20240827043117

Årsredovisning

2023-04-01 – 2024-03-31

för

CG Drives & Automation Sweden AB

556232-2643

Fastställelseintyg.

Undertecknad styrelseledamot i CG Drives & Automation Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 16 maj 2024.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Helsingborg den 16 maj 2024

Ort och datum

Underskrift

Claes Bjäreholt

Namnförtydligande

CG Drives & Automation Sweden AB
556232-2643

20240827044118

Årsredovisning

för räkenskapsåret 2023-04-01 - 2024-03-31

Styrelsen och verkställande direktören för CG Drives & Automation Sweden AB avger härmed följande årsredovisning.

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Styrelsens säte: Helsingborg
Företagets redovisningsvaluta: Svenska kronor (SEK).
Alla belopp redovisas, om inte annat anges, i tusentals kronor (tkr).

20240827044419

Förvaltningsberättelse

Information om verksamheten

CG Drives & Automation Sweden AB är teknikpartner för energieffektiva produkter och lösningar. Hängiven till green-tech innovation.

Vi utvecklar, tillverkar och marknadsför utrustning för styrning och skydd av industriella processer och maskiner drivna av elektriska motorer. Koncernens huvudproduktområde utgörs av frekvensomriktare, axeleffektvakter, mjukstartare och drivsystem. Tillsammans med nyckelkunder skapar koncernen hållbara, energieffektiva lösningar baserade på:

Våra smartare dedikerade produkter som speglar robust användarvänlighet och maximerad anslutning

Våra snabbare, pålitliga kvalitetsleveranser

Vår effektiva metod för service där vi erbjuder anpassning av produkter och proaktiva och integrerade tjänster. Tillverkning och montering utförs på företagets huvudkontor i Helsingborg. Bolaget utvecklingsresurser är främst lokaliserade till Helsingborg men sker även genom samarbete med vårt Indiska systerbolag.

Försäljning och marknadsföring sker genom egna säljorganisationer på koncernens hemmamarknader, Norden, Tyskland, Benelux och Mellanöstern samt genom distributörer och partners på ett flertal marknader utanför hemmamarknaderna.

Förväntad framtida utveckling

Vi kommer att fokusera på vår egen utveckling av våra produkter där vi har stark erfarenhet och kunskap.

1. Uppgradera våra egenutvecklade produkter från 5:e och N: generationens IGBT till 7:e generationen vilket ökar produkttätheten.
2. Utveckla nya kraftelektroniska byggstenar för nivå 2 och 3 som möjliggör ytterligare ökning av effekttätheten och en förbättrad kompakthet för produkter med hög effekt.
3. DNV-GL, BV och UL typgodkännande för alla standardprodukter.
4. Fler smartphone - och PC- applicationer, anslutningar och molntjänster
5. Nytt sortiment av små kraftdrivare IP54 och IP20 / 21 för att ersätta IP2Y och delar av IP2X och IP54-familjen.

Forskning och utveckling

Vi utvecklar toppmodern lågspännings-teknik över 37KW. Forskning och utveckling är huvudsakligen inriktad på robusthet och konkurrenskraftiga energieffektiva produkter som förbättrar anslutningen, möjliggör IoT-fjärråtkomst och mervärde baserat på kundbehov eller förbättrar standardutbudet med komplett portfölj med drivsystem i IP20 / IP54 (0,75kW-4MW) . Vi spenderar nästan 5,0% av de totala intäkterna på utveckling.

Risker och osäkerhetsfaktorer

När det gäller finansiella risker är det främst kraftiga valutafluktuationer som är av betydelse även om dessa till stor del elimineras då merparten både köps och säljs i EUR.

Osäkert marknadsläge på grund av geopolitisk stress och regeringspolitik i vissa geografiska områden i Mellanöstern som kan påverka vår exportförsäljning.

Ägarförhållanden

Tube Investment of India limited (TII) (L35100TN2008PLC069496) ingår i The Murugappa Group, som är ett av Indiens ledande affärskonglomerat. Koncernen har 28 verksamheter, inklusive nio börsnoterade företag som handlas på nationella börsen och Bombay börsen i Indien. Tube Investment of India äger 53,17% av aktierna i CG Power and Industrial Solutions Ltd (L99999MH1937PLC002641) noterat på Bombay börsen i Indien. CG Power and Industrial Solution Ltd är det största moderbolaget som upprättar koncernredovisning i koncernen. CG Power and Industrial Solutions Ltd äger CG International B.V (34224124) i Nederländerna, det minsta moderbolaget i koncernen som upprättar koncernredovisning i koncernen. CG International B.V. äger moderbolaget CG Industrial Holdings Sweden AB (556852-4119). CG Industrial Holdings Sweden AB är moderbolag till CG Drives & Automation Sweden AB. CG Industrial Holdings Sweden AB upprättar ingen koncernredovisning med hänvisning till Årsredovisningslagen kap 7. § 2. Koncernens årsredovisning kan laddas ned på koncernens hemsida: www.cgglobal.com

Väsentliga händelser under året

Omstrukturering av juridisk enhet

Före 2013-2014 var de fyra företagen inom Drives & Automation Europe under samma juridiska struktur, dvs. under CG Industrial Holdings Sweden AB

Under 2013-14 överfördes dotterbolagen i Tyskland och Nederländerna till CGIBV via ett aktieöverlåtelseavtal. Det gjordes som en del av omstruktureringen av företaget för att förbättra det globala fotavtrycket och få mer synergi.

Under räkenskapsåret 2023-24 överfördes CG Drives and Automation Germany GmbH i Tyskland med org.nr HRB 111227 och CG Drives and Automation Netherlands BV i Nederländerna med org.nr 17033961 tillbaka via aktieöverlåtelseavtal till en köpeskilling om 3,6 miljoner euro respektive 4,19 miljoner euro under CG Drives and Automation Sweden AB. Denna omstrukturering kommer att bidra till att skapa värde för Drives & Automation-verksamheten i Europa som en produktlinje och harmonisera den legala strukturen i samma linje som vi driver och kontrollerar från ledningen.

20240827044420

Flerårsöversikt	**2023/24**	**2022/23**	**2021/22**	**2020/21**
Nettoomsättning (tkr)	334 168	299 853	258 685	241 116
Resultat efter finansiella poster (tkr)	36 305	21 835	7 105	2 577
Rörelsemarginal (%)	10,6%	5,8%	2,6%	1,0%
Avkastning på eget kapital (%)	13,8%	8,1%	2,6%	1,0%
Balansomslutning (tkr)	369 570	333 349	350 746	349 012
Soliditet (%)	70,4%	79,7%	78,1%	76,9%
Antal anställda	75	74	73	74

Förslag till resultatdisposition
Styrelsen föreslår att till förfogande stående medel

Balanserat resultat	196 441 368
Årets resultat	-398 964
	196 042 403

disponeras så att

i ny räkning överföres	196 042 403
	196 042 403

20240827043421

Resultaträkning

	Not	2023-04-01 -2024-03-31	2022-04-01 -2023-03-31
Nettoomsättning	1	334 168	299 853
Aktiverade kostnader för egen räkning		5 749	4 812
Övriga rörelseintäkter		7 360	5 156
		347 277	**309 821**
Rörelsens kostnader			
Råvaror och förnödenheter		-185 719	-178 082
Övriga externa kostnader	2,3	-37 553	-32 383
Personalkostnader	4	-73 323	-66 411
Avskrivningar av materiella och immateriella anläggningstillgångar		-15 235	-15 442
		-311 829	**-292 318**
Rörelseresultat	5	**35 448**	**17 503**
Resultat från finansiella poster			
Övriga ränteintäkter och liknande resultatposter	6	1 030	1 747
Räntekostnader och liknande resultatposter	7	-174	2 586
		857	**4 333**
Resultat efter finansiella poster		**36 305**	**21 835**
Bokslutsdispositioner			
Lämnade Koncernbidrag		-36 704	0
Resultat före skatt		**-399**	**21 835**
Skatt på årets resultat	8	0	-4 496
Årets resultat		**-399**	**17 340**

CG Drives & Automation Sweden AB
556232-2643

Balansräkning

	Not	2024-03-31	2023-03-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Balanserade utgifter för forsknings- och utvecklingsarbeten och liknande arbeten	9	19 429	24 671
Mjukvara	10	159	335
Pågående projekt	11	10 573	11 593
		30 161	**36 599**
Materiella anläggningstillgångar			
Maskiner och andra tekniska anläggningar	12	4 430	4 582
		4 430	**4 582**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	13,14	90 792	0
Fordringar hos koncernföretag	15	98 496	177 979
Uppskjuten skattefordran	16	0	0
		189 288	**177 979**
Summa anläggningstillgångar		**223 879**	**219 160**
Omsättningstillgångar			
Varulager m.m.			
Lager av råvaror och förnödenheter		36 355	29 002
Varor under tillverkning		7 856	7 072
Färdiga varor och handelsvaror		3 267	3 037
Förskott till leverantörer		1 225	360
		48 703	**39 472**
Kortfristiga fordringar			
Kundfordringar		51 418	37 035
Fordringar hos koncernföretag		30 251	24 507
Aktuell skattefordran		2 778	2 778
Övriga fordringar		455	1 005
Förutbetalda kostnader och upplupna intäkter	17	2 017	1 914
		86 920	**67 239**
Kassa och bank	18	10 069	7 479
Summa omsättningstillgångar		**145 691**	**114 190**
SUMMA TILLGÅNGAR		**369 570**	**333 349**

20240827044423

Balansräkning

	Not	2024-03-31	2023-03-31
EGET KAPITAL OCH SKULDER			
Eget kapital	19		
Bundet eget kapital			
Aktiekapital		25 632	25 632
Fond för utvecklingsutgifter	20	21 062	24 164
Reservfond		17 337	17 337
		64 031	**67 133**
Fritt eget kapital			
Balanserat resultat		196 441	181 126
Årets resultat		-399	17 340
		196 042	**198 466**
Summa eget kapital		**260 073**	**265 599**
Avsättningar	21		
Övriga avsättningar		3 115	2 541
		3 115	**2 541**
Långfristiga skulder			
Skulder till koncernföretag	22	41 269	14 098
		41 269	**14 098**
Kortfristiga skulder			
Leverantörsskulder		32 429	30 242
Förskott från kunder		11 084	0
Övriga skulder		2 214	2 322
Upplupna kostnader och förutbetalda intäkter	23	19 385	18 547
		65 112	**51 112**
SUMMA EGET KAPITAL OCH SKULDER		**369 570**	**333 349**

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Rapport över förändringar i eget kapital

	Bundet eget kapital			*Fritt eget kapital*		
	Aktie-kapital	Fond för ut-vecklingsutgifter	Reservfond	Balanserat resultat	Årets resultat	Totalt
Ingående balans 2022-04-01	25 632	29 288	17 337	196 225	5 409	**273 891**
Omföring resultat föregående år	0	0	0	5 409	-5 409	**0**
Aktivering utvecklingskostnader	0	6 038	0	-6 038	0	**0**
Avskrivning till följd av årets utvecklingsutgifter	0	-11 162	0	11 162	0	**0**
Lämnad utdelning		0	0	-25 632		**-25 632**
Årets resultat	0	0	0	0	17 340	**17 340**
Utgående balans 2023-03-31	**25 632**	**24 164**	**17 337**	**181 126**	**17 340**	**265 599**
Omföring resultat föregående år	0	0	0	17 340	-17 340	**0**
Aktivering utvecklingskostnader	0	8 194	0	-8 194	0	**0**
Avskrivning till följd av årets utvecklingsutgifter		-11 296	0	11 296	0	**0**
Lämnad utdelning	0	0	0	-5 126	0	**-5 126**
Årets resultat	0	0	0	0	-399	**-399**
Utgående balans 2024-03-31	**25 632**	**21 062**	**17 337**	**196 441**	**-399**	**260 073**

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Kassaflödesanalys

	Not	2023-04-01 -2024-03-31	2022-04-01 -2023-03-31
Den löpande verksamheten			
Rörelseresultat		35 448	17 503
Justeringar för poster som inte ingår i kassaflödet m.m.			
Avskrivningar och nedskrivningar		15 235	15 442
Valutakursdifferanser		0	0
		50 682	**32 945**
Erhållen ränta		1 031	5 126
Erlagd ränta		-174	-794
Betald inkomstskatt		0	0
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**51 539**	**37 277**
Förändringar i rörelsekapital			
Förändring av varulager		-9 231	-1 428
Förändring av rörelsefordringar		-19 681	-22 793
Förändring av rörelseskulder		14 000	10 214
Kassaflöde från den löpande verksamheten		**36 628**	**23 270**
Investeringsverksamheten			
Förvärv av materiella anläggningstillgångar		-1 449	-1 630
Förvärv av immateriella anläggningstillgångar		-8 194	-6 038
Kassaflöde från investeringsverksamheten		**-9 644**	**-7 667**
Finansieringsverksamheten			
Ökning/minskning av långfristiga fordringar/skulder		-19 268	-22 817
Lämnad utdelning		-5 126	0
Kassaflöde från finansieringsverksamheten		**-24 394**	**-22 817**
Årets kassaflöde		**2 590**	**-7 214**
Likvida medel vid årets början		**7 479**	**14 693**
Likvida medel vid årets slut	16	**10 069**	**7 479**

20240827044426

Tilläggsupplysningar

Redovisningsprinciper m.m.

Allmänna redovisningsprinciper
Årsredovisningen har upprättats enligt Årsredovisningslagen (1995:1554) och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).
Bedömningar och uppskattningar
Följande av styrelsens bedömningar har en betydande effekt på redovisade belopp i årsredovisningen:
Bedömningar och uppskattningar föreligger främst inom forskning och utveckling samt värdering av aktier i dotterbolag. Aktivering av väsentliga forskning- och utvecklingsprojekt sker under förutsättning att dessa bedöms generera framtida intäkter. Under redovisningsprinciper beskrivs hanteringen av forskning och utvecklingsprojekt ur ett redovisningsperspektiv.

Vid varje balansdag analyserar bolaget de redovisade värdena för andelar i koncernföretag för att avgöra om det finns någon indikation på nedskrivning. I nedskrivningsprövningen diskonteras framtida kassaflöden till nuvärde med hjälp av en diskonteringsränta före skatt som återspeglar nuvarande marknadsförhållanden för pengars tidsvärde och de risker som är förknippade med tillgången.

Koncerntillhörighet

Tube Investment of India limited (TII) (L35100TN2008PLC069496) ingår i The Murugappa Group, som är ett av Indiens ledande affärskonglomerat. Koncernen har 28 verksamheter, inklusive nio börsnoterade företag som handlas på nationella börsen och Bombay börsen i Indien. Tube Investment of India äger 53,17% av aktierna i CG Power and Industrial Solutions Ltd (L99999MH1937PLC002641) noterat på Bombay börsen i Indien. CG Power and Industrial Solution Ltd är det största moderbolaget som upprättar koncernredovisning i koncernen. CG Power and Industrial Solutions Ltd äger CG International B.V (34224124) i Nederländerna, det minsta moderbolaget i koncernen som upprättar koncernredovisning i koncernen. CG International B.V. äger moderbolaget CG Industrial Holdings Sweden AB (556852-4119). CG Industrial Holdings Sweden AB är moderbolag till CG Drives & Automation Sweden AB. CG Industrial Holdings Sweden AB upprättar ingen koncernredovisning med hänvisning till Årsredovisningslagen kap 7. § 2. Koncernens årsredovisning kan laddas ned på koncernens hemsida: www.cgglobal.com

Intäktsredovisning
Försäljning av varor
Intäkten redovisas till verkligt värde av vad företaget fått eller kommer att få. Det innebär att företaget redovisar intäkten till nominellt värde. Avdrag görs för lämnade rabatter.

Vid försäljning av varor redovisas normalt inkomsten som intäkt när de väsentliga förmåner och risker som är förknippade med ägandet av varan har överförts från företaget till köparen.

Leasingavtal
Företaget som leasetagare
Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.
Se vidare not 3.

20240827044427

Ersättningar till anställda
Ersättningar till anställda avser alla typer av ersättningar som företaget lämnar till de anställda. Företagets ersättningar innefattar bland annat löner, betald semester, betald frånvaro, bonus och ersättningar efter avslutad anställning (pensioner). Redovisning sker i takt med intjänandet. Ersättningar till anställda efter avslutad anställning avser avgiftsbestämda eller förmånsbestämda pensionsplaner. Som avgiftsbestämda planer klassificeras planer där fastställda avgifter betalas och det inte finns förpliktelser, vare sig legala eller informella, att betala något ytterligare, utöver dessa avgifter. Övriga planer klassificeras som förmånsbestämda pensionsplaner. Företaget har inga övriga långfristiga ersättningar till anställda.

Företaget har förmånsbestämda pensionsplaner där en pensionspremie betalas och redovisar dessa planer som avgiftsbestämda planer i enlighet med förenklingsregeln i BFNAR 2012:1.

Omräkning av poster i utländsk valuta
Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Skatt
Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekt redovisas i eget kapital.

Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån per den skattesats som gäller per balansdagen.

Uppskjuten skatt
Uppskjuten skatt är inkomstskatt som avser framtida räkenskapsår till följd av tidigare händelser. Redovisning sker enligt balansräkningsmetoden. Enligt denna redovisas uppskjutna skatteskulder och uppskjutna skattefordringar på temporära skillnader som uppstår mellan bokförda respektive skattemässiga värden för tillgångar och skulder samt för övriga skattemässiga avdrag eller underskott.

Uppskjutna skattefordringar nettoredovisas mot uppskjutna skatteskulder endast om de kan betalas med ett nettobelopp. Uppskjuten skatt beräknas utifrån gällande skattesats på balansdagen. Effekter av förändringar i gällande skattesatser resultatförs i den period förändringen lagstadgats. Uppskjutna skattefordringar reduceras till den del det inte är sannolikt att den underliggande skattefordran kommer att kunna realiseras inom en överskådlig framtid. Uppskjuten skattefordran redovisas som finansiell anläggningstillgång och uppskjuten skatteskuld som avsättning.

20240827044428

Anläggningstillgångar
Materiella och immateriella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och eventuella nedskrivningar.

Materiella anläggningstillgångar har delats upp på betydande komponenter när komponenterna har väsentligt olika nyttjandeperioder.

Avskrivningsbart belopp utgörs av anskaffningsvärdet minskat med ett beräknat restvärde om detta är väsentligt. Avskrivning sker linjärt över den förväntade nyttjandeperioden.

Följande avskrivningstider tillämpas:

Immateriella anläggningstillgångar	
Balanserade utgifter för forsknings- och utvecklingsarbeten och liknande arbeten	2,6-10 år
Mjukvara	5 år
Materiella anläggningstillgångar	
Maskiner och andra tekniska anläggningar	3-5 år

Internt upparbetade immateriella anläggningstillgångar
Företaget tillämpar den s.k. "aktiveringsmodellen" avseende internt upparbetade immateriella anläggningstillgångar. Metoden innebär att samtliga utgifter som uppfyller kriterierna i BFNAR 2012:1 aktiveras som immateriell anläggningstillgång och skrivs av under tillgångens beräknade nyttjandeperiod.

Varulager
Varulagret har värderats till det lägsta av dess anskaffningsvärde och dess nettoförsäljningsvärde på balansdagen. Med nettoförsäljningsvärdet avses varornas beräknade försäljningspris minskat med försäljningskostnader. Den valda värderingsmetoden innebär att eventuell inkurans i varulagret har beaktats.

Fordringar, skulder och avsättningar
Om inget annat anges ovan värderas kortfristiga fordringar till det lägsta av dess anskaffningsvärde och det belopp varmed de beräknas bli reglerade. Långfristiga fordringar och långfristiga skulder värderas efter det första värderingstillfället till upplupet anskaffningsvärde. Övriga skulder och avsättningar värderas till de belopp varmed de beräknas bli reglerade. Övriga tillgångar redovisas till anskaffningsvärde om inget annat anges ovan.

20240827044429

Noter

Not 1 Nettoomsättningens fördelning

Nettoomsättningen fördelar sig på geografiska marknader enligt följande:

	2023/24	2022/23
Tyskland	83 228	91 663
Benelux	53 283	44 028
Norden	48 773	45 738
Kina	10 302	14 110
Ryssland	0	0
Chile	18 744	26 384
Resterande del av världen	120 844	77 929
Summa	**335 174**	**299 853**

Not 2 Arvode till revisorer

	2023/24	2022/23
Skatterådgivning	271	0
Revisionsuppdraget	305	303
Summa	**575**	**303**

Not 3 Leasingavtal - leasetagare

Operationell leasing

	2023/24	2022/23
Kostnadsförda leasingavgifter avseende finansiella och operationella leasingavtal	4 606	4 244
Framtida minimileaseavgifter avseende ej uppsägningsbara operationella leasingavtal		
Ska betalas inom 1 år	4 476	4 245
Ska betalas inom 2-5 år	12 751	4 257
Ska betalas senare än 5 år	0	0
	17 227	**8 502**

Företaget har ingått följande väsentliga leasingavtal vilka redovisas som operationella leasingavtal:
De väsentliga leasing avtal som bolaget ingått är relaterade till hyreskontrakt för kontors- och produktionslokal. Kontrakten är tecknade på en kontraktslängd om tre år. Hyresnivån fastställs genom att hyran årligen indexregleras iförhållande till konsumentprisindex.

20240827044430

Not 4 Anställda och personalkostnader

Medelantalet anställda

	2023/24	2022/23
Kvinnor	22	25
Män	53	49
Summa	**75**	**74**

	2023/24	2022/23
Löner och andra ersättningar		
Styrelse och verkställande direktör	3 996	3 169
Övriga anställda	46 358	40 819
Summa	**50 354**	**43 989**
Tantiem till styrelse och verkställande direktör ingår med	960	339
Pensions- och övriga sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	965	922
Pensionskostnader för övriga anställda	6 792	5 607
Övriga sociala kostnader enligt lag och avtal	13 439	12 216
Summa	**21 197**	**18 745**

	2024-03-31	2023-03-31
Utestående pensionsförpliktelser till styrelse och verkställande direktör	-	-
Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	0%	0%
Andel män i styrelsen	100%	100%
Andel kvinnor bland övriga ledande befattningshavare	40%	40%
Andel män bland övriga ledande befattningshavare	60%	60%

Not 5 Inköp och försäljning mellan koncernföretag

	2023/24	2022/23
Andel av årets totala inköp som skett från andra företag inom koncernen	8%	8%
Andel av årets totala försäljning som skett till andra företag inom koncernen	41%	44%

20240827044431

Not 6 Övriga ränteintäkter och liknande resultatposter

	2023/24	2022/23
Ränteintäkter från koncernföretag	887	1 431
Övriga ränteintäkter	143	316
Summa	**1 030**	**1 747**

Not 7 Räntekostnader och liknande resultatposter

	2023/24	2022/23
Räntekostnader till koncernföretag	-1 466	-235
Övriga räntekostnader	-59	-441
Kursdifferenser	1 469	3 379
Övriga finansiella kostnader	-118	-118
Summa	**-174**	**2 586**

Not 8 Skatt på årets resultat

	2023/24	2022/23
Förändring av uppskjuten skatt	0	3 526
Årets skattekostnad	0	970
Summa	**0**	**4 496**
Genomsnittlig effektiv skattesats	**0,0%**	**20,6%**

Avstämning av effektiv skattesats

Redovisat resultat före skatt	**-399**	**21 835**
Skatt på redovisat resultat enligt gällande skattesats (20,6 %):	-82	4 498
Skatteeffekt av:		
Övriga ej avdragsgilla kostnader	82	69
Övriga skattemässiga justeringar	0	-71
Ej skattepliktiga intäkter	0	0
Förändring av underskottsavdrag	0	-3 526
Redovisad skatt	**0**	**970**
Effektiv skattesats	0,0%	4,4%

Upplysningar om uppskjuten skattefordran och skatteskuld
Vad avser förändringen av uppskjuten skattefordran, se not 16.

20240827044432

Not 9 Balanserade utgifter för forsknings- och utvecklingsarbeten och liknande arbeten

	2024-03-31	2023-03-31
Ingående anskaffningsvärden	212 970	206 546
Årets anskaffningar	67	545
Omklassificeringar	8 127	5 880
Utgående ackumulerade anskaffningsvärden	**221 165**	**212 970**
Ingående avskrivningar	-188 300	-175 007
Årets avskrivningar	-13 436	-13 292
Utgående ackumulerade avskrivningar	**-201 735**	**-188 300**
Utgående redovisat värde	**19 429**	**24 671**

Not 10 Mjukvara

	2024-03-31	2023-03-31
Ingående anskaffningsvärden	11 439	11 439
Årets anskaffningar	0	0
Utgående ackumulerade anskaffningsvärden	**11 439**	**11 439**
Ingående avskrivningar	-11 104	-10 838
Årets avskrivningar	-177	-265
Utgående ackumulerade avskrivningar	**-11 280**	**-11 104**
Utgående redovisat värde	**159**	**335**

Not 11 Pågående projekt

	2024-03-31	2023-03-31
Ingående anskaffningsvärden	11 593	11 980
Årets anskaffningar	7 107	5 493
Omklassificeringar	-8 127	-5 880
Utgående ackumulerade anskaffningsvärden	**10 573**	**11 593**
Utgående redovisat värde	**10 573**	**11 593**

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Not 12 Maskiner och andra tekniska anläggningar

	2024-03-31	2023-03-31
Ingående anskaffningsvärden	35 858	34 228
Årets anskaffningar	1 449	1 630
Utgående ackumulerade anskaffningsvärden	**37 307**	**35 858**
Ingående avskrivningar	-31 276	-29 469
Årets avskrivningar	-1 602	-1 807
Utgående ackumulerade avskrivningar	**-32 877**	**-31 276**
Utgående redovisat värde	**4 430**	**4 582**

Not 13 Andelar i koncernföretag

	2024-03-31	2023-03-31
Årets anskaffningar	90 792	0
Utgående ackumulerade anskaffningsvärden	**90 792**	**0**

Not 14 Specifikation av andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde
CG Drives & Automation Germany GmbH	100%	100%	1	41 997
CG Drives & Automation Netherlands B.V.	100%	100%	594 000	48 794
				90 792

	Org.nr.	Säte	Eget kapital*	Årets resultat*
CG Drives & Automation Germany GmbH	HRB 111447	Wernigerode, Tyskland	37 636	4 465
CG Drives & Automation Netherlands B.V.	17033961	Bladel, Nederländerna	46 830	4 765

Not 15 Fordringar hos koncernföretag

	2024-03-31	2023-03-31
Ingående anskaffningsvärden	177 979	200 112
Tillkommande fordringar	0	0
Amorteringar	-79 483	-22 133
Utgående ackumulerade anskaffningsvärden	**98 496**	**177 979**
Utgående redovisat värde	**98 496**	**177 979**

Not 16 Uppskjuten skattefordran

	2024-03-31	2023-03-31
Ingående saldo	0	3 526

20240827044434

Återförda skattefordringar	0	-3 526
Summa	**0**	**0**

Se även not 8 Skatt på årets resultat.

20240827044435

Not 17 Förutbetalda kostnader och upplupna intäkter

	2024-03-31	2023-03-31
Förutbetalda hyreskostnader	344	324
Övriga förutbetalda kostnader	1 673	1 590
Summa	**2 017**	**1 914**

Not 18 Kassa och bank

	2024-03-31	2023-03-31
Kassamedel	6	0
Banktillgodohavanden	10 062	7 479
Summa	**10 069**	**7 479**

Not 19 Antal aktier och kvotvärde

	Antal aktier	Kvot-värde
Antal A-aktier	19 454 590	1
Antal B-aktier	6 177 395	1
Summa	**25 631 985**	

Belopp anges i SEK.

Not 20 Fond för utvecklingsutgifter

	2024-03-31	2023-03-31
Ingående saldo	24 164	29 288
Årets avsättning till fonden	8 194	6 038
Överföringar	-11 296	-11 162
Summa	**21 062**	**24 164**

Not 21 Avsättningar

	2024-03-31	2023-03-31
Övriga avsättningar		
Belopp vid årets ingång	2 541	2 541
Årets avsättning	574	0
Summa	**3 115**	**2 541**
Specifikation övriga avsättningar		
Garantiåtaganden	3 115	2 541
Summa	**3 115**	**2 541**

Not 22 Långfristiga skulder

	2024-03-31	2023-03-31
Förfaller senare än 5 år efter balansdagen		
Skulder till koncernföretag	41 269	14 098
Summa	**41 269**	**14 098**

20240827044436

Not 23 Upplupna kostnader och förutbetalda intäkter

	2024-03-31	2023-03-31
Upplupna semesterlöner	4 768	4 462
Upplupna sociala avgifter	3 421	3 382
Upplupna löner	1 836	2 239
Övriga upplupna kostnader	9 361	8 465
Summa	**19 385**	**18 547**

Not 24 Ställda säkerheter

	2024-03-31	2023-03-31
Säkerheter ställda för annat:		
Företagsinteckningar	30 000	30 000
Tullgaranti	70	70
Summa ställda säkerheter	**30 070**	**30 070**

Not 25 Disposition av vinst eller förlust

	2024-03-31	2023-03-31
Balanserat resultat	196 441	181 126
Årets resultat	-399	17 340
	196 042	**198 466**
disponeras så att		
i ny räkning överföres	196 042	198 466
	196 042	**198 466**

Not 26 Nyckeltalsdefinitioner

Rörelsemarginal
Rörelseresultat i procent av nettoomsättningen

Justerat eget kapital
Eget kapital som reducerats med uppskjuten skatt.

Avkastning på eget kapital
Resultat efter finansiella poster i procent av genomsnittligt justerat eget kapital

Soliditet
Justerat eget kapital i procent av balansomslutning

20240827044437

CG Drives & Automation Sweden AB
556232-2643

Helsingborg den 19 april 2024

Ramesh Kumar Narasinghbhan
Ordförande

Claes Bjäreholt
VD

Kapil Agrawal
Styrelseledamot

Susheel Todi
Styrelseledamot

Vår revisionsberättelse har lämnats den 21/4-2024

BDO Syd KB

Teddie Leidhem
Auktoriserad Revisor

CG Drives & Automation Sweden AB

20240827044438

REVISIONSBERÄTTELSE

Till bolagsstämman i CG Drives & Automation Sweden AB
Org.nr. 556232-2643

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för CG Drives & Automation Sweden AB för räkenskapsåret 2023-04-01 -- 2024-03-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av CG Drives & Automation Sweden ABs finansiella ställning per den 31 mars 2024 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet "Revisorns ansvar". Vi är oberoende i förhållande till CG Drives & Automation Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.

- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.

- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.

- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

20240827044439

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för CG Drives & Automation Sweden AB för räkenskapsåret 2023-04-01 -- 2024-03-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet "Revisorns ansvar". Vi är oberoende i förhållande till CG Drives & Automation Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet.

Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Helsingborg den 21 april 2024

BDO Syd Kommanditbolag

Teddie Leidhem
Auktoriserad revisor

202410310567 6

CG Power and Industrial Solutions Limited
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CG House, 6th Floor, Dr. Annie Besant Road, Worli, Mumbai 400 030. India.
T +91 22 2423 7777 F +91 22 2423 7733 W: www.cgglobal.com
Corporate Identity Number: L99999MH1937PLC008541

Smart solutions
Strong relationships

Our Ref: COSEC/072/2024-2025

29th June, 2024

By Portal

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

The Assistant Manager – Listing
National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Scrip Id : CGPOWER

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2023-24 and Notice convening the 87th Annual General Meeting of the Company.

Ref.: Intimation regarding the schedule of AGM vide ref. no. COSEC/024/2024-25 dated 6th May, 2023.

With reference to the captioned, we wish to inform you that the 87th Annual General Meeting ("AGM") of the Company is scheduled to be held on **Wednesday, 24th July, 2024 at 03:00 p.m. (IST).** Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report for the financial year 2023-24 along with the Notice convening the AGM of the Company are enclosed. These are also available on the website of the Company i.e. www.cgglobal.com.

The AGM will be held through Video Conference/ Other Audio Visual Means in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

Request you to kindly take the above information on record.

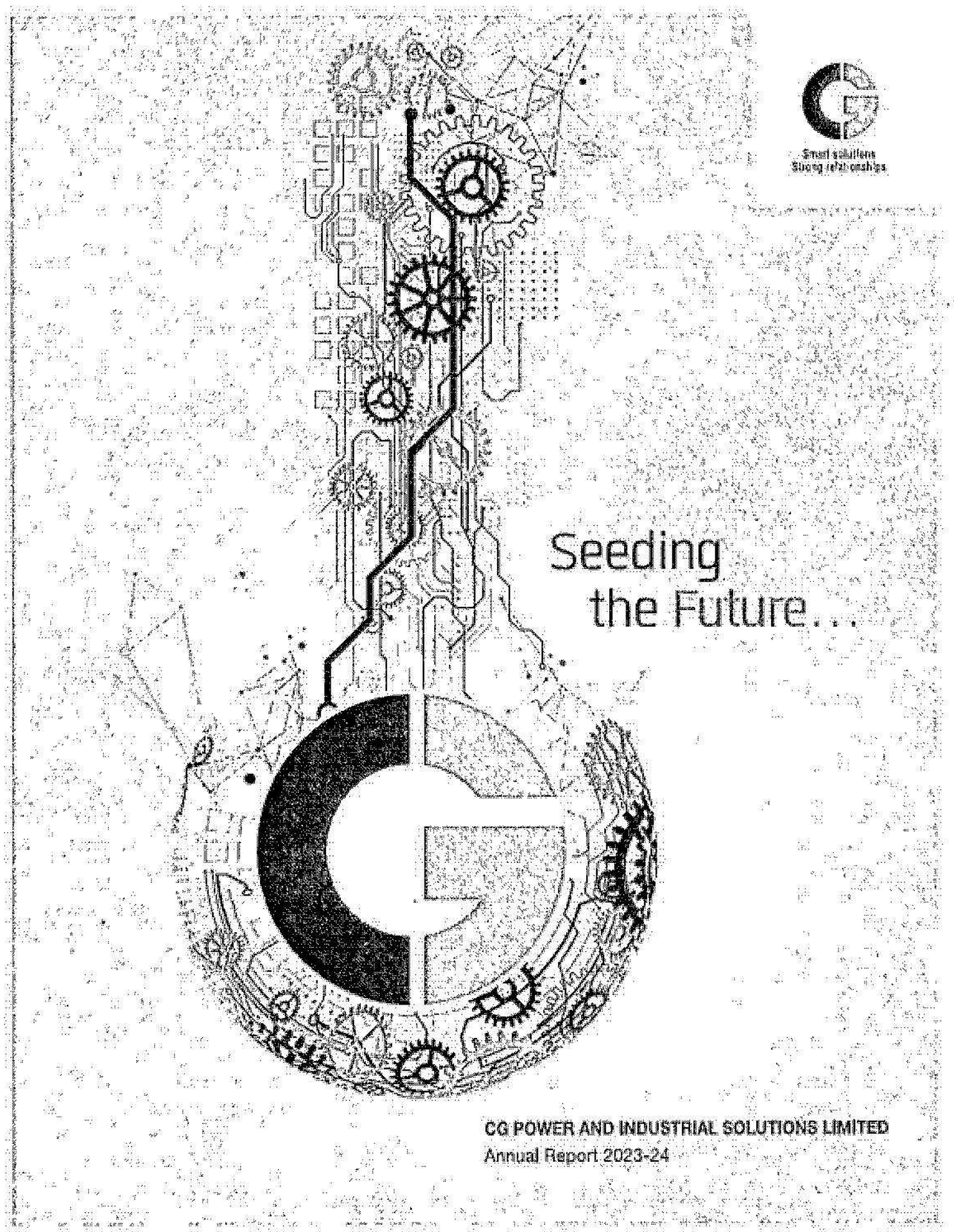
Thanking you,

Yours faithfully,
For CG Power and Industrial Solutions Limited

SANJAY KUMAR CHOWDHARY

Sanjay Kumar Chowdhary
Company Secretary and Compliance Officer

Encl: as above



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Seeding the Future...

As we persist in our journey of seeding the future, which has served as our guiding compass through the winds of change in FY24, we are on the precipice of a new era of opportunities. While significant strides have been made in planting the seeds of tomorrow over the past year, there remains much to sow, nurture, and cultivate as we shape a landscape characterized by innovation and excellence. This endeavor has empowered us to seize opportunities and foster sustainable growth.

Further, while our commitment to Engineering and Manufacturing for our core businesses remains unwavering, we are also diversifying our business profile with an entry into setting up an OSAT facility in the Semiconductor industry. Additionally, as digital innovations continue to reshape our operational landscape, we persevere in our investments in this domain, positioning ourselves for heightened levels of efficiency and effectiveness.

Buoyed by our expanding market footprint and the trust of our customers, we are preparing to explore new horizons in both domestic and global markets. Equally, we acknowledge the paramount importance of sustainability and environmental stewardship in today's context. As part of our corporate responsibility, we remain committed to integrating sustainable practices into our operations and products, thereby ensuring a greener and more sustainable future for generations to come.

> Backed by a robust financial standing and a resilient spirit, we face the future with confidence and determination. At CG, we are not merely planting seeds for the future; we are nurturing a legacy of innovation, progress, and lasting impact.

Company Overview

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CG Power and Industrial Solutions Limited, headquartered in Mumbai, India, is an 86-year-old engineering conglomerate and a leader in the Electrical Engineering Industry. Since November 2020, the Company has become a part of the renowned Murugappa Group.

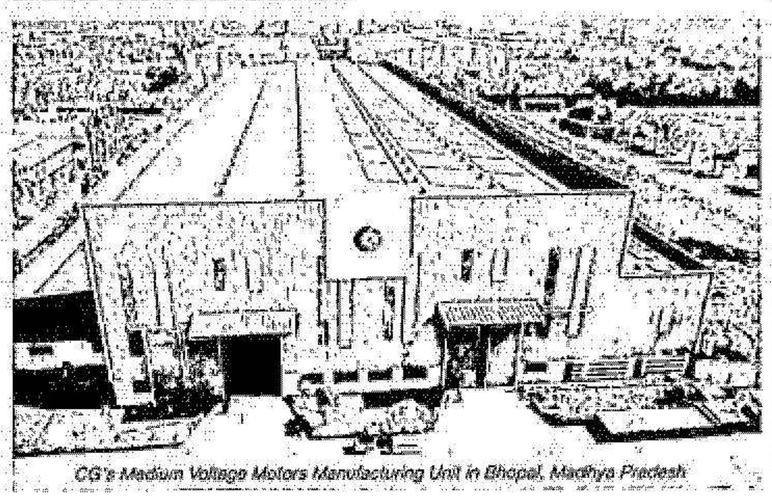
CG has two business lines—Industrial Systems and Power Systems. It manufactures Traction Motors, Propulsion Systems, Signalling Relays etc., for the Indian Railways, and wide range of Induction Motors, Drives, Transformers, Switchgears, and other allied products for the Industrial and Power sectors. Recently, the Company also made a foray into the business of Consumer Appliances such as Fans, Pumps, and Water Heaters.

The Company has world-class manufacturing plants across 9 locations in India and one in Sweden, and a Pan India network of 5 Regional and 14 Branch offices, with around 3,113 employees.

CG continues to constantly evolve and provide cutting-edge products and Services which not only meets but also surpasses consumer expectations.

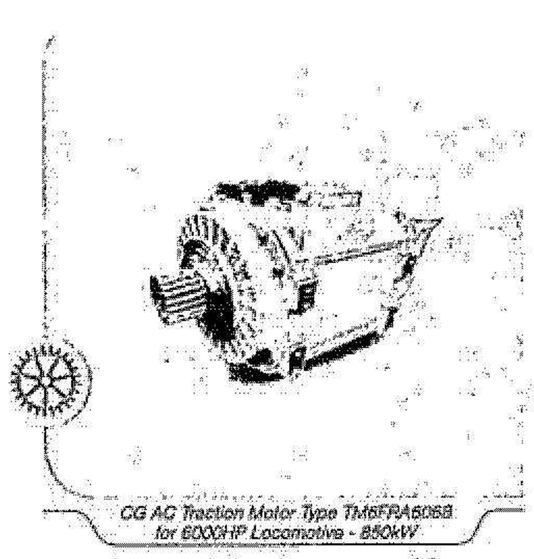
The Company prioritizes the creation of shared value and is committed to creating enhanced value for all its stakeholders.

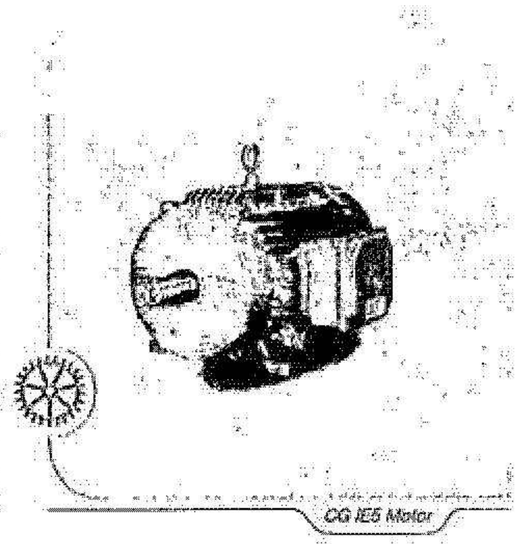


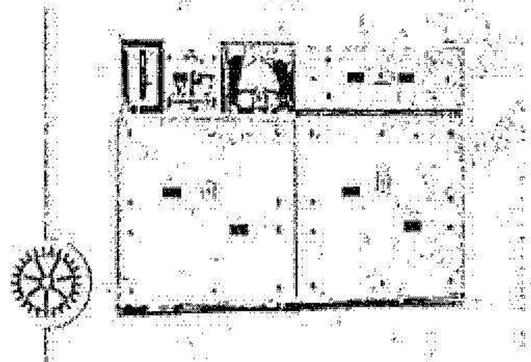

CG's Medium Voltage Motors Manufacturing Unit in Bhopal, Madhya Pradesh

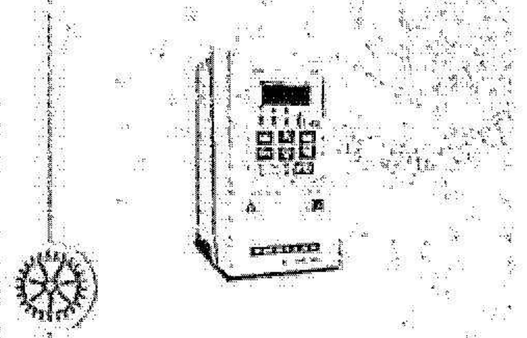
Industrial Systems

Motors & Drives, Railways, and Fast Moving Electrical Goods


CG AC Traction Motor Type TM6FRA6068 for 6000HP Locomotive - 850kW

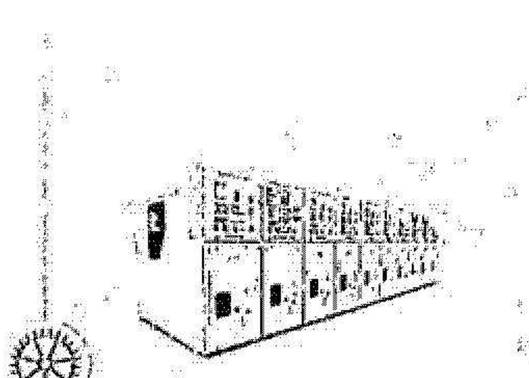

CG IE5 Motor

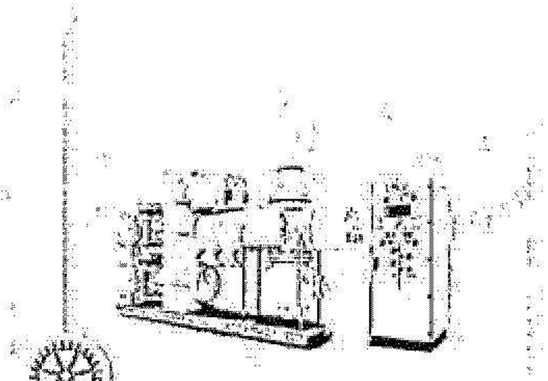

CG Traction Converter

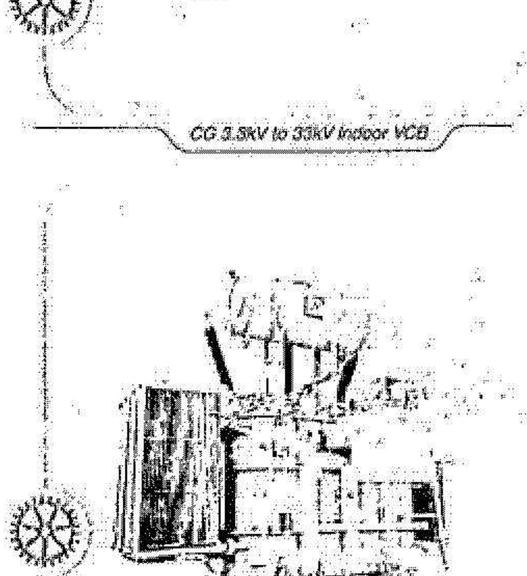

CG VSM Drive

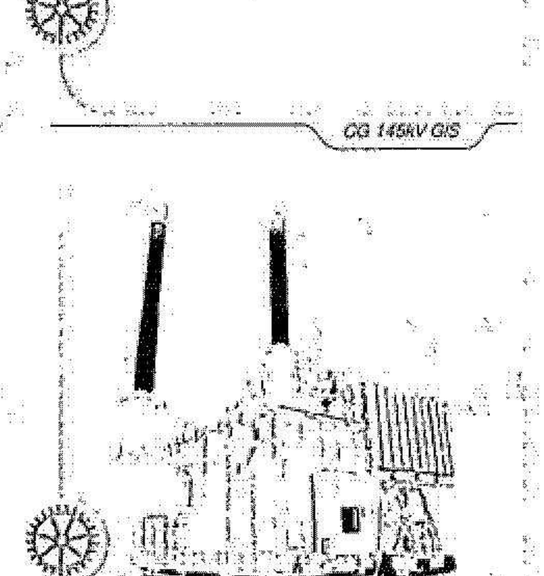
Power Systems

Transformers, Switchgears and Other Allied Products


CG 3.5KV to 33kV Indoor VCB


CG 145KV GIS


CG Green Transformer


CG 500MVA 765kV 1-Ph Autotransformer

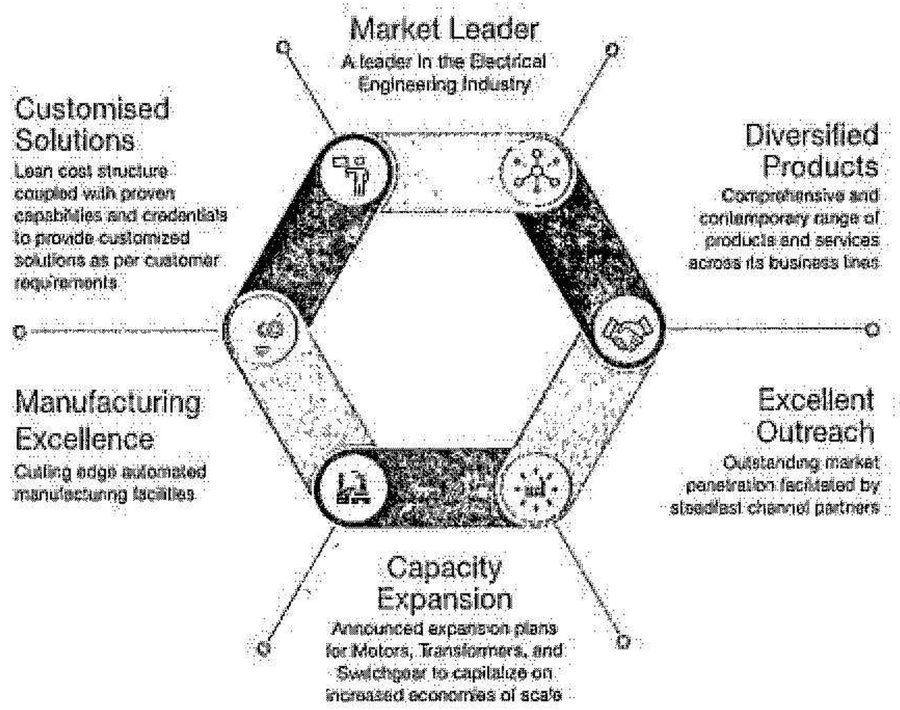
CG's Operating Subsidiaries are:

1 [illegible] Automation Europe

2 [illegible] Limited, India

3 [illegible] Limited, India

Core Competencies



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Key Sectors That We Serve

- Steel and Metals
- Cement
- Textile
- Metro Rail
- Railways
- Thermal
- Fertilizer
- Chemical
- Oil and Gas Refineries
- Nuclear Power
- Mining
- Data Centers
- Sugar
- Automobile
- FMCG
- IT & Telecom
- Green Hydrogen
- Water & Irrigation
- Electronics
- Building and Infrastructure
- Defense
- Power Transmission & Distribution (State and Central Utilities)
- Port & Shipping
- Paper
- Pharmaceutical
- Renewables (Solar, Floating Solar, Wind and Hydro)

Purpose

To transforming your needs into smart solutions for an enhanced quality of life.

Corporate Mission

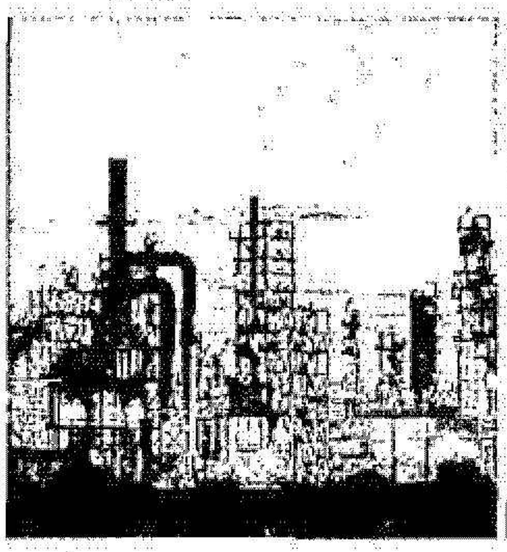
To become a world-class provider of integrated solutions in the area of power conversion and utilisation of electrical energy, to consumers, industries and railways, by offering energy efficient intelligent, e-enabled products and services.

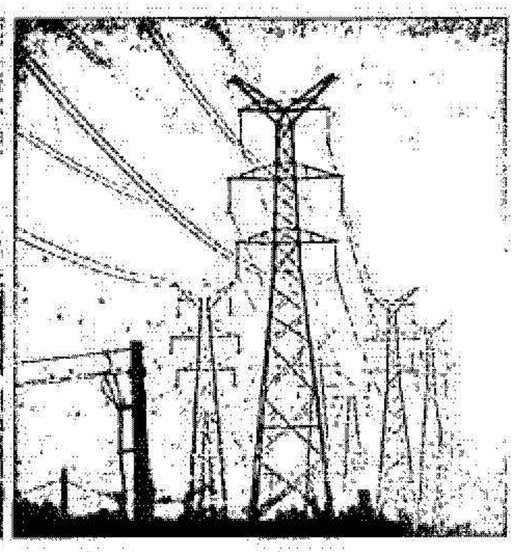
Industrial

To become a world-class provider of integrated solutions in the area of power conversion and utilisation of electrical energy, to consumers, industries and railways, by offering energy efficient intelligent, e-enabled products and services.

Power

To become a world-class provider of integrated solutions to our global customers in the domain of transmission and distribution of electrical energy, by offering reliable state-of-the-art products and services.



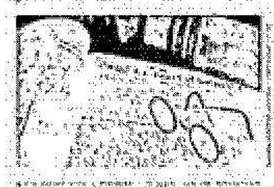


Values

Performance Excellence

Performance Excellence is about reviewing and raising the performance threshold, for Self and as Part of a Team, for competitive edge, setting and meeting stretch targets; accomplishing and exceeding performance commitments. It means discouraging mediocrity in others and ourselves and confronting status quo.





Leading Edge Knowledge

Leading Edge Knowledge is a necessary ingredient for competitiveness and growth, enhancing capabilities, actively pursuing and applying Best Practices; continuously upgrading and benchmarking with Best-in-Class. It is the key to working smart instead of only working hard, a continuous search for alternatives and new ways of doing things.

Nurturance

Nurturance is helping ourselves and others to grow in professional and personal life. It encourages an atmosphere of fairness with participation and a climate of trust as well as trustworthiness; a positive environment for CG to become a learning Organisation, for connection between CG and it's Employees.



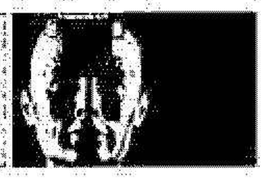


Customer Orientation

Customer Orientation is sensitivity and responsiveness to the market and customer needs for high quality existing as well as new products and services, with deliveries and after-sales service as committed. It establishes positive long-term relationships with both internal and external customers.

Intellectual Honesty

Intellectual Honesty is honesty to self, doing what we say, making and meeting meaningful commitments. It goes beyond simplistic integrity, financial honesty, telling the truth and includes openness and speaking up in situations when silence would yield an undesired result.



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Vellayan Subbiah
Chairman

Chairman's Letter

Dear Shareholders,

I am delighted to share CG Power and Industrial Solutions Limited's significant achievements for the fiscal year 2024. Despite a challenging global operating environment, we have delivered commendable financial results and continued to create superior value for all stakeholders.

Building on our success in fiscal year 2023, we made substantial progress by becoming a debt-free entity and launched strategic initiatives to strengthen our core and drive future growth. Central to these efforts were three principal pillars: (1) expanding capacity, (2) intensifying our focus on exports, and (3) accelerating technological advancements. Throughout FY24, these pillars guided our decisions and shaped our actions as we pursued sustainable growth.

We invested significantly in expanding production capacities for Motors, Transformers, and Switchgears, committing ₹ 220 crores to capex projects during the year. As a part of our strategic diversification initiative, we forayed into semiconductor manufacturing and laid the foundation stone for our OSAT facility in Sanand, Gujarat.

We remain dedicated to developing capabilities to support India's vision of Aatmanirbhar Bharat and are continuously strengthening our efforts to penetrate and expand into international markets.

> We remain dedicated to developing capabilities to support India's vision of Aatmanirbhar Bharat and are continuously strengthening our efforts to penetrate and expand into international markets.

Innovation remained a cornerstone of our strategy as we diversified our product portfolio with energy-efficient solutions and continued to invest in cutting-edge technologies and digital solutions to enhance operational efficiency.

Along with strong business growth and profitability, we remain committed to sustainability, by integrating environmental and social considerations into our core strategies. By embedding sustainability into our business practices, we not only minimized our environmental footprint but also enhanced our competitive edge and long-term sustainability

I am proud to share that Mr. Natarajan Srinivasan, our Managing Director, was recognized with the 'Transformational Leader Award - Midcap Category' for his exceptional leadership during the year, underscoring our commitment to excellence and governance.

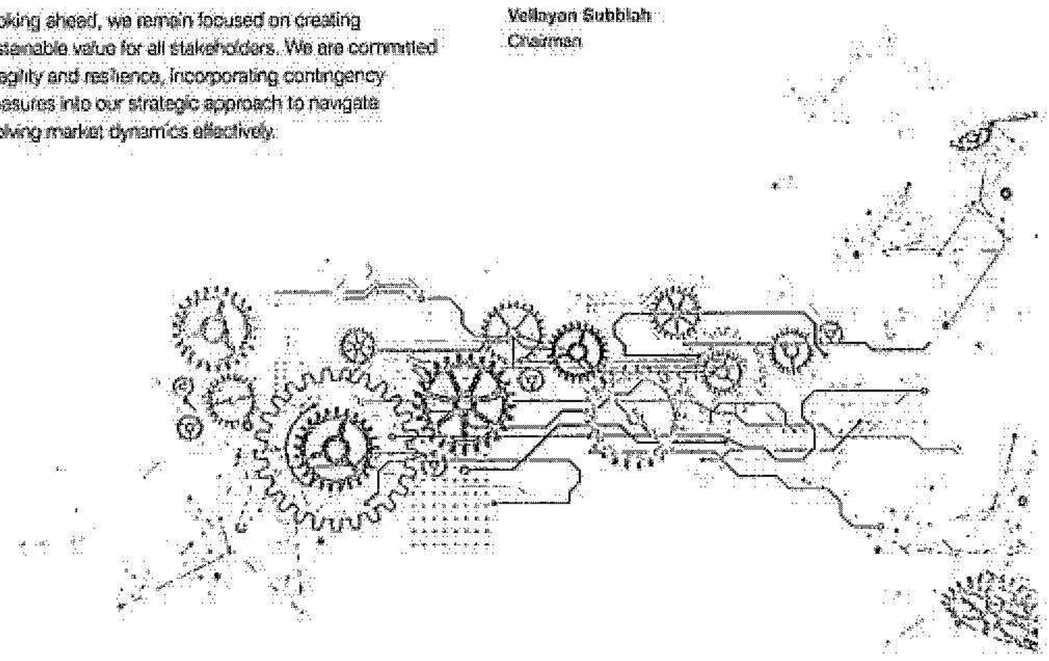
Looking ahead, we remain focused on creating sustainable value for all stakeholders. We are committed to agility and resilience, incorporating contingency measures into our strategic approach to navigate evolving market dynamics effectively.

I extend my heartfelt appreciation to our executive management, employees, customers, suppliers, and esteemed Board members for their contribution to our success. To our shareholders, I express sincere gratitude for your unwavering trust and support as we embark on the next phase of our journey. I am confident that the team at CG Power and Industrial Solutions Limited will remain dedicated to deliver sustained growth and value.

Thank you for your continued confidence in CG.

Warm regards,

Vellayan Subbiah
Chairman





Natarajan Srinivasan
Managing Director

MD's Message

Dear Shareholders,

Greetings to you all

I am extremely happy to share with you that your Company ended FY24 on a strong note. The year was another record-breaking year for CG, with your Company outperforming across financial and operational parameters, thereby creating enhanced value for all its stakeholders.

The performance was even more commendable as it was against the backdrop of a highly volatile global landscape, fraught with geopolitical tensions due to adverse events such as the Russia-Ukraine war and the Gaza-Israel conflict, alongside volatility in the Middle East, incidents in the Red Sea, and climate change-related occurrences. Additionally, there was the tightening of monetary policy, fluctuations in commodity prices, and sluggish growth rates experienced by major economies. However, amidst these global headwinds, India's growth trajectory continued to remain healthy, with the nation standing out as one of the fastest-growing economies of the world, which augured well for your Company. India's growth story is attributed to factors such as resilient domestic consumption, enhanced public and private expenditure, healthy corporate balance sheets, sound banking practices, and high growth sectors including Infrastructure, Power & Renewables, Data Centres, and Railways.

Overall Financial Performance

Your Company's standalone revenue for the year stood at ₹ 7,610 crores as against ₹ 6,580 crores in FY23, marking a YoY growth of 16%, and PBT (before exceptional items) stood at ₹ 1,146 crores as against ₹ 927 crores in FY23, representing a growth of 24%. Margins were higher at 15.1% of sales in FY24 as against 14.1% in FY23, largely on account of higher realisations, favourable product mix, cost efficiencies and execution of export orders with better margins in Power Systems. This was partially offset by pricing pressure in Low Tension Motors business. ROCE for FY24 was at 37%; and free cash flow generated for the year was ₹ 784 crores. Unexecuted Order Book as of March 31, 2024, stood at ₹ 6,276 crores which was 45% higher on YoY basis as compared to ₹ 4,319 crores as of March 31, 2023.

> Your Company's standalone revenue for the year stood at ₹ 7,610 crores as against ₹ 6,580 crores in FY23, marking a YoY growth of 16%, and PBT (before exceptional items) stood at ₹ 1,146 crores as against ₹ 927 crores in FY23, representing a growth of 24%.

On a consolidated basis, the revenue stood at ₹ 8,046 crores in FY24 as against ₹ 6,973 crores in FY23, representing a YoY growth of 15% over the previous year. PBT (before exceptional items) stood at ₹ 1,137 crores, representing 14.1% of sales, as against ₹ 950 crores in FY23 which accounted for 13.6% of sales. Order Intake for FY24 stood at ₹ 10,512 crores. Unexecuted Order Book as of March 31, 2024, stood at ₹ 6,411 crores which was 44% higher on YoY basis as compared to ₹ 4,456 crores as of March 31, 2023.

India Ratings upgraded your Company's Long term Credit rating from 'IND AA/Stable to 'IND AA+'/Stable.

The Company paid interim dividend of ₹ 199 crores (₹ 1.30 per share) in February 2024.

Businesswise Performance

Industrial Systems

On a standalone level, the Industrial Systems business consisting of the Motors business and the Railways business, recorded a revenue of ₹ 5,015 crores in FY24 representing a growth of 10% as compared to FY23. Low Tension Motors recorded the highest ever sales. Large Industrial Machines (LIM) and Drives & Automation recorded the highest ever sales and profits. LT Motors increased its market share to 38%. Railways recorded the highest ever sales, profits and order intake. Aggregate Order Intake for FY24 stood at ₹ 5,733 crores as against ₹ 4,963 crores in FY23, representing a YoY growth of 16%. Unexecuted Order Book as of March 31, 2024, was 25% higher YoY at ₹ 2,544 crores.

At the consolidated level, our Industrial Systems business revenue grew by 10% to ₹ 5,429 crores in FY24 as compared to FY23. The order intake stood at ₹ 6,166 crores for FY24 as against ₹ 5,388 crores in FY23, representing a YoY growth of 14%. Unexecuted Order Book as of March 31, 2024, was 23% higher YoY at ₹ 2,674 crores as compared to ₹ 2,179 crores as of March 31, 2023.

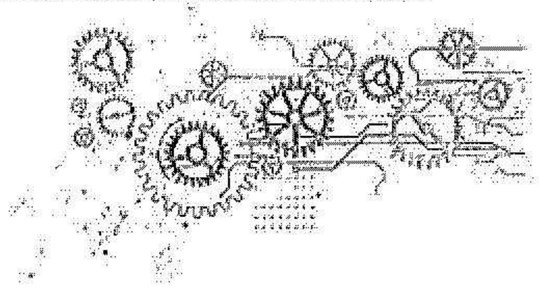
Power Systems

The Power Systems business revenue stood at ₹ 2,598 crores in FY24 as against ₹ 2,023 crores in FY23, representing a growth of 28%, while the PBIT stood at ₹ 416 crores (16.0% of sales) in FY24 as against ₹ 227 crores (11.2% of sales) in FY23, representing a growth of 83%. Margins were higher YoY on account of higher realisations, favourable product mix, cost efficiencies and better operating leverage. Government's enhanced thrust and sustained investments in the Power sector resulting in sustained demand for Transformer and Switchgear products. Order intake was at all-time high at ₹ 4,315 crores as compared to ₹ 2,865 crores, representing a YoY growth of 51%. Unexecuted Order Book as of March 31, 2024, for the Power Systems business stood at ₹ 3,731 crores, which was 64% higher YoY as compared to ₹ 2,279 crores as of March 31, 2023.

In summary, the fiscal year 2023-24 saw outstanding achievements across businesses on all fronts—Revenue, Profitability, and Orders, marking another landmark year for the business, thus signifying our strong positioning across markets and geographies, and echoing the confidence reposed in us by all our stakeholders.

Expansion of Capacities

Your Company has world-class manufacturing facilities across 9 locations in India and one in Sweden. During the year, your Company announced capex projects to the tune of ₹ 220 crores, to augment its manufacturing capacities. Of the ₹ 220 crores, ₹ 155 crores for capacity expansion of Switchgears (Nashik),



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₹ 31 crores for Power Transformers (Bhopal), and ₹ 35 crores for HT motors (Bhopal). With this, your Company has in total, so far, approved expansion projects amounting to ₹ 662 crores, to be funded through internal accruals. These projects are under implementation and expected to be completed in the next 18 months

Setting up State-of-the-Art OSAT facility

The Government of India approved your Company's application for setting up an OSAT facility under the Central and State level policies–Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab / Discrete Semiconductor Fabs and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / OSAT facilities in India, and the Gujarat Semiconductor Policy, respectively. The project will be set up in Sanand, Gujarat, as a Joint venture with Renesas Electronics Corporation, a premier supplier of advanced semiconductor solutions, and Stars Microelectronics (Thailand) Public Co. Ltd, a Thailand-based Outsourced Semiconductor Assembly and Test (OSAT) provider. The facility will be set up with an investment of ₹ 7,600 crores over a period of five years. It will manufacture a wide array of products – ranging from legacy packages such as QFN and QFP to advanced packages such as FC BGA, and FC CSP, which will cater to industries such as Automotive, Consumer, Industrial, 5G, to name a few, with a capability to ramp up production to 15 million units per day. The project will be eligible for capital subsidy and other applicable incentives. Your Company will hold 92.34% of the Equity in the Joint venture.

Innovation and New Product Development

In today's ever-evolving marketplace, your Company recognises the importance of innovation and new product development to stay ahead of the curve. Towards this, during the year, CG successfully expanded its range of energy-efficient motors to include IE5 Ultra-premium Efficiency Synchronous Reluctance Motors, amongst others, and the Company's Fast-Moving Electrical Goods business rolled out a range of new pumps, fans, and water heaters.

The Railways business developed SCADA systems for rail operations to monitor and control various processes such as train speed, track switch positions, signal status, and traction power. These systems can also be used for monitoring the condition of railway infrastructure and detecting faults such as broken rails or malfunctioning switches.

Likewise, the Power Systems business also developed an array of new products and solutions to cater to varied customer requirements. To elaborate, the Transformers business developed major two new products for Railway application-V connected 132kV, 63MVA trackside power transformers to support increased power requirements due to infrastructure upgrade with new catenary system of 2x25kV designed for high-speed trains and for reducing transmission losses; and Auto Transformer of 55/2x27.5kV, 16.5MVA capacity to feed double catenary system to support high speed infrastructure with reduced transmission losses.

The Switchgear business indigenously developed 800kV Bushings and successfully completed the Thermal Stability Test on 800kV & 420kV Oil Impregnated Paper (OIP). CG is the only Indian Manufacturer to have facilities to manufacture this type of bushings in India, and these are in line with IEC / PowerGrid standards. For this indigenous development, the Hon'ble Minister of Heavy Industries, Government of India felicitated CG with an award under Aatmanirbhar Bharat in BHEL Samavaad 3.0 Program at Mandapam. In addition, the business also indigenously developed and successfully type tested Compact 66kV- 145kV Gas Insulated Switchgear (GIS) with reduced footprint, and 170kV 40kA Single phase / Gang operated spring-spring Gas circuit breaker and 420kV 50kA spring-spring Gas Circuit Breaker with Composite Insulator for the Global market, as well as developed 52kV, 4500Amp oil impregnated paper insulation high current condenser bushing for Dust application for renewable energy pulling substation power transformers.

Environment and Sustainability

India has been proactive on climate action front as it aims to achieve its net zero emission by 2070. As a responsible corporate citizen, your Company is committed towards sustainability and responsible business practices and aims to become carbon neutral in Scope 1 and 2 emissions by the year 2030. With this intent, in FY24, we continued with our numerous initiatives on this front. Your Company received following certifications during FY24:

- LT Motors Unit-1 in Ahmednagar received the 'Silver Category' certification from CII-Greenco for successfully achieving the standards as required for GreenCo – Silver Level certification under the GreenCo – Green Company Rating System.
- LT Motors Unit-1 and FHP Motors received the 'Single Use Plastic free' certification from CII.
- The Switchgear Division received the 'Life Cycle Assessment Carbon Footprint' Certification for Instrumentation Transformers including Current Transformers, Inductive Voltage Transformers and Capacitive Voltage Transformers from M/s. ICMQ, Italy.

During the year, we published our first Sustainability Report detailing our endeavours on this front.

Strengthening Digital Infrastructure

During FY24, CG continued its digital transformation trajectory by embarking on numerous digital initiatives aimed at enhancing operational efficiency, fostering innovation, and driving sustainable growth, across businesses. Your Company laid strong emphasis on, and is working on integrating Industry 4.0 principles across functions and employing artificial intelligence (AI) technologies like GenAI and ChatGPT.

People Centric Initiatives

Your Company continued to prioritize the development of its employees' skills, as well as their safety and well-being. Aligned with its dedication to achieving excellence in performance, your Company continued to emphasize on continuous learning and growth. Throughout the year, CG actively organized various learning and development programs aimed at enhancing the capabilities of its workforce. These programs covered a broad spectrum of important areas, such as executive presence, teamwork, conflict resolution, leadership effectiveness, influencing skills, and addressing biases in decision-making.

Awards and Recognitions

During the year, our Chairman, Mr. Vellayan Subbiah was recognized with the esteemed 'EY Entrepreneur of the Year (EOY) Award 2023' at the 25th Anniversary of EY EOY India Awards, for his visionary leadership and bold strategies in transforming businesses and seizing new opportunities through acquisitions and diversification.

The Year Ahead

With a strong order book, the outlook for the year ahead is strong. Sustainable profitable growth will be driven by continuous efforts to enhance internal capabilities, with particular focus on operational excellence, capacity expansion, modernization / digitization of its plants, integrating Industry 4.0, LEAN, and deploying disruptive technologies like AI / GenAI.

In conclusion, I would like to express my heartfelt appreciation to all our stakeholders including the management, employees, vendors, and channel partners, for their unwavering commitment to support CG in its endeavours. On behalf of the board and the management, I extend our sincere gratitude to our valued shareholders for reposing your continued trust in CG.

As we continue to seed the future, together, we lay strong emphasis towards achieving excellence across all functions of our business.

Warm Regards,

Natarajan Srinivasan
Managing Director

Board of Directors



Mr. Vellayan Subbiah
Chairman

Mr. Vellayan Subbiah holds a Bachelor of Technology in Civil Engineering from IIT Madras and a Master in Business Administration from the University of Michigan. He has over 2 decades of work experience in varied fields i.e. consulting, technology, projects and financial services. He has worked with McKinsey and Company, 24/7 Customer Inc. and Sundram Fasteners Ltd. He is currently the Executive Vice Chairman of Tube Investments of India Limited and Chairman of Cholamandalam Investment and Finance Company Limited. He is also on the Board of SRF Ltd., Cholamandalam Financial Holdings Ltd, and Ambadi Investments Ltd. He was a recipient of the Extraordinary Entrepreneur of the Year - TIECON 2014 Award, and recently, has been recognized with the coveted 'EY Entrepreneur of the Year 2023 Award' at the 25th Anniversary of EY EOY India Awards for his excellent leadership and bold strategies in transforming businesses and seizing new opportunities through acquisitions and diversifications.



Mr. Natarajan Srinivasan
Managing Director

Mr. Natarajan Srinivasan is a commerce graduate, a Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has more than 38 years of Corporate work experience spanning across Finance, Legal, Projects and General Management functions. He started his career with BHEL. Before joining the Company, he has served the Murugappa Group for 15 years, where he held several senior positions - Director in Murugappa Corporate Board, Group Finance Director, Lead Director' Financial Services Business, Executive Vice Chairman and Managing Director of Cholamandalam Investment and Finance Company Limited.

He also served the Boards of Tube Investments of India Ltd., Cholamandalam MS General Insurance Company Ltd. and TI Financial Holdings Ltd.

In December 2019, the Government of India appointed Mr. Srinivasan on the Board of Infrastructure Leasing and Financial Services Ltd. ("IL&FS"). He held the directorship in IL&FS till February 28, 2020. He is currently on the Boards of Godrej Agrovet Limited and Computer Age Management Services Limited as an Independent Director.

He has been honored with the 'Transformational Leader Award-Midcap Category' for 2022-23 by the Asian Centre for Corporate Governance & Sustainability at the 10th Asia Business Responsibility Summit & the Leadership, Corporate Governance, Sustainability & CSR Awards.



Mr. M A M Arunachalam
Non-Executive Director

Mr. M A M Arunachalam also known as Arun Murugappan holds a Master in Business Administration from the University of Chicago, USA. He is currently the Executive Chairman of Tube Investments of India Limited. He is also the Chairman of Cholamandalam Home Finance Limited. A senior member of the Murugappa family, he is an Industrialist and has over 25 years' experience in varied industrial activities.

He is also on the Boards of Cholamandalam Investments and Finance Company Limited, Shanthi Gears Limited and Ambadi Investments Limited amongst others.



Mr. P S Jayakumar
Independent Director

Mr. P S Jayakumar holds a Master in Commerce from University of Chennai, and is a Chartered Accountant from Institute of Chartered Accountants of India, as well as an MBA graduate from XLRI Jamshedpur and Gurukul Chevening Scholar, London School of Economics and Political Science.

He started his career as entry level Management Associate in Citibank and went on to become the Co-Head Citibank, India with the responsibility of consumer banking. Next, he co-promoted two companies, namely VBHC Value Homes and Home First India. He was the Managing Director of Bank of Baroda for a period from 2015 to 2019.

Currently, he is the Senior Advisor at India Advisory Board, Master Card, India and Board of Governor of Indian Institute of Corporate Affairs.

He is also on the Board of Emcure Pharmaceuticals Limited, HT Media Limited, Adani Ports and Special Economic Zone Limited, Northern ARC Capital Limited and JM Financial Limited.



Ms. Sasikala Varadachari
Independent Director

Ms. Sasikala Varadachari holds Master in Economics from Madras University and is also a Chartered Associate of Indian Institute of Bankers (CAIIB). She holds a Certificate in Financial Markets from Securities Institute of Australia, Melbourne.

She was associated with State Bank of India (SBI) group since 1977 and has held several important portfolios in SBI including, Chief Executive Officer of SBI, Tel Aviv, Israel and General Manager - Shares & Bonds, Corporate Centre. She retired from SBI as Chief General Manager, Strategic Training Unit, Corporate Centre.

She is a director on the Boards of Tube Investments of India Limited, Sundaram-Clayton Limited, TVS Motor Services Limited and Cholamandalam Securities Limited.



Mr. Sriram Sivaram
Independent Director

Mr. Sriram Sivaram holds a B.Tech from IIT, Madras, and a MS and an MBA from Cornell University. He has worked for more than fifteen years with US based multinational companies in the Energy sector where he has held various key management positions. These include Vice President of Global Sales and Marketing for Active Power Inc; President and Chief Technology Officer at Catalyst Power (an ABB Subsidiary), Business Unit Leader – Ancillary Equipment Group at American Power Conversion Corporation (APC), prior to which he also served as its Country Manager – South Asia and established APC's subsidiary in India. He is currently the Joint Managing Director of Madras Engineering Industries Pvt. Ltd.

Mr. Sriram has a proven track record of turning around loss-making businesses, ramping up new businesses for organizations, integrating and consolidating existing business for better profitability, establishing new products globally and building capability in organizations to deliver products to customers worldwide.

Corporate Information

Chairman
Vellayan Subbiah

Managing Director
Natarajan Srinivasan

Non-Executive Directors
M A M Arunachalam
P S Jayakumar
Sasikala Varadachari
Sriram Sivaram
Vijayalakshmi R Iyer
Kalyan Kumar Paul

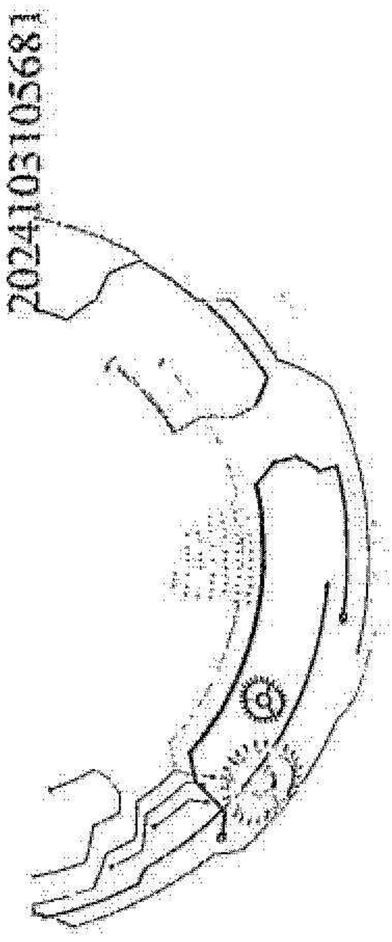
Chief Financial Officer
Sushed Todi

Company Secretary
Sanjay Kumar Chowdhary
(w.e.f. May 8 2023)
P Varadarajan (upto May 8 2023)

Auditors
S R B C & Co. LLP

Bankers
State Bank of India

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

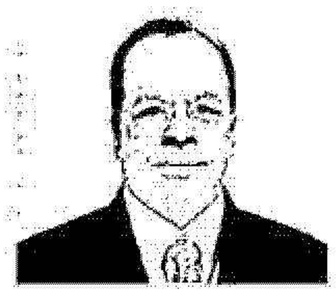




Mrs. Vijayalakshmi R Iyer
Independent Director

Mrs. Vijayalakshmi Rajaram Iyer holds a post-graduation degree from Sydenham College of Commerce, Mumbai. She is also a certified associate of the Indian Institute of Banking and Finance. She has nearly four decades of experience in the banking and finance sector in India. She has served as the Chairperson for a number of boards and committees in the financial sector in India including the Banking and Financial Institute Committee of the Federation of Indian Chambers of Commerce and Industry.

She retired as the Chairperson and Managing Director of Bank of India in May 2016 where she played an instrumental role in structuring it as an umbrella institution offering all kinds of banking and financial services. Under her leadership, Bank of India received the 'Best PSU Bank' award for overall growth in performance from Dun & Bradstreet and was recognized as the 'Second Most Trusted Brand among the PSU Banks' by the Economic Times. She also served as Member (Finance & Investment) at IRDAI from 2015 to 2017 where she played a significant role in the introduction and amendment of various regulations related to, inter alia, finance and accounts, corporate governance, mergers and acquisition, registration of new insurance companies and exposure of management.

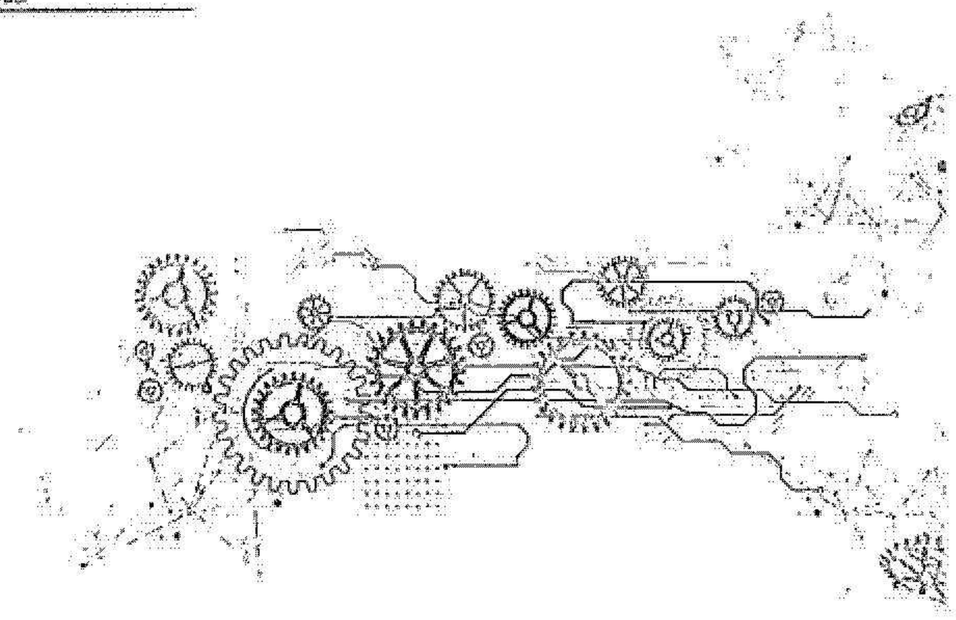


Mr. Kalyan Kumar Paul
Non-Executive Director

Mr. Kalyan Kumar Paul is the Managing Director of TI Clean Mobility Private Limited, a Wholly owned Subsidiary of Tube Investments of India Limited.

He holds a Bachelor of Science with Honours from Presidency College, Kolkata, and an MBA in Sales & Marketing from Indian Institute of Social Welfare and Business Management, Kolkata. He has also attended Advanced Management Program (AMP) in Harvard, USA. He has over three decades of rich experience in managing domestic and international operations, sales and marketing across diverse industries. Mr. Paul has been in various roles with companies like Standard Pharmaceuticals Ltd, Kolkata, Shaw Wallace and Co. Ltd, Mumbai, TI Cycles of India, Chennai, CEAT Ltd, Mumbai, JK Tyres Ltd, Delhi.

He was the President of TI Cycles of India and Tube Products of India, a unit of Tube Investments of India Limited before assuming the current role.



Ten Years' Highlights

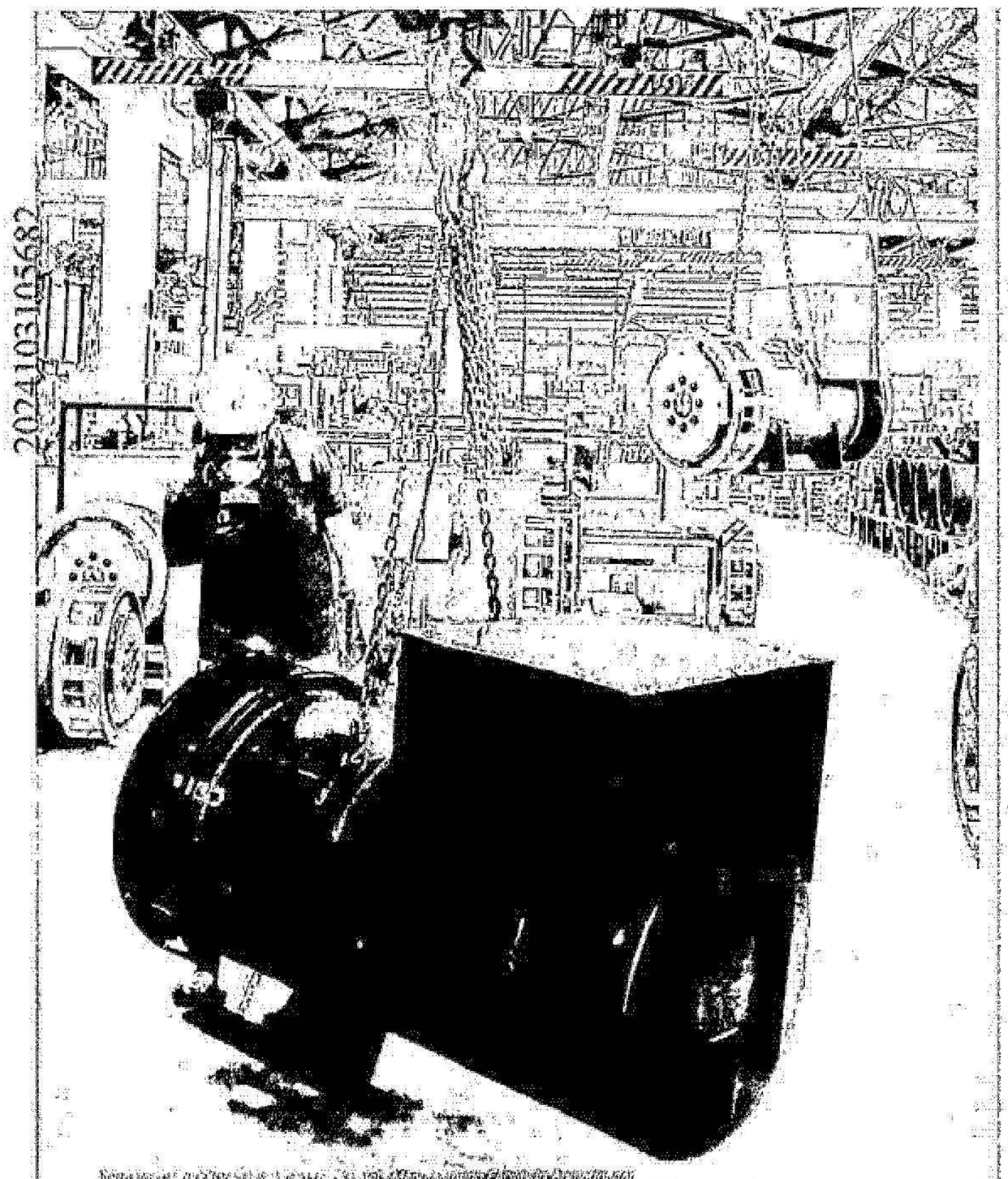
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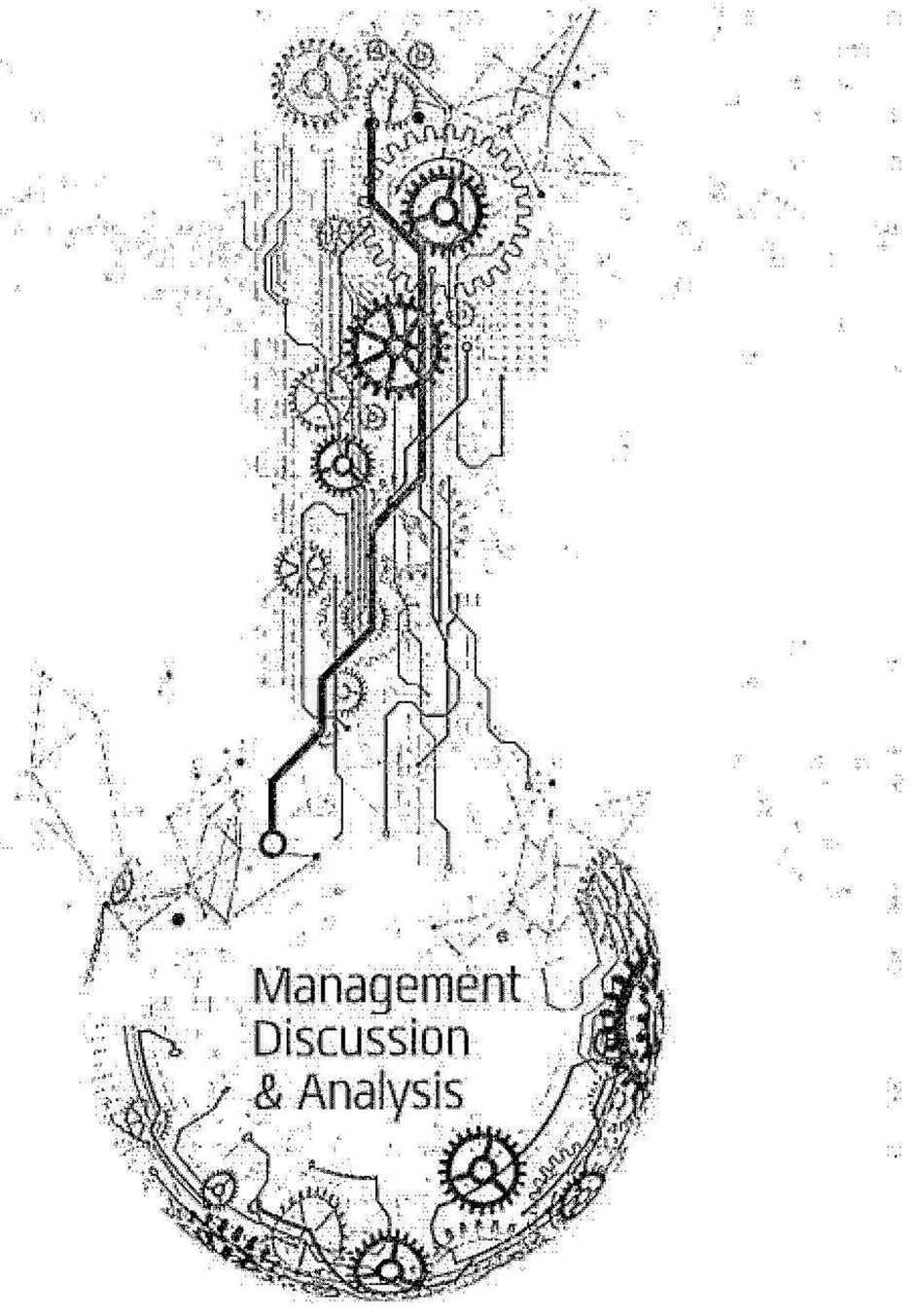
	2015^	2016^	2017^	2018^	2019^	2020^	2021^	2022^^^	2023	2024
EARNINGS										
TOTAL INCOME	4770	5961	4552	5761	5066	6042	5488	8013	5504	8240	3226	5158	2568	3075	5204	5521	6659	7040	7761	8152
GROSS SALES AND SERVICES	4590	5667	4277	5649	4812	5915	5106	6169	5356	7916	3169	5110	2536	2964	5159	5484	6580	6973	7610	8046
NET SALES AND SERVICES	4297	5573	3952	5323	4407	5568	5008	6070	5156	7098	3169	5110	2526	2964	5159	5484	6580	6973	7610	8046
EBIDTA*	347	603	451	542	513	510	677	6	447	303	160	44	155	219	642	671	1016	1061	1227	1234
PBT@	342	355	(1139)	249	129	60	(35)	(1062)	(3546)	(3647)	(1548)	(1400)	824	1427	742	752	583	1022	1285	1158
PAT^^@	345	369	(1184)	185	140	72	(13)	(1092)	(2658)	(2778)	(1489)	(1317)	889	1296	827	628	765	756	1804	870
DIVIDEND PAY OUT	50	50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	223	223	199	199
WHAT THE COMPANY OWNED										
GROSS BLOCK (INCL. CAPITAL WIP)	2257	7114	2186	4931	2145	3139	3193	3526	1489	3216	1508	2686	1473	2283	1528	2234	1599	2106	1788	2315
NET BLOCK (INCL. CAPITAL WIP)	1625	4237	1387	2677	1315	1766	1276	2050	950	2053	808	1517	815	1166	782	1117	800	1209	916	1153
INVESTMENTS	1166	436	483	231	446	209	1028	145	899	2	15	2	304	2	343	41	303	1	995	588
NET CURRENT ASSETS	2840	2171	2282	1556	1221	402	(693)	(1003)	(1222)	(2172)	(2079)	(1000)	(356)	(1424)	436	(638)	798	774	1695	1627
NET ASSETS EMPLOYED	5647	6711	4205	4475	4797	3904	5069	4319	755	84	(1121)	(2432)	874	(214)	1546	743	2036	1928	3149	2912
WHAT THE COMPANY OWED										
BORROWINGS	65	2092	582	1928	1774	1802	2357	3529	2260	3414	1902	2757	945	1465	302	352	3	0	3	0
TOTAL LIABILITIES	1537	5769	2727	3521	3366	4105	4049	7669	4259	7672	3667	6543	2845	4470	2019	3209	1824	2163	2179	2542

₹ crores

	2015^	2016^	2017^	2018^	2019^	2020^	2021^	2022^^^	2023	2024
NET WORTH OF THE COMPANY										
SHARE CAPITAL	125	125	125	125	125	125	125	125	125	125	125	125	268	268	268	285	305	305	305	305
RESERVES & SURPLUS	4490	4183	4003	4551	4056	4047	3942	2427	1038	(587)	(442)	(2081)	766	(352)	1531	715	2125	1485	2845	2712
SHAREHOLDERS' FUNDS	4615	4308	4128	4676	4181	4172	4067	2552	1163	(462)	(317)	(1956)	1034	(84)	1819	1000	2430	1790	3245	3017
NET WORTH	4615	4308	4128	4676	4181	4172	4067	2552	1163	(462)	(317)	(1956)	1034	(84)	1819	1000	2430	1790	3245	3017
RATIOS										
BOOK VALUE PER SHARE (IN ₹)	73.5	68.7	65.9	74.6	66.7	66.6	64.9	40.7	18.6	(7.4)	(5.1)	(31.2)	7.7	(0.6)	12.6	7.0	15.9	11.7	21.2	19.8
EARNINGS PER SHARE (BASIC) (IN ₹)	9.40	5.68	(17.63)	2.95	1.70	1.14	(0.25)	(17.43)	(42.76)	(44.33)	(23.61)	(21.01)	7.94	14.93	4.62	6.72	5.18	6.35	6.58	8.34
CASH EARNINGS PER SHARE (BASIC) (IN ₹)	5.03	8.95	0.82	4.67	5.42	3.82	7.46	(12.22)	2.50	(2.60)	0.20	(3.09)	0.85	0.09	4.10	4.44	6.45	6.60	7.66	8.15
CURRENT RATIO	2.94:1	1.5:1	2.05:1	1.54:1	1.44:1	1.11:1	0.84:1	0.83:1	0.83:1	0.65:1	0.37:1	0.32:1	0.87:1	0.6:1	1.26:1	0.88:1	1.45:1	1.30:1	1.8:1	1.65:1
DEBT EQUITY RATIO	0:1	0.3:1	0:1	0.33:1	0.12:1	0.12:1	0.21:1	0.59:1	0.53:1	NA**	NA**	NA**	0.79:1	NA**	0.17:1	0.25:1	0.00:1	0.00:1	0.00:1	0.00:1
EBIDTA / NET SALES (IN %)	8%	10%	11%	10%	11%	9%	13%	0%	3%	3%	5%	0%	6%	7%	12%	12%	15%	15%	16%	15%
RETURN ON NET WORTH (IN %) #	12.7%	0.5%	(28.4%)	(8.1%)	2.5%	(12.2%)	(1.9%)	(45.9%)	(230.3%)	NA**	NA**	NA**	66.6%	NA**	34.4%	30.9%	32.3%	53.7%	30.5%	47.2%
FIXED ASSETS TURNOVER RATIO (IN TIMES)	2.6	1.3	2.9	2.9	3.4	3.2	3.9	3.4	5.6	3.9	3.5	3.4	3.1	2.5	6.5	4.9	8.2	6.8	8.3	7.9
NO OF PERMANENT EMPLOYEES	4024	7854	5633	7233	3421	6288	3377	5655	3382	5624	2802	3462	2570	2764	2586	2774	2771	2958	3113	3329

* EBIDTA = Earnings before Interest Depreciation, Amortisation, Tax, Exceptional items including other income
** Profit for continuing businesses after Tax, Minority Interest and Share of Associate Companies for Consolidated Statement of Profit and Loss
*** Figures of FY2022 have been regrouped / restated, wherever necessary
@ After exceptional items
On Total Operations
^ Restated Figures
Net Worth and Capital Employed are negative, therefore ratio is not calculated





Management Discussion and Analysis

ECONOMIC OVERVIEW

GLOBAL 'SOCIO-ECONOMIC' LANDSCAPE

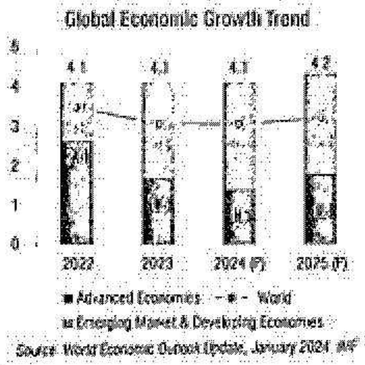
In the year gone by, the world grappled with a whirlwind of challenges stemming from the prolonged effects of the pandemic, ongoing geopolitical tensions such as the Russia-Ukraine War and the Gaza-Israel conflict, volatility in the Middle East, incidents in the Red Sea, and climate change-related events including El Niño. Despite these hurdles, the global economic recovery proved to be more resilient than anticipated over the past year. Economic growth estimates for FY24 appear stronger in major developed, developing, and emerging economies, except for the Eurozone. While inflationary pressures have eased and there have been favourable developments on the supply side, labour market tightness has somewhat relaxed. Nonetheless, elevated interest rates and borrowing costs have emerged as significant concerns, resulting in subdued investment trends across many regions.

