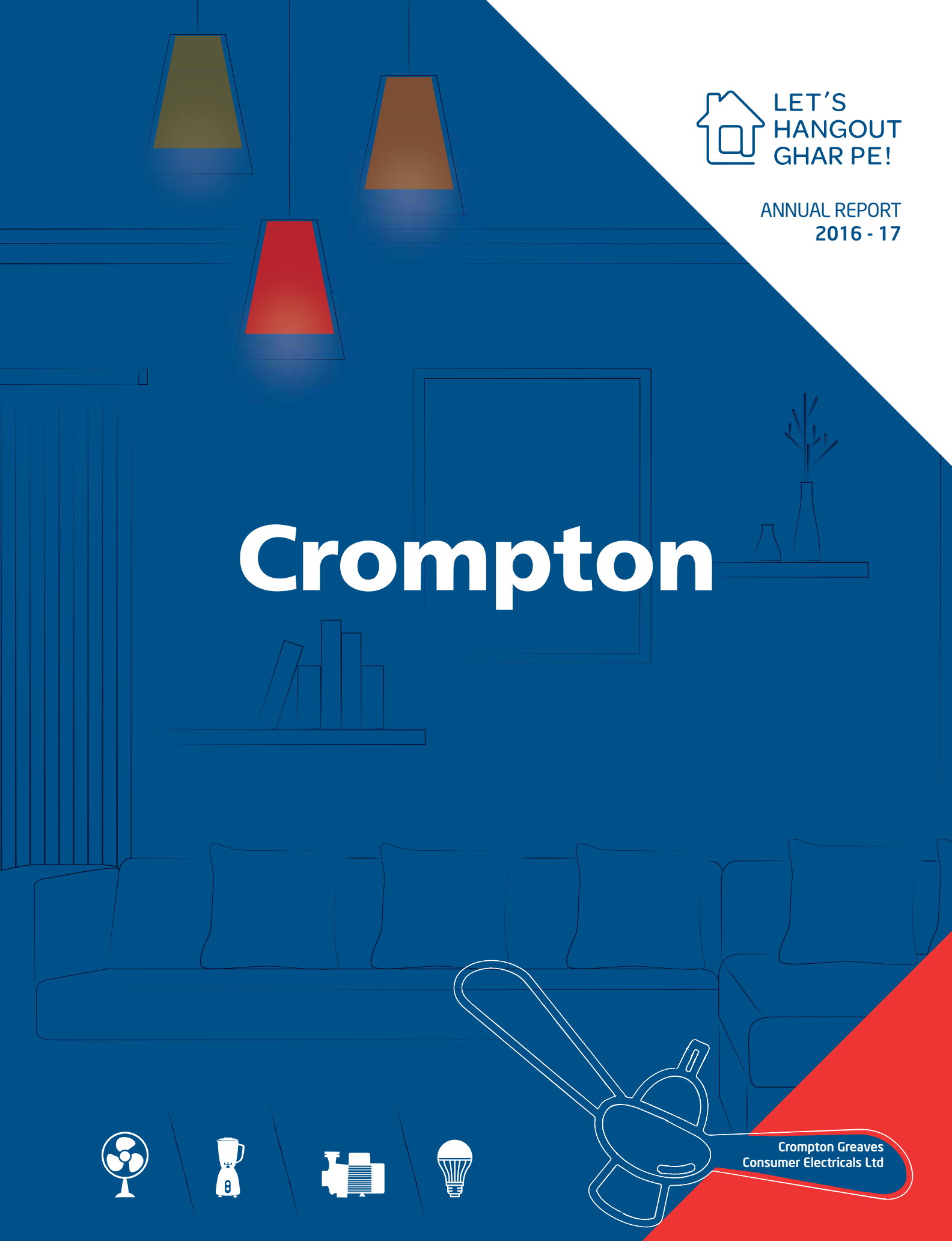
