transformer-1200 kV
- OIP-Condenser Bushings upto 420 kV (IEC) and upto 138 kV (ANSI)
- Coupling/Grading Capacitors upto 420 kV
- Vacuum Circuit Breakers upto 36 kV
- Gas Circuit Breakers upto 800 kV
- Lightning Arresters upto 390 kV
- Disconnectors upto 420 kV
- Vacuum Interrupters upto 52 kV, 44 kA, 3150A
- LV & MV Vacuum Contactors upto 12 kV, 630A
- MV & LV Vacuum Contactors upto 12 kV and 630A
- Unitised Substation
- Numerical Relays
- SF6 Insulated Vacuum Ring Main Units.
- Oil Ring Main Units.
- Power Quality Products & Solutions-Reactive Power Compensators, Harmonic Filters & Automatic Vacuum Capacitor Switch upto 12 kV, Current Limiting and Damping Reactors, Transient suppressors.
- Dry type outdoor Instrument Transformers upto 36 kV.
- Dry type Current & Voltage Transformers upto 36 kV.

CG POWER SYSTEM SERVICE

- Site Services
- Repair & Refurbishment
- Condition Monitoring and Diagnostics of Power Apparatus.

TRANSFORMERS: CG HOLDINGS BELGIUM NV

- Power Transformers (up to 500 kV)
- Distribution Transformers (up to 34.5 kV)
- Oil Filled Distribution Transformers
- Single phase transformers up to 100 kVA and 36 kV
- 3 phase transformers up to 5 MVA and 38 kV, filled with mineral oil, silicone oil, synthetic ester oils and vegetable oil
- Cast Resin Dry Type Transformers
- SLIM Transformers (up to 34.5 kV)
- Phase Shifting Transformers

- Traction Transformers
- Mobile Transformers (up to 230 kV)
- HVDC Converter Transformers
- Special Purpose Transformers
- Compact Substations
- Reactors
- Unit Substations, Micro Substations, Trafo box
- Modular Distribution Transformer (up to 34.5 kV)

SWITCHGEAR: CG HOLDINGS BELGIUM NV

- Porcelain housed surge arresters
- Polymeric housed surge arresters
- SF6 gas circuit breakers
- Three-phase enclosed compact GIS
- Single-phase enclosed GIS
- Disconnectors
- Current transformer
- Inductive voltage transformer
- Capacitor voltage transformer
- Station Class Surge Arresters

SERVICE DIVISION EMEA

CG HOLDINGS BELGIUM NV- SERVICES DIVISION

- Installation, Commissioning, Maintenance, Repair & Refurbishment of Transformers, OLTCs, GIS, AIS, Substations of own make and other brands
- Site intervention Services and Dedicated Workshop
- Oil and SF6 treatment
- Condition Bases Monitoring
- Asset Assessment and Diagnostics
- Lifetime Extension Programs
- Substation Operations
- Customer training
- Dedicated Service Satellites in
 - Belgium (Mechelen, Charleroi)
 - France (Fécamp, Avignon)-CG Service Systems France SAS
 - Hungary
 - Kuwait
 - Saudi Arabia

CG HOLDINGS BELGIUM NV- SYSTEMS DIVISION

- High Voltage Transmission Systems Engineering
- Engineering Consultancy for transmission grid operators.
- Turnkey AIS and GIS Transmission Projects up to 765 kV, including:
 - Rural Greenfield Electrification projects
 - Transmission Grid connections for On-and Offshore windparks
 - Industrial HV & MV Substations Installations up to 765 kV
 - Modular HV and MV substations up to 220 kV
 - Mobile Substations and Capacitor Banks up to 220 kV
 - Mobile HV Circuit Breakers up to 220 kV
 - Mobile MV Switchgear up to 220 kV
 - Transmission Line Projects up to 400 kV
 - Submarine and underground cable transmission projects up to 220 kV
- Transmission project asset leasing and renting.
- Transmission MV and HV SCADA projects
- Substation refurbishment projects.