Despite facing global headwinds, India demonstrated remarkable resilience, driven by robust domestic demand, resilient private consumption, significant growth in manufacturing and service sectors, and substantial public and private investment. India's emergence as an alternative manufacturing hub within the context of supply chain diversification strategies of developed economies further bolstered its position.

Global economic growth

The International Monetary Fund's latest (January 2024) World Economic Outlook ('WEO') has projected Global Growth to remain at same level of 3.1% in 2024 as was estimated in 2023 before rising modestly to 3.2% in 2025. Advanced Economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the Euro area from low growth in 2023 and a moderation of growth in the United States. Emerging Market and Developing Economies are expected to experience stable growth through 2024 and 2025, with regional differences.

Global Economic Growth Trend



Source: World Economic Outlook Update, January 2024, IMF

SOCIO-ECONOMIC LANDSCAPE OF INDIA

Despite significant black swan events impacting the global economic landscape, the Indian economy exhibited resilience in the past year, buoyed by robust macroeconomic fundamentals.

The major drivers of growth in the Indian economy included robust domestic demand for consumption and investment, bolstered by the Government's ongoing focus on capital expenditure, as well as advancements in the Industry and Service sectors. Although agricultural growth was affected, the Manufacturing Sector witnessed an expansion indicating sustained high profitability of corporations. Construction activity remained robust, and Services maintained pre-pandemic growth rates.

The stability in the macroeconomic environment, coupled with enhancements in India's external position—particularly notable moderation in the current account deficit and a resurgence in capital flows supported by comfortable foreign exchange reserves—contributed to the stability of the Indian rupee during FY 2023-24. Additionally, inflationary pressures in India saw significant moderation, primarily propelled by proactive supply-side initiatives undertaken by the Government.

The high visibility of structural demand and healthier corporate and bank balance sheets are likely to be propel the growth going forward.

India - GDP growth

As a global bright spot and one of the fastest-growing economies today, India is recognized as a powerhouse of growth and innovation. Its real GDP* is projected to expand by 7.3% in FY 2023-24. With a strong emphasis on infrastructure development, increased capital outlay, implementation of structural reforms, and a resilient financial sector, India currently ranks as the fifth-largest economy with a GDP of USD 3.7 trillion. It is poised to ascend to the position of the third-largest economy, reaching a GDP of USD 5 trillion within three years, and is expected to further scale up to USD 7 trillion by 2030.

INDUSTRY OVERVIEW - INDUSTRIAL SYSTEMS

India - Reimagining Manufacturing

In recent years, India's manufacturing sector has undergone significant transformation, fuelled by the Make in India localization drive. This momentum has been supported by targeted initiatives and reforms such as the Production Linked Incentive (PLI) and Semiconductor schemes, the Bharatmala Pariyojana Project, the proposed DESH Bill, and the National Logistics Policy. These efforts have not only strengthened the industrial market but also expanded opportunities within it.

The Manufacturing industry is a pivotal force driving overall economic growth, and it is regarded as one of the essential foundations for India to become a USD 5 trillion economy by 2027, and further be reckoned as 'Viksit Bharat' by 2047. Currently, the sector contributes around 17% to India's GDP and it is poised to grow to around 21% in the next 6-7 years underpinned by the evolving and expanding landscape.

India's primary strength lies in its resilient internal dynamics. It stands as the seventh-largest country by area and the second-most populous, distinguished further as the world's most populous democracy. The nation's exceptional diversity has enabled it to adeptly navigate global dynamics. With its policies, reforms, and sustained macro-economic stability, India has become one of the most appealing investment hubs. Its abundance of industrial zones, available workforce, competitive labor costs, and emphasis on innovation contribute significantly to its advantage on the global stage.

Given this context, external factors like disruptions in Global Supply Chains prompting global players to seek alternatives to China through strategies like the 'China + 1' approach, along with challenges impacting Europe, are also playing a role in India's success narrative. These circumstances are not only contributing to India's growth but are also facilitating the expansion of its manufacturing sector as well as varied other sectors. Hence, the current turning appears opportune for the country.

The Interim Union Budget 2025 has set the capital expenditure outlay for the Infrastructure sector at ₹ 11,11,111 crores for 2024-2025, marking an increase of 11.1% compared to 2024, and the allocation represents 3.4% of the GDP. The prioritization of infrastructure development via capital expenditure is also anticipated to attract private investment and enhance both job creation and demand.

Driven by the Infrastructure and Manufacturing sectors, the Capital Goods Sector witnessed a growth of around 6.2% on an average basis, in the 11-month period (Apr'23- Feb'24) for which updates were available at the time of finalising this report.

Monthly Growth Rates (%) (Over Corresponding Period of the Previous Year) of Industrial Production as per use-based classification from April 2023 to Feb 2024

Category	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24(P)
Primary Goods	1.9	3.6	5.3	7.7	12.4	8.0	11.4	8.4	4.8	2.9	5.9
Capital Goods	4.4	8.1	2.9	5.1	13.1	8.4	21.2	-1.1	3.6	3.4	1.2
Intermediate Goods	1.7	3.4	5.2	3.2	7.4	6.1	9.5	3.4	3.9	5.3	9.8
Infrastructure / Construction Goods	13.4	13.0	13.3	12.6	15.7	10.1	12.6	1.5	5.1	5.5	8.5
Consumer Durables	-2.3	1.5	-6.6	-3.6	6.0	1.0	15.9	-4.8	5.3	11.9	12.3
Consumer Non-Durables	11.4	8.9	0.5	6.3	9.9	2.7	9.3	-3.4	2.4	-0.2	-3.8

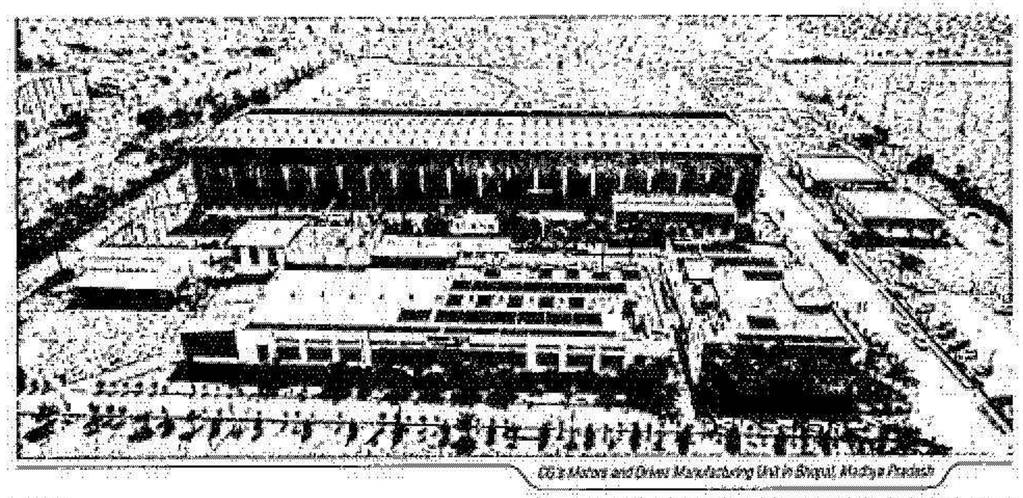
Source: Ministry of Statistics and Programme Implementation

The Company stands to benefit from numerous sectoral opportunities. In the Infrastructure sector, significant investments are planned under the National Infrastructure Pipeline (NIP), with outlays in Energy, Roads, Railways, and Urban Development. Additionally, increased allocations in the Interim Union Budget for 2024-2025 indicate a positive trend. In Agriculture, advancements supported by government schemes and investments in infrastructure present opportunities. The growth of the Cement industry, driven by economic growth and infrastructure thrust, requires various motors for production, creating opportunities. The Sugar sector's modernization and increased ethanol demand offer growth prospects. The expanding Data Centre sector, driven by digital economy growth, presents opportunities for motors. Besides, in Oil and Gas, India's energy demand projections drive investments and present opportunities for the Company's Motors business.

MOTORS

Between April - December 2023 (9-month period), FHP, LT and HT motors recorded a growth of -2.3%, 9.3% and -3.6% respectively, as per the latest IEEMA report of in March 2024. In our own assessment, lower demand will lead to de-growth of the FHP motor segment. However, LT motors will continue to grow on the back of growth in ethanol, bio-gas and infrastructure projects. The growth to be witnessed in HT motor segment, will duly be aided by aggressive government investment in water projects such as Jal Jeevan Mission and National River Linking Project.

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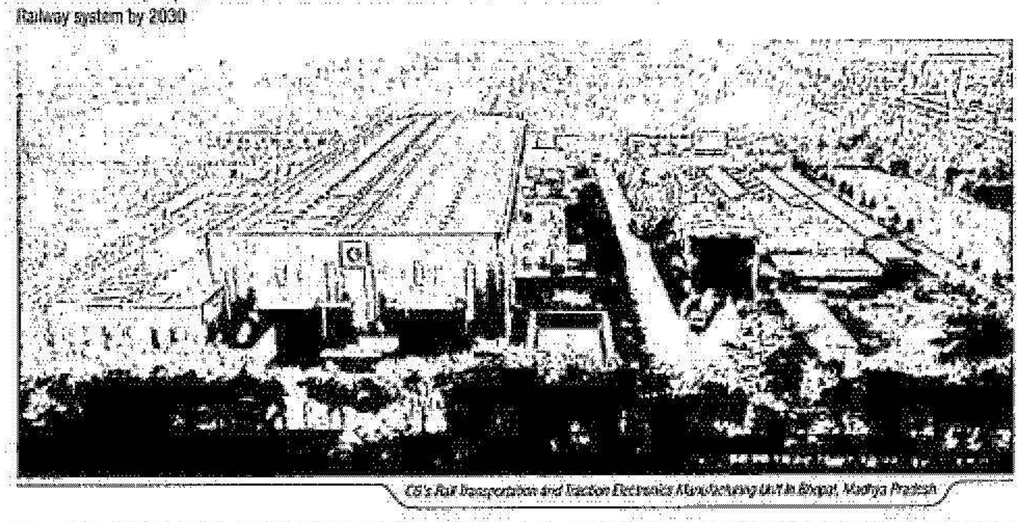


CG's Motors and Drives Manufacturing Unit in Bhopal, Madhya Pradesh

RAILWAYS

With a focus on infrastructure development, the Indian Government has consistently prioritized the growth of the Railways sector, drawing considerable investments. Consequently, India has one of the largest and most rapidly advancing rail networks globally. Indian Railways' National Rail Plan (NRP) for India 2030 aims to create a 'Future Ready' Railway system by 2030.

In the past year, Indian Railways has made steady strides in its modernization and transformation efforts, experiencing notable momentum in capital expenditure allocation, track laying, electrification, station construction and redevelopment projects, introduction of new Vande Bharat Trains, implementation of Kavach initiatives, and other infrastructure endeavours.



CG's Rail Transportation and Traction Electronics Manufacturing Unit in Bhopal, Madhya Pradesh

The gross budgetary outlay for FY25 is ₹ 2.5 lakh crores as against ₹ 2.4 lakh crores for the year FY24.

Some of the major development initiatives include the following:

- Roll out of Vande Bharat Train Service
- Launch of New Amrit Bharat Trains
- Focus on Amrit Bharat Stations
- Green initiatives towards achieving net-zero carbon emissions by 2030
- Focus on Gati Shakti Cargo Terminals
- Launch of Bharat Gaurav Trains
- Focus on the development of Dedicated Freight Corridors
- Thrust on Metro and NaMo Bharat trains for urban transformation

The Interim Union Budget indicated three major economic railway corridor programmes which will be implemented. These include energy, mineral and cement corridors; port connectivity corridors; and high traffic density corridors.

INDUSTRY OVERVIEW - POWER SYSTEMS

The Indian Power Sector has made significant strides with notable developments taking place including developments on the renewables front. Specific to renewables, at COP26, India had made a significant announcement regarding its ambition to achieve net-zero emissions by 2070, marking a crucial milestone in the global effort to combat climate change. Furthermore, towards this, India has set its new climate action targets–50% of its electricity to come from non-fossil fuel sources by 2030, thereby culminating into ample prospects for the Renewables sector. Several policies and incentives have also been announced towards promotion of Renewables including those for Hydro Power.

Transmission and Distribution

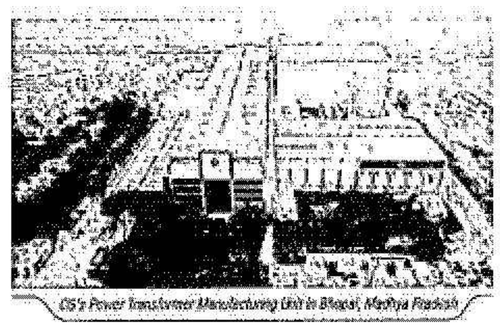
Over the years, remarkable progress has taken place on the transmission and distribution front as well, thereby narrowing the gap between the peak demand and supply position.

The total installed capacity of power as on February 29, 2024, was around 4,34,195MW and the overall growth in power generation has been to the tune of 6.80% in FY24 (upto February 2024) compared to FY23.

The transmission and distribution system has also augmented over the years through Intra State and Inter State Transmission System. India's Transmission Network comprises about 4,81,326 ckm of transmission lines and 12,25,260 MVA of transformation capacity as on January 31, 2024. During FY24, 14,293 ckm of transmission lines were added and 70,726MVA of transformation capacity was added. Besides, its inter-regional capacity has increased to 1,16,540MW.



CG's Switchgear Manufacturing Unit in Nashik, Maharashtra

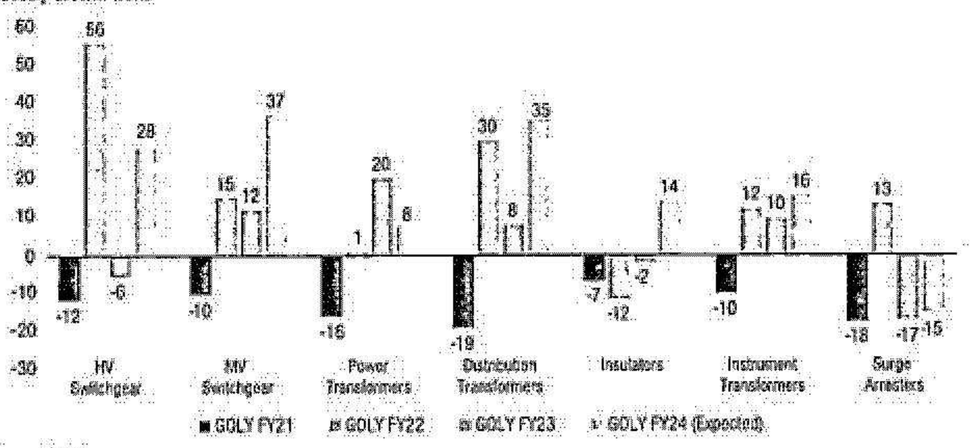


CG's Power Transformer Manufacturing Unit in Bhopal, Madhya Pradesh

While numerous major reforms have been undertaken on the transmission front such as Electricity (Transmission Planning, Development and Recovery of ISTS Transmission Charges) Rules, 2021; separation of Central Transmission Utility (CTU) function from POWERGRID and Central Transmission Utility of India Ltd started function as CTU w.e.f. 1st April 2022; and initiatives on ease of doing business for private developers in transmission sector, the government has been laying enormous thrust on the distribution as well. On the distribution front, the Central Government has approved a Revamped Distribution Sector Scheme - a Reforms-based and Results-linked Scheme with an outlay of ₹ 3,03,758 crores over a period of five years from FY 2021-22 to FY 2025-26 with the objective to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The Scheme aims to reduce the AT&C losses to pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25 by improving the operational efficiencies and financial sustainability of all DISCOMs / Power Departments excluding Private Sector DISCOMs.

Expected procurement of MV Switchgear for the next three years is worth ₹ 5000 crores for AIS, GIS, Indoor, Outdoor, and Automation.

Industry Growth Trend



Source: IEEMA

BUSINESS SEGMENTS REVIEW

At CG Power and Industrial Solutions Limited ("CG"), the business operations are spread across two business divisions:

Industrial Systems	Power Systems
Motors (LT / HT / FHP) & Stamping, Drives & Automation, Railway Products, Fast Moving Electrical Goods (FMEG)	Transformers, Switchgears, and Turnkey Solutions

INDUSTRIAL SYSTEMS

One-stop-shop for Integrated Motion Automation Solutions

1) Industrial Motors

CG is one of India's largest and oldest motor manufacturers, offering a diverse range of top-notch products, solutions, and services tailored to meet the needs of various customer segments. The Company provides a wide selection of LV Motors (up to 710 kW), MV Motors (up to 20 MW), Fractional Horsepower Single phase Motors (up to 5.5 kW), and AC drives & Drive Panels in multiple variants and standards, along with customized configurations to suit the diverse requirements of industrial sectors. Over the years, the Company's motor business has witnessed resounding success. The Company's deep domain expertise, proven track record, and consistent focus on research and development have empowered it to enhance its offerings continuously. CG stands out as the first company to indigenously develop and supply a complete range of High efficiency Motors including IE2, IE3, IE4, and the recently introduced IE5 Ultra-Premium Synchronous Reluctance Motors, in India.



Inside view of CG's LT Motors Manufacturing Unit in Ahmednagar, Maharashtra

Additionally, the Company leads the way in domestically developed EV Motors and Controllers for various vehicles like 3-wheelers, LCVs, MCVs, HCVs, Trucks, and Buses. CG's 'Smart Motor' Solution enables remote monitoring of motor operations and health, facilitating preventive maintenance.

In 2019, CG made a strategic re-entry into the Fast-Moving Electrical Goods (FMEG) segment with the introduction of Pumps and Industrial Exhausts. To elevate its business growth further, CG expanded its product portfolio by launching a new range of Ceiling, Table, Pedestal, and Wall Fans as well as an array of Instant and storage Water Heaters. These products are meticulously designed by the CG team, following thorough research and a deep understanding of diverse needs and applications.

2) Drives & Automation

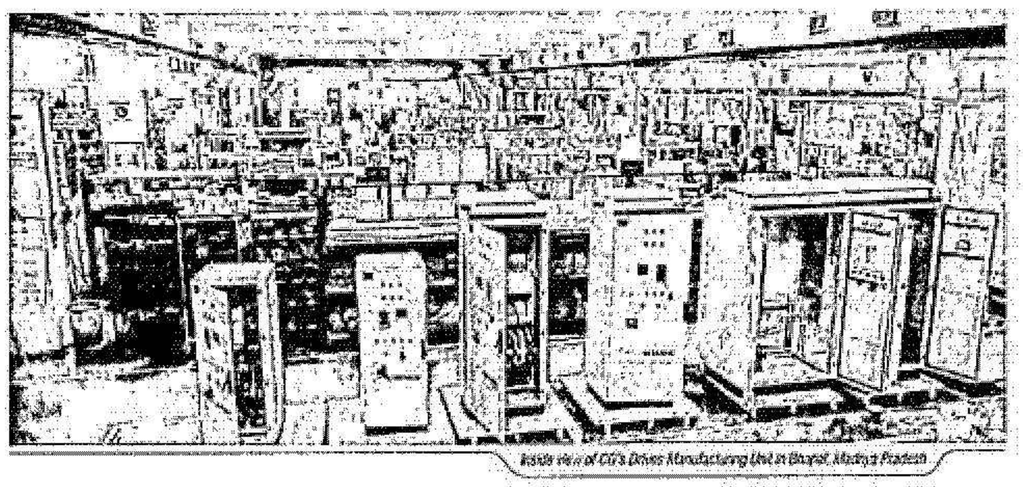
With an aspiration to become a one-stop-shop for the entire motor value chain, the Company had in 2011, acquired Emotron a Sweden based technology company and established CG Drives and Automation ("CG D&A"), leading to the Company offering a wide range of Drives and Automation products and solutions. With production units in Sweden and Germany, the Sweden headquarters serve as the hub for European business, focusing on four core markets: Nordic, Germany, Netherlands, and the MEA region. Distribution is managed through a network of distributors and partners across multiple markets beyond the home markets. The Company is committed to developing sustainable, energy-efficient solutions, with a focus on four segments: Marine, Water and Wastewater, Green Energy Power Solutions, and Material Handling. Backed by a global partner network endowed with innate technical service capabilities, the business has been steadily expanding its footprint, fortified by authorized service partners, distributors, and a workforce of 177 employees stationed in Europe.

Manufacturing and Testing Expertise

The Company's manufacturing facilities are modern and equipped with state-of-the-art technology to maximize efficiency, productivity, and quality. These facilities showcase industrial innovation through advanced machinery, automated systems, and eco-friendly practices. With a focus on sustainability, they minimize environmental impact while emphasizing excellence and responsible manufacturing. The Company operates world-class plants in nine locations in India and one in Sweden.

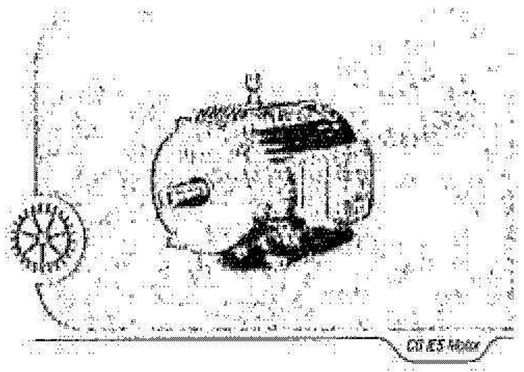
The Company operates motor manufacturing facilities at three locations in India.

- LT Motors manufacturing units in Ahmednagar and Goa.
- HT Motors unit in Bhopal.
  - Further, during the year, CG embarked on the capacity expansion of this unit, with a capital outlay of ₹ 35 crores
- Stampings' units in Ahmednagar and Goa.
- Single-Phase Motor manufacturing unit in Goa.
- CG Drives and Automation operates cutting-edge Engineering Centers in Germany and the Netherlands, along with two world-class manufacturing facilities featuring in-house design and manufacturing capabilities. One facility is located in India, and the other is in Sweden, serving the global market. Both these facilities are CE as well as UL certified and supply directly to customers across the globe.



Inside view of CG's Drives Manufacturing Unit in Bhopal, Madhya Pradesh

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CG IE5 Motor

Initiatives Undertaken Towards Transitioning to Industry 4.0

The Company continues to enhance its manufacturing capabilities for Motors through strategic investments and initiatives. With Industry 4.0 reshaping the manufacturing landscape, the Company is intensifying its efforts to transition to Industry 4.0 across all its manufacturing units. To achieve this goal, the Company has initiated several steps, including finalizing key performance indicators (KPIs), identifying and prioritizing critical processes, selecting equipment for Internet of Things (IoT) integration, and defining the scope for implementing Machine Execution Systems (MES), among others. The MES will facilitate real-time communication with SAP, enabling instant access to data for processes such as material master, Bill of Materials (BOM), vendor and customer master records, and unexecuted order tracking.

The Company has also made investments in IT-enabled operational technologies (OT), facilitating the integration of critical equipment and processes, thus enabling performance monitoring from any location. Similarly, the Company has commenced implementing OT for its existing equipment, enhancing their intelligence through digitalization and sensorization.

Furthermore, CG continued to pursue initiatives aimed at increasing automation throughout its motor manufacturing units and implemented various modernization projects over the past year.

Business Performance

Overall, the business witnessed notable advancements and breakthroughs during the year.

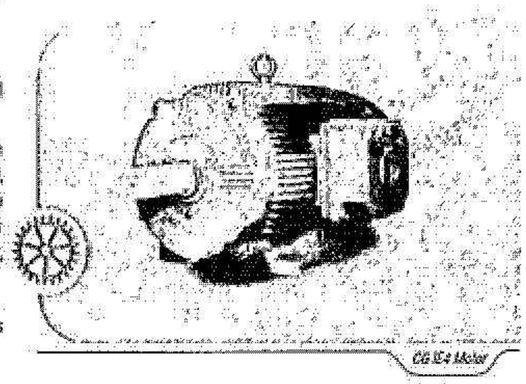
- It strengthened its foothold in the Cement Sector, followed by the Oil and Gas and the Water and Irrigation sectors. Additionally, it expanded its client base in the Steel segment. In FY24, the Company intensified efforts to explore opportunities in the Power Sector, particularly in Nuclear Power, and in the Sugar Sector, with a focus on Ethanol production.
- The Company successfully ventured into and executed projects for Wind Turbine and Earth Mover applications.
- The influx of orders from the Industry and OEM segments continued to be encouraging.
- A significant milestone was achieved with a breakthrough entry into NPCIL with a 6 MW motors order, establishing the Company as a preferred supplier for NPCIL.
- Various other breakthrough order inflows comprised orders for FHP motors including Rice Huller Motors, Commercial Cooler Motors - H frames, Compressor Motors, and Conveyor Motor, amongst others.
- The business also signed a rate Contract with a large Corporate House for supply of LT Motors for 5 Years covering a total of 73 businesses within the Group. Furthermore, a technical approval has been signed with an Indian Conglomerate for the supply of LT Motors.
- Internationally, the Company entered the Brazilian market with a substantial order of 7000 FHP motors.
- With respect to drives, the Company initiated in-house development of drives up to 45kW with next gen power devices.

Operations Highlights

While producing best-in-class, robust, value-driven and acclaimed products, the Company continues to lay strong emphasis on cost reduction and efficiency enhancement initiatives including LEAN manufacturing, design optimization, technology upgradation, quality improvement, and culture building, resulting in continuous improvement in its operational efficiency.

The following initiatives were undertaken during the year, in this regard:

- A significant number of Kaizens were identified and implemented, and Lean projects were initiated for upstream operations.
- Taping and strapping operations were automated.
- DG sets with auto changeover were installed to ensure sustainable operations.



CG IE4 Motor

- Implemented laser nameplate printing on motors which has led to creating permanent nameplate imprints and enabled cost savings compared to sticker-based name plating.
- The Company has embarked on a Thermocol free packaging drive whereby it has begun replacing Thermocol with Honeycomb Packing, during the year. Further, it is working towards ensuring Singh's Use Plastic (SUP) at its premises.
- The Company maintained its focus on developing local sourcing for CF Gear to reduce import dependency, achieving a reduction of 70% in dependency.
- Undertook various design optimization initiatives during the final design stage which have contributed to material cost reduction.
- The alternate use of electrical grade steel has contributed to the improvement of product performance parameters.
- The Company has installed latest design and Simulation Software for quick development of new products and is engaging in rapid prototyping with 3D printing.
- LTIM Die Cast Rotor (DCR) Process has been changed from Diesel Furnace to Electrical Furnace. This change is a more sustainable practice which ensures a pollution-free operation. By adopting an electrical furnace, the process reduces emissions associated with burning diesel, contributing to a cleaner environment.

New Product Development

During the year gone by, the Company successfully expanded its range of energy-efficient motors to include IE5 Ultra-premium Efficiency Synchronous Reluctance Motors. These motors utilize Synchronous Reluctance topology without the use of rare earth materials, ensuring an environmentally friendly design. They have the capability to reduce energy losses by up to 50% and significantly lower energy consumption compared to IE2 induction motors. Suitable for various applications such as HVAC, pumps, fans, compressors, and extruders, these motors offer several benefits including faster payback for improved operational profitability, precise speed and torque control, high efficiency across the entire speed range, lower winding and bearing temperatures for enhanced product life, faster accelerations due to low inertia, and reduced noise for a better working environment. Additionally, they can be seamlessly upgraded to induction motors without requiring any mechanical modifications.

In FY24, CG's Consumer business introduced its new range of Apex Series Pumps, including the CG XMB Centrifugal Mono Block Pumps up to 20 HP, thereby expanding its Consumer Products portfolio. Besides, the Company launched 15 new BLDC fans with remote control, and regulator in plain and decorative variants, as well as introduced 9 new star rated fans in the induction category. CG also rolled out 6 new varieties of instant and storage water heaters. Furthermore, Fire Fighting Pump, End Suction Pump, Inline Pump, PSW Pump, and Apex Series Pumps have been launched in the market, thereby enhancing the range of pumps. This includes Submersible Agro V4 & V6 Pump, Open Well Submersible, SS Sewage Pump, and Strong Flow Pump.

The Company has successfully developed auxiliary motors for steering pump applications, as well as has rolled out motors for booster pump applications.

Business Performance Drives and Automation – Europe

During the year, the Company continued to expand its client base with notable orders from India and across the globe.

New Products Developed during the year

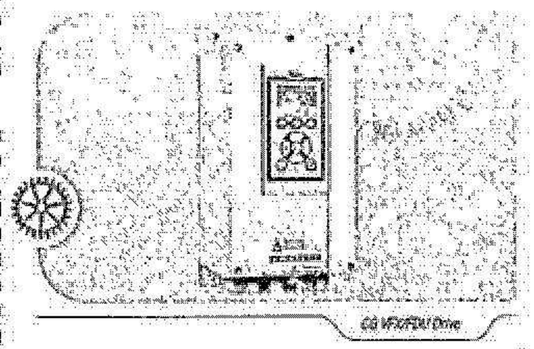
- Developed the E2.1 FDM / VFX models, offering 75kW / 90kW and compact in size.
- Introduced the compact high-power PEBB models, offering 160kW / 200kW.
- Launched a slim liquid-cooled active front drive up to 1.6 MW.
- Expanded TSA Soft Starter Range up to 1000kW.
- Enhanced the industrial drive user interface and connectivity features with Bluetooth / Wi-Fi, catering to targeted segments including Power, Oil & Gas, Metal, Water & Wastewater, and Material Handling.

Certifications

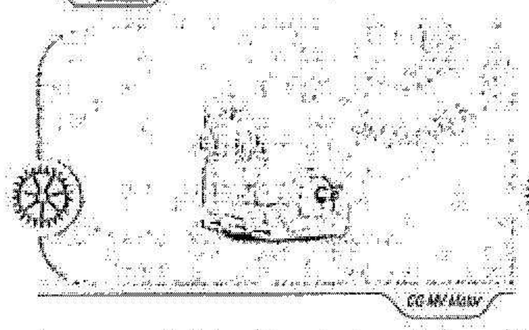
- The Company has obtained BIS certification for Star Rating of fans, enabling participation in government tenders such as those by EESL.

Motors and Drives:

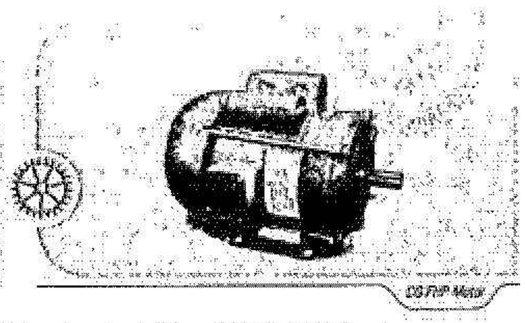
- Obtained the UK Conformity Assessed marking (UKCA) for the UK market.
- Secured revalidation of Nema Premium certification for American market.
- Also, secured the CSA approved certification for Testing for the American Market.



CG VFX/FDM Drive



CG MF Motor



CG FHP Motor

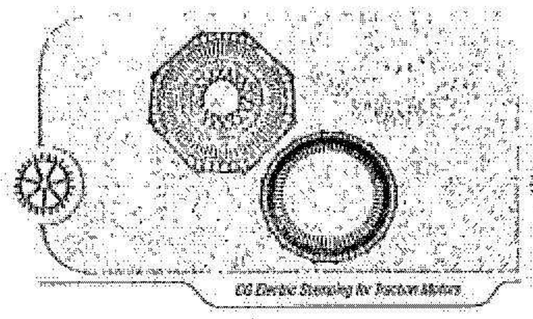
As stated earlier, CG's Industrial Systems business extends beyond India to include Drives & Automation operations in Europe.

Product Offerings

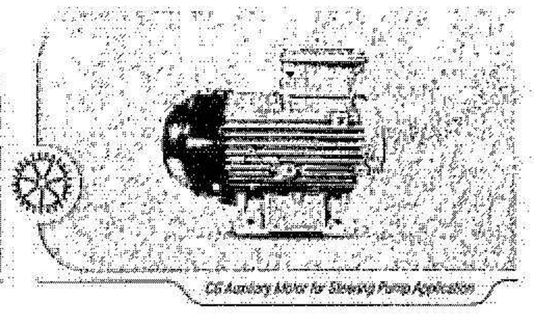
Product	Range	Industry Application
Low Tension Motors and IE2, IE3, and IE4 efficiency Motors	0.18kW to 710kW	Multiple variants and standards, customizable to configurations required for any industry / equipment, and EV Motors for e-mobility
Fractional Horse Power (FHP) Motors / Single Phase Motors	0.02kW to 5.5 kW	Used for all general-purpose applications in Domestic, Commercial, Agricultural, Industrial, Healthcare and Construction segments
Hazardous Area Application Motors (LV and HV)	0.37kW to 12000kW	Designed to suit the ignitable atmospheres present in hazardous Locations such as Zone1, Zone 2 or Class1 Div 1 and 2
Large Industrial Machines (HT Motors)	Up to 12000kW	Energy-efficient and intelligent motors for various applications in IP23, IP55, IP56 and IP65 enclosures
Stamping and Laminations	Consumer products to HVAC Generator & Alternators	For Industrial Motors, Alternators, Generators, Consumer Goods Motors like fan pump etc., Railway Motors, Electric Vehicle Laminations

Drives & Automation

Product	Range	Industry Application
Industrial AC Drives (LV &MV)	0.75kW to 4000kW	Used for all Industrial segments such as Cement, Water, Metals, Oil & Gas, Marine, Sugar, etc.
Active Front Drives (AFE)	11kW to 4000kW	Used for Low harmonics and regenerative applications
Soft Starters	5.5kW- 1000kW	Industrial applications such as Pumps and Fans
DC-DC converter & AFE	Upto 3000kW	Renewable energy applications and on shore Marine applications
Industrial Panels	Upto 4000kW	Customized Panel solutions for all type of Industrial users
Test Benches	Upto 4000kW	Routine type, back-to-back regenerative test setups
Shaft power Monitor	Upto 999Amp	Patented technology to protect motors from dry runs, over / under load conditions
Solar Drives	0.75kW to 75kW	Used for Renewable energy applications and Solar water pumping for Agriculture
PLC & HMI	Automation	Automation the Industrial application like packaging, printing special purpose machines, etc.



CG Electric Steering for Tractor Motors



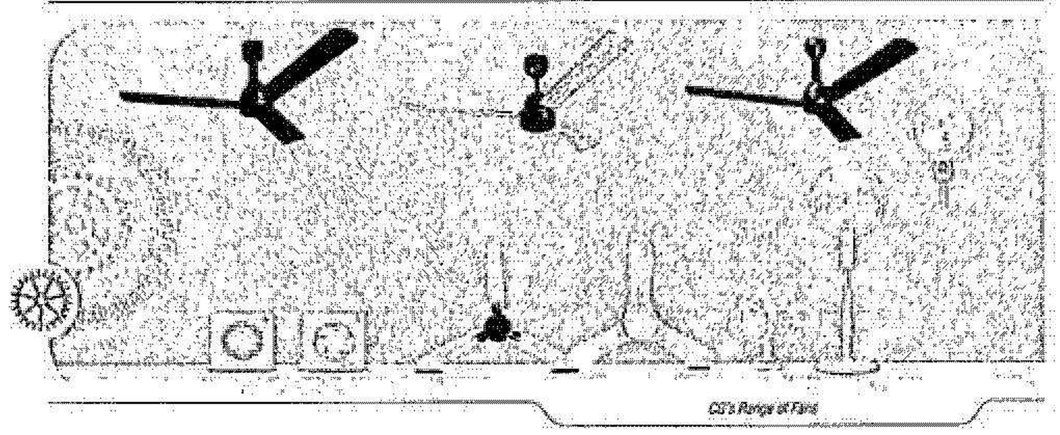
CG Auxiliary Motor for Steering Pump Application

Consumer Products

Product	Range
Pumps, Fans and Water Heaters	Domestic, Agricultural, and Industrial Usage

Consumer Products - Pumps Portfolio

Product	Range	Industry Application
Domestic Pumps	Mini series / Shallow-well jet / Openwell	Normal water supply through Municipal Pipeline - living storage / overhead tanks
Domestic Pumps	Submersibles	Getting ground water through borewells to overhead tanks
Agricultural Pumps	Monobloc / Openwell pumps	Getting water through rivers / ponds and borewells
Agricultural Pumps	Submersibles	Ground water lifting for Agriculture use (farm irrigation) and Drinkwater / Sprinklers applications
Industrial Pumps	V6 submersible / Monoclac	Building segment (Water supply)
Industrial Pumps	Fire-Fighting systems	Fire Fighting installations
Industrial Pumps	Pressure Boosters	Pressure pumps
Industrial Pumps	Monobloc / Openwell	Fountains
Industrial Pumps	Monobloc / Openwell	Cooling towers
Industrial Pumps	Sewage Pumps	Sewages treatment in Households / Hospitals / Hotels / Treatment plants & Construction sites



CG's Range of Fans

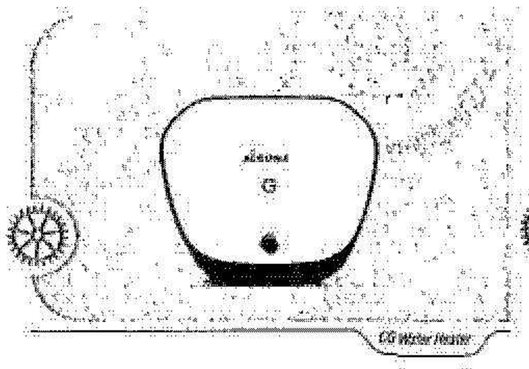
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Promotion and Market Development Initiatives Undertaken During the Year

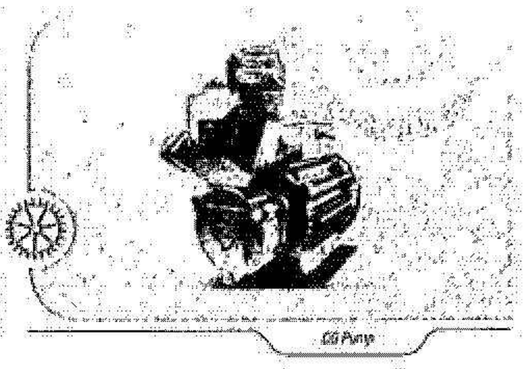
- CG organized an Authorized Service Contractors meet which was attended by Service Contractors for both motors and consumer products
- CG's Pune Branch organized an exclusive Customer Meet for Drives & Automation in Pune. The event was a tremendous success with a massive turnout of attendees, including representatives from renowned companies. The primary objective of this event was to showcase the latest product offerings from D&A and to create a platform for one-on-one interactions with industry experts.
- CG had organized an exclusive Seminar on LT Motors, HT Motors, Drives and Single Phase Motors for Industrial customers in New Delhi. Customers from all industry segments including Sugar, Cement, Power, Oil and Gas, HVAC and Water, attended the Seminar

Exhibition Participations

- The Division participated in the 5th International Exhibition cum Conference on Steel Industry at the Bombay Exhibition Centre (NESCO) Mumbai, where the Company showcased its range of Motors
- CG Industrial Division participated in Automation Expo at the Bombay Exhibition Centre (NESCO) Mumbai where the Company showcased its range of Super Premium Efficiency IE4 Motors, Super Premium Efficiency Flame Proof IE4 Motors, SMARTOR Motors, IE3 Motors, VFD Panels, Solar Drives, AC Drives' FDU / VFX Series, VSM Series, VSX Series, HMI & PLC, and Shaft Power Monitor & Automation Solutions
- The Division participated as a Platinum Sponsor at the 22nd Energy Efficiency Summit 2023, organised by CII. The main objective of the Summit was to facilitate the National Energy Conservation Movement by bringing all stakeholders together to deliberate on the best practices and offer exposure to the latest technologies. CG showcased its range of IE4 Motors, VFD Drives and a live demo of Smartor was also held at the event
- CG participated in the 3rd Dahej Industrial Expo held at GIDC, Gujarat. The Company showcased its range of technologically advanced products such as LT and FHP Motors, Drives, Fans, and Pumps, designed for optimum energy efficiency and performance along with its new service offerings and spares' products. CG was bestowed with 'Best Electrical Products Display' Award at this expo



CG Water Heater



CG Pump

- CG participated in the 14th Cement Expo 2023 at New Delhi, where it showcased its range of most technologically advanced products including IE4 Motors, Smartors, VFDs, Pumps as well as new service offerings and spares at the event
- CG participated in the 3rd International Conference and Exhibition on Sustainability - Challenges & Opportunity in Global Sugar Industry at the Vasantdada Sugar Institute in Pune. The Company showcased its extensive range of LT Motors and Drives for the Sugar Industry apt for boosting operational performance and efficiency
- CG participated in the India Energy Week Exhibition and Conference at IPSHEM-ONGC, Goa, where it showcased its range of energy-efficient Motors and Drives and garnered good visibility.
- CG participated in the 23rd edition of ACREX India at IEML, Greater Noida where it showcased its energy-efficient range of BLDC Motors, Smoke Extraction Motors, IE5 Ultra-premium Efficiency Synchronous Reluctance Motors and Drives & Automation products suitable for the HVAC industry.

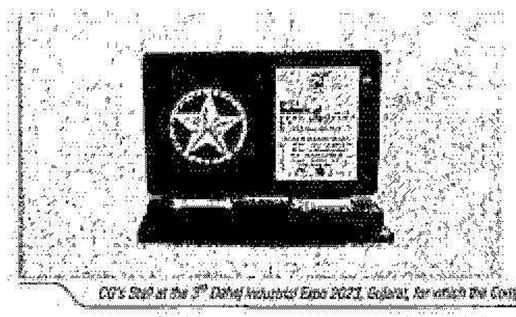
- The Company took part in the 31st edition of ChemTECH World Expo 2024, held at NESCO Mumbai where it showcased its range of Large Industrial Machines, Drives and LT Motors at this expo

Channel Partners Conference

The Business hosted its All-India Dealers Conference 2023 in Zurich, Switzerland during October 2023, to felicitate its dealers. More than 110 Channel Partners along with their spouses participated in the conference, and more than 25 Regional and National awards were given to top performers

Awards and Recognition

- CG bestowed with 'Best Electrical Products Display' Award at the 3rd Dahej Industrial Expo 2023, GIDC, Gujarat.





CG's Stall at the 3rd Dahej Industrial Expo 2023, Gujarat, for which the Company has been recognized with the 'Best Electrical Product Display' Award

Exports Growth Strategy

CG has maintained a global presence for many decades, consistently seizing opportunities and establishing itself in the global arena. However, in recent years, the Company has renewed its focus on exports, prioritizing efforts to expand its footprint and strengthen its position on the international stage. Towards this, CG has adopted a more calibrated and structured approach. As part of its strategic growth initiative, the Company is aiming to substantially expand its presence across different regions, segments, and sales channels through a concerted export drive. This involves expanding the Company's sales footprint, offering local solutions and service capabilities, and broadening the scope of its offerings across global sectors in Infrastructure, Industries, and Energy.

The Company is currently engaged in comprehensive business development and strategic positioning of all its portfolios, covering the entire international market. This effort includes significant focus on key regions such as the Americas, Europe, the Middle East, and Africa.

The Company's premium range of motors and alternators, including the NEMA premium range, as well as the IE3 and IE4 series, are already available in developed economies such as the Americas and Europe. Additionally, the Company leverages product branding and contract manufacturing routes to enhance its offerings in these markets.

The Company is already exporting drives and automation solutions such as AC VFDs of IP20 grade to its European subsidiaries besides direct exports to South Asia, Middle East and Russia. Various kinds of standard and application specific variable speed drives are available for all geographies.

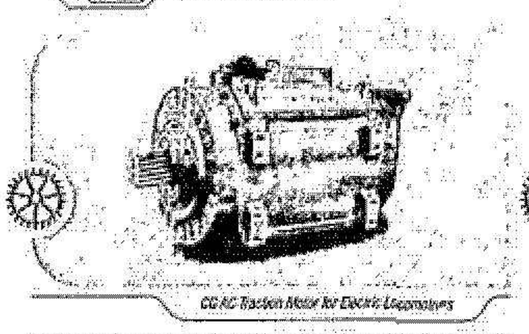
CG has secured various orders in the South American markets thereby making notable progress in the region. Furthermore, it has advanced in the Middle East and Turkey through direct sales as well as distributor channels.

Railways

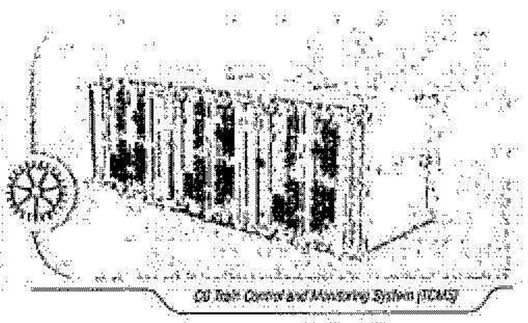
With a rich legacy in the Railways business, CG has the most extensive Railways products portfolio, comprising three primary product lines. These include:

Traction Machines & System (TMS)

This line encompasses AC & DC Traction Motors, Traction Alternators, and solutions tailored for self-propelled vehicles. CG Traction Machines & Systems (TMS) is widely recognized as a preferred partner in the Railways sector, serving as Original Equipment Manufacturers (OEMs) in India and numerous other countries. Leveraging advanced technical methods and efficient manufacturing processes, the Company delivers high-quality, reliable, and cost-effective locomotive traction motors and alternators to both domestic and international clients. The Company possesses the capability to rewind, and vacuum-pressure impregnate (VPI) both epoxy and silicone resins. Its AC motor test rig is capable of dynamically testing all AC and DC railway traction motor specifications. Utilizing rotor bar crack detection equipment and automated TIG welding and undercutting equipment, CG ensures top-notch quality processes. Additionally, all traction coils are manufactured and tested in-house at its dedicated coil facility, ensuring full control over quality and delivery.



CG AC Traction Motor for Electric Locomotives



CG Rail Control and Monitoring System (RCMS)

CG supports customers in maintaining peak machine performance throughout the entire lifecycle. From the design stage through installation, commissioning, and in-field optimization, CG provides professional service, including advanced diagnostic tools for predictive maintenance and trend analysis. The Company offers flexible service concepts and highly qualified service personnel to maximize availability, from monitoring to intervention to troubleshooting.

CG has implemented certified Management Systems at its locations, adhering to standards such as IRIS, ISO 9001, ISO 14001, and OHSAS 18001, as effective methods to sustain continuous improvement of processes and products.

Rail Transportation Traction Electronics (RTTE)

CG offers IGBT based Propulsion Systems & Loco Panels to cater to traction electrification needs. CG's Rail Transportation Traction Electronics (RTTE) solutions leverage cutting-edge power conversion technology, ensuring high efficiency, reliability, and safety. These solutions are modular and scalable, aimed at reducing complexity, environmental impact, and total cost of ownership across the railway infrastructure. With expertise in design, engineering, and manufacturing, CG is capable of delivering Rail Propulsion Systems for various rail transportation applications including RRTS, Metrorail, Metrolite, Metro Neo, Monorail, and High-Speed Rail. The Company offers comprehensive support across all aspects of mechanical, electrical, and systems design, covering traction converters, auxiliary converters, high-voltage systems, main energy systems, and battery-powered systems. Leveraging its profound expertise and extensive testing specialization, CG ensures that the propulsion systems it designs meet the highest standards of quality and compliance with regulatory norms.

CG's software standards adhere to EN 50657 and EN 50128. Its Propulsion Systems encompass Traction Converter-Inverter, Traction-Inverter, Auxiliary Converter-Inverter (including auxiliary supply modules), and TCMS, all integrated seamlessly for optimal performance.

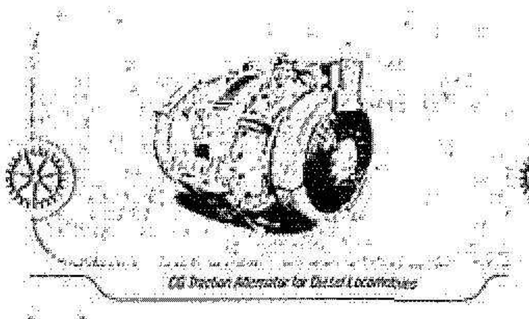
The energy-efficient Traction Converters for Electric Locomotives feature nominal input voltage and maximum phase current per line converter. Equipped with built-in safety features and microprocessor-controlled switching, they also come with MVB / Ethernet-based communication interfaces for enhanced efficiency and connectivity. These products are designed to be future-ready, with the flexibility for upgrades and remote diagnostics capabilities to meet evolving requirements.

Railway Signalling Products

This category includes Signalling Relays, Point Machines, and Data Loggers crucial for railway signaling systems. CG is a prominent provider of Railway Signalling Systems and Technology solutions in India, known for its extensive expertise and leading position in the industry.

Additionally, CG manufactures Coach Products such as Panels and Carriage fans. The Company's offerings also extend to trackside transformers, stamping for traction motors, auxiliary motors for locomotives, circuit breakers, surge arrestors, and instrument transformers, further enhancing its comprehensive solutions for the railway industry.

A one-stop solution provider for products of Electric Locomotives, CG is a strategic partner in technological upgrade and evolution for Indian Railways.



CG Traction Alternator for Diesel Locomotives



CG Metal to Carbon Signaling Relays for Railways

Railway Products Portfolio

Traction Machines & System (TMS)

Product	Details
AC Traction Motors	Electric Loco, Diesel Loco, Transit / Metro / EMU / MEMU and DEMU
DC Traction Motors	Electric Loco, Diesel Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle
Traction Alternators	Diesel Electric Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle
Complete Electrics	Including integrated power pack with traction alternator, traction motors, Control equipment, Rectifier, Auxiliary alternator for Diesel Electrics Tower Car (DETC) with on board and undercutting electrics, Self-Propelled Inspection car (SPIC) & Diesel Electric Multiple Units (DEMU)

Rail Transportation Traction Electronics (RTTE)

Product	Details
IGBT Based Traction and Auxiliary Converters	For Electric Locomotive
IGBT Based Composite Converter / Hotel load converter	For 3 phase Electric Locomotive
Vehicle Control Unit (VCU) and Control Panels	For Locomotive
Propulsion System and Electrics	For EMU / MEMU / Transit
Auxiliary converters	For Diesel / Electric Locomotives, Diesel Electric Multiple Unit (DEMUs) & Electric Multiple Unit (EMUs)
Train Control and Management System (TCMS)	
Propulsion system	9000 HP for Electric Locomotive

Railway Signalling Products

Product	Details
Q-Type Signaling Relays	
Electric Point Machines	Operating Voltage - 110 V DC & 360 V AC -Non-trailable - 143 mm / 220 mm throw -Trailable – 175 mm / 220 mm throw -Non Trailable –Dual Gauge Point Machine (143mm / 220 mm throw
DC Series Motor	For Electric Point Machines
DC Series Motors IP67	160 V & 400 V AC) for Electric Point machines
Back Drive	Secondary Drive with 220mm Throw Point Machine

Rail Traction SCADA & Power Management System

BLDC Industrial Fans

Coach Applications Products

Product	Details
BLDC Carriage Fans	
Universal Carriage Fan	AC, DC

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Control Panels for Locomotives and Coaches

Product	Details
Switch Board Panels	For Locomotives – SB1, SB2, HB1, HB2, Cubicle F
Filter Cubical Panels	For Locomotive
Panels, EDTS 355	For LHB EOG Non-AC Coaches
Switch Board Cabinet	For LHB EOG / HOG AC COACHES- SBC 184, SBC 192, SBC 200

Manufacturing and Testing Expertise

The Company operates state-of-the-art manufacturing facilities dedicated to its Railways business, located in Mandideep and Pithampur, Madhya Pradesh, India. Additionally, CG maintains a dedicated in-house testing facility that adheres to Indian and International standards.

Initiatives Undertaken Towards Transitioning to Industry 4.0

- Implemented IoT / digital recording for Quality Test Panels of Relays, leading to faster execution, increased reliability, and effective monitoring.
- Implemented IoT / digital recording of heat cycles at the annealing furnace, improving efficiency and enabling better process control.
- Implemented mechanized crimping and soldering with digital recording, resulting in faster execution and increased reliability.
- Initiated several LEAN measures.
- Implemented the KANBAN System.

Export Initiatives

- Bagged a significant export order from Mozambique.
- Secured orders from US Railroads for the US market. This order will paves the way for CG's accreditation from the American Association of Railroads (AAR), opening up numerous opportunities for market expansion across North and South America.
- Supplied Point Machine for field trial to Malaysian Railways to establish credentials in main line.
- The Company secured approval of an approved supplier of Point machine and Relays from Bangladesh Railways for Dual Gauge Turnout, and received orders from M/s KEC Limited & M/s Quntro.

Market-aimed Technological Initiatives that help Remain in line or Ahead of the Tech Curve

With a significant shift in Indian Railways' procurement strategy, which now involves rolling out contracts for complete electrical propulsion packages rather than ordering individual products, the Company has adapted accordingly. Contracts for 'Ready to Run' locomotives, multiple units, and coaches are being awarded directly to eligible parties or consortiums. To meet these evolving requirements, the Company has introduced new products and solutions, aligning itself with changing technology needs. Its technology team is focused on developing products and solutions for projects like the Vande Bharat Express, upgrading 6000 HP Electric Locomotives to 9000 HP, and developing systems for Main Line Electric Multiple Units.

Moreover, the Company has initiated work on various green initiatives planned by Indian Railways, such as smart locomotives capable of predictive and preventive maintenance, and developing electric packages for hydrogen-based fuel cell trains with nearly net-zero carbon emissions.

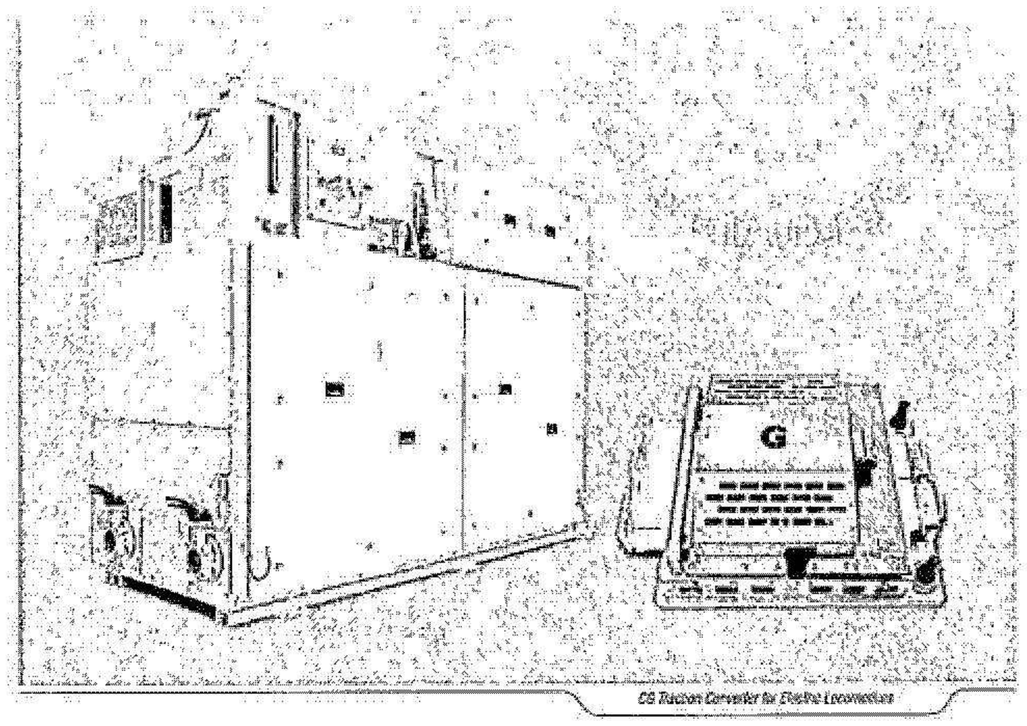
Marketing and Business Development Initiatives

- Participated in the 15th edition of the International Railway Equipment Exhibition (IREE) organized by the Confederation of Indian Industry (CII) in association with the Ministry of Railways, Government of India, at Pragati Maidan, New Delhi. Additionally, took part in the International Rail Conference (IRC 2023), held concurrently with IREE 2023. IRC 2023 was an international conference focused on the rail transportation sector, attracting attendees from India and overseas to discuss the latest innovations and technological advancements for the Indian Railways and the rail transportation industry.
- Participated in the Rail Solution Asia 2023 Exhibition in Malaysia, where new customers and dealers were identified for collaboration in the areas of point machine / signalling advancement.

New Products Developed During the Year

Back Drive (Secondary Drive with 220mm Throw Point Machine)

Developed the Back Drive system for the application of 1 in 12, 60 kg Rail with Thick Web Switch Turnout to ensure the proper housing of the rail up to JOH (Junction Over Head), thereby enhancing the safety of train movement at Turnout Switch. The compact system is installed on the trackside, and the associated lever mechanism is fully covered. This system can be integrated with a wide variety of point machines and locking systems, resulting in a perfectly aligned setting system.



CG Traction Converter for Electric Locomotives



Traction Electric Multiple Unit Developed by CG for Self-Propelled Inspection Car (SPIC)

Non Trailable – Dual Gauge Point Machine (220 mm throw)

A Non-Trailable Point Machine with a 220mm throw has been designed to operate the Rail Point of a high-speed Dual Gauge turnout, where the outer gauge is Broad Gauge and the inner gauge is Meter Gauge, utilizing BG 60 kg Thick Web Tongue Rail. This machine is capable of operating three switches simultaneously with accurate locking and detection of individual switch housing. It was specifically developed to meet the requirements of the Bangladesh Market.

Switch Board Cabinet (SBC)

Crafted and engineered switchboard cabinets tailored for LHB type coaches of the Indian railway, facilitating the control and distribution of electricity to a multitude of onboard equipment. These cabinets regulate power flow to essential systems such as coach lighting, passenger addressing systems, mobile charging outlets, compressors, boilers, and RMPUs (Rooftop Mounted Package Units).

QN1K '6F / 6B 24VDC RELAY

Developed the Q series Neutral Relay, renowned for its low current consumption, and which is extensively utilized in railway signaling applications. This relay complements CG's comprehensive range of Q-series Relays tailored for both Indian Railways and overseas applications.

BLDC Industrial Fans

The Company has engineered heavy-duty BLDC (Brushless Direct Current) fans designed for diverse industrial applications. These fans are equipped with BLDC technology, ensuring energy efficiency and robust performance.

Other Products Developed include the following:

- Development of DC Traction motor for Overseas applications.
- Development of High speed (Highest for CG) Fully suspended Traction motor for Metro Applications.
- Development of Train Control and Management Software (TCMS), Traction Converter, and Axle hung nose suspended Traction Motor for Mainline Electric Multiple Unit (MEMU) on board.
- Development of Traction Converter for 9000 HP Locomotive Application.
- Development of Fail-safe mechanism for Traction Motor in 9000 HP Bogie.
- Composite converter and Hotel Load Converter.



CG recognized with the Dainik Bhaskar Industry Excellence Award

Awards & Recognition

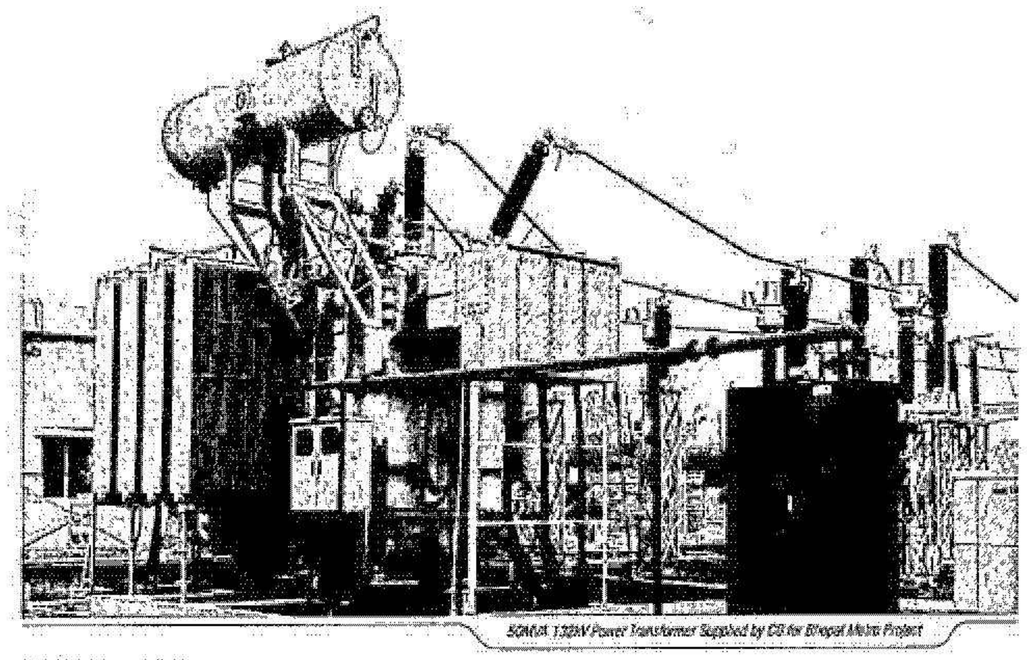
CG received the Dainik Bhaskar Industry Excellence Award, acknowledging its commitment to excellence and serving as a benchmark for industries in Madhya Pradesh. This recognition highlights CG's exceptional dedication, outstanding performance, and significant contribution to both society and the state's economy.

POWER SYSTEMS

CG's Power Systems business focuses on Power Transmission and Distribution and setting up of integrated power systems and associated service businesses. A leader in the management and application of Electrical Energy, the Company manufactures a wide range of Switchgear and Transformer Equipment. The business also offers turnkey solutions for Transmission and Distribution (T&D) through sub-station projects, and as an Engineering, Procurement and Construction (EPC) services provider, as well as other end-to-end services involving the entire value chain.

Strengths - Power Systems Business

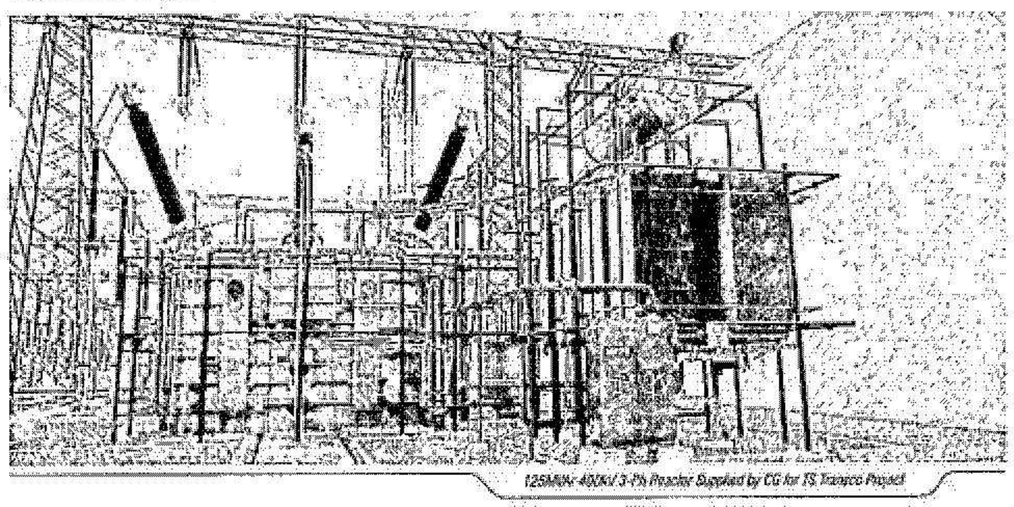
- Comprehensive presence across the entire Power Transmission & Distribution (T&D) Value Chain.
- Offers a diverse range of products and solutions compliant with various National and International Standards.
- Expertise in manufacturing, equipped with state-of-the-art manufacturing facilities and a track record of proven credentials.
- Possesses extensive domain knowledge, recognized as a pioneer in technology with numerous innovations.
- Implements best-in-class engineering practices.
- Renowned for punctual delivery and timely project completion.
- Acknowledged for swift and efficient after-sales support.



500kVA 132kV Power Transformer Supplied by CG for Bhopal Metro Project

Transformer Business

CG provides an extensive range of Power and Distribution Transformers spanning from 160kVA to 1500MVA and 12kV to 765kV, respectively. Additionally, it offers Reactors ranging from 3MVAr to 125MVAr, 1ph & 3ph up to 765kV, adhering to IEC, ANSI, IS, BS, and other International Standards. Serving diverse customer segments such as Power Utilities, Process Industries, Railways, Mines, Electricity Boards, and Industrial users, the Company's transformers have demonstrated durability across various ambient climates and environments. These include sub-zero temperatures, extreme heat, high seismic zones, heavily polluted regions, moist and highly humid areas, offshore applications, and noise-sensitive neighborhoods, among others.



125MVAr 400kV 3-Ph Reactor Supplied by CG for TS Transco Project

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Products Portfolio – Transformers

Product	Range	Industry Application
Power Transformers	Auto transformers upto 500MVA, Shunt Reactors upto 110MVAr (765kV) and upto 125MVAr (400 kV), Furnace Transformers, Generator Transformers, 30 24MW, Track Side Transformers 63 / 100 MVA Y & Scott-Connected Transformers, 63MVA V Connected Transformers	Generation, Transmission, Distribution, and Railways
Distribution Transformers	315KVA to 4MVA (3.3kV to 33kV Class)	Industrial Application
Low Power Transformers	4 to 60 MVA (11kV to 132kV Class)	Generation, Station, Unit Auxiliary, and Multi Winding
Locomotive Transformers	6 531MVA and 7 775MVA	Railways
Solar Transformers for Inverter Duty	Up to 12 5MVA (33kV Class)	Solar Power Generation
Green Transformers	132kV	Generation, Station, Industrial, and Unit Auxiliary

Switchgear Business

The Company provides a comprehensive array of Switchgear products, including Extra High Voltage (EHV) Switchgears like SF6 Circuit Breakers (Live & Dead Tank), Gas Insulated Switchgears (GIS), Oil Filled Current Transformers (CT), Inductive Voltage Transformers (PT), Capacitive Voltage Transformers (CVT), Surge Arresters, Off Load Disconnectors, and Condenser Bushings. Additionally, it offers Medium Voltage (MV) Switchgears such as AIS (Indoor & Outdoor), MV GIS, Ring Main Units, Vacuum Interrupters, Compact Substations, Numerical Protection Relays, Auto-Reclosers, Vacuum Contactors, Lightning Arresters, and Isolators. CG also provides a range of Instrument Transformers and Bushings.

Products Portfolio – Switchgear

Product	Range	Industry Application
MV Switchgear	• Indoor Air Insulated Switchgears ("AIS") panels • Outdoor Breakers, Single Pole 25kV Breaker • Line up Roof Bursting Kiosk • Gas Insulated Switchgear ("GIS") • Indoor / Outdoor Ring Main Units ("RMU") up to 36kV Class	Utilities, Industries, Power plants, Railways, Infrastructure, Projects, Renewables, Smart city Projects, and Data Centres
Relay and Automation	• CG Series Current and Voltage Numerical Protection Relay • Self-Powered Relay for Ring Main Unit ("RMU") • Aegis Series Feeder, Transformer and Motor Protection Relays Auto-recloser Relay • Feeder Remote Terminal Unit ("FRTU") for RMU automation	Utilities, Industries, Power plants, Railways, Infrastructure, Projects, Renewables, Smart city Projects, and Data Centres
EHV Switchgears	• Current Transformers up to 800kV, 63kA • Transformer Bushings up to 800kV, 63kA • Inductive Voltage Transformers up to 550kV • Capacitor Voltage Transformers up to 1200kV • Grading Capacitors up to 420kV • Surge Arresters up to 800kV Class 5 • SF6 Circuit Breakers 36kV to 765kV	Utilities, Industries, Power plants, Railways, Infrastructure, Projects, Renewables, Smart city Projects, and Data Centres

Product	Range	Industry Application
	• Gas Insulated Switchgear 66kV to 245kV (DMGIS) • Hybrid GIS 245kV • Dead Tank Breaker 72kV • Surge Arrester for Gas Insulated Switchgear Application 66kV to 245kV	
Vacuum Interrupters up to 72 5kV, MV Instrument transformers up to 170kV and Condenser Bushings up to 72 5kV	• Vacuum Interrupters 600V to 72 5kV • Vacuum Contactors and Capacitor Switches up to 36kV • Auto-Recloser and Sectionalisers up to 36kV • Transformer Bushing 52kV and 72 5kV, up to 5000Amp • Current Transformer and Inductive Voltage Transformers ranging from 33kV to 170kV • Power Voltage Transformer 72.5 to 145kV, up to 100kVA	MV Switchgear manufacturers, Power transformer Manufacturers, T&D Utilities, Industries, Renewable Sector & Railways Track side Substation
Power Quality Solutions	• Automatic Power Factor Correction System • Fixed Capacitor Banks up to 36kV • Static VAR Compensator (STATCOM) up to 440V • MV Electrical Soft Starter up to 12kV, 20MW	Transmission and Distribution Utilities, Water Supply Schemes, Steel, Cement, process Industries, Railways and Refineries
Railways Loco Head and Trackside Products	• 25kV Primary Voltage Transformer ("PVT") • 36kV High Voltage Bushing • 27.5kV Vacuum Interrupters for Loco Head and Trackside VCBs	Railways Loco Head & Trackside S / Stns

TRANSFORMERS

Business Performance

In the year gone by, the business maintained its momentum on the growth trajectory and secured several significant orders from prominent clients. Additionally, the Company obtained many more product approvals from the Indian Railways.

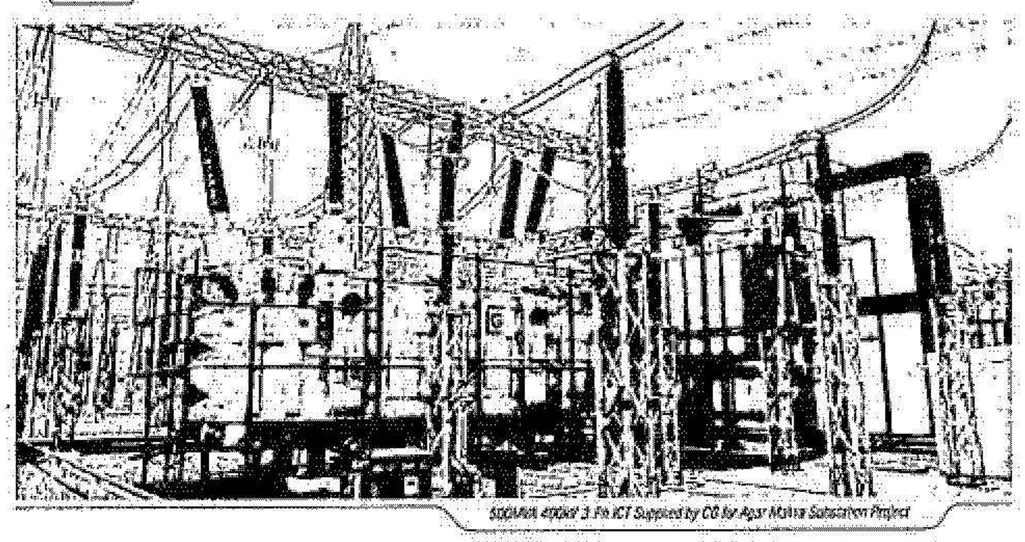
The Company ventured into new markets and customer segments in both India and Nepal, securing contracts with eminent entities in these regions. Further, the business maintained its presence in the Reactor Market in Greece and expanded its focus on emerging markets in Africa through Agents and the EPC model. Additionally, it provided tender support to International / Indian EPCs.

Manufacturing and Testing Expertise

The Company's transformer manufacturing units are situated in Malanpur, Madhya Pradesh, specializing in distribution, small power, dry-type, and locomotive transformers, and in Bhopal, Madhya Pradesh, producing power transformers. Manufacturing Units accredited with certifications such as ISO 9001, ISO 14001, ISO 18001, and Integrated Management OSHAS 18001.

Further, during the year, CG initiated working on the expansion of its manufacturing capacity for Power Transformers and Distribution Transformers at its plants at Malanpur and Bhopal at an investment of ₹ 126 crores. In addition, capacity expansion has also been planned for its Power Transformers plant situated at Mandideep, Bhopal at an additional investment of ₹ 31 crores.

The Company operates cutting-edge, fully automated Transformer Testing Facilities that are accredited by NABL (National Accreditation Board for Testing and Calibration Laboratories). These facilities adhere rigorously to both Indian and International Standards and are supported by teams of qualified, seasoned, and devoted professionals. Additionally, they are outfitted with advanced software and programs, ensuring comprehensive testing capabilities and reliability.



500MVA 400kV 3 Ph ICT Supplied by CG for Agra Mokra Substation Project

The Business Undertook the Following Initiatives Towards Transitioning to Industry 4.0:

- Deployed smart cranes equipped with features such as real-time monitoring of runtime, load capacity, and safety measures, along with an embedded anti-collision system to enhance operational safety. This initiative introduced IoT-based equipment management at the Company's manufacturing sites.
- Automated core building adjustments to ensure precise alignment of core components, leading to significant reductions in setup time and calibration requirements. This integration includes data monitoring and analysis capabilities to track performance metrics and identify optimization opportunities, resulting in savings equivalent to adding one 50MVA job per year.
- Enhanced machines, tooling, and material handling equipment to improve efficiency and product quality.

Cost Saving Initiatives

With a strategic focus on Total Cost Management, the Company initiated several measures aimed at improving efficiency and reducing costs while upholding quality and reliability to sustain its competitive edge. These initiatives included optimizing sourcing processes, securing forward contracts for input metals directly from mills, implementing firm price orders, maximizing the utilization of leftover materials, manufacturing minor components in-house, conducting in-house material testing, and minimizing leftover scrap.

Major Alliances and Partnerships During FY24

- The Company continued to partner / collaborate with technical consultants such as Engie Laboratec, Belgium, and Lazarev Laboratories, Estonia, for new product development and performance evaluation, respectively.
- CG continued to collaborate with CPRI and NHPTL for type testing of transformers to ensure performance reliability, and with ERDA for Material testing.

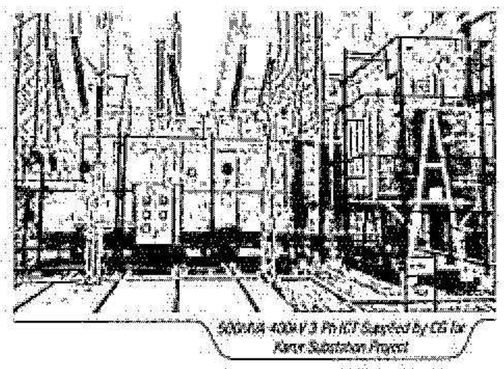
Promotion and Market Development Initiatives

In FY24, the Company sustained its investment in promotional and market development activities. Regular meetings and discussions were conducted with developers such as Adani, PGCIL, and Sterlite to explore applications and new product development opportunities in the Renewable segment. Plant assessments were conducted, and approvals were obtained from entities like GETCO, AP TRANSCO, and Amazon Web Services. Additionally, the Business actively participated in exhibitions such as Trafotech and DistribuELEC, organized by IEEMA.

New Product Development Initiatives

New Product Development:

- 16.5MVA Trackside Autotransformer developed for Indian Railways.
- Developed and installed Trackside Transformer 30MVA, 132 / 27.5kV for Metro Project.
- Developed and installed Highest Rating transformer for Bhopal Metro 50MVA, 132 / 33kV transformer with additional tertiary winding for harmonic suppression.
- Conducted successful short circuit testing of 8MVA 33 / 11kV transformer for Nepal Electricity Authority.



500MVA 400kV 3 Ph ICT Supplied by CG for Alwar Substation Project

- Conducted successful short circuit testing of 33kV and 11kV Cable Boxes for Engineers India Ltd.
- Constant Ohmic type design 25MVA, 132 / 33kV supplied to Nepal Electricity Authority.

Product Upgrades:

- 400kV 3-Ph Reactor Technology and Process upgrades were undertaken to improve performance and reliability.
- 765kV 1-Ph Reactors design upgrade was undertaken for augmenting performance reliability.
- 500MVA 765kV autotransformer design upgrade was undertaken for performance reliability.

Application Segment Expansion or Upgrades:

- Development of Environment Friendly Ester Oil Filled Power Transformers.
- Large power pooling substation transformers for solar applications of 315MVA and 400kV.

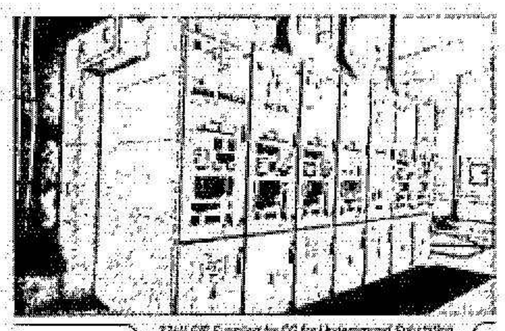
SWITCHGEARS:

Business Performance

During FY24, CG expanded its clientele significantly, penetrated diverse application sectors, and extended its market reach across local and global landscapes. Key geographies where the Company continued to strengthen its presence during the year include Ukraine, LATAM (Paraguay), Trinidad & Tobago, Italy, Nigeria, Greece, various Southeast Asian countries, North America, and the US, among others, in addition to numerous new cities within India.

In India, numerous new projects have been emerging through the TBCB routes, with a significant influx of solar projects facilitated by independent power producers. To facilitate power evacuation from these solar projects, associated substation and transmission projects are being initiated. Major EPC players are actively engaged and securing numerous projects within this domain. Consequently, there is a significant demand for 800 / 420kV switchgear products including Gas Circuit Breakers, Current / Voltage Transformers, Surge Arresters, and GIS. Besides, with a shift from Air Insulated Substations to Gas Insulated Substations, the demand for GIS is increasing. CG has established itself well in the 145 / 245kV range, gaining significant acceptance in the market.

- The MV switchgear business expanded its presence into the Metro segment by securing a 33kV AIS order for projects in Bhopal, Indore, and Agra Metro. This move was in alignment with its growth strategy to move forward decisively and strategically to carve its niche in the new Mobility business segment.
- The Company's commitment to quality and innovation propelled its initial foray into the South American Market, where it achieved success by securing a significant order for a 36kV GIS from Suriname.
- In a demonstration of its unwavering dedication to reliability and customer satisfaction, the Company obtained a substantial order from UPPTCL for three sets of 36kV Double Busbar GIS. Additionally, CG's commitment was further underscored by securing an order for over 100 units of 36kV GIS equipment from various EPC partners.
- CG successfully secured orders for 12kV RMUs to be supplied to Gujarat DISCOM under the RDSS Scheme. Additionally, the Company achieved success by procuring orders for 12kV VCBs for RDSS Projects in Maharashtra and Rajasthan.
- The Company supplied switchgear to the Nepal Electricity Authority through various EPC partners.
- The Company secured an order for supply and installation of 12kV VCB to NPCIL, Kakrapar Power Plant.



33kV GIS Supplied by CG for Underground Substation, UPMRC, Agra Metro Project

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- The Company secured a direct order from PGCIL for 765 / 420 / 245kV Gas Circuit Breakers and Current / Voltage Transformers as part of a bulk purchase package.
- It secured significant orders from various entities for projects associated with 800kV transformers. Notably, CG Power stands as the sole manufacturer of 800kV bushings in India. Additionally, CG has successfully type-tested 600kV bushings for Zone 4 seismic level, making it the first company to accomplish this feat.
- In the Railway segment, all CG products have received approval from RDSO (Research Designs and Standards Organization), CORE (Central Organization for Railway Electrification), DFCC (Dedicated Freight Corridor Corporation of India), and CLW (Chittaranjan Locomotive Works) for traction substations and locomotive applications. CG stands as a prominent supplier of surge arresters for locomotives. Additionally, CG has pioneered the development of critical products such as Power Voltage Transformers and arresters tailored for converter transformers.
- In the Renewable Energy segment, CG is actively engaged in the development of specialized application products.
- With the technological transition from Oil Impregnated Bushings to Resin Impregnated Bushings, many customers are now opting for RIP (Resin Impregnated Paper) bushings. In response to this demand, CG has commenced the production of RIP bushings up to 145kV. Notably, CG holds the distinction of being the sole manufacturer in India capable of producing complete bushings domestically. The Company recently received and fulfilled its first order for 145kV RIP bushings.
- Throughout the year, the Company achieved record-breaking order inflows for Gas Circuit Breakers. It secured a notable order for a 420kV SF6 Gas circuit breaker with SCADA compatibility from Ukraine, designed to withstand extreme conditions of -40°C. Additionally, it obtained its first order for a 245kV GO GCB from Ukraine and secured two orders for 145kV GIS from LATAM (Paraguay). Furthermore, it acquired a substantial order from Trinidad & Tobago for Dead Tank Breakers.
- The Company secured an order in the Italian Market through EMEL, winning a 2-year Frame contract for GCBs.
- It continued its expansion into the Metro (Mass Transit System) segment with orders from projects like Patna Metro and Agra Metro. A breakthrough order was secured from MES (Military Engineering Services) for GIS.
- The Company bagged a significant order for GCBs & Disconnectors from Nigeria.
- Entered into rate contracts with a prominent client in Greece for the supply of 400kV CTs, IVTs, and 170kV CVTs. This repeat business has opened doors for the Company to European grids for 420kV instrument transformers.
- Ventured into applications for Hydro Power Generation projects in Southeast Asia with product approvals obtained from utilities.
- Successfully tapped the US market with approval of Oil-Impregnated Paper (OIP) Bushings obtained from Virginia Transformers.
- The business entered the African market with 145kV Power Voltage Transformer and developed a cost-competitive frame for 145kV Current Transformers and Inductive Voltage Transformers tailored for the African market.
- Obtained Life Cycle Assessment Certificate for Instrument Transformers from ICMQ-Italy.
- Initiated ambitious Assembly and Testing Outsourcing of Dead Tank Breakers for the North American Market.
- Entered the Philippines market with a 72kV Dead Tank Breaker order.
- Installed a 145kV, 100kVA Power Voltage Transformer in Burkina Faso, West Africa.

Manufacturing and Testing Expertise

The Company operates world-class Switchgear Manufacturing Facilities at two locations in India namely at Nashik and Aurangabad in Maharashtra. These manufacturing Units are accredited with certifications such as ISO 9001, ISO 14001, ISO 18001, and Integrated Management OSHAS 18001.

The Company has state-of-the-art fully automated, NABL accredited, in-house Switchgear Testing Facilities conforming to Indian and International Standards supported by qualified, experienced, and dedicated teams and is well equipped with advanced software and programs.

Further, during the year, the Company initiated the expansion of its manufacturing capacity for Instrument Transformers and Condenser Bushings, Medium Voltage Switchgear and GIS unit of its Switchgears Division situated at Nashik with a capital outlay of ₹ 155 crores.