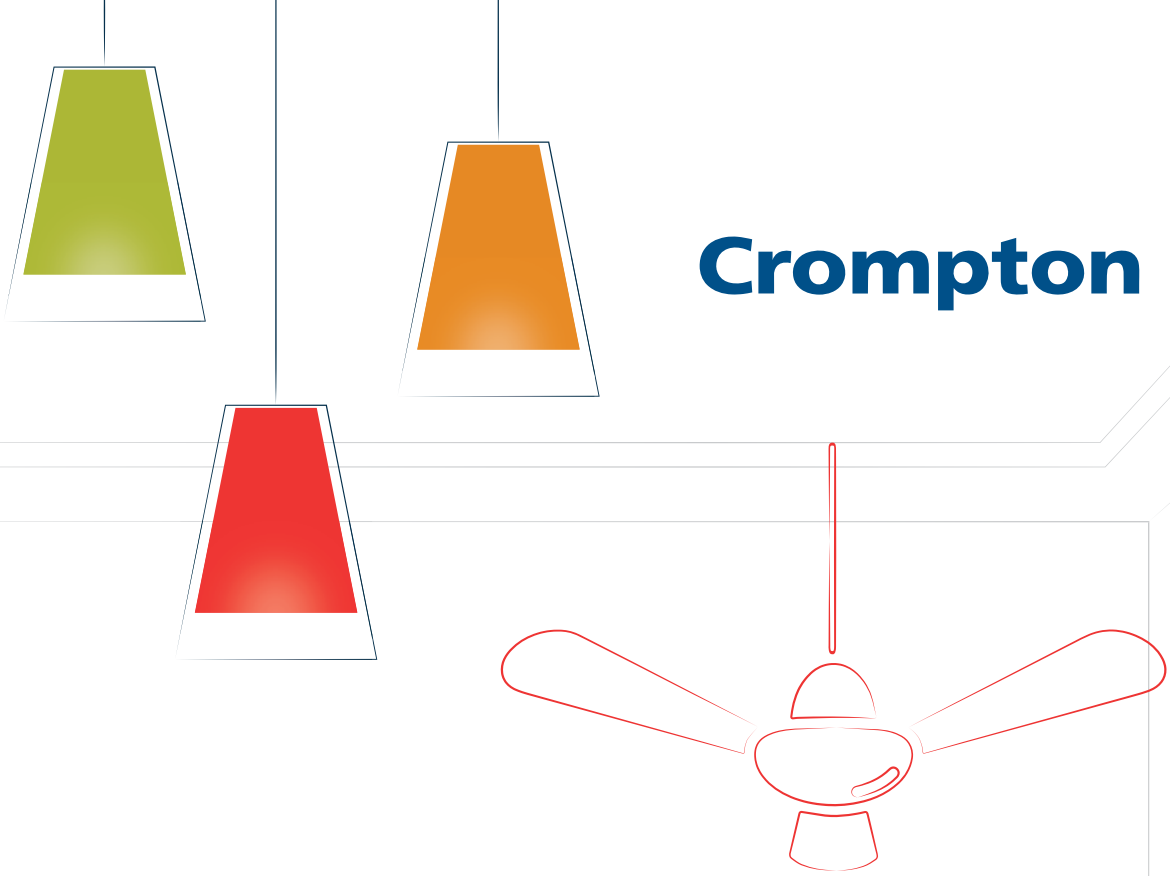