PRODUCTS & SERVICES

CG ELECTRIC SYSTEMS HUNGARY Zrt.

TRANSFORMERS DIVISION

- High Voltage Power Transformers upto 765 kV,
- Special Transformers & Reactors,
- Loco Transformers.
- Traction Transformers
- Mobile Transformers
- Bio-degradable filled Power Transformer
- Power Transformers (up to 500 MVA)
- Phase Shifting Transformers
- Special Purpose Transformers
- Track side transformers

SWITCHGEAR DIVISION

- SF6 Gas Circuit Breakers
- Gas Insulated Switchgear (GIS) up to 300 kV

SYSTEMS DIVISION

- GIS and AIS Substations up to 750 kV
- Industrial and Generation HV & MV Substations Installations up to 765 kV
- Transmission Line Projects up to 400 kV
- Submarine and underground cable transmission projects up to 220 kV
- Transmission project asset leasing and renting.
- Transmission MV and HV SCADA projects
- Substation refurbishment projects.
- High Voltage Transmission Systems Engineering
- Engineering Consultancy for transmission grid operators

SERVICE DIVISION

- Site erection and maintenance of Power transformers

AUTOMATION PRODUCTS-CG AUTOMATION SYSTEMS

- Turnkey Control and Protection Systems
- Smart Grid Solutions
- Substation Control and Automation Systems
- Distribution Automation Systems
- Distribution Automation Controllers
- Self-healing Networks
- IEC61850 systems and IED integration
- Substation gateways
- SCADA Systems
- Protection & Control Design Services
- Remote Telemetry Units
- Wind SCADA
- MV Switchgear Actuator Mechanisms
- Data concentrators
- Protocol converters
- Protocol Development
- Bay Control Unit
- Power System Analysis
- IED integration units
- Turnkey Automation Systems

MSE POWER SYSTEMS Inc.

SERVICES

- Engineering and EPC Projects for Transmission & Distribution Systems (5-765 kV)

- Substations
- Flexible AC Transmission Systems (FACTS)
- Harmonic Filters
- Substation Automation
- Protective Relay Systems
- SCADA Systems
- Aerial Lines
- Underground Lines
- Renewable Energy Systems (Wind, Solar, Hydro, Geothermal)

POWER TECHNOLOGY SOLUTIONS LIMITED, U.K

PRODUCTS & SERVICES:

- Provide Project Management, Engineering, Installation, Commissioning and SAP Operations services for Transmission, Distribution, Generation, Renewables, Panel Manufacture and LV Contracting Sectors

ENGINEERING PROJECTS

Projects on turnkey basis from concept to commissioning:

- Turnkey Air Insulated Substation upto 765 kV
- Turnkey Gas Insulated Substation upto 220 kV
- Control and Automation Projects for Substations

INDUSTRIAL SYSTEMS

HT MOTORS

- HT & LT Induction Motor including safe area, flame proof, increased safety and non sparking industrial duty machines power range upto 7.5 MW, Polarity upto 20 poles, Voltage up to 13.2 kV and in frame Size 315 to 900 in horizontal frame & 740 to 2000 frame size in vertical frame, Squirrel Cage and Slip Ring Induction motors in enclosure type TEFC, CACA, CACW, SPDP & TETV.
- **Synchronous machines** from 1 MVA to 9 MVA in frame size 500 to 1000, upto 13.2 kV in enclosures type CACA, CACW & SPDP.
- **Industrial duty DC machines** upto 2200 kW, in frame size from 315 to 710, Voltage upto 810 Volts, in enclosures type TEFC, CACA, CACW & SPDP

HT MOTORS: CG HUNGARY

- HT Slip Ring and Squirrel Cage Induction Motors power upto 15 MW, Polarity upto 24 pole, voltage upto 13.2 kV,
- Synchronous Generators power from 1 MVA upto 45 MVA, Voltage upto 13.2 kV, Polarity upto 48 pole
- Traction Motors-AC & DC, power 150 kW to 1000 kW
- Traction Alternators