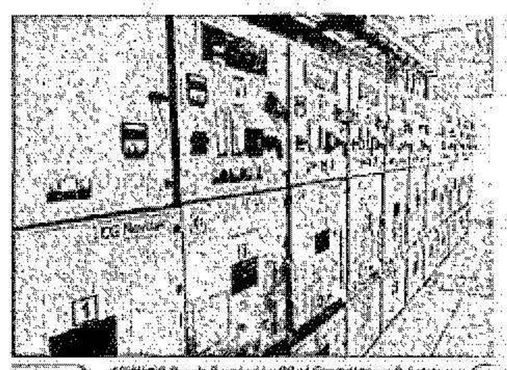
During the year, the Company also pursued several initiatives focused on automation and modernization, including automating the design process for manufacturing instructions, implementing testing automation for numerical protection relays, upgrading PDM & Autodesk Inventor software to the 2023 version for design data management, establishing an in-house capacitor testing facility, and introducing digital displays for assembly training sessions for blue-collar workers and review meetings on the shop floor.

Some of Initiatives Undertaken Towards Augmenting Manufacturing Expertise Include:

- Installation and commissioned a new crepe paper winding machine designed specifically for winding cores for 145 kV RIP Bushings. This state-of-the-art machine features closed-loop controls and cloud connectivity for seamless software updates.
- Boosted manufacturing capacity by 25% through the implementation of LEAN initiatives focused on 33kV AIS and 12kV RMU Modules.
- Expanded in-house manufacturing capabilities with the installation of a LASER cutting and Banding Machine dedicated to MV GIS & RMU production.
- Successfully launched and commissioned a High Voltage 550kV GIS Testing System, facilitating HV Routine Tests of GIS and leading to enhanced product quality and testing efficiency.
- Introduced a fully automatic gas handling plant for streamlined gas handling processes, accompanied by a cordless high precision gas leak detector to improve handling precision and productivity.
- Implemented significant indigenization efforts in Aluminum casting, resulting in reduced dependency on imports and a 25% reduction in lead time, thereby improving delivery timelines.
- Established a dedicated manufacturing facility for 100KVA Power Voltage Transformers to cater to growing demand and ensure product availability.
- Enhanced manufacturing capabilities of Inductive Voltage Transformers by 50% through rigorous LEAN and Total Quality Management (TQM) activities, ensuring improved efficiency and product quality.



33kV GIS Supplied by CG for Mumbai Metro - Aarey Depot Project



12kV VCB Panels Supplied by CG at Cumana Village Substation Trinidad and Tobago, West Indies

Cost Saving Initiatives

The division continued with its efforts on various cost saving initiatives such as lead time reduction, diversity in sourcing, cost optimization leading to cost reduction, waste elimination, design optimization, process optimization, lean and Kaizen initiatives, inventory measures that optimise capital deployment, etc.

Besides, the Company also implemented numerous initiatives towards promoting sustainability such as Transitioning from non-degradable plastic packaging to bio-degradable alternatives, introducing recycling programs, opting for eco-friendly alternatives, contributing to resource conservation and operational efficiency.

New Product Development Initiatives

Designed and rolled out many new compact products with new customised features. Some of the product developments include the following:

MV Switchgear

Developed the following new products:

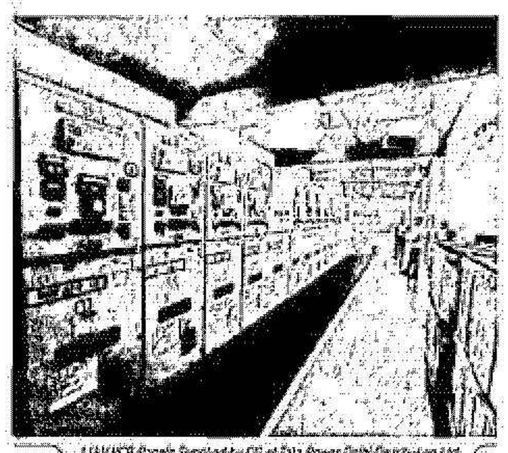
- 12kV 21kA 630A 1 sec IAC AFLR RMU
- 12kV 21kA 630A 1 sec IAC AFLR Vertical RMU
- 12kV 21kA 630A Green RMU
- 36kV 26.3kA 630A RMU
- 24kV 21kA 630A RMU
- Outdoor VCB 36kV 26.3kA 2500A S2 Class E2 C2
- Outdoor VCB 36kV 31.5kA 2000A S2 Class E2 C2
- Outdoor Two Pole Railway VCB 27.5kV 20kA 1600A
- Indoor VCB 36kV 26.3kA 2000A S1 Class E2 C2

- Indoor VCB 36kV 31.5kA 2500A S1 Class E2 C2
- Indoor VCB 12kV, 40kA, 3150A S1 Class E2 C2
- 550mm wide 12kV 13.1kA 630A Indoor AIS
- 600mm wide 36kV 31.5kA GIS
- 800mm wide 36kV 31.5kA 2500A Double Bus GIS
- 500mm wide 12kV 26.3kA 1250A GIS

High Voltage Switchgear Products

Following new products were introduced during the year:

- 420 kV and 245 kV Current Transformers (4 Varieties)
- 420 kV to 145 kV High Creepage Capacitive Voltage Transformers (3 Varieties)
- 800 kV OIP Bushing with Porcelain Insulator for Seismic Zone IV
- 420 kV OIP Bushing with Polymer Insulator for Seismic Zone V
- 420 kV Wall Bushings
- WRAP / CAGE Design of LA up to 60 kV
- 170kV 40kA Gang Operated SF6 GCB with Composite Insulator.
- 170kV 40kA SPAR SF6 GCB with Composite Insulator.
- 420kV 63kA SF6 GCB with Composite Insulator
- Automatic Circuit Re-closer & Controller



11kV VCB Panels Supplied by CG at Tata Power Delhi Distribution Ltd. (TPDDL) Underoad Substation, Bawan Gaol

- Condenser bushing: 52kV, 4500A for pulling substation power transformer
- 62kV, 4500Amp, 100BCT Condenser Bushing
- 145kV Power Voltage Transformer for auxiliary power supply in substation
- 33kV outdoor capacitor switch

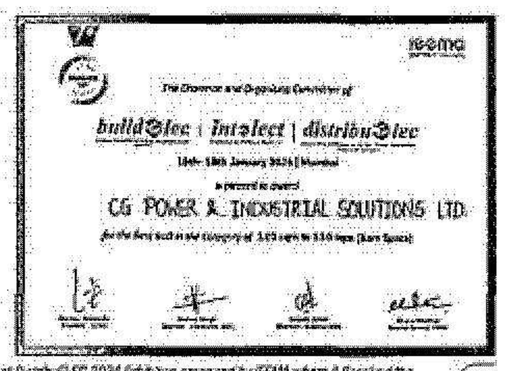
Promotion and Business Development Initiatives

- Partook in the DistribuELEC Exhibition held in Mumbai, organized by IEEMA.
- Participated in the Vidarbha Industrial Expo alongside a Channel Partner.
- Conducted training seminars for various customers.
- Arranged seminars and training sessions tailored for specific utilities and EPC Contractors, aimed at facilitating Spec-In and Technical Sales.
- Presented technical articles and participated in technical conferences focusing on critical product requirements to enhance in-service reliability.
- Established presence at international exhibitions both within and outside India, targeting business development in Africa and LATAM regions.
- Took part in the MEP Consultant Meet in Goa organized by IEEMA, showcasing CG's MV Switchgear Product offerings.
- Hosted an Annual Vendor meet and organized Technical Seminars & Presentations for key customers.

Awards

- Achieved the runner-up position for the best stall in the 120 sqm to 150 sqm category at the DistribuELEC Exhibition organized by IEEMA.
- BHEL, India, recognised CG with the Best Product Award which was handed over to the Company representatives by the Cabinet Minister of Heavy Industries, Government of India.
- Received the Best Paper award at IEEMA for a technical article focusing on the Journey of Instrument Transformers towards unmanned substations.





CG Stall at DistribuELEC 2024 Exhibition organised by IEEMA where it Received the Runner up Award for Best Stall

- CG's Switchgear Division received the coveted "Life Cycle Assessment, Carbon Footprint" Certification for Instrument Transformers including Current Transformers, Inductive Voltage Transformers and Capacitive Voltage Transformers. The certification is received through a third-party certification agency - M/s ICMQ, Italy as per ISO TS 14071:2016, ISO 14040:2006 & ISO 14044:2006 standards.

OTHER KEY HIGHLIGHTS

CG Forayed into Semiconductor Manufacturing as a part of its Strategic Diversification.

CG along with Renesas Electronics Corporation, a premier supplier of advanced semiconductor solutions, and Stars Microelectronics (Thailand) Public Co. Ltd., a Thailand-based Outsourced Semiconductor Assembly and Test (OSAT) provider, had during the year signed a Joint Venture Agreement (JVA) to establish a Joint Venture (JV) to build and operate an OSAT facility in India. The JV, CG Semi Private Limited, will set up a world-class OSAT facility in Sanand, Gujarat. This facility will be set up in a land area of around 28 acres with an investment of ₹ 7600 crores spread over a period of five years. This facility will manufacture a wide array of products – ranging from legacy packages such as QFN and QFP to advanced packages such as FC BGA, and FC CSP, which will cater to industries such as Automotive, Consumer, Industrial, 5G, to name a few, with a capacity to ramp up production to 1.5 crores units per day.

FINANCIAL PERFORMANCE

STANDALONE			CONSOLIDATED	
FY 2024	FY 2023		FY 2024	FY 2023
7610	6580	Net Sales and Services	8046	6973
5330	4653	Cost of materials consumed and components consumed and construction material	5552	4856
486	331	Employee benefits expense	506	422
799	659	Other expenses	858	702
1078	937	EBIDTA Excluding Other Income (OI)	1128	993
151	79	Other Income (OI)	106	68
1227	1016	EBIDTA Including OI	1234	1061
3	14	Finance cost	3	15
78	75	Depreciation and Amortization	95	95
1146	927	Profit / (Loss) before Exceptional items	1136	950
143	56	Exceptional item	22	52
1289	983	Profit / (Loss) after Exceptional items	1158	1002

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STANDALONE			CONSOLIDATED	
31/03/21	FY 2023		31/03/21	FY 2023
		Less: Tax Expenses		
1	8	Current Tax	7	13
284	190	Deferred Tax (Net)	280	193
1004	785	PAT for the year from continuing operations	871	798
-	-	Minority Interest	1	0
1004	785	PAT after Minority Interest	870	798
-	-	Profit from discontinued operation before tax	556	170
-	-	Tax expenses on discontinued operations	(1)	3
-	-	Profit from discontinued operations	557	167
1004	785	Net Profit for the year	1427	963
1170	979	Cash profit for the year	1245	1032

KEY RATIOS (STANDALONE)

Ratios	31/03/21	FY 2023	Remarks
Profitability Ratios			
EBIDTA Margin (Excluding OI)	14.1%	14.2%	No major variance
Operating Profit Margin (Excluding OI)	13.1%	13.1%	No major variance
Net Profit Margin (before exceptional items)	11.3%	11.1%	No major variance
RONW on total operations	30.9%	32.3%	Return on net worth has declined during the current year due to recognition of deferred tax expense
RDCE (excluding exceptional item) (terminal) on continuing operations	35.9%	39.3%	Return on net worth has declined during the current year due to recognition of deferred tax expense
Per share Ratios			
EPS (Basic) on the basis of total profits from continuing operations (in ₹ per share)	6.58	6.16	Basic EPS increase on account of increase in profit
EPS (Diluted) on the basis of total profits from continuing operations (in ₹ per share)	6.57	6.14	Diluted EPS increase on account of increase in profit
Leverage Ratio			
Debt Equity Ratio	0.00	0.00	No major variance
Interest Coverage Ratio for continuing operations	145.3	47.6	Due to reduction in finance cost on account of repayment of borrowings during previous year
Assets Efficiency Ratios			
Net Sales to gross working capital of continuing operation (Times)	2.0	2.5	Decrease is mainly on account of increase in gross working capital resulted reduction in ratio
Net Sales to net working capital of continuing operation (Times)	4.5	8.2	Increase in net working capital resulted in reduction the turnover ratio
Other Ratios			
Average Debtors Turnover (no of days)	65	59	Increase in revenue resulted increase in average trade debtors
Average Inventory Turnover (no of days)	40	37	Increase in average inventory turnover days due to increase in average inventory
Current ratio	1.90	1.45	Increase in current ratio due to increase in current assets

ENVIRONMENT, HEALTH & SAFETY (EHS)

A detailed write-up on Environment, Health and Safety ("EHS") has been provided in the Business Responsibility and Sustainability Report ("BRSR"), forming part of this report.



CG's LT Motors Unit in Ahmednagar Certified by CII with GreenCo Silver Certification

CORPORATE SOCIAL RESPONSIBILITY

A detailed report of CSR activities of the Company during the year 2023-24 has been mentioned in the CSR Report, which is appended with the Directors' Report

INFORMATION TECHNOLOGY & AUTOMATION

CG has undertaken a multitude of initiatives on the IT front, reflecting its commitment to staying at the forefront of technological advancement. These initiatives encompass a broad spectrum of endeavors aimed at enhancing operational efficiency, fostering innovation, and driving sustainable growth. From embracing Industry 4.0 principles to leveraging artificial intelligence (AI) through GenAI and ChatGPT, CG has initiated its digitization transformation journey.

The recent upgrades in CG's technology infrastructure have delivered substantial business benefits. These enhancements ensure the avoidance of data breaches, thus safeguarding the organization from potential damage. Additionally, they reinforce data security and trust, crucial for maintaining the Company's reputation. Furthermore, these technological advancements fortify the Company's assets against both internal and external threats, whether malicious or accidental. Finally, the upgrades aid in achieving compliance with relevant regulations and standards.

During the year, CG successfully completed a comprehensive Cybersecurity Risk assessment, including Vulnerability Assessment and Penetration Testing (VAPT) and Active Directory (AD) evaluation. With notable improvements undertaken in the year gone by compared to the previous year, this assessment yielded scaling in ratings for the Company.

CG has successfully refreshed all IT assets (endpoints) that were over five years old. This initiative ensures that the technology remains up-to-date with the latest processors and SSDs, leading to enhanced bootup speed and secure disposal of retired equipment, thereby minimizing e-waste. Additionally, this effort has streamlined asset management, resulting in several key benefits such as improved operational efficiency, optimized device and asset utilization, resulting in maximum productivity and performance, and enhanced security features.

Automation Enhancements undertaken during the year:

CG has made significant strides in automation, resulting in several key improvements:

Smart Dealer Management: Implemented technology solutions to empower dealers to conduct business independently, reducing reliance on CG branch offices. This initiative enhances efficiency by enabling faster and real-time responses while saving manpower resources.

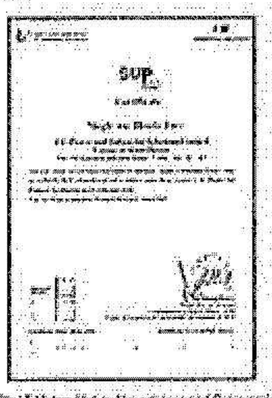
Digitization at Shopfloor in LIM Unit: As a pilot project, CG successfully automated shopfloor operations, establishing real-time data connections for improved efficiency and productivity.

Centralized Deployment and Conversion of R&D Design Applications: By centralizing the deployment and conversion of R&D design applications, the Company aims to achieve substantial cost savings related to hardware, software, licenses, and databases. This initiative also simplifies licensing management and enhances efficiency across the organization.

Spare Portal Development: The development of a spare parts portal will facilitate upcoming business ventures in spare parts sales, catering to both standard and non-standard spare parts requirements.

Centralized SAP Master Data Governance for Customer and Vendor: Centralizing SAP master data governance for customers and vendors has improved efficiency and cost-effectiveness, streamlining processes and enhancing data quality and accuracy.

Real-time Data Backup and Fast & Secure Restoration with Ransomware Virus Prevention: Implemented robust measures to safeguard data, including enhanced ransomware protection, immutable and air-gapped backup solutions, and instant recovery capabilities for all workloads in multi-VM infrastructure, ensuring data security and integrity.



CG's LT Motors Unit in Ahmednagar and Commercial Motors Division in Goa Certified with the Surg's use Plastics Free Certification

RESEARCH AND DEVELOPMENT (R&D)

A detailed note on R&D activities during the year under review is incorporated in the Directors' Report

HUMAN RESOURCE

CG is dedicated to fostering an inclusive and discrimination-free environment, where diversity is celebrated, harmony is promoted, and fair employment opportunities are advocated. The Company's commitment to treating every individual with equal respect and dignity is ingrained in its core company values.

CG continues to uphold the principles of performance excellence and nurturance, fostering a culture that values meritocracy and discourages personal bias. The Company strives to create an atmosphere where all employees can thrive based on their skills, abilities, and performance.

Furthermore, CG actively promotes the highest standards of human rights protection, systematically integrating these principles into its business operations and relationships. This ensures the prevention of human rights violations across its value chains.

In its pursuit of excellence, CG prioritizes in hiring the best quality and passionate talent for its businesses. The Company believes in providing mutual opportunities for both personal and professional growth, enabling its employees to contribute meaningfully to the business while advancing in their careers.

By embracing these values, in addition to creating a conducive work environment, the Company also contributes to a positive societal impact. CG encourages all those associated with it to join in upholding these principles and fostering a workplace that thrives on equality, respect, and opportunity for all.

CG hired 439 positions through the financial year 2023-24 to support and accelerate the business growth. As at the end of the year, the Company had a total of 6830 employees out of which 3712 employees were on temporary / contractual / casual basis.

Talent and Performance

The Company, through its Performance Management Process known as PRIDE (Personal Responsibility in Delivering Excellence), is committed to aligning rewards with performance. CG steadfastly concentrates on elevating the talent pool by actively encouraging employees to enhance their skills through comprehensive learning and development programs.

PRIDE serves as a framework that emphasizes personal responsibility in delivering excellence, ensuring that individuals are recognized and rewarded based on their performance outcomes. This approach not only fosters a culture of accountability but also reinforces a meritocratic system within the organization.

In tandem with its commitment to performance excellence, CG places a strong emphasis on continuous learning and development. The Company's comprehensive programs are designed to empower employees to upskill, stay abreast of industry trends, and unlock their full potential. By investing in the professional growth of its workforce, the Company aims to cultivate a dynamic and adaptable team that can thrive in an ever-evolving business landscape.

Through the integration of PRIDE and its robust learning initiatives, CG is dedicated to building a high-performing, agile, and empowered workforce that contributes to the sustained success of both the Company and its employees.

Learning and Development

Throughout the year, CG has actively curated a diverse array of learning and development initiatives aimed at elevating the capabilities of its employees. These programs spanned a wide range of essential facets, including executive presence, teamwork and collaboration, conflict management, leadership effectiveness, influencing skills, and addressing decision-making biases.

In addition to these initiatives, the Company has conducted awareness sessions specifically centered around Environmental, Social, and Governance (ESG) practices. These sessions were designed to deepen the understanding of its workforce on the importance of responsible business practices and sustainable approaches.

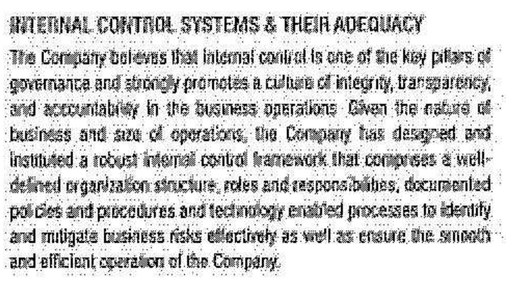
Recognizing the pivotal role of its sales professionals, CG introduced a dedicated Sales and Marketing Excellence Program. This program is tailored to refine selling skills and strategies, equipping our sales teams with the tools and knowledge needed to excel in a competitive market environment.

Demonstrating its unwavering commitment to operational excellence, the Company organized specialized training sessions in Smart Manufacturing and Poka Yoke methodologies. These sessions aimed to enhance the skills and knowledge of its workforce, ensuring that they stay at the forefront of industry trends and best practices.

These collective initiatives underscore the Company's steadfast dedication to encourage a culture of continuous learning and innovation within the organization. By investing in the development of its employees across diverse skill sets, CG strives to create a dynamic and adaptive workforce that contributes to the long-term success of the Company and its employees.

Employee Engagement

Several meaningful employee engagement activities related to Employees Health, Employees Social Responsibility, Employee Assistance Program were carried out throughout the year. Employee care and connect initiatives like health Awareness program, walkathon, sports day, festive days were rolled out during the year, which reflected the Company's concern for employees physical as well as emotional wellbeing. With the belief that shared social responsibility between employee and the Company create better emotional engagement, initiatives like blood donation camp were carried out by contributing jointly to the society at large. Initiatives were taken to celebrate region specific cultural events to ensure the emotional connect between the employees and the Company. Periodic town-halls are also conducted by all divisions to strengthen the connect with the employees.



Employee Engagement Activity in Progress at CG

Company has also welcomed especially abled candidates through the hiring process.

Digitisation of HR Processes

The commitment to digitizing HR processes remains a top priority for the Company, and it has made significant strides in upgrading both hardware and software platforms. As part of this initiative, the assessment of graduate trainees has successfully transitioned to a digital method, underscoring CG's dedication to modernizing and streamlining its recruitment processes for enhanced efficiency.

Currently, the Company is in the process of adopting a Learning Management System (LMS), and efforts are being put to seamlessly integrate the same with its Human Resource Information System (HRIS) module, which will enable the Company to create a more cohesive and technologically advanced ecosystem for managing learning and development initiatives within the organization.

By embracing digital solutions, the Company aims to not only enhance the overall efficiency of HR processes but also provide a more user-friendly and accessible experience for both employees and the management.

Diversity & Inclusion, and Women Empowerment

Gender Diversity and Equality is a top priority at CG. Conscious efforts are made to increase the female ratio from its current level. As a part of this efforts, out of the total fresh recruits, 10% are females. The



Employee Training in Progress at CG

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company believes that internal control is one of the key pillars of governance and strongly promotes a culture of integrity, transparency, and accountability in the business operations. Given the nature of business and size of operations, the Company has designed and instituted a robust internal control framework that comprises a well-defined organization structure, roles and responsibilities, documented policies and procedures and technology enabled processes to identify and mitigate business risks effectively as well as ensure the smooth and efficient operation of the Company.

The Company has established the "Three Lines of Defense" model to provide layers of protection against risks and ensure effective governance:

- First line of Defense: Self review and assessment by the process owners / line managers to ensure controls and adherence to

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policy and procedures. There is a well-defined management information & reporting framework in place at functional level and entity level to regularly report the key information, performance indicators, trends and exception to the function and business heads.

- Second line of Defense: Regular business and functional review meetings along with close supervision by business heads and senior management to ensure strong oversight the business operation, along with compliances enabling timely identification and remediation of emerging risks. Compliances to defined internal controls system are incorporated into performance measurement of Function head, Business Heads and CXOs.

- Third line of Defense: Internal Audit conducted by the specialized internal audit firm to provide independent and objective assurance on adequacy and effectiveness of internal controls to the Audit Committee. Additionally, internal financial controls assessment also carried out by the internal audit firm to validate the adequately of internal controls in place.

Revenue and expenditures are governed by approved budgets and the levels are defined by a delegation of authority mechanism. Review of capital expenditure is undertaken with reference to benefits expected in line with the policy for the same.

Investment decisions are subject to formal detailed evaluation and approved by the relevant authority as defined in the delegation of authority mechanism. The Audit Committee reviews the plan for internal audit, significant internal audit observations and functioning of the Company's Internal Audit department on a periodic basis.

The Company has also established whistle-blower mechanism operative across the Company for reporting of any unethical behaviors by employees, directors, vendors and business partners.

Initiatives

With the intent to build a strong control environment and adapting to evolving risks and challenges, the management is continuously improving the systems and processes through various initiatives in the recent years. Here are some select initiatives undertaken by the management:

Technology Initiatives

- Upgrade to the S/4 HANA version of the Enterprise-wide Resource Platform system significantly boosts seamless integration capabilities with other key business systems, facilitating smoother data flow and communication across various departments and functions. Moreover, the system's well-designed inbuilt controls provide robust safeguards, ensuring data integrity, security and also enhances the efficiency and scalability of business operations processes.

- In-house Human Resource Management system has undergone significant enhancements to digitize hire to retire process for employees. By digitizing these activities, the portal has effectively replaced manual dependency with automated preventive controls, ensuring greater efficiency, accuracy, and compliance throughout the organization's human resource operations.

- In-house Vendor Management Portal has been enhancements, now seamlessly integrated with the existing ERP system to digitize the vendor management process. This comprehensive transformation encompasses online vendor registration, streamlined order management, vendor quality assessments, and efficient delivery scheduling. By digitizing these critical aspects of vendor management, the portal not only enhances operational efficiency but also improves collaboration, transparency, and internal controls across the supply chain.

- In-house 'Sales and Marketing Portal' has been enhanced to digitize customer life cycle management processes including online customer registration, KYC validation and credit assessment approvals, enquiries & order management.

- Master Data Management System is being implemented to centralize the Master Database for vendors and customers of different business verticals. A unified view of master data enables in greater efficiency and internal controls over the onboarding process, customer and vendor risk assessment, MSME vendor compliances, account reconciliation and performance evaluation.

- Activity based Costing (ABC) system has been implemented in ERP to enhance the accuracy of the allocation and tracking the costs associated with products, services, and activities. This allows insightful analysis of cost and profitability of products, customers, and market segments, thereby enabling in better decision-making regarding pricing, product mix, and cost reduction strategies.

- Material handling process is being digitized at manufacturing locations, thereby optimizing operational processes and strengthening internal controls and monitoring of manufacturing operations.

- E-Auction process has been implemented in recent years to dispose of the scrap and surplus materials. By utilizing an online e-auction platform, it has increased reach to larger number of buyers and encouraged competitive bidding among buyers for better prices on the scrap sales. It also provides transparency and improved controls in the bidding process.

- Contractor Labour & Attendance Lifecycle management tool is being deployed across the manufacturing locations to digitize the Contractor Management activities including induction of new contract worker, KYC documentation, safety training compliances, attendance recording and verification.

- Security & Visitor Management system has been implemented at the manufacturing locations thereby enhancing safety and controlling access within their premises. By digitizing security management system, the Company has further strengthened the security protocols at entry and exit points including tracking of visitor activity.

Process Initiatives

- Crisis Management and Business Continuity assessments were conducted by specialized third party consultant for evaluating the potential risks, assessing preparedness measures, and testing response protocols to ensure resilience in the face of various crises or disruptions.

- Similarly, Physical Security Assessment was conducted by specialized consultant to evaluate and enhance security measures at manufacturing locations. Assessment involved an examination of physical access controls, surveillance systems, perimeter security, emergency response protocols, and other aspects of physical security infrastructure to ensure preventive measures are in place to avoid any major security incident.

- GRC & SOD (Segregation of Duties) Assessment reviews are periodically carried out by engaging independent consultants to identify and remediate the conflicting roles and user access rights within the system, thereby ensuring the adequate segregation of duty controls are in place.

- Internal Financial Controls Framework (including Risk Control Matrices (RCM) of all financial processes and IT general controls) are periodically redesigned and assessed to align with existing process and system controls.

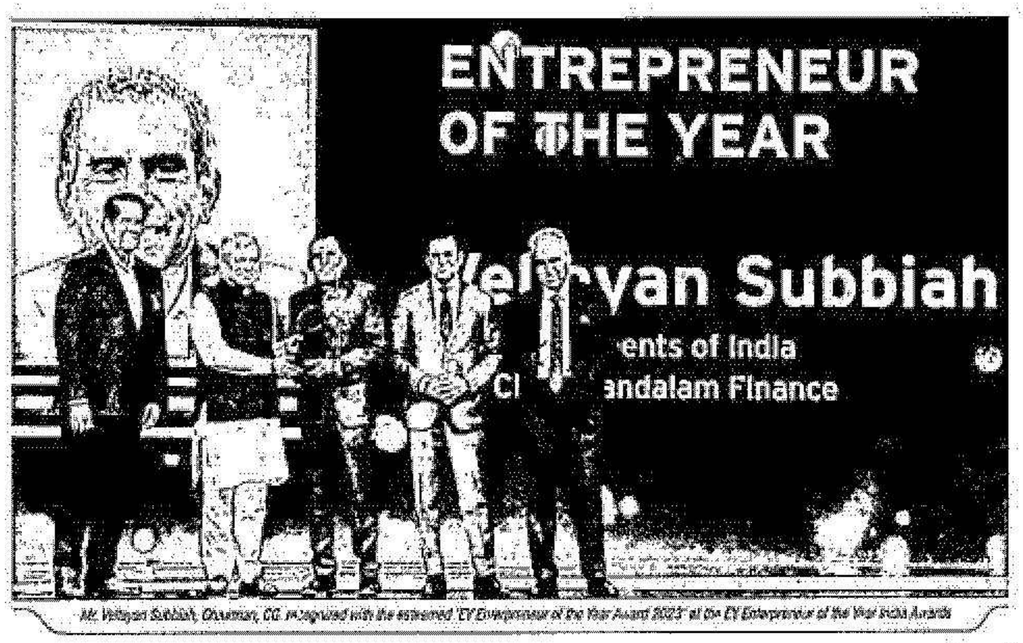
People initiatives

- Regular workshops are carried out with employees (including functional and business heads) to create awareness about importance of risk management and internal control system. These workshops serve as essential platforms for educating employees on identifying, assessing, and mitigating risks across various operational processes. The training are mandatory and training modules are also available in form of e-learns which are readily accessible to employees.

- Implementation of Safety training module for employees, contract staff and visitors, who need to undergo essential safety training before commencing work or entering the premises. This module covers key safety protocols, hazard awareness, emergency procedures, and site-specific guidelines, ensuring that all individuals are adequately prepared to mitigate risks and adhere to safety regulations.

RISK MANAGEMENT

CG Power and Industrial Solutions Limited navigates a landscape fraught with a multitude of internal and external risks spanning financial, operational, sectoral, technological, ESG-specific, cybersecurity, and

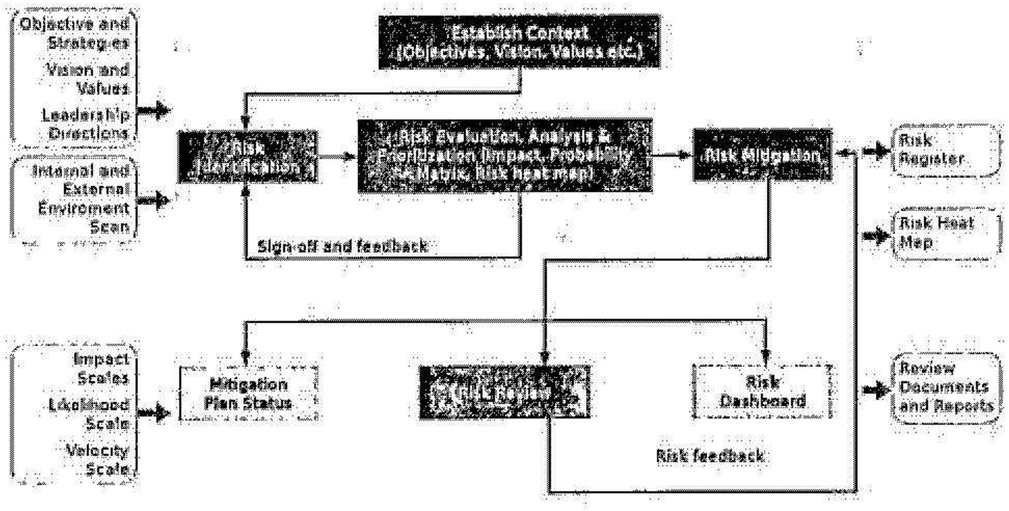


Mr. Vellayan Subbiah, Chairman, CG, recognized with the coveted 'EY Entrepreneur of the Year Award 2023' at the EY Entrepreneur of the Year India Awards

geopolitical domains. Given the extensive scope of its business portfolio and the global reach of operations, CG has implemented a Board-approved Risk Management Charter & Policy to establish a structured and comprehensive enterprise risk management system. This charter is designed to foster a shared understanding, standardize terminology, and delineate an approach for identifying, assessing, responding to, monitoring, and reporting risks. Its primary aim is to provide assurance to management that key risks are identified and effectively managed across the organization. CG's initiatives towards Enterprise Risk Management (ERM) strive to cultivate a 'Risk Intelligent' culture within the Company, bolstering resilience against significant risk exposures while promoting agility and competitive advantage to safeguard and enhance long-term stakeholder value.

To oversee this process, the Company has instituted a robust governance structure, led by the Risk Management Committee of the Board (RMC). At the operational level, a dedicated ERM team centrally coordinates the deployment of the ERM framework, ensuring consistent application throughout CG. While final accountability for implementing risk response strategies lies with senior executives or designated risk owners within functional units, the ERM framework draws on insights gleaned from leading industry practices and international standards such as ISO31000.

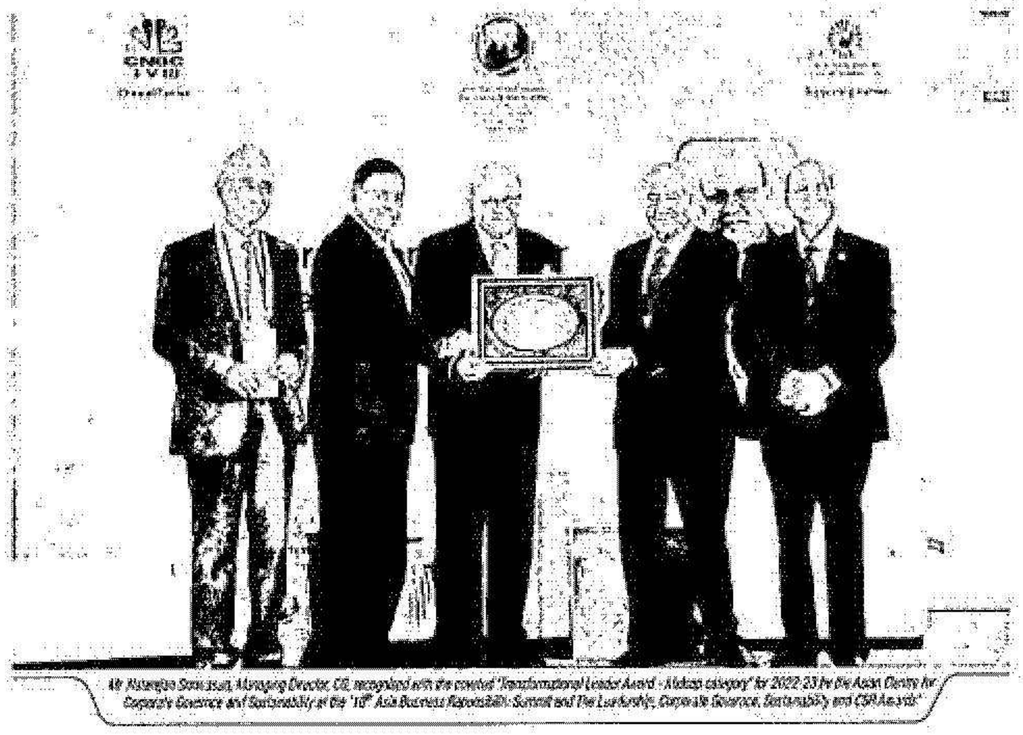
CG's ERM framework has played a pivotal role in the detection and evaluation of unforeseen risks, equipping management with the insights needed to make well-informed decisions. The ERM team enhances process efficiency by actively involving a diverse range of internal stakeholders through a bottom-up approach, as illustrated in the diagram below. Throughout each stage, senior management exercises vigilant oversight, conducts thorough reviews, and offers guidance to ensure the effectiveness of the process.



Following are the primary risks and its mitigation strategies adopted by CG:

Risk Statement	Mitigating Actions
Delays in capacity expansion projects poses a significant challenge to the organization's ability to meet the growing demands and may result in lost revenue opportunities	• Established structured processes to enhance project planning, management, and bolstering internal capabilities. • Utilized project management proficiency to ensure the successful execution of diverse projects. • Leveraged regulatory expertise to secure timely approvals and sanctions from authorities. • Ensured supply of critical equipment as per schedule.
Neglecting to uphold sufficient health and safety standards could result in substantial costs, liabilities, and tarnish the Company's reputation	• The organization rigorously adheres to various policies, initiatives, and guidelines to uphold elevated safety standards throughout its operations. • Safety training calendar has been developed and employees are mandated to attend these trainings.

Risk Statement	Mitigating Actions
	• Preventive maintenance plan for safety equipment is updated on an annual basis. • Regular safety audits are conducted to identify deficiencies in the safety standards and policies. • Safety protocols are displayed at each workstation.
The risk of failing to attract and retain talent poses a significant challenge to the organization's ability to maintain competitiveness, innovate, and achieve strategic objectives.	• Developed a comprehensive recruitment strategy that emphasizes the organization's culture, values, career advancement opportunities, and competitive compensation packages to attract top talent. • Implemented talent development programs, including mentorship opportunities, skills training, and leadership development initiatives, to foster employee growth and retention. • Established a culture of recognition and rewards by implementing employee recognition programs, and regular feedback mechanisms to acknowledge and appreciate employee contributions. • Implemented employee engagement initiatives, such as team-building activities, social events, and employee resource groups, to foster a sense of belonging and camaraderie among employees. • Developed a robust succession planning process to identify high-potential employees and provide them with opportunities for career advancement within the organization, thereby increasing employee retention.



Mr. Niranjan Sankaran, Managing Director, CG, recognized with the coveted 'Transformational Leader Award - Makan category' for 2022-23 by the Asian Centre for Corporate Governance and Sustainability at the '10th Asia Business Responsibility Summit and The Leadership, Corporate Governance, Sustainability and CSR Awards'

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Risk Statement	Mitigating Actions
Failure to promptly leverage technology to meet customer expectations and address technological obsolescence may result in products becoming outdated	• The Company is actively pursuing opportunities through a blend of in-house development, and Technology Collaboration Agreements with established industry players • The Company has been undertaking development and upgradation of technologies through in-house efforts viz. develop and production RIP Bushing, BLDC motors and fans. • Continuous enhancement in R&D resources and capabilities to expedite the time to market for new solutions and technologies
Currency fluctuations, changes in commodity prices, and reliance on imports can have an impact on both production and margins	• Employed market intelligence and commodity price trend analysis to establish rate contracts for key critical material categories. • Implemented cost reduction projects to mitigate the impact of commodity fluctuations. • Maintained a reserve stock of critical imported materials for two months to address unforeseen situations • Developed alternative local vendors to reduce the impact of rising imports and material costs
Cyberattacks and network breaches can result in financial losses and damage to reputation of the organization.	• The organization has clearly outlined Information Security Management System policies and governance structure • Multiple layers of cybersecurity and network security measures have been implemented, including firewall protection, gateway security, email gateway security, internet proxy, and antivirus systems. • Data backup and restoration processes are fully encrypted using Veeam Software, enabling real-time restoration and protection against malicious attacks • Organized organization-wide phishing mock drills to enhance preparedness and awareness. • CG ensures robust cyber resilience through implementing a business continuity plan and establishing data center / disaster recovery mechanisms for business applications and Conducting Vulnerability Assessment and Penetration Testing (VAPT)

BUSINESS OUTLOOK

CG's continued progression over the last three consecutive years after it became a part of Tube Investments (Murugappa Group) in November 2020, is attributed to its strong organizational dynamics, characterized by its agility and adaptability in response to shifting business environments, strategic focus on product evolution and R&D, prudent financial management, commitment to operational efficiency including enhanced focus on digitization and automation, and a robust governance framework.

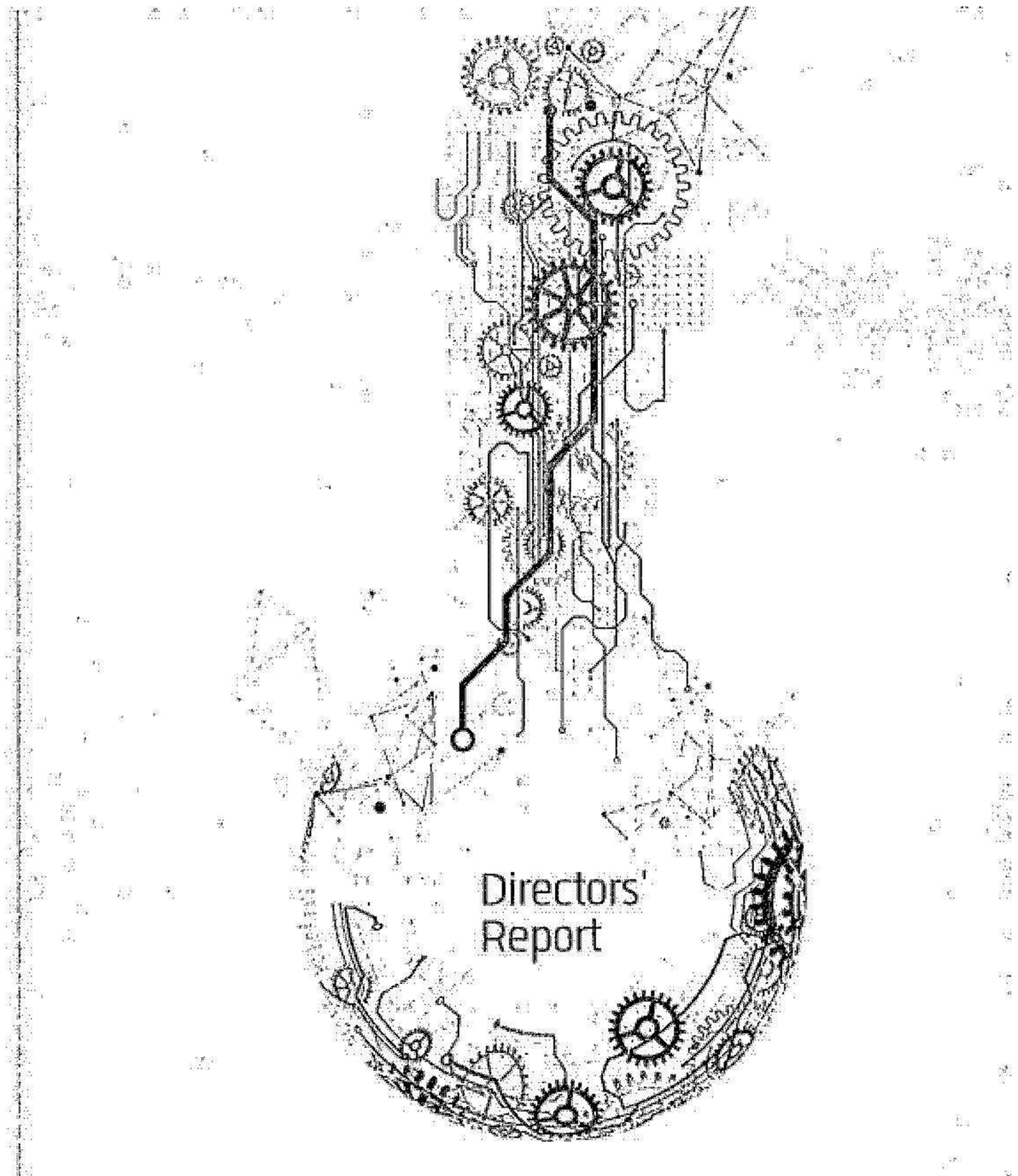
True to its commitment to ESG, CG has successfully integrated ESG considerations into its strategic decision-making process thereby driving sustainable growth, and ultimately creating long term value for all its stakeholders.

The Company is optimistic about future growth prospects underpinned by its internal strengths which it continues to fortify and augment, combined with India's growth narrative–driven by several key factors including robust and progressive manufacturing, emphasis on capital investments, innovation, and technological advancements, thrust on infrastructure augmentation, and resilient capital market dynamics, which is further buoyed by positive external factors such as the widespread adoption of the China + 1 strategy by global corporations

All this heralds a promising business outlook for the Company.

Forward looking statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations of projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified these information independently.



Directors' Report

TO

THE MEMBERS

Your Directors are pleased to present their Eighty-Seventh Annual Report on the business and operations of your Company along with the audited financial statements, both standalone and consolidated, for the financial year ended 31 March, 2024.

COMPANY PERFORMANCE

Your Company's standalone turnover from operations was ₹ 7,610 crores during the year under review, compared to ₹ 6,580 crores in the previous year, representing a YoY growth of 16%, and the consolidated turnover was ₹ 8,046 crores compared to ₹ 6,973 crores in the previous year, representing a YoY growth of 15% over the previous year.

Your Company's financial performance for the year ended 31 March, 2024 as compared to the previous year is given in the Table below.

COMPANY FINANCIAL HIGHLIGHTS

(in ₹ crores)

	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Net Sales and Services	7,610	6,580	8,046	6,973
EBITDA	1,227	1,016	1,234	1,061
Less: Finance cost	3	14	3	16
Less: Depreciation and amortisation expenses	78	75	95	95
Profit before exceptional items and tax	1,146	927	1,136	950
Exceptional items (net)	143	56	22	52
Profit before tax	1,289	983	1,158	1,002
Less: Tax Expense	285	198	287	206
Profit from continuing operations	1,004	785	871	796
Less: Minority Interest	NA	NA	1	0
Add: Profit from discontinued operations	-	-	557	167
Profit for the year	1,004	785	1,427	963

The Company recorded robust performance during the year under review resulting in growth in revenue and EBITDA.

A detailed review of the operations and financial performance of your Company and each of its business segments is contained in the 'Management Discussion and Analysis' section of this Annual Report.

BUSINESS SEGMENTS

a) Industrial Systems:

The Industrial Systems recorded revenue of ₹ 5,429 crores as compared to ₹ 4,934 crores during the year 2022-23, registering a growth of approx. 10% as compared to previous year. The operating profit before interest and tax of Industrial Systems stood at ₹ 790 crores as compared to ₹ 787 crores during the previous year, registering a growth of approx. 0.38%.

b) Power Systems:

The Power Systems recorded revenue of ₹ 2,598 crores as compared to ₹ 2,023 crores during the year 2022-23, registering a growth of approx. 28% as compared to previous year. The operating profit before interest and tax of Power Systems stood at ₹ 416 crores as compared to ₹ 227 crores during the previous year, registering a growth of approx. 83%.

EXPANSION

In order to meet the expected increase in demand for the products of the Company, the Board has approved the following expansion projects during the year:

A. Expansion of manufacturing capacity of Large Industrial Machines unit of the Company situated at Mandideep, Bhopal at an investment of ₹ 35 crores. The said expansion would increase the capacity of Large Industrial Machines ("LIM") upto 1,728 nos. per annum, from the existing capacity of 1,002 nos. per annum.

B. Expansion of manufacturing capacity of Instrument Transformers and Condenser Bushings, Medium Voltage Switchgears and GIS unit of the Switchgear division of the Company situated at Nashik at an investment of ₹ 155 crores. The said expansion would increase the capacity of - Instrument Transformers and Condenser Bushings upto 2,494 nos. per annum, from the existing capacity of 384 nos. per annum, Medium Voltage Switchgears upto 5,000 nos. per annum, from the existing capacity of 1,800 nos. per annum and GIS unit upto 780 nos. per annum, from the existing capacity of 168 nos. per annum.

C. During FY 2022-23, the Board had approved the expansion of manufacturing capacity of Power Transformers and Distribution Transformers units of the Company situated at Malanpur and Bhopal at an investment of ₹ 126 crores. The said expansion was for increasing the capacity from 17,000 MVA to 25,000 MVA for Power Transformer and from 6,900 MVA to 9,900 MVA for Distribution Transformers.

Further to the above, approval has been provided during the year for an additional capacity expansion of Power Transformers (T3 unit) at an additional investment of ₹ 31 crores. The said expansion would increase the capacity for Power Transformer from 25,000 MVA to 35,000 MVA.

OUTSOURCED ASSEMBLY AND TESTING ("OSAT")

The Company with an intent to establish India's Semiconductor ecosystem had on 22 November, 2023 filed an application with the Ministry of Electronics and Information Technology (MeitY), Government of India seeking approval for setting up an Outsourced Assembly and Testing ("OSAT") facility and grant of subsidy under the Modified Programme for Semiconductors and Display Fab Ecosystem Scheme of the Government of India.

The Company had on 8 February, 2024 entered into a Joint Venture Agreement and other related documents/ agreements with Renesas Electronics America Inc. and Stars Microelectronics (Thailand) Public Co. Ltd. for setting up the said OSAT facility in India, subject to necessary regulatory and statutory approvals.

The Company has received the approval of the Central Government for setting-up of OSAT facility by the Company and the JV partners at Sanand, Gujarat.

A Joint Venture Company has been formed under the name and style of "CG Semi Private Limited" on 8 March, 2024 for setting up the OSAT facility.

SCHEME OF ARRANGEMENT

The Board of Directors of the Company, at its Meeting held on 19 October, 2022 had approved a Scheme of Arrangement ("Scheme") under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme *inter-alia* provides for capital reorganization of the Company, whereby it is proposed to transfer ₹ 400 crores from the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date i.e. the effective date of the scheme mentioned in the Scheme. The Scheme is subject to receipt of regulatory approvals/ clearances from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and such other approval/clearances, as may be applicable. BSE is appointed as the Designated Stock Exchange by the Company to obtain the No Objection Certificate ("NOC") from SEBI under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. BSE has intimated the Company that it can re-submit the Scheme with revised rationale. The Company is evaluating the same.

DIVESTMENT

As stated in the Annual Reports of the Company for previous years, due to financial stress and unviable operations, decisions were taken from time to time to prune / close down certain subsidiaries of the Company. In furtherance of the same, during the year under review, the following Step-down subsidiaries were divested: i. the liquidation process of CG Power Solutions UK Limited, United Kingdom was completed, ii. the winding up process of CG Middle East FZE, Dubai UAE was completed, and iii. the Hon'ble NCLT, Mumbai Bench had vide its order dated 10 November, 2023 declared CG Power Solutions Limited, India as "Dissolved".

On 14 July, 2023, OEI Buyer LLC, a Delaware Limited Liability Company based out of USA had acquired the entire assets of the business excluding Cash of OEI LLC, USA, the Company's Wholly Owned Step-down Foreign subsidiary. The aggregate consideration for the sale, conveyance, transfer, assignment and delivery of all of the Acquired Assets was USD 10.5 Million. The name of OEI LLC has changed to CG OE Sub, LLC w.e.f. 19 July, 2023.

GENERAL

- During the year under review, the Company has received an improved Credit Rating of 'IND AA+' from India Ratings & Research as against the earlier rating of 'IND AA'.
- Company has signed a Term Sheet with M/s. K Raheja Corp. Group Company for the joint development of the Company's Property 'CG House' situated at Dr. Annie Besant Road, Worli, Mumbai, built on leasehold land. The project is expected to be completed over 5 years from the date of execution of the Development Agreement, subject to the receipt of necessary approvals.

AWARDS AND RECOGNITIONS

1. Mr. Vellayan Subbiah, Chairman

Mr. Vellayan Subbiah, Chairman has been awarded the 'Ernst & Young Entrepreneur of the Year Award 2023' (EOY) at the 25th Anniversary of EY EOY India Awards.

EY Entrepreneur of the Year is the world's most prestigious business award for entrepreneurs. This esteemed award recognizes the entrepreneurial excellence of our Chairman,

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whose visionary leadership significantly contributed to the progress of our nation. The 26th Anniversary of the Awards celebrated the theme of 'Builders of a Better India'.

The nine-member independent jury recognized Mr. Vellayan Subbiah for his excellent leadership and bold strategies in transforming businesses and seizing new opportunities through acquisitions and diversification.

2. Mr. Natarajan Srinivasan, Managing Director

Mr. Natarajan Srinivasan, Managing Director has been honored with the 'Transformational Leader Award - Midcap Category' for 2022-23 by the Asian Centre for Corporate Governance & Sustainability at the "10th Asia Business Responsibility Summit & The Leadership, Corporate Governance, Sustainability & CSR Awards,' held in Mumbai on 27 February, 2024.

The shortlisting of the winners was based on independent research and thorough evaluation carried by the governing bodies - the Asia Centre for Corporate Governance & Sustainability, in collaboration with the Mahendra & Young Knowledge Foundation, along with the panel of eminent jury members.

The objective of these awards is to raise the quality of Corporate Governance and to recognize Companies, Industry leaders, and Directors, who are doing exemplary work in improving Governance standards of their respective companies.

RE-CLASSIFICATION AS PER REGULATION 31A OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

Pursuant to the completion of the family arrangement entered into amongst various members of the Murugappa family who are part of the promoters/members of the promoter group of the Company and on receipt of the request(s) from the Outgoing Promoters, the Board at their Meeting held on 23 January, 2024 had subject to approval of the Stock Exchanges, considered and approved the request of the following Outgoing Promoters for re-classification from the 'Promoter and Promoter Group' category to 'Public shareholder' category, as per Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The shareholding of the Outgoing Promoters in the Company is as follows:

Sl. No.	Name of promoter/ promoter group	Category	No. of paid-up equity shares held	Percentage of shareholding
1.	Ms. Valli Arunachalam	Promoter Group	0	0.00%
2.	Ms. Valliachi Murugappan	Promoter Group	0	0.00%
3.	M.V.Murugappan HUF (Karta - Ms Valli Arunachalam)	Promoter Group	0	0.00%
	Cumulative holding		0	0.00%

Subsequent thereto, the Company had on 21 February, 2024 made applications to the Stock Exchanges for their approval for the aforementioned re-classification. The applications are under process.

DIVIDEND

The Board of Directors at their Meeting held on 23 January, 2024, declared an interim dividend of ₹ 1.30 (Rupees One and Paise Thirty only) (65%) per equity share of face value ₹ 2/- (Rupees Two only) each. The interim dividend was paid to the shareholders on 21 February, 2024. The total outflow on account of said dividend was ₹ 198.55 crores. Your Board does not recommend any further dividend for the financial year 2023-24.

The dividend declared is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the Company's website at - https://www.cgglobal.com/admin/uploads_new/Dividend_Distribution_Policy.pdf

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to the reserves.

SUBSIDIARIES

Details of subsidiaries as on 31 March, 2024: There are 3 Indian and 16 foreign subsidiaries (including 2 subsidiaries in Belgium along with their subsidiaries declared as bankrupt; 3 subsidiaries under voluntary liquidation and 1 subsidiary declared insolvent). During the year under review, your Company has incorporated "CG Semi Private Limited" as a Subsidiary Company for carrying out the OSAT business. Apart from this, your Company has not incorporated or acquired any company.

The Corporate Insolvency Proceedings initiated under the Insolvency and Bankruptcy Code, 2016 during the financial year 2021-22, by the Company against its Wholly Owned Subsidiary - CG Power Solutions Limited ("CGPSOL"), was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 10 November, 2023. Pursuant to the said Order, CGPSOL stands dissolved.

Pursuant to Section 136 of the Companies Act, 2013 ("the Act"), the audited financial statements, including the consolidated financial statements and related information of your Company and audited/ unaudited annual accounts of each of its subsidiaries are placed on the website of your Company.

Highlight of performance of subsidiaries of the Company is given below:

1. CG Adhesive Products Limited (formerly known as CG-PPI Adhesive Products Limited):

   CG Adhesive Products Limited ("CGAPL") is the Company's subsidiary in Goa. Your Company holds 83.59% of CGAPL's equity share capital. CGAPL manufactures and deals in specialty adhesive tapes and labels.

   During the year under review, CGAPL recorded revenue of ₹ 30.27 crores (previous year: ₹ 23.60 crores) and registered profit before tax of ₹ 4.87 crores (previous year: ₹ 2.90 crores).

2. CG DE Sub, LLC (formerly known as "GEI, LLC"):

   CG DE Sub, LLC ("CGDE") is the subsidiary of CG Power Americas, LLC, and a wholly owned step-down subsidiary of your Company in US, operating in multiple markets and business sectors within and relating to distribution control, load management control, supervisory control and data acquisition systems. Name of the subsidiary has been changed from GEI, LLC to CG DE Sub, LLC w.e.f. 18 July, 2023.

   The Company, during the year has sold net assets in CGDE for a total consideration of USD 10.5 Mn as on 14 July, 2023 to GEI Buyer, LLC. Net gain (net of transactions costs and taxes) on sale of net assets is $ 7.90 Mn i.e. equivalent to ₹ 65.39 crores.

   CGDE till the date of sale of net assets, had recorded revenue of $ 3.06 Mn i.e. equivalent to ₹ 25.35 crores. It registered profit before tax of $ 0.54 Mn i.e. equivalent to ₹ 4.50 crores. During previous year, CG DE Sub, LLC had recorded revenue of $ 11.46 Mn i.e. equivalent to ₹ 94.23 crores and registered profit before tax of $ 1.41 Mn i.e. equivalent to ₹ 11.62 crores.

3. CG Drives & Automation Sweden AB:

   CG Drives & Automation Sweden AB is a Subsidiary of CG Industrial Holdings Sweden AB and a wholly owned step-down Subsidiary of your Company in Sweden. It is a technology partner for energy efficient products and solutions. It develops, manufactures and markets the equipment for control and protection of industrial processes.

   During the year under review, CG Drives & Automation Sweden AB recorded revenue of SEK 334.17 Mn i.e. equivalent to ₹ 265.33 crores (previous year: SEK 299.85 Mn i.e. equivalent to ₹ 236.57 crores) and registered profit before tax of SEK 36.31 Mn i.e. equivalent to ₹ 28.83 crores (previous year: SEK 21.84 Mn i.e. equivalent to ₹ 17.23 crores).

4. CG Drives & Automation Germany GmbH:

   CG Drives & Automation Germany GmbH is a Subsidiary of CG Drives & Automation Sweden AB, and a wholly owned step-down Subsidiary of your Company in Germany. It is into manufacture, sale, maintenance and repair of electronic devices and facilities in the area of drive technology.

   During the year under review, CG Drives & Automation Germany GmbH recorded revenue of € 21.19 Mn i.e. equivalent to ₹ 191.12 crores (previous year: € 22.24 Mn i.e. equivalent to ₹ 186.20 crores). It registered profit before tax of € 0.60 Mn i.e. equivalent to ₹ 5.40 crores (previous year: € 1.52 Mn i.e. equivalent to ₹ 13.40 crores).

5. CG Drives & Automation Netherlands BV:

   CG Drives & Automation Netherlands BV is a Subsidiary of CG Drives & Automation Sweden AB, Netherlands, and a wholly owned step-down Subsidiary of your Company in Netherlands. It is into development, production and marketing of inverter products including electrical motor drives, and trading of related products.

   During the year under review, CG Drives & Automation Netherlands BV recorded revenue of € 9.94 Mn i.e. equivalent to ₹ 89.68 crores (previous year: € 8.09 Mn i.e. equivalent to ₹ 71.32 crores) and registered profit before tax of € 0.55 Mn i.e. equivalent to ₹ 4.93 crores (previous year: € 0.58 Mn i.e. equivalent to ₹ 5.14 crores).

Other than above, the remaining subsidiaries of the Company do not have any business operations. In terms of Section 129 of the Act, statement containing salient features of the financial statements of your Company's subsidiaries/ associates/ joint ventures companies in Form AOC-1 is given in the notes to the financial statements in this Annual Report.

Pursuant to Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), a policy for determining material subsidiary of your Company as approved by the Board of Directors is available on the website under, https://www.cgglobal.com/admin/uploads_new/Policy_determining_Material_Subsidiaries.pdf

MATERIAL ORDERS OF REGULATORS / COURTS / TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

UPDATE ON INVESTIGATIONS INITIATED IN THE PREVIOUS YEARS

The investigations by Central Bureau of Investigation (CBI), Serious Fraud Investigation Office (SFIO) and Enforcement Directorate (ED) into the affairs of your Company and its subsidiaries pertaining to the past period and against the erstwhile promoters/directors of the Company relating to transactions that took place when the Company was under the control of the previous management / promoters, details of which have already been reported to the stock exchanges / in the previous Annual Reports of the Company, are in progress. Your Company is extending full co-operation to these agencies and information and documents as sought by them are being promptly provided by the Company.

AUDITORS AND AUDIT REPORTS

STATUTORY AUDITORS

M/s. S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration Number 324982E/ E300003) were re-appointed as Statutory Auditor of the Company at the 86th Annual General Meeting ("AGM") held on 27 July, 2023, to hold office for a second term of five consecutive years from the conclusion of the 86th AGM till the conclusion of the 91st AGM to be held in the year 2028.

The Auditor's Report on the financial statements of the Company for the year ended 31 March, 2024, which forms part of the Annual Report of the Company, does not contain any qualification, reservation or adverse remark.

COST AUDITOR

As per the requirement of Section 148(1) of the Act read with rules made thereunder, your Company is required to maintain cost accounts and records. Accordingly, your Company has maintained cost accounts and records for financial year 2023-24 as applicable for its product range.

During the year under review, the Company filed the Cost Audit Report for the financial year 2022-23 with the Registrar of Companies, Mumbai, within the prescribed statutory timelines.

Upon recommendation of the Audit Committee, the Board has re-appointed M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration Number 000010) as Cost Auditor of your Company for financial year 2024-25 at a remuneration of ₹ 8,30,000/- (Rupees Eight Lakh Thirty Thousand only) per annum plus out-of-pocket expenses and taxes, as applicable. The Act mandates that the remuneration payable to the Cost Auditor is ratified by the shareholders. Accordingly, a Resolution seeking the Shareholders' ratification of the remuneration payable to the Cost Auditors for the financial year 2024-25 is included in the Notice convening the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

Your Company had appointed M/s. Parikh & Associates, Practicing Company Secretaries, Mumbai (Firm Registration Number: P1988MH009800), to undertake the Secretarial Audit of the Company for financial year 2023-24.

Your Company has generally complied with the Secretarial Standards and the Secretarial Audit Report is annexed in Form MR-3 for financial year 2023-24 as Annexure 4 to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL FINANCIAL CONTROLS

The Company emphasizes the importance of robust internal control system which lays down the foundation of strong governance structure and promote a culture of integrity, transparency and accountability in the business. Given the nature of business and size of its operations, the Company has designed and instituted a strong internal control system that comprises well-defined organisation structure, roles and responsibilities, documented policies and procedures to reduce business risks through a framework of process controls. A detailed note on Internal Financial Controls is included in the Management Discussion and Analysis section of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")

BOARD OF DIRECTORS

Composition

Your Company's Board of Directors consists of eight Directors comprising (i) Three Non-Executive Non-Independent Directors which includes the Non-Executive Chairman of the Board, (ii) Four Non-Executive Independent Directors, and (iii) a Managing Director.

Mr. Vellayan Subbiah, Non-Executive Director, is the Chairman of your Board. Mr. P S Jayakumar, Ms. Sasikala Varadachari, Mr. Sriram Sivaram and Mrs. Vijayalakshmi R Iyer are Independent Directors in terms of Regulation 16 of the SEBI LODR and Section 149 of the Act. Mr. M A M Arunachalam and Mr. Kalyan Kumar Paul are Non-Executive Non-Independent Directors on your Board.

Mr. Natarajan Srinivasan is the Managing Director on your Board.

Your Board consists of professionals with diverse functional expertise, industry experience, educational qualifications and gender mix relevant to fulfilling your Company's objectives and strategic goals.

The Company has received a certificate from M/s. Parikh & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other statutory authority.

Appointment/ Retirement of Directors during the year

During the year under review, based on the recommendations of the Nomination and Remuneration Committee, your Board had re-appointed Mr. Natarajan Srinivasan as Managing Director of the Company for the period from 26 November, 2023 upto 30 April, 2025 and the said re-appointment was approved by the Members at the AGM held on 27 July, 2023.

Retirement by rotation

In terms of the provisions of Section 152 of the Act and the Rules made thereunder and Article 114 of the Articles of Association of the Company, Mr. Vellayan Subbiah retires by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment.

As per Regulation 36 of the SEBI LODR and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (SS-2), a brief profile and other relevant details regarding re-appointment of Mr. Vellayan Subbiah are contained in the Annexure accompanying the explanatory statement to the Notice of the ensuing Annual General Meeting.

INDEPENDENT DIRECTORS' DECLARATION

Your Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence as laid down under Section 149 of the Act and Regulation 16 of the SEBI LODR.

In the opinion of the Board, all the Independent Directors of your Company fulfill the conditions of independence as specified in the Act and SEBI LODR and are independent of the management and have the integrity, expertise and experience including the proficiency as required for effectively discharging their roles and responsibilities in directing and guiding the affairs of the Company.

BOARD MEETINGS

During the financial year 2023-24, your Board of Directors met 5 times, in accordance with the provisions of the Act, SEBI LODR and other statutory provisions.

Details of Board Meetings held and the attendance of Directors are given in the Section titled "Report on Corporate Governance", which forms part of this Annual Report.

COMMITTEES OF THE BOARD

Your Board has established following committees in compliance with the requirements of the Act and SEBI LODR: (i) Audit Committee, (ii) Nomination and Remuneration Committee, (iii) Corporate Social Responsibility Committee, (iv) Risk Management Committee, and (v) Stakeholders' Relationship Committee.

Details of composition of the statutory committees, number of meetings held and attendance of Committee Members thereof during the financial year, are given in the Section titled "Report on Corporate Governance" forming part of this Annual Report.

All recommendations of the Audit Committee have been accepted by the Board.

Your Board has constituted a Finance Committee comprising of Mr. Vellayan Subbiah, Chairman of the Board and Mr. Natarajan Srinivasan, Managing Director, to inter-alia take decisions relating to borrowings, investments and lending from time to time within such limits / sub-limits as may be decided by the Board.

KEY MANAGERIAL PERSONNEL ("KMP")

Pursuant to Section 203 of the Act, the Key Managerial Personnel of the Company as at the end of the financial year were:

- Mr. Natarajan Srinivasan, Managing Director
- Mr. Susheel Todi, Chief Financial Officer
- Mr. Sanjay Kumar Chowdhary, Company Secretary (w.e.f. 9 May, 2023)

During the year under review, P Varadarajan resigned as the Company Secretary and Compliance Officer of the Company w.e.f. 8 May, 2023.

REMUNERATION POLICY AND CRITERIA FOR DETERMINING THE ATTRIBUTES, QUALIFICATION, INDEPENDENCE AND APPOINTMENT OF DIRECTORS

Your Company has formulated a Remuneration Policy governing the appointment and remuneration of Directors, KMP, Senior Management and other employees. The Remuneration Policy of the Company provides a performance driven and market-oriented framework to ensure that the Company attracts, retains and motivates high quality executives who can achieve the Company's goals, while aligning the interests of employees, shareholders and all stakeholders in accordance with the Murugappa Group's values and beliefs. The terms of reference of the Nomination and Remuneration Committee includes formulation of criteria for determining qualifications, positive attributes and independence of Directors.

The Company's Remuneration Policy is available on the website of the Company under: https://www.cgglobal.com/assets/pdf_files/CG_Remuneration_Policy_21_22.pdf

Your Company has adopted a Board Diversity Policy to reap the benefits of a broader experience in decision making.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

In line with the requirements of the Act and the SEBI LODR, an annual evaluation of performance of the Board, its Committees and individual Directors was carried out during the year under review. Pursuant to the provisions of Schedule IV of the Act and Regulation 25 of the SEBI LODR, the Independent Directors of your Company, at their Meeting held on 15 March, 2024, evaluated the performance of Non-Independent Directors, the Board as a whole, performance of the Chairman, and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25 of the SEBI LODR, your Company familiarizes its Independent Directors with their roles, rights, responsibilities as well as the Company's business and operations. Moreover, Directors are regularly updated on the business strategies and performance, management structure and key initiatives of businesses at every Board Meeting. Details of the programme can be viewed under the following link available on the Company's website: https://www.cgglobal.com/assets/pdf_files/Familiarisation_Programme_for_Independent_Directors.pdf

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RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year under review were on arm's length basis and were in the ordinary course of business. Hence, disclosure of particulars of contracts/ arrangements entered into by your Company with related parties in Form AOC-2 is not applicable for the year under review. There were no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large. The Audit Committee grants omnibus approval for transactions which are of repetitive nature with related parties.

Related party transactions entered during the year under review are disclosed in the notes to the Financial Statements. None of the Directors had any pecuniary relationship or transactions with the Company, except the payments made to them in the form of remuneration / sitting fee.

The Company's Related Party Transactions Policy is available on the website of the Company under: https://www.cgglobal.com/assets/pdf_files/Related_Party_Transaction_Policy_1_Apr_2022.pdf

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to the provisions of Section 186 of the Act and Schedule V of the SEBI LODR, particulars of loans, guarantees given and investments made by your Company during financial year 2023-24 are given in the notes to the Financial Statements.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the Listing Regulations, the BRSR forms part of this Annual Report. The report describes initiatives undertaken by the Company from an environmental, social and governance perspective. Further, SEBI vide its Circular No. SEBI/ HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July, 2023, updated the format of BRSR to incorporate BRSR core, a subset of BRSR, indicating specific Key Performance Indicators (KPIs) under nine ESG attributes, which are subject to mandatory reasonable assurance by an independent assurance provider. In accordance with this requirement, the Company has appointed CNK & Associates LLP, Chartered Accountants as the assurance provider.

ENTERPRISE RISK MANAGEMENT ("ERM") FRAMEWORK

Company's comprehensive Risk Management Framework involves a three-tiered approach, taking into account the Enterprise Risks, Process Risks and Compliance Risks.

Enterprise risk identification and mitigation initiatives are handled through an on-going process for each of the businesses, as well as for the Company as a whole. The coverage extends to all key business exposures. After getting a measure of each such enterprise risk, the mitigation actions are tracked.

The Risk Management Committee of the Board reviews the key risks associated with the businesses of your Company and their mitigation measures. A detailed note on ERM is given in the Management Discussion and Analysis, forming part of this Report.

The Company has during the year initiated the Business Continuity Plan/ Management and has framed the Business Continuity Management System Policy, Governance and Framework.

RESEARCH AND DEVELOPMENT ("R&D")

During the year under review, your Company's R&D activities continued to focus on development of indigenous and energy efficient products.

Power Systems

Transformers

- Developed 2 major new products for Railway application to support the Government of India initiative and thrust on developing Railway infrastructure. The products developed were as below:
  - *V connected - 132kV, 63MVA traction power transformer* to support new catenary system of 2x25kV designed for high-speed trains and reduce transmission losses.
  - Auto transformer of 55/2x27, 5kV, 16.5MVA capacity to feed double catenary system to support high speed infrastructure with reduced transmission losses.

  The products were declared developed after successfully conducting short circuit testing at CPRI Bangalore and Bhopal.
- Developed knowledge and knowhow to do extensive electromagnetic and electrostatic analysis of power transformer models for improving reliability and performance parameters.
- Conducted short circuit test successfully on the highest capacity auto transformer rated 160MVA/220/132kV.
- Successfully tested and supplied 500MVA/400/220kV auto transformers to various utilities with benchmark performance parameters including partial discharge.
- Achieved benchmark noise level of <= 75dB in shunt reactors.
- Developed 30MVA/132kV trackside transformers for Delhi and Patna Metro rail systems.

Switchgear Business

EHV Switchgear

- Developed high creepage (31 mm/kV) designs of 245 kV and 420 kV EHV Current and Capacitor Voltage Transformers in Polymer and Porcelain insulators for Indian utilities, aimed at compliance of new specification standardization drive at all utilities to address the failures of product due to significant increase of pollution in India.
- Indigenously designed, developed and type tested 170kV 40kA Single phase/ Gang operated spring-spring Gas Circuit Breaker and 420kV 50kA spring-spring Gas Circuit Breaker with Composite Insulator for global market. These breakers also meet the stringent requirement of high dielectric performance and working in high seismic prone locations across globe and are equipped with SMART monitoring system to assess its condition online to take decision on maintenance/ repair over its life span.
- Indigenously developed and successfully type tested Compact 66kV-145kV Gas Insulated Switchgear (GIS) with reduced footprint. Customer will get benefited by savings on Civil Construction Cost for Sub-Station. Additionally, it will support sustainability initiatives by Reduced Material Consumption, Reduced SF6 Gas Consumption and thus reduced Environmental Impact.
- Additionally, to support sustainability initiatives, redesigned 245kV GIS Product by design optimization resulting into better access for serviceability at site for customer. Reduced Material Consumption, Reduced SF6 Gas Consumption and thus Reduced Environmental Impact.
- During the year FY24, Vacuum Interrupter and Instrument Transformer Division at Aurangabad continued to focus on development of Indian railway rolling stock product 25kV Primary Voltage Transformer, smart switching devices as per Industry 4.0 norms for Distribution Grid, 52kV, 4500Amp current bushing for solar power plant substation transformer and 145kV Power Voltage Transformer for auxiliary power supply of substation.
- 25kV Primary Voltage Transformer: Developed 'loco head 25kV Primary Voltage Transformer (PVT) for Indian Railways. Application of 25kV PVT is primarily for measurement of catenary voltage. The division successfully completed all type test as per CLW specifications in line with requirement given in IEC Standard 61869, CEN/TS 45545, EN 61373 and critical test i.e. Ferro resonance and test as per European Standard EN 50152-3-3.
- Developed smart switching devices for distribution grid for voltage class up to 33kV, Auto-Reclosers and Sectionalisers. These new products comply with the Industry 4.0 norms of digital integration and communication capabilities. These products enhance the reliability of electrical power in distribution grid. These devices are provided with electrical as well as mechanical interlocks to avoid foul operations.
- High current condenser bushing 52kV, 4500A for pulling substation power transformer. CG has successfully developed 52kV, 4500Amp oil impregnated paper insulation high current condenser bushing. The product is developed for renewable energy pulling substation power transformers. Successfully completed all type tests as per standard IEC 60137. CG is first Indian company to develop high current bushing for duct application in solar power generation.
- 145kV, 100kVA Power Voltage Transformer for auxiliary power supply in substation. Developed 145kV, 100kVA Power Voltage Transformer for auxiliary power supply to the substation and green field projects. CG is first Indian company to develop OIP (Oil Impregnated Paper) insulation 145kV, 100kVA Power Voltage Transformer. This type of transformer offers all the features of a potential transformer (which is generally used in substation for measurement and protection in substation) with the applications of a Small Power Transformer.

MV Switchgear

- Designed, developed, and successfully type tested 12 kV, 40 kA, 3150 A VCB with extended electrical and mechanical endurance class E2, C2, M2 as per IEC 62271- 100 suitable for earthed and unearthed neutral system. This is specially developed for power plant and premium industrial market segment.
- Designed, developed, and successfully type tested 33KV, 31.5KA 2500 A outdoor porcelain clad VCB with extended electrical and mechanical endurance class E2, C2, M2 suitable for earthed and unearthed neutral system. This is specially developed for sub transmission and distribution network to increase our product offering.
- Designed, developed, and successfully type tested internal arc compliant 12 kV, 21kA 630 A RMU with IAC rating 21kA / 1sec AFLR. The internal arc gases disposed to the trench to avoid any damage to the public and property adjacent to the panel thus increasing the public and user's safety.

Industrial Systems

Continued to prioritize the development of innovative and energy-efficient products, with a focus on indigenous solutions and achieved several milestones, including:

- Development of new IE2+ and IE3 series from 160kW and above with improved efficiency, cost effectiveness and higher output to volume ratio.
- Development of cost-effective fire fighting application motors from 160 Frame to 315 Frame in line with market demands.
- Development of Neema premium multi-potential range motors for overseas customers.
- Development of next gen DC motors from 315 frame and above range with better serviceability and better cooling.
- Implementation of various latest design tools to analyse the parameters of designed products and achieve cost savings on raw materials.

- Development of new generation motor e.g. BLDC.
- Development of 250W BLDC Hub Motor for E-cycle.
- Development of application specific motors for F&B, Agro, AHU, Appliances and Poultry applications.
- Introduction of H+ range of power stacks and 7th generation of IGBTs offering better performance and more compact footprint.
- Improvement of thermal performance of product and elevating the rated temperature to 45/50 deg C against existing 40 deg C making the product line more competitive.
- Improvement in cost efficiency of 200kW drive by introduction of new 7th generation IGBTs.
- Range extension of general purpose drive from earlier 37kW to 55kW. This extension will be used to cater wider customer segment and will make our product offering more competitive.
- Introduction of new range of active front end and low harmonic drives from 7.5kW to 45kW.
- Development of new applications in solar drives enabling us to cater to rural markets for grid and PV power sharing, flour mills and compressors.
- Developed insulation scheme for 4C 11kV for Ex ec and 6.6kV for Ex eb Hazardous area classification.
- Developed retrofitting solutions to customers from our LIM plant.
- Expansion of our product range of 10/12 pole large motors in frames 630, 710, and 800 with a specific focus on water sector applications.
- Implementation of various latest design simulation tools to analyse the parameters of designed products and achieved cost savings on raw materials.
- Started developing special product development for Nuclear Power Plant.

Railways

- Virtual test benches have been implemented to test train control operations, doing away with the necessity for actual control panels and driver desk equipment during TCMS software testing.
- Developed source code database software for storage and retrieval purposes and implemented a software version control system.
- 2.4 MW integration test setup was developed to verify the operation of MEMU's propulsion system equipment.
- Designed a facility for testing the converter performance validation of 9000 HP Loco converters.
- A driving test configuration with variable voltage and frequency was developed to validate the performance of the traction motor in both regeneration and motoring modes.
- Developed DC Traction Motor for export markets.
- Developed a fully suspension Traction Motor with High Speed for Metro Applications.
- Developed Traction Converter and Train Control and Management Software (TCMS) for MEMU on Board.
- Designed Gear Drive Assembly, Auxiliary Power Converter, and Axle Hung Nose Suspension Traction Motor for MEMU on Board Applications.
- Designed Coach Control and Monitoring Panels (End Wall Panels), Driver Desk, and Rear Wall Control Panel for MEMU on Board.
- Developed Bogie Frame and Traction Rod for 9000 HP Locomotive Application, Highest Powered (1.2 MW) Traction Motor, and Traction Converter.
- Designed a 9000 HP Bogie Traction Motor Fail-Safe Mechanism.
- Amrit Bharat Express Composite Converter was designed & developed.
- Hotel load converter for the Shatabdi and Rajdhani trains.

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

Details, as required under Section 134 of the Act read with the Companies (Accounts) Rules, 2014, are given in the prescribed format as Annexure 1 to this Report.

ENVIRONMENT, HEALTH AND SAFETY ("EHS")

A detailed review of the Environment, Health and Safety (EHS) measures undertaken by your Company is given in the BRSR Report, which forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of your Company and its businesses is given in the section titled "Management Discussion and Analysis", which forms part of this Report.

CORPORATE GOVERNANCE

A section on Corporate Governance standards followed by your Company, as stipulated under Schedule V of SEBI LODR, is enclosed separately.

A certificate from M/s. Parikh & Associates, Practicing Company Secretaries, regarding compliance with the conditions of Corporate Governance, as stipulated under SEBI LODR, is annexed to the Report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended ("CSR Rules"), your Company has during the year 2023-24 spent ₹ 900 lakhs being two percent of the average net profits of your Company during the three preceding financial years in accordance with the CSR Policy of the Company.

Annual Report on CSR initiatives as required under the CSR Rules is annexed as Annexure 2 and forms an integral part of this Report.

Details of the composition of the CSR Committee and CSR Policy of the Company are also provided in the said Annexure.

REGISTRAR AND SHARE TRANSFER AGENT

Your Company has appointed Datamatics Business Solutions Limited ("DBSL"), an entity which is registered with SEBI, as its Registrar and Share Transfer Agent. Contact details of DBSL are mentioned in the section titled "Report on Corporate Governance" of this Annual Report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in Annexure 3 to this Report. In accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of the employees covered under the said rule shall be made available to any Member on a specific request made in this regard, by him or her in writing.

EMPLOYEE STOCK OPTION PLAN 2021

The Shareholders of the Company had, through Special Resolution passed by Postal Ballot on 23 September, 2021, approved the introduction and implementation of Employee Stock Option Plan 2021 ("ESOP 2021"/ "Scheme") and authorised the Board / Nomination and Remuneration Committee to issue to the eligible employees, such number of Options under the ESOP 2021, as would be exercisable into, not exceeding 2,70,00,000 (Two crores Seventy Lakhs) fully paid-up equity shares of ₹ 2/- each in the Company. ESOP 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The Company has so far granted 43,43,500 Options to employees. 18,34,100 Options were granted in the year 2021-22, 4,53,140 Options were granted during the year 2022-23 and 20,56,350 Options were granted during the year 2023-24. Out of the total options granted till date, 5,48,590 options were cancelled during the year under review.

The disclosures required to be made under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are made available on the website of the Company under https://www.cgglobal.com/. The certificate under the said regulations shall be made available for inspection in accordance with statutory requirements.

COMPLAINTS RELATING TO SEXUAL HARASSMENT

Your Company has adopted a Prevention of Sexual Harassment Policy and has also constituted an Internal Complaint Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaint Committee has been constituted region-wise, and is presided by a woman employee and is comprising of five to seven Company employees with an external member, to whom employees can address their complaints.

During the year under review, no incident of sexual harassment was reported.

VIGIL MECHANISM

Your Company has set up a vigil mechanism, viz. a Whistle Blower Policy, as per the provisions of Section 177 of the Act and Regulation 22 of the SEBI LODR to enable its stakeholders to report violations, genuine concerns, unethical behaviour and irregularities, if any, which could adversely affect the Company's operations. No person has been denied access to the Chairman of the Audit Committee of the Board.

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PUBLIC DEPOSITS

Your Company has not accepted any deposits from public or its members under Chapter V of the Act and no deposits were outstanding as on 31 March, 2024

SHARE CAPITAL

During the year under review, your Company has allotted 2,01,780 equity shares of ₹ 2 each, under the ESOP Scheme 2021, to the option grantees who had exercised their options. The detailed are provided below

No. of Shares Allotted	Date of allotment
67,760	12 May, 2023
33,000	30 June, 2023
23,900	7 August, 2023
16,000	16 October, 2023
7,500	21 October, 2023
5,000	29 October, 2023
17,000	7 February, 2024
2,000	29 February, 2024
30,620	1 March, 2024

As at 31 March, 2024, the share capital of the Company is as follows:

- The authorized share capital of your Company is ₹ 407,60,00,000/- (Rupees Four Hundred Seven Crores and Sixty Lakh) divided into 203,80,00,000 equity shares of ₹ 2/-(Rupees two) each

- The subscribed and paid-up share capital of your Company stood at ₹ 305,46,86,428/-(Rupees Three Hundred Five Crores Forty Six Lakhs Sixty Six Thousand Four Hundred Twenty Eight only) consisting of 152,73,33,214 equity shares of ₹ 2/- (Rupees two) each.

Your Company's equity shares are listed and traded on BSE Limited and National Stock Exchange of India Limited

ANNUAL RETURN

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act, a copy of the Annual Return of the Company as on 31 March, 2024 is placed on the website of the Company and the same is available on the following link: https://www.cgglobal.com/financials#annual_report

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors of the Company had not reported any matter under Section 143(12) of the Act. Therefore, disclosure is not applicable in terms of Section 134(3)(ca) of the Act.

OTHER DISCLOSURES / REPORTING

a) Issue of equity shares with differential rights

The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

b) Insolvency and Bankruptcy Code ("IBC")

There are no applications or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company

c) Onetime settlement with any bank or financial institution

On 11 August, 2023, the Company and JC Flowers Asset Reconstruction Company Private Limited ("JCF ARC") (Yes Bank's Assignee) had entered into a Settlement Agreement in respect of recovery case filed by Yes Bank Limited before Debt Recovery Tribunal, Delhi seeking a sum of ₹ 593.10 crores from defendants Nos. 1 to 6, the Company being defendant No. 3 and a criminal complaint filed before the Court of Metropolitan Magistrate at Patiala House, New Delhi for an amount of ₹ 210 crores. Pursuant to the terms of the said Agreement, the Company has made a payment of ₹ 42 crores and JCF ARC has filed an application to unconditionally withdraw the said two cases initiated and pending against the Company, in order to fully discharge the Company from all the obligations whatsoever arising out of the said cases/ litigations. JCF ARC has already withdrawn the case against the Company filed before Debt Recovery Tribunal, Delhi on 14 September, 2023 and it has filed an application before Metropolitan Magistrate at Patiala House, New Delhi for withdrawal of criminal complaint, which is under process

d) Material changes and commitments affecting the financial position of your company

There were no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of this Report

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors confirm that the Company has in place a framework of internal financial controls and compliance system, which is monitored and reviewed by the Audit Committee and the Board besides the statutory, internal and secretarial auditors. To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013.

a) the annual Financial Statements for the year ended 31 March, 2024 have been prepared in conformity with the applicable accounting standards along with proper explanation relating to material departures, if any,

b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2024 and of the profit of the Company for the year ended on that date,

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,

d) that the annual Financial Statements have been prepared on a going concern basis,

e) that proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and were operating effectively,

f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Board of Directors wishes to convey its gratitude and appreciation to all employees for their tremendous efforts as well as their exemplary dedication and contribution to the Company's performance. The Directors would also like to thank the Central and State Governments, Shareholders, State Bank of India, Ministry of Corporate Affairs, Customers, Suppliers, Dealers, Employees and Employee Unions and all other business associates for their continued support extended to your Company.

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN: 01139759)

Mumbai, 6 May, 2024

Annexures to Directors' Report

ANNEXURE 1

Information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo under Section 134 of the Companies Act, 2013 and rules made thereunder

A. CONSERVATION OF ENERGY

1. ENERGY CONSERVATION MEASURES TAKEN

All the business units of the Company continued their efforts on conservation and optimal utilization of energy by improving operational efficiencies, minimizing consumption of natural resources and water while maximizing production volumes

MEASURES TAKEN TOWARDS ENERGY CONSERVATION AT VARIOUS UNITS:

Industrial

- PID Control for Oven Heater Control has been installed which helps to reduce electricity consumption
- Old sodium vapor lights replaced with LED at office, streetlights areas which helps to reduce consumption of electricity.
- VFD installed in existing air compressors which helps to reduce electricity and better control.
- White house building area split AC replaced with VRV system that will help us to reduce approximately 30% electricity consumption.
- Instead of water curtain paint booth, dry paint booth technology has been implemented, which resulted in water and power cost saving per year.
- At Unit 2, replaced IE1 Motors with IE4 Motors used on major equipments (Compressor and Die casting hydraulic power pack). Approx. energy saving = 5503 KWH units/ annum
- At Unit 2, average 12% solar energy units consumed in operations.
- At Unit 3, LED replacement done at Colvale and Karaswada Unit
- At Unit 3, change over from manual dip and bake oven to auto - conveyorized baking oven to reduce the electricity consumption and varnish cake wastage generation
- Replaced old reciprocating compressor at Karaswada Unit by VFD operated new Screw Compressor.
- Online twenty-four hours a week monitoring of all machines for detailed energy monitoring at Stamping Division.
- At M6, 75 KW VFD compressor received which will reduce overall energy consumption as compared to fixed compressor.
- At LIM, 50 Nos. of high illumination and low energy consumable LED lights installed
- LIM added highly efficient motors in operations
- 5 Nos. heating ovens equipped with electrical drive to reduce energy consumption at LIM

Railway

- Variable Frequency Drive based energy efficient test plant has been installed and commissioned at TMS for Type Testing of AC Traction Motors for Metro and other special Applications, which will reduce energy consumption during testing per motor by 20%
- 20% reduction in GHG emissions (Tons/ Production Unit) has been achieved by enhanced production in same facilities, optimum usage of Ovens, Impregnation Plants, Test Plants, usage of natural light
- 52 Nos. (50 Watts) old Light is replaced in point machine shop with 18 Watt energy efficient tube lights. Saving realization per lamp is 28%
- 130 Kwp Solar net metering installations is completed in FY24 and currently up to 60% to total power for RSD unit has been supplied by the solar plant

Power

a) Transformers

Distribution Transformer Plant (T2) Gwalior

- Replacement of 22 Nos. 150 Watt Metal halide light fixtures with 80 Watt led light fixture (Total New light purchase 40 Nos.)
- Replacement of 15 Nos. 250 KW Metal halide street light fixtures with 90 Watt led street light fixture (Total New light purchase 24 Nos.)
- Replacement of 14 Nos. 250 KW Metal halide light fixtures with 180 Watt led light fixture. (Total New light purchase 20 Nos.).
- Installation of 25 Nos. 180-Watt LED lighting fixtures in RFD and New Insulation plant (old 250 Watt 20 Nos.)

The above Energy Saving Initiative resulted in annual savings of 21300 Kwh (₹ 2.13 Lakh per year).

Power Transformer plant (T3) Bhopal

- For testing of 8 no's of 100 MVAr, 157.5 kV, 364.9 Amp Greece reactors, in existing system during testing of reactors Current Compensation done on RTT LV Side with this system MD required 1500 kva, we have shifted this RTTLV compensation to RTT HV side. With this modification contract demand reduce 1500 kva to 600 kva resulted in saving of 47520 kwh
- Installed motion sensors in meeting area, Toilets and salve for auto switching ON/OFF lights total 7 No lights. All these steps resulting in saving 886 KWh per year.
- Installed BLDC fan in place of conversional fans 5 No. which consumes 35% less power as compared to conversional fans. Resulted in saving 690 kwh per year
- Installed Capacitor on utility pumps resulting in saving 5040 KWh
- Replaced thermal insulation of Winding Autoclave which resulted in saving 40000 KWh per year.

All above Energy Saving initiatives saved total 104126 KWH resulting in saving of ₹ 10.41 Lakh per year.