RAIL TRANSPORTATION/TRACTION

- A.C & D.C Traction motors power up to 1100 kW
- Traction Alternators power upto 4500 kW
- Electrical Traction Controls for Diesel Electric Tower Car and Multiple Units
- Electrical Control panels for Diesel Electric Locomotives
- Brushless DC Carriage fans & motors
- Power and Auxiliary converter for electric locomotives
- 25/35 kVA AC Coach Inverter

RAILWAY SIGNALLING PRODUCTS

- Signalling Relays
- Point Machines
- Data Logger
- Digital Axle counter

PRODUCTS & SERVICES

BATTERY POWERED VEHICLE

- Brushless DC Motors
- Controller

INDUSTRIAL DRIVES & AUTOMATION

- LV Drives power upto 5 MW, Voltage upto 690 V
- Comprehensive solutions including Inverter duty Transformer, Variable Frequency Drives, Switchgear and Motors

LT MOTORS

- AC Motors Fr. 63 to 450 (0.18 kW-470 kW)
- Squirrel cage & slipring Motors suitable for Safe Area & Hazardous Area
- DC Motors Fr. 100 to 315 (2.2 kW-550 kW)
- Alternators Fr. 112 to 355 (5 kVA-625 kVA)
- Slipring Alternators from 5 kVA to 82.5 kVA
- AC Drives 0.25 kW-1.2 MW (415 & 690 Volts)

FHP/COMMERCIAL MOTORS

- B42, B48 Frame-30 Watts-370 Watts-2/4/6 Pole Motors
- M50 Frame-187 Watts-1125 Watts-2/4 Pole Motors
- 100S Frame-1125 Watts-2250 Watts-4 Pole Motors
- 80-90-100-112-132 CI Frame-370 Watts-3750 Watts-4 Pole Motors
- Flame Proof Motors (FP50)-370 Watts-750 Watts-4 Pole Motors
- 63-71-80 Aluminium Frame-370 Watts-750 Watts - 2/4 Pole Motors

STAMPINGS

- Stampings
- Laminations

CONSUMER PRODUCTS

LIGHTING

LAMPS

- Incandescent Lamps
- Fluorescent Tubular Lamps
- Compact Fluorescent Lamps
- Mercury Sodium & Metal Halide Lamps
- Halogen Lamps
- LEDs

LUMINAIRES & ACCESSORIES

- Domestic Luminaires
- Retail Lighting
- Office Lighting
- Street Lights
- Flood Lights
- High Masts
- Lighting Electronics & Gear
- Wiring Accessories
- Lighting Management Systems
- Integrated Security Systems & Home Automation

FANS

- Ceiling: Luxury Under light, Premium Fans, Decorative Fans & Generic Fans

- Table, Pedestal and Wall Mounting Fans in metal and plastic
- Domestic Exhaust Fans
- Cooler Kits
- Industrial Fans: Heavy Duty Exhaust Fans, Air Circulators & Air Curtains, Axial Flow Fans, Man Coolers & Centrifugal Blowers
- Special Purpose Fans: Personal Fans, Cabin Fans, Tower Fans & Farrata

APPLIANCES

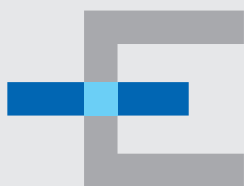
- Geysers:
 - Instant Water Heater (Plastic/Metal),
 - Storage Water Heaters (Plastic/Metal),
 - Gas Geysers,
 - Mercury Range (Combo- Metal & Plastic).
- Household Appliances:
 - Food Processors
 - Mixer Grinders
 - Juicer Mixer Grinders
 - Juice Extractor
 - Wet Grinders
 - Hand Blenders
 - Toasters
 - Electric Kettle
 - Rice Cooker
 - Dry Irons
 - Steam Irons
 - Room Heaters
 - Lanterns
 - Home UPS
 - Induction Cook Tops, Gas Stoves

PUMPS

- Electrically driven Pumps
 - Centrifugal Monoblock Pump sets-Single/Two Stage
 - Self Priming Pump sets-Monobloc/Coupled
 - Submersible Pump sets for 75, 78, 100, 150, 200 & 250 mm Borewells
 - Jet Centrifugal Pump sets-Single/Multi Stage
 - Dewatering Pump sets
 - Vertical In Line Pump sets
 - Open well Submersible Pump sets
- Diesel Engines and Diesel Engine Pumps
- Petrol Kerosene Engine Pumps
- Compressor Pumps and Air Compressors
- Diesel Engine driven Pump sets
- Submersible Pumpsets-100 MM with Oilfield Motors
- Cables suitable for submersible pumpsets 1.5 sq. mm. to 10 sq. mm.
- 3 PH/1 PH Control Panels for Submersible Motors
- Industrial Pumps-Horizontal Split case Pumps and End Suction Pumps.

INTERNATIONAL

- Exports of all Crompton Greaves manufactured and factored products.



Establishments

ESTABLISHMENTS

REGISTERED OFFICE

CG House, 6th Floor, Dr. Annie Besant Road, Worli,
Mumbai-400 030, India
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Fax +91-022-24237788.

INTERNATIONAL DIVISION

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Mumbai-400042, India.
Tel: +91-022-67558955, 67558949, 67558934
Fax: +91-022-25774066
Email: jaideep.patil@cgglobal.com

POWER SYSTEMS

TRANSFORMER DIVISION

- Kanjur Marg (East), Mumbai-400042, India.
Tel: +91-022-25782974, 67558000,
67558202, 67558211, 67558372.
Fax: +91-022-67558305, 25798214, 25783271
Email: jayantkumar.kulkarni@cgglobal.com
- Plot No. T1-T5 MPAKVN Industrial Area,
Malanpur (Dist. Bhind), Pin-477116, Madhya Pradesh, India.
Tel: +91-07539-283502/3/5/7, 301200, 301254
Fax: +91-07539-283585, 301242
Email: rakesh.kumar@cgglobal.com
- Plot No. 29, 31& 32 New Industrial Area No.1,
AKVN, District- Raizen, Mandideep-462046,
Madhya Pradesh, India.
Tel: +91-07480-408285/6, 408201
Fax: +91-07480-408208, 408255
Email: anindya.basu@cgglobal.com

SWITCH GEAR DIVISION

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Nashik-422010 (Maharashtra), India.
Tel: +91-0253-2382271-75
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Email: jayantkumar.kulkarni@cgglobal.com

S6 & POWER QUALITY

Vacuum Interrupters & Instrument Transformer Division
D2-MIDC, Waluj, Aurangabad-431136, India.
Tel: +91-0240-2558000, 2558081, 2558001, 2558031
Fax: +91-0240-2554697
Email: pramod.rao@cgglobal.com

SWITCHGEAR (S2)-ELECTRONICS UNIT

10A, Jigani Industrial Area, Jigani, Anekal Taluk,
Bangalore Rural, Bangalore 562 106.
Tel: +91-08110-413400, 413498
Fax: +91-08110-413430
Email: srinivasan.ms@cgglobal.com

ENGINEERING PROJECTS DIVISION

3rd Floor, Tower A, Cyber Greens, DLF Cyber City, Sector 25-A,
DLF Phase III, Gurgaon-122002, Haryana, India.
Tel: +91-0124-3047700, 3047704, 3047701
Fax: +91-0124-3047777, 3047888
Email: reshu.madan@cgglobal.com

INDUSTRIAL SYSTEMS

MACHINES 7 DIVISION

D-5, Industrial Area, MPAKVN,
Mandideep- 462046 (M.P.), India.
Tel: +91-07480-400000, 403238, 400181/2
Fax: +91-07480-403119
Email: anil.raina@cgglobal.com
yogesh.jaiswal@cgglobal.com

RAILWAY SIGNALLING DIVISION

11 B, Industrial Area No. 1, Pithampur-454775,
District-Dhar (M.P.), India.
Tel: +91-07292-410000, 403095
Fax: +91-07292-253211
Email: dipak.chattopadhyay@cgglobal.com