Total Saving in KWH - 104126 per year

Total Saving in ₹ - 10.41 Lakhs per Year

b) Switchgears

- Conservation of Natural Resources in Switchgear Division -
  a. Water - 3700m3 through recycling of water for job cleaning in EHV GIS and EHV IT Units, water balance monitoring and up-gradation of Sprinkler Irrigation System for Gardens (Total 2321 m² garden area covered under Sprinkler Irrigation System in Switchgear Complex).
  b. Light Diesel Oil - 8 KL through condition monitoring of Thermopacs, servicing of Thermic Fluid Circulation Pumps and replacement of old hot rockwool insulation of Autoclaves
  c. High Speed Diesel - 1 KL through Condition Monitoring of DG Sets and Forklifts
  d. Mineral Oil - 5 KL through 420 KV Compact CT New Casting Design.
  e. Paper - 1) 15 MT through usage of winding offcut paper to prepare 100-micron paper set for Current Transformer head insulation. 2) 3.45 Lakh A4 size instruction manual paper saved through E-Format of instruction manual in EHV and MV Switchgear Division.
- Energy conservation for air compressor through elimination of artificial demand, leakages, improving efficiency, condition monitoring of FRLs etc. (Optima Air Approach) in EHV and MV Switchgear Division.
- Conversion of high wattage conventional lighting to energy efficient LED lighting along with Smart/ Intelligent lighting solutions for Shop Floor, Office and Street Lighting in EHV and MV Switchgear Division (39 KW reduction in lighting load)
- Installation of VFDs (AC Drives) along with Control Panels for Hot Air Circulation Blower of EHV IT, Air Handling Units (AHU) Blower of EHV Pole Unit and Jockey Pump of Fire Hydrant System (For total 50 HP capacity motors)
- Installation of Centralized UPS for Desktops and Workstations of EHV GIS Office to reduce the Connected Load from 28 KW to 8 KW.
- Efficient Utilization of Solar Power Generation Plant (Renewable Energy) to maximize the Power Generation of Solar PV System through Shadding, Soiling and Cleaning (Renewable Energy is 33% of the Total Energy Usage of EHV and MV Switchgear Unit)
- Condition Monitoring of Autoclave Process Plants of EHV IT along with SCADA Up-gradation for Cycle Time Reduction

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- Installation of Thyristor Module to Heater Bank of A4 Autoclave of EHV IT and Sulphur Cementing Oven of Lightening Arresters Division.
- Installation of Timers, Motion & Sitzerro Sensors for Refrigeration and Air Conditioning Systems EHV and MV Switchgear Unit.

Thus, Energy Conservation for FY 23-24 for complete Nashik Switchgear Plant is 1.18 Lakhs kWh and Cost saving of ₹ 13 Lakhs

2 ALTERNATE SOURCES OF ENERGY

- At Unit 1, day time lighting system is off and transparent sheet at each plant has been installed that will help to get adequate illumination at shop floor.
- 1MW Solar Plant has been installed at Unit 1, resulting in energy saving
- Solar Power Plants installed with a capacity of 400 KW and green energy utilization started from March, 2024 at Stamping location, Ahmednagar. Estimated green energy utilization is 25% of total energy requirement
- Industrial Division Units (excluding Unit 3 and Stamping) are harnessing around 16.9% of electricity requirement using energy generated from roof top solar panels.
- At our new M6 Goa Unit, we have installed rooftops with sunlight reflectors for good illumination on the shop floor. No need to switch on lights during daytime.
- An average of 15% of our total energy consumption at LIM is being used in the form of renewal energy by roof top solar panel installed in factory
- Utilization of Solar Energy has gone up from 8% to 16% by maximum utilization of rooftop solar power plants
- Under Power Purchase agreement, both the Transformers Divisions T2 and T3 carried out execution of solar generation plant with capacity of 348 KW for Distribution Transformer plant based at Gwalior and 500 KW at Power Transformer plant based at Bhopal
- Distribution Transformer Plant Gwalior: For FY24, 4.56 Lakhs solar units were generated from solar plant and saving of ₹ 23.43 Lakhs were achieved.
- Power Transformer Plant Bhopal: For FY24, 6.46 Lakhs solar units were generated from solar plant and saving of ₹ 34.69 Lakhs were achieved
- Under the 'Solar as A Service' Model, execution of roof top solar panels (992 kWp) for EHV and MV Switchgear Nashik plant with minimal capital investment and the energy charges per unit basis less by ₹ 6.12/- than that of MSEDCL power company and have achieved energy conservation of 12.30 Lakh units and cost savings of ₹ 75.28 Lakhs. Renewable Energy is 33% of the Total Energy Usage of EHV and MV Switchgear Unit.
- Under the 'Solar as A Service' Model, execution of roof top solar panels (358 kWp) for HV and MV Switchgear plants based at Aurangabad were carried out and achieved energy conservation of 4.48 Lakh units and cost savings of ₹ 19.17 Lakhs

3 CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

Industrial

M6 stamping installed 125 T Min xu high Speed press which will help in better KWH/MT of stamping. The capital investment for the same was ₹ 1.31 crores.

Railway

New Balancing Machine has been installed with >50% reduced power consumption per AC Traction Motor.

Power

- Capital investment of ₹ 14 Lakhs and ₹ 3.0 Lakhs was made in financial year 2023-24 by Power Transformer Division - Bhopal and Distribution Transformer plants - Gwalior respectively.
- EHV and MV Switchgear division based at Nashik plant has done investment of ₹ 10 Lakhs on Energy Conservation Equipments in FY 23-24.

B. TECHNOLOGY ABSORPTION

1. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

Industrial

- LIM introduced slip ring motors with carbon brush length monitoring system and infra-red temperature sensor for slip ring, this will eliminate breakdown time at process industries
- Hazardous area product range extension - Ex eb upto 6.6kV and Ex ec upto 11kV for gas group IIC (hydrogen atmosphere) with indigenous development
- Successfully developed 3MW DFIG, ready to serve wind industry to contribute to renewal energy generation

- Developed cost effective IE2+ and IE3 series A3 and A4 motors at Unit 1.
- Successfully implemented alternator 160/200 frame sheet metal series at Unit 1.
- Developed cost effective FF series motors at Unit 1.

DAI

- Installed automated wave soldering machine for Eco (PCBA) thereby reduction on cost of Eco board.

Railway

- Indigenously designed and developed Auxiliary Power Converter and Traction Motor for on Board MEMU (Mainline Electric Multiple Unit).
- Indigenously designed and developed Traction Converter, Bogie, Traction Rod Assembly developed and tested
- Indigenously designed, developed, type tested and supplied Traction Motor for Metro application.
- Indigenously designed, developed, tested and supplied 5 Module Traction Converter after 5000 KM of field validation.
- Indigenously designed, developed, tested and supplied set of Electrical Panels for LHB EOG/ HOG Garib Rath type AC Coaches.
- Indigenously designed, developed, tested and prototype supplied BLDC Industrial Application Fans
- Indigenously designed, developed, tested and prototype supplied hack drive (secondary drive with 220 mm point machine) for Point Machine.

Power

In Power Transformer plant based at Bhopal following efforts were made:

- Up-gradation of reactor technology.
- Development of special transformers for Railway application.
- Knowledge and skill up-gradation in application of simulation software for product validation.
- Widened spectrum of FEA simulation tools to cover unexplored product aspects
- Engagement with international experts to improve know-how

And in Distribution Transformer plant based at Gwalior following efforts were made:

- For Solar Application, Inverter duty transformer of 12.5 MVA 33/0.630*4 kV, 5 Winding with Aluminium Foil wound. Successful completion of Short Circuit Test.
- Introduction of new technology Cladded Copper Aluminum Conductor: CCAC Bus Bar in place of Solid Bus Bar
- Implementation of temperature measurement arrangement in cable boxes and self-communicating type monitoring devices in Power Transformers
- Implementation of 3D software for structural designing.
- New design practice introduced for direct flow of oil resulting in higher cooling efficiency, Lead time reduction in HV Winding Manufacturing Process using Contra shield winding. Change in shunt arrangement resulting in process time reduction.

Switchgears:

- Resin impregnated paper technology for bushings.
- Study of reliability and life expectancy of insulating kraft paper.
- Ring analysis of insulating oil and its effect on the life of instrument transformers.
- Derive current density of copper rod for temperature rise requirement of high current bushings
- Development of Eco-friendly 12 kV RMU
  - The development is in progress with a partial success and expected to be completed by FY25.
- Cyber Security features are implemented in Aegis series CG make Protection Relays.
- IoT based smart condition monitoring solutions for SF6 Gas monitoring in Switchgear.

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

Industrial

- Use of alternate grade of electric steel for cost optimization.

- Cost optimized IE2+ Range and IE3 in 160kW and above with superior designs launched
- In DC machines, launched NextGen series with improved serviceability and aesthetics for 315 frames and above
- Unit 2 achieved design optimization in Aluminum frame by reduction lead wire size.
- At Unit 3, 10 to 12% motor weight reduction achieved through design optimization in selective frames in M1 Range Entice Series
- Development and Productionisation of new IE2 Entice series for M1 Range of Motors with better aesthetics and cost optimization From Oct'23 Onwards.

DAI

- DAI has achieved savings of ₹ 2.5 crores through the VAVE (Value Analysis and Value Engineering) of Microdrives. This accomplishment will also enhance our competitiveness against Chinese players in the Indian market

Railway

- Achieved entry into growing Metro Market.
- Achieved presence in growing export Traction Motor Market (Africa)
- Initiated and implemented import substitution of Electronic Components for Traction Converters that resulted in Material Cost Savings by 5%.
- 5% Material Cost Savings achieved by Strategic Sourcing Initiatives, Long Term Contracts with Suppliers, Enhancing In-house manufacturing of key components

Power

The benefits derived from these efforts are:

- Development of new products in line with business needs and market trends
- Design Optimization for size and cost reduction.
- Improved quality and reliability in terms of test bed and field performance.
- Reduction in Lead time and Process time.

3 IMPORTED TECHNOLOGY

The data for details of the technology imported is given in Table 1.

01 IMPORTED TECHNOLOGY

Details of Technology Imported	Year of Import	Whether the Technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
NIL			

4 EXPENDITURE ON R&D

The Company's expenditure on Research & Development on standalone basis for the year ended 31 March, 2024 is given in Table 2.

02 EXPENDITURE ON R&D (in ₹ crores)

Particulars		Amount
A	Capital	14.45
B	Revenue	33.24
C	Total (A+B)	47.69
Total R&D Expenditure		
As a percentage of turnover (continuing operations)		0.63%
As a percentage of profit before tax (continuing operations)		3.70%

5. FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange earned and used by the Company during the year under review is given in Table 3.

03 FOREIGN EXCHANGE EARNINGS & OUTGO (in ₹ crores)

Particulars	Amount
Total Foreign Exchange Earned	557.90
Total Foreign Exchange Used	478.85

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN: 01138759)

Mumbai, 6 May, 2024

20241031056696

ANNEXURE 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES FOR FINANCIAL YEAR 2023-24

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

CSR POLICY

CG Power and Industrial Solutions Limited is committed to upholding the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. We believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. Therefore, our philanthropic endeavours are a reflection of our spiritual conscience and this provides us a way to discharge our responsibilities to the various sectors of the society.

The Company shall seek to impact the lives of the underprivileged by supporting and engaging in activities that aim to improve their well-being. We are dedicated to the cause of empowering people, educating them and in improving their quality of life. While we will undertake programme based on the identified needs of the community, education and healthcare shall remain our priority. Across the different programme areas identified by the Company, it would be our endeavour to reach the underprivileged and the marginalised sections of the society to make a meaningful impact on their lives.

We are committed to identifying and supporting programmes aimed at:

- Empowerment of the underprivileged sections of the society through education, access to and awareness about financial services and the like,
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like,
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programmes;
- Promotion of sports through training of sports persons,
- Undertake rural development projects;
- Any other programme that falls under our CSR Policy and is aimed at the empowerment of underprivileged sections of the society;
- Any other programme that falls under Schedule VII of the Companies Act, 2013

2. COMPOSITION OF CSR COMMITTEE

As on the date of this report, the CSR Committee comprises of the following Members:

Sl. No.	Name of Member	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. M A M Arunachalam	Chairman, Non-Executive Director	3	3
2.	Mrs. Vijayalakshmi Rajaram Iyer	Member, Independent Director	3	3
3.	Ms. Sasikala Varadachari	Member, Independent Director	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

https://www.cpglobal.com/about_csr

4. Provide the Executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable.

Not applicable.

5. (a) *Average Net Profit of the Company as per Section 135(5): ₹ 449.90 crores.*

(b) Two percent of average net profit of the Company as per Section 135(5): ₹ 9 crores

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

(d) Amount required to be set off for the financial year, if any: - Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] - ₹ 9 crores

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ 9 crores

(b) Amount spent in Administrative Overheads - Nil

(c) Amount spent on Impact Assessment, if applicable - Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] - ₹ 9 crores

(e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (In ₹ Crs)	Amount Unspent (In ₹ Crs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (6) of Section 135.		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
9	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (In ₹ Crs)
(1)	(2)	(3)
(i)	Two percent of average Net Profit of the Company as per Section 135(5)	9
(ii)	Total amount spent for the Financial Year	9
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	Nil
(iv)	Surplus arising out of the CSR Projects or Programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii) – (iv)]	Nil

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (In ₹ Crs.)	Balance Amount in Unspent CSR Account under Section 135 (6) (In ₹ Crs.)	Amount spent in the Financial Year (In ₹ Crs)	Amount transferred to a fund specified under Schedule VII as per second proviso to Section 135(5), if any.		Amount remaining to be spent in succeeding Financial Years (In ₹ Crs.)	Deficiency, if any
					Amount (In ₹ Crs.)	Date of transfer		
1	FY-1							
2	FY-2			NIL				
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

If Yes, enter the number of Capital assets created/ acquired - Refer table below

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (In ₹ crores)	Details of Entity/ Authority/ Beneficiary of the Registered Owner		
					(6)		
					CSR Registration Number, if applicable	Name	Registered Address
(1)	(2)	(3)	(4)	(5)			
1	Infrastructure and facilities upgradation (Benches, Tables, Chairs, Fans, Water Cooler, Water Purifier, Computer, Printer, Projector, etc.) at Zilla Parishad Schools in some villages of Ahmednagar	414111 414001 414005 413802 414001	December 2023	0.23	NA	Zilla Parishad Schools	Zilla Parishad Schools in the villages of Nagapur, Pimpalgaon Mahi, Renukanagar, Borlegaon, Kedgaon, Shivaji Nagar (Kalyan Road), Shingave Mala, Kalyachi Wadi, Deware and Bendgaon
2	Infrastructure and facilities upgradation (Benches, Tables, Chairs, Fans, Water Cooler, Water Purifier, Computer, Printer, Projector, etc.) at Zilla Parishad Schools in some villages of Ahmednagar	414111 414005	January 2024	0.03	NA	Zilla Parishad Schools	Zilla Parishad Schools in the villages of Nimbak, Kanjune Khare, Nepti and Nokar Vasti
3	Rebuilding and setting up a welding unit with equipments for training purpose in a Government certified Industrial Training Institute at Ahmednagar	414001	January 2024	0.46	NA	Government Industrial Training Institute, Ahmednagar	Chanakya Chowk, Bundgaon Road, Ahmednagar
4	Infrastructure and facilities upgradation (Benches, Tables, Chairs, Fans, Water Cooler, Water Purifier, Computer, Printer, Projector, etc.) at Zilla Parishad Schools in some villages of Ahmednagar	414005 414110 414002 414102 414101 413705	February 2024	0.07	NA	Zilla Parishad Schools	Zilla Parishad Schools in the villages of Shivaji Nagar (Kedgaon), Walkodi, Pedampanwadi, Shahunagar, Handore Vasti, Ghosputi, Gajanan Vasahat, Shirapur, Mane Mala, Kotal Mala, Hanal Mala and Vadgaon
5	Infrastructure upgradation (construction of new classrooms and provision of facilities) at a Zilla Parishad School in Shivaji Nagar, Ahmednagar	413802	March 2024	0.44	NA	Zilla Parishad School	Shivaji Nagar, Kalyan Road, Ahmednagar
6	Infrastructure and facilities upgradation at a Primary School situated at Chandgiri, Nashik	422102	March 2024	0.27	NA	Chandgiri Gram Panchayat	Chandgiri Gram Panchayat, Nashik

9. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per sub-section (5) of section 135 - Not Applicable

M A M Arunachalam
Chairman, CSR Committee
(DIN 00202958)

Natarajan Srinivasan
Managing Director
(DIN 09123336)

Mumbai, 6 May, 2024

ANNEXURE 3

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Note: The information provided below is on stand-alone basis of the Company

1. Details of the ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year ended 31 March, 2024 are provided in Table 1.
2. Details of percentage increase/decrease in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the financial year under review are provided in Table 1.
3. The median remuneration of employees increased by 17.32% as compared to previous financial year.
4. The number of permanent employees on the rolls of the Company as on 31 March, 2024: 3,113 (as against 2,771 as on 31 March, 2023)
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

   Average increase in salary of Company's employees is 18.74% other than the Managerial personnel. On the other hand, the managerial remuneration decreased by (33.43)% in FY 2023-24 as compared to FY 2022-23. However, this is not comparable for the reason mentioned in the Notes appended to Table 1 below.

6. Remuneration is as per the Remuneration Policy of the Company

01 Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the financial year ended 31 March, 2024 and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year under review:

Sr. No.	Name of Director/Key Managerial Personnel	Designation	Ratio of remuneration of director to median remuneration of all employees	% increase/(decrease) in comparison to previous financial year
1.	Mr.Vellayan Subbiah	Chairman, Non-Executive Non-Independent Director	3.14	29.76
2.	Mr. Natarajan Srinivasan	Managing Director	114.73	(33.43)
3.	Mr M A M Arunachalam	Non-Executive Non-Independent Director	2.92	46.27
4.	Mr. P.S.Jayakumar	Non-Executive Independent Director	2.90	29.56
5.	Ms. Sasikala Varadachari	Non-Executive Independent Director	3.01	36.60
6.	Mr. Sriram Sreeram	Non-Executive Independent Director	2.69	39.55
7.	Mr. Kalyan Kumar Paul	Non-Executive Non-Independent Director	2.52	40.00
8.	Mrs. Vijayalakshmi R Iyer	Non-Executive Independent Director	2.59	#
9.	Mr. Susheel Todi	Chief Financial Officer	37.17	18.22
10.	Mr. Sanjay Kumar Chowdhary*	Company Secretary	7.32	@
11.	Mr. P Varadarajan **	Company Secretary	-	#

@ Part of FY 2023-24
Part of FY 2022-23
* Appointed as Company Secretary w.e.f. 9 May, 2023
** Ceased to be a Company Secretary w.e.f. 8 May, 2023

Notes:

1. For the aforesaid purposes, median remuneration has been computed by ascertaining the cost to Company of all employees as on 31 March, 2024, in all categories, whether workmen or white collar employees. Remuneration includes variable pay paid during the year under review.
2. The deemed benefit on exercise of options under the Company's ESOP Plan 2021 has not been considered as there is no cost to the Company.
3. The remuneration of Non-Executive Directors includes the amount of Commission in addition to sitting fees for both the financial years. The commission approved for the FY 2023-24 will be payable during the FY 2024-25.
4. The remuneration of Managing Director for the FY 2022-23 included a special incentive paid to him of Rs. 5 crores. Hence, the remuneration % shows a decrease over the previous financial year.

On behalf of the Board of Directors
Vellayan Subbiah
Chairman
(DIN 01139759)
Mumbai, 6 May, 2024

202410310569?

ANNEXURE 4
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2024

(PURSUANT TO SECTION 204 (1) OF THE COMPANIES ACT, 2013 AND RULE NO. 9 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014)

To,
The Members,
CG Power and Industrial Solutions Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, and to the extent made available to us and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31 March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31 March, 2024 according to the provisions of:

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

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

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

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

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;(Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws specifically applicable to the Company namely

a. The Electricity Act, 2003 and Rules

b. Explosives Act, 1884 and Rules

c. Batteries (Management and Handling), Rule 2001

d Petroleum Act, 1934 and rules

e. The Energy Conservation Act, 2001

f. The Air (Prevention and Control of Pollution) Act, 1981 and corresponding rules.

g The Contract Labour (Regulation and Abolition) Act, 1970 and corresponding state rules

h The Environment (Protection) Act, 1986 and corresponding rules.

i The Factories Act, 1948 and corresponding rules

j The Industrial Disputes Act, 1947 and corresponding rules.

k. The Apprentices Act, 1961 and corresponding rules

l. The Water (Prevention and Control of Pollution) Act, 1974 and corresponding rules

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system generally exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Decisions at the Board Meetings/ Committee meetings were taken unanimously or by requisite majority, as required

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, as represented by the Company

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc :

1. Company has during the period under review, allotted 2,01,780 equity shares under the ESOP Scheme 2021 to the option grantees who had exercised their options

2. The Board of Directors at their Meeting held on 23 January, 2024, declared an interim dividend of ₹ 1.30 (Rupees One and Paise Thirty only) (65%) per equity share of ₹ 2/- (Rupees Two only) each. The interim dividend was paid to the shareholders on 21 February, 2024. The total outflow on account of said dividend was ₹ 199.54 Crores

3. The Company with an intent to establish India's Semiconductor ecosystem had on 22 November, 2023 filed an application with the Ministry of Electronics and Information Technology (MeitY), Government of India seeking approval for setting up an Outsourced Assembly and Testing ("OSAT") facility and grant of subsidy under the Modified Programme for Semiconductors and Display Fab Ecosystem Scheme of the Government of India. The Company had on 8 February, 2024 entered into a Joint Venture Agreement ("JVA") and other related documents/ agreements with Renesas Electronics America Inc. ("Renesas") and Stars Microelectronics (Thailand) Public Co. Ltd ("Stars") for setting up the said OSAT facility in India, subject to necessary regulatory and statutory approvals. The Company has received the approval of the Central Government for setting-up of OSAT facility by the Company and the JV partners at Sanand, Gujarat. A Joint Venture Company has been formed under the name and style of "CG Semi Private Limited" as a Subsidiary of the Company on 8 March, 2024 for setting up the OSAT facility

4. On 11th August, 2023, the Company and JC Flowers Asset Reconstruction Company Private Limited ("JCF ARC") (Yes Bank's Assignee) had entered into a Settlement Agreement in respect of recovery case filed by Yes Bank Limited before Debt Recovery Tribunal, Delhi seeking a sum of ₹ 593.10 crores from defendants Nos. 1 to 6, the Company being defendant No. 3 and a criminal complaint filed before the Court of Metropolitan Magistrate at Patiala House, New Delhi for an amount of ₹ 210 crores. Pursuant to the terms of the said Agreement, the Company has made a payment of ₹ 42 crores and JCF ARC has filed an application to unconditionally withdraw the said two cases instituted and pending against the Company, in order to fully discharge the Company from all the obligations whatsoever arising out of the said cases/ litigations. JCF ARC has already withdrawn the case against the Company filed before Debt Recovery Tribunal, Delhi on 14 September, 2023 and it has filed an application before Metropolitan Magistrate at Patiala House, New Delhi for withdrawal of criminal complaint, which is under process

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No. 8331 CP No. 9511
UDIN: F008331F000313570
PR No : 1129/2021

Place: Mumbai
Date: May, 6, 2024

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
CG Power and Industrial Solutions Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion

3 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4 Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc

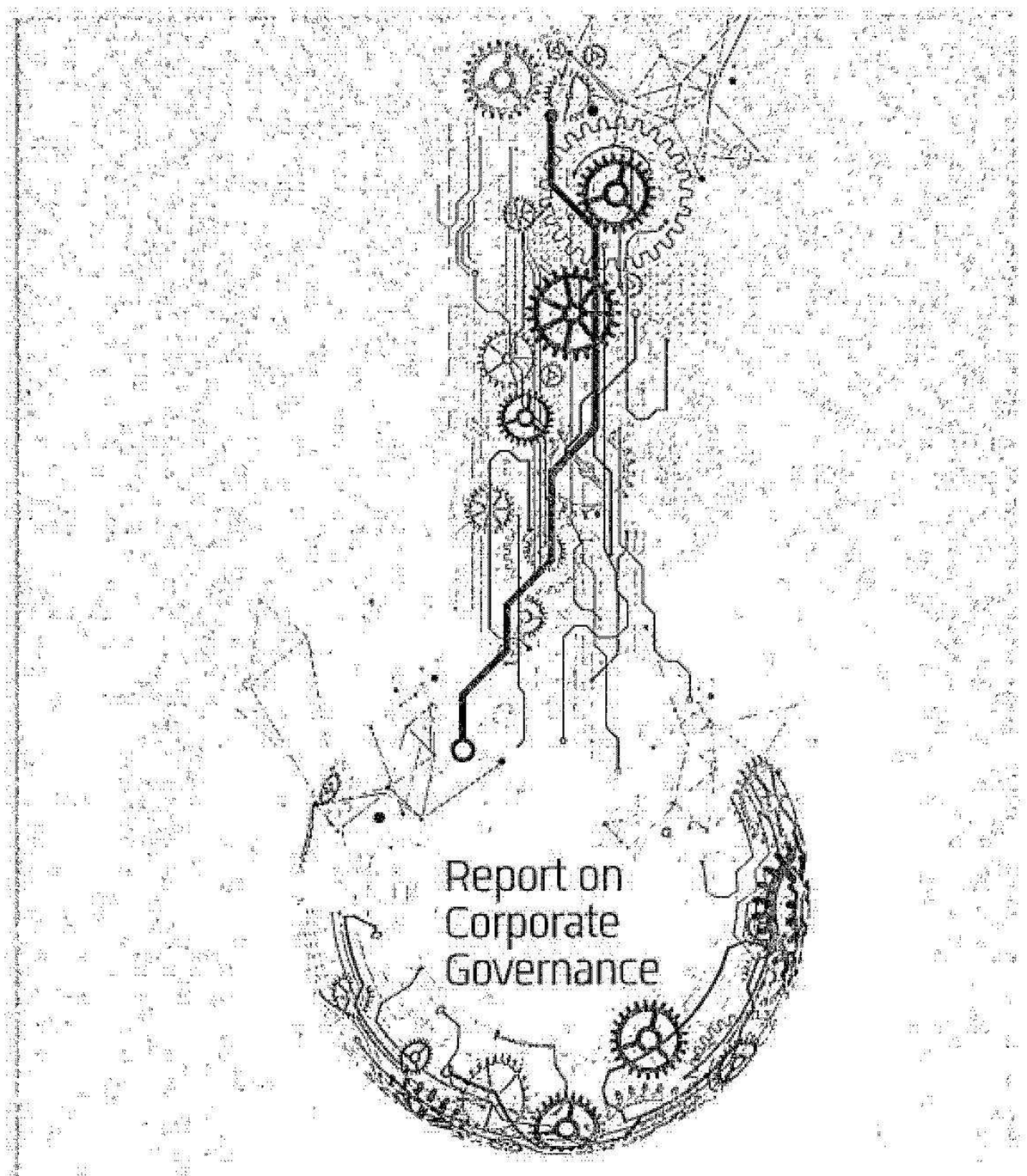
5 The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No. 8331 CP No. 9511
UDIN: F008331F000313570
PR No : 1129/2021

Place: Mumbai
Date: May, 6, 2024



Report on Corporate Governance

A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India in Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company believes that the fundamental objective of Corporate Governance is to enhance the interests of all stakeholders. The Company's Corporate Governance practices emanate from its commitment towards discipline, accountability, transparency and fairness. Key elements in corporate governance are timely and adequate disclosures, establishment of internal controls and high standards of accounting fidelity, product and service quality. Your Company also believes that good Corporate Governance practices help to enhance performance and valuation of the Company.

BOARD OF DIRECTORS COMPOSITION

The composition of the Board of Directors is in conformity with the provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder including SEBI LODR, as amended from time to time. The Board has an optimum combination of Executive/Non-Executive Directors, Woman Directors and Independent Directors with diversified skill sets, professional knowledge and relevant business experience in diverse fields.

As on 31 March, 2024, your Company's Board comprised of 8 Directors, out of which 7 Directors were Non-Executive Directors. The Company has a Non-Executive Chairman. The Company has 4 Independent Directors ("IDs"), including 2 Women IDs, which comprise half of the total strength of the Board.

The Profile of Directors are available on the website of the Company at https://www.coglobal.com/board_of_directors

INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Act, each of the Independent Director has confirmed that he / she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16 of SEBI LODR.

Further, in terms of Regulation 25(8) of SEBI LODR, the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Based on the declarations received from the Independent Directors, the Board is of the opinion that Independent Directors of your Company fulfil the conditions of independence as specified in the Act and SEBI LODR and are independent of the management. They are persons of integrity and possess relevant experience and do not hold, together with their relatives, 2% or more of the voting power in the Company. They are not related to any of the Promoters and Directors of the Company or of its Holding, Subsidiary or Associate companies and are independent of the management.

The Company has received confirmation from all the existing Independent Directors of their registration with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

BOARD MEETINGS

Board Meetings are convened at appropriate intervals with a maximum time gap of not more than 120 days between two consecutive meetings. Notice along with the agenda papers is sent to the Directors in advance. In case of exigencies or urgency of matters, resolutions are passed by circulation for such matters as permitted by law and noted at the subsequent meeting. The Company uses the facility of Video Conferencing, permitted under Section 173(2) of the Act read together with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The Board critically evaluates Company's strategic direction, risks and opportunities, key mergers and amalgamations, investments, financial performance, asset optimization, management policies and their effectiveness. Additionally, the Board reviews the compliance processes, internal control systems, material occurrences, if any, in the areas of environment, health and safety, financial liabilities, regulatory claims and developments in human resources.

Five (5) Board Meetings were held during the year. The dates on which the Meetings were held are as follows:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	8 May, 2023	8	8
2	27 July, 2023	8	8
3	20 October, 2023	8	7
4	23 January, 2024	8	7
5	18 March, 2024	8	8

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the financial year, attendance at the last Annual General Meeting ("AGM"), the number of Directorships and Committee Chairmanships / Memberships held by them in all public limited companies (including this Company) as on 31 March, 2024, are given in Table 1:

Pursuant to provisions of Regulation 17(3) of SEBI LODR, the Board periodically reviews the compliance reports of all laws applicable to the Company.

The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI LODR is made available to the Board of Directors, for discussions and consideration at Board Meetings.

Pursuant to Regulation 27(2) of the SEBI LODR, the Company also submits a quarterly Compliance Report on Corporate Governance to the Stock Exchanges.

Table 1: Composition and attendance details of the Directors and their directorships in other Listed Companies

Name of Director	Category	Attendance Particulars		No. of Representations		
		Board Meeting	Last AGM	Directorship[#]	Committee Chairperson[##]	Committee Membership[##]
Mr. Vellayan Subbiah	Non-Executive, Non-Independent, Chairman	5	Yes	7	1	3
Mr. M A M Arunachalam	Non-Executive, Non-Independent	5	Yes	7	1	5
Mr. Kalyan Kumar Paul	Non-Executive, Non-Independent	5	Yes	1	-	-
Mr. P S Jayakumar	Non-Executive, Independent	5	Yes	10	2	9
Ms. Sasikala Varadachari	Non-Executive, Independent	5	Yes	6	1	5
Mr. Sriram Sivaram	Non-Executive, Independent	5	No	2	-	1
Mrs. Vijayalakshmi R Iyer	Non-Executive, Independent	3	No	9	3	9
Mr. Natarajan Srinivasan	Managing Director	5	Yes	3	3	5

[#] Directorships include directorships as on 31 March, 2024 in only Indian companies (including this Company) but exclude alternate directorships, private companies, limited liability partnership and companies registered under Section 8 of the Companies Act, 2013.

[##] Includes Chairmanship/Membership of only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (including this Company) as on 31 March, 2024.

OTHER DIRECTORSHIPS

As on 31 March, 2024, none of the Directors on the Board hold directorships in more than twenty companies (including ten public limited companies) or is an Independent Director in more than seven listed companies. Further, none of the Director is a member of more than ten Committees or a chairperson of more than five Committees across all public limited companies. For the purpose of determination of limit of the Board Committees, the chairpersonship / membership of only the Audit Committee and the Stakeholders' Relationship Committee have been considered as provided in Regulation 26(1) (b) of SEBI LODR. Further, the Directorship of Directors is in conformity with Regulation 17A of SEBI LODR.

Names of other listed entities where Directors of the Company hold directorship and the category of such directorship as on 31 March, 2024 are given in Table 2:

Table 2: Directorship held in other Listed Companies as on 31 March, 2024

Name of the Director	Directorship in other Listed Companies	Category
Mr. Vellayan Subbiah	SRF Limited	NENI
	Tube Investments of India Limited	EVC
	Cholamandalam Financial Holdings Limited	NENI
	Cholamandalam Investment and Finance Company Limited	NENIC
Mr. M A M Arunachalam	Shanthi Gears Limited	NENIC
	Tube Investments of India Limited	EC
	Cholamandalam Investment and Finance Company Limited	NENI
Mr. Kalyan Kumar Paul	-	-

Table 2: Directorship held in other Listed Companies as on 31 March, 2024

Name of the Director	Directorship in other Listed Companies	Category
Mr. P S Jayakumar	Adani Ports and Special Economic Zone Limited	NEI
	JM Financial Limited	NEI
	HT Media Limited	NEI
Ms. Sasikala Varadachari	Sundaram-Clayton Limited	NEI
	Tube Investments of India Limited	NEI
	TVS Holdings Limited	NEI
Mrs. Vijayalakshmi R Iyer	Glenmark Pharmaceuticals Limited	NEI
	Computer Age Management Services Limited	NEI
	ICICI Securities Limited	NEI
	Aditya Birla Capital Limited	NEI
Mr. Sriram Sivaram	-	-
Mr. Natarajan Srinivasan	Godrej Agrovet Limited	NEI
	Computer Age Management Services Limited	NEI

- Non-Executive Non-Independent - NENI
- Non-Executive Independent - NEI
- Executive Vice Chairman - EVC
- Executive Chairman - EC
- Non-Executive Non-Independent Chairman - NENIC

SELECTION AND APPOINTMENT OF DIRECTORS

The Nomination and Remuneration Committee ascertains the qualification, expertise and experience of the person being considered for appointment as Director and recommends the appointment to the Board. In case of appointment of an Independent Director, such person shall additionally meet the requirements as stipulated in Section 149 of the Act read with Schedule IV of the said Act and Regulation 16 of the SEBI LODR.

In terms of the requirement of Regulation 46(2)(b) of the SEBI LODR and Schedule IV of the Act, your Company has issued formal letters of appointment to the Independent Directors. The terms and conditions of such appointment are available on the Company's website and can be accessed at https://www.coglobal.com/assets/pdf_files/TandC_IndependentDirectorsAppt.pdf

BOARD EFFECTIVENESS EVALUATION

The annual performance evaluation was carried out pursuant to the provisions of the Act and the SEBI LODR. As part of the performance evaluation process, an evaluation questionnaire based on the relevant criteria was circulated to all the Board Members, in advance. The Directors evaluated themselves, the Chairman, the Managing Director, other Board Members, the Board as well as the functioning of the Board Committees viz., Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee based on well-defined evaluation parameters as set out in the questionnaire. The duly filled in questionnaires were received back from the Chairman and all the other Directors. The Board reviewed the process of evaluation of the Board of Directors and its Committees including the Managing Director and the individual Directors.

INDEPENDENT DIRECTORS' MEETING

Independent Directors' Meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulations 25(3) and 25(4) of SEBI LODR was convened on 15 March, 2024, inter-alia to review the performance of Non-Independent Directors and the Board as a whole and review the performance of the Chairman for FY 2023-24 and the flow of information between the Board and the Management. All Independent Directors were present at the said Meeting.

DIRECTORS' SHAREHOLDING AND RELATIONSHIP INTER-SE

As on 31 March, 2024, except Mr. M A M Arunachalam and Mr. Kalyan Kumar Paul who held 2,20,920 equity shares and 30,000 equity shares of the Company, respectively, none of the other Directors held any shares in the Company. Further, none of the Directors on the Board is related to each other.

DIRECTORS' INDUCTION AND FAMILIARISATION

Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI LODR, your Company has in place the practice of familiarising the Independent Directors about Company's business through induction and regular updates. The program aims to provide information on your Company's background, operations, procedures and policies, director's roles, responsibilities, rights and duties under the Act and other statutes. The Board Members are provided with necessary documents, brochures, forms, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Board Members are appraised on operations, strategic and future plans of the Company through the business review meeting as well as the quarterly Board Meetings.

The details of familiarisation programme imparted to the Independent Directors can be accessed on the Company's website at https://www.coglobal.com/assets/pdf_files/Familiarisation_Programme_for_Independent_Directors.pdf

CORE SKILLS / EXPERTISE / COMPETENCE

The present Board comprises of qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board.

- Financial Management
- Global Business Environment perspective
- Business Leadership
- Technology
- Mergers and Acquisitions
- Board Insights

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skills identified by the Board as above. The Directors of your Company possess experience and knowledge in diverse fields and they take active participation at deliberations in the meetings.

The mapping of the skills mentioned above for all the Directors is as follows:

Skills/ Expertise /Competencies	Name of the Directors							
	VS	MAM	KKP	PSJ	SV	VRI	SS	NS
Financial Management	✓	✓	-	✓	✓	✓	✓	✓
Global Business Environment perspective	✓	✓	✓	✓	✓	✓	✓	✓
Business Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Technology	✓	✓	✓	-	-	-	✓	✓
Mergers and Acquisitions	✓	✓	-	✓	✓	-	✓	✓
Board Insights	✓	✓	✓	✓	✓	✓	✓	✓

VS - Vellayan Subbiah
MAM - M A M Arunachalam
KKP - Kalyan Kumar Paul
PSJ - P S Jayakumar
SV - Sasikala Varadachari
VRI - Vijayalakshmi R Iyer
SS - Sriram Sivaram
NS - Natarajan Srinivasan

THE COMMITTEES OF THE BOARD

Given below are the composition and the terms of reference of various Committees constituted by the Board, inter-alia including the details of meetings held during the year and attendance thereat. All Committee decisions are taken, either at the meetings of the Committee or by passing of Circular Resolutions. The Company Secretary acts as the Secretary for all Board constituted Committees. During the financial year under review, all recommendations made by the various Committees have been accepted by the Board. The Chairman of each Committee briefs the Board on the significant discussions that have taken place at its meeting. The Minutes of the meetings of all Committees of the Board are placed before the Board for noting.

AUDIT COMMITTEE

The composition of the Audit Committee ("AC") of the Board of Directors is in compliance with the provisions of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of SEBI LODR, including the scope and terms of reference.

As of 31 March, 2024, the AC comprised of 3 Non-Executive Directors of which 2 are Independent Directors, who are financially literate and have relevant finance exposure.

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The composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. P S Jayakumar	Chairman	Non-Executive, Independent	5
Ms. Sasikala Varadachari	Member	Non-Executive, Independent	5
Mr. Vellayan Subbiah	Member	Non-Executive, Non- Independent	5

TERMS OF REFERENCE:

The terms of reference of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
- Recommending the appointment, removal and terms of appointment of external auditors, fixation of audit fees and also approval of payment for any other services
- Reviewing and monitoring the external auditor's independence and performance, and effectiveness of audit process
- Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices
  - Major accounting entries based on exercise of judgment by management
  - *Qualifications in the draft audit report*
  - Significant adjustments arising out of the audit
  - The going concern assumption
  - Compliance with accounting standards
  - Compliance with stock exchange and legal requirements concerning financial statements
  - Any related party transactions i.e. transactions of the Company of a material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the larger interests of the Company
  - Matters to be included in the Directors Responsibility Statement included in the Board Report
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Reviewing the adequacy of internal control systems with the management, external and internal auditors
- *Reviewing the quarterly financial statements before submission to the board for approval*
- Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the executive heading the department, reporting structure, coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings in their reports and follow up thereon
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, expenditure of an extravagant nature, and reporting the matter to the Board of Directors
- Discussions with the external auditors before the audit commences, as regards the nature and scope of audit as well as have post-audit discussions to ascertain any areas of concern
- To look into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing, with the management, the application of funds raised through any issue, funds utilized for purposes other than those stated in the offer documents and the report submitted by the monitoring agency monitoring the utilisation of proceeds of the issue, and making appropriate recommendations to the Board to take up steps in this matter
- Reviewing the functioning of the Vigil Mechanism such as Whistle Blower or any other similar mechanism of the Company which may have been implemented
- Approving appointment of Chief Financial Officer or any other person heading the finance function

- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

Five (5) Audit Committee Meetings were held during the financial year. The dates on which the Meetings were held are as follows:

Sr. No.	Date of AC Meeting	Member Strength	No. of Members Present
1.	5 May, 2023	3	3
2.	26 July, 2023 (Original Meeting) & 27 July, 2023 (Adjourned Meeting)	3	3
3	20 October, 2023	3	3
4	23 January, 2024	3	3
5	18 March, 2024	3	3

Members of the AC have wide exposure and knowledge in the areas of finance and accounting. The Managing Director, Chief Financial Officer and representatives of the Statutory Auditors attend the meetings of AC as invitees.

The external firm appointed by the Company to carry out internal audit, reports to AC. The AC provides assurance to the Board on the effectiveness of the Company's internal control environment. The AC monitors the financial reporting processes and other processes as per the regulatory requirements and functions in accordance with the terms of reference approved by the Board of Directors.

Your Company's management has taken all efforts to ensure that proper systems are in place to monitor the effectiveness of internal controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations, and the reliability of financial reporting.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a duly constituted Nomination and Remuneration Committee ("NRC") in compliance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of SEBI LODR, including the scope and terms of reference.

As on 31 March, 2024, the NRC comprised of 3 Non-Executive Directors of which 2 are Independent Directors. The composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. P S Jayakumar	Chairman	Non-Executive, Independent	2
Mr. Vellayan Subbiah	Member	Non-Executive, Non-Independent	2
Mrs. Vijayalakshmi R Iyer	Member	Non-Executive, Independent	2

The role of the NRC *inter-alia* includes the following:

- Formulate evaluation policies for performance appraisal of senior management and remuneration of Directors, Key Managerial Personnel and senior management.
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Review and recommend to the Board all remuneration payable to senior management.
- Review all major aspects of HR processes, including hiring, training, talent management, succession planning and the compensation structure of the Directors and senior management.
- Identify persons who can be considered as Directors and who may be appointed in senior management.
- Evaluate each Director's performance.
- Set up a policy on Board diversity.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

Two (2) Nomination & Remuneration Committee Meetings were held during the year. The dates on which the Meetings were held are as follows:

Sr. No.	Date of NRC Meeting	Member Strength	No. of Members Present
1	8 May, 2023	3	3
2	27 July, 2023	3	3

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Pursuant to the provisions of the Act and SEBI LODR, the performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee which *inter-alia* includes contribution to the Board, safeguarding stakeholder interest, knowledge of Company's strategy and objectives, etc.

REMUNERATION OF DIRECTORS

I. Remuneration of Managing Director

Managing Director is paid remuneration as per the terms and conditions of his appointment in compliance with the Company's Remuneration Policy in force from time to time, and subject to applicable provisions of the Act and Rules made thereunder, read with Schedule V of the Act and approval of the Shareholders.

The details of remuneration paid to the Managing Director for the year ended 31 March, 2024 is as follows:

(Amount in ₹)

Name	Salary and Allowances	Perquisites and Contribution	Variable Pay, High Performance Bonus and Special Incentive	Total
Mr. Natarajan Srinivasan, Managing Director	3,69,71,232	71,66,036	3,56,00,000	7,97,37,268

Note 1: No severance pay is payable. Service contract and notice period are as per the terms of agreement entered into with him by the Company.

Note 2: During the year under review, a sum of ₹ 1.78 crores was paid towards incentive/ variable pay and ₹ 1.78 crores was paid towards high performance bonus for the year 2022-23. Provisions for the said amounts were made in the accounts for that year.

Note 3: During the year under review, Mr. Natarajan Srinivasan, Managing Director, was granted 6,79,710 Options, pursuant to Employee Stock Option Scheme 2021 at an exercise price of ₹ 365.55 per equity share, being the market price.

II. Remuneration of Non-Executive Directors

During the year under review, your Company had no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fees for attending the Board and Committee meetings, within the limits as approved by the Board and commission.

The details of sitting fees and commission paid to Non-Executive Directors for the year ended 31 March, 2024 are as follows:

Name of the Director	Sitting fees (Amount in ₹)	Commission (Amount in ₹)*
Mr. Vellayan Subbiah	6,80,000	15,00,000
Mr. M A M Arunachalam	4,60,000	15,00,000
Mr. Kalyan Kumar Paul	2,50,000	15,00,000
Mr. P S Jayakumar	5,60,000	15,00,000
Ms. Sasikala Varadachari	5,90,000	15,00,000
Mr. Sriram Sivaram	3,70,000	15,00,000
Mrs. Vijayalakshmi R Iyer	3,00,000	15,00,000

* For the year 2023-24, payable in the year 2024-25.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition of the Corporate Social Responsibility ("CSR") Committee is in line with the provisions of Section 135 of the Act.

As on 31 March, 2024, the CSR Committee comprised of 3 Non-Executive Directors of which 2 are Independent Directors.

The composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. M A M Arunachalam	Chairman	Non-Executive, Non-Independent	3
Ms. Sasikala Varadachari	Member	Non-Executive, Independent	3
Mrs. Vijayalakshmi R Iyer	Member	Non-Executive, Independent	3

Your Company's CSR Policy, as adopted by the Board, articulates its CSR principles of responsible corporate citizenship envisaging inclusive growth, diversity and equitable development, making sustained efforts at environment preservation, working with under-served communities around its operating locations and preserving the ecosystem that supports your Company.

The CSR Committee recommends, and the Board approves, the CSR expenditure budget and project plan. CSR projects of the Company are approved by the Board based on the recommendation of the CSR committees. The Committee reviews CSR expenditure, activities undertaken and milestones achieved.

Three (3) CSR Meetings were held during the year. The dates on which the Meetings were held are as follows:

Sr. No.	Date of CSR Meeting	Member Strength	No. of Members Present
1	6 May, 2023	3	3
2	19 October, 2023	3	3
3	8 December, 2023	3	3

The details of CSR spending done by the Company during the FY 2023-24 are mentioned in the 'Annual Report on CSR Activities', which is annexed to the Directors' Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition of the Stakeholders' Relationship Committee ("SRC") constituted by the Board of Directors is in compliance with the provisions of Regulation 20 read with Part D of Schedule II of SEBI LODR and Section 178 of the Act, including the scope, role and terms of reference.

As on 31 March, 2024, the SRC consisted of four Directors, of which three are Non-Executive Directors.

The Composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. Vellayan Subbiah	Chairman	Non-Executive, Non-Independent	1
Mr. M A M Arunachalam	Member	Non-Executive, Non-Independent	1
Mr. Natarajan Srinivasan	Member	Managing Director	1
Mr. Sriram Sivaram	Member	Non-Executive, Independent	1

One (1) Stakeholder Relationship Committee Meeting was held during the year. The date on which the Meeting was held is as follows:

Sr. No.	Date of SRC Meeting	Member Strength	No. of Members Present
1	26 February, 2024	4	4

Reports at periodic intervals are placed before the Board providing the number and category of shareholder complaints received and the status of their resolution. In order to expedite the process, the Board of Directors has also delegated authority to the Company Secretary to approve the *service requests such as share transmission, sub-division, etc.*

Details of investor complaints received and redressed during FY 2023-24 are as follows:

Opening Balance	--
Received During the Year	16
Resolved During the Year	15
Closing Balance	1

These complaints were related to non-receipt of share certificates sent for Transfer/ Demat, non-receipt of dividend, non-receipt of Annual Report, complaint with respect to processing of shares and dividend transferred to IEPF, transmission of shares, KYC updation, and legal notice in relation to transmission case. None of the Complaints were pending for a period exceeding 30 days. All requests for transfer of shares have been processed on time and there are no transfers pending for more than 15 days.

The Company Secretary acts as Secretary to this Committee.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") is constituted in compliance with the provisions of Regulation 21 of SEBI LODR in order to manage the risk associated with the Company.

As on March 31, 2024, the RMC consisted of the following four Directors and a senior employee of the Company:

Name	Designation	Category	Attendance
Mr. Vellayan Subbiah	Chairman	Non-Executive, Non-Independent	3
Mr. Sriram Sivaram	Member	Non-Executive, Independent	3
Mr. M A M Arunachalam	Member	Non-Executive, Non-Independent	3
Mr. Natarajan Srinivasan	Member	Managing Director	3
Mr. Ramesh Kumar	Member	President - Industrial Systems	3

Terms of reference:

(1) To review and recommend for Board's approval the risk profile and risk appetite for the Company.

(2) To review the risk management policy as read in conjunction with Risk Management Framework which shall include:

(a) A Risk Management framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, risk covering ESG and BRSR reporting), information, cyber security risks or any other high-risk as may be determined by the Committee.

(b) Measures for risk response including systems and processes for internal control of identified risks.

(c) Business Continuity Plan.

(3) To review and approve the Enterprise Risk Management (ERM) framework of the Company on a periodic basis. The Committee shall review the risk management culture, processes, and practices of the Company.

(4) To monitor and oversee implementation of the ERM policy and ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, which shall include,

(a) Defining the calendar for review of existing risks for each of the key business divisions/ functions with the objective to refresh the key risks at defined periodicity.

(b) Reviewing the key risks and associated response plans for the enterprise at defined periodicity.

(c) Propose enhancements to the ERM system, including those required in adherence to changes in regulatory requirements.

(5) To ensure risk assessment and response procedures are implemented which shall include:

(a) Formulate measures for risk response.

(b) Oversee the development and implementation of Business Continuity procedures and guidelines;

(c) Monitor and review the exposures of the enterprise level key risk(s), and assess management preparedness to deal with the risk and associated events.

(d) Ensure that the Company is taking appropriate measures to achieve prudence balance in risk and reward in both ongoing and new business activities.

(6) To keep the Board informed about the nature and content of the Risk Management Committee discussions, recommendations, and actions to be taken. Engage other stakeholders in the risk management process when the need is identified.

(7) To advise the Board on the effectiveness of the risk management systems at least annually.

(8) To periodically review the risk management policy, at least once in two years and recommend to Board for approval.

(9) The appointment, removal and terms of remuneration of the Chief Risk Officer (CRO), if any, shall be subject to review by the Committee.

(10) The Committee may form and delegate authority and responsibility to an executive sub-committee, which shall assist the Committee to manage the ERM activities.

(11) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

(12) Perform any other activities as prescribed under the Listing Regulations and other applicable laws.

Three (3) Risk Management Committee Meetings were held during the year. The dates on which the Meetings were held are as follows:

Sr. No.	Date of RMC Meeting	Member Strength	No. of Members Present
1	13 June, 2023	5	5
2	29 November, 2023	5	5
3	26 February, 2024	5	5

PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR

The details of the Senior Management are as under:

1. Mr. Natarajan Srinivasan, Managing Director
2. Mr. Susheel Todi, Chief Financial Officer
3. Mr. Ramesh Kumar, President - Industrial Systems
4. Mr. Mukul Srivastava - President - Switchgear Business
5. Mr. Chidambaram Balakrishnan - Vice President - Head Railways Business
6. Mr. Ajay Jain, Vice President - Head Transformer Business
7. Mr. Suchir Kulkarni, Vice President - Head HR
8. Mr. Sanjay Kumar Chowdhary, Company Secretary

During the year under review, following changes took place in the Senior Management of the Company.

1. Consequent to the resignation of Mr. P Varadarajan, Company Secretary and Compliance Officer with effect from close of business hours on 8 May, 2023, Mr. Sanjay Kumar Chowdhary has been appointed as Company Secretary and Compliance Officer with effect from 9 May, 2023.
2. Mr. Ajay Jain has been appointed as Vice President, Transformer Business with effect from 18 July, 2023.
3. Effective 1 September, 2023, Mr. Ranjan Singh, Executive Vice President - Railways who was heading the Railway Business of the Company, was moved to a new role and designated as Executive Vice President - Business Excellence & New Initiatives and Mr. Chidambaram Balakrishnan, Vice President - Railways took over as Head of the Railway Business. Further, Mr. Ranjan Singh resigned from the services of the Company with effect from close of business hours on 1 January, 2024.

CODE OF CONDUCT AND BUSINESS PRACTICES

Your Company has adopted 'Code of Conduct and Business Practices' in terms of Regulation 17(5) of the SEBI LODR. Pursuant to Regulation 26(3) of the SEBI LODR, all the Board Members and Senior Management of the Company as on 31 March, 2024 have affirmed compliance with the Code of Conduct. The said Code of Conduct is available on the website of the Company.

The certificate required under Regulation 34 read with Schedule V of SEBI LODR stating that the Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct, signed by Mr. Natarajan Srinivasan, Managing Director, is annexed at the end of this Report.

Pursuant to the provisions of Regulations 8 and 9 under the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted and endeavors adherence to the Code for Fair Disclosure of Unpublished Price Sensitive Information. Kindly refer to the Company's website https://www.cgglobal.com/sites/default/files/Code_for_Fair_Disclosure_of_UPSI.pdf for the detailed Code for Fair Disclosure of Unpublished Price Sensitive Information of the Company.

INFORMATION ON GENERAL BODY MEETINGS

ANNUAL GENERAL MEETING

Details of the last three Annual General Meetings of the Company held along with Special Resolutions passed are indicated in Table 3 below:

Financial Year	Location	Date	Time (IST)	Special Resolutions Passed
2020-21	The meeting was conducted through Video Conferencing and Other Audio Visual Means. The deemed venue of the meeting was the registered office of the Company.	31 January, 2022	1.30 p.m.	Nil
2021-22	Same as above	27 July, 2022	3.00 p.m.	Nil
2022-23	Same as above	27 July, 2023	3.00 p.m.	Nil

EXTRAORDINARY GENERAL MEETING

There were no Extraordinary General Meetings of the Company held during the FY 2023-24.

POSTAL BALLOT

There was no Special Resolution passed through Postal Ballot during the financial year 2023-24. Further, no Special Resolution is proposed to be conducted through Postal Ballot.

MEANS OF COMMUNICATION

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Your Company strives to achieve full and timely disclosure of information. To this end, it:

- Prepares and dispatches through permitted modes, a full version of its Annual Report, despite an abridged version being allowed by the regulations.
- Submits quarterly, half yearly and annual results of your Company to the National Stock Exchange of India Limited and BSE Limited through their designated web portals and also uploads it on the Company's website (www.cgglobal.com) in the "Investors" Section. These results are simultaneously published in two leading newspapers: Business Standard (English) and Loksatta (Marathi).
- Discloses to the Stock Exchanges the presentations made to the institutional investors or to the analysts and also places the same on Company's website: www.cgglobal.com.
- Promptly reports all material information including official Press Releases etc. to all the Stock Exchanges on which shares of your Company are listed. All information and disclosures made to Stock Exchanges and investors are simultaneously displayed on your Company's website, www.cgglobal.com.
- The 'Information to Investor' section on your Company's website provides 'live' share prices, as well as graphical information relating to the historical share prices and published financials. Graphs relating to income and profitability, balance sheet and equity position, ratios, share returns on the standalone and consolidated position of your Company across a number of years are readily available in a user friendly manner for retail investors and researchers.

Reinforcing its commitment towards the environment and to have e-enabled regulatory compliances, your Company sends its Annual Report as well as other shareholder correspondences electronically to Members whose e-mail address is registered with the Company / Depository Participants / RTA.

GENERAL SHAREHOLDER INFORMATION

CIN: L99999MH1937PLC002641

Registration Date: 28/04/1937

Address of the Registered Office and Contact Details:

6th Floor, CG House, Dr. A. B. Road, Worli, Mumbai 400030

Tel No.: +91 22 2423 7777

87TH ANNUAL GENERAL MEETING

Date: Wednesday, 24 July, 2024

Time: 3.00 p.m.

Venue: The 87th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility and the deemed venue for the AGM shall be the Registered Office of the Company.

DIVIDEND PAYMENT DATE

The Company has declared on 23 January, 2024 an Interim Dividend for the financial year 2023-24 @ ₹ 1.30/- (65%) per Equity Share of ₹ 2/- (Rupees Two only) each. The interim dividend was paid to the shareholders on 21 February, 2024. Directors have not recommended any further dividend for the financial year 2023-24.

FINANCIAL YEAR AND TENTATIVE CALENDAR FOR FINANCIAL YEAR ENDING 31 MARCH, 2025

Your Company's accounting year comprises of twelve months period from 1 April to 31 March.

Tentative calendar of Board Meetings for consideration of financial results for remaining part of financial year ending 31 March, 2025 is given below:

First quarter results:
On/before 14 August, 2024

Second quarter results:
On/before 14 November, 2024

Third quarter results:
On/before 14 February, 2025

Last quarter results and annual audited results:
On/before 30 May, 2025

NAME AND ADDRESS OF THE STOCK EXCHANGES

Name of Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

STOCK CODE

BSE Limited (BSE): 500093

National Stock Exchange of India Limited (NSE): CGPOWER

ISIN: INE067A01029

Depository: National Securities Depository Limited and Central Depository Services (India) Limited

Your Company has paid the annual listing fees for the FY 2024-25 to each Stock Exchange on which its securities are listed.

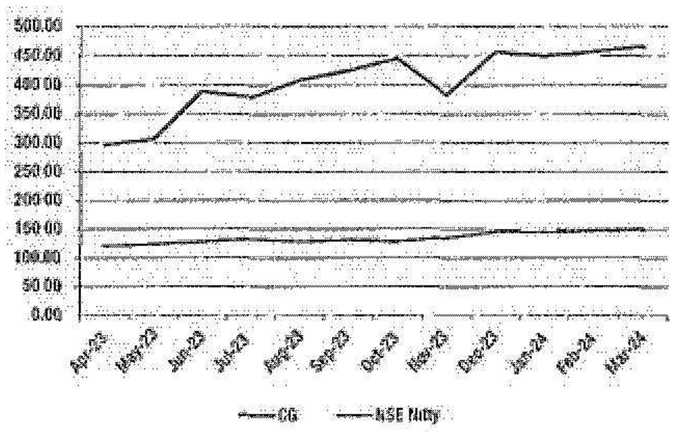
Market Price Data and Comparison

Monthly high and low price of the equity shares of the Company from 1 April, 2023 to 31 March, 2024 is given in Table 05 and performance in comparison to NSE Nifty is given in Chart A below.

20241031105700

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April 2023	310.80	287.00	310.80	286.80
May 2023	397.25	290.90	397.80	290.00
June 2023	394.35	362.45	394.30	362.40
July 2023	424.95	375.35	424.65	375.25
August 2023	435.00	394.20	435.00	394.10
September 2023	459.25	417.00	459.70	416.60
October 2023	447.95	359.40	446.90	359.20
November 2023	501.75	371.35	503.45	370.95
December 2023	476.85	436.50	476.30	435.05
January 2024	497.75	415.10	498.00	414.30
February 2024	468.70	420.00	468.00	420.25
March 2024	556.60	449.70	556.40	449.40

A. PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO THE NSE NIFTY



SHARE TRANSFER SYSTEM

All transfer, transmission or transposition of securities are conducted in accordance with the provisions of the Companies Act, 2013 and SEBI LODR.

All requests for dematerialization of securities shall be lodged with the Company's Registrar and Share Transfer Agent, Datamatics Business Solutions Limited, through Depository Participant.

All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrar within 15 days.

The following compliances pertaining to share transfers, grievances, etc. have been complied with.

- Pursuant to Regulation 7(3) of the SEBI LODR, certificate is filed with the stock exchanges on yearly basis by the Company Secretary & Compliance Officer of the Company and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.
- Pursuant to Regulation 13 of the SEBI LODR, a statement on pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.
- Pursuant to Regulation 39(3) of the SEBI LODR, information regarding loss of Share Certificates and issue of Letter of Confirmations in lieu of the Duplicate Share Certificates, are submitted to the stock exchanges within 2 days of the Company receiving the information.
- Pursuant to Regulation 40(9) of the SEBI LODR, the Company obtains a yearly certificate from a Practicing Company Secretary certifying that the RTA has issued all Share Certificates within 30 days of the date of lodgment for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/ allotment monies and this certificate is simultaneously filed with the Stock Exchanges pursuant to Regulation 40(10) of the SEBI LODR.

Your Company's shares are compulsorily traded in dematerialized form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Pursuant to SEBI circular dated 25 January, 2022 and as amended from time to time, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to *issue of duplicate securities certificate, renewal / exchange of* securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

DISTRIBUTION AND CATEGORIES OF SHAREHOLDING

Data on the distribution and categories of shareholders is given in Table 6 and Table 7 respectively below.

The shareholding pattern is posted on the Company's website www.cgglobal.com and also filed electronically with BSE and NSE.

No. of Shares	No. of Shares	% of Capital	No. of Shareholders	% of Total
Upto 500	2,04,98,224	1.34	2,34,123	88.04
501 - 1,000	98,43,604	0.65	12,831	4.83
1,001 - 2,000	1,13,01,221	0.74	7,664	2.88
2,001 - 3,000	75,91,631	0.50	3,010	1.13
3,001 - 4,000	57,76,505	0.38	1,620	0.61
4,001 - 5,000	55,62,997	0.37	1,213	0.46
5,001 - 10,000	1,69,18,218	1.11	2,305	0.87
10,001 - above	1,44,97,20,814	94.91	3,153	1.18
Total	1,52,73,33,214	100.00	2,65,919	100.00

Category	No. of Shares of ₹ 2 each	% of Shareholding
Promoters	88,75,67,462	58.17
Banks	13,970	0.00
Mutual Funds	9,91,85,689	6.49
Provident Funds / Pension Funds	94,53,007	0.62
Alternate Investment Funds	2,66,47,443	1.76
Central Government / State Government(s) / President of India	43,426	0.00
Qualified Institutional Buyer	1,85,70,595	1.22
Foreign Investors	23,80,30,089	15.58
Directors	30,000	0.00
Domestic Companies	4,80,35,621	3.15
Individuals	19,95,55,913	13.07
Total	1,52,73,33,214	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31 March, 2024, 99.86% of the total equity shares of your Company were held in dematerialized form, compared to 99.84% in the previous year.

Data on number of shares held in dematerialized and physical mode as on 31 March, 2024 is given in Table 8 below:

Sr. No.	Particulars	No. of Shares	% of total Capital Issued
1	Held in dematerialized form in NSDL	1,43,07,14,002	93.67
2	Held in dematerialized form in CDSL	9,45,02,007	6.19
3	Held in Physical form	21,17,205	0.14
	Total	1,52,73,33,214	100.00

REGISTRAR AND SHARE TRANSFER AGENT

Your Company's Registrar and Share Transfer Agent is Datamatics Business Solutions Limited, registered with SEBI, whose contact details are

Datamatics Business Solutions Limited
Unit: CG Power and Industrial Solutions Limited
Plot No A-16 & 17, Part B Cross Lane, MIDC, Andheri (East), Mumbai 400 093
Tel: + 91 22 6671 2001 to 6671 2006
Fax: + 91 22 6671 2011
Email: cgpowerirc@dalamatics.com

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

A Practicing Company Secretary carries out a Reconciliation of Share Capital Audit on a quarterly basis, as per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31 December, 2002, to reconcile the total admitted capital with depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on date, the Company has not issued GDRs/ ADRs/ Warrants or any other convertible instruments and as such, there is no impact on the equity share capital of the Company.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not trade in commodities. Hence, disclosure relating to commodity price risks and commodity hedging activities is not given. For details of foreign exchange risk and hedging activities, please refer to the notes to Standalone and Consolidated Financial Statements.

PLANT LOCATIONS

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

Address for Correspondence

The shareholders can direct their communication to the Corporate Secretarial Department at:

CG House, 10th Floor
Dr Annie Besant Road
Worli, Mumbai 400 030

In addition to the Registrar and Share Transfer Agent ("RTA"), Company's Corporate Secretarial Department assist the investors if they experience any difficulties while interacting with the RTA.

Time: 2.00 p.m. to 5.00 p.m. (IST) (Monday to Friday)
Tel: +91 22 2423 7606
Fax: +91 22 2423 7733
E-mail: investorservices@cgglobal.com

CREDIT RATING

The details of credit rating for Non-Fund based facilities, Derivative Limits and Term Loan / Fund based facilities of the Company are available on the website of the Company at https://www.cgglobal.com/credit_rating

OTHER DISCLOSURES

DISCLOSURE OF MATERIAL RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year under review were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large.

Details of transactions with related parties as specified in Indian Accounting Standards (IND AS 24) have been reported in the Financial Statements. The Audit Committee approves the related party transactions, from the perspective of fulfilling the criteria of meeting arm's length pricing and being transacted in the ordinary course of business. The detailed Policy on Related Party Transactions is available on the website of the Company at https://www.cgglobal.com/assets/pdf_files/Related_Party_Transaction_Policy_1_Apr_2022.pdf

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Company has set up a vigil mechanism, viz. a Whistle Blower Policy, as per the provisions of Section 177 of the Act and Regulation 22 of the SEBI LODR to enable its employees, Directors, customers and vendors to report violations, genuine concerns, unethical behavior and irregularities, if any, which could adversely affect the Company. The mechanism also provides for adequate safeguards against victimization of the persons using the mechanism and provides direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee of the Board.

The said policy is displayed on the Company's website viz. www.cgglobal.com.

FEES PAID TO STATUTORY AUDITORS

Total fees for all services paid by your Company and its Subsidiaries, on a consolidated basis, to Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part, during the year ended 31 March, 2024, is as follows:

(₹ in crores)

Particulars	SRBC & CO LLP and their Network Entities
Fees for audit and related services	1.29
Other Fees	0.79
Total	2.08

COMPLAINTS RELATING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, no incident of sexual harassment was reported, pursuant to Prevention of Sexual Harassment Policy adopted by the Company.

DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT': Nil

RECOMMENDATIONS OF THE COMMITTEES OF THE BOARD

There are no recommendations of the statutory committees of the Board which have not been accepted by the Board.

CEO/CFO CERTIFICATION

For the FY 2023-24, Mr. Natarajan Sreenivasan, Managing Director and Mr. Susheel Jock, Chief Financial Officer of the Company have furnished the annual certification on financial reporting and internal controls to the Board in terms of the SEBI LODR, which forms part of this report.

SUBSIDIARY COMPANIES

The Company does not have any material unlisted Indian Subsidiaries in terms of Regulation 24 of SEBI LODR. The Minutes of the Meetings of the Board of Directors of all the Subsidiary Companies are periodically placed before the Board of Directors of the Company. The policy on Material Subsidiary is available on the website of the Company at https://www.cgglobal.com/assets/pdf_files/Policy_determining_Mat_Subsidiaries.pdf

The Company is compliant with other requirements under Regulation 24 of the SEBI LODR with regard to its subsidiary companies.

The Company does not have any material subsidiaries for the financial year ended 31 March, 2024. Hence, there is no requirement for disclosure of the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

UNCLAIMED SHARES

Regulation 39 of the SEBI LODR requires a listed company to transfer shares which have remained unclaimed pursuant to a public issue or any other issue to an Unclaimed Suspense Account with a Depository Participant. The voting rights with respect to the shares held in such Unclaimed Suspense Account are frozen; and future share allotments are also to be issued directly to such account.

There were no unclaimed shares at the beginning of the year or at the end of the year.

TRANSFER OF UNCLAIMED/ UNPAID DIVIDENDS TO THE INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

During the FY 2023-24, there were no dividend(s) which remained unclaimed / unpaid for a period of seven consecutive years, from the date they became due for payment which were required to be

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transferred to IEPF, in terms of the provisions of Sections 124 and 125 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

The Contact details of the Nodal Officer - CG Power and Industrial Solutions Limited, 10th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai - 400 030

Tel: 91 22 2423 7777

Email: ho.secretarial@cgglobal.com

STRICTURES/PENALTY/ DETAILS OF NON-COMPLIANCE

During the year under review, there were no instances of non-compliance nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets

During the year 2022-23, SEBI levied a fine of ₹ 5,00,000/- on the Company in connection with delay in making quarterly disclosures to the Stock Exchanges, regarding default in repayment of loans/interest on loans to the lenders in the prescribed format, as required under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21 November, 2019, relevant to the quarters ended 31 December, 2019 and 31 March, 2020. The Company preferred an appeal before the Securities Appellate Tribunal challenging the said order of SEBI. The Securities Appellate Tribunal (SAT) has set aside the said SEBI order. Except as aforesaid, there has been no penalty imposed on the Company or no strictures have been passed against it by SEBI or Exchanges or any other statutory authorities on any such matters, during the last three years.

MANAGEMENT DISCUSSION AND ANALYSIS

The Report on Management Discussion and Analysis is given separately and it forms part of the Annual Report.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

Information disclosed under clause 5A of paragraph A of Part A of Schedule II of these regulations - NIL

DISCRETIONARY REQUIREMENTS

The discretionary requirements as stipulated in Part E of Schedule II of the SEBI LODR, have been adopted to the extent and in the manner as stated under the appropriate headings in this Corporate Governance Report.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Certificate from M/s. Parikh & Associates, Practising Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 of the SEBI LODR, is attached to this Report

COMPLIANCE WITH CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Requirements specified under Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI LODR

CERTIFICATE ON CORPORATE GOVERNANCE

Your Company has obtained a certificate from M/s. Parikh & Associates, Practising Company Secretaries (Firm Registration Number P1988MH009600), as prescribed by Regulation 34 of the SEBI LODR, which forms part of this Report

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN. 01138759)

Mumbai, 6 May, 2024

CEO/CFO CERTIFICATION

To
The Audit Committee & Board of Directors
CG Power and Industrial Solutions Limited

We have reviewed the Standalone and Consolidated Financial Statements and Cash Flow Statements of the Company for the year ended 31st March, 2024 and certify that:

(A) These statements, to the best of our knowledge and belief,

(1) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) present a true and fair view of the Company's affairs and are in compliance with the applicable accounting standards, applicable laws and regulations

(B) To the best of our knowledge and belief, no transactions entered into by the Company during the year, are fraudulent, illegal or violate the Company's Code of Conduct and Business Practices

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware, and the steps taken or proposed to be taken to rectify these deficiencies.

(D) we have indicated to the Auditors and the Audit Committee that:

(1) there was no significant change in internal control over financial reporting during the year ended 31st March, 2024;

(2) there was no significant change in accounting policies during the year ended 31st March, 2024 other than what have been disclosed in the notes to the financial statements; and

(3) There are no instances of significant fraud of which we have become aware during the year ended 31st March, 2024.

Sushobl Todi
Chief Financial Officer

Natarajan Srinivasan
Managing Director

Mumbai, 6th May, 2024

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

We have examined the compliance of the conditions of Corporate Governance by CG Power and Industrial Solutions Limited ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, subject to the disclosures made by the management in the Corporate Governance Report and to the stock exchanges and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

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 Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No 8331 CP No 9511
UDIN F008331F000313746
PR No : 1129/2021

Mumbai, May 06, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
CG Power and Industrial Solutions Limited
6th Floor, CG House,
Dr Annie Besant Road, Worli,
Mumbai 400 030

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CG Power and Industrial Solutions Limited having CIN L99999MH1937PLC002641 and having registered office at 6th Floor, CG House, Dr Annie Besant Road, Worli, Mumbai 400 030 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Vellayan Subbiah	01138759	26.11.2020
2.	M A M Arunachalam	00202958	26.11.2020
3.	Sriram Sivaram	01070444	11.06.2021
4.	Palamadai Sundararajan Jayakumar	01173235	26.11.2020
5.	Sasikala Varadachari	07132399	26.11.2020
6.	Kalyan Kumar Paul	08935145	11.06.2021
7.	Natarajan Srinivasan	00123338	26.11.2020
8.	Vijayalakshmi R Iyer	05242950	24.09.2022

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No. 9511
UDIN: F008331F000313823
PR No : 1129/2021

Mumbai, May 06, 2024

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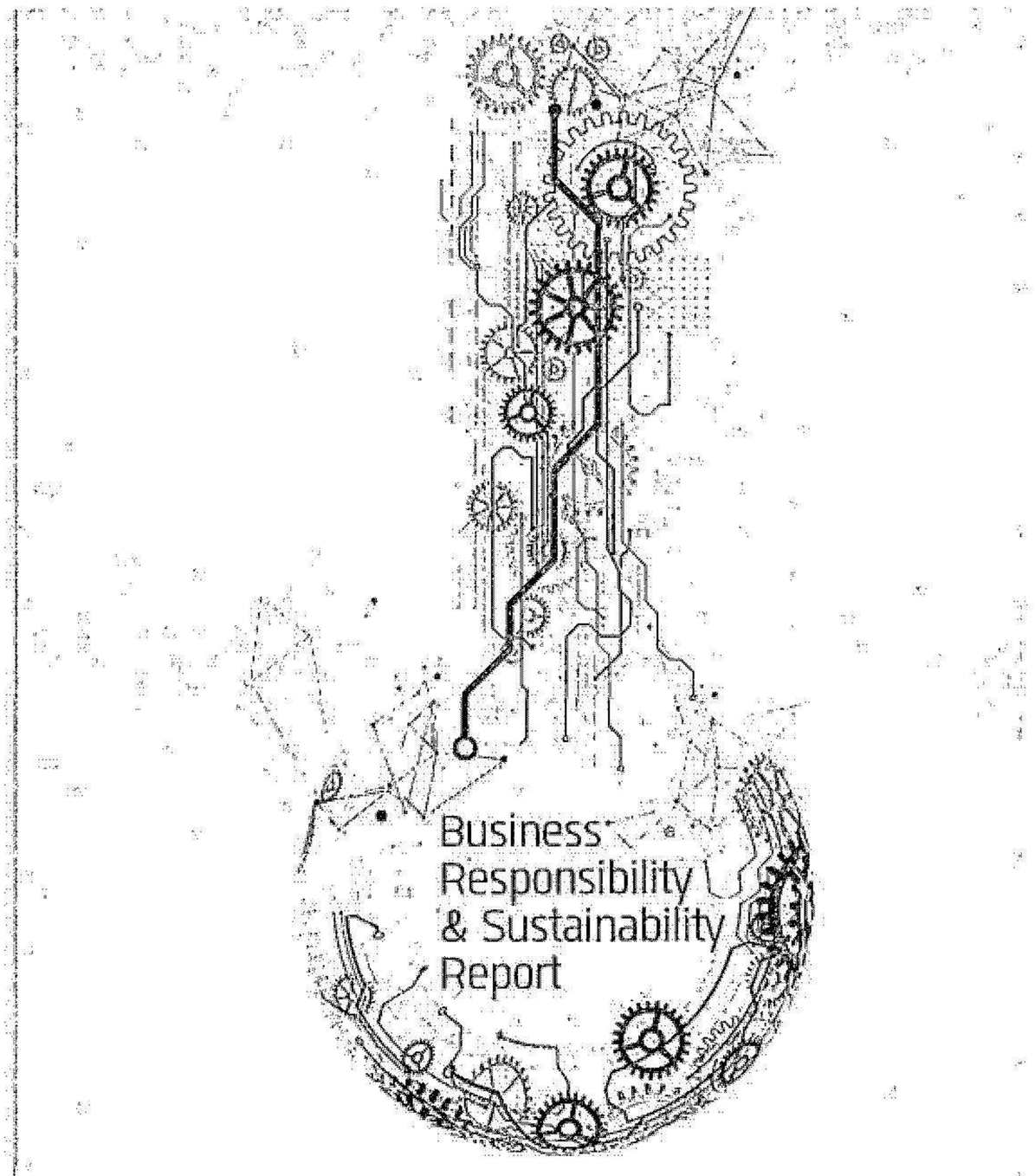
DECLARATION OF COMPLIANCE WITH CG CODE OF CONDUCT AND BUSINESS PRACTICES

To,
The Members,
CG Power and Industrial Solutions Limited

I, the undersigned, hereby declare that all the Board Members and Senior Management of the Company have affirmed compliance with 'CG Code of Conduct and Business Practices' laid down and adopted by the Company, during the year ended 31st March, 2024.

Nalarajan Srinivasan
Managing Director
(DIN: 00123338)

Mumbai, 6th May, 2024



Business Responsibility & Sustainability Report FY 2023-24

SECTION A: GENERAL DISCLOSURES

Aim of Business Responsibility and Sustainability Reporting:

This is Business Responsibility & Sustainability ("BRSR") report for the financial year ended 31 March, 2024, in which the Company has endeavored to disclose all the relevant financial, non-financial and Environment, Social and Governance ("ESG") disclosures required by SEBI in line with the National Guidelines on Responsible Business Conduct ("NGRBC"). The Report offers to all CG's stakeholders a comprehensive perspective and insight of the Company's initiatives around the business, environment and society, as a commitment to shared value creation for all with sustainable development. To suit the needs of CG's investors and other stakeholders, the Report continues to enhance CG's disclosures on ESG practices with strategic approaches to create value for all the stakeholders while managing risks in the external environment.

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1937PLC002641
2.	Name of the Listed Entity	CG Power and Industrial Solutions Limited ("the Company" or "CG")
3.	Year of incorporation	1937
4.	Registered office address	CG House, 6th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400 030, Maharashtra, India
5.	Corporate address	CG House, 6th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400 030, Maharashtra, India
6.	E-mail	investorservices@cgglobal.com
7.	Telephone	+91 22 2423 7777
8.	Website	www.cgglobal.com
9.	Financial year for which reporting is being done	1 April, 2023 to 31 March, 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE)
11.	Paid-up Capital	₹ 305.47 crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR	Ramesh Kumar N Ramesh.kumar@cgglobal.com, +91-24237878
13.	Reporting boundary - Are the disclosures under this Report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this Report are on a standalone basis and pertain to CG Power and Industrial Solutions Limited (CG)
14.	Name of Assurance Provider	CNK & Associates LLP
15.	Type of Assurance provided	Reasonable assurance for BRSR Core and Limited assurance for rest of the BRSR

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	[illegible]
1	Manufacturing	Electrical equipment, general purpose and special purpose machinery & equipment, transport equipment	100%

CG Power and Industrial Solutions Limited is an engineering conglomerate headquartered in Mumbai, India. The Company is a leader in the Electrical Engineering industry and has two business lines—Industrial Systems and Power Systems. It manufactures Traction Motors, Propulsion systems, Signaling Relays etc., for the Indian Railways, and wide range of Induction Motors, Drives, Transformers, Switchgears, and other allied products for the Industrial and Power sectors. Recently, the Company also made a foray into the business of Consumer Appliances such as Fans, Pumps, and Water Heaters.

The Company has world-class manufacturing plants across 9 locations in India, and a Pan India network of 5 Regional and 14 Branch offices, with 3113 on-roll employees including white collars and blue collars. The Company continues to excel and maintain its leadership position across its businesses, backed by its outstanding expertise, customer-centric approach, and enhanced focus on innovation and sustainability. Since November 2020, the Company has become a part of the renowned Murugappa Group.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. no.	Product/service	[illegible]	[illegible]
1	Low Tension Motors & Alternators, Large Motors & Alternators and Traction motors	27103	52%
2	Power Transformers & Reactors	27102	17%
3	Switchgears	27104	16%
4	Traction Converters Signaling Equipment	30205	8%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	[illegible]	[illegible]	[illegible]
National	17	19	36
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Numbers
National (No. of States)	27 States
International (No. of Countries)	The Company is catering to a large customer base in more than 50 countries across Europe, America, Asia Pacific, Africa and Middle East.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributes to 7% of the total turnover of CG.

c. A brief on types of customers –

CG is in the business of products, solutions and services for Power and industrial equipment and solutions. Its major type of customers are Channel Partners, Original Equipment Manufacturers (OEMs), State, Central and Private Utilities, Indian Railways. Our product portfolio includes motors, drives and consumer products, rolling stocks and signaling products, transformers and switchgears.

IV. Employees

20. *Details as at the end of Financial Year: 31 March, 2024*

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	1871	1747	93%	124	7%
2.	Other than Permanent (E)	442	367	83%	75	17%
3	Total Employees (D+E)	2313	2114	91%	199	9%
	Workers					
1.	Permanent (D)	1242	1222	98%	20	2%
2.	Other than Permanent (E)	3270	3138	96%	132	4%
3.	Total Workers (D+E)	4512	4360	97%	152	3%

b. Differently abled Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1	Permanent (D)	2	1	50%	1	50%
2	Other than Permanent (E)	0	0	-	0	-
3	Total Differently abled employees (D + E)	2	1	50%	1	50%
	Workers					
1	Permanent (D)	2	2	100%	-	-
2	Other than Permanent (E)	0	0	-	-	-
3	Total Differently abled workers (D + E)	2	2	100%	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	3	0	0%

Key Management Personnel comprises of the Managing Director, Chief Financial Officer and Company Secretary.

22. Turnover rate for permanent employees and workers

	Turnover rate in FY 2023-24			Turnover rate in FY 2022-23			Turnover rate in FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	28%	18.3%	15%	41%	16%	36%	42%	39%
Permanent Workers	4%	0%	5.1%	6%	0%	6%	6%	0%	6%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture as on 31 March, 2024	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Tube Investments of India Limited	Holding Company	58.04%	
2	CG Power Equipments Limited	Subsidiary	100%	
3	CG Adhesive Products Limited (Formerly CG-FPI Adhesive Products Limited)	Subsidiary	83.59%	
4	CG Semi Private Limited	Subsidiary	100%	
5	CG International Holdings Singapore PTE Ltd (Proposed for voluntary winding up)	Subsidiary	100%	
6	CG Sales Network Malaysia SDN BHD (Under Voluntary Liquidation)	Subsidiary	100%	
7	PT Crompton Prima Switchgear Indonesia (Proposed the sale of this stake)	Subsidiary	51%	
8	CG International B.V.	Subsidiary	100%	
9	CG Power Americas, LLC	Subsidiary	100%	
10	CG DE Sub, LLC (formerly known as CEI LLC)	Subsidiary	100%	
11	CG Holdings Belgium NV (CG Belgium) (under Bankruptcy)	Subsidiary	100%	No. CG is reporting on Business Responsibility and Sustainability Reporting on Standalone basis
12	CG Power Systems Belgium NV (under Bankruptcy)	Subsidiary	100%	
13	CG Sales Networks France SA (Subsidiary of CG Belgium whose bankruptcy procedure is ongoing)	Subsidiary	100%	
14	CG Power Solutions Saudi Arabia Co (Subsidiary of CG Belgium whose bankruptcy procedure is ongoing)	Subsidiary	100%	
15	CG Electric Systems Hungary Zrt. (declared insolvent)	Subsidiary	100%	
16	CG Power Systems Canada Inc. (under liquidation)	Subsidiary	100%	
17	CG Industrial Holdings Sweden AB	Subsidiary	100%	
18	CG Drives & Automation Sweden AB	Subsidiary	100%	
19	CG Drives & Automation Germany GmbH	Subsidiary	100%	
20	CG Drives & Automation Netherlands B.V.	Subsidiary	100%	

VI. CSR Details

24 (i)	Whether CSR is applicable as per Section 135 of Companies Act, 2013. (Yes/No).	Yes, CSR is applicable.
(ii)	Turnover (in ₹)	₹ 7,609.91 crores
(iii)	Net worth (in ₹)	₹ 3,245.44 crores

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism (GRM) in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	-	-	-	-	-	-
Investors (other than shareholders)	Whistleblower Policy https://www.cgglobal.com/assets/pdf_files/Whistleblower_Policy.pdf	-	-	-	-	-	-
Shareholders	Whistleblower Policy https://www.cgglobal.com/assets/pdf_files/Whistleblower_Policy.pdf	16	1	-	26	Nil	-
Employees and workers	Human Resource Policy, Occupational Health and Safety(OHS) Policy, Human Rights Policy https://www.cgglobal.com/policy	-	-	-	-	-	-
Customers	Customer Care Policy https://www.cgglobal.com/policy	45726	544	Pending grievances as on 31 March, 2024 were service centric	115243	311	Pending grievances as on 31 March, 2023 were service centric
Value Chain Partners	CG Vendor Portal	-	-	-	-	-	-
Other (please specify)	Other stakeholders may raise their grievances on the Company's Grievance Portal help@cgglobal.com						

26. Overview of the Company's material responsible business conduct issues:

The organization has conducted its first materiality assessment during the financial year ended 31 March, 2023. This materiality assessment enabled it to align its sustainability and business objectives with societal needs and expectations, thereby ensuring long-term sustainability and enhancement of stakeholder value. The below table depicts material responsible business conduct and sustainability issues pertaining to environmental and social matters.

The Company has assessed its material issues as a risk or an opportunity with a holistic approach to take appropriate measures and mitigate risks along with financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive/ Negative implications)
1.	Climate Action	Risk	Climate change is one of the major risks identified across the globe. It has transitional impacts on supply chain, sourcing and overall business strategy	The Company is proactively working on the emissions and resource management by creating local procurement ambience, adding renewable energy to its energy portfolio, with energy efficiency initiatives across the manufacturing facilities.	It might have negative implications on the Company. Hence, it is planning to conduct Climate Risk Assessment to assess and mitigate the impacts of the risk arising from Climate Change
2.	Corporate Governance	Opportunity	Transparent Board structure, effectiveness, diversity with presence of an effective risk management system to identify and mitigate business risks (including ESG risks) and maintaining positive stakeholder relations (customers, suppliers, community, shareholders, employees, trade associations, NGOs, etc.) that supports business sustainability.	The Company's Code of Conduct and Business Practices includes guidelines for ethical behavior, anti-bribery and corruption that is applicable to all the employees, Directors of CG and all the Subsidiaries of the Company. All suppliers, services providers and related entities are bound by CG's Supplier Code of Conduct and are required to commit to the provisions contained in this Code. Acknowledgement to the provisions of these Codes is a prerequisite for any employment contract or business relationship with the Company.	It can have a positive impact on CG as it provides the opportunity to improve its relations with all stakeholders.

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S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive/ Negative implications)
3	Human Capital Development	Opportunity	The Company believes in effective employee engagement to create a shared value for business and its workforce by adopting practices such as learning, development, robust health and safety practices and employee benefits.	Ensuring the highest standards of health and safety of employees by undertaking initiatives to reduce accidents on shop floor by improved training ensuring wellbeing of employees through varied programs, and conducting internal and external safety audits and performance disclosures	It can have a positive impact on CG
4	Human Rights	Risk	Managing human rights related issues like no discrimination, laws against child labour are significant to business.	The Company is creating awareness on human rights in context to health and safety, safe working conditions, prohibition of child labour, equal opportunity and grievance redressal mechanism Vendors and suppliers are required to comply with "CG Supplier code of conduct".	This might have a negative impact on CG. Hence, it has conducted third party audit for compliance to labor laws at all of its sites in the reporting year by an external agency to identify the issues, if any
5	Product Stewardship	Opportunity	Opportunity to make products and provide services with respect to environmental and social aspects to address issues around resource conservation, energy and climate change.	Investing in research and development, complying with the regulatory guidelines and global standards on product developments	It can have a positive impact on the CG.
6	Innovation Management	Opportunity	Innovation management involves the process of enhancing the Company's ability to adapt with the evolving technologies by devising and implementing the business strategy to cater to the evolving market expectations.	The Company is developing a culture of innovation by developing effective learning and through development of modules to upskill the workforce to enable them to generate quality ideas by investing in new technologies	It can have a positive impact on CG.
7	Responsible Supply Chain	Risk	Supply chain disruption with focus on localization and evolving regulatory guidance to assess value chain partners on ESG risks and parameters	Focus on reducing negative environment impact due to the logistics Focus on identifying and assessing local suppliers on Environment Management System, Quality Management System, Environment Health and Safety	It might have a negative impact on CG. Hence, it has implemented Sustainable Supply chain policy to promote local and sustainable sourcing
8	Customer Relationship Management	Opportunity	Customer centricity with regular engagement with customers enables the Company to assess the customer's expectations with evolving demands	The Company customizes its products as per client's product specifications and requirements with regular engagement and an effective customer grievance management.	It can have a positive impact on CG.
9	Responsible Investment Practices	Opportunity	Considering the uncertain economic ambience, climate change, supply chain disruptions with changing business landscape in the digital era has severe impacts on the business. As a responsible investor there is need to build a resilient and transparent business ecosystem.	The Company is considering the sustainability criteria in its investment decisions to create a shared value for its stakeholders with long term perspective	It can have a positive impact on CG.
10	Community Relations	Opportunity	Strong community relations and effective communication helps business to create a shared value with social license to operate. Maintaining positive community relations in areas where the Company operates results in a positive impact on living conditions, contributing towards community welfare through CSR activities.	Engaging with communities on Community development, Healthcare, and education through the Company's CSR activities.	It can have a positive impact on CG.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements. CG's goal in this section is to highlight how the NGRBC Principle and its Core Elements have been adopted through the structures, policies and procedures that have been put in place.

S. No.	Principle Description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions

Policy and management processes		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available*	https://www.cgglobal.com/policy								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes. CG has translated the policy into procedures and are in process of developing the procedures into SOPs.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	All polices are extended to the Company's value chain partners with respect to the clauses related to code of conduct, anti-bribery, anti-corruption, conflict of interest, fair practice etc.								
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	CG measures and reports its sustainability performance in accordance with GRI principles • P3: ISO 45001 Occupational Health and Safety • P6: ISO 14001:2015 – Environmental Management System (EMS), BIS IS1180 Certification for Distribution Transformer • P9: ISO 9001:2015 Quality Management System, BIS IS1180 Certification for Distribution Transformer, International Railway Industry Standard ISO/TS 22163:2017 certification for Railway BU's (IMS & RITE)								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	CG has committed to be Carbon Neutral (for Scope 1 and Scope 2) by the end of 2030.								

Policy and management processes		P1	P2	P3	P4	P5	P6	P7	P8	P9
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	This will be applicable from next year.								

Governance, leadership and oversight

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	During the reporting year, CG has conducted a comprehensive roadmap exercise to align our Environmental, Social, and Governance (ESG) objectives with the Company's overarching vision. As part of its commitment to transparency, the Company has proudly released its inaugural Sustainability Report for FY23, which outlines its performance and unwavering dedication to sustainability. Key highlights from its sustainability efforts include: Renewable Energy Consumption: The Company's share of renewable energy consumption relative to total energy usage has increased to 11.84% in FY 2023-24, up from 10.5% in FY 2022-23. This positive trend reflects the Company's commitment to cleaner energy sources and reduced environmental impact. Carbon Footprint Reduction: The company is actively implementing strategies to minimize its carbon footprint such as maximizing our Renewable energy inputs and by switching to less carbon fuel. We have taken the aim to become Carbon Neutral over Scope 1 and Scope 2 by the year 2030 with baseline of 2023. ESG Reporting: The company's 1st ESG Report (FY 2022-23) has been prepared with reference to Global Reporting Initiative (GRI) standards. Going forward, the Company will continue to communicate its ESG strategy and progress through various channels and platforms. The Company extends heartfelt gratitude to our dedicated team members and all stakeholders for their unwavering support and contributions to our sustainability journey.
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Natarajan Srinivasan, Managing Director.
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	CG has a Risk Management Committee which is currently responsible for reviewing Enterprise Risks including Sustainability related issues. Recommendations of the Risk Management Committee are considered by the Board of Directors, as needed. Along with this, CG also has a Corporate Social Responsibility ("CSR") Committee in line with the provisions of Section 135 of the Act. The CSR Committee recommends, and the Board approves, the CSR expenditure budget and project plan. CSR projects of the Company are approved by the Board based on the recommendation of the CSR Committee. The Committee reviews CSR expenditure, activities undertaken and milestones achieved.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, the policies are reviewed periodically or on a need basis by Senior Leadership Team. During this assessment, the efficacy of the policies are reviewed and necessary changes to policies and procedures are implemented																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	All of company's policies are as per the requirements of the NGRBC guidelines. We are also compliant with legal requirements.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, CG has not carried out any independent assessment on the evaluation of policies. However as per the need basis, the Company do evaluate policies internally from time to time and update it if required.								

12. *If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated*

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

The first principle of BRSR gives information about the governance structure of the organisation. It shows a bird's-eye view of how the organization's policies are distributed, shared, explained, and put into practice in all of its operations and functions.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD) and Key Managerial Personnel (KMPs)	Nil		
Employees other than BoD and KMPs	101	Safety at workplace, Functional skills, Behavioral skills, Soft skills, POSH, Code of Conduct	61%
Workers	27	Safety at workplace, training on 5 S, Technical skills, First aid training	16%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
P1	Metropolitan Magistrate Court House New Delhi	42 crores	Please refer page no. 70 for details	No

Non-Monetary

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
There were no such instances for any non-monetary penalties / punishment / award / compounding fees/ settlement amount paid in proceedings by the entity or by Directors / KMPs) levied by the regulators / law enforcement agencies/ judicial institutions.			

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

No appeals have been filed.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, CG has zero tolerance towards bribery and corruption and is committed to abiding by all laws and regulations. The Company has a code of conduct in place which covers all the aspects of anti-corruption or anti-bribery policy. The web link for Code of Conduct is given below.

https://www.cgglobal.com/policy

https://www.cgglobal.com/sites/default/files/CG_Code_of_Conduct_&_Business_Practices.pdf

This Policy reflects the commitment of the Company and its management for maintaining highest ethical standards while undertaking open and fair business practices and culture.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

There were no instances of any disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/ KMPs/employees/workers

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	89	90

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a	Purchases from trading houses as % of total purchases	1.51%	0.86%
	b	Number of trading houses where purchases are made from	11	9
	c	Purchases from top 10 trading houses as % of total purchases from trading houses	99.99%	100%
Concentration of Sales	a	Sales to dealers / distributors as % of total sales	40.55%	43.57%
	b	Number of dealers / distributors to whom sales are made	1606	1593
	c	Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	18.24%	18.11%
Share of RPTs in	a	Purchases (Purchases with related parties / Total Purchases)	0.26%	0.25%
	b	Sales (Sales to related parties / Total Sales)	0.27%	0.25%
	c	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.28%	0.26%
	d	Investments (Investments in related parties / Total Investments made)	40.84%	99.76%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
NA	NA	NA

2. Does the entity have processes in place to avoid / manage conflict of interests involving Members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has in place CG Code of Conduct and Business Practices which deals with the Conflict of Interests

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PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

The Second Principle is primarily concerned with production and consumption of resources. It focuses on protecting natural resources by responsible consumption and creating those products which reduces negative impact to environment and society throughout its Lifecycle.

CG is deeply committed to enhancing customer satisfaction by providing products that meet high-quality and safety standards. The Company's Product Stewardship Policy reflects this commitment, spanning the entire product lifecycle—from research and development to sourcing, manufacturing, marketing, distribution, and product discontinuation.

Investment in Research & Development remains a top priority for CG, with a focus on embracing new technologies, digitalization, and capacity building for its workforce. Quality objectives are rigorously followed at all levels of the business units, serving as a benchmark to ensure product excellence. Resource efficiency and lead time management receive significant attention.

CG continually assesses opportunities for process and resource improvement, ensuring that its products contribute to sustainability throughout their lifecycle without compromising performance. Adequate labeling, guided by regulatory standards, helps prevent accidents, and clear disposal instructions are provided for all company products.

The Company actively encourages innovative and sustainable product design, emphasizing responsible management during product use and after use to minimize negative impacts. Additionally, CG leverages 6-sigma techniques for quality enhancement and process control, supported by a dedicated team of black belt and green belt employees across its manufacturing units.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	0	0	Employee health and safety, Maintenance and Debottlenecking Capex
Capex	1.89%	2.00%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes. CG has "Supplier Code of Conduct" and "Supply Chain Sustainability Policy" which is a guiding instrument for its procurement management. The Company's policies have adequate guidance on complying with the regulatory, social and environment parameters.

   In this reporting year, the Company has continued to focus on procurement through local / domestic (Indian) suppliers. There is a strong emphasis on reducing logistics distance which has positive impact on lead time reductions and overall benefits in carbon emissions reduction due to the respective fuel savings.

   CG has a digital portal for vendors / suppliers "CG Pulse-vendor portal" which acts as a supplier management system and has significantly reduced the use of paper in the supplier management with 100% online supplier registration to advance shipping notification attributes. Through this portal, the Company monitors supplier performance through regular audits on various parameters such as quality, cost, delivery, and compliances. The Company also encourages its suppliers to have Quality Management System (QMS), Environment Management System (EMS), Process Quality

   b. If yes, what percentage of inputs were sourced sustainably?

   Current the Company is not sourcing any of the inputs sustainably. But it is exploring ways to source its materials sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   Given the industry's nature, the product life cycles at CG typically extend beyond 20-25 years. As a result, the company currently does not reclaim our products at the end of the life. However, the Company is planning to collaborate with our value chain partners in the future to explore a safe and sustainable end of life treatment for its products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes, EPR is applicable to CG. It has partnered with the authorized recyclers for the plastic waste management and follows the guidelines prescribed by Plastic Waste Management Rules (PWM, 2016).

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Services	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain? (Yes/No) If yes, provide the web-link.
31102	145 kV CVT (Capacitive Voltage Transformer)	<2%	Cradle to Gate	Yes	No
	170 kV CVT				
	145 kV CT (Current Transformer)				
	170 kV CT				
	145 kV IVT (Inductive Voltage Transformer)				
	170 kV IVT				

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

   There are no significant social or environmental concerns and/or risks arising from production of the Company's products.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

   As of now, the Company is not using any type of recycled or reused material in manufacturing of its product.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

   The company is not reclaiming any of its products at the end of life (including packaging material).

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

   Not applicable as the Company is not reclaiming any of its products.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

This principle is focused on equity, dignity and quality of life of the organization's employees as well as employees of value chain partners. Entities must comply with the regulatory and statutory requirements, and further provide equal opportunity to all the employees.

The Company has always believed that the success of an organization is largely dependant on the development and contribution of its employees and thus, it is committed to create and sustain a positive and healthy work culture. Through improving organizational effectiveness, providing safe and ethical work environment and maintaining stability and sustainability amidst growth and ever-changing business environment. CG promotes equal opportunity and embraces diversity. It treats all its employees with respect and dignity at all levels.

The designation of an employee is decided only on the basis of merits and not by extraneous factors, which is reflected in the Company's value of Performance Excellence.

The Company believes in celebrating individuality and promotes diversity and inclusion. The various policies adopted by the Company have been instrumental in not only safeguarding the interests of the employees but also ensuring their welfare. CG's Code of Conduct, Business Practices and Handbook on Company's policies provides guidelines for employee well-being relating to participation, freedom, equality, good environment and harassment-free workplace. The safety of the women employees of the Company is secured by CG's policy on 'Prevention of Sexual Harassment.' Employee related policies are updated on timely basis in line with the amendments in laws applicable for employee's welfare. At CG, learning is a continuous process and hence training programs, team building sessions, workshops on various subjects were conducted on a regular basis. These initiatives gave a path towards strengthening their capabilities and a positive impact on the attitude of the employees.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by: Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Employees											
Male	1747	1747	100%	1747	100%	0	0%	1747	100%	226	13%
Female	124	124	100%	124	100%	124	100%	0	0%	10	8%
Total	1871	1871	100%	1871	100%	124	100%	1747	93%	236	13%
Other than Permanent Employees											
Male	367	367	100%	367	100%	0	0%	0	0%	133	36%
Female	75	75	100%	75	100%	75	100%	0	0%	3	4%
Total	442	442	100%	442	0%	75	100%	0	0%	136	31%

   b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by: Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Employees											
Male	1222	1222	100%	1222	100%	0	0%	0	0%	394	32%
Female	20	20	100%	20	100%	20	100%	0	0%	14	70%
Total	1242	1242	100%	1242	100%	20	2%	1222	98%	408	33%
Other than Permanent Employees											
Male	3138	3138	100%	3138	100%	0	0%	0	0%	1006	32%
Female	132	132	100%	132	100%	132	100%	0	0%	8	6%
Total	3270	3270	100%	3270	100%	132	4%	0	0%	1014	31%

   c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.10%	0.10%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI*	0.75%	18.84%	Yes	1.05%	12%	Yes
Others Please Specify	-	-	-	-	-	-

*The data here refers to permanent employees and workers. All contractual employees and workers are covered under PF, ESIC.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company's facilities and plants are currently not fully accessible for people with disabilities. However, the Company has implemented signage across its units specifically for employees who are deaf and face hardships in hearing. As part of its ongoing commitment, the Company is actively working to enhance its infrastructure to facilitate easier movement for employees with disabilities, aligning with the provisions outlined in the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

Yes, the Company has human resource policy and diversity inclusion policy in place. CG is committed to create people-centric culture by providing equal opportunity in all the aspects of association and employment regardless of gender, ethnic background, disabilities, age, pregnancy, religion or other beliefs, sexual orientation or any other status as protected by law.

The Company has "Human Resource Policy "and "Human Rights Policy" with a clause on equal opportunity for people with disabilities. For policy, please refer https://www.cgglobal.com/policy

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	No one availed	No one availed
Female	67%	67%	No one availed	No one availed
Total	99%	99%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	All employees can raise their grievance thorough the Company's internal portal (CGHR4U) and all workers can reach out to the Unit HR Heads for all of their grievances.
Other than Permanent Employees	
Permanent Workers	
Other than Permanent Workers	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1871	0	0%	1631	0	0%
Male	1747	0	0%	1537	0	0%
Female	124	0	0%	94	0	0%
Total Permanent Workers	1242	1065	87%	1140	1041	91%
Male	1222	1071	88%	1120	1021	91%
Female	20	14	70%	20	20	100%

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation		
	No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)	
EMPLOYEES										
Male	2114	841	40%	1425	67%	1834	177	10%	678	48%
Female	199	152	76%	100	50%	137	22	16%	67	49%
Total	2313	993	43%	1525	66%	1971	199	10%	945	48%
WORKERS										
Male	4724	4724	100%	927	20%	3652	473	12.95%	182	5%
Female	290	238	82%	290	100%	163	64	44.76%	21	13%
Total	5014	4962	99%	1217	24%	4015	537	14.04%	203	5%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
EMPLOYEES						
Male	1747	1747	100%	1424	1424	100%
Female	124	124	100%	93	93	100%
Total	1871	1871	100%	1517	1517	100%
WORKERS						
Male	0	0		0	0	
Female	0	0		0	0	
Total	0	0		0	0	

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

All of the Company's manufacturing facilities are certified with ISO 45001:2018 - Occupational Health & Safety Management System Standard covering the site operations. Occupational Health Centre (OHC) is present at each of the plant locations as per the requirements of the Factories Act and Health and Safety Officer is also designated at each plant location. The Company has Health and Safety Committee across all its facilities consisting of workmen and employees. The Committee conducts monthly meetings to provide regular updates on health and safety aspects.

It also has Event Reporting System (ERS) which is accessible to workmen and employees for health-related hazards and upon receiving the complaint, corrective actions are taken to provide a solution and conclude the complaints in a timely manner. Half-yearly medical checkups are conducted for workmen who work in hazardous intensive processes and annual medical checkup is conducted for the entire workforce to ensure the safety of its people.

Safety audits, cross-functional audits and internal audits are conducted as scheduled. Each of the entity's manufacturing facilities is equipped with the required quantity of fire extinguishers, fire hydrant network, smoke detection and gas detection system. Emergency Preparedness and Response Plan is also available for all its plants on which basis each plant conducts mock drills to ensure its effectiveness and employee participation.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Online portal is used for reporting, analysing and assigning the corrective actions against identified hazards. CG has implemented Hazard Identification and Risk Assessment (HIRA) as a part of ISO 45001:2018 and regularly revisits the documents to make it dynamic. CG inspects the workplace for safety and health hazard and information is recorded in the Event Reporting System (ERS). CG has a work-permit system implemented across all factory locations to take care of routine and non-routine activities in a safe manner. In addition, Machine Risk Assessment (MRA) and Job Safety Analysis (JSA) are being performed for new machineries and/or activities.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Hazard Identification and Risk Assessment (HIRA) is available to workers and employees. Training is imparted to workers for safe working and evacuation in case of any emergency. Near miss reporting system available in the Event Reporting System (ERS) facilitates the identification of hazards. Subsequent investigation and corrective action are undertaken and the same are reported in the system.

CG has a suggestion scheme for workers which is reviewed and analysed and corrective actions are taken based on the suggestions received. Workers are a part of the Safety Committee, and during the meeting and safety round they bring to the company's notice any unsafe acts or conditions thereby ensuring elimination of unsafe acts or conditions.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, as per the ESIC guidelines all eligible employees and workers are covered. In addition, the Company has provided insurance benefits to all the employees who are not covered in ESIC. They can avail such facilities related to non-occupational medical and healthcare services at designated hospitals.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury (LTI)	Employees	7	1
	Workers	3	9
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.15	0.37
	Workers	0.29	1.98
Total recordable work-related injuries	Employees	24	12
	Workers	144	74
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

This year, CG has experienced an increase in its total recordable injuries. CG has taken this area very seriously and is conducting a comprehensive review to identify the root causes. In the meantime, the Company has also implemented several initiatives to improve workplace safety such as implementing elimination, substitution methods as well as engineering controls such as installation of Guards at rotating parts of Machines, emphasizing on PPE's compliances etc. CG is committed to reduce incident at workplace.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Various initiatives are being taken to ensure the mitigation of risk and hazards by the Company. The below hierarchy is followed:

1) Elimination
2) Substitution
3) Engineering control
4) Administrative control
5) Personal Protective Equipment (PPE)

By following all the above steps, hazards are eliminated wherever possible. Our old machineries are replaced with operator safety-enhanced machines. This helps in eliminating the operator's exposure to rotating parts, flying objects etc.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	NA	-	0	NA	-
Health & Safety	0	NA	-	0	NA	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	39% assessed by Statutory Authorities
Working Conditions	47% assessed by third party

Health and Safety practices were assessed by Statutory authorities and working conditions were assessed by a third party at all of CG's plant facilities

15. *Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.*

Yes, the Company has event reporting system through which CG is monitoring accidents and taking corrective actions. The system is named as Event Reporting system, which enlists activities arising out of the above mentioned LTA cases. All CAPA are on track.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company has obtained workmen compensation Policy for all persons engaged in manufacturing

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Currently CG doesn't have any measures as such in place

3. Provide the number of employees / workers having suffered high consequence workrelated injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

Category	What are the Total no. of affected employees/ workers		What is the No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY23	FY23	FY23	FY23
Employees	0	0	0	0
Workers	0	0	0	0
Total	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, currently CG doesn't provide programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment

5. Details on assessment of value chain partners:

	What % of value chain partners (by value of business done with such partners) that were assessed
Health and safety	39.24%
Working conditions	0%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Audit observations are provided to the audited suppliers and based on the observations, the suppliers are suggested to take Corrective and Preventive Actions

Vendor audits covering basic EHS issues like EHS policy, Hazard identification, Operational Controls, PPEs, Legal Requirements, Monitoring licenses/permits, Hazardous Waste Management, Hazardous Chemical Use and Control. Detailed assessment of EHS issues covering BRSR requirements are being planned to be taken up by CG in forth coming vendor audits

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

According to this principle, organizations must consider the expectations of all parties involved in their business, both internal and external, particularly the affected vulnerable group and Communities

It has become necessary for CG to continue collecting and disclosing both quantitative and qualitative indicators to demonstrate transparency and effective communication with all its stakeholders and to address sustainability issues that are critical to its business operations. CG is continuously engaging with its stakeholders in order to mitigate concerns of any of the stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

CG maintains a strong stakeholder engagement process, where it meticulously identifies critical stakeholder groups by stringently evaluating each group's impact on the Company's value creation, and conversely, the company's influence on their interests. This comprehensive analysis allows them to engage with a diverse range of internal and external stakeholders, including employees, customers, suppliers, channel partners, communities, and investors.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	*No*	*AGM, Financial Information Release, Investor Presentations, Earnings Calls*	*AGM – Annually Others - Quarterly*	*To inform on how the Company is currently performing and what it plans to do in the near-term future*
Employees	*No*	*Emails, Face to Face Meetings, HR Sessions, Reward and Recognition, Employee Newsletter, Intranet, Team Building Workshops and Employee Grievance Portal*	*Frequent and as and when required*	*To keep employees updated on key developments and initiatives undertaken by the Company and also for addressing their grievances*
Customers	No	Email, Quality Business Reviews, Channel Partner Meetings, Regular Operations Reviews and Grievance Portal	Frequent and as and when required	To acquire new customers, service the existing ones and improve customer experience
Suppliers	*No*	*CG Portal for Suppliers and Vendors*	*As and when required*	*Engagement on supply planning, Quality and Supply chain management*

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

CG has delegated the consultation between the stakeholders and the Board on economic, environmental, and social topics to its Managing Director (MD) to facilitate consultations. The MD, along with the senior leadership team, keeps the Board and its Committees informed through regular updates. These updates occur during dedicated Committee sessions

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is one of the cornerstones of CG's approach to environmental and social responsibility. The insights taken from these consultations, during the Materiality Exercise, have helped in constructing CG's key policies and activities on these critical topics. Building on this valuable feedback, CG is working towards setting up ambitious targets for each material topic and is actively working towards achieving them

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

CG has carried out some CSR activities in the reporting year where some marginalized stakeholder groups have been benefited

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The core belief of this principle is based on the idea that every human being has inherent rights that cannot be compromised in any way for the benefit of business. According to the UN Guiding Principles on Business and Human Rights, businesses are also held accountable for any violations of human rights and must take reasonable measures to prevent such violations from occurring as a result of their operations

ESSENTIAL INDICATORS

The Company strives to create and sustain a discrimination free workplace, by promoting harmony and advocating fair employment opportunities. The Company values and recognizes every individual equally and treats them fairly and with dignity irrespective of their race, color, creed, ancestry, ethnic origin, religion, sex, nationality, age, physical handicap / disability, or marital status. The safety and health of employees are of paramount importance for CG and the Company intends to provide and maintain a safe, healthy and productive workplace, in consultation with our employees, by addressing and remediating identified risks of accidents, injury and health impacts

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
EMPLOYEES						
Permanent	1871	1871	100%	1631	1631	100%
Other than permanent	442	442	100%	340	340	100%
Total	2313	2313	100%	1971	1971	100%
WORKERS						
Permanent	1242	1242	100%	1140	1140	100%
Other than permanent	3270	3270	100%	2875	2875	100%
Total	4512	4512	100%	4015	4015	100%

The Company has provided training on POSH and Health and Safety to all its employees

The Company has mandated Health and Safety awareness induction for everyone, including workers and employees.

POSH and Health & Safety, are integral components of human rights, aligned with ensuring safe working conditions and fostering a workplace free from discrimination, offering equal opportunities to all

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2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	1871	0	0%	1871	100%	1631	0	0%	1631	100%
Male	1747	0	0%	1747	100%	1537	0	0%	1537	100%
Female	124	0	0%	124	100%	94	0	0%	94	100%
Other than Permanent	442	206	47%	236	53%	340	315	93%	25	7%
Male	367	179	49%	188	51%	297	274	92%	23	8%
Female	75	27	36%	48	64%	43	41	95%	2	5%
Workers										
Permanent	1242	0	0%	1242	100%	1140	0	0%	1140	100%
Male	1222	0	0	1222	100%	1120	0	0%	1120	100%
Female	20	0	0	20	100%	20	0	0%	20	100%
Other than Permanent	3270	3152	96%	118	4%	2875	2875	100%	0	0%
Male	3138	3023	96%	115	4%	2732	2732	100%	0	0%
Female	132	129	98%	3	2%	143	143	100%	0	0%

3. a) Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	4,60,000	2	4,45,000
Key Managerial Personnel	3	2,58,34,256	0	-
Employees other than BoD and KMP	1744	9,87,168	124	5,96,400
Workers	1222	5,36,700	20	4,14,576

Key Managerial Personnel comprises of the Managing Director, Chief Financial Officer and Company Secretary.

b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	3.68%	3.63%

4. Do you have a focal point (individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. At, CG, the Head of Human Resources is responsible for addressing human rights issues caused or contributed by the business. In addition, CG has instituted an Internal Complaints Committee (ICC) across all its manufacturing facilities and sales locations to prevent any form of discrimination and harassment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company holds the belief that it bears a responsibility to uphold human rights by actively contributing to the well-being of the communities it serves.

CG is committed to provide a platform where the human rights of all stakeholders are protected while engaging with employees, business partners and suppliers as per globally recognized guidelines on Human Rights and is committed to engage with stakeholders in a transparent and appropriate manner to address and resolve human rights related issues concerning our business activities.

A system has been put in place by the human resources department and routinely monitored by an Internal Committee which allows CG to prevent any infringement of human rights and ensure that our human rights policy is adhered to. Addressing concerns relating to human rights falls under the purview of the Head of Human Resources.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	NA	NA	0	NA	NA
Discrimination at workplace	0	NA	NA	0	NA	NA
Child Labour	0	NA	NA	0	NA	NA
Forced Labour/Involuntary Labour	0	NA	NA	0	NA	NA
Wages	0	NA	NA	0	NA	NA
Other human rights related issues	0	NA	NA	0	NA	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

CG has instituted an Internal Committee at the Corporate level to monitor and resolve the grievances. In addition, it has appointed a Regional Diversity Taskforce appointed across all manufacturing facilities and sales locations to prevent any form of discrimination and harassment. A panel for of the 'Prevention of Sexual Harassment (POSH) Committee' will be chosen from the Regional Diversity Taskforce to resolve any POSH related complaint.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

All business agreements and contracts are in line with the regulatory requirements. CG has Human Rights Policy and Code of conduct for supplier as a guiding instrument for the engagement with value chain partners such as suppliers.

10. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% Plants are assessed
Forced/involuntary labor	100% Plants are assessed
Sexual harassment	100% Plants are assessed
Discrimination at workplace	100% Plants are assessed
Wages	100% Plants are assessed
Others – please specify	0%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable. No such corrective actions have been implemented as we have zero cases with respect to sexual harassment, discrimination at workplace, child labor, forced labor, involuntary labor, wages and other issues pertaining to human rights extended to supply chain partners.

ESSENTIAL INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

As of now, none of such business process has been modified / introduced as a result of addressing human rights grievances/complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

CG is yet to conduct any Human rights due-diligence activity.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Currently some of CG's premises are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%
Others – please specify	0%

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

The principle urges organizations to explore and identify the potential environmental impacts arising out of their business operations and supply chain activities carried out in order to deliver, and to address them with adequate mitigating measures. It also encourages organizations to find alternative ways of operating by reducing any negative impacts to the environment that may cause less harm to the environment.

Through initiatives in the areas of Environment, Health, and Safety (EHS), the Company ensures that environmental protection is an essential aspect of its operations. CG has always worked to achieve a fair balance between economic growth and environmental conservation considering it is a manufacturing company. It is made sure that EHS standards at all CG units consistently outpace legal requirements and are measured against the finest global practices. All plants have ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications for their quality management systems, environmental management systems, and occupational health and safety standards, respectively. All units in India have approval from the State Pollution Control Board to operate, as well as all comply with the guidelines specified in that approval.

All business decisions, including those involving product creation, purchasing, selecting plants and machinery, processes, providing customer service, etc., fully embrace and put into practice EHS regulating concepts. In order to benefit the industry and important players in its value chain, the Company promotes the sharing of process and product innovations within the group. The Company is committed to minimizing the negative effects on the environment and the community at large through its Corporate EHS policy and cardinal norms, as well as by ensuring the health and safety of all employees and stakeholders across all factories and establishments. Its "zero-harm culture" aims to develop a significant and lasting value for the environment and the society in which it operates.

The Company has strengthened its commitment to operating its business in a way that is sustainable on all fronts -economically, socially, and environmentally, while taking stakeholder interests into account. In order to reinforce commitments made by both employees and workers to work safely and ensure integration of the environment management system and occupational health and safety through work culture and lifestyle, it also regularly conducts trainings on Environmental awareness, Health and Safety (EHS), and sustainable growth at all its plant locations. The Company has established various programmes to recognize and reward personnel who drive EHS in an effort to encourage them to uphold the highest standards of EHS in their operations. All the numbers mentioned below in this Principle pertains to the data of all manufacturing plants of CG only.

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

(In Giga Joules)

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23* (Previous Financial Year)
From Renewable sources		
Total Electricity Consumption (A)	21,843	16,973
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	21,843	16,973
From non-renewable sources		
Total electricity consumption (D)	1,24,830	1,14,073
Total fuel consumption (E) (Diesel, LPG, LDO, Petrol)	37,460	31,948
Energy consumption through other sources (F)	0	0
Total energy consumed from nonrenewable sources (D+E+F)	1,62,290	1,46,021
Total energy consumed (A+B+C+D+E+F)	1,84,133	1,62,994
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	24.19	24.77
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	507.15	519.20

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance has been carried out by any external agency.

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2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. *Provide details of the following disclosures related to water, in the following format:*

Parameter	[illegible]	FY 2022-23* (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	4,309	3,350
(ii) Groundwater	63,311	78,854
(iii) Third party water	2,77,058	2,62,465
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,44,677	3,44,669
Total volume of water consumption (in kilolitres)	3,44,677	3,44,669
Water intensity per rupee of turnover (Water consumed / turnover)	45.29	52.38
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	949.34	1097.91

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance has been carried out by any external agency

4. Provide the following details related to water discharged:

Parameter	[illegible]	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	[illegible]	FY 2022-23 (Previous Financial Year)
(v) Others (Gardening)		
- No treatment	-	-
- With treatment – please specify level of treatment (Primary, Secondary, Tertiary)	59,326	46,759
Total water discharged (in kilolitres)	59,326	46,759

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has wastewater treatment systems sewage treatment plants (STP) across its manufacturing facilities. Treated wastewater is used for the gardening and job cleaning purpose to reduce any liquid discharge. But currently we haven't implemented any mechanism for Zero Liquid Discharge comprising of Reverse Osmosis (RO) and Multiple Effect Evaporator (MEE) as part of STP/ETP.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	[illegible]	FY 2022-23* (Previous Financial Year)
NOx	PPMV	479	479
SOx	Tons	70.99	68.24
Particulate Matter (PM)	Tons	9.17	8.87
Persistent Organic Pollutants (POP)			
Volatile Organic Compounds (VOC)	PPM	11.56	11.22
Hazardous Air Pollutants (HAP)			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance has been carried out by any external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Units	[illegible]	FY 2022-23* (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 equivalent	2105	1,867
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 equivalent	27,393	25,033
Total Scope 1 and Scope 2 emission intensity per Crore Rupee of turnover (Total Scope 1 and Total Scope 2 GHG emissions/Revenue from Operations)	Metric Tonnes of CO2 equivalent/Cr INR Revenue	3.88	4.09
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		81.24	85.65

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance has been carried out by any external agency

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

CG is actively incorporating the energy efficient options in its manufacturing processes. Please refer Energy Conservation measures in Annexure 1 to the Directors' Report on Pg. no. 72.

9. Provide details related to waste management by the entity, in the following format:

Parameter (in metric tonnes)	[illegible]	FY 2022-23* (Previous Financial Year)
Total waste generated (in metric tonne)		
(A) Plastic waste	25.57	133.27
(B) E-waste	24.10	12.82
(C) Battery waste	203.68	185.44
(D) Bio medical waste	1.11	1.02
(E) Construction and demolition waste	0	0
(F) Radioactive waste	0	0
(G) Other Hazardous waste. Please specify, if any (Spent Oil, Paint Sludge, Varnish Cake, ETP Sludge, Waste Residues containing Oil)	246.45	154.91
(H) Other Non-hazardous waste (Food, Paper, Cardboard, Metal Scrap)	16,711.79	29,106.96
Total (A+B + C + D + E + F + G + H)	17,212.70	29,593.40
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	2.26	4.49
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	47.40	94.28

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonne)

Parameter (in metric tonnes)	[illegible]	FY 2022-23* (Previous Financial Year)
Category of waste		
(i) Recycled (By third party)	17,081.45	29,252.85
(ii) Re-used (By third party)	0	0
(iii) Other recovery operations (Waste oil)	18.04	0
Total	29,252.85	17,099.49

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonne)

Parameter (in metric tonnes)	[illegible]	FY23
Category of waste disposal		
(i) Incineration	46.63	107.47
(ii) Landfilling	48.94**	0.25
(iii) Other disposal operations	17.64	47.39
Total	113.21	155.11

**The numbers for landfilling of waste has been increased significantly due to the landfilling of Asbestos waste as we are eliminating the use of asbestos from rooftops by replacing it with Galvanized Steel sheets

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance has been carried out by any external agency

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

CG is committed to create a positive impact on the ecosystem by ensuring compliance with the regulatory guidance on waste management as per CPCB / SPCB with respect to waste management (plastic waste management rules, E- waste management rules and hazardous waste management rules)

CG has partnered with authorized waste management service providers such as recyclers, authorized transporters (in case of hazardous waste) for the compliant management of waste across each of the above waste categories

Considering the nature of the industry, the quantum of waste is well within the permissible limits laid down by CPCB/SPCB in the "consent to operate" issued by them.

The Company also encourages complete elimination of hazardous substances from its manufacturing process. Annual Environmental Statement are being submitted to the State Pollution Control Board by the respective units.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Not Applicable.		

The Company has no operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable, we have not conducted environmental impact assessment for any projects since the project activities are not covered in the EIA notification dated 14 September, 2006 as amended till date.					

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13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

The Company is compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules etc.

There was no incident of non-compliance received in context to the environment compliances during the reporting period

* Due to change in calculation methodology, the figures for the previous FY 2022-23 have been regrouped wherever applicable.

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

Parameter	[illegible]	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	63,311	78,854
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	63,311	78,854
Total volume of water consumption (in kilolitres)	63,311	78,854
Water intensity per rupee of turnover (Water consumed / turnover)	8.31	11.98
Above data is TMS site only where ground water resources are classified as "Semi Critical" by Central Ground Water Authority (CGWA) in the NOC granted to the site for Ground Water Withdrawal		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	[illegible]	FY 2022-23 (Previous Financial Year)
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	[illegible]	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2 Eq	2,50,000*	2,26,897
Total Scope 3 emissions per rupee of turnover	tCO2 Eq /Cr. INR Revenue	33.11	34.48

*Approximate number. The calculation is under progress.

3. *With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above,* provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Please refer Energy Conservation measures at the Annexure 1 to Directors' Report on Page no. 72

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, in the reporting year CG has conducted Business Continuity Management study for its Ahmednagar facility and we plan to conduct it for the rest of its facilities in the upcoming financial year. Currently the plan is not publicly available.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Vendor audits covering basic EHS issues like EHS policy, Hazard identification, Operational Controls, PPEs, Legal Requirements, Monitoring licenses/permits, Hazardous Waste Management, Hazardous Chemical Use and Control. Detailed assessment of EHS issues covering BRSR requirements are being planned to be taken up by CG in forth coming vendor audits.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Vendor audits covering basic EHS issues like EHS policy, Hazard identification, Operational Controls, PPEs, Legal Requirements, Monitoring licenses/permits, Hazardous Waste Management, Hazardous Chemical Use and Control. Detailed assessment of EHS issues covering BRSR requirements are being planned to be taken up by CG in forth coming vendor audits

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

This principle guides that it is the organization's duty to be transparent & responsible while being engaged in advocacy of any public policy

The Company has memberships of trade and industry associations through which it makes efforts to further contribute on specific sustainable business issues and also participates in a number of exhibitions organized by these associations/bodies

The Company's authorized officials represent the Company in various industry forums. They understand their responsibility while representing the Company in such associations. While they engage in constructive dialogues and discussions, they refrain from lobbying or influencing public policy with vested interests. This principle is also embodied in the Code of Conduct and Business Practices of the Company applicable to its representatives and group entities.

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations.

CG has 8 affiliations with trade and industry chambers/ associations

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Bureau of Indian Standards (BIS)	National
2	Confederation of Indian Industry (CII)	National
3	Indian Electrical & Electronics Manufacturers' Association (IEEMA)	National
4	Quality Circle Forum of India (QCFI)	National
5	Maratha Chamber of Commerce Industries and Agriculture (MCCIA)	State
6	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
7	International Facility Management Association (IFMA)	National
8	International Project Management Association (IPMA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken

Not Applicable, as there was no adverse orders from regulatory authorities related to anti-competitive conduct by the entity.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

CG hasn't advocated any public policy positions

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Section 135 of the Companies Act, 2013 on Corporate Social Responsibility which urges for a specific attention on disadvantaged, vulnerable and marginalized populations, serves as the foundation for this Principle.

The Company believes that as a socially conscious corporation, it has a duty to fulfil multiple social responsibilities along with its financial obligations. Through its Corporate Social Responsibility (CSR) programmes, the Company seeks to align its business operations and expansion with social, environmental, and economic goals. The Company's CSR is based on the firm belief that corporate sustainability is intimately related to the sustainable development of the communities in which it operates and to the environment.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link

Not applicable, as CG is currently not undertaking any social impact assessments

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)

Not Applicable. CG doesn't have any operations / facilities / plants / offices that include land acquisition from affected / displaced landowners, hence CG doesn't not have any projects that involve Rehabilitation and Resettlement (R&R)

3. Describe the mechanisms to receive and redress grievances of the community.

Currently there are no formal mechanism to receive and redress grievances of the community

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	[illegible]	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	44.34%	11.33%
Sourced directly from within India	77%	72%

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5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	[illegible]	FY 2023 (Previous Financial Year)
Rural	4%	4%
Semi-urban	18%	16%
Urban	58%	60%
Metropolitan	20%	21%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

   Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

   CG had supported ISHA Foundation in hosting Gramotsavam through a CSR initiative initiative where one of the sports competition programs was held at Virudhnagar district in Tamil Nadu.

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups?

   No, CG doesn't have a preferential procurement policy as of now

   b. From which marginalized /vulnerable groups do you procure?

   Not applicable.

   c. What percentage of total procurement (by value) does it constitute?

   Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

   In the reporting year, CG did not receive any benefits from the intellectual properties

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

   Not applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of Beneficiaries	Amount Spent in crores
1	Supported ISHA Foundation in hosting Gramotsavam (ISHA Foundation)	60,132	3.24
2	Establishing Sankara College of Nursing (Women) at Kanchipuram	120	1.33
3	Providing amenities in Zilla Parishad schools in Ahmednagar	1,833	0.77
4	Providing Equipment and training facilities at ITI in Ahmednagar	80	0.46
5	Facilitating Mobile health van at Malanpur and Ahmednagar	18,000	0.45
6	Establishing "Welding and Winding training skill development center" with all machinery and infrastructure by Ahmednagar Auto and Engineering Association (a Section 25 Company) at Ahmednagar	650	1.05
7	Renovation and providing infrastructure facilities for the Zilla Parishad's Primary School situated at Chandgir, Nashik	120	0.27
8	Construction with Shri Kanchi Sankara Vidyalaya Middle School , Thirumalapuram	240	1.06
9	Establishing BMT isolation ward at St. Jude Child care centre, Rotary Club of Madras Temple City	4	0.38

PRINCIPLE 9. BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

This Principle relates to the concept that the primary objective of a business is to create wealth by delivering high-quality goods or providing services to the customer base and keeping them satisfied.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   For client complaints and feedback, the Company has a dedicated customer desk and an around-the-clock toll-free call centre facility. With the aid of service centres equipped to manage all types of incidents, a focused service team addresses the client concerns in real time. The management team examines these grievances in further depth and after drawing conclusions, corrective measures are implemented. During the regular visits, the Company's front line sales executives interact with the customers and channel partners, understand their business needs, expectations, suggestions, feedback and other concerns. On a regular basis, all outstanding issues are addressed.

   The Company periodically conducts various interactive programs like Seminars, workshop, factory visits, dealer conferences, etc. to help it make informed decisions.

   Customers may raise their grievances through help@cgglobal.com, https://www.cgglobal.com/countrywide_contact

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	0%
Recycling and/or safe disposal	0%

Any of CG's products does not carry the information about the Environmental and Safe and Responsible Usage of the products.

3. Number of consumer complaints in respect of the following:

	[illegible]	[illegible]	[illegible]	FY 2022-23 (Previous Financial Year)		
	[illegible] during the year	[illegible]	[illegible]	Received during the year	Pending resolution at end of year	Remarks
Data privacy	None	Not Applicable	-	None	Not Applicable	-
Advertising	None	Not Applicable	-	None	Not Applicable	-
Cyber-security	None	Not Applicable	-	None	Not Applicable	-
Delivery of essential services	None	Not Applicable	-	None	Not Applicable	-
Restrictive Trade Practices	None	Not Applicable	-	None	Not Applicable	-
Unfair Trade Practices	None	Not Applicable	-	None	Not Applicable	-
Other (Consumer Complaints)	45726	544	-	115243	311	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes. Recognizing the significance of cyber security, CG has policy on cyber security and risks related to data privacy. Currently the policy is available on our intranet website.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Not Applicable, as there were no issues reported and received on issues relating to advertising, and delivery of essential services, cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

7. Provide the following information relating to data breaches.

   a. Number of instances of data breaches

   None for the reporting year

   b. Percentage of data breaches involving personally identifiable information of customers

   Not applicable

   c. Impact, if any, of the data breaches

   Not applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   The information on the Company's products and services can be obtained from "Our Business" and "Product Search" tab in CG's website

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

   While supplying products to CG's customers, it provides a user manual wherein the safe and responsible usage of products is clearly pointed out.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   While supplying products to CG's customers, it provides a user manual wherein the safe and responsible usage of products is clearly pointed out.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   No, CG doesn't display product information on the product over and above what is mandated as per local laws and it has carried out surveys with regard to consumer satisfaction.

INDEPENDENT LIMITED / REASONABLE ASSURANCE REPORT ON BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT IN CG POWER & INDUSTRIAL SOLUTIONS LIMITED

To the Board of Directors
CG Power & Industrial Solutions Limited
Worli, Mumbai

We have undertaken to perform a limited / reasonable assurance engagement for CG Power & Industrial Solutions Limited vide Engagement Letter dated 17th November 2023 in respect of the agreed Business Responsibility Sustainability Report [hereinafter "BRSR"] in accordance with the criteria stated below. This is included in BRSR of the company for the year ended 31st March 2024.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social governance, and environmental experts.

Identified Sustainability Information

The Identified Sustainability Information for the year ended 31st March 2024 is summarised below as per Appendix 1

The areas for which limited / reasonable Assurance is undertaken is also given in the Appendix 1 to the report.

Our limited / reasonable assurance engagement was with respect to the year ended 31st March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is as per the guidelines issued by Securities and Exchange Board of India (SEBI) in accordance with the circulars:

- SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023
- SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12th July 2023

and clarifications issued for the same.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, considering applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of Code of Ethics issued by Institute of Charted Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" issued by the Institute of Chartered Accountants of India (ICAI), and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited / reasonable assurance conclusion, as applicable and given in the Annexure to this report on the *Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.*

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the ICAI. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

For the purpose of limited assurance, this standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records

Given the circumstances of the engagement, in performing the procedures listed above, we

- Obtained an understanding of the identified sustainability indicators and related disclosures
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the identified sustainability indicators
- Made enquiries of Company's Management, including those responsible for Sustainability, Environment, Social, Governance ('ESG'), Corporate Social Responsibility ('CSR'), etc., and those with responsibility for managing the Company's BRSR
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites and corporate office visited
- Based on that understanding, the risks that the selected information may be materially misstated and determining the nature, timing and extent of further procedures
- Checked the consolidation for various sites and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported
- Based on above understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures
- Performed substantive testing on a sample basis of the Identified Sustainability Indicators at corporate head office, and 11 other sites located at Nashik, Mandideep & Ahmednagar to verify that data had been appropriately measured with underlying documents recorded, collated and reported
- Assessed records and performed testing including recalculation of sample data

- Reviewed records and performed testing including recalculation of sample data
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by Securities and Exchange Board of India (SEBI) followed by the Company in preparing the BRSR
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed indicators and relevant source data/information
- Obtained representations from Company's Management

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same

- Operations of the Company other than those mentioned in the "Scope of Assurance"
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e., Financial Year 2023-24.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information included in the BRSR for year ended 31st March 2024 are not prepared, in all material respects, in accordance with the Criteria

Opinion on the Reasonable Assurance

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the year ended 31st March 2024 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of CG Power & Industrial Solutions Limited at the request of the company solely, to assist company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

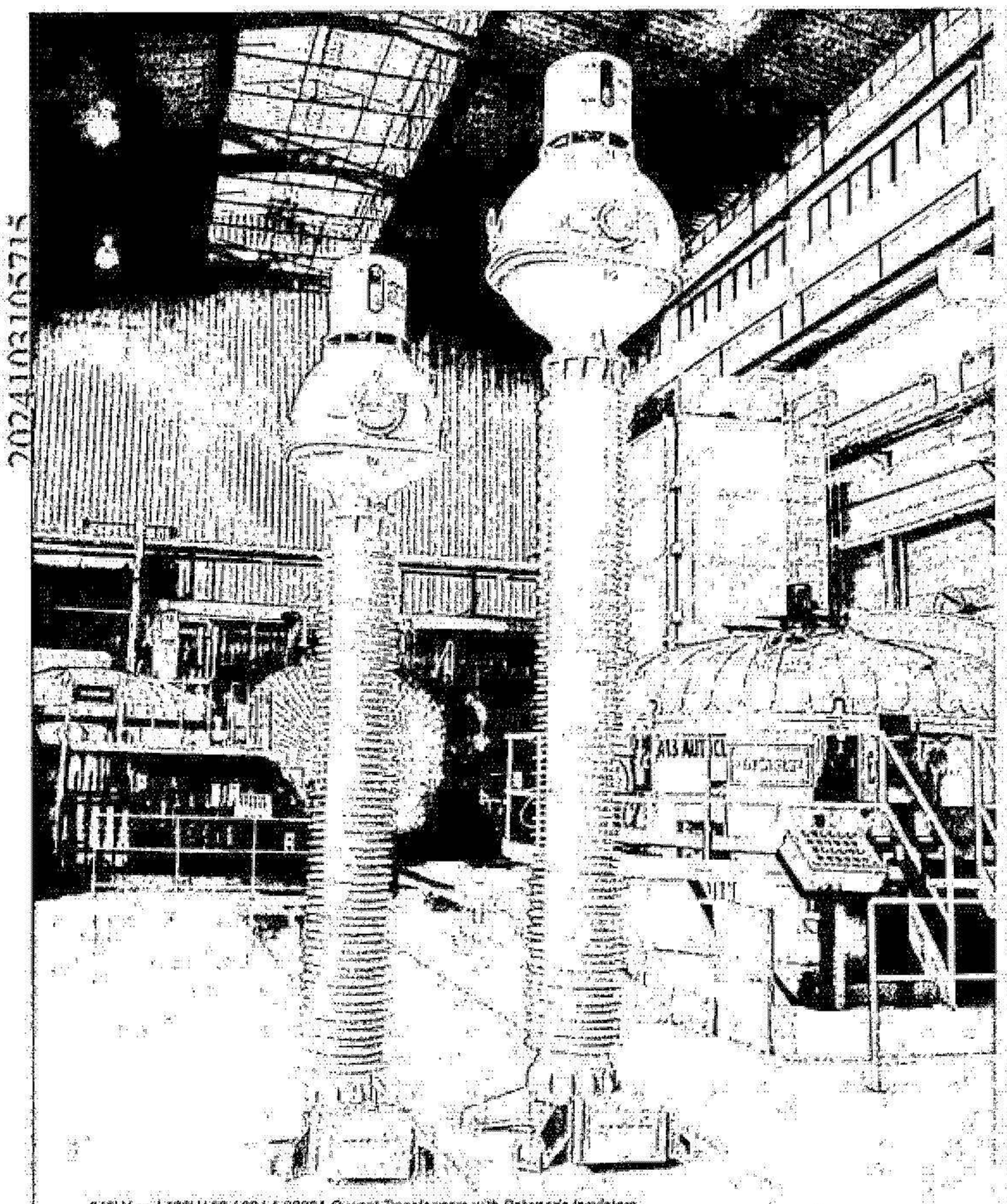
For C N K & Associates LLP Chartered Accountants
Firm Registration Number: 101961WAW-100036

Himanshu Kishnadwala
Partner
Membership No : 037391

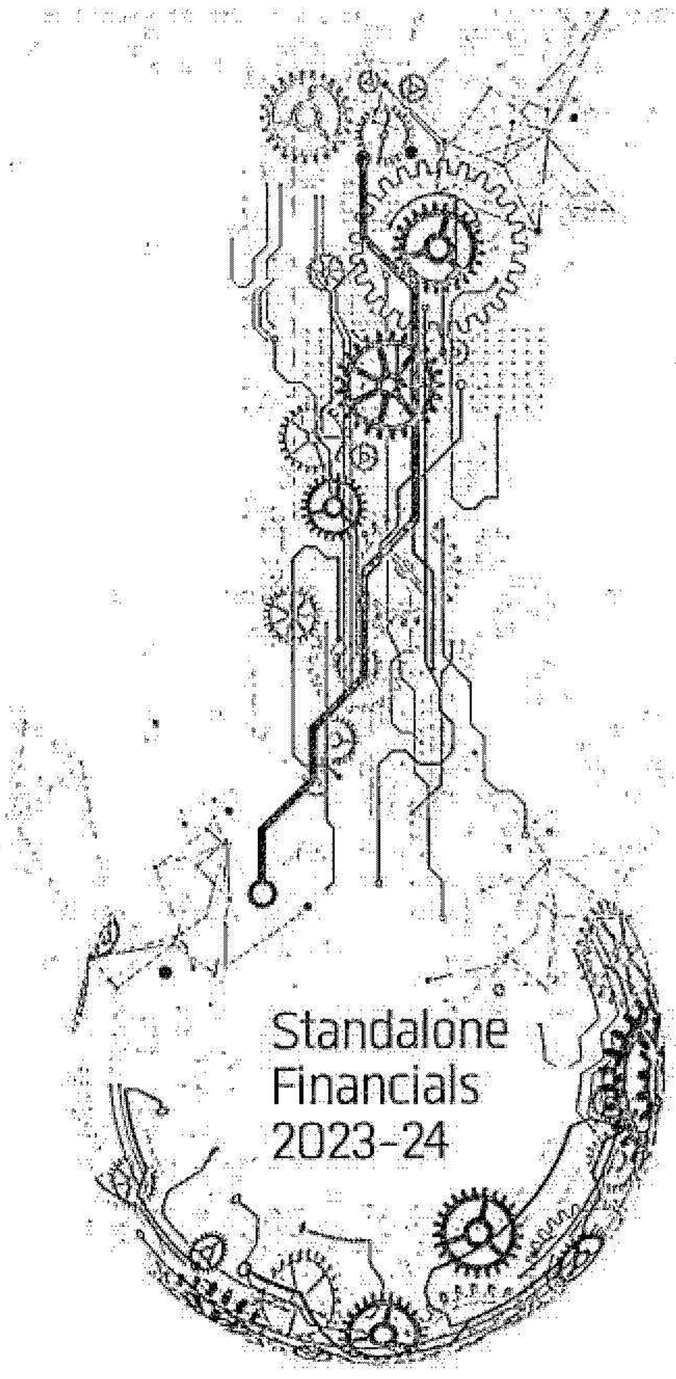
Date: 6 May, 2024
Place: Mumbai
UDIN: 24037391BKBOHR2389

APPENDIX 1:

Sr No.	Indicator Number	Name of Indicator	Type of Assurance
1	Section C – Principle 6 – Q7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the given format	Reasonable
2	Section C – Principle 6 – Q3	Provide details of the following disclosures related to water withdrawal, in the given format	Reasonable
3	Section C – Principle 6 – Q4	Provide the following details related to water discharged	Reasonable
4	Section C – Principle 6 – Q1	Details of total energy consumption (in Joules or multiples) and energy intensity, in the given format	Reasonable
5	Section C – Principle 6 – Q9	Provide details related to waste management by the entity, in the given format	Reasonable
6	Section C – Principle 3 – Q1c	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the given format	Reasonable
7	Section C – Principle 3 – Q11	Details of safety related incidents, in the given format	Reasonable
8	Section C – Principle 5 – Q3b	Gross wages paid to females as % of total wages paid by the entity, in the given format	Reasonable
9	Section C – Principle 5 – Q7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the given format	Reasonable
10	Section C – Principle 6 – Q4	Percentage of input material (inputs to total inputs by value) sourced from suppliers	Reasonable
11	Section C – Principle 5 – Q5	Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the given locations, as % of total wage cost	Reasonable
12	Section C – Principle 9 – Q7	Provide the following information relating to data breaches a Number of instances of data breaches b Percentage of data breaches involving personally identifiable information of customers c Impact, if any, of the data breaches	Reasonable
13	Section C – Principle 1 – Q8	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the given format	Reasonable
14	Section C – Principle 1 – Q9	Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the given format	Reasonable
15	BRSR Report	1. Section A: General Disclosure – 24 indicators 2. Section B: Management & Process disclosures – 12 indicators 3. Section C: Principle wise performance disclosures – 9 Principles (Essential & Leadership indicators except the Core KPI's as covered in Sr. No. 1 – 14 above)	Limited



245kV and 420kV 50 / 63 kA 3000A Current Transformers with Polymeric Insulators
Developed by CG at its Manufacturing Facility in Nashik



Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of CG Power and Industrial Solutions Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (as described in Note 28 of the standalone financial statements)	
The Company has two operating segments, namely, Power and Industrial Segment. The type of customers varies across these segments, ranging from Large Government companies / corporations to Original Equipment Manufacturers and Industrial Customers etc. Majority of the Company's revenue is from sale of goods which are recognized at a point in time based on the terms of the contract with customers which may vary case to case. Terms of sales arrangements with various customers within each of the operating segments, including Incoterms determine the timing of transfer of control and require judgment in determining timing of revenue recognition. Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.	Our audit procedures amongst others included the following: • We read the Company's accounting policy for timing of revenue recognition and assessed compliance in terms of Ind AS 115 - Revenue from Contracts with Customers. • We performed walkthroughs of the Company's revenue processes, including design and implementation of controls and tested the design and operating effectiveness of such controls in relation to revenue recognition. • On a sample basis, we tested the underlying contracts with customers, purchase orders issued by customers, and sales invoices raised by the Company (as may be applicable) to determine the timing of transfer of control along with pricing terms and the timing of the revenue recognition in respect of such contracts.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (as described in Note 28 of the standalone financial statements) (Contd.)	
	• We compared revenue with historical trends and where appropriate, conducted further enquiries and testing. • On a sample basis, we analysed revenue transactions near the reporting date and tested whether the timing of revenue was recognized in the appropriate period with reference to shipping records, sales invoices etc. for those transactions. • We assessed the disclosures for compliance with applicable accounting standards in the standalone financial statements.
Recognition of Deferred Tax Asset (as described in Note 9 of the standalone financial statements)	
The Company has Deferred Tax Asset (DTA) of ₹ 194.59 crores as at March 31, 2024 on tax losses based on availability of future taxable profits against which DTA will be utilized. The tax losses were primarily on account of write off of receivable balances in relation to various transactions in earlier years which are under investigations by regulatory authorities. Basis legal advice, management has considered these write-offs as an allowable expense in the computation of current tax in the relevant years and recognized deferred tax assets on such tax losses. The recognition of deferred tax asset is identified as key audit matter considering the significance of amounts and judgements involved.	Our audit procedures included the following: • We obtained an understanding, assessed and tested the operating effectiveness of internal control relating to the measurement and recognition of deferred tax. • We involved our tax specialist to assess tax computation and evaluation of entitlement of losses to be carried forward as per the applicable provisions of the Income Tax Act in India and relevant judicial precedents, wherever available. • We tested on a sample basis the identification and quantification of temporary differences between the recognition of assets and liabilities according to tax law and financial reporting in accordance with Indian Accounting Standards. • We have evaluated the Company's assumptions and estimates in relation to the likelihood of generating sufficient future taxable income based on most recent budgets and plans, prepared by management principally by performing sensitivity analyses and evaluated and tested the key assumptions used to determine the amounts recognized. • We assessed the reasonableness of management's business plans considering the relevant economic and industry indicators. • We obtained and read the Company's correspondences with tax authorities and legal counsel's advice obtained by the Company. • We assessed the disclosures in the standalone financial statements in accordance with the requirements of Ind AS 12 "Income Taxes".
Claims and exposures relating to taxation and litigation (as described in Note 37 of the standalone financial statements)	
The Company has disclosed contingent liabilities in respect of disputed claims / levies under tax and legal matters. Taxation and litigation exposures have been identified as a key audit matter due to significant outstanding matters with authorities and management assessment towards potential financial impact of these matters will involve significant judgement and assumptions.	Our audit procedures amongst others included the following: • We understood the process and assessed the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of legal and tax disputed matters from management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited

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Claims and exposures relating to taxation and litigation (as described in Note 37 of the standalone financial statements) (Contd.)

- We involved tax specialists to assist us in evaluating tax positions taken by management.
- We circulated legal confirmation for material litigations to external legal counsel and reviewed their assessment and had a discussion with the senior management of the Company regarding their assessment.
- We assessed the relevant disclosures made in the standalone financial statements for compliance with the requirements of Ind AS 37.

Assessment of impairment of investments in subsidiaries (as described in Note 6 of the standalone financial statements)

As of March 31, 2024, the Company has investment in subsidiaries of ₹ 466.16 crores.

During the current year, the sale of assets by a step-down subsidiary necessitated a reassessment of the recoverability of the value of the Company's related investments in its subsidiaries.

The management, through an external valuation specialist determined the recoverable amount of the Company's investment in subsidiaries using discounted cash flow models. The financial projections considered in the estimate of the future cash flows in these models contain various estimates including discount rate, projected growth rate and terminal value and subjecting these variables to sensitivity analysis. Based on such management assessment, the Company has recognised a reversal of impairment of its investment in subsidiaries during the year, aggregating ₹ 103.82 crores.

The assessment of impairment of investment in subsidiaries is considered a key audit matter due to the significance of the related amounts as well as the significant judgement involved in the management assessment.

Our audit procedures amongst others included the following:

- Evaluated the design and implementation and tested the operating effectiveness of the controls relating to management's assessment of impairment indicators and estimation of recoverable amount of investments.
- Obtained the financial model and understood the key assumptions around the cash flow forecasts, growth rate, discount rate and future operating costs.
- Involved internal valuation specialists to assist in evaluation of the appropriateness of the model adopted for impairment assessment, evaluation of key assumptions including discount rates and long term growth rate.
- We performed sensitivity analysis of key assumptions used in forecasting future cash flows. Assessed key drivers as compared to previous year / actual performance to evaluate reasonability of the inputs and assumptions used in the cash flow forecasts.
- We tested the arithmetical accuracy of the models used by management in its impairment assessment.
- Assessed the disclosures made in the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. *As required by the Companies (Auditor's Report) Order, 2020* ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 37 to the standalone financial / statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

   iv a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53(v) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material misstatement.

   v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

   vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that audit trail feature is not enabled for changes made (if any) by users with privileged/ administrative access rights, as described in Note 57 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aravind K
Partner
Membership Number: 221268
UDIN: 24221268BKGDKL5883
Place of Signature: Mumbai
Date: May 6, 2024

20241031057717

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: CG Power and Industrial Solutions Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets

(b) All Property, Plant and Equipments have not been physically verified by the management during the year but there is a regular planned programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) The title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

In respect of land and building aggregating to ₹ 174.86 crores situated at Mumbai, the land lease deed has expired in earlier years. As explained to us, the Company's application for renewal of lease in respect of this property in Mumbai is considered by local municipal corporation, however documentation formalities in this regard are in progress.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or Intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate.

Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in such physical verification. Significant inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in Note 20 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from a bank during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns / statements filed by the Company up to the quarter ended December 31, 2023 with such bank are in agreement with the books of accounts of the Company. The quarterly returns / statements for the quarter ended March 31, 2024 has not been filed by the Company till the approval of these standalone financial statements. The Company does not have sanctioned working capital limits in excess of ₹ five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Investments made and the terms and conditions of the investments to companies are not prejudicial to the Company's interest. During the year, the Company has not granted loans, advances in the nature of loans, not provided guarantee or security to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties, except as disclosed in Note 7 to the standalone financial statements, in relation to loans granted to subsidiaries in earlier years, which have been fully provided for in earlier years.

(d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties, except as disclosed in Note 7 to the standalone financial statements, in relation to loans granted to subsidiaries in earlier years, which have been fully provided for in earlier years.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd.)

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture or service of Power and Industrial products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delay in few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of income-tax, goods and services tax, sales-tax, service tax, duty of excise, value added tax, cess and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount Unpaid (Rupees in crores)	Period to which Amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and interest	156.21*	2013-2022	Commissioner of Income Tax (Appeals)
Goods and Service Tax Act, 2017	Input tax credit and other input tax credit reversal	4.87	2017-2019	Additional Commissioner / Deputy Commissioner / Joint Commissioner / Commissioner (Appeals)
		0.33	2017-2018	High Court
Central Sales Tax Act, 1956 and Sales Tax Acts of various states	Sales Tax, VAT, Penalty, Interest and Pending submission forms including C&F entry tax	149.00#	1997-2016	Additional Commissioner / Deputy Commissioner / Joint Commissioner / Commissioner (Appeals)
		27.62#	1998-2016	Appellate Tribunal
		1.11#	1999-2007	High Court
Central Excise Act, 1944	Excise Duty, Penalty and Interest	3.21	2002-2016	Additional Commissioner / Deputy Commissioner / Joint Commissioner / Commissioner (Appeals)
		3.75	1998-2019	Appellate Tribunal
		0.14	2003-2007	High Court
Finance Act, 1994	Service Tax, Penalty and Interest	21.57	2003-2015	Additional Commissioner / Deputy Commissioner / Joint Commissioner / Commissioner (Appeals)
		0.05	2005-2007	Appellate Tribunal

*As disclosed in Note 9 of the standalone financial statements, subsequent to balance sheet date, the Bombay High Court has allowed a writ petition filed by the Company in relation to revision of income tax returns for certain earlier periods and consequently the income tax demands in relation to these years have been set aside.

#The Company has corrected 'C' Forms aggregating ₹ 115.65 crores which it expects the authorities to accept to reduce total unpaid amount to ₹ 61.91 crores and further the liability will reduce to ₹ 17.70 crores after considering related entry tax impact. Further there is stay on these demands in terms of appellate forums procedures.

(viii) According to the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd.)

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause ix(f) of the Order is not applicable to the Company and hence not commented upon. The Company does not have any associate or joint venture.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd.)

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group has two Core Investment Companies as part of the Group.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 52 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in Note 40 to the standalone financial statements.

(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company and hence not commented upon.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aravind K
Partner
Membership Number: 221268
UDIN: 24221268BKGEKL5883
Place of Signature: Mumbai
Date: May 6, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of CG Power and Industrial Solutions Limited

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

We have audited the internal financial controls with reference to standalone financial statements of CG Power and Industrial Solutions Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of CG Power and Industrial Solutions Limited (Contd.)

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aravind K
Partner
Membership Number: 221268
UDIN: 24221268BKGDKI5883
Place of Signature: Mumbai
Date: May 6, 2024

Standalone Balance Sheet as at 31 March, 2024

₹ crores

	Note No.	As at 31-03-2023		As at 31-03-2023	
ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	4	804.63		745.09	
(b) Capital work in progress	4	65.69		18.01	
(c) Right of use assets	5	26.57		25.74	
(d) Intangible assets under development	5	13.60		11.03	
(e) Financial assets					
(i) Investments	6	408.91		302.76	
(ii) Loans	7	-		-	
(iii) Other financial assets	8	13.13		13.29	
(f) Current tax assets		113.35		114.49	
(g) Deferred tax assets (net)	9	152.60		434.17	
(h) Other non current assets	10	4.01		7.45	
			1605.50		1672.03
(2) Current assets					
(a) Inventories	11	689.62		400.46	
(b) Financial assets					
(i) Investments	12	587.70		0.01	
(ii) Trade receivables	13	1663.68		1329.72	
(iii) Cash and cash equivalents	14	138.25		633.55	
(iv) Bank balances other than (iii) above	15	642.69		12.33	
(v) Other financial assets	16	58.51		27.69	
(c) Other current assets	17	238.43		196.28	
			3819.28		2599.95
TOTAL ASSETS			5424.78		4271.98
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity share capital	18	305.43		305.43	
(b) Other equity	19	2939.97		2124.03	
			3245.44		2430.06
LIABILITIES					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	20	-		2.87	
(ii) Lease liabilities	36	8.85		10.01	
(iii) Other financial liabilities	21	10.87		1.75	
			19.72		14.63
(b) Provisions	22		35.46		24.37
(c) Deferred tax liabilities					
(2) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	23	2.69		-	
(ii) Lease liabilities	36	3.66		3.73	
(iii) Trade payables					
(A) Total outstanding dues of micro enterprises and small enterprises; and	24	104.71		82.65	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	1352.13		1142.13	
(iv) Other financial liabilities	25	128.29		117.77	
			1591.48		1346.29
(b) Other current liabilities	26		301.19		236.97
(c) Provisions	27		102.54		165.91
(d) Current tax liabilities			30.75		35.55
TOTAL EQUITY AND LIABILITIES			5424.78		4271.98
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of standalone financial statements.

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221268
Mumbai: 06 May 2024

Natarajan Srinivasan
Managing Director
(DIN: 00123336)

Sushrut Todi
Chief Financial Officer

Mumbai: 06 May 2024

Vellayan Subbiah
Chairman
(DIN: 01136755)

Sanjay Kumar Chowdhary
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 March, 2024

₹ crores

	Note No.	2023-24		2022-23	
INCOME					
Revenue from operations	28		7609.91		6579.63
Other income	29		150.89		79.32
Total income			7760.80		6658.95
EXPENSES					
Cost of materials consumed	30	5158.92		4362.10	
Purchases of stock-in-trade	31	271.57		208.61	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(101.10)		1.81	
Employee benefits expense	33	405.33		331.35	
Finance costs	34	2.68		14.56	
Depreciation and amortisation expense	35	77.84		74.69	
Other expenses	36	796.11		658.63	
Total expenses			6614.35		5731.95
Profit before exceptional items and tax			1146.45		927.00
Exceptional items (net)	45		142.49		56.07
Profit before tax			1288.94		983.07
Tax expense:					
Current tax	9	9.54		7.81	
Deferred tax	9	284.04		180.90	
			284.58		197.71
Profit for the year			1004.36		785.36
Other comprehensive income:					
(i) Items that will not be reclassified subsequently to profit or loss					
(a) Remeasurement gain / (loss) on defined benefit plans		(12.21)		(6.93)	
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	9	2.67		1.38	
Total other comprehensive income for the year			(9.54)		(5.55)
Total comprehensive income for the year			994.82		779.81
Earnings per share					
Basic (₹)	50		6.58		5.15
Diluted (₹)	50		6.57		5.14
(face value of ₹ 2 each)					
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of standalone financial statements.

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221268
Mumbai: 06 May 2024

Natarajan Srinivasan
Managing Director
(DIN: 00123336)

Sushrut Todi
Chief Financial Officer

Mumbai: 06 May 2024

Vellayan Subbiah
Chairman
(DIN: 01136755)

Sanjay Kumar Chowdhary
Company Secretary

20241031105718

Standalone Statement of Cash Flows for the year ended 31 March, 2024

₹ crores

		2023-24	2022-23
[A] CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1289.94	983.07
Adjustments for			
Depreciation and amortisation expense		77.84	74.69
Allowances for doubtful receivables (net)		0.26	12.63
Bad debts written off / (reversal) (net)		(4.14)	(7.64)
(Gain) / loss arising on financial instruments designated as FVTPL		(5.43)	(0.01)
Finance costs		2.68	14.56
Interest income		(62.34)	(26.42)
Share based payment expense		15.90	4.42
Profit on sale of investments (net)		(18.37)	(1.69)
Unrealised exchange (gain) / loss (net)		1.93	2.74
(Profit) / Loss on sale of property, plant and equipment (net)		(5.54)	(2.42)
Liabilities no longer required written back		(39.62)	(29.05)
Payment towards settlement of litigation		(2.45)	-
Exceptional items (net)		(142.49)	(56.07)
		(181.74)	(16.46)
Operating profit before working capital changes		1107.20	966.61
Adjustments for			
(Increase) / Decrease in trade receivables		(235.80)	(348.36)
(Increase) / Decrease in other non current financial assets		2.16	(1.36)
(Increase) / Decrease in other current financial assets and current assets		(55.36)	20.74
(Increase) / Decrease in bank balances other than cash and cash equivalents		(630.56)	80.28
(Increase) / Decrease in inventories		(199.16)	(43.69)
Increase / (Decrease) in trade payables		234.15	119.02
Increase / (Decrease) in other non current financial liabilities		9.12	(3.13)
Increase / (Decrease) in other current financial liabilities and current liabilities		75.82	96.81
Increase / (Decrease) in non-current and current provisions		23.51	11.79
		(774.12)	(67.00)
Cash (used in) / from operations		333.08	899.61
Income tax refund / (paid) (net)		(1.13)	(9.20)
Net cash flow (used in) / from operating activities	(A)	331.95	890.41

Standalone Statement of Cash Flows for the year ended 31 March, 2024 (Contd.)

₹ crores

		2023-24	2022-23
[B] CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		11.48	3.58
Proceeds from sale of investments		1220.09	134.51
Loan repaid by subsidiary		122.74	10.19
Interest received		41.42	27.70
Purchase of property, plant and equipment (including capital work-in-progress and capital advances) and intangible assets (including under development)		(195.47)	(76.37)
Purchase of investments		(1784.21)	(82.34)
Net cash flow (used in) / from investing activities	(B)	(584.04)	7.27
[C] CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares and warrants		3.15	55.98
Repayment of long-term borrowings		(0.18)	(300.57)
Payment of lease liabilities		(4.75)	(3.62)
Finance costs paid		(0.84)	(6.19)
Dividend Paid		(198.55)	(229.07)
Payment towards settlement of litigation with Asset Reconstruction Company		(42.09)	-
Payment towards corporate guarantee settlement		-	(100.72)
Net cash flow (used in) / from financing activities	(C)	(243.21)	(584.79)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(495.30)	312.89
Cash and cash equivalents at beginning of the year		633.55	320.66
Cash and cash equivalents at end of the year (Refer note 14)		138.25	633.55

1 Refer note 49 in respect of disclosure for changes in liabilities arising from financing activities.

2 The standalone statement of cash flows has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

The accompanying notes form an integral part of standalone financial statements.

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221258
Mumbai : 06 May, 2024

Natarajan Srinivasan
Managing Director
(DIN : 00120338)

Sushrut Todi
Chief Financial Officer

Mumbai : 06 May, 2024

Vellayan Subbiah
Chairman
(DIN : 01139759)

Sanjay Kumar Chowdhary
Company Secretary

Standalone Statement of Changes in Equity for the year ended 31 March, 2024

(A) EQUITY SHARE CAPITAL

For the year ended 31 March, 2024

₹ crores

Balance as at 01-04-2023	Changes in equity share capital during the year*	Balance as at 31-03-2024
305.43	0.04	305.47

For the year ended 31 March, 2023

₹ crores

Balance as at 01-04-2022	Changes in equity share capital during the year*	Balance as at 31-03-2023
288.37	17.06	305.43

*Refer Note 18

(B) OTHER EQUITY

For the year ended 31 March, 2024

₹ crores

	Reserve and Surplus							
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account	Share Warrant Money	Total Equity
Balance as at 1 April, 2023	300.30	415.89	672.49	12.95	716.98	6.02	-	2124.63
Profit for the year	1004.36	-	-	-	-	-	-	1004.36
Other comprehensive income for the year								
- Remeasurement loss on defined benefit plans	(9.54)	-	-	-	-	-	-	(9.54)
Employee stock options	-	-	-	-	3.11	15.96	-	19.07
Transfer to securities premium and retained earnings from share options outstanding account	0.02	-	-	-	0.65	(0.67)	-	-
Dividend paid during the year	(198.55)	-	-	-	-	-	-	(198.55)
Balance as at 31 March, 2024	1096.59	415.89	672.49	12.95	720.74	21.31	-	2939.97

For the year ended 31 March, 2023

₹ crores

	Reserve and Surplus							
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account	Share Warrant Money	Total Equity
Balance as at 1 April, 2022	(359.44)	415.89	672.49	12.95	660.04	1.78	18.24	1530.95
Profit for the year	785.30	-	-	-	-	-	-	785.30
Other comprehensive income for the year								
- Remeasurement loss on defined benefit plans	(5.55)	-	-	-	-	-	-	(5.55)
Employee stock options	-	-	-	-	-	4.42	-	4.42
Proceeds against share warrants	-	-	-	-	-	-	54.72	54.72
Shares issued on conversion of warrants	-	-	-	-	56.76	-	(72.96)	(16.20)
Transfer to securities premium from share options outstanding account	-	-	-	-	0.18	(0.18)	-	-
Dividend paid during the year	(229.07)	-	-	-	-	-	-	(229.07)
Balance as at 31 March, 2023	300.30	415.89	672.49	12.95	716.98	6.02	-	2124.63

The accompanying notes form an integral part of standalone financial statements.

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221258
Mumbai : 06 May 2024

Natarajan Srinivasan
Managing Director
(DIN : 00120338)

Sushrut Todi
Chief Financial Officer

Mumbai : 06 May 2024

Vellayan Subbiah
Chairman
(DIN : 01139759)

Sanjay Kumar Chowdhary
Company Secretary

NOTES accompanying the Standalone Financial Statements

1. CORPORATE INFORMATION:

CG Power and Industrial Solutions Limited (the 'Company') with CIN No. L99999MH1937PLC002641, is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai – 400 030, India.

The Company is a global enterprise providing end-to-end solutions to utilities, industries and consumers for the management and application of efficient and sustainable electrical energy. It offers products, services and solutions in two main business segments, viz. Power Systems and Industrial Systems for the year ended 31 March, 2024.

The standalone financial statements of the Company for the year ended 31 March, 2024 were authorised for issue in accordance with a resolution of the directors on 6 May, 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES:

2.1 Basis of preparation:

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III of the Companies Act, 2013. The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and financial liabilities measured at fair value.

The standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date and stated at cost, net of accumulated impairment loss, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the statement of profit and loss when the asset is derecognised.

Depreciation is provided on straight-line method over the useful lives of assets. Depreciation commences when an asset is ready for its intended use. The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, where the useful lives was determined by technical evaluation. Freehold land is not depreciated. Depreciation on additions to / deductions from assets is provided on pro-rata basis with reference to the date of addition / deletion.

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

- Plant and machinery – 1 to 21 years
- Furniture and fittings - 1 to 15 years
- Office equipments - 1 to 15 years
- Buildings – 3 to 60 years
- Vehicles – 1 to 8 years

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NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

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

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

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for Plant and machinery, Furniture and fittings, Office equipments and Vehicles as its deemed cost. Also, the Company has elected to measure Freehold land, Leasehold Land and Building at its fair value and considered it as deemed cost as on the date of transition to Ind AS.

2.3 Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

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

Intangible assets are amortised as follows:

- Computer software : Over a period of five years;
- Technical know-how : Over a period of five years from the date of availability for its use); and
- Commercial rights : Over a period of ten years.

Research and development expenditure:

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

Development expenditures on an individual project are recognized as intangible asset, if all of the following criteria can be demonstrated:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
(ii) the Company has intention to complete the development of intangible asset and use or sell it;
(iii) the Company has ability to use or sell the intangible asset;
(iv) the manner in which the probable future economic benefit will be generated;
(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
(vi) the Company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over a period of five years. During the period of development, the asset is tested for impairment annually.

On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for all intangible assets as its deemed cost.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.4 Impairment of non-financial assets:

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised in the statement of profit and loss, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

2.5 Inventories:

Inventories are valued as under:

- Raw materials, packing materials, construction materials, stores and spares, loose tools and traded goods at lower of cost and net realisable value. Cost is determined on a weighted average basis.
- Work-in-progress and finished goods (manufacturing) at lower of cost and net realisable value. Cost includes an appropriate share of production overheads based on normal operating capacity. Finished goods cost is determined on weighted average basis.

The cost of inventories comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete and slow moving items of inventories are valued at cost or net realisable value, whichever is lower. Goods and Materials in transit are valued at actual cost incurred up to the reporting date. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

2.6 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.7 Foreign currency transactions:

Initial recognition:

Transactions in foreign currencies entered are accounted at the exchange rates prevailing on the date of the transaction.

Measurement as at balance sheet date:

Foreign currency monetary items that are outstanding at the balance sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognized as income or expense in the statement of profit and loss.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.8 Revenue recognition:

(a) Revenue from sale of goods and services:

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered.

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract inception updated thereafter at each reporting date or until crystallisation of the amount. Liquidated damages are recognised as a part of variable consideration.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices.

However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

(b) Revenue from construction contracts:

Performance obligations with reference to construction contracts are satisfied over the period of time, and accordingly, revenue from such contracts is recognised based on progress of performance determined using Input method with reference to the cost incurred on contract and their estimated total costs. Revenue is adjusted towards liquidated damages, and price variations / escalation, wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably and generally when it is agreed with customer. Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognised in the period in which estimates are revised.

(c) Dividend and interest income:

Dividend income is accounted for when the shareholder's right to receive the same is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and the effective interest rate.

2.9 Employee benefits:

Short-term employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period in which the employees render the related services, are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amounts of the benefits expected in exchange for the related services.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Post-employment benefits

Defined Contribution Scheme:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

Defined benefit plans:

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with the actuarial valuations being carried out at the end of each annual reporting period.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the profit or loss. Past service cost is recognised in the statement of profit and loss in the period of plan amendment or when the Company recognised related re-structuring costs.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and settlements;
- net interest expense or income.

Gratuity:

The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. The scheme is funded with the CG Gratuity Fund. Remeasurements, comprising of actuarial gains and losses are recognised in full in other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit or loss subsequently.

Leave encashment:

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the statement of profit and loss.

Provident Fund:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Termination benefits:

Termination benefits are recognised as an expense when the Company can no longer withdraw the offer of the termination benefits or when the Company recognises any related restructuring costs whichever is earlier.

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NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.10 Shared Based Payments (Employee Stock Option Scheme):

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in stock options outstanding account in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

2.11 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time (generally over twelve months) to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.12 Segment accounting:

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker in the Company to make decisions for performance assessment and resource allocation. Segment performance is evaluated based on the profit or loss of reportable segment and is measured consistently.

The Operating segments have been identified on the basis of the nature of products / services.

(i) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

(ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

(iii) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

(iv) Segment result includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.

(v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

2.13 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

At the date of commencement of the lease, the Company recognises right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases and leases of low-value assets). For these short-term leases and leases of low-value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

A ROU asset is recognised representing its right to use the underlying asset for the lease term. The cost of the ROU asset measured at inception comprises of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses and adjusted for any remeasurement of the lease liability.

The ROU assets are depreciated from the commencement date using the straight-line method over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The range of useful lives of the ROU assets are as follows:

- Leasehold land – 30 to 99 years
- Buildings – 2 to 9 years
- Furniture and fittings – 5 years

Company as a lessor:

Leases for which the Company is a lessor are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.14 Earnings per share:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.15 Income Taxes:

Income tax expense for the period comprises of current and deferred tax. Income tax expense is recognised in the statement of profit and loss except when they are relating to items that are recognised in OCI or directly in equity, in which case, it is also recognised in relating to items recognised directly in OCI or equity respectively

Current tax

Current tax comprises the expected income tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is determined by using tax rates in accordance with the provisions of Income Tax Act, 1961.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.16 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Warranty provisions

Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Company's obligation.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.17 Exceptional Items:

An item of income or expense which by its size, type or incidence is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed as such in the standalone financial statements.

2.18 Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets / liabilities are classified as non-current.

Operating cycle:

A portion of the Company activities (primarily long-term project activities) has an operating cycle that exceeds twelve months. Accordingly, assets and liabilities related to these long-term contracts, which will not be realised / paid within twelve months, have been classified as non-current. For all other activities, operating cycle is twelve months.

2.19 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.20 Non-current assets held for sale and discontinued operations:

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Also comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

Assets and liabilities classified as held for disposal are presented separately from other assets and liabilities in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

2.21 Financial instruments:

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

(i) Financial assets:

Initial recognition and measurement

Financial assets are measured at fair value on initial recognition, except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets.

Where financial assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss or 'FVTPL'), or recognised in other comprehensive income (i.e. fair value through other comprehensive income or 'FVTOCI').

A financial asset is measured at amortised cost (net of any write down for impairment) if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value, with fair value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present fair value changes in other comprehensive income. However, dividend on such equity investments are recognised in statement of profit and loss when the Company's right to receive payment is established.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Investment in associates, joint venture and subsidiaries

The Company accounts for its investment in subsidiaries, associates and joint venture, at cost less impairment loss except where investments is accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Impairment of financial assets

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies a simplified approach under which loss allowance is recognised based on expected lifetime ECL losses to be recognised on each reporting date. The Company uses a provision matrix that is based on its historical credit loss experience adjusted for relevant forward-looking factors. For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk since initial recognition, full lifetime ECL is used.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss ('FVTPL'). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Company to make specified payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of, the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

NOTES accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(iii) Derivative financial instruments and hedge accounting:

The Company uses various derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

(iv) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities within the next financial year.

Judgements

Lease of assets not in legal form of lease

Significant judgment is required to apply lease accounting rules under Ind AS 116. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 116.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(i) Useful lives of property, plant and equipment

Management reviews useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors. This reassessment may result in change in depreciation expected in future period.

(ii) Development costs

Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management assesses and monitors whether the recognition requirements for development costs continue to be met. There is inherent uncertainty in the economic success of any product development. The Company uses judgement in assessment of development cost eligible for capitalisation.

NOTES accompanying the Standalone Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

(iii) Impairment of non-financial assets

In case of non-financial assets Company estimates asset's recoverable amount, which is higher of an asset's or cash generating units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(iv) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(v) Income taxes

Deferred tax assets for unused tax losses are recognised only when it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

(vi) Defined benefit obligation

In accounting for post-retirement benefits, actuarial method uses several statistical and other factors to anticipate future events that are used to calculate defined benefit obligation. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vii) Revenue from contract with customers

The Company estimates variable considerations in the nature of volume rebates, discounts, performance bonuses, penalties and similar items and adjusts the transaction price for the sale of goods and services. These expected variable considerations are analysed either at customer or contracts basis against agreed terms with customers and may differ from actual results.

(viii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in notes but are not recognised, the cases which have been determined as remote by the Company are not disclosed.

NOTES accompanying the Standalone Financial Statements (Contd.)

3(B). NEW AND AMENDED STANDARDS

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April, 2023. The Company applied for the first time those amendments.

(i) Disclosure of Accounting Policy – Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

In the standalone financial statements, the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is insignificant.

(ii) Definition of Accounting Estimates – Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(iii) Deferred tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12:

The amendment narrows the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since these balances qualify for offset as per the requirements of Paragraph 74 of Ind AS 12, there is no impact on the Balance sheet. There was no impact on retained earnings as at 1 April, 2023.

Apart from those, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34, which had no impact on the Company's standalone financial statements.

NOTES accompanying the Standalone Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT

₹ crores

	Freehold land	Buildings	Plant and machinery	Furniture and fittings	Office equipments	Vehicles	Total	Capital work-in-progress
Cost / deemed cost:								
As at 1 April, 2022	49.42	536.12	443.28	27.61	20.38	7.77	1,084.58	16.99
Additions	-	11.64	37.10	2.02	7.62	2.03	60.41	13.91
Disposals / transfers	-	-	1.61	0.45	0.23	1.01	3.30	12.89
As at 31 March, 2023	49.42	547.76	478.77	29.18	27.77	8.79	1,141.69	18.01
Additions	-	15.19	59.84	1.60	7.39	4.72	88.74	55.30
Disposals / transfers	-	6.19	1.36	0.69	2.20	1.91	12.35	10.71
As at 31 March, 2024	49.42	556.76	537.25	30.09	32.96	11.60	1,218.08	65.60
Accumulated depreciation:								
As at 1 April, 2022	-	203.99	295.61	16.92	15.92	3.71	536.15	
Depreciation charge for the year	-	23.65	31.29	1.89	1.89	1.36	60.08	
Disposals / transfers	-	-	1.11	0.29	0.16	0.56	2.12	
As at 31 March, 2023	-	227.64	295.79	18.52	17.65	4.51	594.11	
Depreciation charge for the year	-	23.59	29.64	1.93	3.81	1.72	60.69	
Disposals / transfers	-	1.12	1.10	0.58	1.87	1.02	5.69	
As at 31 March, 2024	-	250.01	324.33	19.87	19.59	5.21	649.11	
Net book value								
As at 31 March, 2023	49.42	414.12	182.98	10.67	10.13	4.30	671.62	18.01
As at 31 March, 2024	49.42	401.75	212.92	10.22	13.37	6.39	693.87	65.60

Notes:

(a) The Company's application for renewal of lease in respect of property in Mumbai is considered by local municipal corporation, however documentation formalities in this regards are in process. The net book value of tangible assets in relation to this property as at 31 March, 2024 is ₹ 177.52 crores (as at 31 March, 2023 ₹ 182.67 crores).

(b) * Refer note 38.

NOTES accompanying the Standalone Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT (Contd.)

Capital work in progress (CWIP) Ageing Schedule as at 31 March, 2024

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	58.30	4.45	2.45	0.40	65.60
Total	58.30	4.45	2.45	0.40	65.60

Notes:

(i) There are no projects where project cost has exceeded or projects are overdue in current year.

(ii) There are no projects which are temporary suspended.

Capital work in progress (CWIP) Ageing Schedule as at 31 March, 2023

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	13.91	3.70	-	0.40	18.01
Total	13.91	3.70	-	0.40	18.01

Notes :

(i) There were no projects where project cost exceeded or projects were overdue.

(ii) There were no projects which were temporary suspended.

NOTES accompanying the Standalone Financial Statements (Contd.)

5. INTANGIBLE ASSETS

₹ crores

	Computer software	Intangible assets under development #	Total
Cost / deemed cost:			
As at 1 April, 2022	61.36	7.73	69.09
Additions	2.05	9.35	11.40
Disposals / transfers	-	6.05	6.05
As at 31 March, 2023	63.41	11.03	74.44
Additions	11.05	12.47	23.52
Disposals / transfers	0.01	3.90	3.91
As at 31 March, 2024	74.45	19.60	94.05
Accumulated amortisation:			
As at 1 April, 2022	58.45		58.45
Amortisation charge for the year	0.83		0.83
As at 31 March, 2023	59.28		59.28
Amortisation charge for the year	4.01		4.01
Disposals / transfers	0.01		0.01
As at 31 March, 2024	63.28		63.28
Net book value			
As at 31 March, 2023	4.13	11.03	15.16
As at 31 March, 2024	11.17	19.60	30.77

This includes expenses of ₹ 12.47 crores (as at 31 March, 2023 ₹ 6.00 crores) (Refer note 39).

Intangible assets under development (IAUD) Ageing Schedule as at 31 March, 2024

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.47	2.22	0.27	1.07	11.03
Total	7.47	2.22	0.27	1.07	11.03

Notes:

(i) There are no projects where project cost has exceeded or projects are overdue in current year.

(ii) There are no projects which are temporary suspended.

Intangible assets under development (IAUD) Ageing Schedule as at 31 March, 2023

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.73	1.62	-	-	9.35
Total	7.73	1.62	-	-	9.35

Notes:

(i) There are no projects where project cost has exceeded or projects were overdue.

(ii) There were no projects which were temporary suspended.

NOTES accompanying the Standalone Financial Statements (Contd.)

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

	No. of shares / units				Face value per unit in ₹ unless otherwise specified
	As at 31-03-2023		As at 31-03-2023		
Details of investments:					
A) Quoted investments					
Government and trust securities (measured at Fair value through profit and loss)					
Central Government Securities 10.18% GOI 2026 of ₹ 100 each	35000	35000	0.43	0.39	100
Total (A)			0.43	0.39	
B) Unquoted investments					
Investments in equity instruments					
Investment in subsidiary companies (carried at cost)					
Fully paid equity shares					
1. CG International B.V.	1530600	1530600	817.29	817.29	EUR 100
Less : Impairment (net of reversal) in value of investment*			(288.68)	(575.79)	
			528.22	241.41	
2. CG Power Equipments Limited (Formerly Crompton Greaves Consumer Products Limited)	250000	250000	0.05	0.05	2
Less : Impairment in value of investment			(0.05)	(0.05)	
			-	-	
3. CG International Holdings Singapore Pte. Limited	44121460	44121460	238.29	238.29	USD 1
Less : Impairment in value of investment*			(173.94)	(190.66)	
			64.35	47.34	
4. CG Advanced Products Limited (Formerly CG-PEM Advanced Products Limited)	3297817	3297817	13.58	13.37	10
5. CG Power Solutions Limited*	50000	-	0.05	0.05	10
Less : Impairment in value of investment			(0.05)	(0.05)	
			-	-	
6. PT Crompton Prima Switchgear Indonesia (Interest investment)			1.15	1.15	
Less : Impairment in value of investment			(1.15)	(1.15)	
			-	-	
7. CG Semi Private Limited	10000	-	0.01	-	10
			0.01	0.00	

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS (Contd.)