STAMPINGS DIVISION

- Kanjur Marg (East), Mumbai-400042, India.
Tel: +91-022-67558715/6, 25796866
Fax: +91-022-25787970, 67558721
Email: lloyd.pinto@cgglobal.com
- B-110, MIDC Industrial Area, Ahmednagar-414111,
Maharashtra, India.
Tel: +91-0241- 6610531/32/34
Fax: +91-0241-6610511
Email: delip.wakode@cgglobal.com

LT MOTORS DIVISION

- A/6-2, MIDC Industrial Area, Ahmednagar-414111
(Maharashtra), India.
Tel: +91-0241- 2777500, 2777372
Fax: +91-0241-2777508, 2776103
Email: vijay.lele@cgglobal.com
- S-14-15, Colvale Industrial Estate, Colvale, Bardez, Goa-403513
Tel: +91-0832-2404000, 2404001, 2299664/665/666
Fax: +91-0832- 2404011
Email: abhay.kulkarni@cgglobal.com

COMMERCIAL MOTORS DIVISION

196-198, Kundaim Industrial Estate, Kundaim,
Ponda, Goa-403115, India
Tel: +91-0832-3983200, 3983205, 2395954
Fax: +91-0832-2395377, 3983299
Email: jagdish.pant@cgglobal.com

CONSUMER PRODUCTS

FANS DIVISION

- Plot No. 1, Goa IDC Industrial Estate,
Bethora, Ponda, Goa-403409, India
Tel: +91-0832-2331200, 2331256
Fax: +91-0832-2330155
Email: uday.mahajani@cgglobal.com
- Plot No. 214-A, Kundaim Industrial Estate,
Kundaim, Goa-403115, India
Tel: +91-0832-2395305, 2395902
Fax: +91-0832-2395305
Email: uday.mahajani@cgglobal.com
- Plot No. 81, HPSIDC Indl. Area, Baddi,
District Solan, HP-173205
Tel: +91- 01795-320141
Email: rajesh.puri@cgglobal.com

ESTABLISHMENTS

- Plot No. 148-150 & 157-159, HPSIDC Indl. Area, Baddi, District Solan, HP-173205
Email: rajesh.puri@cgglobal.com

APPLIANCES DIVISION

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LIGHTING DIVISION

- Kanjur Marg (East), Mumbai 400 042. India.
Tel: +91-022-67558000, 67558425/26
Fax: +91-022-25787283/25783027
Email: manoj.verma@cgglobal.com
- Baroda Lamp Works, Kural Village, Padra Taluka, Padra Jambusar Road, District Baroda-391430, Gujarat, India.
Tel: +91-02662-242278, 329694, 329521
Fax: +91-02662-242326
Email: d.christopher@cgglobal.com

PUMPS DIVISION

A-28, MIDC, Ahmednagar-414111, India.
Tel: +91-0241-6606500, 6606501, 2777262
Fax: +91-0241-6606550, 6606560
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BRANCH & MARKETING OFFICES

NORTHERN REGION

REGIONAL HEAD OFFICE: NEW DELHI-

Vandhana Building, 11 Tolstoy Marg, New Delhi-110001, India.
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JAIPUR

Church Road, PO Box 173, Jaipur-302001, India.
Tel: +91-0141-3018800/01
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JALANDHAR

BXII-407, 2nd floor, Near BSF Chowk, Ladowali Road, Jalandhar-144001, India.
Tel: +91-0181-3051301/95, 2225410
FAX: +91-0181-2226342
Email: kirti.mehta@cgglobal.com

LUCKNOW

Saran Chambers II, 3rd floor, 5 Park Road, Lucknow-226001, India.
Tel: +91-0522-4152150/56
Fax: +91-0522-4152158
Email: devesh.pandey@cgglobal.com

RAIL TRANSPORTATION SYSTEMS

Vandhana Building, 11, Tolstoy Marg, New Delhi-110001, India.
Tel: +91-011-30416300, 30416922/23/24
Fax: +91-011-23324360, 23352134
Email: salil.kumar@cgglobal.com