₹ crores

	No. of shares / units				Face value per unit in ₹ unless otherwise specified
	As at 31-03-2023		As at 31-03-2023		
B) Unquoted investments (Contd.)					
Partly paid equity shares					
CG Power Equipments Limited (Formerly Crompton Greaves Consumer Products Limited)	15643537	15643537	3.13	3.13	0.20
Less : Impairment in value of investment			(3.13)	(3.13)	
			-	-	
Total (B)			406.18	302.12	
C) Unquoted investments					
Investments in others					
Measured at fair value through profit and loss					
1. Chintels Exclusive Club Private Limited	500	500	0.01	0.01	100
2. Reliance Electronics Limited	190000	190000	0.00	0.00	100
			0.01	0.01	
Investments in debentures or bonds					
Carried at fair value through profit and loss					
1. Chintels Exclusive Club Private Limited	5000	5000	0.05	0.05	100
(0% Unsecured Irredeemable Non-convertible Debentures of ₹ 100 each)					
Other non-current investments					
Carried at fair value through profit and loss					
1. UTI Hybrid Equity Fund - Dividend Plan - Payout	83227	83227	0.26	0.19	
2. Power Equipment Limited	20000	20000	0.00	0.00	
			0.26	0.19	
			0.32	0.25	
Total (C)			406.51	302.38	
Total (A+B+C)			0.43	0.39	
Notes :					
Quoted investments			0.43	0.39	
Book value			0.43	0.39	
Market value					
Unquoted investments					
Book value			406.48	302.37	
Aggregate amount of impairment in the value of investments in subsidiaries			487.25	671.12	

* Refer note 45 for reversal of impairment in value of investment of ₹ 163.52 crores

During the year, the Company has written off of investment ₹ 0.05 crores (Refer note 44)

7. NON-CURRENT FINANCIAL ASSETS - LOANS

₹ crores

	As at 31-03-2023		As at 31-03-2023	
Unsecured, credit impaired, unless otherwise stated				
Loans to subsidiaries (Refer note 44)*	1936.48		2059.22	
Less: Allowance for credit impaired (Refer note 44)*	1936.48		2059.22	
		-		-
Other loans and advances	7.94		7.94	
Less: Allowance for credit impaired	7.94		7.94	
		-		-

* During the year loan amounting ₹ 122.74 crores (previous year ₹ 10.19 crores) has been repaid by a subsidiary, hence provision to that extent has been reversed by ₹ 122.74 (previous year ₹ 10.19 crores). Further, during the year the amount written off ₹ Nil (previous year ₹ 708.56 crores)

₹ crores

	As at 31-03-2023		As at 31-03-2023	
Type of Borrower	Amount of loan or advance in nature of loan outstanding	% of total loans and advances in nature of loans	Amount of loan or advance in nature of loan outstanding	% of total loans and advances in nature of loans
Loan to subsidiaries	1936.48	99.6%	2059.22	99.6%
Total	1936.48	99.6%	2059.22	99.6%

8. NON-CURRENT - OTHER FINANCIAL ASSETS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Unsecured, considered good, unless otherwise stated		
Deposits	7.55	6.10
Fixed deposits with banks with maturity period of more than 12 months*	3.58	7.19
	11.13	13.29

* Fixed Deposits of ₹ 2.72 crores (as at 31 March, 2023 ₹ 3.69 crores) are held as margin money

9. TAXATION

Income tax recognised in statement of profit and loss:

₹ crores

	2022-23	2022-23
Statement of profit and loss:		
Current income tax		
Current period	15.59	7.81
Adjustment in respect of current tax relating to earlier periods	(15.05)	-
Deferred tax		
Relating to origination and reversal of temporary differences	284.04	189.90
Income tax recognised in statement of profit and loss	284.58	197.71
Other comprehensive income:		
Deferred tax related to items recognised in other comprehensive income during the year	(2.67)	(1.38)
Income tax recognised in other comprehensive income	(2.67)	(1.38)

9. TAXATION (Contd.)

Reconciliation of income tax expense and the accounting profit multiplied by applicable income tax rate:

₹ crores

	2022-23	2022-23
Accounting profit before income tax	1268.94	983.07
Applicable tax rate	25.168%	25.168%
Computed tax expense	324.40	247.42
Reversal of provision against investment / loan and advances given to subsidiaries	(57.02)	-
Write off of receivables / financial assets receivables	(3.50)	(49.65)
Expense not deductible in determining taxable profits	9.63	(0.31)
Others	11.07	0.45
Net income tax expense charged to statement of profit and loss	284.58	197.71

Note:

Pursuant to the directions of the Hon'ble National Company Law Tribunal ("NCLT"), the Company's books of accounts were re-casted and re-audited for the financial years 2014-15 to 2018-19. The said re-casted accounts were taken on record by the NCLT on 26 October, 2021 and consequential revision of books of accounts for financial years 2019-20 and 2020-21 were also performed by the Company. The Company had filed an application with the Central Board of Direct Taxes ("CBDT") seeking its approval to revise the returns of income based on the re-casted / revised books of accounts. As the time limit for the same had elapsed the Company had filed an application u/s 119 of the Income Tax Act, 1961 for condonation of delay for filing of revised returns for the financial years 2014-15 to 2019-20. The CBDT vide its Order dated 29 February, 2024 had rejected the Company's application. Against the said rejection order, the Company had filed Writ Petition before the Hon'ble Bombay High Court. This petition was heard before the Hon'ble Bombay High Court on 30 April, 2024. While written copy of the order on the matter is awaited, based on communication from the legal counsels received by the Company, the Court has disposed off the above writ petition and pronounced the following directions:

(a) Allowing the Company to file its revised returns of income based on re-casted / revised accounts for the financial year 2014-15 to 2019-20 within 30 days from the date of receipt of order and directing the income tax department to complete the assessment of the same before 28 February, 2025.

(b) Holding that the assessment orders passed for the financial years 2014-15 to 2016-17 does not survive and this has the effect of tax demands aggregating to ₹ 453.57 crores getting extinguished.

Deferred tax relates to the following:

₹ crores

	Balance sheet		Recognised in statement of profit and loss	
	As at 31-03-2023	As at 31-03-2023	2022-23	2022-23
Expenses allowable on payment basis	14.28	42.10	27.82	0.60
Impact of difference between tax depreciation and depreciation / amortisation charged	(121.47)	(128.24)	(6.77)	(7.66)
Lease liabilities	3.20	3.56	0.36	1.52
Right-of-use assets	(2.86)	(3.29)	(0.43)	(1.54)
Other items giving rise to temporary differences	9.69	16.75	7.06	1.00
Provision and impairment of receivables	55.37	57.97	2.60	(4.62)
Unabsorbed losses and Unutilised depreciation	194.59	445.32	250.73	167.96
Provision for corporate guarantee obligation settlement	-	-	-	31.46
Net deferred tax assets	152.80	434.17		
Net (income) / expense			281.37	188.52
Deferred tax expense / (benefit):				
Relating to origination and reversal of temporary differences			281.37	188.52
Total			281.37	188.52

NOTES accompanying the Standalone Financial Statements (Contd.)

9. TAXATION (Contd.)

The net deferred tax assets of ₹ 152.80 crores (as at 31 March, 2023 ₹ 434.17 crores) includes deferred tax assets of ₹ 194.58 crores (as at 31 March, 2023 ₹ 445.32 crores) related to tax losses. Based on the future forecast and current economic conditions in India, there is reasonable certainty that the deferred tax assets on tax losses are eligible to be carried forward till assessment year 2029-30, will be realised before their expiry.

Reconciliation of deferred tax assets / (liabilities) net

₹ crores

	[illegible]	As at 31-03-2023
Opening balance	434.17	622.69
Tax expense during the year recognised in statement of profit and loss	(284.04)	(189.98)
Deferred tax on other comprehensive income	2.67	1.36
Closing balance	152.80	434.17

10. OTHER NON - CURRENT ASSETS

₹ crores

	[illegible]	As at 31-03-2023
Unsecured, considered good, unless otherwise stated		
Capital advances	4.91	7.45
	4.91	7.45

11. INVENTORIES

₹ crores

	[illegible]		As at 31-03-2023	
Raw materials	313.11		220.30	
Add: Goods in transit	9.35		4.04	
		322.46		224.34
Work-in-progress		229.00		178.28
Finished goods		116.32		68.43
Stock-in-trade (including goods-in-transit)		16.73		16.24
Stores, spares and packing materials		2.97		3.17
Loose tools		0.14		0.00
		689.62		490.46

Note:
Mode of valuation of inventories is stated in Note 2.5

NOTES accompanying the Standalone Financial Statements (Contd.)

12. CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

		Face value per unit in ₹ unless otherwise specified	No. of shares / units [illegible]	As at 31-03-2023	[illegible]	As at 31-03-2023
Details of Investments:						
Unquoted Investments						
Investments in equity instruments*						
1	Nicco Corporation Limited	2	330390	330390	0.01	0.01
2	JCT Electronics Limited	1	250000	250000	0.00	0.00
					0.01	0.01
Investments in mutual funds*						
1	SBI Liquid Fund - Direct Growth		1555029	-	587.69	-
					587.69	-
					587.70	0.01

* Carried at fair value through profit and loss

13. TRADE RECEIVABLES

₹ crores

	[illegible]		As at 31-03-2023	
Unsecured:				
Considered good	1457.47		1224.28	
Credit impaired	93.36		110.91	
	1550.83		1335.19	
Less: Allowance for credit impaired	93.36		110.91	
		1457.47		1224.28
Receivables from related parties	69.81		69.27	
Less: Allowance for credit impaired	63.40		63.83	
(Refer note 44)		6.41		5.44
		1463.88		1229.72

Note:
(a) Refer note 28 for trade receivables considered as contract balances

Trade receivables ageing schedule:

₹ crores

As at 31 March, 2024		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(i)	Undisputed trade receivables – considered good	909.60	504.43	29.08	9.10	0.14	5.53	1459.88
(ii)	Undisputed trade receivables – credit impaired	-	-	-	11.73	4.60	140.43	156.76
(iii)	Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv)	Disputed trade receivable – credit impaired	-	-	-	-	-	-	-
Total		909.60	504.43	29.08	20.83	10.74	145.96	1620.64

NOTES accompanying the Standalone Financial Statements (Contd.)

13. TRADE RECEIVABLES (Contd.)

₹ crores

As at 31 March, 2023		Not due	Outstanding for following periods from due date of payment: < 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	Total
(i)	Undisputed trade receivables – considered good	604.52	541.84	45.12	27.16	5.96	5.13	1229.72
(ii)	Undisputed trade receivable – credit impaired	-	-	0.71	7.51	19.65	146.87	174.74
(iii)	Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv)	Disputed trade receivable – credit impaired	-	-	-	-	-	-	-
Total		604.52	541.84	45.83	34.67	25.60	152.00	1404.46

Note:
No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Details of trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member are given below:

₹ crores

Name of the Company	[illegible]	As at 31-03-2023
Zetwerk Manufacturing Businesses Private Limited	3.02	10.98

14. CASH AND CASH EQUIVALENTS

₹ crores

	[illegible]	As at 31-03-2023
Balances with banks:		
In current accounts	45.25	96.89
Fixed deposits with original maturity of less than 3 months	93.00	536.66
	138.25	633.55
Cash on hand	0.00	0.00
	138.25	633.55

Note:
As at 31 March, 2024, the Company has undrawn fund based committed borrowing facilities of ₹ 500.00 crores (as at 31 March, 2023 ₹ 500.00 crores)

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ crores

	[illegible]	As at 31-03-2023
Earmarked balances with banks for unpaid dividends (Refer note (a) below)	0.48	0.12
Fixed deposits with original maturity of more than 3 months and up to 12 months (Refer note (b) below)	642.41	12.21
	642.89	12.33

Notes:
(a) Amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund ('IEPF') as at 31 March, 2024 ₹ Nil (as at 31 March, 2023 ₹ Nil)
(b) Deposits of ₹ 1.40 crores (as at 31 March, 2023 ₹ 1.14 crores) are held as margin money

NOTES accompanying the Standalone Financial Statements (Contd.)

16. CURRENT OTHER FINANCIAL ASSETS

₹ crores

	[illegible]		As at 31-03-2023	
Unsecured, considered good, unless otherwise stated:				
Receivable from subsidiaries (Refer note 44)	35.41		4.42	
Less: Allowances for credit impaired	-		0.37	
		35.41		4.05
Fixed Deposits with remaining maturity less than 12 months*		4.42		9.01
Derivative instruments		0.69		0.07
Security deposits:				
Considered good	9.30		11.70	
Considered doubtful	0.74		0.74	
	10.04		12.44	
Less: Allowance for bad and doubtful deposits	0.74		0.74	
		9.30		11.70
Other financials assets		8.69		2.77
		58.51		27.60

* Fixed Deposits of ₹ 3.71 crores (as at 31 March, 2023 ₹ 1.97 crores) are held as margin money

17. OTHER CURRENT ASSETS

₹ crores

	[illegible]	As at 31-03-2023
Unsecured, considered good, unless otherwise stated:		
Advance to suppliers	69.97	45.69
Statutory and other receivables*	168.46	142.59
Receivable from erstwhile directors	0.16	0.16
Less: Provision for doubtful receivable	0.16	0.16
	-	-
	238.43	188.28

Note:
* Major items includes statutory receivables of ₹ 134.61 crores (as at 31 March, 2023 ₹ 128.07 crores), which mainly consists of deposits towards disputed tax demands of ₹ 54.26 crores (as at 31 March, 2023 ₹ 53.53 crores)

18. EQUITY SHARE CAPITAL

₹ crores

	[illegible]	As at 31-03-2023
Authorised		
2039000000 equity shares of ₹ 2 each	407.60	407.60
(2039000000 equity shares of ₹ 2 each as at 31 March, 2023)		
Issued		
1527375514 equity shares of ₹ 2 each fully paid up	305.47	305.43
(1527173734 equity shares of ₹ 2 each fully paid up as at 31 March, 2023)		
Subscribed and paid-up		
1527333214 equity shares of ₹ 2 each fully paid up	305.47	305.43
(1527131434 equity shares of ₹ 2 each fully paid up as at 31 March, 2023)		
Forfeited shares		
42300 equity shares of ₹ 2 each (Amount partly paid up ₹ 32175)	0.00	0.00
(42300 equity shares of ₹ 2 each (Amount partly paid up ₹ 32175 as at 31 March, 2023))		
	305.47	305.43

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NOTES accompanying the Standalone Financial Statements (Contd.)

18. EQUITY SHARE CAPITAL (Contd.)

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Authorised equity share capital	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	₹ crores	No. of Shares	₹ crores
Balance at the beginning of the year	2038000000	407.60	2038000000	407.60
Balance at the end of the year	2038000000	407.60	2038000000	407.60

Issued equity share capital	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	₹ crores	No. of Shares	₹ crores
Balance at the beginning of the year	1527173734	305.43	1441885329	288.37
Add: Issued during the year	201780	0.04	85288405	17.06
Balance at the end of the year	1527375514	305.47	1527173734	305.43

Subscribed and paid-up equity share capital	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	₹ crores	No. of Shares	₹ crores
Balance at the beginning of the year	1527131434	305.43	1441845029	288.37
Add: Subscribed during the year	201780	0.04	85288405	17.06
Balance at the end of the year	1527333214	305.47	1527131434	305.43

During the year, the Company has issued following equity shares under employee stock option scheme

(i) 201780 equity shares of the face value ₹ 2 each at a price of ₹ 156.20 (including premium) per equity share, for an aggregate consideration of ₹ 3.15 crores.

During the year ended 31 March, 2023, the Company has issued following equity shares under preferential allotment and employee stock option scheme

(i) 85233045 equity shares of the face value of ₹ 2 each at a price of ₹ 8.56 (including premium) per equity share, for an aggregate consideration of ₹ 72.96 crores on conversion of 85233045 warrants held by Tube Investments of India Limited (TII) into equity share.

(ii) 54760 equity shares of the face value ₹ 2 each at a price of ₹ 156.20 (including premium) per equity share, for an aggregate consideration of ₹ 0.86 crores.

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c) Details of shareholders holding more than 5 % shares in the Company:

	As at 31-03-2024		As at 31-03-2023	
	%	No. of Shares	%	No. of Shares
Tube Investments of India Limited	58.04	886485532	58.05	886485532

NOTES accompanying the Standalone Financial Statements (Contd.)

18. EQUITY SHARE CAPITAL (Contd.)

(d) Details of shares held by promoters and promoter group

As at 31 March, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Tube Investments of India Limited	886485532	-	886485532	58.04%	-
M A Murugappan Holdings LLP (Formerly, M A Murugappan Holdings Private Limited)	367000	-	367000	0.02%	-
M A M Arunachalam	185000	35920	220920	0.01%	19.42%
M A Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	90000	(81020)	8980	0.00%	(90.02%)
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	74000	-	74000	0.00%	-
M A M Arunachalam (in capacity of karta of HUF)	64500	-	64500	0.00%	-
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai holds shares - Murugappan Arunachalam Children Trust)	46900	-	46900	0.00%	-
A Venkatachalam (in capacity of karta of HUF)	31300	(31300)	-	-	(100.00%)
Vedika Meyyammai Arunachalam	71000	-	71000	0.00%	-
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M V Subbiah, M A A and M M M hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	1450	335	1785	0.00%	23.10%
Valli Annamalai	1000	-	1000	0.00%	-
Lakshmi Chockalingam	-	44000	44000	0.00%	100.00%
Valli Alagappan	-	500	500	0.00%	100.00%
Dhruv M Arunachalam	-	200	200	0.00%	100.00%
A Keerthika Ilmamalai	-	155	155	0.00%	100.00%
Total	887597772	(30310)	887567462	58.11%	

(*) Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However total promoter holding is 58.11%

NOTES accompanying the Standalone Financial Statements (Contd.)

18. EQUITY SHARE CAPITAL (Contd.)

As at 31 March, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares*	% change during the year
Tube Investments of India Limited	801251687	85233845	886485532	58.05%	10.64%
M A Murugappan Holdings LLP (Formerly, M A Murugappan Holdings Private Limited)	367000	-	367000	0.02%	-
M A M Arunachalam	185000	-	185000	0.01%	-
M A Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	90000	-	90000	0.01%	-
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	74000	-	74000	0.00%	-
M A M Arunachalam (in capacity of karta of HUF)	64500	-	64500	0.00%	-
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A. M. Meyyammai holds shares - Murugappan Arunachalam Children Trust)	46900	-	46900	0.00%	-
A Venkatachalam (in capacity of karta of HUF)	31300	-	31300	0.00%	-
Vedika Meyyammai Arunachalam	71000	-	71000	0.00%	-
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M V Subbiah, M A A and M M M hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	-	1450	1450	0.00%	100.00%
Valli Annamalai	-	1000	1000	0.00%	100.00%
Total	802361677	85236095	887597772	58.12%	

(*) Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However total promoter holding is 58.12%

NOTES accompanying the Standalone Financial Statements (Contd.)

19. OTHER EQUITY

		₹ crores
	As at 31-03-2024	As at 31-03-2023
Retained earnings	1096.59	309.30
General reserve	415.89	415.89
Capital reserve	672.40	672.40
Capital redemption reserve	12.95	12.95
Securities premium	720.74	710.98
Share options outstanding account	21.31	6.02
	2939.87	2124.63

Refer standalone statement of changes in equity for detailed movement in balances.

(a) Dividend paid and proposed:

The Company has declared and paid interim dividend of ₹ 1.30 per share for the financial year 2023-24 (previous year ₹ 1.50 per share).

(b) Nature and purpose of items in other equity:

(i) Retained Earnings:

Retained earnings are the profits that the Company has earned till date and includes any transfers to general reserve, dividends or other distributions paid to shareholders.

(ii) General Reserve:

General reserve comprises of transfer of profits from retained earnings for appropriation purpose, the reserves can be distributed / utilised by the Company in accordance with the Companies Act, 2013.

(iii) Capital reserve:

Capital reserve mainly represents the amount recognised on demerger of consumer product business and can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Capital redemption reserve:

Capital redemption reserve was created on buy back of shares. The Company may issue bonus shares to its members out of the capital redemption reserve.

(v) Securities premium:

Securities premium reserve is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(vi) Share warrant money:

Share warrant money (as disclosed in standalone statement of changes in equity) represents amount received against instruments carrying right exercisable by the warrant holder to subscribe to one equity share per warrant at a specific fixed price within specified period from date of allotment.

(vii) Share options outstanding account:

Share options outstanding account represents fair value of the options granted which is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

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NOTES accompanying the Standalone Financial Statements (Contd.)

20. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ crores

	As at 31-03-2023		As at 31-03-2023
Unsecured loans			
Others (Refer note (a) below)	-		2.87
	-		2.87

Notes:

(a) Intercompany loan from a subsidiary amounting to ₹ 2.69 crores (as at 31 March, 2023 ₹ 2.87 crores) at interest rate of 7.5% p.a. and is repayable in October 2024, hence as at 31 March, 2024 the same has been reclassified to current financial liabilities - borrowings

(b) Quarterly returns to bank:

The quarterly returns submitted to the banks by the Company during the year till 31 March, 2024 and previous year 31 March, 2023 are in agreement with books of accounts.

21. NON-CURRENT OTHER FINANCIAL LIABILITIES

₹ crores

	As at 31-03-2023	As at 31-03-2023
Deposits payable	10.87	1.75
	10.87	1.75

22. NON-CURRENT PROVISIONS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Provision for gratuity (Refer note 41(b))	6.26	2.04
Other provisions (Refer note 27(b))	29.19	22.33
	35.45	24.37

23. CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Unsecured Loans		
Others	2.69	-
	2.69	-

Note:

Intercompany loan from a subsidiary amounting to ₹ 2.69 crores (as at 31 March, 2023 ₹ 2.87 crores) at interest rate of 7.5% p.a. and is repayable in October 2024, hence as at 31 March, 2024 the same has been reclassified to current financial liabilities - borrowings

NOTES accompanying the Standalone Financial Statements (Contd.)

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ crores

	As at 31-03-2023		As at 31-03-2023
Total outstanding dues of creditors other than micro enterprises and small enterprises:			
Acceptances	322.00		287.37
Due to other than micro enterprises and small enterprises	1019.21		847.00
Due to subsidiaries (Refer note 44)	10.92		7.76
		1352.13	1142.13
Due to micro enterprises and small enterprises (Refer note below)		104.71	82.46
		1456.84	1224.59

Notes:

Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, have been determined based on the information available with the Company and the required disclosures are given below

₹ crores

	As at 31-03-2023	As at 31-03-2023
(a) Principal amount due to suppliers	104.71	82.46
(b) Interest accrued and due to suppliers on the above amount, unpaid	0.22	4.27
(c) Interest paid to suppliers (other than Section 16)	-	-
(d) Interest due and payable towards suppliers for payments already made	5.12	1.03
(e) Interest accrued and remaining unpaid at the end of each year	5.34	5.30

Trade payables ageing schedule:

₹ crores

As at 31 March, 2024	Unbilled	Outstanding for following periods from due date of payment: Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed dues of micro enterprises and small enterprises	101.84	2.72	0.06	0.01	0.08	104.71	
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	1064.59	246.87	2.85	1.55	15.19	1333.05	
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	19.08	19.08	
Total	1166.43	249.59	2.91	1.56	34.35	1456.84	

₹ crores

As at 31 March, 2023	Not due	Outstanding for following periods from due date of payment: < 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed dues of micro enterprises and small enterprises	77.84	4.39	0.15	0.00	0.03	82.46
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	855.48	245.37	2.12	2.93	17.10	1123.05
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	19.08	19.08
Total	933.32	249.75	2.27	3.04	36.21	1224.59

NOTES accompanying the Standalone Financial Statements (Contd.)

25. CURRENT - OTHER FINANCIAL LIABILITIES

₹ crores

	As at 31-03-2023			As at 31-03-2023
Interest-free sales tax deferral loans from State Government		0.12		0.12
Interest accrued but not due on borrowings		1.67		1.35
Dues to subsidiaries (Refer note 44)		1.06		1.05
Investor Education and Protection Fund:				
Unclaimed dividend (Refer below note (a))		0.48		0.12
Security deposits		15.30		13.54
Due to directors (Refer Note 44)		0.55		0.63
Other payables:				
Due to employees	12.46		9.66	
Others*	96.25		91.30	
		108.71		100.96
		128.29		117.77

Notes :

(a) There is no amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund ("IEPF") as at 31 March, 2024 (as at 31 March, 2023 ₹ nil)

(b) * Major items includes provision towards commission payable, brokerage payables and others

26. OTHER CURRENT LIABILITIES

₹ crores

	As at 31-03-2023		As at 31-03-2023
Advances from customers (Refer note 28)		268.26	161.00
Due to customers (Refer note 28)		3.21	7.14
Other payables:			
Statutory liabilities	21.00		58.33
Others	8.72		10.50
		29.72	68.83
		301.19	236.97

NOTES accompanying the Standalone Financial Statements (Contd.)

27. SHORT-TERM PROVISIONS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Provision for gratuity (Refer note 41(b))	9.97	7.98
Provision for leave encashment	28.44	21.91
Other provisions (Refer note below)	154.13	136.02
	192.54	165.91

Notes:

(a) Movement in other provisions:

₹ crores

	Provision for Product Warranties	Provision for Tax related Litigations	Provision for other Litigation related obligations	Total
	2023-24	2023-24	2023-24	2023-24
Carrying amount at the beginning of the year	74.54	53.16	30.65	158.35
Additional provision made during the year (Net of reversal / utilisation)	23.05	1.56	0.35	24.96
Carrying amount at the end of the year	97.59	54.72	31.00	183.31
Non-current (Refer note 22)	28.18	-	-	28.18
Current (Refer note 27)	68.41	54.72	31.00	154.13
Total	97.59	54.72	31.00	183.31

(b) Nature of other provisions:

(i) 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 generally expected to be within a period of two years from the date of balance sheet.

(ii) Provision for tax related litigations include liability on account of non collection of declaration forms and other legal matters related to Sales Tax, Excise Duty, Custom Duty, Service Tax and Goods & Service Tax which are in appeal under the relevant Act / Rules. The above provision represents expected future outflows relating to various tax related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

(iii) Provision for other litigation related obligations represents estimated liabilities that are expected to materialise in respect of other matters under litigation. The above provision represents expected future outflows relating to litigation related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

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NOTES accompanying the Standalone Financial Statements (Contd.)

28. REVENUE FROM OPERATIONS

₹ crores

	2023-24		2022-23	
Sale of products	7434.68		6441.63	
Sale of services	33.31		25.44	
Construction contracts	51.77		34.72	
		7519.76		6501.79
Other operating income - scrap sales		90.15		77.84
		7609.91		6579.63

Revenue from contracts with customers

₹ crores

	2023-24	2022-23
Revenue reconciliation		
Revenue as per contracted price	7745.67	6650.68
Less: Adjustments:		
Discounts	65.67	42.13
Others (includes liquidated damages)	49.29	28.92
Revenue recognised as per statement of profit and loss	7609.91	6579.63

₹ crores

	2023-24	2022-23
Revenue from contracts with customers		
Power Systems Business	2595.42	2022.05
Industrial Systems Business	5014.49	4557.58
Total	7609.91	6579.63

₹ crores

	2023-24	2022-23
Timing of revenue recognition		
Revenue recognised at a point in time	7558.14	6544.91
Revenue recognised over a period of time	51.77	34.72
Total	7609.91	6579.63

₹ crores

	As at 31-03-2024	As at 31-03-2023
Contract balances		
Trade receivables	1483.88	1229.72
Contract assets	0.70	0.20
Contract liabilities		
Advance from customers	268.26	161.00
Due to customers	3.21	7.14

NOTES accompanying the Standalone Financial Statements (Contd.)

28. REVENUE FROM OPERATIONS (Contd.)

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation.

29. OTHER INCOME

₹ crores

	2023-24	2022-23
Interest income from:		
Deposits with banks	49.27	23.79
On income tax refund	15.60	-
Others	6.47	4.63
Profit on sale of property, plant and equipment	5.54	2.42
Gain on sale of investments (net)	16.37	1.89
Exchange gain (net)	0.25	-
Fair value gain on financial instruments at fair value through profit and loss	5.43	0.01
Other non-operating income:		
Income from business service centers (Refer note 38)	5.16	5.48
Miscellaneous income	47.80	41.10
	150.89	79.32

30. COST OF MATERIALS CONSUMED

₹ crores

	2023-24	2022-23
Opening inventories	224.34	178.95
Add: Purchases	5257.04	4427.49
Less: Closing inventories	322.46	224.34
	5158.92	4382.10

31. PURCHASES OF STOCK-IN-TRADE

₹ crores

	2023-24	2022-23
Purchases of stock-in-trade	271.57	268.61
	271.57	268.61

NOTES accompanying the Standalone Financial Statements (Contd.)

32. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ crores

	2023-24		2022-23	
Closing inventories:				
Finished goods	116.32		68.43	
Work-in-progress	229.00		178.28	
Stock-in-trade	16.73		16.24	
		364.05		262.95
Opening inventories:				
Finished goods	68.43		60.23	
Work-in-progress	178.28		194.45	
Stock-in-trade	16.24		10.08	
		262.95		264.76
(Increase) / decrease in inventories				
Finished goods	(49.89)		(8.20)	
Work-in-progress	(50.72)		16.17	
Stock-in-trade	(0.48)		(6.16)	
Net (increase) / decrease in inventories		(101.10)		1.81

33. EMPLOYEE BENEFITS EXPENSE

₹ crores

	2023-24	2022-23
Salaries, wages and bonus	333.69	279.69
Contribution to provident and other funds (Refer note 41(a))	19.01	17.21
Gratuity expenses (Refer note 41(b))	4.05	3.09
Share based payment expense (Refer note 42)	15.96	4.42
Staff welfare expenses	32.72	26.94
	406.33	331.35

Note on Social Security Code:

The date on which the Code of Social Security, 2020 ("the Code") relating to employee benefits during employment will come into effect is yet to be notified and the related rules are yet to be finalised. The Company will evaluate the Code and its rules, assess the impact, if any and account for the same once they become effective.

34. FINANCE COSTS

₹ crores

	2023-24	2022-23
Interest expenses	1.65	13.56
Interest on lease liabilities (Refer note 39)	1.03	1.00
	2.68	14.56

35. DEPRECIATION AND AMORTISATION EXPENSE

₹ crores

	2023-24	2022-23
Depreciation of property, plant and equipment (Refer note 4)*	65.07	64.81
Amortisation of intangible assets (Refer note 5)	12.77	9.68
	77.84	74.49

Note:

* Includes depreciation of ROU assets of ₹ 5.27 crores (previous year ₹ 4.58 crores)

NOTES accompanying the Standalone Financial Statements (Contd.)

36. OTHER EXPENSES

₹ crores

	2023-24	2022-23
Consumption of stores and spares	34.51	27.15
Power and fuel	39.04	35.48
Rent	9.82	8.30
Repairs to buildings	6.26	6.33
Repairs to machinery	24.37	21.36
Insurance	4.02	4.60
Rates and taxes	9.08	5.25
Freight and forwarding	133.86	120.10
Packing materials	60.12	59.17
After sales services including warranties	62.26	49.78
Sales promotion	13.27	7.42
Sub contracting charges	134.20	109.13
Foreign exchange loss (net)	-	3.49
Directors' sitting fees	0.32	0.31
Allowance for doubtful debts and advances	0.25	12.63
Corporate social responsibility expenses (Refer note 40)	9.00	0.69
Donation to trust*	30.00	-
Legal and professional charges	99.72	54.35
Miscellaneous expenses (Refer note below)	168.09	133.29
	798.11	659.83

* Donation given to Triumph Electors' Trust.

Note:

Miscellaneous expenses includes the following

₹ crores

	2023-24	2022-23
Auditors remuneration (excluding Goods and Service Tax)		
Audit fees	0.81	0.81
Limited review fees	0.48	0.48
Certification work	0.02	0.06
Other services	0.10	0.15
Out of pocket expenses	0.23	0.20
	1.64	1.70

NOTES accompanying the Standalone Financial Statements (Contd.)

37. CONTINGENT LIABILITIES AND COMMITMENTS

a) Matters wherein management has concluded the Company's liability to be probable have accordingly been provided for in the books. (Refer note 27).

b) Matters wherein management has concluded the Company's liability to be possible have accordingly been disclosed under Note A, Contingent liabilities below.

c) Matters wherein management is confident of succeeding in these litigations and have concluded the Company's liability to be remote. This based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

₹ crores

		As at 31-03-2023	As at 31-03-2023
A.	Contingent liabilities (Refer notes below):		
	(to the extent not provided for)		
(a)	Claims against the Company not acknowledged as debts	4.69	4.69
(b)	Sales tax / VAT / goods and service tax liability that may arise in respect of matters in appeal	5.13	4.81
(c)	Excise duty / custom duty / service tax liability that may arise in respect of matters in appeal	12.68	13.05
(d)	Income tax liability that may arise in respect of matters in appeal	0.69	0.69
B.	Commitments:		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	93.78	24.52

Notes:

i) From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company

ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at A(a) to A(d) above, pending resolution of the arbitration / appellate proceedings

iii) Sales tax / VAT / goods and service tax cases include disputes pertaining to disallowances of input tax credit and non-submission of various forms with authorities.

iv) Excise duty / custom duty / service tax cases include disputes pertaining to inadmissibility of cenvat credit, short payment of service tax on work contracts, refund of excise duty on export of transformers, interest payment on provisional assessment cases, etc

v) Contingent liabilities for income tax cases pertains disallowance of expenses, etc

vi) The Company has received Assessment Order dated 27 February, 2024 under 143(3) of the Income Tax Act, 1961, pertaining to financial year 2021-22. As per Assessment Order, tax demand payable is ₹ 168.79 crores. The Company has filed its detailed submissions in response to notices received for the appeal filed before Commissioner of Income Tax (Appeals). Cons dering the facts, demand raised is mainly on account of disallowance of claims for settlement of Corporate guarantee and non-granting of the of set-off tax losses. The management strongly believes that the demand is not sustainable, bad in law and will be reversed at appellate levels

Further, as mentioned in Note 9 to the standalone financial statements, the Company had filed Writ Petition before the Hon'ble Bombay High Court for revision of returns for financial years 2014-15 to 2019-20. This petition was heard and conclude before the Hon'ble Bombay High Court on 30 April, 2024. While written copy of the order on the matter is awaited, based on communication from the legal counsels received by the Company in regards to proceeding of hearing in court, the Court has allowed the Company to file its revised returns of income based on re casted / revised accounts for the said financial years and directed that the proceedings for financial year 2020-21 and financial year 2021-22, would be done after the assessment order for financial year 2019-20 and financial year 2020-21 respectively is passed

NOTES accompanying the Standalone Financial Statements (Contd.)

38. LEASES

(i) Company as a lessee

The Company has lease contracts for various items of land, building, furniture and fittings used in its operation. Lease of land generally have lease terms between 30 to 99 years while furniture & fittings and building generally have lease terms between 2 to 9 years. The Company's obligation under the lease is secured by the lessor's title to leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

Set out below are the carrying amounts right of use assets and lease liabilities included under financial liabilities and the movements during the year:

Movement in net carrying value of right of use assets

₹ crores

	Land	Buildings	Furniture and fittings	Total
Opening balances as at 01-04-2022	62.09	6.27	0.11	68.47
Additions	1.50	9.39	-	10.89
Less: Deletion	-	1.54	-	1.54
Less: Depreciation	1.36	3.11	0.11	4.58
Closing balances as at 31-03-2023	62.23	11.01	-	73.24
Additions	39.33	1.59	-	40.92
Less: Deletion	-	0.10	-	0.10
Less: Depreciation	1.43	3.84	-	5.27
Closing balances as at 31-03-2024	100.13	8.66	-	108.79

Movement in lease liabilities during the year

₹ crores

	2023-24	2022-23
Opening Balance	14.14	8.09
Add: Addition	2.40	10.89
Add: Accretion of interest	1.03	1.00
Less: Payments	4.75	3.82
Less: Removal of assets	0.10	1.54
Less: Gain on removal of assets	0.01	0.48
Closing balance	12.71	14.14

Breakup of lease liabilities

₹ crores

	As at 31-03-2024	As at 31-03-2023
Non current lease liabilities	9.85	10.91
Current lease liabilities	3.00	3.23
Total	12.71	14.14

NOTES accompanying the Standalone Financial Statements (Contd.)

38. LEASES (Contd.)

Amounts recognised in the statement of profit and loss

₹ crores

	2023-24	2022-23
Other expenses		
Expenses related to short-term leases, low values assets and variable lease rent (included in other expenses)	9.82	6.30
Finance Cost		
Interest expense on lease liability	1.03	1.00
Depreciation and amortisation expense		
Depreciation of ROU assets	5.27	4.58

Amounts recognised in the statement of cash flows

₹ crores

	2023-24	2022-23
Total cash outflow for leases	4.75	3.82

Contractual maturities of lease liabilities on an undiscounted basis

₹ crores

	As at 31-03-2024	As at 31-03-2023
Less than 1 year	4.64	4.74
1 - 5 years	8.01	10.53
More than 5 years	5.57	4.67
Total	18.22	19.94

(ii) Company as a lessor

Amounts recognised in the statement of profit and loss

₹ crores

	2023-24	2022-23
Other Income:		
Non operating lease income	5.16	5.48

Note:

Non operating lease income is in respect of lease of land and / or building

NOTES accompanying the Standalone Financial Statements (Contd.)

39. EXPENDITURE ON RESEARCH AND DEVELOPMENT

₹ crores

		2023-24	2022-23
(a)	Capital Expenditure:		
	Plant and equipments	0.23	0.33
	Furnitures and Fixtures	-	0.26
	Vehicles	-	0.06
	Intangible assets	1.75	1.19
	Intangible assets under development	12.47	8.00
	Capital work-in-progress - Plant and machinery	-	0.60
	Sub-total (a)	14.45	10.44
(b)	Revenue expenditure:		
	Raw materials consumed	-	0.00
	Employee benefits	17.18	11.13
	Depreciation and amortisation	9.07	10.15
	Other expenses		
	Consumption of stores and spares	0.53	0.70
	Power and fuel	0.13	0.15
	Rent	-	0.02
	Repairs to building	0.02	-
	Repairs to machinery	0.17	0.28
	Repairs - others	0.11	-
	Insurance	0.00	0.00
	Miscellaneous expenses	6.03	1.56
	Sub-total (b)	33.24	23.99
	Total (a) + (b)	47.69	34.43

40. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

₹ crores

	2023-24	2022-23
Gross amount required to be spent by the Company during the year	9.00	0.69
Amount approved by Board to be spent during the year	9.00	0.69

₹ crores

	2023-24			2022-23		
Amount spent during the year	For the year	Carried forward from previous year	Total	In cash	Yet to be paid in cash	Total
(i) Construction / acquisition of asset	1.50	-	1.50	-	-	-
(ii) On purposes other than (i) above	7.50	-	7.50	0.69	-	0.69

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NOTES accompanying the Standalone Financial Statements (Contd.)

41. EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 19.91 crores (previous year ₹ 17.21 crores) is recognised as an expense and included in employee benefits expense as under:

₹ crores

Benefits (Contribution to):	2022-23	2022-23
Provident fund	14.06	11.72
Superannuation fund	4.20	4.13
Employee state insurance scheme	0.14	0.11
Labour welfare scheme	0.01	0.01
National pension scheme	1.50	1.24
Total	19.91	17.21

(b) Defined benefit plans:

Gratuity:

Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per the Payment of Gratuity Act, 1972.

The Company makes annual contributions to the CG Gratuity Fund, which is funded defined benefit plan for qualifying employees. The Board of Trustees of the fund is entrusted with responsibility for the administration of the plan assets and for the investment strategy.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet.

₹ crores

		Gratuity (Funded)	
		2022-23	2022-23
I	Change in present value of defined benefit obligation during the year		
1	Present value of defined benefit obligation at the beginning of the year	50.12	43.97
2	Interest cost	3.79	3.07
3	Current service cost	3.29	2.69
4	Benefits paid	(5.66)	(5.66)
5	Actuarial changes arising from changes in demographic assumptions	0.23	0.89
6	Actuarial changes arising from changes in financial assumptions	4.00	3.28
7	Actuarial changes arising from changes in experience adjustments	8.44	1.91
8	Present value of defined benefit obligation at the end of the year	64.21	50.12
II	Change in fair value of plan assets during the year		
1	Fair value of plan assets at the beginning of the year	40.10	36.30
2	Interest income	3.04	2.67
3	Contributions paid by the employer	10.02	5.67
4	Benefits paid from the fund	(5.66)	(5.66)
5	Return on plan assets excluding interest income	0.46	(0.86)
6	Fair value of plan assets at the end of the year	47.96	40.10

NOTES accompanying the Standalone Financial Statements (Contd.)

41. EMPLOYEE BENEFITS (Contd.)

₹ crores

		Gratuity (Funded)	
		2022-23	2022-23
III	Net asset / (liability) recognised in the balance sheet		
1	Present value of defined benefit obligation at the end of the year	64.21	50.12
2	Fair value of plan assets at the end of the year	47.96	40.10
3	Amount recognised in the balance sheet	(16.25)	(10.02)
4	Net (liability) / asset current	(9.97)	(7.98)
5	Net (liability) / asset non current	(6.28)	(2.04)
IV	Expenses recognised in the statement of profit and loss for the year		
1	Current service cost	3.29	2.69
2	Interest cost on benefit obligation (net)	0.76	0.40
3	Total expenses	4.05	3.09
V	Recognised in other comprehensive income for the year		
1	Actuarial changes arising from changes in demographic assumptions	0.23	0.88
2	Actuarial changes arising from changes in financial assumptions	4.00	3.28
3	Actuarial changes arising from changes in experience adjustments	8.44	1.91
4	Return on plan assets excluding interest income	(0.46)	0.86
5	Recognised in other comprehensive income	12.21	6.93
VI	Maturity profile of defined benefit obligation		
1	Within the next 12 months (next annual reporting period)	9.90	9.17
2	Between 2 and 5 years	30.76	22.91
3	Between 6 and 10 years	25.94	20.79
4	More than 10 years	33.07	26.93
VII	Quantitative sensitivity analysis for significant assumption is as below:		
1	Increase/(decrease) on present value of defined benefits obligation at the end of the year		
	(i) One percentage point increase in discount rate	(2.93)	(2.29)
	(ii) One percentage point decrease in discount rate	3.32	2.54
	(i) One percentage point increase in rate of salary increase	3.29	2.56
	(ii) One percentage point decrease in rate of salary increase	(3.02)	(2.34)
	(i) One percentage point increase in employee turnover rate	(0.02)	0.21
	(ii) One percentage point decrease in employee turnover rate	0.02	(0.23)
2	Sensitivity Analysis Method		
	Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count		
VIII	The major categories of plan assets as a percentage of total plan assets		
	Insurer managed funds	100.00%	100.00%
IX	Weighted average duration of the defined benefit obligation (in years)	6	6
X	Actuarial assumptions		
1	Discount rate	7.22% p.a.	7.57% p.a.
2	Salary escalation	7.00% p.a.	6.00% p.a.
3	Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
4	Rate of Employee Turnover	9.00%p.a.	8.00% p.a.

NOTES accompanying the Standalone Financial Statements (Contd.)

41. EMPLOYEE BENEFITS (Contd.)

₹ crores

	2022-23	2022-23
Expected contribution to the defined benefit plan for the next annual reporting period	9.97	7.98

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2024 and as at 31 March, 2023. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as demand and supply in employment market.

(c) Provident Funds:

During the previous year, the Company had surrendered its Provident Fund to Government administered Employee's Provident Fund Organisation ('EPFO'). Accordingly, the assets held by trust were sold based on best prevailing market price and amount received on sale of assets was transferred to EPFO. However, there was some shortfall towards employees provident fund liability which had been paid by the company (the employer) to EPFO.

(d) Leave Encashment:

The assumptions used for computing accumulated leave encashment on actuarial basis are as follows:

Actuarial assumptions	2022-23	2022-23
1. Discount Rate	7.22% p.a.	7.57% p.a.
2. Salary escalation	7.00% p.a.	6.00% p.a.
3. Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
4. Rate of employee turnover	9.00%p.a.	8.00% p.a.

NOTES accompanying the Standalone Financial Statements (Contd.)

42. STOCK OPTIONS

During the year, 1785310 (previous year 453140) stock options (net-off cancellations / lapsed) were granted to eligible employees at the rate of one stock option of the Company for every stock option held and outstanding in the Company.

In this regard, the Company has recognised expense amounting to ₹ 15.96 crores (previous year ₹ 4.42 crores) for employees services received during the year, shown under employee benefit expenses (Refer note 33).

The movement of stock options are given below:

Particulars	Date of grant	Options outstanding as at 01-04-2023	During the year 2023-24			Options outstanding as at 31-03-2024	Options vested but not exercised as at 31-03-2024
			Options granted	Options cancelled / lapsed	Options exercised and allotted		
Grant 1	18-Nov-21	783260	-	7500	199020	576740	576740
Grant 2	18-Nov-21	317120	-	67700	2760	246660	246660
Grant 3	18-Nov-21	339480	-	101640	-	237840	-
Grant 4	18-Nov-21	339480	-	101640	-	237840	-
Grant 5	26-Dec-22	453140	-	-	-	453140	453140
Grant 6	8-May-23	-	763030	-	-	763030	-
Grant 7	8-May-23	-	83320	-	-	83320	-
Grant 8	8-May-23	-	124980	-	-	124980	-
Grant 9	8-May-23	-	124980	-	-	124980	-
Grant 10	27-Jul-23	-	83320	-	-	83320	-
Grant 11	27-Jul-23	-	83320	-	-	83320	-
Grant 12	27-Jul-23	-	124980	-	-	124980	-
Grant 13	27-Jul-23	-	124980	-	-	124980	-
Grant 14	27-Jul-23	-	135520	135520	-	-	-
Grant 15	27-Jul-23	-	135520	135520	-	-	-
Grant 16	30-Dec-23	-	136200	-	-	136200	-
Grant 17	30-Dec-23	-	136200	-	-	136200	-

Particulars	Date of grant	Options outstanding as at 01-04-2022	During the year 2022-23			Options outstanding as at 31-03-2023	Options vested but not exercised as at 31-03-2023
			Options granted	Options cancelled / lapsed	Options exercised and allotted		
Grant 1	18-Nov-21	838020	-	-	54760	783260	783260
Grant 2	18-Nov-21	317120	-	-	-	317120	-
Grant 3	18-Nov-21	339480	-	-	-	339480	-
Grant 4	18-Nov-21	339480	-	-	-	339480	-
Grant 5	26-Dec-22	-	453140	-	-	453140	-

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NOTES accompanying the Standalone Financial Statements (Contd.)

42. STOCK OPTIONS (Contd.)

Details of stock options granted as at 31 March, 2024 are given below:

Particulars	Date of grant	Weighted average exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vested date	Weighted average remaining contractual life (in years)
Grant 1	18-Nov-21	156.20	838620	7500	253700	576740	-	18-Nov-22	-
Grant 2	18-Nov-21	156.20	317110	60780	2750	246660	-	18-Nov-23	-
Grant 3	18-Nov-21	156.20	339480	101640	-	-	237840	-	0.64
Grant 4	18-Nov-21	156.20	339480	101640	-	-	237840	-	1.64
Grant 5	26-Dec-22	251.65	453140	-	-	453140	-	26-Dec-23	-
Grant 6	8-May-23	305.55	763030	-	-	-	763030	-	0.99
Grant 7	8-May-23	305.55	83320	-	-	-	83320	-	1.99
Grant 8	8-May-23	305.55	124980	-	-	-	124980	-	2.99
Grant 9	8-May-23	305.55	124980	-	-	-	124980	-	3.99
Grant 10	27-Jul-23	400.45	83320	-	-	-	83320	-	1.32
Grant 11	27-Jul-23	400.45	124980	-	-	-	124980	-	2.32
Grant 12	27-Jul-23	400.45	124980	-	-	-	124980	-	3.32
Grant 13	27-Jul-23	400.45	135520	135520	-	-	-	-	-
Grant 14	27-Jul-23	400.45	135520	135520	-	-	-	-	-
Grant 15	30-Dec-23	454.40	135200	-	-	-	135200	-	0.76
Grant 16	30-Dec-23	454.40	135200	-	-	-	135200	-	1.75

Details of stock options granted as at 31 March, 2023 are given below:

Particulars	Date of grant	Weighted average exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vested date	Weighted average remaining contractual life (in years)
Grant 1	18-Nov-21	156.20	838320	-	547750	783260	-	18-Nov-22	-
Grant 2	18-Nov-21	156.20	317120	-	-	-	317120	-	0.64
Grant 3	18-Nov-21	156.20	339160	-	-	-	339160	-	1.64
Grant 4	18-Nov-21	156.20	339480	-	-	-	339480	-	2.64
Grant 5	26-Dec-22	251.65	453140	-	-	-	453140	-	0.74

NOTES accompanying the Standalone Financial Statements (Contd.)

42. STOCK OPTIONS (Contd.)

The following table list the input to the Black Scholes model used for the plans for the year ended 31 March, 2024:

Particulars	Date of grant	Weighted average share price (₹)	Weighted average exercise price (₹)	Weighted average fair value of options (₹)	Expected dividends	Weighted average remaining contractual life (in years)
Grant 1	18-Nov-21	3.61	1.00	47.82	-	31.98
Grant 2	18-Nov-21	4.46	2.00	55.99	-	52.97
Grant 3	18-Nov-21	4.96	3.00	56.02	-	69.54
Grant 4	18-Nov-21	5.36	4.00	53.10	-	73.22
Grant 5	26-Dec-22	6.60	1.00	35.90	-	43.40
Grant 6	8-May-23	6.82	3.51	48.46	0.49	127.32
Grant 7	8-May-23	6.85	4.51	48.13	0.49	143.14
Grant 8	8-May-23	6.90	5.51	47.55	0.49	158.12
Grant 9	8-May-23	6.93	6.51	46.26	0.49	165.75
Grant 10	27-Jul-23	6.93	3.51	48.75	0.37	104.98
Grant 11	27-Jul-23	6.96	4.51	57.02	0.37	210.92
Grant 12	27-Jul-23	6.98	5.51	55.42	0.37	226.37
Grant 13	27-Jul-23	7.01	6.51	52.83	0.37	238.50
Grant 16	30-Dec-23	7.01	3.51	42.77	0.33	175.65
Grant 17	30-Dec-23	7.04	4.51	51.54	0.33	224.20

43. SEGMENT REPORTING

The Company has the following reportable segments:

Power Systems : Transformer, Switchgear and Turnkey Projects

Industrial Systems : Electric Motors, Alternators, Drives, Traction Electronics and SCADA

Identification of segments:

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Operating segments have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in the Ind AS.

Segment revenue and results:

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

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

Inter segment transfer:

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

NOTES accompanying the Standalone Financial Statements (Contd.)

43. SEGMENT REPORTING (Contd.)

Summary of the segmental information as at and for the year ended 31 March, 2024 is as follows:

₹ crores

	Power Systems	Industrial Systems	Eliminations / Unallocable Expenditure / Assets*	Total
Revenue				
External sales	2595.42	5014.49	-	7609.91
Add : Inter segment sales	3.06	0.01	(3.07)	-
Total revenue	2598.48	5014.50	(3.07)	7609.91
Segment results	416.28	748.07	-	1164.35
Less: Finance costs				2.68
Less: Other unallocable expenditure net of unallocable income				15.22
Profit after finance cost but before exceptional items and tax				1146.45
Exceptional items (net)				142.49
Tax expense				284.58
Profit for the year				1004.36
Other Information:				
Segment assets	1509.22	1462.56	2452.70	5424.78
Segment liabilities	1096.14	991.45	181.75	2170.34
Capital expenditure	61.05	129.07	5.35	195.47
Depreciation and amortisation	33.55	34.69	9.60	77.84
Non-cash expenses / (reversal) other than depreciation and amortisation	(3.63)	(0.26)	0.01	(3.88)

Summary of the segmental information as at and for the year ended 31 March, 2023 is as follows:

₹ crores

	Power Systems	Industrial Systems	Eliminations / Unallocable Expenditure / Assets*	Total
Revenue				
External sales	2022.05	4557.58	-	6579.63
Add : Inter segment sales	0.87	0.07	(0.94)	-
Total revenue	2022.92	4557.65	(0.94)	6579.63
Segment results	227.07	748.08	-	975.15
Less: Finance costs				14.56
Less: Other unallocable expenditure net of unallocable income				33.69
Profit after finance cost but before exceptional items and tax				927.00
Exceptional items (net)				90.07
Tax expense				197.71
Profit for the year				765.36
Other Information:				
Segment assets	1220.99	1166.63	1855.39	4243.99
Segment liabilities	848.91	797.32	182.69	1828.92
Capital expenditure	26.59	44.16	5.62	76.37
Depreciation and amortisation	31.72	32.19	7.78	71.69
Non-cash expenses / (reversal) other than depreciation and amortisation	7.03	(0.97)	(1.07)	4.99

* Unallocable assets comprise assets and liabilities which cannot be allocated to the segments

NOTES accompanying the Standalone Financial Statements (Contd.)

43. SEGMENT REPORTING (Contd.)

Geographical Information:

₹ crores

	2023-24			2022-23		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue from contracts with customers	7055.33	554.58	7609.91	6261.98	317.65	6579.63

Notes:

a) During the year ended 31 March, 2024 and 31 March, 2023 revenues from transactions with a single external customer did not amount to 10% or more of the Company's revenues from external customers

b) The revenue information above is based on the locations of the customers

₹ crores

	As at 31-03-2024			As at 31-03-2023		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Non current assets	921.31	-	921.31	807.32	-	807.32

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, intangible assets, intangible assets under development and other non-current assets

44. RELATED PARTY DISCLOSURES

(a) List of related parties

(i) Holding company:

Tube Investments of India Limited

(ii) Subsidiaries:

Sr. No.	Name of the Related Parties	Country of Incorporation	% Equity Interest As at 31-03-2024	% Equity Interest As at 31-03-2023
1	CG Power Solutions Limited (dissolved w.e.f. from 10 November, 2023)	India	-	100.00
2	CG Adhesive Products Limited (formerly known as "CG-FPI Adhesive Products Limited")	India	83.59	82.76
3	CG Power Equipments Limited	India	100.00	100.00
4	CG Semi Private Limited (incorporated w.e.f. 08 March, 2024)	India	100.00	-
5	CG International Holdings Singapore Pte. Limited	Singapore	100.00	100.00
6	CG Sales Network Malaysia Sdn. Bhd.	Malaysia	100.00	100.00
7	CG International B.V.	The Netherlands	100.00	100.00
8	CG Power Solutions UK Limited (dissolved w.e.f. 02 June, 2023)	United Kingdom	-	100.00
9	CG Power Systems Canada Inc.*	Canada	-	-
10	CG Industrial Holdings Sweden AB	Sweden	100.00	100.00
11	CG Drives & Automation Sweden AB	Sweden	100.00	100.00
12	CG Drives & Automation Germany GmbH	Germany	100.00	100.00
13	CG Drives & Automation Netherlands B.V.	The Netherlands	100.00	100.00
14	CG Middle East FZE*	UAE	-	-

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

Sr. No.	Name of the Related Parties	Country of Incorporation	% Equity Interest As at 31-03-2024	% Equity Interest As at 31-03-2023
15	CG DE Sub, LLC (formerly known as CEI, LLC)	USA	100.00	100.00
16	CG Power Americas, LLC	USA	100.00	100.00
17	PT Crompton Prima Switchgear Indonesia	Indonesia	51.00	51.00
18	CG Power and Industrial Solutions Limited Middle East FZCO*	UAE	-	-

* Entities were ceased to be subsidiaries during the previous year

(iii) Key Management Personnel:

1	Natarajan Srinivasan	- Managing Director (Re-appointed till 30 April, 2025)
2	Susheel Jodi	- Chief Financial Officer
3	Sanjay Kumar Choudhary	- Company Secretary and Compliance Officer (Appointed w.e.f. 9 May, 2023)
4	P Varadarajan	- Company Secretary and Compliance Officer (Ceased w.e.f. 8 May, 2023)

Non Executive Directors:

1	Vellayan Subbiah	- Chairman, Non-Independent Non-Executive Director
2	M A M Arunachalam	- Non-Independent Non-Executive Director
3	P S Jayakumar	- Independent Non-Executive Director
4	Sasikala Varadachari	- Independent Non-Executive Director
5	Kalyan Kumar Paul	- Non-Independent Non-Executive Director
6	Sriram Sivaram	- Independent Non-Executive Director
7	Vijayalakshmi R Iyer	- Independent Non-Executive Director (Appointed w.e.f. 24 September, 2022)
8	Shailendra Narain Roy	- Independent Non-Executive Director (ceased w.e.f. 18 September, 2022)

(iv) Other Related Parties:

1. Shanthi Gears Limited
2. Parry Enterprises India Limited
3. Celestial E-Trac Private Limited (merged with "TI Clean Mobility Private Limited" effect from 01 April, 2023)
4. TI Clean Mobility Private Limited

(v) Post Employment Benefit Entity:

1. CG Provident Fund (Refer note 41(C))
2. CG Gratuity Fund

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

(b) The following transactions were carried out with the related parties (Refer note 1 below):

₹ crores

Sr. No.	Nature of transaction / relationship		2023-24	2022-23
1	Purchase of goods and services			
	Holding company			
	Tube Investments of India Limited		0.04	0.04
			0.04	0.04
	Subsidiaries			
	CG Adhesive Products Limited		8.35	7.51
	CG Drives & Automation Sweden AB		2.72	1.01
			11.07	8.52
	Other Related Party			
	Shanthi Gears Limited		3.12	3.10
		Total	14.23	11.66
2	Sales of goods and services			
	Holding company			
	Tube Investments of India Limited		2.83	1.03
			2.83	1.03
	Subsidiaries			
	CG Drives & Automation Sweden AB		7.22	7.73
	CG Drives & Automations Germany GmbH		9.47	7.53
			16.69	15.26
	Other related parties			
	Shanthi Gears Limited		0.84	0.47
	Celestial E-Trac Private Limited		-	0.01
			0.84	0.48
		Total	20.36	16.77
3	Rent Paid			
	Subsidiary			
	CG Adhesive Products Limited		0.21	0.21
		Total	0.21	0.21
4	Interest expenses			
	Subsidiary			
	CG Adhesive Products Limited		0.36	0.36
		Total	0.36	0.36

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of transaction / relationship		2023-24	2022-23
5	Dividend paid			
	Holding company			
	Tube Investments of India Limited		115.24	132.97
			115.24	132.97
	Other related parties			
	Promoter's Group		0.14	0.17
			0.14	0.17
		Total	115.38	133.14
6	Investment / acquisition in equity shares			
	Subsidiaries			
	CG Adhesive Products Limited		0.21	0.34
	CG Semi Private Limited		0.01	-
		Total	0.22	0.34
7	Proceeds against warrants issued			
	Holding company			
	Tube Investments of India Limited		-	54.72
		Total	-	54.72
8	Issue of equity shares on conversion of warrants			
	Holding company			
	Tube Investments of India Limited		-	72.96
		Total	-	72.96
9	Purchase of fixed assets			
	Holding company			
	Tube Investments of India Limited		-	0.30
		Total	-	0.30
10	Payment to Key Management Personnel			
	Salaries, commission and perquisites*		21.11	17.55
	Non executive Director's commission		1.05	0.70
	Dividend Paid		0.01	0.02
		Total	22.17	18.27
11	Other expenses			
	Subsidiary			
	CG Adhesive Products Limited		0.11	0.08
			0.11	0.08
	Other related party			
	Parry Enterprises India Limited		4.42	2.95
			4.42	2.95
		Total	4.53	3.03

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of transaction / relationship		2023-24	2022-23
12	Brand royalty income			
	Subsidiaries			
	CG Drives & Automation Sweden AB		1.60	1.32
	CG Drives & Automation Netherlands B.V.		0.89	0.68
	CG Drives & Automation Germany GmbH		1.87	1.82
		Total	4.36	3.82
13	Other Income			
	Subsidiary			
	CG Drives & Automation Sweden AB		0.89	0.90
		Total	0.89	0.90
14	Write back of liability			
	Subsidiary			
	CG Sales Network Malaysia Sdn. Bhd.		-	2.91
		Total	-	2.91
15	Write off of investment and loan and advances			
	Subsidiaries			
	CG International B.V.		-	1281.90
	CG Power Solutions Limited		0.43	-
		Total	0.43	1281.90
16	Reversal of provision against investment and loan and advances			
	Subsidiaries			
	CG International B.V.		-	1281.90
	CG Power Solutions Limited		0.42	-
		Total	0.42	1281.90
17	Advance given during the year			
	Subsidiary			
	CG Power Solutions Limited*		-	0.40
		Total	-	0.40
18	Reversal of provision against loan and advances			
	Subsidiaries			
	CG International B.V.		122.74	10.19
	CG International Holdings Singapore Pte. Limited		-	0.00
		Total	122.74	10.19
19	Provision against advances			
	Subsidiary			
	CG Power Solutions Limited*		0.01	0.37
		Total	0.01	0.37

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NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of transaction / relationship		2023-24	2022-23
20	Reversal of impairment of provision against investments			
	Subsidiaries			
	CG International B V		86.81	-
	CG International Holdings Singapore Pte Limited		17.01	-
		Total	103.82	-
21	Expenditure incurred on behalf of			
	Subsidiary			
	CG Semi Private Limited		34.19	-
		Total	34.19	-

* Remuneration does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole

(c) Amount due to / from related parties :

₹ crores

Sr. No.	Nature of balance / relationship		As at 31-03-2024	As at 31-03-2023
1	Trade payable			
	Holding company			
	Tube Investments of India Limited		0.05	0.05
		(A)	0.05	0.05
	Non current		-	-
	Current		0.05	0.05
			0.05	0.05
	Subsidiaries			
	CG Advisure Products Limited		1.95	1.17
	CG Drives & Automation Sweden AB		3.12	0.82
	CG Power Americas, LLC		5.85	5.77
		(B)	10.92	7.76
	Non current		-	-
	Current		10.92	7.76
			10.92	7.76
	Other related parties			
	Shanthi Gears Limited		0.77	0.47
	Parry Enterprises India Limited		0.06	0.08
		(C)	0.83	0.55
	Non current		-	-
	Current		0.83	0.55
			0.83	0.55
		Total (A+B+C)	11.80	8.36

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of balance / relationship		As at 31-03-2024	As at 31-03-2023
2	Trade receivable			
	Holding company			
	Tube Investments of India Limited		0.39	0.09
		(A)	0.39	0.09
	Non current		-	-
	Current		0.39	0.09
			0.39	0.09
	Subsidiaries			
	CG Drives & Automation Sweden AB		2.97	2.26
	CG Drives & Automation Germany GmbH		2.66	2.64
	CG Power Americas, LLC		0.22	0.22
		(B)	5.85	5.12
	Non current		-	-
	Current		5.85	5.12
			5.85	5.12
	Other related parties			
	Shanthi Gears Limited		0.16	0.22
	Cellestial E-Trac Private Limited		-	0.01
	TI Clean Mobility Private Limited		0.01	-
		(C)	0.17	0.23
	Non current		-	-
	Current		0.17	0.23
			0.17	0.23
		Total (A+B+C)	6.41	5.44
3	Loans and advances payable			
	Subsidiaries			
	CG Power Americas, LLC		1.05	1.05
	CG Advisure Products Limited (including accrued interest ₹ 1.67 crores as at 31 March, 2023 ₹ 1.35 crores)		4.36	4.22
	CG Semi Private Limited		0.01	-
		(A)	5.42	5.27
	Other related party			
	Shanthi Gears Limited		0.06	-
		(B)	0.06	-
	Non current		-	7.67
	Current		5.48	2.40
		Total (A+B)	5.48	5.27

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of balance / relationship		As at 31-03-2024	As at 31-03-2023
4	Other current assets			
	Other related party			
	Parry Enterprises India Limited		-	0.12
			-	0.12
	Non current		-	-
	Current		-	0.12
		Total	-	0.12
5	Loans and advances receivable and other financial assets (net)			
	Subsidiaries			
	CG International Holdings Singapore Pte Limited		19.44	19.44
	CG Power Solutions Limited*		-	0.40
	CG Drives & Automation Netherlands B V		0.17	0.71
	CG Drives & Automation Germany GmbH		0.50	1.92
	CG Drives & Automation Sweden AB		0.59	1.39
	CG International B V		1917.04	2039.78
	CG Semi Private Limited		34.19	-
		(A)	1971.89	2063.64
	Less : Provision against loans and advances			
	CG International Holdings Singapore Pte Limited		19.44	19.44
	CG International B V		1917.04	2039.78
	CG Power Solutions Limited*		-	0.37
		(B)	1936.48	2059.59
	Non current		-	-
	Current		35.41	4.05
		Total (A-B)	35.41	4.05
6	Due to Key Management Personnel			
	Non executive Director's commission		0.95	0.63
			0.95	0.63
	Non current		-	-
	Current		0.95	0.63
		Total	0.95	0.63

NOTES accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

(d) Compensation of Key Management Personnel of the Company:

₹ crores

Nature of transaction	2023-24	2022-23
Short-term employee benefits	10.88	14.62
Post employment benefits	0.51	0.33
Fair value cost of stock options granted	9.72	2.40
Non executive Director's commission	1.05	0.79
Dividend paid	0.01	0.02
Total compensation paid to Key Management Personnel	22.17	16.27

Notes:

1 The sales to and purchases from Related Parties are made on terms equivalent to those that prevail in arm's length transactions

2 During the previous year, the Company has transferred the provident fund to government administered Employee's Provident Fund Organisation (EPFO) which was earlier managed by "CG Provident Fund".

3 The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (CG Gratuity Fund). During the year, the Company contributed ₹ 10.02 crores (as at 31 March, 2023 ₹ 5.67 crores)

4 Following subsidiaries are under liquidation process

i) CG Sales Network Malaysia Sdn Bhd

ii) PT Crompton Prima Switchgear Indonesia

During the year, Company has received order with respect to dissolution of one of the Company's wholly owned subsidiaries i e CG Power Solutions Limited ('CGPSOL') from the Hon'ble National Company Law Tribunal ('NCLT'). Investment and advances has been written off against provision made earlier

45. EXCEPTIONAL ITEMS

₹ crores

	2023-24	2022-23
Reversal of provision against investment / loan and advances given to subsidiaries (Refer note (a) below)	185.94	1281.90
Written off of investment / loan and advances given to subsidiary (Refer note (a) below)	-	(1281.90)
Reversal / (provision) towards other litigations (Refer note (b) below)	(42.00)	31.77
Compensation to employees pursuant to voluntary retirement scheme (Refer note (c) below)	(2.45)	-
Reversal of excess provision towards settlement of corporate guarantee obligation including net foreign exchange gain / (loss) (Refer note (d) below)	-	24.30
Total	142.49	56.07

Notes:

a) During the year, reversal of loans and advances on receipt of ₹ 69.12 crores from subsidiary CG International B V and conveying sale of assets of CGI LLC (step down subsidiary of the Company) which necessitated a reassessment of the carrying value / recoverability of the value of the related investments in subsidiaries, the Company engaged an independent valuer, to carry out a valuation of the Company's investment in subsidiaries, duly considering recent updates to performance of subsidiaries. Fair valuation of investments was determined by using the discounted cash flow method. Based on this valuation exercise, the carrying value of investment in subsidiaries was determined to be ₹ 392.57 crores, which consequently resulted in a reversal of impairment of investment of ₹ 103.82 crores in its subsidiaries CG International B V. & CG International Holdings Singapore Pte Limited (Previous year, provision and its related write off pertain to investment, loan and advances given to subsidiary of ₹ 1281.90 crores) (Refer note 44)

b) During the year, the Company has made payment towards settlement of litigations of ₹ 42.00 crores. (Previous year, the Company has reversed excess provision related to claims under dispute / litigation of ₹ 31.77 crores)

c) During the year, the Company has made payment towards compensation to employees pursuant to voluntary retirement scheme for ₹ 2.45 crores.

d) During the previous year, the Company had reversed excess provision of ₹ 24.30 crores towards settlement of corporate guarantee obligation including net foreign exchange gain / (loss)

NOTES accompanying the Standalone Financial Statements (Contd.)

46. FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. The Company has not disclosed the fair value of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, non-current financial assets - loans, current financial assets - others, current financial liabilities - borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value and hence these have not been categorised in any level in the table given below. Further, for financial assets, the Company has taken into consideration the allowances for expected credit losses and adjusted the carrying values where applicable.

2. The fair values of the quoted investments / units of mutual fund schemes are based on market price / net asset value at the reporting date.

3. The fair values for loans given are calculated based on discounted cash flows using current lending rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these loans given. Accordingly, fair value of such instruments are not materially different from their carrying values. They are classified as level 2 fair values in the fair value hierarchy.

4. Fair values of the Company's interest-bearing borrowings are determined by using discounted cash flow method using the current borrowing rates. Fair value of such instruments are not materially different from their carrying values, accordingly non-current borrowings are classified as level 2 fair values in the fair value hierarchy.

5. The Company has carried all other financial assets and other financial liabilities, other than those disclosed in the table below at amortised cost.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

₹ crores

	Note No.	Carrying amount	Fair value		
		As at 31-03-2023	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss:					
Non current investments*	6	0.75	0.69	-	0.06
Current investments	12	587.70	587.69	-	0.01
Derivative instruments	16	0.69	-	0.69	-
Total		589.14	588.38	0.69	0.07

NOTES accompanying the Standalone Financial Statements (Contd.)

46. FAIR VALUE MEASUREMENTS (Contd.)

₹ crores

	Note No.	Carrying amount	Fair value		
		As at 31-03-2024	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss:					
Non current investments*	6	0.64	0.58	-	0.06
Current investments	12	0.01	-	-	0.01
Derivative instruments	16	0.07	-	0.07	-
Total		0.72	0.58	0.07	0.07

* Excludes investment in subsidiaries measured at cost

During the reporting period ending 31 March, 2024 and 31 March, 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risks namely credit risk, market risk and liquidity risk. The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of risk such as: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include foreign currency receivables, payables, loans and borrowings and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company has managed its interest rate risk by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Foreign currency risk

The Company's functional currency is Indian Rupee. The Company undertakes transactions denominated in foreign currencies and consequently the Company is exposed to foreign exchange risk. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

Unhedged foreign currency exposure as at 31 March, 2024

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	54.16	68.74	-	-	6.19	129.09
Liabilities	(111.02)	(30.54)	(0.84)	(1.23)	(2.00)	(145.63)
Derivative contracts	8.34	61.12	-	-	-	69.46

Unhedged foreign currency exposure as at 31 March, 2023

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	56.15	49.88	-	-	3.60	149.64
Liabilities	(106.04)	(25.20)	(0.80)	(0.91)	(0.84)	(133.78)
Derivative contracts	14.90	59.93	-	-	-	74.83

NOTES accompanying the Standalone Financial Statements (Contd.)

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit or loss before tax.

₹ crores

	2023-24		2022-23	
	1% increase	1% decrease	1% increase	1% decrease
USD	(0.57)	0.57	(0.10)	0.10
Euro	0.38	(0.38)	0.25	(0.25)
JPY	(0.01)	0.01	(0.01)	0.01
CHF	(0.01)	0.01	(0.01)	0.01
Others	0.04	(0.04)	0.03	(0.03)
Increase / (decrease) in profit or loss	(0.17)	0.17	0.16	(0.16)

Derivative Contracts

1% increase or decrease in foreign exchange rates will have the following impact on profit or loss before tax

₹ crores

	2023-24		2022-23	
	1% increase	1% decrease	1% increase	1% decrease
USD	0.09	(0.09)	0.15	(0.15)
Euro	0.61	(0.61)	0.60	(0.60)

Credit risk

Credit risk refers to the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are generally set to manage credit risk. General payment terms include credit period ranging from 45 to 90 days and where applicable, mobilisation advance, progress payments and certain retention money to be released at the end of the project.

Where the loans or receivables are impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans given, other financial assets and financial guarantees.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon or in case where settlement is agreed, the settlement amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided except as otherwise stated in respect of guarantees where settlement is agreed.

NOTES accompanying the Standalone Financial Statements (Contd.)

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Exposure to credit risk

₹ crores

	As at 31-03-2024	As at 31-03-2023
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in Government or trust securities	0.43	0.39
Investments in Debentures or bonds	0.65	0.05
Other non-current investments	0.27	0.20
Non-current financial assets - others	11.13	13.29
Cash and cash equivalents and other bank balances	781.14	645.56
Current financial assets - others	58.51	27.60
Current financial assets - investments	587.70	0.01
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	1629.64	1404.46

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the trade receivables (gross of provision) (current as well as non-current) has been considered from the date the invoice falls due.

₹ crores

As at 31-03-2024	
Up to 3 months	1379.28
3 to 6 months	34.75
More than 6 months	206.61
	1620.64
As at 31-03-2023	
Up to 3 months	1070.20
3 to 6 months	76.16
More than 6 months	258.10
	1404.46

The following table summarizes the change in the loss allowances for trade receivables measured using life time expected credit loss model.

₹ crores

As at 01-04-2022	207.32
Provided during the year	15.00
Amounts written off	(44.84)
Reversals of provision	(2.74)
As at 31-03-2023	174.74
Provided during the year	6.18
Amounts written off	(18.25)
Reversals of provision	(5.91)
As at 31-03-2024	156.76

No significant changes in estimation techniques or assumptions were made during the reporting period.

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NOTES accompanying the Standalone Financial Statements (Contd.)

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ crores

As at 31 March, 2024	Less than 1 year	1 to 5 years	Over 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Deposits payable	-	0.87	10.00	10.87
Short-term borrowings	2.69	-	-	2.69
Trade payables*	1456.84	-	-	1456.84
Other financial liabilities	128.17	-	-	128.17
Lease liabilities	4.64	8.01	5.57	18.22

*Includes disputed Trade payable of ₹ 19.08 crores (Refer note 24)

₹ crores

As at 31 March, 2023	Less than 1 year	1 to 5 years	Over 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Deposits payable	-	1.07	0.68	1.75
Long term borrowings	-	2.87	-	2.87
Trade payables*	1224.59	-	-	1224.59
Other financial liabilities	117.65	-	-	117.65
Lease liabilities	4.74	10.63	4.67	19.94

*Includes disputed Trade payable of ₹ 19.08 crores (Refer note 24).

General credit terms for the trade payables are in the range of 30 to 180 days. The Company has access to credit facilities to mitigate any short-term liquidity risk.

Collaterals:

The Company has provided a charge over its current assets as primary security for the banking facilities extended to the Company.

48. CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Gearing ratio

The gearing ratio at the end of the reporting period is as follows:

₹ crores

	As at 31-03-2024	As at 31-03-2023
Total debt	2.81	2.99
Equity	3245.44	2430.06
Total debt and equity	3248.25	2433.05
Gearing ratio	0.09%	0.12%

No changes were made in objectives, policies or process for managing capital during the year ended 31 March, 2024 and 31 March, 2023.

There have been no breaches in the financial covenant of any borrowing.

NOTES accompanying the Standalone Financial Statements (Contd.)

49. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ crores

	As at 01-04-2022	Cash inflows / (Outflows)	Effect of reclassification	Reversal of interest	Finance cost charged during the year	As at 31-03-2023
Non-current financial liabilities - borrowings:						
Unsecured loans						
Others	2.87	(0.18)	(2.69)	-	-	-
Current financial liabilities - borrowings:						
Unsecured loans						
Others	-	-	2.69	-	-	2.69
Current - other financial liabilities:						
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	0.12
Interest accrued but not due on borrowings	1.35	(0.68)	-	-	1.20	1.87
Total	4.34	(1.06)	-	-	1.20	4.48

₹ crores

	As at 01-04-2022	Cash inflows / (Outflows)	Effect of reclassification	Reversal of interest	Finance cost charged during the year	As at 31-03-2023
Non-current financial liabilities - borrowings:						
Secured loans						
Term loans from banks	98.87	(100.00)	-	-	1.13	-
Unsecured loans						
Debentures	200.00	(200.00)	-	-	-	-
Others	3.44	(0.57)	-	-	-	2.87
Non-current other financial liabilities:						
Others*	10.38	-	1.92	(18.88)	6.58	-
Current - other financial liabilities:						
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	0.12
Interest accrued but not due on borrowings	2.25	(6.19)	-	-	5.29	1.35
Others*	1.92	-	(1.92)	-	-	-
Total	316.98	(306.76)	-	(18.88)	12.99	4.34

Note:

* Represents interest accrued as per amortised cost method of Ind AS

The above disclosure does not include the cash flow movement for lease liabilities (Refer note 38). The finance cost charged during the year is related to borrowings.

NOTES accompanying the Standalone Financial Statements (Contd.)

50. EARNINGS PER SHARE

		2023-24	2022-23
Face value of equity share	₹	2.00	2.00
Weighted average number of Equity Shares			
- Basic	Nos	1527249399	1516108905
- Diluted	Nos	1528604000	1527359578
Profit for the year	₹ crores	1004.36	785.36
Earnings per share			
- Basic	₹	6.58	5.18
- Diluted	₹	6.57	5.14
Profit used as the numerators in calculating basic and diluted earnings per share		1004.36	785.36
Weighted average number of equity shares used as the denominator in calculating basic earnings per share		1527249399	1516108905
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share*		1528604000	1527359578

* Current year, the dilutive impact is due to employee stock option granted (previous year due to warrant and employee stock options granted)

51. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Loans given and investments made are given under the respective heads and related notes.

NOTES accompanying the Standalone Financial Statements (Contd.)

52. RATIOS

The following are analytical ratios for the year ended 31 March, 2024 and 31 March, 2023

Sr No.	Particulars	Numerator	Denominator	31 March, 2024	31 March, 2023	Variance	Explanation on variance of more than 25%
1	Current Ratio (in times)	Current assets	Current liabilities	1.60	1.45	24.14%	-
2	Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.00	0.00	-	-
3	Debt service coverage ratio (in times)	Earnings available for debt service = Net profit after tax + Non cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Scheduled principal repayments (excluding prepayments of debt)	145.27	47.46	206.68%	Reduction in interest cost on account of repayment of loan in previous year contributed to improvement in ratio.
4	Return on Equity Ratio (%)	Net profit after taxes	Average shareholder's equity	35.38%	35.96%	(4.26)%	-
5	Inventory Turnover Ratio (in times)	Cost of goods sold	Average inventory	8.03	9.90	(8.06)%	-
6	Trade Receivable Turnover Ratio (in times)	Revenue	Average Trade receivable	5.85	6.21	(8.07)%	-
7	Trade Payable Turnover Ratio (in times)	Net Credit Purchases (Purchase of raw materials and stock-in-trade)	Average Trade payable	4.12	4.04	1.98%	-
8	Net Capital Turnover Ratio (in times)	Revenue	Working Capital	4.49	8.25	(45.56)%	Current Asset has been reported due to increase in operating cash flow and decrease in investment. Also revenue has increased.
9	Net Profit Ratio (%)	Net Profit	Revenue	13.28%	11.94%	10.55%	-
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed (Tangible net worth + Debt)	35.89%	39.28%	(8.65)%	-
11	Return on Investment (%)	Interest income	Average investment	6.75%	5.48%	23.18%	-

NOTES accompanying the Standalone Financial Statements (Contd.)

53. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(iv) The Company have not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall.

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Company shall.

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961).

(vii) The Company does not have any transactions with companies which has been struck off by ROC under Section 248 of the Companies Act, 2013.

54. TRANSFER FROM GENERAL RESERVE TO RETAINED EARNINGS

The Board of Directors of the Company, basis the recommendations of the Audit Committee and Committee of Independent Directors of the Company, at its meeting held on 19 October, 2022 approved the Scheme of Arrangement ("Scheme") between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme inter alia provides for capital reorganization of the Company, whereby it is proposed to transfer ₹ 400 crores from the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date. The Scheme is subject to receipt of regulatory approvals / clearances from the Hon'ble National Company Law Tribunal, Mumbai Bench, the Securities and Exchange Board of India (through BSE Limited and National Stock Exchange of India Limited), BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") and such other approval / clearances as may be applicable. BSE Limited has intimated the Company that it can re-submit the scheme with revised rationale. The Company is evaluating the same.

55. STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are no standards that are notified and yet effective as on the date.

56. UPDATES ON INVESTIGATION FOR PAST YEARS

The Company is fully co-operating with the ongoing investigation by Serious Fraud Investigation Office ('SFIO') and other regulatory authorities on the affairs of the Company pertaining to past period and against erstwhile promoters and erstwhile key managerial personnel relating to transactions that took place when the Company was under the control of the erstwhile promoters / management. In respect to this there is no impact on current year financials of the Company.

NOTES accompanying the Standalone Financial Statements (Contd.)

57. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that audit trail feature is not enabled for changes made (if any) by users with privileged / administrative access rights to the SAP applications and the underlying database and at the database level insofar as it relates to other accounting software used for payroll processing and approval of discounts. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

Management is in the process of evaluating appropriate actions having regard to the requirements of the recently issued Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised) by the Institute of Chartered Accountants of India for enablement of audit trail at the database level for the accounting software used by the Company wherever applicable.

58. Amounts shown as ₹ 0.00 represents amount below ₹ 50,000 (Rupees Fifty Thousand).

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221208

Place: Mumbai
Date: 06 May, 2024

Natarajan Balakrishnan
Managing Director
(DIN: 00123336)

Sushmit Todi
Chief Financial Officer

Yatayan Subbiah
Chairman
(DIN: 01136759)

Sanjay Kumar Chowdhary
Company Secretary

Place: Mumbai
Date: 06 May, 2024

FORM AOC - I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

Part 'A' : Subsidiaries

INFORMATION IN RESPECT OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 MARCH, 2024

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding	Country
1	CG Advance Products (Jersey) Limited (formerly known as 'CG-Pace Advance Products Limited')	4-Nov-08	31-Mar-24	INR	1.00	1.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00%	India
2	CG Power Solutions Limited (formerly known as 'CG Power Systems Ireland Limited')	14-May-12	31-Mar-24	INR	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00%	India
3	CG Power Electronics Limited	19-Sep-14	31-Mar-24	INR	1.00	5.00	6.00	0.00	0.00	0.00	(0.01)	0.00	(0.01)	100.00%	India
4	CG Semi Private Limited (Incorporated as 'CG Semi Limited')	8-May-24	31-Mar-24	INR	1.00	34.18	35.18	0.00	0.00	0.00	(4.14)	0.00	(4.14)	100.00%	India
5	CG Solar Malaysia Sdn. Bhd.	30-Sep-13	31-Mar-24	MYR	31.62	17.56	49.18	0.00	0.00	0.00	0.00	0.00	0.00	100.00%	Malaysia
6	CG International Holdings Singapore Pte. Ltd.	6-Jun-11	31-Mar-24	EUR	80.29	85.48	165.77	0.00	16.22	0.00	16.22	0.00	16.22	100.00%	Singapore
7	CG International B.V.	1-Apr-05	31-Mar-24	EUR	80.29	1,366.12	1,446.41	(157.40)	(0.26)	(154.21)	0.00	0.00	0.00	100.00%	The Netherlands
8	PT Clarion Pars Switchgear Industry	7-May-14	31-Dec-23	IDR	0.00049	39.56	39.56	0.00	0.00	0.00	0.00	0.00	0.00	51.00%	Indonesia
9	CG Power Solutions UK Limited (Updated w.e.f. 29 June, 2023)	1-Apr-05	31-Mar-24	GBP	105.16	105.16	210.32	(15.36)	0.00	(15.36)	0.00	0.00	0.00	100.00%	United Kingdom
10	CG Industrial Holdings Sweden AB	10-Jan-11	31-Mar-24	SEK	7.54	110.15	117.69	0.00	4.04	4.04	0.00	0.00	0.00	100.00%	Sweden
11	CG Drives & Automation Sweden AB	10-Jan-11	31-Mar-24	SEK	7.54	20.17	27.71	0.00	28.83	28.83	0.00	0.00	0.00	100.00%	Sweden
12	CG Drives & Automation Netherlands B.V.	19-Jun-11	31-Mar-24	EUR	80.29	5.26	85.55	0.00	4.53	1.15	3.38	0.00	3.38	100.00%	The Netherlands
13	CG Drives & Automation Germany GmbH	19-Jun-11	31-Mar-24	EUR	80.29	0.23	80.52	0.00	5.00	1.66	3.34	0.00	3.34	100.00%	Germany
14	CG Power America, LLC	6-Jun-16	31-Mar-24	USD	83.36	-	83.36	116.09	11.02	104.58	0.00	0.00	0.00	100.00%	USA
15	CG US Sub, LLC (formerly known as 'CG, LLC')	15-Apr-15	31-Mar-24	USD	83.36	*	83.36	79.67	10.83	93.57	0.00	0.00	0.00	100.00%	USA

FORM AOC - I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

Part 'A' : Subsidiaries

INFORMATION IN RESPECT OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Notes:

1. Name of the subsidiaries which are yet to commence the operations
   CG Semi Private Limited
2. Name of the subsidiaries which have been liquidated or sold during the year
   CG Power Solutions UK Limited (Dissolved)
   CG Power Solutions Limited (Deceased)
3. Name of the subsidiaries which have been demerged during the year
   Nil
4. Name of the subsidiaries ceased to be subsidiaries on account of loss of control during the year
   Nil
5. Name of the subsidiaries merged during the year
   Nil

For and on behalf of the Board

Natarajan Balakrishnan
Managing Director
(DIN: 00123336)

Sushmit Todi
Chief Financial Officer
Mumbai, 06 May, 2024

Yatayan Subbiah
Chairman
(DIN: 01136759)

Sanjay Kumar Chowdhary
Company Secretary

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FORM AOC - I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

Part 'B' - Associates and Joint Ventures

INFORMATION IN RESPECT OF ASSOCIATE COMPANIES AND JOINT VENTURES FOR THE YEAR ENDED 31 MARCH, 2024

₹ Lakhs

Notes:

1. Name of the associates or joint ventures which are yet to commence the operations - Nil
2. Name of the associates which have been liquidated or sold during the year - Nil

For and on behalf of the Board

Nabajyoti Sinharoy
Managing Director
(DIN: 09123336)

Nalinaksh Sudalah
Chairman
(DIN - 01133758)

Sushmit Bedi
Chief Financial Officer
Mumbai, 08 May, 2024

Sanjay Kumar Chowdhary
Company Secretary

Consolidated Financials 2023-24

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of CG Power and Industrial Solutions Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 25 of the consolidated financial statements)	
The Holding Company has two operating segments, namely, Power and Industrial Segment. The type of customers varies across these segments, ranging from Large Government companies / corporations to Original Equipment Manufacturers and Industrial Customers etc. Majority of the Group's revenue is contributed by the Holding Company which is from sale of goods which are recognized at a point in time based on the terms of the contract with customers which may vary case to case. Terms of sales arrangements with various customers within each of the operating segments, including Incoterms determine the timing of transfer of control and require judgment in determining timing of revenue recognition.	Our audit procedures amongst others included the following: • We read the Group's accounting policy for timing of revenue recognition and assessed compliance in terms of Ind AS 115- Revenue from Contracts with Customers. • We performed walkthroughs of the Holding Company's revenue processes, including design and implementation of controls and tested the design and operating effectiveness of such controls in relation to revenue recognition.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 25 of the consolidated financial statements) (Contd.)	
Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.	• On a sample basis, we tested the underlying contracts with customers, purchase orders issued by customers, and sales invoices raised by the Holding Company (as may be applicable) to determine the timing of transfer of control along with pricing terms and the timing of the revenue recognition in respect of such contracts. • We compared revenue with historical trends and where appropriate, conducted further enquiries and testing. • On a sample basis, we analyzed revenue transactions near the reporting date and tested whether the timing of revenue was recognized in the appropriate period with reference to shipping records, sales invoices etc. for those transactions. • We assessed the disclosures for compliance with applicable accounting standards in the consolidated financial statements.
Recognition of Deferred Tax Asset (as described in Note 8 of the consolidated financial statements)	
The Group has Deferred Tax Asset (DTA) of ₹ 197.86 crores as at March 31, 2024, primarily pertaining to the Holding Company, on tax losses based on availability of future taxable profits against which DTA will be utilized. The tax losses were primarily on account of write off of receivable balances in relation to various transactions in earlier years, which are under investigations by regulatory authorities. Basis legal advice, management of Holding Company has considered these write-offs as an allowable expense in the computation of current tax in the relevant years and recognized deferred tax assets on such tax losses. The recognition of deferred tax asset is identified as key audit matter considering the significance of amounts and judgements involved.	Our audit procedures included the following: • We obtained an understanding, assessed and tested the operating effectiveness of internal control relating to the measurement and recognition of deferred tax. • We involved our tax specialists to assess tax computation and evaluation of entitlement of losses to be carried forward in relation to the Holding Company as per the applicable provisions of the Income Tax Act in India and relevant judicial precedents, wherever available. • We tested on a sample basis the identification and quantification of temporary differences between the recognition of assets and liabilities according to tax law and financial reporting in accordance with Indian Accounting Standards. • We have evaluated the Holding Company's assumptions and estimates in relation to the likelihood of generating sufficient future taxable income based on most recent budgets and plans, prepared by management principally by performing sensitivity analyses and evaluated and tested the key assumptions used to determine the amounts recognized. • We assessed the reasonableness of Holding Company's management business plans considering the relevant economic and industry indicators. • We obtained and read the Holding Company's correspondences with tax authorities and legal counsel's advice obtained by the Holding Company. • We assessed the disclosures in the Consolidated Financial Statements in accordance with the requirements of Ind AS 12 "Income Taxes".

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Key audit matters	How our audit addressed the key audit matters
Claims and exposures relating to taxation and litigation (as described in Note 34 of the consolidated financial statements) The Group has disclosed contingent liabilities in respect of disputed claims/ levies under tax and legal matters Taxation and litigation exposures have been identified as a key audit matter due to significant outstanding matters with authorities and Holding Company's management assessment towards potential financial impact of these matters will involve significant judgement and assumptions	Our audit procedures amongst others included the following. • We understood the process and assessed the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of legal and tax disputed matters from the Holding Company's management and assessed Holding Company management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We involved tax specialists to assist us in evaluating tax positions taken by management of Holding Company • We circulated legal confirmation for material litigations to external legal counsel and reviewed their assessment and had a discussion with the senior management of the Holding Company regarding their assessment • We assessed the relevant disclosures made in the Consolidated Financial Statements for compliance with the requirements of Ind AS 37.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 5 subsidiaries which are part of continued operations of the Group, whose financial statements include total assets of ₹ 915.28 crores as at March 31, 2024, and total revenues of ₹ 545.50 crores and net cash inflows of ₹ 11.55 crores for the year ended on that date. We did not audit the financial statements and other financial information, in respect of 1 subsidiary, which is part of discontinued operations of the Group, whose financial statements include total assets of ₹ 0.00 crore as at March 31, 2024, and total revenues of ₹ Nil crore and net cash outflows of ₹ 0.01 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, part of continued operations of the Group, whose financial statements and other financial information reflect total assets of ₹ 123.02 crores as at March 31, 2024, and total revenues of ₹ 89.68 crores and net cash inflows of ₹ 2.49 crores for the year ended on that date. The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, part of discontinued operations of the Group, whose financial statements and other financial information reflect total assets of ₹ 73.17 crores as at March 31, 2024, and total revenues of ₹ Nil crore and net cash outflows of ₹ 0.03 crore for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the "Other Matters" paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the "other matter" paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g).

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3) (b) and paragraph (i) (vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 34 to the consolidated financial statements;

      ii. The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2024;

      iv. a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as disclosed in the Note 48(xi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as disclosed in the Note 48(iv) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The interim dividend declared and paid during the year by the Holding Company, its subsidiaries, companies incorporated in India, where applicable, and until the date of the respective audit reports of such Holding Company and subsidiaries, is in accordance with Section 123 of the Act.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except in relation to the Holding Company, that audit trail feature is not enabled for changes made (if any) by users with privileged/ administrative access rights, as discussed in note 52 to the consolidated financial statements, the Holding Company and subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aravind K
Partner
Membership Number: 221269
UDIN: 24221269BKGDXN9483
Place of Signature: Mumbai
Date: May 6, 2024

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

Re: CG Power and Industrial Solutions Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, we state that

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aravind K
Partner
Membership Number: 221269
UDIN: 24221269BKGDXN9483
Place of Signature: Mumbai
Date: May 6, 2024

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

In conjunction with our audit of the consolidated financial statements of CG Power and Industrial Solutions Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aravind K
Partner
Membership Number: 221269
UDIN: 24221269BKGDXN9483
Place of Signature: Mumbai
Date: May 6, 2024

Consolidated Balance Sheet as at 31 March, 2024

₹ crores

	Note No.	As at 31-03-2024		As at 31-03-2023	
ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	4	852.61		762.50	
(b) Capital work-in-progress	4	65.87		27.27	
(c) Goodwill	5	163.76		162.14	
(d) Other intangible assets	5	42.53		45.88	
(e) Intangible assets under development	5	27.01		11.03	
(f) Financial assets					
(i) Investments	6	0.75		0.90	
(ii) Other financial assets	7	11.64		13.33	
(g) Current tax assets		115.53		122.57	
(h) Deferred tax assets (net)	8	155.30		434.34	
(i) Other non-current assets	9	4.81		7.48	
			1441.81		1587.60
(2) Current assets					
(a) Inventories	10	750.71		541.16	
(b) Financial assets					
(i) Investments	11	567.70		0.01	
(ii) Trade receivables	12	1534.19		1297.12	
(iii) Cash and cash equivalents	13	199.84		681.78	
(iv) Bank balances other than (iii) above	14	654.57		23.17	
(v) Other financial assets	15	136.21		156.49	
(c) Other current assets	16	247.53		199.14	
			4110.75		2899.89
(3) Assets classified as held for sale and discontinued operations	40		73.18		182.26
TOTAL ASSETS			5625.74		4669.75
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity share capital	17	305.47		305.43	
(b) Other equity	18	2711.97		1485.08	
			3017.44		1790.51
Non-controlling interest			1.33		0.93
LIABILITIES					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Lease liabilities	35	11.91		12.06	
(ii) Other financial liabilities	19	10.96		1.85	
			22.87		13.91
(b) Provisions	20		35.46		24.37
(c) Deferred tax liabilities (net)	8		0.56		0.83
(2) Current liabilities					
(a) Financial liabilities					
(i) Lease liabilities	35	5.53		4.57	
(ii) Trade payables					
(A) Total outstanding dues of micro enterprises and small enterprises, and	21	164.87		82.69	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	21	1379.38		1161.63	
(iii) Other financial liabilities	22	308.65		362.42	
			1858.43		1611.11
(b) Other current liabilities	23		273.63		293.29
(c) Provisions	24		196.85		175.48
(d) Current tax liabilities			54.90		44.81
(3) Liabilities associated with group of assets classified as held for sale and discontinued operations	40		64.27		713.71
TOTAL EQUITY AND LIABILITIES			5625.74		4669.75
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221268
Mumbai : 06 May, 2024

Nallarajan Srinivasan
Managing Director
(DIN : 00123338)

Sushrut Tipli
Chief Financial Officer

Mumbai : 06 May, 2024

Vellayan Subbiah
Chairman
(DIN : 01138759)

Sanjay Kumar Chowdhary
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March, 2024

₹ crores

	Note No.	2023-24	2022-23
Revenue from operations	25	8045.88	6972.54
Other income	26	106.36	67.76
Total income		8152.24	7040.30
Cost of materials consumed	27	5387.04	4585.00
Purchases of stock-in-trade	28	271.57	266.61
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(166.46)	2.02
Employee benefits expense	30	505.14	421.70
Finance costs	31	2.54	16.20
Depreciation and amortisation expense	32	94.89	94.50
Other expenses	33	857.82	709.69
Total expenses		7015.34	6095.92
Profit before exceptional items and tax		1136.90	950.38
Exceptional items (net)	41	21.48	51.76
Profit before tax		1158.38	1002.14
Tax expense:			
Current tax	8	6.81	13.40
Deferred tax (net)	8	280.45	193.41
		287.26	206.81
Profit from continuing operations after tax		871.12	795.33
Profit from discontinued operations before tax	40	555.69	169.50
Tax expense on discontinued operations	8	(0.80)	3.16
Profit from discontinued operations after tax		556.49	166.34
Profit for the year		1427.61	961.67
Attributable to:			
Equity holders of the parent		1427.01	962.57
Non-controlling interests		(0.60)	(0.90)
		1427.61	961.67
Other comprehensive income:			
A (i) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement gain / (loss) on defined benefit plans		(12.25)	(6.93)
(b) Income tax relating to items that will not be reclassified subsequently to profit or loss		2.68	1.36
B (i) Items that will be reclassified subsequently to profit or loss		1.61	(4.76)
Total other comprehensive income for the year		(7.96)	(10.31)
Attributable to:			
Equity holders of the parent		(7.96)	(10.31)
Non-controlling interests		0.00	0.00
		(7.96)	(10.31)
Total comprehensive income for the year		1419.65	952.66
Attributable to:			
Equity holders of the parent		1419.05	952.26
Non-controlling interests		(0.60)	(0.30)
		1419.65	952.66
Earnings per share for continuing operations	45		
Basic (₹)		5.70	6.25
Diluted (₹)		5.69	5.21
(Face value of ₹ 2 each)			
Earnings per share for discontinued operations	45		
Basic (₹)		3.64	1.10
Diluted (₹)		3.64	1.09
(Face value of ₹ 2 each)			
Earnings per share for total operations	45		
Basic (₹)		9.34	6.35
Diluted (₹)		9.33	6.30
(Face value of ₹ 2 each)			
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2		

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221268
Mumbai : 06 May, 2024

Nallarajan Srinivasan
Managing Director
(DIN : 00123338)

Sushrut Tipli
Chief Financial Officer

Mumbai : 06 May, 2024

Vellayan Subbiah
Chairman
(DIN : 01138759)

Sanjay Kumar Chowdhary
Company Secretary

Consolidated Statement of Cash Flows for the year ended 31 March, 2024

₹ crores

		2023-24	2022-23
(A) CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax from continuing operations		1158.38	1002.14
Adjustments for:			
Depreciation and amortisation expense		94.89	94.50
Allowances for doubtful receivables (net)		0.25	11.91
Bad debts written off / (reversal) (net)		(4.14)	(7.64)
(Gain) / loss arising on financial instruments designated as FVTPL		(5.43)	(0.01)
Finance costs		2.54	16.20
Interest income		(63.28)	(28.92)
Share based payment expense		15.96	4.42
Profit on sale of investments (net)		(18.59)	(1.90)
Unrealised exchange (gain) / loss (net)		1.56	1.77
Unrealised exchange gain / (loss) on consolidation (net)		1.61	(0.44)
(Profit) / loss on sale of property, plant and equipment (net)		(5.54)	(2.41)
Liabilities no longer required written back		-	(16.66)
Payment towards settlement of litigation		(2.45)	-
Exceptional items (net)		(21.48)	(51.76)
		(4.10)	16.86
Operating profit before working capital changes		1154.28	1019.00
Adjustments for:			
(Increase) / Decrease in trade receivables		(239.23)	(364.53)
(Increase) / Decrease in other non-current financial assets		1.69	0.71
(Increase) / Decrease in other current financial assets and current assets		(24.81)	15.87
(Increase) / Decrease in bank balances other than cash and cash equivalents		(631.40)	69.76
(Increase) / Decrease in inventories		(209.53)	(48.62)
Increase / (Decrease) in trade payables		228.21	129.23
Increase / (Decrease) in other non current financial liabilities		9.11	(3.12)
Increase / (Decrease) in other current financial liabilities and current liabilities		90.85	117.24
Increase / (Decrease) in non-current and current provisions		26.65	12.03
		(748.45)	(71.41)
Cash (used in) / from operations		405.82	947.59
Income tax refund / (paid) (net)		(3.16)	(11.53)
Non controlling interest in (profit) / loss		0.60	0.30
Net cash flow (used in) / from continuing operating activities		403.26	936.36
Net cash flow (used in) / from discontinued operating activities		(6.27)	10.50
Net cash flow (used in) / from continuing and discontinued operating activities	(A)	396.99	946.86

Consolidated Statement of Cash Flows for the year ended 31 March, 2024 (Contd.)

₹ crores

		2023-24	2022-23
(B) CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		11.48	3.67
Proceeds from sale of investments		1220.55	134.50
Interest received		42.36	28.19
Purchase of property, plant and equipment (including capital work-in- progress and capital advances) and intangible assets (including under development)		(234.27)	(65.46)
Purchase of investments		(1784.00)	(92.33)
Unrealised exchange gain / (loss) on consolidation (net)		(1.49)	(0.45)
Net cash flow (used in) / from continuing investing activities		(745.37)	(19.68)
Net cash flow (used in) / from discontinued investing activities		83.20	(0.61)
Net cash flow (used in) / from continuing and discontinued investing activities	(B)	(662.17)	(20.65)
(C) CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares and warrants		3.15	55.58
Changes in non-controlling interest		(0.60)	(0.30)
Repayment of long-term borrowings		-	(315.65)
Payment of lease liabilities		(6.57)	(8.93)
Dividend paid		(198.55)	(229.07)
Payment towards corporate guarantee settlement		-	(100.72)
Finance costs paid		(0.91)	(9.51)
Payment towards settlement of litigation with Asset Reconstruction Company		(42.00)	-
Payment towards purchase of non-controlling interest		(0.21)	(0.35)
Net cash flow (used in) / from continuing financing activities		(245.69)	(609.01)
Net cash flow (used in) / from discontinued financing activities		(0.64)	(2.53)
Net cash flow (used in) / from continuing and discontinued financing activities	(C)	(246.33)	(611.54)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(511.51)	314.63
Cash and cash equivalents at beginning of the year		711.91	397.28
Cash and cash equivalents at end of the year		200.40	711.91
Cash and cash equivalents from continuing operations (Refer note 13)		199.84	681.78
Cash and cash equivalents from discontinued operations		0.56	30.13
Cash and cash equivalents from continuing and discontinued operations		200.40	711.91

1 Refer note 44 in respect of disclosure for changes in liabilities arising from financing activities

2 The consolidated statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind an Accounting Standard (Ind AS) 7 Statement of Cash Flows

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221268
Mumbai : 06 May, 2024

Nallarajan Srinivasan
Managing Director
(DIN : 00123338)

Sushrut Tipli
Chief Financial Officer

Mumbai : 06 May, 2024

Vellayan Subbiah
Chairman
(DIN : 01138759)

Sanjay Kumar Chowdhary
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31 March, 2024

(A) EQUITY SHARE CAPITAL

For the year ended 31 March, 2024

₹ crores

Balance as at 01-04-2023	Changes in equity share capital during the year*	Balance as at 31-03-2024
305.43	0.04	305.47

For the year ended 31 March, 2023

₹ crores

Balance as at 01-04-2022	Changes in equity share capital during the year*	Balance as at 31-03-2023
288.37	17.06	305.43

* Refer note 17

(B) OTHER EQUITY

For the year ended 31 March, 2024

₹ crores

	Reserves and Surplus										Money received against share warrants	Total other equity	Non-controlling interest
	Retained Earnings	Effective Portion of Cash Flow Hedge	Foreign Currency Translation Reserve	General Reserve	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account				
Balance as at 01 April, 2023	(309.47)	(0.05)	(25.03)	418.48	871.65	3.59	12.95	718.99	6.02		1485.08	0.93	
Profit for the year	1427.01	-	-	-	-	-	-	-	-		1427.01	0.69	
Other comprehensive income for the year													
- Remeasurement loss on defined benefit plans	(0.87)	-	-	-	-	-	-	-	-		(0.87)	(0.00)	
- Foreign currency translation differences	-	-	1.61	-	-	-	-	-	-		1.61	-	
Employee stock options	-	-	-	-	-	-	-	3.11	10.06		13.17	-	
Transfer to securities premium and upon exercise of share options outstanding account	0.02	-	-	-	-	-	-	0.65	(0.67)		-	-	
Transferred to statement of profit and loss / retained earning on account of deconsolidation / liquidation of subsidiaries	-	0.05	(12.72)	-	-	-	-	-	-		(12.67)	-	
Dividend paid during the year	(106.55)	-	-	-	-	-	-	-	-		(106.55)	-	
Balance as at 31 March, 2024	969.43	-	(36.13)	418.48	871.65	3.59	12.95	722.75	21.31		3013.87	1.62	

For the year ended 31 March, 2023

₹ crores

	Reserves and Surplus										Money received against share warrants	Total other equity	Non-controlling interest
	Retained Earnings	Effective Portion of Cash Flow Hedge	Foreign Currency Translation Reserve	General Reserve	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account				
Balance as at 01 April, 2022	(537.47)	(0.05)	(24.60)	418.48	871.65	3.59	12.95	603.05	1.74		18.24	714.58	0.95
Profit for the year	961.67	-	-	-	-	-	-	-	-		-	961.67	0.30
Other comprehensive income for the year													
- Remeasurement loss on defined benefit plans	(5.55)	-	-	-	-	-	-	-	-		-	(5.55)	(0.00)
- Foreign currency translation differences	-	-	(4.76)	-	-	-	-	-	-		-	(4.76)	(0.02)
Employee stock options	-	-	-	-	-	-	-	-	4.42		-	4.42	-
Proceeds against share warrants	-	-	-	-	-	-	-	-	-		54.72	54.72	-
Shares issued on conversion of warrants	-	-	-	-	-	-	-	56.75	-		(72.96)	(16.20)	-
Effect of stake acquired from non-controlling interest	(0.05)	-	-	-	-	-	-	-	-		-	(0.05)	(0.38)
Transfer to securities premium from share options outstanding account	-	-	-	-	-	-	-	0.18	(0.18)		-	-	-
Transferred to statement of profit and loss / retained earning on account of deconsolidation / liquidation of subsidiaries	-	-	4.33	-	-	-	-	-	-		-	4.33	-
Dividend paid during the year	(228.67)	-	-	-	-	-	-	-	-		-	(228.67)	-
Balance as at 31 March, 2023	(809.07)	(0.05)	(25.03)	418.48	871.65	3.59	12.95	718.99	6.02		-	1198.04	0.85

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

Natarajan Srinivasan
Managing Director
(DIN: 00123336)

Vellayan Subbiah
Chairman
(DIN : 01136755)

per Aravind K
Partner
Membership No. 221368
Mumbai : 06 May, 2024

Susheel Jain
Chief Financial Officer

Sanjay Kumar Chowdhary
Company Secretary

Mumbai : 06 May, 2024

NOTES accompanying the Consolidated Financial Statements

1. CORPORATE INFORMATION:

CG Power and Industrial Solutions Limited (the 'Company' or 'Parent') with CIN No. L99999MH1937PLC002641 is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 6th Floor, CG house, Dr Annie Besant Road, Worli, Mumbai – 400 030, India.

The Company and its subsidiaries (collectively the 'Group') is a global enterprise providing end-to-end solutions to utilities, industries and consumers for the management and application of efficient and sustainable electrical energy. It offers products, services and solutions in two main business segments, viz. Power Systems and Industrial Systems for the year ended 31 March, 2024

The consolidated financial statements of the Group for the year ended 31 March, 2024 were authorised for issue in accordance with a resolution of the directors on 06 May, 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES:

2.1 Basis of preparation:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III of the Companies Act, 2013. The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value.

- Derivative financial instruments,
- Certain financial assets and financial liabilities measured at fair value,

The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Basis of consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries. Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss on each component of other comprehensive income ('OCI') are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March. When the end of the reporting period of the Parent Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in the consolidated statement of profit and loss. Any investment retained is recognised at fair value.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to equity holders of the Parent.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Joint Ventures are entities over which the Group has joint control. Associates are entities over which the Group has significant influence but not control. Investments in Joint Ventures and Associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in Joint Ventures and Associates includes goodwill identified on acquisition.

2.3 Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date and stated at cost, net of accumulated impairment loss, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the consolidated statement of profit and loss when the asset is derecognised.

Depreciation is provided on straight-line method over the useful lives of assets. Depreciation commences when an asset is ready for its intended use. The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, where the useful lives was determined by technical evaluation. Freehold land is not depreciated. Depreciation on additions to / deductions from assets is provided on pro-rata basis with reference to the date of addition / deletion.

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

- Plant and machinery – 1 to 21 years
- Furniture and fittings - 1 to 15 years
- Office equipments - 1 to 15 years
- Buildings – 3 to 60 years
- Vehicles – 1 to 8 years

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

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

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

Foreign companies:
Depreciation on property, plant and equipment has been provided at the rates required / permissible by the GAAPs of the respective countries. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

On transition to Ind AS, the Group has elected to continue with the carrying value as per the previous GAAP for Plant and machinery, Furniture and fittings, Office equipments and Vehicles as its deemed cost. Also, the Group has elected to measure Freehold land, Leasehold Land and Building at its fair value and considered it as deemed cost as on the date of transition to Ind AS.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.4 Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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

The amortisation expense on intangible assets with finite lives is recognised in the consolidated in statement of profit and loss.

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

Intangible assets are amortised as follows:

- Computer software : Over a period of five to six years;
- Technical know-how : Over a period of five years (from the date of availability for its use);
- Commercial rights : Over a period of ten years;
- Brand name and customer lists : Over a period of ten years; and
- Other intangible assets : Over a period of three to fifteen years.

Research and development expenditure:

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

Development expenditures on an individual project are recognised as intangible asset, if all of the following criteria can be demonstrated:

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

(ii) the Group has intention to complete the development of intangible asset and use or sell it;

(iii) the Group has ability to use or sell the intangible asset;

(iv) the manner in which the probable future economic benefit will be generated;

(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

(vi) the Group has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over a period of five years. During the period of development, the asset is tested for impairment annually.

On transition to Ind AS, the Group has elected to continue with the carrying value as per the previous GAAP for all intangible assets as its deemed cost.

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NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.5 Impairment of non-financial assets:

At the end of each reporting period, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any indication exists, or when annual impairment testing for an asset is required, if any, the Group determines the recoverable amount and impairment loss is recognised in the consolidated statement of profit and loss, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

2.6 Inventories:

Inventories are valued as under:

- Raw materials, packing materials, construction materials, stores and spares, loose tools and traded goods at lower of cost and net realisable value. Cost is determined on weighted average basis.
- Work-in-progress and finished goods (manufacturing) at lower of cost and net realisable value. Cost includes an appropriate share of production overheads based on normal operating capacity. Finished goods cost is determined on weighted average basis.

The cost of inventories comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete and slow moving items of inventories are valued at cost or net realisable value, whichever is lower. Goods and Materials in transit are valued at actual cost incurred up to the reporting date. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

2.7 Cash and cash equivalents:

Cash and cash equivalents in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.8 Foreign currency transactions:

Initial recognition:

Transactions in foreign currencies entered are accounted at the exchange rates prevailing on the date of the transaction.

Measurement as at balance sheet date:

Foreign currency monetary items that are outstanding at the balance sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the consolidated statement of profit and loss.

Consolidation of subsidiaries situated in foreign countries:

The translation of financial statements of the foreign subsidiaries from their respective functional currencies to the presentation currency (₹) is performed for assets and liabilities using the exchange rates prevailing at the reporting date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under OCI.

When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the consolidated statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Any goodwill arising in the acquisition / business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

2.9 Revenue recognition:

(a) Revenue from sale of goods and services:

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered.

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as separate performance obligation and revenue is recognised when such freight services are rendered. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount. Liquidated damages are recognised as a part of variable consideration.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices.

However, Goods and Services tax (GST) are not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

(b) Revenue from construction contracts:

Performance obligations with reference to construction contracts are satisfied over the period of time, and accordingly, revenue from such contracts is recognised based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Revenue is adjusted towards liquidated damages, and price variations / escalation, wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably and generally when it is agreed with customer. Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognised in the period in which estimates are revised.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

(c) Dividend and interest income:

Dividend income is accounted for when the shareholder's right to receive the same is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and the effective interest rate.

2.10 Employee benefits:

Short-term employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period in which the employees render the related services, are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Compensation to employees of certain subsidiaries consist of pension plan, which are either fee or benefit based.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amounts of the benefits expected in exchange for the related services.

Post-employment benefits

Defined contribution schemes:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

Defined benefit plans:

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with the actuarial valuations being carried out at the end of each annual reporting period.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss. Past service cost is recognised in the consolidated statement of profit and loss in the period of plan amendment or when the Group recognised related re-structuring costs.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and settlements;
- net interest expense or income.

Gratuity:

Gratuity is a defined benefit obligation plan operated by the Parent Company and a subsidiary incorporated in India for its employees covered under Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. The scheme is funded with CG Gratuity Fund of the Group. Remeasurements, comprising of actuarial gains and losses are recognised in full in other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit or loss subsequently. Some of the overseas subsidiaries operate Gratuity scheme plan for employees as per laws of the respective countries, liability in respect of the same is provided on the accrual basis, estimated at each reporting date.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Leave encashment:

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

The Company and its Indian subsidiaries treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the consolidated statement of profit and loss.

Overseas subsidiaries provide liability in respect of compensated absences for employees as per respective local entity's policies. The same is measured based on the accrual basis as the payment is required to be made within next twelve months.

Provident fund:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Termination benefits:

Termination benefits are recognised as an expense when the Group can no longer withdraw the offer of the termination benefits or when the Group recognises any related restructuring costs whichever is earlier.

2.11 Share based payments (Employee stock option scheme):

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in stock options outstanding account in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The consolidated statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

2.12 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time (generally over twelve months) to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.13 Segment accounting:

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker in the Group to make decisions for performance assessment and resource allocation. Segment performance is evaluated based on the profit or loss of reportable segment and is measured consistently.

The Operating segments have been identified on the basis of the nature of products / services.

(i) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

(ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under *unallocable expenditure*.

(iii) Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.

(iv) Segment result includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.

(v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

2.14 Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee:

At the date of commencement of the lease, the Group recognises right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases and leases of low-value assets). For these short-term leases and leases of low-value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

A ROU asset is recognised representing its right to use the underlying asset for the lease term. The cost of the ROU asset measured at inception comprises of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses if any, and adjusted for any remeasurement of the lease liability.

The ROU assets are depreciated from the commencement date using the straight-line method over the shorter of lease term or useful life of right-of-use asset. *Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.*

The Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The range of useful lives of the ROU assets are as follows:

- Leasehold land – 30 to 99 years
- Buildings – 2 to 9 years
- Furniture and fittings – 5 years

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Group as a lessor:

Leases for which the Group is a lessor are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.15 Earnings per share:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of consolidated financial statements by the Board of Directors.

2.16 Income Taxes:

Income tax expense for the period comprises of current and deferred tax. Income tax expense is recognised in the consolidated statement of profit and loss except when they are relating to items that are recognised in OCI or directly in equity, in which case, it is also recognised in relating to items recognised directly in OCI or equity respectively.

Current tax

Current tax comprises the expected income tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is determined by using tax rates in accordance with the provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.17 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Warranty provisions

Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Group's obligation.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.18 Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognised as income in the consolidated statement of profit and loss over the period and in proportion in which depreciation is charged. Alternatively, the grant is deducted in calculating the carrying amount of the assets. The said grant is recognised in the consolidated statement of profit and loss over the life of depreciable assets as a reduced depreciation expenses.

Revenue grants are recognised in the consolidated statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the consolidated statement of profit and loss over the expected useful life and in pattern of consumption of the benefit of the underlying asset by equal annual instalments.

2.19 Exceptional items:

An item of income or expense which by its size, type or incidence is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed as such in the consolidated financial statements.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.20 Business combinations and goodwill:

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at *initial recognition* plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical costs. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.21 Investment in associates and joint ventures:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method.

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NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or a joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate or a joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or a joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit and loss of an associate and a joint venture is shown in the consolidated statement of profit and loss outside operating profit and represents profit and loss after tax of the associate and joint venture.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or a joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate or a joint venture' in the consolidated statement of profit and loss.

2.22 Current and non-current classification:

he Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets / liabilities are classified as non-current.

Operating cycle:

A portion of the Group's activities (primarily long-term project activities) has an operating cycle that exceeds twelve months. Accordingly, assets and liabilities related to these long-term contracts, which will not be realised / paid within twelve months, have been classified as non-current. For all other activities, operating cycle is twelve months.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.23 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.24 Non-current assets held for sale and discontinued operations:

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit and loss. Also the comparative consolidated statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

Assets and liabilities classified as held for disposal are presented separately from other assets and liabilities in the consolidated balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

2.25 Financial Instruments:

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

(i) Financial assets:

Initial recognition and measurement

Financial assets are measured at fair value on initial recognition, except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets.

Where financial assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss or 'FVTPL'), or recognised in other comprehensive income (i.e. fair value through other comprehensive income or 'FVTOCI').

A financial asset is measured at amortised cost (net of any write down for impairment) if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value, with fair value changes recognised in the consolidated statement of profit and loss, except for those equity investments for which the entity has elected to present fair value changes in other comprehensive income. However, dividend on such equity investments are recognised in consolidated statement of profit and loss when the Group's right to receive payment is established.

Impairment of financial assets

The Group uses 'Expected Credit Loss' ('ECL') model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date), or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, the Group applies a simplified approach under which loss allowance is recognised based on expected lifetime ECL losses to be recognised on each reporting date. The Group uses a provision matrix that is based on its historical credit loss experience adjusted for relevant forward-looking factors. For other assets, the Group uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk since initial recognition, full lifetime ECL is used.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

NOTES accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Financial guarantee contracts

Financial guarantee contracts is a contract that requires the Group to make specified payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of, the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

(iii) Derivative financial instruments and hedge accounting:

The Group uses various derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to the consolidated statement of profit and loss when the hedge item affects profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss as other expenses.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

Amounts recognised as OCI are transferred to the consolidated statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iv) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

NOTES accompanying the Consolidated Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities within the next financial year.

Judgements

Lease of assets not in legal form of lease

Significant judgment is required to apply lease accounting rules under Ind AS 116. In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 116.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(i) Useful lives of property, plant and equipment:

Management reviews useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors. This reassessment may result in change in depreciation expected in future period.

(ii) Development costs:

Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management assesses and monitors whether the recognition requirements for development costs continue to be met. There is inherent uncertainty in the economic success of any product development. The Group uses judgement in assessment of development cost eligible for capitalisation.

(iii) Impairment of non-financial assets:

In case of non-financial assets, the Group estimates asset's recoverable amount, which is higher of an asset's or cash generating units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(iv) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(v) Income taxes:

Deferred tax assets for unused tax losses are recognised only when it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

NOTES accompanying the Consolidated Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

(vi) Defined benefit obligation:

In accounting for post-retirement benefits, actuarial method uses several statistical and other factors to anticipate future events that are used to calculate defined benefit obligation. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vii) Revenue from contract with customers:

The Group estimates variable consideration in the nature of volume rebates, discounts, performance bonuses, penalties and similar items and adjusts the transaction price for the sale of goods and services. These expected variable consideration are analysed either at customer or contracts basis against agreed terms with customers and may differ from actual results.

(viii) Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in notes but are not recognised, the cases which have been determined as remote by the Group are not disclosed.

3(B). NEW AND AMENDED STANDARD

The Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 01 April, 2023. The Company applied for the first time these amendments.

(i) Disclosure of Accounting Policies - Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

In the consolidated financial statements, the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is insignificant.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendment narrows the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of Paragraph 74 of Ind AS 12, there is no impact on the consolidated balance sheet. There was no impact on retained earnings as at 01 April, 2023.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34 which had no impact on the Group's consolidated financial statements.

NOTES accompanying the Consolidated Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT

₹ crores

	Freehold land	Buildings	Plant and machinery	Right-of-Use assets *	Furniture and fittings	Office equipments	Vehicles	Total	Capital work-in- progress
Cost / deemed cost:									
As at 01 April, 2022	73.18	673.31	535.74	119.56	29.54	25.34	9.34	1466.01	26.81
Additions	-	12.14	28.44	11.11	2.19	8.65	2.31	74.84	18.32
Disposals / transfers	-	0.05	1.98	7.00	0.48	0.29	1.42	12.10	17.60
Transferred to discontinued operations (Refer note 48)	23.75	38.80	63.09	-	0.97	1.84	0.06	129.31	0.65
Less: Exchange differences	-	(0.20)	(0.09)	(0.00)	(0.04)	(0.20)	(0.11)	(1.36)	(0.39)
As at 31 March, 2023	49.43	646.73	516.13	122.77	30.32	32.36	10.28	1492.02	27.27
Additions	-	16.46	60.56	75.13	1.87	8.22	4.90	167.26	58.49
Disposals / transfers	-	0.19	1.38	20.51	0.68	2.45	1.36	32.57	19.89
Less: Exchange differences	-	0.18	(0.03)	0.00	(0.28)	(0.02)	0.05	(0.07)	-
As at 31 March, 2024	49.43	663.84	576.34	177.39	31.57	38.15	13.76	1636.68	65.87
Accumulated depreciations:									
As at 01 April, 2022	-	205.38	306.35	43.47	16.12	18.09	4.73	596.12	
Depreciation charge for the year	-	24.00	34.22	9.24	2.15	2.58	1.59	73.78	
Disposals / transfers	-	0.04	1.41	6.55	0.32	0.20	0.95	9.29	
Transferred to discontinued operations (Refer note 48)	-	-	21.92	-	0.69	0.15	0.02	23.07	
Less: Exchange differences	-	(0.21)	(0.65)	(0.85)	(0.03)	(0.18)	(0.07)	(1.98)	
As at 31 March, 2023	-	229.53	317.69	47.21	19.00	20.48	5.41	639.62	
Depreciation charge for the year	-	23.89	32.38	7.05	2.05	3.92	1.89	71.18	
Disposals / transfers	-	1.13	1.10	26.36	0.58	2.11	1.07	26.35	
Less: Exchange differences	-	0.14	(0.00)	0.10	0.19	(0.03)	0.05	0.09	
As at 31 March, 2024	-	252.15	349.17	33.80	20.68	22.32	6.17	684.27	
Net book value:									
As at 31 March, 2023	49.43	417.20	198.44	75.56	11.32	11.88	4.87	792.50	27.27
As at 31 March, 2024	49.43	404.69	227.17	143.59	10.91	15.83	7.59	852.61	65.87

Notes:

(a) The Patent Company's application for renewal of lease in respect of property in Mumbai is considered by local municipal corporation, however documentation formalities in this regards are in progress. The net book value of tangible assets in relation to this property as at 31 March, 2024 is ₹ 177.52 crores (as at 31 March, 2023 ₹ 182.67 crores)

(b) * Refer note 35

NOTES accompanying the Consolidated Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT (Contd.)

Capital work-in-progress (CWIP) ageing schedule as at 31 March, 2024

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	58.49	4.53	2.45	0.40	65.87
Total	58.49	4.53	2.45	0.40	65.87

Capital work-in-progress (CWIP) ageing schedule as at 31 March, 2023

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	18.34	7.14	1.26	0.53	27.27
Total	18.34	7.14	1.26	0.53	27.27

Capital work-in-progress (CWIP) completion schedule as at 31 March, 2024*

₹ crores

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Variable frequency drives frame	0.90	-	-	-	0.90
Variable frequency drives	1.45	-	-	-	1.45
Switchgear high power range	4.08	-	-	-	4.08
Total	6.43	-	-	-	6.43

Note : There were no projects which were temporarily suspended

*Project wise completion schedule where project cost has exceeded or projects are overdue

NOTES accompanying the Consolidated Financial Statements (Contd.)

5. INTANGIBLE ASSETS (Contd.)

₹ crores

	Brand names and customer lists	Computer software	Technical know-how	Commercial rights	Intangible assets under development	Total	Goodwill	Development cost
Cost / deemed cost:								
As at 01 April, 2022	134.88	71.75	96.20	31.09	8.38	500.83	152.27	246.96
Additions	-	2.13	-	-	9.35	14.27	-	12.14
Disposals / transfers	-	-	-	-	6.05	-	-	-
Transferred to discontinued operations (Refer note 49)	55.83	19.76	-	-	0.85	100.89	(9.77)	25.23
Less: Exchange differences	(9.23)	0.00	(5.33)	-	-	(6.09)	-	4.19
As at 31 March, 2023	87.83	54.12	101.53	31.09	11.03	503.61	152.14	229.62
Additions	-	11.07	-	-	11.83	20.50	10.77	9.43
Disposals / transfers	-	2.35	-	-	1.17	2.35	-	-
Less: Exchange differences	(1.37)	0.05	(0.90)	-	0.06	0.04	(1.68)	2.26
As at 31 March, 2024	86.60	62.79	102.45	31.09	27.91	521.72	161.73	236.79
Accumulated amortisation								
As at 01 April, 2022	130.18	66.16	96.04	31.09	-	321.65	-	196.18
Amortisation charge for the year	-	1.14	0.06	-	-	20.72	-	19.52
Transferred to discontinued operations (Refer note 49)	51.13	19.76	-	-	-	94.70	-	23.81
Less: Exchange differences	(8.18)	0.00	(5.38)	-	-	(10.99)	-	3.50
As at 31 March, 2023	87.83	48.54	101.48	31.09	-	407.73	-	188.39
Amortisation charge for the year	-	4.24	0.07	-	-	23.71	-	19.40
Disposals / transfers	-	2.35	-	-	-	2.35	-	2.10
Less: Exchange differences	(1.37)	0.07	(0.90)	-	-	(0.19)	-	(0.01)
As at 31 March, 2024	86.60	51.36	102.45	31.09	-	478.19	-	205.69
Net book value								
As at 31 March, 2023	-	5.58	0.05	-	11.03	45.88	152.14	41.23
As at 31 March, 2024	-	11.43	0.00	-	27.91	42.53	161.73	31.10

NOTES accompanying the Consolidated Financial Statements (Contd.)

5. INTANGIBLE ASSETS (Contd.)

Impairment testing of goodwill

For the purpose of impairment testing, goodwill relating to continuing business segments has been allocated to the cash generating units (CGUs) as follows

₹ crores

CGUs /Segments	As at 31-03-2024	As at 31-03-2023
Industrial Systems	163.76	162.14
Total goodwill	163.76	162.14

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

The Group generally uses discounted cash flow based method to determine the recoverable amount. These discounted cash flow calculations use three-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The discount rate calculation is derived from weighted average cost of capital (WACC) of CGU's. Terminal value growth rates take into consideration external macroeconomic sources of data and industry specific trends.

The following table presents the key assumptions used to determine value in use / fair value less costs to sell for impairment test purposes.

	As at 31-03-2024	As at 31-03-2023
Terminal value growth rate	2%	2%
Discount rate	10.53%	10.00%

The pre-tax discount WACC rate used 10.53% (as at 31 March, 2023 10.00%)

An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

NOTES accompanying the Consolidated Financial Statements (Contd.)

5. INTANGIBLE ASSETS (Contd.)

Intangible assets under development (IAUD) ageing schedule as at 31 March, 2024

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	16.59	8.09	2.21	1.02	27.91
Total	16.59	8.09	2.21	1.02	27.91

Intangible assets under development (IAUD) completion schedule as at 31 March, 2024*

₹ crores

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Beas 75kW Inverter	5.57	-	-	-	5.57
EG Compact 5kW Inverter	2.74	-	-	-	2.74
Total	8.31	-	-	-	8.31

Note:

(i) There are no projects which are temporary suspended

*Project wise completion schedule where project cost has exceeded or projects are overdue

Intangible assets under development (IAUD) ageing schedule as at 31 March, 2023

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.47	2.22	0.27	1.07	11.03
Total	7.47	2.22	0.27	1.07	11.03

Notes

(i) There were no projects whose project cost exceeded or projects were overdue

(ii) There were no projects which were temporary suspended.

NOTES accompanying the Consolidated Financial Statements (Contd.)

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

| ₹ crores | Face value per unit in ₹ unless otherwise specified | No. of shares / units | | | | | | | |

NOTES accompanying the Consolidated Financial Statements (Contd.)

7. NON-CURRENT - OTHERS FINANCIAL ASSETS

₹ crores

	[illegible]	As at 31-03-2023
Unsecured, considered good, unless otherwise stated		
Deposits	7.75	6.14
Fixed deposits with remaining maturity more than 12 months*	3.89	7.19
	11.64	13.33

* Fixed deposits of ₹ 2.72 crores (as at 31 March, 2023 ₹ 3.69 crores) are held as margin money

8. TAXATION

Income tax recognised in consolidated statement of profit and loss:

₹ crores

	[illegible]	2022-23
Consolidated statement of profit and loss:		
Current income tax		
Current period (continuing operations)	21.85	13.40
Adjustment in respect of current tax relating to earlier periods (continuing operations)	(13.04)	-
Current period (discontinued operations)	(0.80)	3.16
Deferred tax		
Relating to origination and reversal of temporary differences (continuing operations)	280.45	192.41
Income tax recognised in consolidated statement of profit and loss	286.46	208.97
Other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year	(2.68)	(1.38)
Income tax recognised in other comprehensive income	(2.68)	(1.38)

Reconciliation of income tax expense and accounting profit multiplied by applicable income tax rate:

₹ crores

	[illegible]	2022-23
Accounting profit before income tax from continuing operations	1158.38	1002.14
Accounting profit before income tax from discontinued operations	555.69	169.80
Accounting profit before income tax	1714.07	1171.94
Applicable tax rate	25.168%	25.168%
Computed tax expense	431.40	294.85
Income exempt from taxation	(138.65)	(43.62)
Write off of receivables / financial assets receivables	(3.50)	(49.85)
Expense not deductible in determining taxable profits	9.63	(0.30)
Change in income tax rate / effect of different tax rates applicable to subsidiaries	8.55	8.97
Others	(12.93)	(1.18)
Net income tax expense charged to the consolidated statement of profit and loss	266.46	208.97
Income tax attributable to continuing operations	287.26	205.81
Income tax attributable to discontinued operations	(0.80)	3.16
Total	286.46	208.97

NOTES accompanying the Consolidated Financial Statements (Contd.)

8. TAXATION (Contd.)

Note:
Pursuant to the directions of the Hon'ble National Company Law Tribunal ('NCLT'), the Parent Company's books of accounts were re-casted and re-audited for the financial years 2014-15 to 2018-19. The said re-casted accounts were taken on record by the NCLT on 26 October, 2021 and consequential revision of books of accounts for financial years 2019-20 and 2020-21 were also performed by the Parent Company. The Parent Company had filed an application with the Central Board of Direct Taxes ('CBDT') seeking its approval to revise the returns of income based on the re-casted / revised books of accounts. As the time limit for the same had elapsed the Parent Company had filed an application u/s 119 of the Income Tax Act, 1961 for condonation of delay for filing of revised returns for the financial years 2014-15 to 2019-20. The CBDT vide its Order dated 29 February, 2024 had rejected the Parent Company's application. Against the said rejection order, the Parent Company had filed Writ Petition before the Hon'ble Bombay High Court. This petition was heard before the Hon'ble Bombay High Court on 30 April, 2024. While written copy of the order on the matter is awaited, based on communication of the legal counsel received by the Parent Company, the Court has disposed off the above writ petition and pronounced the following directions:

(a) Allowing the Parent Company to file its revised returns of income based on re-casted / revised accounts for the financial year 2014-15 to 2019-20 within 30 days from the date of receipt of order and directing the income tax department to complete the assessment of the same before 28 February, 2025.

(b) Noting that the assessment orders passed for the financial years 2014-15 to 2016-17 does not survive and this has the effect of tax demands aggregating to ₹ 653.57 crores getting extinguished.

Deferred tax relates to the following:

₹ crores

	Balance sheet		Recognised in statement of profit and loss	
	[illegible]	As at 31-03-2023	[illegible]	2022-23
Expenses allowable on payment basis	14.63	42.43	27.80	0.61
Impact of difference between tax depreciation and depreciation / amortisation charged	(121.60)	(128.43)	(6.83)	(5.10)
Lease liabilities	3.20	3.56	0.36	1.52
Right-of-use assets	(2.86)	(3.29)	(0.43)	(1.54)
Other items giving rise to temporary differences	9.76	16.78	7.68	1.02
Provision and impairment of receivables	55.37	57.97	2.60	(4.62)
Unabsorbed losses and Unabsorbed depreciation	197.86	445.32	247.46	170.68
Provision for corporate guarantee obligation settlement	-	-	-	31.46
Deferred tax asset - (A)	156.39	434.34	278.04	194.03
Impact of difference between tax depreciation and depreciation / amortisation charged (attributable to subsidiary of the Parent Company)	(0.56)	(0.83)	0.27	3.00
Deferred tax liabilities - (B)	(0.56)	(0.83)	0.27	3.00
Deferred tax (income) / expenses (A - B)			277.77	191.03
Net deferred tax (liabilities) / assets (A + B)	155.74	433.51		
Deferred tax expense / (benefit):				
Relating to origination and reversal of temporary difference (continuing operations)			277.77	191.03
Total			277.77	191.03

NOTES accompanying the Consolidated Financial Statements (Contd.)

8. TAXATION (Contd.)

The net deferred tax assets of ₹ 155.74 crores (as at 31 March, 2023 ₹ 433.51 crores) includes deferred tax assets of ₹ 194.59 crores (as at 31 March, 2023 ₹ 445.32 crores) related to tax losses of the Parent Company. Based on the future forecast and current economic conditions in India, there is reasonable certainty that the deferred tax assets on tax losses which are eligible to be carried forward till assessment year 2029-30, will be realised before their expiry.

Reconciliation of deferred tax assets / (liabilities) net:

₹ crores

	[illegible]	As at 31-03-2023
Opening balance	433.51	621.89
Tax expense during the year recognised in the consolidated statement of profit and loss from continuing operations	(280.45)	(192.41)
Reduction on account of transferred to discontinued operations	-	2.79
Deferred tax on other comprehensive income	2.68	1.38
Exchange differences	0.00	(0.14)
Closing balance	155.74	433.51

9. OTHER NON - CURRENT ASSETS

₹ crores

	[illegible]	As at 31-03-2023
Unsecured, considered good, unless otherwise stated		
Capital advances	4.91	7.48
	4.91	7.48

10. INVENTORIES

₹ crores

	[illegible]	As at 31-03-2023
Raw materials	344.85	247.29
Add: Goods in transit	11.99	6.41
	356.84	253.70
Work-in-progress	242.19	188.75
Finished goods	131.84	79.31
Stock-in-trade (including goods-in-transit)	16.73	16.24
Stores, spares and packing materials	2.97	3.18
Loose tools	0.14	0.00
	750.71	541.18

Note: Mode of valuation of inventories is stated in Note 2.6.

NOTES accompanying the Consolidated Financial Statements (Contd.)

11. CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

		Face value per unit in ₹ unless otherwise specified	No. of shares / units: [illegible]	No. of shares / units: As at 31-03-2023	[illegible]	As at 31-03-2023
Details of investments:						
Unquoted investments						
Investments in equity instruments*						
1	Nuco Corporation Limited	2	330390	330390	0.01	0.01
2	JCT Electronics Limited	1	250000	250000	0.00	0.00
					0.01	0.01
Investments in mutual funds*						
1	SBI Liquid Fund - Direct Growth		1555029	-	597.69	-
					597.69	-
					597.70	0.01

* Carried at fair value through profit and loss

12. TRADE RECEIVABLES

₹ crores

	[illegible]	As at 31-03-2023
Unsecured:		
Considered good	1534.19	1297.12
Credit impaired	93.46	111.03
	1627.65	1408.15
Less: Allowance for credit impaired	93.46	111.03
	1534.19	1297.12

Note: Refer note 25 for trade receivable considered as contract balances

Trade receivables ageing schedule:

₹ crores

As at 31 March, 2024		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(i)	Undisputed trade receivables – considered good	958.46	527.06	28.12	5.19	6.14	5.31	1534.19
(ii)	Undisputed trade receivable – credit impaired	-	-	-	11.89	4.61	77.03	93.44
(iii)	Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv)	Disputed trade receivable – credit impaired	-	-	-	-	-	0.02	0.02
Total		958.46	527.06	28.12	29.90	10.75	82.36	1627.65

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NOTES accompanying the Consolidated Financial Statements (Contd.)

12. TRADE RECEIVABLES (Contd.)

₹ crores

As at 31 March, 2023	Not due	Outstanding for following periods from due date of payment: < 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed trade receivables – considered good	668.80	541.85	47.61	26.97	5.95	5.94	1297.12
(ii) Undisputed trade receivable – credit impaired	-	-	0.78	7.52	19.67	83.04	111.01
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivable – credit impaired	-	-	-	-	-	0.02	0.02
Total	668.80	541.85	48.39	34.49	25.62	89.00	1408.15

No trade or other receivable are due from directors or other officers of the Parent Company either severally or jointly with any other person. Details of trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member are given below:

₹ crores

Name of the Company	As at 31-03-2023	As at 31-03-2023
Zetwerk Manufacturing Businesses Private Limited	3.02	10.98

13. CASH AND CASH EQUIVALENTS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Balances with banks:		
In current accounts	106.82	145.11
Fixed deposits with original maturity of less than 3 months	93.00	536.66
	199.82	681.77
Cash on hand	0.02	0.01
	199.84	681.78

As at 31 March, 2024, the Parent Company has undrawn fund based committed borrowings facilities of ₹ 500.00 crores (as at 31 March, 2023 ₹ 500.00 crores)

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Earmarked balances with banks for:		
Unpaid dividends (Refer note (a) below)	0.48	0.13
Fixed deposits with original maturity of more than 3 months and upto 12 months (Refer note (b) below)	654.09	23.04
	654.57	23.17

Notes:

(a) Amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund ('IEPF') as at 31 March, 2024 ₹ Nil (as at 31 March, 2023 ₹ Nil)

(b) Fixed deposits of ₹ 1.40 crores (as at 31 March, 2023 ₹ 1.14 crores) are held as margin money

NOTES accompanying the Consolidated Financial Statements (Contd.)

15. CURRENT - OTHER FINANCIAL ASSETS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Unsecured, considered good, unless otherwise stated		
Security deposits:		
Considered good	10.29	12.01
Considered doubtful	0.74	0.74
	11.03	12.75
Less: Allowance for bad and doubtful deposits	0.74	0.74
	10.29	12.01
Fixed deposits with remaining maturity less than 12 months*	4.42	9.01
Receivable on deconsolidation of HBE Group**	112.09	132.60
Derivative instruments	0.69	0.07
Other financial assets	8.72	2.80
	136.21	156.49

* Fixed deposits of ₹ 3.71 crores (as at 31 March, 2023 ₹ 1.97 crores) are held as margin money

** HBE refers to erstwhile subsidiaries consisting of CG Holdings Belgium NV ('HBE'), CG Power Systems Belgium NV ('PSBE'), CG Sales Networks France SA and CG Power Solutions Saudi Arabia Limited (collectively 'HBE Group'). These subsidiaries are deconsolidated with effect from 01 January, 2020 consequent to the HBE and PSBE being declared bankrupt by the local court.

16. OTHER CURRENT ASSETS

₹ crores

	As at 31-03-2023	As at 31-03-2023
Unsecured, considered good, unless otherwise stated		
Advance to suppliers	73.84	52.33
Statutory and other receivables*	173.69	146.81
Receivable from erstwhile directors	0.16	0.16
Less: Provision for doubtful receivable	0.16	0.16
	247.53	199.14

Note:

* Major items includes statutory receivables of the Parent Company amounting to ₹ 134.61 crores (as at 31 March, 2023 ₹ 126.97 crores), which mainly consists of deposits towards disputed tax demands of ₹ 64.26 crores (as at 31 March, 2023 ₹ 53.53 crores)

17. EQUITY SHARE CAPITAL

₹ crores

	As at 31-03-2023	As at 31-03-2023
Authorised		
2038000000 equity shares of ₹ 2 each	407.60	407.60
(2038000000 equity shares of ₹ 2 each as at 31 March, 2023)		
Issued		
1527375514 equity shares of ₹ 2 each fully paid-up	305.47	305.43
(1527173734 equity shares of ₹ 2 each fully paid-up as at 31 March, 2023)		
Subscribed and paid-up		
1527333214 equity shares of ₹ 2 each fully paid-up	305.47	305.43
(1527131434 equity shares of ₹ 2 each fully paid-up as at 31 March, 2023)		
Forfeited shares		
42300 equity shares of ₹ 2 each (Amount partly paid-up ₹ 32175)	0.00	0.00
(42300 equity shares of ₹ 2 each (Amount partly paid-up ₹ 32175 as at 31 March, 2023)		
	305.47	305.43

NOTES accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL (Contd.)

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Authorised equity share capital	As at 31-03-2023		As at 31-03-2023	
	Number	₹ crores	No of Shares	₹ crores
Balance at the beginning of the year	2038000000	407.60	2038000000	407.60
Balance at the end of the year	2038000000	407.60	2038000000	407.60

Issued equity share capital	As at 31-03-2023		As at 31-03-2023	
	Number	₹ crores	No of Shares	₹ crores
Balance at the beginning of the year	1527173734	305.43	1441865329	288.37
Add: Issued during the year	201780	0.04	85308405	17.06
Balance at the end of the year	1527375514	305.47	1527173734	305.43

Subscribed and paid-up equity share capital	As at 31-03-2023		As at 31-03-2023	
	Number	₹ crores	No of Shares	₹ crores
Balance at the beginning of the year	1527131434	305.43	1441843029	288.37
Add: Subscribed during the year	201780	0.04	85288405	17.06
Balance at the end of the year	1527333214	305.47	1527131434	305.43

During the year, the Parent Company has issued following equity shares under employee stock option scheme.

(i) 201780 equity shares of the face value ₹ 2 each at a price of ₹ 156.20 (including premium) per equity share, for an aggregate consideration of ₹ 3.15 crores.

During the year ended 31 March, 2023, the Parent Company had issued following equity shares under preferential allotment and employee stock option scheme

(i) 85233645 equity shares of the face value of ₹ 2 each at a price of ₹ 8.56 (including premium) per equity share, for an aggregate consideration of ₹ 72.96 crores on conversion of 85233645 warrants held by Tube Investments of India Limited ('TII') into equity share

(ii) 54760 equity shares of the face value ₹ 2 each at a price of ₹ 156.20 (including premium) per equity share, for an aggregate consideration of ₹ 0.86 crores.

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL (Contd.)

(c) Details of shareholders holding more than 5 % shares in the Company:

	As at 31-03-2023		As at 31-03-2023	
	%	Number	%	No. of Shares
Tube Investments of India Limited	58.04	886485532	58.05	886485532

(d) Details of shares held by promoters and promoter group:

As at 31 March, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Tube Investments of India Limited	886485532	-	886485532	58.04%	-
M A Murugappan Holdings LLP (Formerly, M A Murugappan Holdings Private Limited)	367000	-	367000	0.02%	-
M A M Arunachalam	185000	35020	220020	0.01%	18.42%
M A Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	99000	(81020)	8980	0.00%	(90.02%)
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	74000	-	74000	0.00%	-
M A M Arunachalam (in capacity of karta of HUF)	64500	-	64500	0.00%	-
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai hold shares - Murugappan Arunachalam Children Trust)	46000	-	46000	0.00%	-
A Venkatachalam (in capacity of karta of HUF)	31300	(31300)	-	-	(100.00%)
Veerka Meyyammai Arunachalam	71000	-	71000	0.00%	-
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M.V.Subbiah, M.A.A and M.M.M. hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A.M.M Vellayan Sons P Ltd	1450	335	1785	0.00%	23.10%
Valli Annamalai	1000	-	1000	0.00%	-
Lakshmi Chockalingam	-	44900	44900	0.00%	100.00%
Vali Alagappan	-	500	500	0.00%	100.00%
Dhruv M Arunachalam	-	200	200	0.00%	100.00%
A Keerthika Unnamalai	-	155	155	0.00%	100.00%
Total	887597772	(30310)	887567462	58.11%	

* Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However, total promoter holding is 58.11%

NOTES accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL (Contd.)

As at 31 March, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares#	% change during the year
Tube Investments of India Limited	801251887	85233645	886485532	59.05%	10.64%
M A Murugappan Holdings LLP (Formerly, M A Murugappan Holdings Private Limited)	357000	-	357000	0.02%	-
M A M Arunachalam	185000	-	185000	0.01%	-
M A Alagappan	185000	-	185000	0.01%	-
A M Meyyammai	90000	-	90000	0.01%	-
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	74000	-	74000	0.00%	-
M A M Arunachalam (in capacity of karta of HUF)	64500	-	64500	0.00%	-
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai holds shares - Murugappan Arunachalam Children Trust)	46900	-	46900	0.00%	-
A Venkatachalam (in capacity of karta of HUF)	31300	-	31300	0.00%	-
Vedika Meyyammai Arunachalam	71000	-	71000	0.00%	-
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M.V.Subbiah, M A A and M.M.M. hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	-	1450	1450	0.00%	100.00%
Valli Annamalai	-	1000	1000	0.00%	100.00%
Total	802301677	85236095	887537772	58.12%	

Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However, total promoter holding is 58.12%

18. OTHER EQUITY

₹ crores

	[illegible]	As at 31-03-2023
Retained earnings	909.43	(309.47)
Effective portion of cash flow hedge	-	(0.05)
Foreign currency translation reserve	(46.16)	(35.05)
General reserve	418.46	418.46
Capital reserve	671.69	671.65
Capital reserve on consolidation	3.58	3.58
Capital redemption reserve	12.95	12.95
Securities premium	720.75	716.99
Share options outstanding account	21.31	6.02
	2711.97	1485.08

Refer the consolidated statement of changes in equity for detailed movement in balances

NOTES accompanying the Consolidated Financial Statements (Contd.)

18. OTHER EQUITY (Contd.)

(a) Dividend paid and proposed:

The Company has declared and paid interim dividend of ₹ 1.30 per share for the financial year 2023-24 (previous year ₹ 1.50 per share).

(b) Nature and purpose of items in other equity:

(i) Retained earnings:

Retained earnings are the profits that the Group has earned till date and includes any transfer to general reserve, dividends or other distributions paid to the shareholders

(ii) Effective portion of cash flow hedge:

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to the consolidated statement of profit and loss only when the hedged transaction affects the profit or loss

(iii) Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(iv) General reserve

General reserve comprises of transfer of profits from retained earnings for appropriation purpose, the reserves can be distributed / utilised by the Group in accordance with provisions of the Companies Act, 2013

(v) Capital reserve:

Capital reserve mainly represents the amount recognised on demerger of consumer product business and can be utilised in accordance with the provisions of the Companies Act, 2013

(vi) Capital reserve on consolidation:

Capital reserve on consolidation is on account of subsidiaries acquired

(vii) Capital redemption reserve:

Capital redemption reserve was created on buy back of shares. The Company may issue bonus shares to its members out of the capital redemption reserve.

(viii) Securities premium:

Securities premium reserve is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(ix) Share warrant money:

Share warrant money (as disclosed in the consolidated statement of changes in equity) represents amount received against instruments carrying right exercisable by the warrant holder to subscribe to one equity share per warrant at a specific fixed price within specified period from date of allotment

(x) Share options outstanding account:

Share options outstanding account represents fair value of the options granted which is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service

NOTES accompanying the Consolidated Financial Statements (Contd.)

19. NON - CURRENT - OTHER FINANCIAL LIABILITIES

₹ crores

	[illegible]	As at 31-03-2023
Deposits payable	10.96	1.85
	10.96	1.85

20. NON - CURRENT PROVISIONS

₹ crores

	[illegible]	As at 31-03-2023
Provision for gratuity (Refer note 36 (ii))	6.28	2.04
Other provisions (Refer note 24 (ii))	29.18	22.33
	35.46	24.37

21. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ crores

	[illegible]	As at 31-03-2023
Total outstanding dues of creditors other than micro enterprises and small enterprises:		
Acceptances	322.00	267.37
Due to other than micro enterprises and small enterprises	1057.38	874.26
	1379.38	1161.63
Due to micro enterprises and small enterprises	104.87	82.69
	1484.25	1244.32

Note: Refer note 39 for trade payables to other related parties

Trade payables ageing schedule:

₹ crores

As at 31 March, 2024	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(i) Undisputed dues of micro enterprises and small enterprises	102.00	2.72	0.06	0.01	0.08	104.87
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	1088.12	257.55	2.85	1.55	10.23	1360.30
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	19.08	19.08
Total	1190.12	260.27	2.91	1.56	29.39	1484.25

NOTES accompanying the Consolidated Financial Statements (Contd.)

21. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Contd.)

₹ crores

As at 31 March, 2023	Not due	Outstanding for following periods from due date of payment: < 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed dues of micro enterprises and small enterprises	78.07	4.39	0.15	0.06	0.03	82.69
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	866.81	230.49	3.25	2.98	19.03	1142.55
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	19.08	19.08
Total	944.88	234.88	3.40	3.04	38.14	1244.32

22. CURRENT- OTHER FINANCIAL LIABILITIES

₹ crores

	[illegible]	As at 31-03-2023
Interest free sales tax deferral loans from State Government	0.12	0.12
Investor Education and Protection Fund:		
Unclaimed dividend (Refer note (a) below)	0.49	0.13
Security deposits	15.30	13.54
Due to directors (Refer note 39)	0.95	0.63
Liability on deconsolidation HBE Group*	182.94	187.63
Other payables:		
Dues to employees	26.05	23.39
Others*	142.81	136.98
	168.86	160.37
	368.65	362.42

Notes:

(a) There is no amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund ('IEPF') as at 31 March, 2024 (as at 31 March, 2023 ₹ Nil)

(b) "HBE refers to erstwhile subsidiaries consisting of CG Holdings Belgium NV ('HBE'), CG Power Systems Belgium NV ('PSBE'), CG Sales Networks France SA and CG Power Solutions Saudi Arabia Limited (collectively 'HBE Group'). These subsidiaries are deconsolidated with effect from 01 January, 2020 consequent to the HBE and PSBE being declared bankrupt by the local court.

(c) *Major items includes provision towards guarantee of ₹ 43.71 crores (as at 31 March, 2023 ₹ 43.28 crores) and provision towards commission payables, brokerage payables and others

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NOTES accompanying the Consolidated Financial Statements (Contd.)

23. OTHER CURRENT LIABILITIES

₹ crores

	As at 31-03-2024		As at 31-03-2023
Advances from customers (Refer note 25)		318.66	197.64
Due to customers (Refer note 25)		3.21	7.14
Other payables:			
Statutory liabilities	28.09	66.83	
Others	22.67	21.68	
		51.76	88.51
		373.63	293.29

Relationship with Struck off Companies

₹ crores

Name of struck off company	Nature of transactions	Transactions during the year ended 31-03-2024	Balance outstanding as at March 31, 2023	Relationship with the struck off company, if any, to be disclosed
Kusum Multi Trade Private Limited	Other current liabilities	-	0.33	No
Bloomburg Multiventures Private Limited	Other current liabilities	-	0.25	No
Charming Infrastructure Private Limited	Other current liabilities	-	0.10	No
Converge Trader Private Limited	Other current liabilities	-	0.03	No
Kinarj Entertainment Private Limited	Other current liabilities	-	0.20	No
Krutika Diamond Private Limited	Other current liabilities	-	0.15	No
Overall Distributors Private Limited	Other current liabilities	-	0.30	No
Scoodle Impex Private Limited	Other current liabilities	-	0.33	No
Sodha Infrastructure Private Limited	Other current liabilities	-	1.60	No
Spireon Cargo Private Limited	Other current liabilities	-	0.92	No
Starleaf Impex India Private Limited	Other current liabilities	-	0.29	No
Tokye Distributors Private Limited	Other current liabilities	-	0.20	No
	Total	-	4.70	

Note: There are no transactions entered into with struck off companies during year ended 31 March, 2024 and 31 March, 2023. One subsidiary company of the Group had reported outstanding balances with above struck off companies as on 31 March, 2023. The closing balances as on 31 March, 2023 represents balances carried forward from earlier years. The said subsidiary had entered into transactions with these struck off companies when subsidiary was under the control of the previous management. In the current year, the said subsidiary is deconsolidated and in view of the same, there are no related balances to be reported as at 31 March, 2024.

NOTES accompanying the Consolidated Financial Statements (Contd.)

24. SHORT-TERM PROVISIONS

₹ crores

	As at 31-03-2024	As at 31-03-2023
Provision for gratuity (Refer note 36 (B))	10.02	8.02
Provision for leave encashment	20.72	22.15
Other provisions (Refer note below)	156.11	142.13
Provision for net assets of subsidiaries	-	3.18
	186.85	175.48

Notes:

(a) Movement in other provisions:

₹ crores

	Warranties	Tax related litigations	Other litigations	Provision for onerous contracts	Total
Carrying amount at the beginning of the year	77.39	53.16	30.65	3.26	164.46
Additional provision made during the year (net of reversal / utilisation)	24.19	1.56	0.35	-	26.10
Reduction on account of liquidation of subsidiaries	-	-	-	3.26	3.26
Exchange differences	(0.01)	-	-	-	(0.01)
Carrying amount at the end of the year	101.57	54.72	31.00	-	187.29
Non-current (Refer note 20)	29.18	-	-	-	29.18
Current (Refer note 24)	72.39	54.72	31.00	-	158.11
Total	101.57	54.72	31.00	-	187.29

(b) Nature of other provisions:

(i) Product warranties: The Group 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 generally expected to be within a period of two years from the date of balance sheet.

(ii) Provision for tax related litigations include liability on account of non-collection of declaration forms and other legal matters related to Sales Tax, Excise Duty, Custom Duty, Service Tax and Goods & Service Tax which are in appeal under the relevant Act / Rules. The above provision represents expected future outflows relating to various tax related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

(iii) Provision for other litigation related obligations represents estimated liabilities that are expected to materialise in respect of other matters under litigation. The above provision represents expected future outflows relating to litigation related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

(iv) Provision for onerous contracts have been made on contracts where it is probable that the estimated cost will exceed the total contract revenue.

NOTES accompanying the Consolidated Financial Statements (Contd.)

25. REVENUE FROM OPERATIONS

₹ crores

	2023-24		2022-23
Sale of products	7818.84		6797.18
Sale of services	85.14		62.70
Construction contracts	51.77		34.72
		7955.75	6894.60
Other operating income - scrap sales		90.23	77.94
		8045.98	6972.54

Revenue from contracts with customers

₹ crores

	2023-24	2022-23
Revenue reconciliation		
Revenue as per contracted price	8183.44	7044.90
Less: Adjustments		
Discounts	97.16	43.44
Others (includes liquidated damages)	40.30	28.92
Revenue recognised as per consolidated statement of profit and loss	8045.98	6972.54

₹ crores

	2023-24	2022-23
Revenue from contracts with customers		
Power Systems Business	2595.42	2022.05
Industrial Systems Business	5428.84	4934.40
Others	21.92	16.09
Total	8045.98	6972.54

₹ crores

	2023-24	2022-23
Timing of revenue recognition		
Revenue recognised at a point in time	7994.21	6937.82
Revenue recognised over a period of time	51.77	34.72
Total	8045.98	6972.54

₹ crores

	As at 31-03-2024	As at 31-03-2023
Contract balances		
Trade receivables	1534.19	1297.12
Contract assets	0.70	0.20
Contract liabilities		
Advance from customers	318.66	197.64
Due to customers	3.21	7.14

NOTES accompanying the Consolidated Financial Statements (Contd.)

25. REVENUE FROM OPERATIONS (Contd.)

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group satisfies the performance obligation.

26. OTHER INCOME

₹ crores

	2023-24	2022-23
Interest income from:		
Deposits with banks	40.95	24.26
On income tax refund	15.00	-
Others	6.73	4.66
Profit on sale of property, plant and equipment	5.54	2.41
Gain on sale of investments (net)	18.59	1.90
Fair value gain on financial instruments at fair value through profit and loss	5.43	0.01
Exchange gain (net)	2.59	-
Other non-operating income:		
Income from business service centers (Refer note 35)	5.16	5.48
Miscellaneous income	5.87	29.04
	105.26	67.76

27. COST OF MATERIALS CONSUMED

₹ crores

	2023-24	2022-23
Opening inventories	253.70	203.18
Add: Purchases	5490.18	4635.52
Less: Closing inventories	356.84	253.70
	5387.04	4585.00

28. PURCHASES OF STOCK-IN-TRADE

₹ crores

	2023-24	2022-23
Purchases of stock-in-trade	271.57	268.61
	271.57	268.61

NOTES accompanying the Consolidated Financial Statements (Contd')

29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ crores

			2022-23	
Closing inventories:				
Finished goods	131.84		79.31	
Work in progress	242.19		189.75	
Stock-in-trade	16.73		16.24	
		390.76		284.30
Opening inventories				
Finished goods	79.31		72.63	
Work-in-progress	189.75		203.61	
Stock-in trade	16.24		10.08	
		284.30		286.32
(Increase) / decrease in inventories				
Finished goods	(52.53)		(6.68)	
Work-in-progress	(53.44)		14.86	
Stock-in-trade	(0.49)		(0.16)	
Net (increase) / decrease in inventories		(106.46)		2.02

30. EMPLOYEE BENEFITS EXPENSE

₹ crores

		2022-23
Salaries, wages and bonus	495.21	343.99
Contribution to provident and other funds (Refer note 39 (a))	40.43	40.70
Gratuity expenses (Refer note 39 (b))	4.10	3.14
Share based payment expense (Refer note 37)	15.96	4.42
Staff welfare expenses	36.44	29.45
	592.14	421.70

Note on Social Security Code: The date on which the Code of Social Security, 2020 ('The Code') relating to employee benefits during employment will come into effect is yet to be notified and the related rules are yet to be finalised. The Group will evaluate The Code and its rules, assess the impact, if any, and account for the same once they become effective.

31. FINANCE COSTS

₹ crores

		2022-23
Interest expenses	1.36	15.08
Interest on lease liabilities (Refer note 35)	1.18	1.12
	2.54	16.20

NOTES accompanying the Consolidated Financial Statements (Contd.)

32. DEPRECIATION AND AMORTISATION EXPENSE

₹ crores

		2022-23
Depreciation of property, plant and equipment (Refer note 4)*	71.18	73.78
Amortisation of intangible assets (Refer note 5)	23.71	20.72
	94.89	94.50

* Includes depreciation of ROU assets ₹ 7.05 crores (previous year ₹ 9.24 crores)

33. OTHER EXPENSES

₹ crores

		2022-23
Consumption of stores and spares	35.37	28.06
Power and fuel	41.28	36.03
Rent	17.29	11.78
Repairs to buildings	7.39	7.21
Repairs to machinery	24.99	21.98
Repairs - others	12.45	13.62
Insurance	5.58	6.18
Rates and taxes	9.28	5.46
Freight and forwarding	136.03	122.07
Packing materials	60.13	59.17
After sales services including warranties	62.90	49.87
Travelling and conveyance	17.42	13.81
Sales promotion	14.71	7.87
Bank charges	14.17	11.97
Sub contracting charges	144.94	119.60
Directors' sitting fees	0.37	0.35
Allowance for doubtful debts and advances	0.25	11.91
Donation to trust*	30.00	-
Legal and professional charges	66.10	59.01
Miscellaneous expenses	156.98	113.74
	857.62	701.89

* Donation given to Triumph Electoral Trust

NOTES accompanying the Consolidated Financial Statements (Contd')

34. CONTINGENT LIABILITIES AND COMMITMENTS

a) Matters wherein management has concluded the Group's liability to be probable have accordingly been provided for in the books (Refer note 24)

b) Matters wherein management has concluded the Group's liability to be possible have accordingly been disclosed under Note A, Contingent liabilities below.

c) Matters wherein management is confident of succeeding in these litigations and have concluded the Group's liability to be remote. This based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process

₹ crores

			As at 31-03-2023
A.	Contingent liabilities (Refer notes below)		
	(to the extent not provided for)		
	(a) Claims against the Group not acknowledged as debts	4.69	4.69
	(b) Sales tax / VAT / goods and service tax liability that may arise in respect of matters in appeal	5.36	5.01
	(c) Excise duty / custom duty / service tax liability that may arise in respect of matters in appeal	12.68	13.05
	(d) Income tax liability that may arise in respect of matters in appeal	0.97	0.97
B.	Commitments:		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	93.85	24.62

Notes:

(i) From time to time, the Group is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Group.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at A(a) to A(d) above, pending resolution of the arbitration / appellate proceedings.

(iii) Sales tax / VAT / goods and service tax cases include disputes pertaining to disallowances of input tax credit and non submission of various forms with authorities.

(iv) Excise duty / custom duty / service tax cases include disputes pertaining to inadmissibility of cenvat credit, short payment of service tax on work contracts, refund of excise duty on export of transformers, interest payment on provisional assessment cases, etc.

(v) Contingent liabilities for Income Tax cases pertains to disallowance of expenses, etc.

(vi) The Parent Company has received Assessment Order dated 27 February, 2024 under 143(3) of the Income Tax Act, 1961, pertaining to financial year 2021-22. As per Assessment Order, tax demand payable is ₹ 188.79 crores. The Parent Company has filed its detailed submissions in response to notices received for the appeal filed before Commissioner of Income Tax (Appeals). Considering the facts, demand raised is mainly on account of disallowance of claims for settlement of Corporate guarantee and non-granting of set-off tax losses. The management strongly believes that the demand is not sustainable, bad in law and will be reversed at appellate levels.

Further, as mentioned in Note 8 to the consolidated financial statements, the Parent Company had filed Writ Petition before the Hon'ble Bombay High Court for revision of returns for financial years 2014-15 to 2019-20. This petition was heard and concluded before the Hon'ble Bombay High Court on 30 April, 2024. While written copy of the order on the matter is awaited, based on communication from the legal counsels received by the Parent Company in regards to proceedings of hearing in court, the Court has allowed the Parent Company to file its revised returns of income based on re-casted / revised accounts for the said financial years and directed that the proceedings for financial year 2020-21 and financial year 2021-22, would be done after the assessment order for financial year 2019-20 and financial year 2020-21 respectively is passed.

NOTES accompanying the Consolidated Financial Statements (Contd.)

35. LEASES

(i) Group as a lessee

The Group has lease contracts for various items of land, building, furniture and fittings, office equipments and vehicles used in its operation. Lease of land generally have lease terms between 30 to 99 years while buildings, furniture and fittings, office equipments and vehicles generally have lease terms between 2 to 9 years. The Group's obligation under the lease is secured by the lessor's title to leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

Set out below are the carrying amounts of right of use assets and lease liabilities included under financial liabilities and the movements during the year.

Movement in net carrying value of right of use assets

₹ crores

	Land	Buildings	Furniture and fittings	Office equipments	Vehicles	Total
Opening balances as at 01-04-2022	62.09	9.37	0.11	0.62	3.90	76.09
Addition	1.60	9.39	-	-	0.22	11.11
Less: Deletion	-	1.54	-	-	-	1.54
Less: Depreciation	1.36	6.44	0.11	0.16	1.17	9.24
Add: Exchange differences	-	0.52	-	(0.33)	(1.05)	(0.86)
Closing balances as at 31-03-2023	62.23	11.30	-	0.13	1.90	75.56
Addition	69.39	1.74	-	-	4.00	75.13
Less: Deletion	-	0.10	-	-	0.05	0.15
Less: Depreciation	1.43	4.12	-	0.13	1.37	7.05
Add: Exchange differences	-	(0.05)	-	-	0.15	0.10
Closing balances as at 31-03-2024	130.19	8.77	-	-	4.63	143.59

Movement in lease liabilities during the year

₹ crores

		2022-23
Opening balance	16.43	14.73
Add: Addition	6.56	11.11
Add: Accretion of interest	1.18	1.12
Less: Payments	(6.57)	(8.99)
Less: Removal of assets	(0.15)	(1.54)
Less: Gain on removal of assets	(0.01)	(0.49)
Add: Exchange differences	0.00	0.49
Closing balance	17.44	16.43

Breakup of lease liabilities

₹ crores

		As at 31-03-2023
Non-current lease liabilities	11.91	12.06
Current lease liabilities	5.53	4.37
Total	17.44	16.43

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NOTES accompanying the Consolidated Financial Statements (Contd.)

35. LEASES (Contd.)

Amounts recognized in the consolidated statement of profit and loss

₹ crores

	[illegible]	2022-23
Other expenses		
Expenses related to short-term, low value asset and variable lease rent (included in other expenses)	17.28	11.78
Finance cost		
Interest expense on lease liability	1.18	1.12
Depreciation and amortization expense		
Depreciation of ROU assets	7.05	9.24

Amounts recognised in the consolidated statement of cash flows

₹ crores

	[illegible]	2022-23
Total cash outflow for leases	6.57	8.99

Contractual maturities of lease liabilities on an undiscounted basis

₹ crores

	[illegible]	As at 31-03-2023
Less than 1 year	5.57	6.33
1 - 5 years	9.39	11.57
More than 5 years	5.57	4.67
Total	20.53	22.57

(b) Group as a lessor

Amounts recognised in the consolidated statement of profit and loss

₹ crores

	[illegible]	2022-23
Other Income		
Non-operating lease income	5.16	5.48

Note:

Non-operating lease income is in respect of lease of land and / or building.

NOTES accompanying the Consolidated Financial Statements (Contd.)

36. EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 46.43 crores (previous year ₹ 40.70 crores) is recognised as an expense and included in employee benefits expense as under:

₹ crores

Benefits (Contribution to):	[illegible]	2022-23
Provident fund	14.16	11.77
Superannuation fund	4.22	4.14
Employee state insurance scheme	0.14	0.12
Labour welfare scheme	0.01	0.01
National pension scheme	1.50	1.24
Family pension	26.40	23.42
Total	46.43	40.70

(b) Defined benefit plans:

Gratuity:

Under the Gratuity plan operated by the Group, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per the Payment of Gratuity Act, 1972.

The Group makes annual contributions to the CG Gratuity Fund, which is funded defined benefit plan for qualifying employees. The Board of Trustees of the fund is entrusted with responsibility for the administration of the plan assets and for the investment strategy.

The following table summarizes the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet.

₹ crores

		Gratuity (Funded)	
		[illegible]	2022-23
I.	Change in present value of defined benefit obligation during the year		
1	Present value of defined benefit obligation at the beginning of the year	50.87	44.69
2	Interest cost	3.85	3.12
3	Current service cost	3.34	2.74
4	Benefits paid	(5.73)	(5.73)
5	Actuarial changes arising from changes in demographic assumptions	0.23	0.87
6	Actuarial changes arising from changes in financial assumptions	4.00	3.28
7	Actuarial changes arising from changes in experience adjustments	8.47	1.91
8	Present value of defined benefit obligation at the end of the year	65.03	50.87
II	Change in fair value of plan assets during the year		
1	Fair value of plan assets at the beginning of the year	40.81	38.98
2	Interest income	3.09	2.72
3	Contributions paid by the employer	10.11	5.71
4	Benefits paid from the fund	(5.73)	(5.73)
5	Return on plan assets excluding interest income	0.45	(0.87)
6	Fair value of plan assets at the end of the year	48.73	40.81

NOTES accompanying the Consolidated Financial Statements (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

₹ crores

		Gratuity (Funded)	
		[illegible]	2022-23
III	Net asset / (liability) recognised in the consolidated balance sheet		
1	Present value of defined benefit obligation at the end of the year	(65.03)	(50.87)
2	Fair value of plan assets at the end of the year	48.73	40.81
3	Amount recognised in the balance sheet	(16.30)	(10.06)
4	Net (liability)/ asset - Current	(10.02)	(8.02)
5	Net (liability)/ asset - Non-current	(6.28)	(2.04)
IV	Expenses recognised in the consolidated statement of profit and loss for the year		
1	Current service cost	3.34	2.74
2	Interest cost on benefit obligation (net)	0.76	0.40
3	Total expenses	4.10	3.14
V	Recognised in other comprehensive income for the year		
1	Actuarial changes arising from changes in demographic assumptions	0.23	0.87
2	Actuarial changes arising from changes in financial assumptions	4.00	3.28
3	Actuarial changes arising from changes in experience adjustments	8.47	1.91
4	Return on plan assets excluding interest income	(0.45)	0.87
5	Recognised in other comprehensive income	12.25	6.93
VI	Maturity profile of defined benefit obligation		
1	Within the next 12 months (next annual reporting period)	9.95	9.24
2	Between 2 and 5 years	31.20	23.16
3	Between 6 and 10 years	26.33	21.17
4	More than 10 years	33.47	27.39
VII	Quantitative sensitivity analysis for significant assumption is as below:		
1	Increase/(decrease) on present value of defined benefits obligation at the end of the year		
	(i) One percentage point increase in discount rate	(3.03)	(2.33)
	(ii) One percentage point decrease in discount rate	3.36	2.58
	(i) One percentage point increase in rate of salary increase	3.34	2.60
	(ii) One percentage point decrease in rate of salary increase	(3.06)	(2.38)
	(i) One percentage point increase in employee turnover rate	(0.02)	0.22
	(ii) One percentage point decrease in employee turnover rate	0.62	(0.24)
2	Sensitivity Analysis Method		
	Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count		
VIII	The major categories of plan assets as a percentage of total plan assets		
	Insurer managed funds	100%	100%
IX	Weighted average duration of the defined benefit obligation (in years)	6-7	6-7

NOTES accompanying the Consolidated Financial Statements (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

₹ crores

		Gratuity (Funded)	
		[illegible]	2022-23
X	Actuarial assumptions		
1	Discount rate	7.15% - 7.22% p.a.	7.15% - 7.57% p.a.
2	Salary escalation	5.50% - 7.00% p.a.	5.50% - 6.00% p.a.
3	Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
4	Rate of employee turnover	up to 9.00% p.a.	up to 6.00% p.a.

₹ crores

	[illegible]	2022-23
Expected contributions to the defined benefit plan for the next annual reporting period	10.07	8.07

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2024 and as at 31 March, 2023. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(c) Provident Fund:

During the previous year, the Parent Company had surrendered its Provident Fund to Government administered Employee's Provident Fund Organisation ("EPFO"). Accordingly, the assets held by trust were sold based on best prevailing market price and amount received on sale of assets was transferred to EPFO. However, there was some shortfall towards employees provident fund liability which had been paid by the Parent Company (the employer) to EPFO.

(d) Leave Encashment:

The assumptions used for computing accumulated leave encashment on actuarial basis are as follows:

Actuarial assumptions	[illegible]	2022-23
1 Discount Rate	7.15% - 7.22% p.a.	7.15% - 7.57% p.a.
2 Salary escalation	5.50% - 7.00% p.a.	5.50% - 6.00% p.a.
3 Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
4 Rate of employee turnover	up to 9.00% p.a.	up to 6.00% p.a.

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NOTES accompanying the Consolidated Financial Statements (Contd.)

37. STOCK OPTIONS

During the year, 1785310 (previous year 453140) stock options (net-off cancellations / lapsed) were granted to eligible employees at the rate of one stock option of the Parent Company for every stock option held and outstanding in the Parent Company.

In this regard, the Parent Company has recognised expense amounting to ₹ 15.96 crores (previous year ₹ 4.42 crores) for employees services received during the year, shown under employee benefits expenses (Refer note 30).

The movement of stock options are given below :

Particulars	Date of grant	Options outstanding as at 01-04-2022	During the year 2022-23			Options outstanding as at 31-03-2023	Options vested but not exercised as at 31-03-2023
			Options granted	Options cancelled / lapsed	Options exercised and allotted		
Grant 1	18-Nov-21	783260	-	7500	199020	576740	576740
Grant 2	18-Nov-21	317120	-	67760	2760	246600	246600
Grant 3	18-Nov-21	339480	-	101640	-	237840	-
Grant 4	18-Nov-21	339480	-	101640	-	237840	-
Grant 5	26-Dec-22	453140	-	-	-	453140	453140
Grant 6	08-May-23	-	763030	-	-	763030	-
Grant 7	08-May-23	-	83320	-	-	83320	-
Grant 8	08-May-23	-	124980	-	-	124980	-
Grant 9	08-May-23	-	124980	-	-	124980	-
Grant 10	27-Jul-23	-	83320	-	-	83320	-
Grant 11	27-Jul-23	-	83320	-	-	83320	-
Grant 12	27-Jul-23	-	124980	-	-	124980	-
Grant 13	27-Jul-23	-	124980	-	-	124980	-
Grant 14	27-Jul-23	-	135520	135520	-	-	-
Grant 15	27-Jul-23	-	135520	135520	-	-	-
Grant 16	30-Dec-23	-	136200	-	-	136200	-
Grant 17	30-Dec-23	-	136200	-	-	136200	-

Particulars	Date of grant	Options outstanding as at 01-04-2022	During the year 2022-23			Options outstanding as at 31-03-2023	Options vested but not exercised as at 31-03-2023
			Options granted	Options cancelled / lapsed	Options exercised and allotted		
Grant 1	18-Nov-21	838020	-	-	54760	783260	783260
Grant 2	18-Nov-21	317120	-	-	-	317120	-
Grant 3	18-Nov-21	339480	-	-	-	339480	-
Grant 4	18-Nov-21	339480	-	-	-	339480	-
Grant 5	26-Dec-22	-	453140	-	-	453140	-

NOTES accompanying the Consolidated Financial Statements (Contd.)

37. STOCK OPTIONS (Contd.)

Details of stock options granted as at 31 March, 2024 are given below:

Particulars	Date of grant	Weighted average exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vested date	Weighted average remaining contractual life (in years)
Grant 1	18-Nov-21	156.20	838020	7500	253780	576740	-	18-Nov-22	-
Grant 2	18-Nov-21	156.20	317120	67760	2760	246600	-	18-Nov-23	-
Grant 3	18-Nov-21	156.20	339480	101640	-	-	237840	-	0.64
Grant 4	18-Nov-21	156.20	339480	101640	-	-	237840	-	1.64
Grant 5	26-Dec-22	251.65	453140	-	-	453140	-	26-Dec-23	-
Grant 6	08-May-23	305.55	763030	-	-	-	763030	-	0.10
Grant 7	08-May-23	305.55	83320	-	-	-	83320	-	1.10
Grant 8	08-May-23	305.55	124980	-	-	-	124980	-	2.10
Grant 9	08-May-23	305.55	124980	-	-	-	124980	-	3.10
Grant 10	27-Jul-23	406.45	83320	-	-	-	83320	-	0.32
Grant 11	27-Jul-23	406.45	83320	-	-	-	83320	-	1.32
Grant 12	27-Jul-23	406.45	124980	-	-	-	124980	-	2.32
Grant 13	27-Jul-23	406.45	124980	-	-	-	124980	-	3.32
Grant 14	27-Jul-23	406.45	135520	135520	-	-	-	-	-
Grant 15	27-Jul-23	406.45	135520	135520	-	-	-	-	-
Grant 16	30-Dec-23	454.40	136200	-	-	-	136200	-	0.76
Grant 17	30-Dec-23	454.40	136200	-	-	-	136200	-	1.76

Details of stock options granted as at 31 March, 2023 are given below.

Particulars	Date of grant	Weighted average exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vested date	Weighted average remaining contractual life (in years)
Grant 1	18-Nov-21	156.20	838020	-	54760	783260	-	18-Nov-22	-
Grant 2	18-Nov-21	156.20	317120	-	-	-	317120	-	0.64
Grant 3	18-Nov-21	156.20	339480	-	-	-	339480	-	1.64
Grant 4	18-Nov-21	156.20	339480	-	-	-	339480	-	2.64
Grant 5	26-Dec-22	251.65	453140	-	-	-	453140	-	0.74

NOTES accompanying the Consolidated Financial Statements (Contd.)

37. STOCK OPTIONS (Contd.)

The following table list the input to the Black Scholes model used for the plans for the year ended 31 March, 2024:

Particulars	Date of grant	Weighted average share price (₹)	Exercise price (₹)	Expected volatility (weighted average)	Expected dividends	Risk-free interest rate (weighted average)
Grant 1	18-Nov-21	3.81	1.00	47.82	-	31.98
Grant 2	18-Nov-21	4.45	2.00	55.99	-	52.97
Grant 3	18-Nov-21	4.96	3.00	56.02	-	65.54
Grant 4	18-Nov-21	5.35	4.00	53.19	-	73.22
Grant 5	26-Dec-22	6.50	1.00	35.99	-	43.40
Grant 6	08-May-23	6.82	3.51	48.46	0.49	127.22
Grant 7	08-May-23	6.66	4.51	48.13	0.49	143.14
Grant 8	08-May-23	6.90	5.51	47.55	0.49	158.12
Grant 9	08-May-23	6.83	6.51	46.26	0.49	165.75
Grant 10	27-Jul-23	6.93	3.51	46.75	0.37	184.56
Grant 11	27-Jul-23	6.96	4.51	57.02	0.37	210.92
Grant 12	27-Jul-23	6.98	5.51	55.42	0.37	226.37
Grant 13	27-Jul-23	7.01	6.51	52.83	0.37	236.56
Grant 16	30-Dec-23	7.01	3.51	42.77	0.33	175.65
Grant 17	30-Dec-23	7.04	4.51	51.54	0.33	224.20

38. SEGMENT REPORTING

The Group has the following reportable Segments:

Power Systems	:	Transformer, Switchgear and Turnkey Projects
Industrial Systems	:	Electric Motors, Alternators, Drives, Traction Electronics and SCADA
Others	:	Adhesive tapes and labels, Outsourced Semiconductor Assembly and Test (OSAT) facility

Identification of segments:

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in the Ind AS.

Segment revenue and results:

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

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

Inter segment transfer:

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

NOTES accompanying the Consolidated Financial Statements (Contd.)

38. SEGMENT REPORTING (Contd.)

Summary of the segmental information as at and for the year ended 31 March, 2024 is as follows:

₹ crores

	Power Systems	Industrial Systems	Others	Discontinued operations	Eliminations /Unallocable Expenditure /Assets*	Total
Revenue						
External sales	2595.42	5439.64	21.92	-	-	8045.98
Add: Inter segment sales	3.06	0.01	-	-	(3.07)	-
Total revenue	2598.48	5439.65	21.92	-	(3.07)	8045.98
Segment results	409.99	780.74	0.18	-	-	1190.91
Less: Finance costs						7.54
Less: Other unallocable expenditure net of unallocable income						50.47
Profit after finance cost but before exceptional items and tax						1132.90
Exceptional items (net)						21.48
Tax expense						287.26
Profit from continuing operations after tax						871.12
Profit from discontinued operations after tax						556.49
Profit for the year						1427.61
Other information:						
Segment assets	1621.27	1856.05	50.12	73.18	2119.12	5625.74
Segment liabilities	1087.51	989.99	5.78	64.23	459.42	2606.97
Capital expenditure #	61.05	137.52	30.35	-	5.35	234.27
Depreciation and amortisation #	33.55	51.12	0.62	-	9.60	94.89
Non cash expenses / (reversal) other than depreciation and amortisation #	(3.68)	(8.29)	-	-	-	(11.97)

Summary of the segmental information as at and for the year ended 31 March, 2023 is as follows:

₹ crores

	Power Systems	Industrial Systems	Others	Discontinued operations	Eliminations /Unallocable Expenditure /Assets*	Total
Revenue						
External sales	2022.05	4934.40	16.09	-	-	6972.54
Add: Inter segment sales	0.87	0.07	-	-	(0.94)	-
Total revenue	2022.92	4934.47	16.09	-	(0.94)	6972.54
Segment results	224.80	784.08	2.55	-	-	1014.43
Less: Finance costs						16.20
Less: Other unallocable expenditure net of unallocable income						47.85
Profit after finance cost but before exceptional items and tax						950.38
Exceptional items (net)						51.78
Tax expense						205.81
Profit from continuing operations after tax						796.33
Profit from discontinued operations after tax						166.64
Profit for the year						962.97
Other information:						
Segment assets	1356.90	1543.63	21.71	162.26	1564.25	4668.95
Segment liabilities	1064.17	873.75	4.13	713.71	221.75	2877.51
Capital expenditure #	26.59	52.61	0.64	-	5.62	85.45
Depreciation and amortisation #	34.72	51.43	0.57	-	7.76	94.50
Non-cash expenses / (reversal) other than depreciation and amortisation #	7.03	(1.71)	0.02	-	(1.00)	4.27

* Unallocable assets comprise assets and liabilities which cannot be allocated to the segments.