EASTERN REGION

REGIONAL HEAD OFFICE: KOLKATA-

50 Chowringhee Road, Kolkata-700071, India
Tel: +91-033-2829681-85
Fax: +91-033-22829942
Email: mailadmin@cgglobal.com
balvinder.bajwa@cgglobal.com
cgical@cgglobal.com

BHUBANESHWAR

Janpath Tower, 3rd Floor, Ashok Nagar Unit II Bhubaneswar-751009, India
Tel: +91-0674-2531128, 2531429
Fax: +91-00674-2533521
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WESTERN REGION

REGIONAL HEAD OFFICE: MUMBAI-

Kanjur Marg (East), Mumbai-400042, India.
Tel: +91-022-67558000, 25780234, 67558600/01
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AHMEDABAD

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BARODA (SATELLITE OFFICE)

10-A, Vrundavan Colony, Near Harinagar Water Tank, Gotri Road, Baroda-390 007, India
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INDORE

103-B, Apollo Trade Centre, 2B, Rajgarh Kothi, Mumbai-Agra Road, Indore-452001, India.
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PUNE

Premium Point Building, 4th floor, Opp Modern High School, J M Road, Shivajinagar, Pune-411005, India.
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NAGPUR (SATELLITE OFFICE)

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RAIPUR

5, New Tilak Nagar, Avanti Vihar, Raipur-493 001
Tel: 0771-4022214/15
Fax: 0771-2444577
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ESTABLISHMENTS

SOUTHERN REGION

REGIONAL HEAD OFFICE: CHENNAI-

Crompton House-3, Dr. MGR Salai, (Kodambakkam High Road),
Nungambakkam, Chennai-600034, India.

Tel: +91-044-42247500, 28235533, 28257375, 42247575

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BANGALORE

Janardhana Towers, 1st floor, 562/640 Bannerghatta Road,
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Fax: +91-080-41391900.

Email: pulacode.venkatesh@cggglobal.com

COCHIN

Cherupushpam Building, 5th floor, 300-6, Shanmugham Road,
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Email: ramaswamy.ns@cggglobal.com

SECUNDERABAD

Minerva Complex, 4th floor, 94, Sarojni Devi Road,
Secunderabad-500003, India.

Tel: +91-040-40002300, 40002347, 40002345

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Email: sandeep.bhattacharya@cggglobal.com

SERVICE CENTRES

NORTHERN REGION

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Email: rajat.chopra@cggglobal.com

Email: suresh.awasthi@cggglobal.com

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Khasra No. 151/99, Village Khajurla, Near Octroi Post,
Tehsil Phagwara,

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Tel: +91-0181-2632187

Fax: +91-0181-2226342

Email: rajinder.rahi@cggglobal.com

Email: kirti.mehta@cggglobal.com

LUCKNOW

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Lucknow-226012, India

Tel: +91-0522-4024906/4152157

Fax: +91-0522-4152158

Email: kamlesh.sinha@cggglobal.com

EASTERN REGION

KOLKATA

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Email: mailadmin@cggglobal.com

cglcal@cggglobal.com

prabir.mukhopadhyay@cggglobal.com

subhash.ghosh@cggglobal.com

BHUBANESHWAR

Janpath Tower (Basement), Ashok Nagar,
Unit II, Bhubaneswar-751009, India

Tel: +91-0674-2531128, 2531429

Fax: +91-0674-2531592

Email: ajoy.mahapatra@cggglobal.com

PATNA

Vishwasadan, Behind Jeevan Deep Bldg.,

East of Narmada Apartment, Exhibition Road, Patna-800001, India

Tel: +91-0612-6453160/6453161

Email: swapan.bera@cggglobal.com

WESTERN REGION

MUMBAI

Kanjur Marg (East), Mumbai- 400042, India

Tel. +91-022-67558000, 67558590.

Fax: +91-022-67558669

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Fax: +91-079-40012222

Email: suman.tailor@cggglobal.com

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