The disclosure pertains to continuing business segments.

NOTES accompanying the Consolidated Financial Statements (Contd.)

38. SEGMENT REPORTING (Contd.)

Geographical Information:

₹ crores

	2023-24			2022-23		
	[illegible]	[illegible]	[illegible]	Domestic	Overseas	Total
Revenue from contracts with customers	7077.25	968.73	6045.98	6276.07	694.47	6972.54

Note:

a) During the year ended 31 March, 2024 and 31 March, 2023 revenues from transactions with a single external customer did not amount to 10% or more of the Group's revenues from external customers

b) The revenue information above is based on the locations of the customers

₹ crores

	[illegible]			As at 31-03-2023		
	[illegible]	[illegible]	[illegible]	Domestic	Overseas	Total
Non-current assets	954.93	202.66	1157.59	811.18	205.12	1016.30

Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress, goodwill, other intangible assets, intangible assets under development and other non-current assets.

39. RELATED PARTY DISCLOSURES

(a) List of related parties

(i) Holding company:

Tube Investments of India Limited

(ii) Subsidiaries:

Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the consolidated financial statements are as follows:

Sr. No.	Name of the Related Parties	Country of Incorporation	% Equity Interest [illegible]	% Equity Interest As at 31-03-2023
1	CG Power Solutions Limited (dissolved w.e.f. 10 November, 2023)	India	-	100.00
2	CG Adhesive Products Limited (formerly known as "CG PPI Adhesive Products Limited")	India	83.59	82.76
3	CG Power Equipments Limited	India	100.00	100.00
4	CG Semi Private Limited (incorporated w.e.f. 08 March, 2024)	India	100.00	-
5	CG International Holdings Singapore Pte. Limited	Singapore	100.00	100.00
6	CG Sales Network Malaysia Sdn. Bhd	Malaysia	100.00	100.00
7	CG International B.V.	The Netherlands	100.00	100.00
8	CG Power Solutions UK Limited (dissolved w.e.f. 02 June, 2023)	United Kingdom	-	100.00
9	CG Power Systems Canada Inc.*	Canada	-	-
10	CG Industrial Holdings Sweden AB	Sweden	100.00	100.00
11	CG Drives & Automation Sweden AB	Sweden	100.00	100.00
12	CG Drives & Automation Germany GmbH	Germany	100.00	100.00
13	CG Drives & Automation Netherlands B.V.	The Netherlands	100.00	100.00
14	CG Middle East FZE*	UAE	-	-
15	CG DE Sub, LLC (formerly known as "CGEI, LLC")	USA	100.00	100.00
16	CG Power Americas, LLC	USA	100.00	100.00
17	PT Crompton Prima Switchgear Indonesia	Indonesia	51.00	51.00
18	CG Power and Industrial Solutions Limited Middle East FZCO*	UAE	-	-

* Entities were deconsolidated / liquidated during the previous year

NOTES accompanying the Consolidated Financial Statements (Contd.)

39. RELATED PARTY DISCLOSURES (Contd.)

(iii) Key Management Personnel:

1	Natarajan Sridharan	- Managing Director (Re-appointed till 30 April, 2025)
2	Susheel Todi	- Chief Financial Officer
3	Sanjay Kumar Chowdhary	- Company Secretary and Compliance Officer (Appointed w.e.f. 09, May 2023)
4	P Varadarajan	- Company Secretary and Compliance Officer (Ceased w.e.f. 08, May 2023)

Non Executive Directors:

1	Vellayan Subbiah	- Chairman, Non-Independent Non-Executive Director
2	M A M Arunachalam	- Non-Independent Non-Executive Director
3	P S Jayakumar	- Independent Non-Executive Director
4	Sasikala Viraraghavan	- Independent Non-Executive Director
5	Kalyan Kumar Paul	- Non-Independent Non-Executive Director
6	Sriram Sivaram	- Independent Non-Executive Director
7	Vijayalakshmi R Iyer	- Independent Non-Executive Director (Appointed w.e.f. 24 September, 2022)
8	Shailendra Narain Roy	- Independent Non-Executive Director (Ceased w.e.f. 18 September, 2022)

(iv) Other Related Parties:

1	Shanthi Gears Limited
2	Parry Enterprises India Limited
3	Celestial E-Trac Private Limited (Merged with TI Clean Mobility Private Limited w.e.f. 01 April, 2023)
4	TI Clean Mobility Private Limited (w.e.f. 01 April, 2023)

(v) Post Employment Benefit Entity:

1	CG Provident Fund (Refer note 36 (c))
2	CG Gratuity Fund

(b) The following transactions were carried out with the related parties (Refer note 1 below):

₹ crores

Sr. No.	Nature of transaction / relationship	[illegible]	2022-23
1	Purchase of goods and services		
	Holding company		
	Tube Investments of India Limited	0.04	0.04
		0.04	0.04
	Other related party		
	Shanthi Gears Limited	3.12	3.10
		3.12	3.10
	Total	3.16	3.14
2	Sales of goods and services		
	Holding company		
	Tube Investments of India Limited	2.83	1.03
		2.83	1.03
	Other related parties		
	Shanthi Gears Limited	0.84	0.47
	Celestial E-Trac Private Limited	-	0.01
		0.84	0.48
	Total	3.67	1.51

NOTES accompanying the Consolidated Financial Statements (Contd.)

39. RELATED PARTY DISCLOSURES (Contd.)

Sr. No.	Nature of transaction / relationship	[illegible]	2022-23
3	Dividend paid		
	Holding company		
	Tube Investments of India Limited	115.24	132.97
		115.24	132.97
	Other related parties		
	Promoter's Group	0.14	0.17
		0.14	0.17
	Total	115.38	133.14
4	Proceeds against warrants issued		
	Holding company		
	Tube Investments of India Limited	-	54.72
	Total	-	54.72
5	Issue of equity shares on conversion of warrants		
	Holding company		
	Tube Investments of India Limited	-	72.96
	Total	-	72.96
6	Purchase of fixed assets		
	Holding company		
	Tube Investments of India Limited	-	0.30
	Total	-	0.30
7	Payment to Key Management Personnel		
	Salaries, commission and perquisites*	21.11	17.55
	Non-executive Director's commission	1.05	0.70
	Dividend paid	0.01	0.02
	Total	22.17	18.27
8	Other expenses		
	Other related party		
	Parry Enterprises India Limited	4.42	2.95
	Total	4.42	2.95
9	Purchase of investment		
	Post employment benefit entity		
	CG Provident Fund	-	0.33
	Total	-	0.33

*Remuneration does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole

NOTES accompanying the Consolidated Financial Statements (Contd.)

39. RELATED PARTY DISCLOSURES (Contd.)

(c) Amount due to / from related parties :

₹ crores

Sr. No.	Nature of balances / relationship	[illegible]	As at 31-03-2023
1	Trade payable		
	Holding company		
	Tube Investments of India Limited	0.05	0.05
	(A)	0.05	0.05
	Non-current	-	-
	Current	0.05	0.05
		0.05	0.05
	Other related parties		
	Shanthi Gears Limited	0.77	0.47
	Parry Enterprises India Limited	0.06	0.08
	(B)	0.83	0.55
	Non-current	-	-
	Current	0.83	0.55
		0.83	0.55
	Total (A+B)	0.88	0.60
2	Trade receivable		
	Holding company		
	Tube Investments of India Limited	0.39	0.09
	(A)	0.39	0.09
	Non-current	-	-
	Current	0.39	0.09
		0.39	0.09
	Other related parties		
	Shanthi Gears Limited	0.16	0.22
	Celestial E-Trac Private Limited	-	0.01
	TI Clean Mobility Private Limited	0.01	-
	(B)	0.17	0.23
	Non-current	-	-
	Current	0.17	0.23
		0.17	0.23
	Total (A+B)	0.56	0.32
3	Other current assets		
	Other related party		
	Parry Enterprises India Limited	-	0.12
	Total	-	0.12

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NOTES accompanying the Consolidated Financial Statements (Contd.)

39. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of balances / relationship	[illegible]	As at 31-03-2023
4	Loans and advances payable		
	Other related party		
	Shanthi Gears Limited	0.06	-
		0.06	-
	Non current	-	-
	Current	0.06	-
	Total	0.06	-
5	Due to Key Management Personnel		
	Non executive Director's commission	0.95	0.63
		0.95	0.63
	Non-current	-	-
	Current	0.95	0.63
		0.95	0.63

(d) Compensation of Key Management Personnel of the Parent Company:

₹ crores

Nature of transaction	[illegible]	2022-23
Short-term employee benefits	10.88	14.82
Post-employment benefits	0.51	0.33
Fair value cost of stock option granted	9.72	2.40
Non-executive Director's commission	1.05	0.70
Dividend paid	0.01	0.02
Total compensation paid to Key Management Personnel	22.17	18.27

Notes:

1. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. During the previous year, the Parent Company had transferred the provident fund to government administered Employee's Provident Fund Organisation ('EPFO') which was earlier managed by "CG Provident Fund".
3. The Parent Company maintains gratuity trust for the purpose of administering the gratuity payment to employees of Parent Company (CG Gratuity Fund). During the year, the Parent Company contributed ₹ 10.02 crores (previous year ₹ 5.67 crores).

NOTES accompanying the Consolidated Financial Statements (Contd.)

40. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

(a) Following subsidiaries / business units are considered as discontinued operations:

(i) CG Power Equipments Limited
(ii) PT Crompton Prima Switchgear Indonesia
(iii) CG Sales Network Malaysia Sdn. Bhd
(iv) CG DE Sub, LLC (formerly known as "QEI, LLC")
(v) CG Power Solutions Limited (dissolved w.e.f. 10 November, 2023)
(vi) CG Middle East FZE (entity was deconsolidated / liquidated during the previous year)

(b) During the year, the Group has sold net assets in wholly owned step down foreign subsidiary i.e. CG DE Sub, LLC (formerly known as "QEI, LLC") and recognised net gain (net of transaction costs and taxes) of ₹ 65.39 crores under exceptional items.

(c) During the year, the National Company Law Tribunal ("NCLT") has passed order dated 10 November, 2023 to dissolve one of the subsidiary of the Group i.e. CG Power Solutions Limited. Based on such order, the Group has deconsolidated the said subsidiary (which was part of discontinued operation as at 31 March, 2023) and recognised net gain of ₹ 551.06 crores under discontinued operation.

(d) During the previous year, subsidiary CG Power and Industrial Solutions Limited Middle East FZCO has been liquidated and CG Power Systems Canada Inc. has been deconsolidated as per IND AS 105.

(e) During the previous year, the Group had de-consolidated one of its subsidiaries i.e. CG Middle East FZE in respect of receipt of a liquidation order. As a consequence, an amount of ₹ 173.31 crores has been credited to profit and loss account under discontinued operation.

(f) Liquidation of subsidiary CG Sales Network Malaysia Sdn. Bhd. is under process. Consequently, business of the said subsidiary has been classified as discontinued operation.

(g) Shareholders of PT Crompton Prima Switchgear Indonesia has passed resolution to authorise the local bank to liquidate the assets of the Company. Consequently, business of the said subsidiary has been classified as discontinued operation.

Statement of profit and loss of the discontinued operations is as under :

₹ crores

	[illegible]	2022-23
Revenue from operations	25.39	94.23
Expenses (net of other income)	(930.34)	(75.57)
Profit / (loss) before tax	555.09	169.80
Tax expense	(0.60)	3.16
Profit / (loss) after tax from discontinued operations	556.49	166.64

NOTES accompanying the Consolidated Financial Statements (Contd.)

40. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Contd.)

The major classes of assets and liabilities of the discontinued operations are as under:

₹ crores

	[illegible]	As at 31-03-2023
Assets		
Non-current assets		
Property, plant and equipment	71.78	85.28
Other intangible assets	-	4.20
Intangible assets under development	-	1.43
Financial assets - Others	-	8.22
Current assets		
Inventories	-	30.25
Financial assets		
Trade receivables	-	20.05
Cash and cash equivalents	0.58	30.13
Others	-	0.60
Current tax assets (net)	0.66	0.90
Other current assets	-	1.00
Assets classified as held for sale (A)	73.18	182.26
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	-	11.56
Provision	0.22	0.22
Deferred tax liabilities (net)	2.79	2.79
Current liabilities		
Financial liabilities		
Borrowings	36.56	36.56
Lease liabilities	-	2.15
Trade payables	12.00	17.20
Other financial liabilities	9.83	13.94
Other current liabilities	1.14	627.46
Provisions	1.73	1.83
Liabilities directly associated with assets classified as held for sale (B)	64.27	713.71
Net assets directly associated with disposal group (A-B)	8.91	(531.45)

Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

₹ crores

	[illegible]	2022-23
Operating	(6.27)	10.50
Investing	83.20	(0.81)
Financing	(0.64)	(2.53)

NOTES accompanying the Consolidated Financial Statements (Contd.)

41. EXCEPTIONAL ITEMS

₹ crores

	[illegible]	2022-23
Net gain (net of transaction costs and taxes) on sale of net assets in wholly owned step down foreign subsidiary (Refer note 40 (b))	65.39	-
Net gain / (loss) on deconsolidation of subsidiaries (Refer note (c) below)	0.54	(4.31)
Reversal / (provision) towards other litigations (Refer note (b) below)	(42.00)	31.77
Compensation to employees pursuant to voluntary retirement scheme (Refer note (c) below)	(2.45)	-
Reversal of excess provision towards settlement of corporate guarantee obligation including net foreign exchange gain / (loss) (Refer note (d) below)	-	24.30
Total	21.48	51.76

Notes:

(a) During the year, one of the subsidiary of the Group i.e. CG Power Solutions UK Limited has been dissolved based on dissolution order received from local jurisdiction. As a consequence, net loss of ₹ 12.13 crores have been recognised under exceptional items. Further on account of such dissolution, gain of ₹ 12.72 crores of accumulated foreign currency translation reserve and loss of ₹ 0.05 crores of hedged reserve have been transferred to statement of profit and loss account and recognised under exception items. In previous year, on account of deconsolidation of subsidiaries, loss of ₹ 4.31 crores of accumulated foreign currency translation reserve had been transferred to statement of profit and loss account and recognised under exceptional items.

(b) During the year, the Group has made payment towards settlement of litigations of ₹ 42.00 crores. (Previous year, the Group had reversed excess provision related to claims under dispute / litigation of ₹ 31.77 crores)

(c) During the year, the Group has made payment towards compensation to employees pursuant to voluntary retirement scheme of ₹ 2.45 crores.

(d) During the previous year, the Group had reversed excess provision of ₹ 24.30 crores towards settlement of corporate guarantee obligation including net foreign exchange gain / (loss).

42. FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. The Group has not disclosed the fair value of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, current financial assets - others, current financial liabilities borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value and hence these have not been categorised in any level in the table given below. Further, for financial assets, the Group has taken into consideration the allowances for expected credit losses and adjusted the carrying values where applicable.
2. The fair values of the quoted investments / units of mutual fund schemes are based on market price / net asset value at the reporting date.
3. The fair values for loans given are calculated based on discounted cash flows using current lending rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these loans given. Accordingly, fair value of such instruments are not materially different from their carrying values. They are classified as level 2 fair values in the fair value hierarchy.
4. Fair values of the Group's interest-bearing borrowings are determined by using discounted cash flow method using the current borrowing rates. Fair value of such instruments are not materially different from their carrying values, accordingly non-current borrowings are classified as level 2 fair values in the fair value hierarchy.
5. The Group has carried all other financial assets and others financial liabilities, other than those disclosed in the table below at amortised cost.

NOTES accompanying the Consolidated Financial Statements (Contd.)

42. FAIR VALUE MEASUREMENTS (Contd.)

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable

₹ crores

	Note No.	[illegible]	[illegible]	[illegible]	[illegible]
Financial assets at fair value through profit and loss:					
Non-current investments	6	0.75	0.69	-	0.06
Current investments	11	587.39	587.69	-	0.01
Derivative instruments	15	0.69	-	0.69	-
Total		588.14	588.38	0.69	0.07

₹ crores

	Note No.	Carrying amount As at 31-03-2023	Fair value Level 1	Fair value Level 2	Fair value Level 3
Financial assets at fair value through profit and loss:					
Non-current investments	6	0.96	0.58	-	0.38
Current investments	11	0.01	-	-	0.01
Derivative instruments	15	0.07	-	0.07	-
Total		1.04	0.58	0.07	0.39

During the reporting period ending 31 March, 2024 and 31 March, 2023, there were no transfers between Level 1 and Level 2 fair value measurements

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT

The Group's activities expose it to certain financial risks namely credit risk, market risk and liquidity risk. The financial risks are managed in accordance with the Group's risk management policy which has been approved by its Board of Directors

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of risk such as: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include foreign currency receivables, payables, loans and borrowings and derivative financial instruments

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group has managed its interest rate risk by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

NOTES accompanying the Consolidated Financial Statements (Contd.)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

Foreign currency risk

The Group's functional currency is Indian Rupee. The Group undertakes transactions denominated in foreign currencies and consequently the Group is exposed to foreign exchange risk. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies.

Unhedged foreign currency exposure as at 31 March, 2024

₹ crores

	[illegible]	Euro	JPY	CHF	[illegible]	[illegible]
Assets	55.75	106.80	-	-	6.19	168.74
Liabilities	(107.71)	(95.68)	(0.94)	(1.23)	(2.00)	(207.46)
Derivative contracts	8.34	61.12	-	-	-	69.46

Unhedged foreign currency exposure as at 31 March, 2023

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	99.13	71.16	-	-	4.41	174.70
Liabilities	(109.35)	(91.33)	(0.60)	(0.81)	(1.63)	(203.92)
Derivative contracts	14.90	59.93	-	-	-	74.83

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit or loss before tax

₹ crores

	[illegible]	[illegible]	2022-23 1% increase	2022-23 1% decrease
USD	(0.52)	0.52	(0.10)	0.10
Euro	0.11	(0.11)	(0.20)	0.20
JPY	(0.01)	0.01	(0.01)	0.01
CHF	(0.01)	0.01	(0.01)	0.01
Others	0.04	(0.04)	0.03	(0.03)
Increase / (decrease) in profit and loss	(0.39)	0.39	(0.29)	0.29

Derivative contracts

₹ crores

	[illegible]	[illegible]	2022-23 1% increase	2022-23 1% decrease
USD	0.08	(0.08)	0.15	(0.15)
Euro	0.61	(0.61)	0.60	(0.60)

NOTES accompanying the Consolidated Financial Statements (Contd.)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

Credit risk

Credit risk refers to the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are generally set to manage credit risk. General payment terms include credit period ranging from 45 to 90 days and where applicable, mobilisation advance, progress payments and certain retention money to be released at the end of the project.

Where the loans or receivables are impaired, the Group continues to engage in enforcement activity to attempt to recover the receivable due.

The Group is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans given, other financial assets and financial guarantees.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon or in case where settlement is agreed, the settlement amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided except as otherwise stated in respect of guarantees where settlement is agreed.

Exposure to credit risk

₹ crores

	[illegible]	As at 31-03-2023
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in government and trust securities	0.43	0.39
Investments in debentures or bonds	0.05	0.05
Other non-current investments	0.27	0.52
Non current others financial assets	11.04	13.33
Cash and cash equivalents and other bank balances	854.41	704.95
Current financials assets - others	136.21	156.49
Current financials assets - investments	587.70	0.01
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	1627.65	1408.15

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks

NOTES accompanying the Consolidated Financial Statements (Contd.)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

The ageing analysis of the trade receivables (gross of provision) (current as well as non-current) has been considered from the date the invoice falls due.

₹ crores

	[illegible]
As at 31-03-2024	
Up to 3 months	1443.86
3 to 6 months	41.66
More than 6 months	142.13
	1627.65
As at 31-03-2023	
Up to 3 months	1133.10
3 to 6 months	77.55
More than 6 months	197.50
	1408.15

The following table summarizes the change in the loss allowances for trade receivables measured using life-time expected credit loss model.

₹ crores

	Amount
As at 1-04-2022	157.46
Provided during the year	15.05
Amounts written off	(44.90)
Reversals of provision	(2.75)
Transfer to discontinued operations	(13.83)
Exchange differences	0.00
As at 31-03-2023	111.03
Provided during the year	6.18
Amounts written off	(17.81)
Reversals of provision	(5.93)
Exchange differences	(0.01)
As at 31-03-2024	93.46

No significant changes in estimation techniques or assumptions were made during the reporting period.

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities

NOTES accompanying the Consolidated Financial Statements (Contd.)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ crores

As at 31 March, 2024	Less than 1 year	1 to 5 years	Over 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Deposits payable	-	0.96	10.00	10.96
Trade payables#	1484.25	-	-	1484.25
Other financial liabilities	368.53	-	-	368.53
Lease liabilities	8.57	9.09	5.57	23.23

Includes disputed Trade payable of ₹ 19.08 crores (Refer note 21)

₹ crores

As at 31 March, 2023	Less than 1 year	1 to 5 years	Over 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Deposits payable	-	1.17	0.68	1.85
Trade payables#	1244.32	-	-	1244.32
Other financial liabilities	362.30	-	-	362.30
Lease liabilities	6.33	11.57	4.67	22.57

Includes disputed Trade payable of ₹ 19.08 crores (Refer note 21)

General credit terms for the trade payables are in the range of 30 to 180 days. The Group has access to credit facilities to mitigate any short-term liquidity risk.

Collaterals:

The Group has provided a charge over its current assets as primary security for the banking facilities extended to the Group.

Capital management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's capital management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ crores

	As at 31-03-2024	As at 31-03-2023
Total debt	0.12	0.12
Equity	3617.44	1790.51
Total debt and equity	3617.56	1790.63
Gearing ratio	0.00%	0.01%

No changes were made in objectives, policies or process for managing capital during the year ended 31 March, 2024 and 31 March, 2023.

There have been no breaches in the financial covenant of any borrowings.

NOTES accompanying the Consolidated Financial Statements (Contd.)

44. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ crores

	As at 1-04-2023	Cash inflows / (outflows)	Others	As at 31-03-2024
Current - other financial liabilities:				
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Non controlling interest	0.93	(0.21)	0.61	1.33
Total	1.05	(0.21)	0.61	1.45

	As at 1-04-2022	Cash inflows / (outflows)	Effect of reclassification	Reversal of interest	Transferred to discontinued operation	Foreign exchange movement impact	Finance cost charged during the year	Others	As at 31-03-2023
Non-current financial liabilities - borrowings									
Secured loans									
Term loans from banks	107.47	(105.00)	-	-	-	0.36	1.83	-	-
Unsecured loans									
Debentures	200.00	(200.00)	-	-	-	-	-	-	-
Non-current other financial liabilities									
Others*	10.33	-	1.92	(19.88)	-	-	6.56	-	-
Current financial liabilities - borrowings:									
Secured loans									
Current maturities of long- term loans from banks	44.74	(10.05)	-	-	(36.56)	-	1.87	-	-
Current - other financial liabilities:									
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	-	-	-	0.12
Interest accrued but not due on borrowings	1.72	(6.15)	-	-	(0.50)	-	4.93	-	-
Others*	1.92	-	(1.92)	-	-	-	-	-	-
Payment towards corporate guarantee	-	(100.72)	-	-	-	-	-	100.72	-
Non controlling interest	0.95	(0.33)	-	-	-	-	-	0.33	0.95
Total	367.20	(426.23)	-	(19.88)	(37.06)	0.36	15.19	101.05	1.05

Note:

* Represents interest accrued as per amortised cost method of Ind AS.

The above disclosure does not include the cash flow movement for lease obligations (Refer note 35). The finance cost charged during the previous year is related to borrowings.

NOTES accompanying the Consolidated Financial Statements (Contd.)

45. EARNINGS PER SHARE

		2023-24	2022-23
Face value of equity share	₹	2.00	2.00
Weighted average number of Equity Shares			
- Basic	Nos	1527249399	1516108906
- Diluted	Nos	1528604000	1527359576
Profit for the year (continuing operations)	₹ crores	870.52	796.03
Earnings per share (for continuing operations)			
- Basic	₹	5.70	5.25
- Diluted	₹	5.69	5.21
Profit for the year (discontinued operations)	₹ crores	556.49	166.64
Earnings per share (for discontinued operations)			
- Basic	₹	3.64	1.10
- Diluted	₹	3.64	1.09
Profit for the year (total operations)	₹ crores	1427.01	962.67
Earnings per share (total operations)			
- Basic	₹	9.34	6.35
- Diluted	₹	9.33	6.30
Profit used as the numerators in calculating basic and diluted earnings per share (total operation)		1427.01	962.67
Weighted average number of equity shares used as the denominator in calculating basic earnings per share		1527249399	1516108906
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share*		1528604000	1527359576

* Current year, the dilutive impact is due to employee stock options granted (previous year due to warrant and employee stock options granted).

46. DISCLOSURE OF INTEREST IN OTHER ENTITIES

Material non-controlling interest for continuing operations and discontinued operations

	Principal place of business / Country of incorporation	Proportion of interest held by Non-controlling entities as at 31-03-2024 %	Proportion of interest held by Non-controlling entities as at 31-03-2023 %
CG Advanced Products Limited (formerly known as "CG-PPI Advanced Products Limited")	India	16.41	17.24
PT Crompton Prima Switchgear Indonesia	Indonesia	49.00	49.00

The proportion of voting rights held by non controlling interest does not differ from the proportion of ownership interest.

NOTES accompanying the Consolidated Financial Statements (Contd.)

46. DISCLOSURE OF INTEREST IN OTHER ENTITIES (Contd.)

Summarised statement of profit and loss:

₹ crores

	CG Advanced Products Limited (formerly known as "CG-PPI Advanced Products Limited")		PT Crompton Prima Switchgear Indonesia	
	2023-24	2022-23	2023-24	2022-23
Income	31.91	24.86	-	-
Expenditure	(27.04)	(21.96)	-	(0.19)
Profit / (loss) before tax	4.87	2.90	-	(0.19)
Tax expense	1.23	0.74	-	-
Profit / (loss) for the year (A)	3.64	2.16	-	(0.19)
- attributable to the equity holders of the parent	3.04	1.77	-	(0.10)
- attributable to the non-controlling interest	0.60	0.39	-	(0.09)
Other comprehensive income (B)	(0.03)	0.00	-	-
- attributable to the equity holders of the parent	(0.03)	0.00	-	-
- attributable to the non-controlling interest	(0.00)	0.00	-	-
Total comprehensive income (A+B) = C	3.61	2.16	-	(0.19)
- attributable to the equity holders of the parent	3.01	1.77	-	(0.10)
- attributable to the non-controlling interest	0.60	0.39	-	(0.09)

Summarised balance sheet:

₹ crores

	CG Advanced Products Limited (formerly known as "CG-PPI Advanced Products Limited")		PT Crompton Prima Switchgear Indonesia	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
Current assets	28.05	22.71	19.33	19.33
Non-current assets	4.31	4.39	127.16	127.16
Current liabilities	(5.70)	(3.80)	(105.71)	(105.71)
Non-current liabilities	(0.09)	(0.33)	(65.57)	(65.57)
Total equity	26.57	22.97	(24.79)	(24.79)
Attributable to:				
Equity holders of parent	22.21	19.01	(12.64)	(12.64)
Non-controlling interest	4.36	3.96	(12.15)	(12.15)

Summarised cash flow information:

₹ crores

	CG Advanced Products Limited (formerly known as "CG-PPI Advanced Products Limited")		PT Crompton Prima Switchgear Indonesia	
	2023-24	2022-23	2023-24	2022-23
Cash flows from:				
Operating activities	1.69	2.09	-	-
Investing activities	0.27	(5.37)	-	-
Financing activities	(0.01)	(0.01)	-	-
Net increase / (decrease) in cash and cash equivalents	1.95	(3.29)	-	-

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NOTES accompanying the Consolidated Financial Statements (Contd.)

47. UPDATES ON INVESTIGATIONS FOR PAST YEARS

The Company is fully co-operating with the ongoing investigation by the Serious Fraud Investigation Office ('SFIO') and other regulatory authorities on the affairs of the Company pertaining to past period and against erstwhile promoters and erstwhile key managerial personnel relating to transactions that took place when the Company was under the control of the erstwhile promoters/management. In respect to this, there is no impact on current year financials of the Group.

48. OTHER STATUTORY INFORMATION

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

iii) The Group has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961).

vi) The Group does not have any transactions with companies which has been struck off by ROC under section 248 of the Companies Act, 2013.

49. STANDARD ISSUED BUT NOT YET EFFECTIVE

There are no standards that are notified and not yet effective as on the date.

50. TRANSFER FROM GENERAL RESERVE TO RETAINED EARNINGS

The Board of Directors of the Parent Company, basis the recommendations of the Audit Committee and Committee of Independent Directors of the Parent Company, at its meeting held on 19 October, 2022 approved the Scheme of Arrangement ("Scheme") between the Parent Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme inter alia provides for capital reorganization of the Parent Company, whereby it is proposed to transfer ₹ 400 crores from the General Reserves to the Retained Earnings of the Parent Company with effect from the Appointed Date. The Scheme is subject to receipt of regulatory approvals/ clearances from the Hon'ble National Company Law Tribunal, Mumbai Bench, Securities and Exchange Board of India (through BSE Limited and National Stock Exchange of India Limited), BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") and such other approval / clearances as may be applicable. BSE Limited has intimated the Parent Company that it can re-submit the scheme with revised rationale. The Parent Company is evaluating the same.

NOTES accompanying the Consolidated Financial Statements (Contd.)

51. INCORPORATION OF SUBSIDIARY TO SET UP OSAT FACILITY

The Company, during the year has incorporated a subsidiary named CG Semi Private Limited ('CG SEMI') to set up an Outsourced Semiconductor Assembly and Test ('OSAT') facility. The CG SEMI for purpose of said facility has acquired a land on lease term of 99 years for the total consideration of ₹ 56.49 crores. The CG SEMI has paid ₹ 30.06 crores and remaining amount of ₹ 26.43 crores was paid by Central government in the form of government grant. The group has recognised the said land under Right-of-Use assets for ₹ 30.06 crores i.e. net off government grant.

52. The Parent Company and subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:

The Parent Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that audit trail feature is not enabled for changes made (if any) by users with privileged / administrative access rights to the SAP applications and the underlying database and at the database level insofar as it relates to other accounting software used for payroll processing and approval of discounts. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software.

Management is in the process of evaluating appropriate actions having regard to the requirements of the recently issued Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised) by the Institute of Chartered Accountants of India for enablement of audit trail at the database level for the accounting software used by the Parent Company wherever applicable.

NOTES accompanying the Consolidated Financial Statements (Contd.)

53. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 AS AT AND FOR THE YEAR ENDED 31 MARCH 2024 AND 31 MARCH 2023 (Contd.)

Year Ended 31 March 2024

Name of the entity in the Group	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ crores	As % of consolidated profit or loss	Amount ₹ crores	As % of consolidated other comprehensive income	Amount ₹ crores	As % of consolidated total comprehensive income	Amount ₹ crores
I. Parent								
CG Power and Industrial Solutions Limited	135.65	2439.08	81.56	786.36	53.63	(5.59)	81.66	780.81
II. Subsidiaries								
a) Indian								
CG Advanced Products Limited (formerly known as "CG-PW Adhesive Products Limited")	1.06	19.01	0.18	1.77	0.00	-	0.19	1.77
CG Power Solutions Limited	(104.43)	(1870.33)	(0.84)	(8.09)	-	-	(0.85)	(8.09)
CG Power Systems Limited	0.00	0.00	(0.00)	(0.01)	-	-	(0.00)	(0.01)
b) Foreign								
CG International B.V.	99.75	1790.03	7.91	76.21	-	-	7.91	76.21
CG Power Systems Canada Inc.*	-	-	(0.31)	(3.01)	-	-	(0.29)	(3.01)
CG Power Americas, LLC	11.46	205.63	2.00	19.33	-	-	2.00	19.33
CG LLC	1.70	30.42	0.88	8.46	-	-	0.88	8.46
CG Power Solutions UK Limited	(0.29)	(5.20)	-	-	-	-	-	-
CG Industrial Holdings Sweden AB	7.13	127.78	2.12	20.40	-	-	2.14	20.40
CG Drives & Automation Sweden AB	11.75	210.42	1.42	13.68	-	-	1.44	13.68
CG Drives & Automation Netherlands B.V.	1.97	35.31	0.43	4.14	-	-	0.43	4.14
CG Drives & Automation Germany GmbH	1.56	28.07	0.95	9.19	-	-	0.96	9.19
CG Middle East FZE*	-	-	55.59	534.42	-	-	55.59	534.42
CG International Holdings Singapore Pte. Limited	(6.58)	(118.00)	(9.57)	(92.06)	-	-	(9.57)	(92.06)
CG Sales Network Malaysia Sdn. Bhd.	0.08	1.42	0.20	1.88	-	-	0.20	1.88
PT Crompton Prima Switchgear Indonesia	(0.71)	(12.64)	(0.01)	(0.10)	-	-	(0.01)	(0.10)
CG Power and Industrial Solutions Limited Middle East FZE)*	-	-	-	-	-	-	-	-
Consolidation adjustment and elimination	182.66	3274.12	(41.33)	(397.34)	46.37	(4.59)	(44.36)	(402.10)
Non controlling interest								
I. Subsidiaries								
a) Indian								
CG Advanced Products Limited (formerly known as "CG-PW Adhesive Products Limited")	0.22	3.96	0.04	0.39	0.00	0.00	0.04	0.39
b) Foreign								
PT Crompton Prima Switchgear Indonesia	0.09	(12.13)	(0.01)	(0.01)	-	-	(0.01)	(0.01)
Consolidation adjustment and elimination	0.51	9.12	-	-	-	-	-	-
Total	100.00	1791.44	100.00	965.97	100.00	(10.18)	100.00	955.79

NOTES accompanying the Consolidated Financial Statements (Contd.)

53. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 AS AT AND FOR THE YEAR ENDED 31 MARCH 2024 AND 31 MARCH 2023 (Contd.)

Year Ended 31 March 2023

Name of the entity in the Group	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ crores	As % of consolidated profit or loss	Amount ₹ crores	As % of consolidated other comprehensive income	Amount ₹ crores	As % of consolidated total comprehensive income	Amount ₹ crores
I. Parent								
CG Power and Industrial Solutions Limited	135.45	2439.08	81.56	786.36	53.63	(5.59)	81.66	779.81
II. Subsidiaries								
a) Indian								
CG Advanced Products Limited (formerly known as "CG-PW Adhesive Products Limited")	1.06	19.01	0.18	1.77	0.00	-	0.19	1.77
CG Power Solutions Limited	(104.43)	(1870.33)	(0.84)	(8.09)	-	-	(0.85)	(8.09)
CG Power Systems Limited	0.00	0.00	(0.00)	(0.01)	-	-	(0.00)	(0.01)
b) Foreign								
CG International B.V.	99.75	1790.03	7.91	76.21	-	-	7.91	76.21
CG Power Systems Canada Inc.*	-	-	(0.31)	(3.01)	-	-	(0.29)	(3.01)
CG Power Americas, LLC	11.46	205.63	2.00	19.33	-	-	2.00	19.33
CG LLC	1.70	30.42	0.88	8.46	-	-	0.88	8.46
CG Power Solutions UK Limited	(0.29)	(5.20)	-	-	-	-	-	-
CG Industrial Holdings Sweden AB	7.13	127.78	2.12	20.40	-	-	2.14	20.40
CG Drives & Automation Sweden AB	11.75	210.42	1.42	13.68	-	-	1.44	13.68
CG Drives & Automation Netherlands B.V.	1.97	35.31	0.43	4.14	-	-	0.43	4.14
CG Drives & Automation Germany GmbH	1.56	28.07	0.95	9.19	-	-	0.96	9.19
CG Middle East FZE*	-	-	55.59	534.42	-	-	55.59	534.42
CG International Holdings Singapore Pte. Limited	(6.58)	(118.00)	(9.57)	(92.06)	-	-	(9.57)	(92.06)
CG Sales Network Malaysia Sdn. Bhd.	0.08	1.42	0.20	1.88	-	-	0.20	1.88
PT Crompton Prima Switchgear Indonesia	(0.71)	(12.64)	(0.01)	(0.10)	-	-	(0.01)	(0.10)
CG Power and Industrial Solutions Limited Middle East FZE)*	-	-	-	-	-	-	-	-
Consolidation adjustment and elimination	182.66	3274.12	(41.33)	(397.34)	46.37	(4.59)	(44.36)	(402.10)
Non controlling interest								
I. Subsidiaries								
a) Indian								
CG Advanced Products Limited (formerly known as "CG-PW Adhesive Products Limited")	0.22	3.96	0.04	0.39	0.00	0.00	0.04	0.39
b) Foreign								
PT Crompton Prima Switchgear Indonesia	0.09	(12.13)	(0.01)	(0.01)	-	-	(0.01)	(0.01)
Consolidation adjustment and elimination	0.51	9.12	-	-	-	-	-	-
Total	100.00	1791.44	100.00	965.97	100.00	(10.18)	100.00	955.79

* Entities were deconsolidated / liquidated during the year

NOTES accompanying the Consolidated Financial Statements (Contd.)

54. Amounts shown as ₹ 0.00 represents amount below ₹ 50,000 (Rupees Fifty Thousand)

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As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aravind K
Partner
Membership No. 221268
Mumbai : 06 May 2024

Nateriejan Srinivasan
Managing Director
(Din: 00123338)

Susheel Todi
Chief Financial Officer

Mumbai : 06 May 2024

For and on behalf of the Board
Vellayan Subbiah
Chairman
(Din : 01139759)

Sanjay Kumar Chowdhary
Company Secretary

Additional Information

Products & Services

Industrial Systems

MV MOTORS & GENERATORS

- MV Induction Motor including safe area and all type of hazardous area machines upto 12MW, Polarity upto 24 poles, Voltage upto 13.2KV and IP frame Size 315 to 1250 (both horizontal and vertical frame), Squirrel Cage and Slip Ring Induction motors in enclosure type TEFC, CACA, CACW, SPDP & TETV
- Synchronous Generators from up to 25MVA in frame size up to 1250, upto13.2kV in enclosures type CACA, CACW & SPDP
- Industrial duty DC machines upto 2000kW, in frame size upto 630, Voltage upto 600V, in enclosures type CACA, CACW & SPDP

LT MOTORS

- AC Motors, Frame 63 to 450LX (0.16kW to 710kW)
- Super Premium Efficiency Motors IE4 80 to 355 frame sizes
- TEFC Motors available in Squirrel cage & Slipring constructions, suitable for Safe Area & Hazardous Area
- AC Motors Apex Series, Frame 80 to 450LX (0.75 to 710KW) IE2 Efficiency and Frame 80 to 450LX (0.75 to 630KW) IE3 Efficiency
- AC Motor NEMA Range 143 to 504 (0.75 to 150KW) EPACT & OWP and AC Motor NEMA Range143 to 405 (0.75 to 75KW) Premium
- AC Motor Kibosh Series Brake Motors, Frame 80 to 200L (0.37kW to 30kW)
- Laminated Yoke DC Motors Frame 100 to 500 (2.2kW to 750kW) & Solid Yoke DC motors Frame180 to 315 (1.1KW to 75KW)
- Mill duty motors DC motors Frame 802 to B16 (7.5KW to 200KW)
- Alternators Brushless Series Frame 132 to 450 (5kVA to 2500kVA) & Alternator Listed Series: Slipring Alternators from 5kVA to 82.5kVA
- Crane Duty Motors (SQ Cage and Slip Ring), Frame 80 to 355 frame
- Agnita range of Flame Proof Motors from 80 to 400 frame in Gas Group IIA, IIB and IIC, Efficiency Class IE2 / IE3 / IE4
- Fire Fighting Range of Motors from 9.3kW to 250kW
- Hazardous Area Motors - Increased Safety motors upto 400 frame and Non-Sparking Motors up to 450 frames
- Roller Table Motors upto 355 frame size
- IE5 super premium efficiency motors up to 7.5kW or 132 frame size

FHP MOTORS

- NEMA B42, B48 Frame: 30 to 370W, 2 / 4 / 6 / 8 Pole Sheet Metal Body Motors
- M50 Frame (NEMA B56 / 143T / 184): 187 to 2250W, 2 / 4 / 6 / 8 Pole Sheet Metal Body Motors
- 100S Frame: 1100 to 2250W, 4 / 6 Pole Sheet Metal Body Motors
- IEC 80 - 160 - Cast Iron Frame: 370 to 5500W, 4 Pole Single Phase Motors
- IEC 63 - 112 - Aluminium Frame 187 to 2250W, 2 / 4 Pole Single Phase Motors
- Flame Proof Enclosure: 370 to 750W, 4 Pole Motors
- Customized Frames: 20 to 1500W, 2 / 4 / 6 / 8 Pole Motors for Appliance / Equipment's
- BLDC (Brushless DC) Motors - 40, 100 & 160 Watts - 500 RPM

CONSUMER PRODUCT RANGE

Residential, Commercial and Agriculture Pumps

- Slow Speed Self Priming Pumps: 0.5HP and 1.0HP
- Open Well Submersible Pumps: 0.5HP to 2.0HP (1 Ph); 2 to 7.5HP (3 Ph)
- High Speed Self Priming Pumps, 0.5, 1.0 and 1.5HP
- High Speed Super Suction Pumps: 0.5, 1.0 & 1.5HP
- Bore Well Submersible Pumps: V3 & V4 (0.5 - 2HP 1 Ph, 1 - 5 HP 3 Ph)
- Bore Well Submersible Pumps : V5, V6, V7, V8 (3 - 20 HP 1 / 3 Ph)
- Shallow Well Jet Pumps: 0.5, 1.0 & 1.5HP
- Centrifugal Mono Block Pumps: 0.5 to 5.0HP (1 Ph) and 2 - 20 HP (3 Ph)
- Self Priming Pressure Booster Pumps: 0.5 HP to 1.0 HP
- Horizontal Multistage Pressure Booster Pumps: 0.5HP to 1.5 HP
- Sewage Submersible Pumps: 0.5HP to 7.5HP
- End suction Pumps (Fire Fighting): up to 150 metres head
- Inline Pressure booster & Automatic Pump Controllers

DOL / Star Delta Starters (For Pumps)

- Panel Single Phase – 0.5HP to 2HP
- Single Phase DOL Starters: 1HP - 5HP
- Three Phase DOL Starters: 1HP - 20HP
- Three Phase Star Delta Starters: 1HP - 20HP

Fans

- Standard Ceiling Fans: 24 / 36 / 48 / 56 Inches sweep size, Energy - Efficient with 1 Star BEE Rating
- Decorative Ceiling Fans: 36 / 48 Inches sweep size, Energy - Efficient with 1 Star BEE Rating
- BLDC Ceiling Fans: 48 Inches sweep size, Energy - Efficient with 5 Star BEE Rating
- Table Fans: 9 / 12 / 16 Inches sweep size
- Wall Fans: 12 / 16 Inches sweep size
- Pedestal Fans: 16 / 20 Inches sweep size
- Domestic Exhaust Fans: 4 / 6 / 8 / 9 / 10 / 12 Inches sweep size
- Heavy Duty Exhaust Fans: 12 Inches to 24 Inches

Geysers :

- Instant Water Heaters: 1Ltr / 3Ltrs / 5 Ltrs capacity – ISI Mark
- Storage Water Heater: 6Ltrs / 10Ltrs / 15 Ltrs / 25Ltrs – with 5 Star BEE rating.

INDUSTRIAL DRIVES AND AUTOMATION (INDIA)

- LV Drives Systems upto 4MW, Voltage upto 690VAC
- DC Drives System upto 980kW, Voltage upto 1000VDC
- Offering automation product PLC & HMI (New Product)
- Shaft Power Monitors (Emotron M20)
- Active front end Drive(AFE) - 55kW to 3,000kW voltage upto 690 Volt
- CG is into solution business for Sectorwise application specific solutions & projects, including Inverter Duty Transformer, Variable Frequency Drives, Switchgear Panels and Rotating Machines as complete package

INDUSTRIAL DRIVES AND AUTOMATION (SWEDEN)

- Constant torque and variable speed drives for many application (Emotron FDU / VFX 2.0), power range 0.55 to 4,000kW, Voltage 230- 690VAC with protection class IP20, IP21 and IP54
- Soft starters power range 5.5 to 1,000kW, up to 690V
- Active front end Drive(AFE) - 55kW to 4,000 kW voltage upto 690 Volt (Slim LC)
- Shaft Power Monitors (Emotron M20)
- Cost efficient motor mounted Drives (Emotron CDU / CDX)
- Compact machinery drives with high functionality (Emotron DSV15 / 35)
- Drives solution via dedicated Emotron project team – Cabinet, Engineering and customization
- Customization and co-branding for OEMs and system integrators.
- Service and spared parts including installation, training, preventative and annual maintenance etc.

Railway Business

TRACTION MACHINES & SYSTEM DIVISION

- AC Traction Motors (Electric Loco, Diesel Loco, Trainset / Metro / EMU / MEMU and DEMU)
- DC Traction Motors (Electric Loco, Diesel Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle)
- Traction Alternators (Diesel Electric Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle)
- Complete Electrics including integrated power pack with Traction Alternator, Traction Motors, Control Equipment, Rectifier, Auxiliary Alternator for Diesel Electrics Tower Car (DETC) with on board

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and Underslung Electrics, Self-Propelled Inspection car (SPIC) & Diesel Electric Multiple Units (DEMU)

RAIL TRANSPORTATION TRACTION ELECTRONICS DIVISION

- IGBT Based Traction and Auxiliary Converters for Electric Locomotive
- IGBT Based Composite Converter / Hotel load converter for 3 phase Electric Locomotive
- Vehicle Control Unit (VCU) and Control Panels for Locomotive
- Propulsion System and electrics for EMU / MEMU / Trainset
- Auxiliary converters for Diesel / Electric Locomotives, DEMUs & EMUs
- Train Control and Management System (TCMS)
- 9000 HP propulsion system for Electric Locomotive

RAILWAY SIGNALLING DIVISION

Signalling Products

- Q-Type Signalling Relays
- Electric Point Machines – Operating Voltage - 110 V DC & 380 V AC
  - Non-trailable - 143 mm / 220 mm throw
  - Trailable - 175 mm / 220 mm throw
  - Non Trailable - Dual Gauge Point Machine (143mm / 220 mm throw)
- DC Series Motor for Electric Point Machines
- DC Series Motors IP67 with 160 V & 400 V AC for Electric Point machines
- Back Drive (Secondary Drive with 220 mm Throw Point Machine)

Rail Traction SCADA & Power Management System

BLDC Industrial Fans

Coach Applications Products

- BLDC Carriage Fans
- Universal Carriage Fan (AC, DC)

Control Panels for Locomotives and Coaches

- Switch Board Panels for Locomotives – SB1, SB2, HB1, HB2, Cubicle F
- Filter Cubical Panels for Locomotive
- Panels, EOTS 355 for LHB EOG Non-AC Coaches
- Switch Board Cabinet for LHB EOG / HOG AC COACHES-SBC184, SBC192, SBC 200

STAMPING AND LAMINATION

- Lamination of 0.5 mm, 0.65 mm thick, from 65 mm (2.6 inches) to 1300 mm (51 inches) diameter in CRNGO and CRCA material in all grades & coatings for guaranteed watt loss & permeability as per customer requirement
- Auto stacked stators and stacked & skew rotors, High speed up to 425 mm diameter with additional features like air gap cutting
- Notching operation up to 1300 mm (51 inches) diameter

Power Systems

TRANSFORMERS & REACTORS

- Auto Transformers (upto 1200kV)
- Generator Transformers (upto 800kV)
- Power Transformers (upto 800kV)
- Furnace Transformers
- Locomotive Transformers
- Trackside Transformers
- Distribution Transformers
- Energy - Efficient Transformers (BIS Level, IS:1180)
- Green Transformers / BIOTransformers (Filled with Natural / Synthetic Ester Oil)
- DryType Transformers (Cast Resin)
- Traction Transformers
- Solar Inverter Application Transformers
- Shunt Reactors (up to 800kV)
- Variable Shunt Reactors (upto 420kV)

SWITCHGEAR

- Current Transformers upto 800kV (with Porcelain and Composite Insulators)
- Capacitive Voltage Transformers upto1200kV (with Porcelain and Composite Insulators)
- Inductive Voltage Transformers upto 420kV
- Dry type Primary Voltage Transformers 25kV
- Condenser Bushings upto 800kV
- Resin Impregnated Paper (RIP) Bushings upto 145kV
- Coupling / Grading Capacitors upto 420kV
- Indoor Vacuum Circuit Breakers upto 40.5kV
- Outdoor Vacuum Circuit Breakers upto 36kV
- Indoor Gas Insulated Switchgear (GIS) up to 36kV
- Indoor and Outdoor Ring Main Units upto 36kV
- Gas Circuit Breakers upto 800kV
- Gas Insulated Switchgear (GIS) 66 to 245kV
- Hybrid Gas Insulated Switchgear (GIS) 245kV
- Dead Tank Circuit Breakers (DTB) 72.5kV
- Disconnectors up to 245kV
- Lightning Arresters up to 1200kV along with allied accessories (with Porcelain and Composite Insulators)
- Numerical Protection Relays
- Control and Relay Panels
- Substation Automation
- Vacuum Interrupters upto 72.5kV
- LV and MV Vacuum Contactors upto 36kV
- Forward / Reverse Vacuum Contactor Panels up to 36kV
- MV Electrical Soft Starters upto 12kV / 1000KW – 20MW
- Gas Insulated Sectionalizer upto 38kV
- Automatic Circuit Reclosers upto 38kV
- Load Break Switch upto 38kV

POWER QUALITY SOLUTIONS

- Advanced Static VAR Compensators (STATCOM - 380 V to 36 kV)
- Automatic Power Factor Correction System (APFC)
- Thyristor Switched Capacitor Panel (TSC - 380 V to 690 V)
- Indoor / Outdoor Mechanically Switched Capacitor Bank (MSC – 380 V to 36kV)
- Fixed / Manual Switched HT Capacitor Bank (3.3 kV to 132kV)
- Indoor Capacitor Bank (3.3 kV to 12kV)
- Outdoor Capacitor Bank (3.3 kV to 132 kV)
- Vacuum Capacitor Switch (up to 36 kV)
- LT and HT Capacitors

HARMONIC FILTERING SOLUTIONS

- Passive Harmonic Filter (380 V to 36 kV)
- Active Harmonic Filter (380 V to 36 kV)

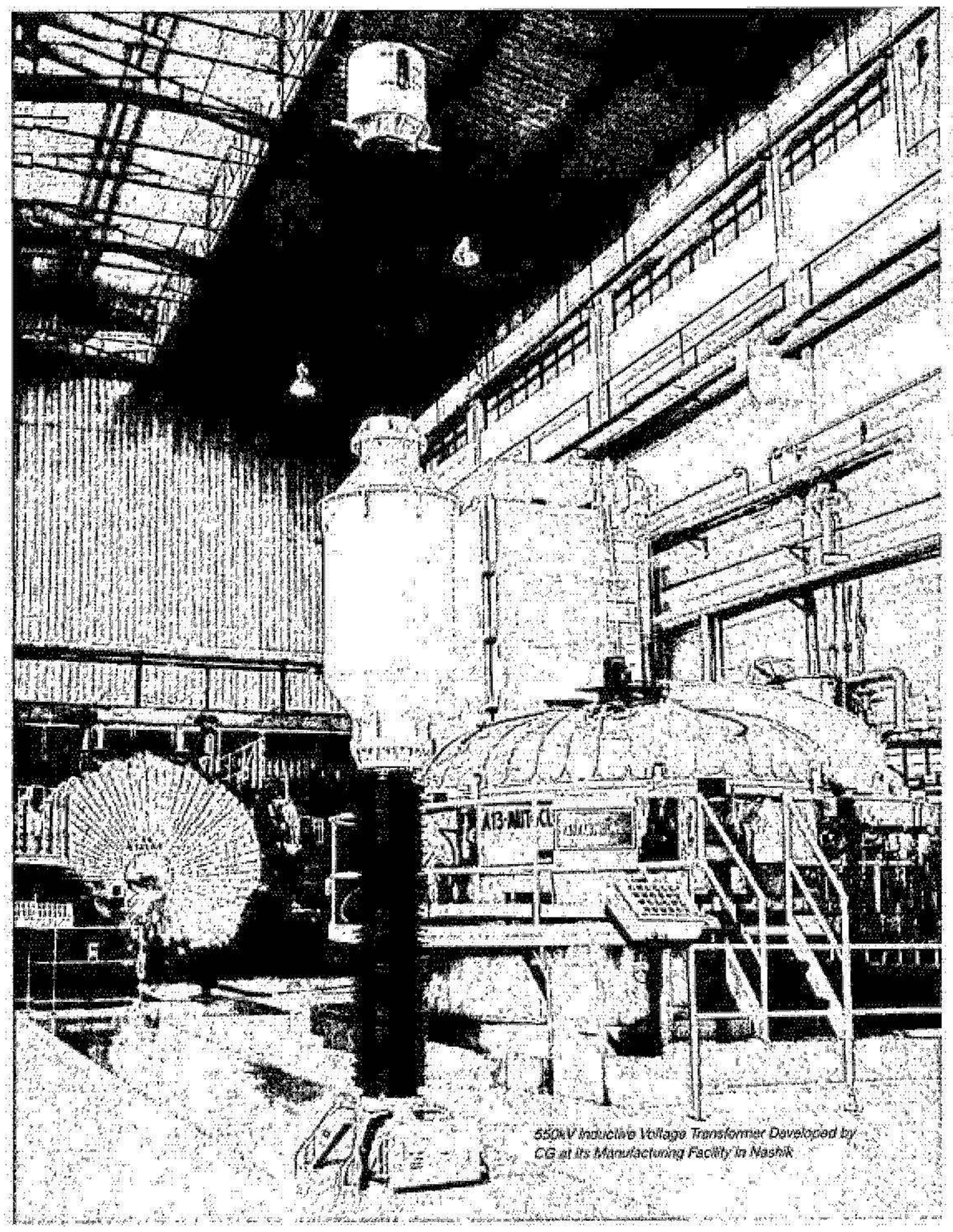
ENGINEERING PROJECTS

Projects on turnkey basis from concept to commissioning:

- Turnkey Air Insulated Substation (AIS) upto 765kV
- Turnkey Gas Insulated Substation (GIS) upto 400kV
- Engineered Packages
- Construction Packages for own EHV Equipment

CG POWER SYSTEM SERVICE

- Installation and Commissioning
- Onsite Services and Inspection
- Repairs, Upgrading and Retrofitting
- Condition Monitoring and Diagnosis
- Power Quality Audits
- Service Contracts
- Supply of Spare Parts
- Training



550kV Inductive Voltage Transformer Developed by CG at its Manufacturing Facility in Nashik

Establishments

20241031057761

REGISTERED OFFICE

CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

CG House, 6th Floor
Dr. Annie Besant Road
Worli Mumbai - 400 030
Maharashtra, India
Tel. +91 (0)22 2423 7777, 2423 7764, 2423 7765
Fax. +91 (0)22 2423 7733

POWER SYSTEMS

TRANSFORMER DIVISION

Plot No. T1-T6 MPAKVN Industrial Area,
District Bhind, Malanpur 477 117
Madhya Pradesh, India
Tel +91 (0)7539 826 900 1761
Email: anand.bhanpurkar@cgglobal.com

TRANSFORMER DIVISION T3

Plot No. 29, 31 & 32
New Industrial Area No. 1
AKVN, District Raisen,
Mandideep 462 046,
Madhya Pradesh, India
Tel +91 (0)7480 408200, 408201
Email ajay.jain@cgglobal.com

SWITCHGEAR DIVISION

A-3, M.I.D.C., Ambad,
Nashik 422 010, Maharashtra, India
Tel +91 (0)253 239 1401
Email: mangesh.sonak@cgglobal.com

SG & POWER QUALITY

Vacuum Interrupters & Instrument Transformer Division
D2 & D1/2, MIDC, Waluj
Aurangabad 431 136, Maharashtra, India
Tel +91 (0)240 255 8091
Fax +91 (0)240 255 4697
Email: dilip.walode@cgglobal.com

ENGINEERING PROJECTS DIVISION

Plot no 418 & 419, Wing "B",
AIHP Signature Tower, 1st Floor,
Udhyog Vihar, Phase – IV,
Gurgaon – 122015, Haryana
Tel +91 (0)124 462 7700
Fax +91 (0)124 462 7777
Email: sanjay.sahni@cgglobal.com

INDUSTRIAL SYSTEMS

LARGE INDUSTRIAL MACHINES

Plot No. 9, MPAKVN, Phase 2
New Industrial Area, Mandideep 462 046
Madhya Pradesh, India
Tel +91 (0)7480 427 107, 427 102, 427 110
Email: swapnil.shinde@cgglobal.com

LT MOTORS (UNIT I)

Plot No. A-6/2, MIDC Industrial Area,
Ahmednagar 414 111
Maharashtra, India
Tel +91 (0)241 662 6102, 277 7500
Email: gautam.swaminathan@cgglobal.com

LT MOTORS (UNIT II)

B-108/109, MIDC Industrial Area,
Ahmednagar 414 111
Maharashtra, India
Tel +91 (0)241 662 4121 / 277 7177
Email: yogesh.kumbhekar@cgglobal.com

LT MOTORS (UNIT III)

S/14-15, Colvale Industrial Estate,
Colvale, Bardez 403 513,
Goa, India
Tel +91 (0)832 240 1010
Email: harish.savaikar@cgglobal.com

COMMERCIAL MOTORS

Plot No. 196-198,
Kundaim Industrial Estate,
Ponda 403 115, Goa, India
Tel +91 (0)832 398 3205
Email: ashish.raval@cgglobal.com

CONSUMER PRODUCTS

Plot No. 196-198,
Kundaim Industrial Estate,
Ponda 403 115, Goa, India
Tel +91(0)832 398 3228
Email: prashant.sawant@cgglobal.com

DRIVES & AUTOMATION

Plot No. 9, MPAKVN, Phase 2
New Industrial Area, Mandideep 462 046
Madhya Pradesh, India
Tel +91 (0)7480 426 400, 426 403
Email: devendrakumar.rajput@cgglobal.com

STAMPINGS DIVISION

B-110, B-111/B, B-112/2
MIDC Industrial Area, Ahmednagar 414 111,
Maharashtra, India
Tel +91 (0)241 661 0512/31
Email: sachin.shete@cgglobal.com

STAMPINGS – GOA

215, GIDC Industrial Estate,
Kundaim – Goa 403 115, India
Tel +91 (0)966 502 8854
Email: Vijay.mpatil@cgglobal.com

RAILWAY SYSTEMS

TRACTION MACHINES & SYSTEM DIVISION

09, Industrial Area, MPAKVN
Mandideep 462 046,
Madhya Pradesh, India
Tel +91 (0)7480 235102, 235181, 235182
Email: chidambaram.balakrishnan@cgglobal.com

RAIL TRANSPORTATION & TRACTION ELECTRONICS

Plot No. 9, MPAKVN Phase II,
New Industrial Area Mandideep 462 046
Madhya Pradesh, India
Tel +91 (0)7480 426400, 426450
Email: sanjay.ostwal@cgglobal.com

RAILWAY SIGNALLING DIVISION

11 B, Industrial Area No. 1
Pithampur 454 775, District Dhar
Madhya Pradesh, India
Tel +91 (0)7292 410115, 410107
Email: arvind.khandelwal@cgglobal.com

BRANCH & MARKETING OFFICES

NORTHERN REGION

REGIONAL HEAD OFFICE:

Noida

4th Floor, Discovery Tower
Plot No. A17, Sector 62, Noida
Uttar Pradesh 201 309, India
Tel +91 (0) 120-4229478
Email: ritesh.tandon@cgglobal.com

JAIPUR

Shanti Sadan, Church Road, PO BOX 173
Jaipur 302 001, Rajasthan, India
Email: deepak.raghav@cgglobal.com

JALANDHAR

SCO No. 18, 3rd Floor, Puda Complex
Near Dainik Bhaskar, Ladowali Road,
Jalandhar 144 001, Punjab, India
Tel +91 (0181) 407 0333
Email: rajinderjit.singh@cgglobal.com

LUCKNOW

Saran Chambers II, 3rd Floor
5 Park Road, Lucknow 226 001
Uttar Pradesh, India
Tel +91 (0) 522 4238971
Email: prateek.dikshit@cgglobal.com

EASTERN REGION

REGIONAL HEAD OFFICE:

KOLKATA

7th Floor, Block B, 50 Chowringhee Road
Kolkata 700 071, West Bengal, India
Tel +91 (0)33 2282 9681/85
Email: shiv.kaushish@cgglobal.com

BHUBANESWAR

Jagnath Tower, 3rd Floor, Ashok Nagar
Unit II, Bhubaneswar 751 009
Orissa, India
Email: sikdatwa.khuntia@cgglobal.com

PATNA

501, 5th Floor, Lavkush Tower,
Exhibition Road
Patna 800 001 Bihar, India
Email: ajay.kumar@cgglobal.com

GUWAHATI

3rd Floor, 304, Swagota Envision,
G S Road, Khanapara,
Guwahati, Kamrup Metropolitan,
781022 Assam, India
Email: neelam.barmon@cgglobal.com

WESTERN REGION

REGIONAL HEAD OFFICE: MUMBAI

Western Region
CG House, 6th Floor, Dr. Annie Besant Road, Worli,
Mumbai 400 030 Maharashtra, India
Tel +91 (0)22 24238989
Email: Jyot.acharya@cgglobal.com

AHMEDABAD

909-916, Sakar II, Near Ellis Bridge
Ahmedabad 380 006, Gujarat, India
Tel +91 (0)79-2658 4831
Email: chintan.pandya@cgglobal.com

BARODA

10-A, Vrundavan Colony,
Behind Harinagar Water Tank,
Gotri Road, Baroda 390 007, Gujarat, India
Tel +91 (0)265 233 2460, 233 4447
Email: chintan.pandya@cgglobal.com

CENTRAL REGION

REGIONAL HEAD OFFICE: PUNE

1st Floor, Bhalerao Towers,
Plot no. 36, Behind Hotel Pride,
Shivajinagar, Pune 411 005, Maharashtra, India
Email: gajanan.wandhare@cgglobal.com

NAGPUR

1st Floor, Sadhvas, Plot No. U16/A,
Ujjawal Co-operative Housing Society,
Opposite to Sri Nagar MSEB office,
Ring Road, Narendra Nagar,
Nagpur 440 015, Maharashtra, India
Email: suyog.deshpande@cgglobal.com

RAIPUR

A 207, Crystal Arcade,
Near Lodhi Para Square
Shankar Nagar Road, Raipur 492 007
Chhattisgarh, India
Email: suyog.deshpande@cgglobal.com

INDORE

108-110 Apollo Trade Center,
Geeta Bhavan, Square Road,
A B Road, Indore 452 001
Madhya Pradesh, India
Email: suyog.deshpande@cgglobal.com

SOUTHERN REGION

REGIONAL HEAD OFFICE:

CHENNAI

Crompton House-3, Dr MGR Salai, (Kodambakkam High Road),
Nungambakkam, Chennai 600 034, Tamil Nadu, India
Tel +91 (0)44 4224 7502
Email: ajay.prasad@cgglobal.com

COIMBATORE

1st Floor, No - 42, D. P. F Street,
Pappanaicken Palayam,
Coimbatore- 641 037 Tamil Nadu
Tel +91 (0) 90 4706 0372
Email: srinivasan.s@cgglobal.com

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Chamrajpet, Bangalore 560 018
Karnataka, India
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Secunderabad – 500 003,
Hyderabad, India
Tel +91 (0) 99 6600 7488
Email: prashant.reddy@cgglobal.com

SERVICE CENTRES

NORTHERN REGION

NOIDA

4th Floor, Discovery Tower
Plot No. A17, Sector 62, Noida
Uttar Pradesh 201 309, India
Tel +91 (0) 120-4229478
Email: ritesh.tandon@cgglobal.com

JAIPUR

Shanti Sadan, Church Road, PO BOX 173
Jaipur 302 001, Rajasthan, India
Email: deepak.raghav@cgglobal.com

JALANDHAR

SCO No. 18, 3rd Floor, Puda Complex
Near Dainik Bhaskar, Ladowali Road,
Jalandhar 144 001, Punjab, India
Tel +91 (0181) 407 0333
Email: rajinderjit.singh@cgglobal.com

LUCKNOW

Saran Chambers II, 3rd Floor
5 Park Road, Lucknow 226 001
Uttar Pradesh, India
Tel +91 (0) 522 4238971
Email: prateek.dikshit@cgglobal.com

EASTERN REGION

KOLKATA

7th Floor, Block B, 50 Chowringhee Road
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Email: amit.singhi@cgglobal.com

BHUBANESWAR

Jagnath Tower, 3rd Floor, Ashok Nagar
Unit II, Bhubaneswar 751 009
Orissa, India
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501, 5th Floor, Lavkush Tower, Exhibition Road
Patna 800 001 Bihar, India
Email: om.singh@cgglobal.com

GUWAHATI

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G S Road, Khanapara,
Guwahati, Kamrup Metropolitan,
781 022 Assam, India
Email: Mrinmoy.sarmah@cgglobal.com

WESTERN REGION

MUMBAI

Western Region, CG House, 6th Floor
Dr. Annie Besant Road, Worli,
Mumbai 400 030, Maharashtra, India
Email: jyot.acharya@cgglobal.com

AHMEDABAD

909 - 916, Sakar II, Near Ellis Bridge
Ahmedabad 380 006, Gujarat, India
Tel +91 (0)79-2658 7481
Email: jyot.acharya@cgglobal.com

CENTRAL REGION

PUNE

1st Floor, Bhalerao Towers,
Plot no. 36, Behind Hotel Pride,
Shivajinagar, Pune 411 005,
Maharashtra, India.
Email: gajanan.wandhare@cgglobal.com

INDORE

108 - 110, Apollo Trade centre
GeetaBhavan, Square Road
A B Road, Indore - 452 001
Madhya Pradesh, India
Email: suyog.deshpande@cgglobal.com

NAGPUR

1st Floor, Sadhvas, Plot No. U16/A,
Ujjawal Co-operative Housing Society,
Opposite to Sri Nagar MSEB office,
Ring Road, Narendra Nagar,
Nagpur 440 015,
Maharashtra, India.
Email: suyog.deshpande@cgglobal.com

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A 207, Crystal Arcade, Near Lodhi Para Square,
Shankar Nagar Road,
Raipur 492 007 Chhattisgarh, India
Tel +91 (0)771 401 9201, 401 9202
Email: suyog.deshpande@cgglobal.com

SOUTHERN REGION

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Email: prakash.k@cgglobal.com

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1st Floor, No.- 42, D. P. F Street,
Pappanaicken Palayam,
Coimbatore- 641037 Tamil Nadu
Tel +91 85590 10092
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J P Square, 3rd Floor No.17, 3rd Cross, 5th Main Chamrajpet,
Bangalore 560 018 Karnataka, India
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Email: srinivasulu.murthy@cgglobal.com

SECUNDERABAD

Minerva Complex, 4th Floor, 94 Sarojni Devi Road
Secunderabad 500 003, Hyderabad, India
Tel +91 (0) 90 3085 5547
Email: pravind.kammari@cgglobal.com

REGION EMEA

CORPORATE & REGISTERED OFFICES
CG DRIVES & AUTOMATION SWEDEN AB
Mörsaregatan 12, Box 222 25
SE-250 24 Helsingborg, Sweden
Tel +46 42 16 99 00
Fax +46 42 16 99 49

CG INTERNATIONAL BV
Polakkers 5, 5531NX Bladel,
The Netherlands

BUSINESS UNITS

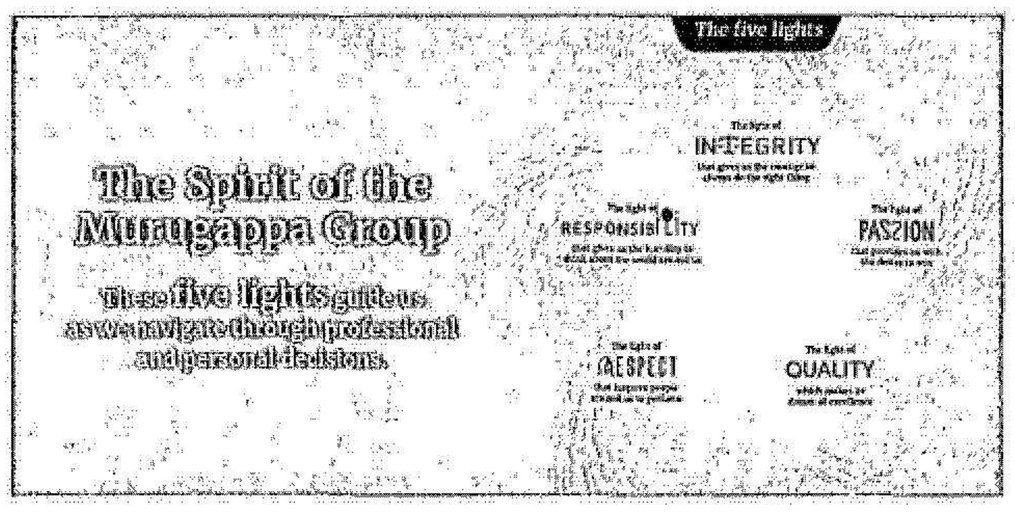
CG DRIVES & AUTOMATION NETHERLANDS BV
Polakkers 5, 5531 NX BLADEL
Postbus 132, 5530 AC BLADEL
The Netherlands
Tel +31 (0)497 389 222
Fax +31 (0)497 386 275

CG DRIVES & AUTOMATION GERMANY GMBH
Gießerweg 3, D-38855 Wernigerode Germany
Tel +49 (0)3943 92050
Fax +49 (0)3943 92055

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CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

Registered Office:
CG House, 6th Floor, Dr Annie Besant Road, Worli,
Mumbai 400 030, India.

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CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

(CIN: L99999MH1937PLC002641)
Registered Office: 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai - 400 030
Email: investorservices@cgglobal.com Website: www.cgglobal.com
Phone: +91 22 2423 7777 Fax: +91 22 2423 7733

NOTICE

NOTICE is hereby given that the Eighty Seventh Annual General Meeting of the Members of **CG POWER AND INDUSTRIAL SOLUTIONS LIMITED** ('the Company') will be held on Wednesday, 24 July, 2024 at 03:00 pm (IST) through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

Adoption of Standalone Financial Statements for the Financial Year ended 31 March, 2024

1. To consider and if deemed fit, to pass the following Resolution as an Ordinary Resolution

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March, 2024, the Reports of the Board of Directors and the Auditors thereon, be and are hereby received and adopted."

Adoption of Consolidated Financial Statements for the Financial Year ended 31 March, 2024

2. To consider and if deemed fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 March, 2024 and the Report of the Auditors thereon, be and are hereby received and adopted."

Confirmation of Interim Dividend

3. To confirm the payment of the interim dividend of ₹ 1.30/- per Equity Share of ₹ 2/- each as dividend for the Financial Year 2023-24 and pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT the interim dividend of ₹ 1.30/- per Equity Share i.e. 65% on face value of ₹ 2/- per share, declared by the Board of Directors on 23 January, 2024 and paid by the Company on 21 February, 2024 for the Financial Year 2023-24, be and is hereby confirmed."

Re-appointment of Director retiring by rotation

4. To consider and if deemed fit, to pass the following Resolution as an Ordinary Resolution:

   To re-appoint Mr. Velayan Subbiah (DIN: 01138759), who retires by rotation and being eligible, offers himself for re-appointment.

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Velayan Subbiah (DIN: 01138759), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

Ratification of remuneration payable to Cost Auditor

5. To consider and, if deemed fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 8,30,000/- (Rupees Eight Lakh Thirty Thousand only) plus taxes as applicable and reimbursement of out-of-pocket expenses, to conduct the audit of cost records of the Company for the Financial Year ending 31 March, 2025, to be paid to M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), as approved by the Board of Directors of the Company, be and is hereby ratified and confirmed."

By Order of the Board
For CG Power and Industrial Solutions Limited

Sanjay Kumar Chowdhary
Company Secretary
Membership No. ACS 12878
Mumbai, 6 May, 2024

NOTES:

(a) Convening of Annual General Meeting through Video Conferencing / Other Audio Visual Means facility:

Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 22/2020, 33/2020, 02/2021, 19/2021, 21/2021, 02/2022, 10/2022, 11/2022 and 09/2023 dated 8 April, 2020, 13 April, 2020, 5 May, 2020, 15 June, 2020, 28 September, 2020,13 January, 2021, 8 December, 2021, 14 December, 2021, 5 May, 2022, 28 December, 2022, 29 December, 2022 and 25 September, 2023 respectively, issued by the Ministry of Corporate Affairs (hereinafter collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May, 2022, Circular No. SEBI/HO/CFD/PoD-2/CIR/P/2023/4 dated 5 January, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 October, 2023 issued by the Securities and Exchange Board of India ('SEBI Circulars') and in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the 87th Annual General Meeting of the Company ('AGM' or 'Meeting') is being conducted through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility, which does not require physical presence of the Members at a common venue. Hence, the Members are requested to attend and participate at the ensuing AGM through VC / OAVM facility being provided by the Company through National Securities Depository Limited ('NSDL').

The deemed venue for the AGM shall be the Registered Office of the Company.

(b) Quorum:

The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the AGM. The Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled time of start of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee and Auditors, who are allowed to attend the AGM without restriction as provided in the MCA Circulars.

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(c) Proxy(ies):

Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

(d) Explanatory Statement:

An Explanatory Statement as per Section 102 of the Act in respect of the special business under Item No. 5 of this Notice, proposed to be transacted at the AGM and relevant information with respect to Director seeking appointment at the Meeting under Item No. 4 of this Notice, as required under Regulation 36 of the SEBI LODR and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to this Notice.

(e) Corporate Representations:

Pursuant to the provisions of Section 113 of the Act, Body Corporate Members, who intend their authorised representative(s) to attend the AGM are requested to send, to the Company, a certified copy of the Resolution of its Board of Directors or other governing body, authorizing such representative(s) along with the respective specimen signature(s) of those representative(s) authorized to attend the AGM through VC/ OAVM facility and participate thereat and cast their votes through e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to acs.preetha@gmail.com with a copy marked to investorservices@cgglobal.com.

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(f) Queries:

Members who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investorservices@cgglobal.com. Questions/ queries received by the Company till Friday, 19 July, 2024 shall only be considered and responded during the AGM.

Members who would like to express their views or ask questions during the AGM may register themselves as a Speaker by sending an email to investorservices@cgglobal.com any time before 05.00 p.m. (IST) on Friday, 19 July, 2024, mentioning their name, demat account number/folio number, email id and mobile number. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ask questions during the Meeting.

The Company reserves the right to restrict the number of questions and number of Speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the Meeting.

(g) Unclaimed/Unpaid Dividends and Shares:

During the Financial Year 2023-24, there were no unclaimed/unpaid dividend(s) which were required to be transferred to the Investor Education and Protection Fund ("IEPF") in terms of the provisions of Sections 124 and 125 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time ("IEPF Rules").

(h) Dispatch of Notice and Annual Report through electronic means and Inspection of documents:

In terms of Section 101 and 136 of the Act, read with Rules made thereunder and Regulation 36 of the SEBI LODR, as amended from time to time, the listed companies may send the Annual Report and the Notice of AGM by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars and SEBI Circular, electronic copy of the Notice of 87th AGM along with the Annual Report for the Financial Year 2023-24 is being sent to all the Members whose e-mail addresses are registered with the Company/ RTA/ Depository Participant(s).

The Members may also note that the Annual Report and the Notice of the AGM will also be made available on the Company's website www.cgglobal.com and on the website of Stock Exchanges (where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited) and also on the website of NSDL at www.evoting.nsdl.com for download. Members may note that relevant documents referred to in the Notice and other documents as required under applicable laws shall be made available for inspection in accordance with applicable statutory requirement based on request received by the Company at investorservices@cgglobal.com.

For Members who have not received the Notice of 87th AGM along with the Annual Report for Financial Year 2023-24 due to change/ non-registration of their e-mail address with the Company / RTA / Depository Participants, they may request for the said Notice and Annual Report, by sending an email at csinvestors@datamaticsbpm.com or investorservices@cgglobal.com. Post receipt of such request and verification of details of the Shareholder, the Shareholder would be provided a soft copy of the said Notice and Annual Report. It is clarified that for registration of email address, the Shareholders are however requested to follow due procedure for registering their e-mail address with the Company/ RTA in respect of physical holdings and with the Depository Participants in respect of electronic holdings. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses valid with their Depository Participants/ RTA / Company to enable servicing of notices/ documents/ Annual Reports electronically to their email address.

The Members who have not received any communication regarding this AGM for any reason whatsoever, and are eligible to vote, are also entitled to vote, and may obtain the User ID and password or instructions for remote e-voting by contacting the Company's Registrar & Share Transfer Agent, Datamatics Business Solutions Limited ("RTA") at Tel No. 022-6671 2001 to 6671 2006 or email at csinvestors@datamaticsbpm.com between 09.00 a.m. to 5.00 p.m. IST on all working days, except Saturday and Sunday or contact the Company at investorservices@cgglobal.com or NSDL at evoting@nsdl.co.in.

Any person becoming Member of the Company after the dispatch of Notice of the AGM and holding shares as on the cut-off date i.e. Wednesday, 17 July, 2024 may obtain the user ID and password by referring to the e-voting instructions attached to this Notice and also available on the Company's website www.cgglobal.com and the website of NSDL www.evoting.nsdl.com. Alternatively, Member may send

a request providing their email address, mobile number and self-attested PAN copy via email to csinvestors@datamaticsbpm.com for obtaining the Notice of 87th AGM and Annual Report.

(i) Scrutinizer:

The Board of Directors, at its Meeting held on Monday, 6 May, 2024, has appointed Mr. Prashant S. Mehta (Membership No ACS 5814), Proprietor of M/s. P. Mehta & Associates, Practicing Company Secretaries (C.P. No. 17341), as the Scrutinizer to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman/ Managing Director / Company Secretary of the Company after completion of the scrutiny of the remote e-voting and e-voting at the AGM. The results will be announced by the Chairman/ Managing Director/ Company Secretary of the Company within 2 (two) working days from the conclusion of the AGM and will be posted on the Company's website viz. www.cgglobal.com and will also be posted on the website of NSDL at www.evoting.nsdl.com. The results shall also be intimated to the Stock Exchanges where the securities of the Company are listed.

(j) Electronic voting:

In compliance with provisions of Sections 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 44 of the SEBI LODR, and SS-2, the Company is providing remote e-voting facility to enable the Members to cast their votes electronically on the matters included in this Notice. For this purpose, the Company has engaged the services of NSDL to provide e-voting facility to enable the Members to cast their votes electronically. The facility of casting votes by a Member using remote e-voting system as well as e-voting at the AGM will be provided by NSDL.

Members are requested to follow the procedure stated in the "Instructions for E-voting Section" of this Notice for casting of votes electronically.

The cut-off date for determining the Members eligible to vote on Resolutions proposed to be considered at the Meeting is Wednesday, 17 July, 2024. The remote e-voting period will commence on Saturday, 20 July, 2024 at 9.00 a.m. (IST) and end on Tuesday, 23 July, 2024 at 5:00 p.m. (IST). The remote e-voting will not be allowed beyond the aforesaid date and time. The remote e-voting module shall be disabled thereafter.

The Resolutions set out in this Notice shall be deemed to have been passed on the date of the AGM, if approved by the requisite majority.

Only those Members whose names are appearing on the Register of Members / List of Beneficial Owners as on the cut-off date i.e. Wednesday, 17 July, 2024, shall be entitled to cast their vote through remote e-voting or voting through VC /OAVM at the AGM, as the case may be. A person who is not a Member on the cut-off date should treat this Notice for information purpose only.

The Members who have cast their vote by remote e-voting prior to the AGM, may also attend and participate in the proceedings of the AGM through VC/OAVM but shall not be entitled to cast their votes again. The Members can opt for only one mode of voting i.e. remote e-voting or e-voting through VC/OAVM at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered as final and e-voting through VC/OAVM at AGM will not be considered. Members must note that voting by show of hands will not be available at the Meeting in terms of the aforesaid provisions.

(k) Voting Rights:

Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on the cut-off date i.e. Wednesday, 17 July, 2024.

(l) Registrar and Share Transfer Agent and Investor Services Department:

The Company's Registrar and Share Transfer Agent ("RTA") is Datamatics Business Solutions Limited ("DBSL"). In addition to the RTA, our Corporate Secretarial Department is happy to assist in case of any difficulties being experienced by the Members in their interaction with DBSL. For any communication, the Shareholders may send an email to the Company's Corporate Secretarial Department at investorservices@cgglobal.com.

Address and details for correspondence with DBSL and the Company's Corporate Secretarial Department are provided in the section titled 'Report on Corporate Governance' in the 87th Annual Report for Financial Year 2023-24 accompanying this Notice.

(m) Route Map:

As the AGM is being held through VC/OAVM, without the physical presence of the Members in terms of MCA Circulars, the route map is not annexed to this Notice.

(n) Shares related:

a. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR Code, IFSC Code, etc.:

   i. For shares held in electronic form: to their Depository Participants (DPs), and

   ii. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated 12 October, 2023. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17 November, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

b. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated 25 January, 2022, as amended, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at https://www.cgglobal.com/shares_related and on the website of the Company's Registrar and Transfer Agents, Datamatics Business Solutions Limited ("RTA") at https://www.datamaticsbpm.com/registrar-and-transfer-agent/information-to-shareholders/.

   It may be noted that any service request can be processed only after the folio is KYC Compliant.

c. SEBI vide its Notification dated 24 January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

d. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

e. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14, as the case may be. The said forms can be downloaded from the Company's website https://www.cgglobal.com/shares_related. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.

Members are therefore requested to dematerialize their physical holdings. For any clarification, assistance or information relating to dematerialization of Company's shares, please contact the Company's RTA, DBSL at Tel No. 022-6671 2001 to 6671 2006 or email at csinvestors@datamaticsbpm.com.

By Order of the Board
For CG Power and Industrial Solutions Limited

Sanjay Kumar Chowdhary
Company Secretary
Membership No. ACS 12878
Mumbai, 6 May, 2024

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

In conformity with the provisions of Section 102 of the Companies Act, 2013 ('the Act') and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), the following Explanatory Statement and annexure thereto should be taken as forming part of this Notice.

Item No. 5

Ratification of remuneration payable to Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, have at their Meeting held on 6 May, 2024, approved the appointment of M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), for conducting the audit of the cost records of the Company for the Financial Year ending 31 March, 2025 at a remuneration of ₹ 8,30,000/- (Rupees Eight Lakhs Thirty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board is required to be ratified by the Members of the Company

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of this Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year ending 31 March, 2025.

The Board of Directors recommends the Ordinary Resolution at Item No. 5 for approval of the Members

None of the Directors, Key Managerial Personnel or their relatives are in any way, financially or otherwise, concerned or interested in the said Ordinary Resolution set out at Item No. 5 of the accompanying Notice.

By Order of the Board
For CG Power and Industrial Solutions Limited

Sanjay Kumar Chowdhary
Company Secretary
Membership No. ACS 12878
Mumbai, 6 May, 2024

ANNEXURE TO ITEM NO. 4 OF THE NOTICE CONVENING THE 87TH ANNUAL GENERAL MEETING OF THE COMPANY

Details of Director seeking re-appointment at the 87th Annual General Meeting of the Company pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India

Name of the Director	Mr. Vellayan Subbiah
DIN	01136759
Nationality	Indian
Date of First Appointment on the Board of Directors	26 November, 2020
Age	54 years
Qualifications	Bachelor of Technology in Civil Engineering from IIT Madras Master in Business Administration from the University of Michigan
Capacity	Non-Executive Non-Independent Director
Experience and expertise in Specific Functional Areas	He has over 2 decades of work experience in varied fields i.e. consulting, technology, projects and financial services.
List of Directorships held in other companies including the companies from which he has resigned in the past three years	Directorship in other companies • Tube Investments of India Limited • Cholamandalam Financial Holdings Limited • Cholamandalam Investment and Finance Company Limited • Ambadi Investments Limited • DOT IOT Technologies Private Limited • CherryTm Online Private Limited • SRF Limited • TI Clean Mobility Private Limited • Mavco Investments Private Limited • 3XPER Innoventure Limited • CG Semi Private Limited • CG Power Americas, LLC • CG DE Sub, LLC (formerly known as QEI, LLC) Names of listed entities from which the Director has resigned in the past 3(three) years: Shanthi Gears Limited - 22 October, 2021.

Membership / Chairmanship in the Committees of the Boards of companies in which he is a Director	1) CG Power and Industrial Solutions Limited • Stakeholders' Relationship Committee - Chairman • Risk Management Committee - Chairman • Audit Committee - Member • Nomination and Remuneration Committee - Member • Finance Committee - Chairman 2) Tube Investments of India Limited • Stakeholders' Relationship Committee - Member • Shares and Debentures Committee - Member • Loans Committee - Member 3) Cholamandalam Investment and Finance Company Limited • Corporate Social Responsibility Committee - Chairman • IT Strategy Committee - Member • Nomination and Remuneration Committee - Member • Business Committee - Chairman
Terms and Conditions of appointment / re-appointment	Appointment as a Non-Executive Non-Independent Director subject to retirement by rotation.
Details of remuneration sought to be paid	Entitled to sitting fees for attending Meetings of the Board/ Committees and commission as per the limits set out in the Act
Last drawn remuneration	Kindly refer the section titled 'Report on Corporate Governance' of the 87th Annual Report of the Company accompanying this Notice.
Number of Meetings of Board attended during the year	Attended all the 5 Board Meetings that were held during the Financial Year 2023-24.
Number of shares held in the Company including shareholding as a Beneficial Owner	Nil
Justification for choosing the Individual for appointment as an Independent Director	Not Applicable
Relationship with other Directors/ KMPs	Not related to any Director/ Key Managerial Personnel of the Company

By Order of the Board
For CG Power and Industrial Solutions Limited

Sanjay Kumar Chowdhary
Company Secretary
Membership No. ACS 12878
Mumbai, 6 May, 2024

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday, 20 July, 2024 at 9:00 a.m. (IST) and end on Tuesday, 23 July, 2024 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 17 July, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 17 July, 2024.

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to the NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI Circular dated 9 December, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants (DPs). Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL, Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWebIdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting

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Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and New System Myeasi Tab and then use your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use "Forget User ID" and "Forget Password" options available on the above mentioned website.

Helpdesk for Individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call the toll-free number 1800 22 55 33.

B) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-In to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. Enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical form.	EVEN Number followed by Folio Number registered with the Company For example, if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to log in and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your "initial password", you need to enter the 'initial password' for the system to prompt you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for your NSDL account, or the last 8 digits of your Client ID for CDSL account or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details / Password?" (If you hold shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you hold shares in physical form) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by the above two options, you can send a request to evoting@nsdl.com mentioning your demat account number/Folio Number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting their vote on the e-Voting system of NSDL.

7. After entering your password, tick on "Agree with Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, the homepage of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ecs.preeta@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the Resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to csjewellers@dalmiacsbpm.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar

Card) to investorservices@cgglobal.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI Circular dated 9 December, 2020, on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for Members for e-Voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

Instructions for Members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under "Join General Meeting" menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/Folio Number, email id, mobile number at investorservices@cgglobal.com. The same will be replied by the Company suitably.

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Smart solutions
Strong relationships

CG POWER AND INDUSTRIAL SOLUTIONS LIMITED
(CIN: L99999MH1937PLC002641)
Registered Office: 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai 400 030
Email: investorservices@cgglobal.com Website: www.cgglobal.com
Phone: +91 22 2423 7777 Fax: +91 22 2423 7733

Dear Shareholder(s), Date:

Sub: Registration of e-mail address

In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, we request you to kindly register your email ID in order to receive the Notices of future Annual General Meetings, Annual Report and other correspondences of the Company in electronic form, by sending a duly filled in and signed copy of the below Registration Form to the Company's Registrar and Share Transfer Agent "Datamatics Business Solutions Limited" at Plot No A- 16 & 17 Part B Cross Lane, MIDC, Andheri (East), Mumbai 400 093 or through email at cgpowerinvestors@datamaticsbpm.com.

Shareholders who hold shares in dematerialized form are requested to approach the concerned Depository Participant for updating/modifying their email Id(s), as the case may be

For CG Power and Industrial Solutions Limited

Sanjay Kumar Chowdhary
Company Secretary and Compliance Officer
Membership No ACS 12878

E-MAIL REGISTRATION FORM

To^:
The Company (for Shareholders holding shares in physical mode)
The Depository Participants (for Shareholders holding shares in dematerialised form)

Sub: Registration of e-mail address - CG Power and Industrial Solutions Limited

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

Name of the Shareholder(s)
Folio/DP ID/Client ID
E-mail address
Mobile No

Date:
Place

Signature of the Shareholder(s)#

* Please tick as applicable
Please ensure that the form is signed by the registered Shareholder along with Joint Shareholder(s), if any