LET'S HANGOUT GHAR PE!

ANNUAL REPORT
2016 - 17

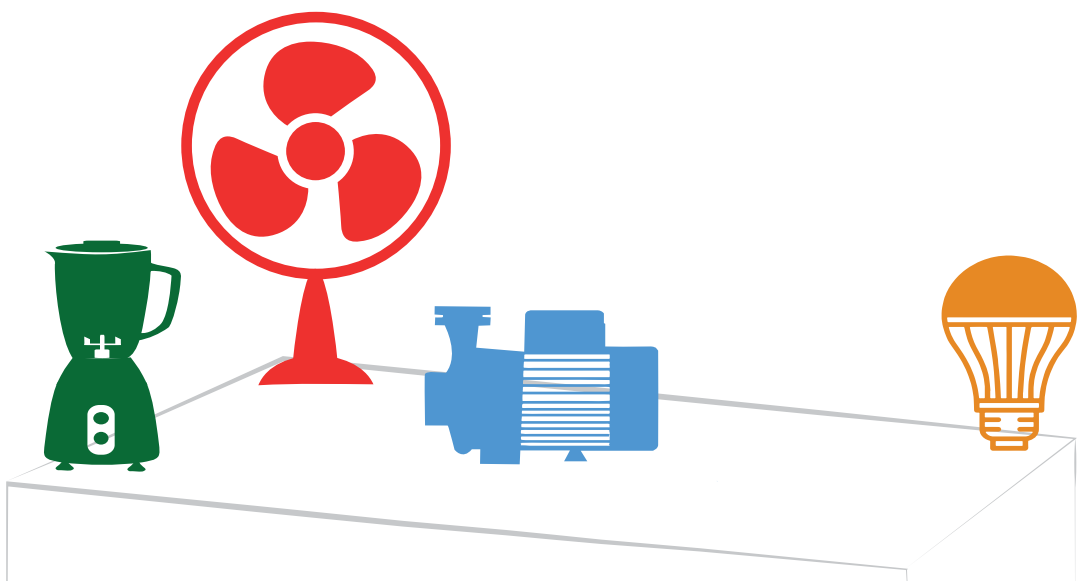
Crompton

Crompton Greaves
Consumer Electricals Ltd



Crompton

Crompton is India's market leader in **FANS** and **RESIDENTIAL PUMPS,** with leading market position in **LIGHTING,** and expanding fast in **HOUSEHOLD APPLIANCES** and **AGRICULTURAL PUMPS.**



Highlights 2016-17

₹ 3,976 Crores
Revenue for the year

₹ 508 Crores
EBIDTA for the year

₹ 13,597 Crores
Market Capitalisation as on March 31, 2017

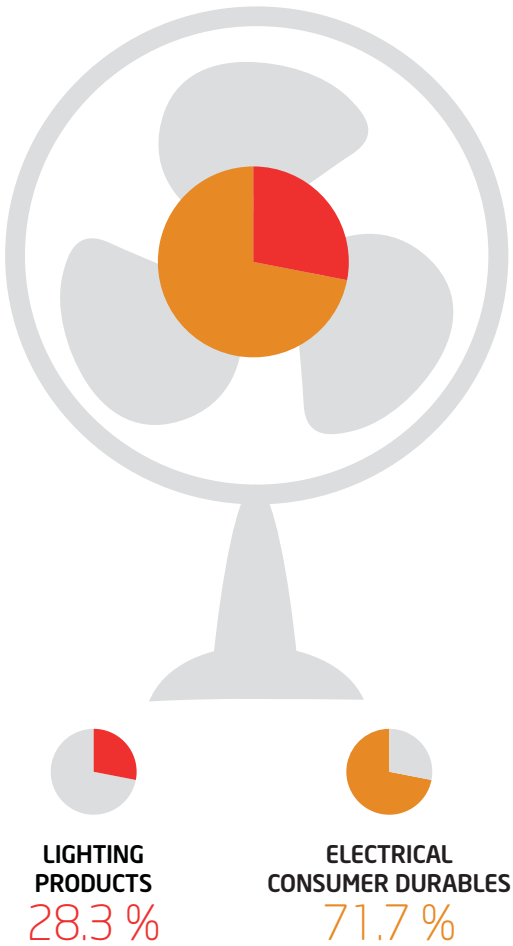
₹ 291 Crores
PAT

₹ 1.50
Dividend per share

207 %
Return on capital employed

₹ 4.64
EPS

Segmental Revenues

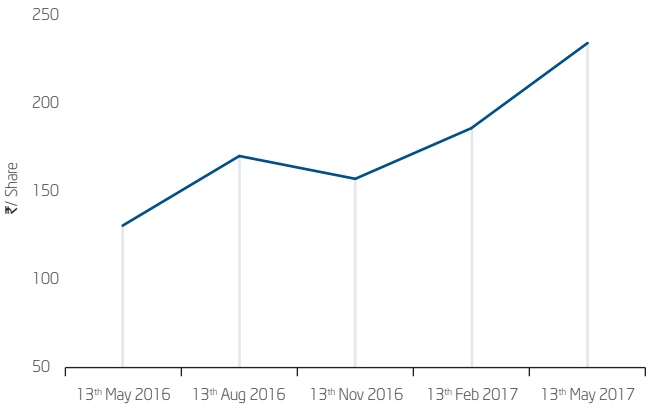


LIGHTING PRODUCTS
28.3 %

ELECTRICAL CONSUMER DURABLES
71.7 %



Mr. Shantanu Khosla ringing the ceremonial gong at NSE during the Company's listing on National stock Exchange on 13th May, 2016



BSE Symbol: 539876
Reuters: CROP.BO

NSE Symbol: CROMPTON
Bloomberg Code: CRG:IN

Share price movement in ₹ from 13th May 2016 to 13th May 2017



Annual General Meeting of Crompton held on 11th August, 2016 at Manik Sabhagriha Auditorium, IES Campus, Bandra, Mumbai. From left to right are: Mr. P. M. Murty, Ms. Pragya Kaul, Mr. Shantanu Khosla, Mr. D. Sundaram and Mr. H.M. Nerurkar

Chairman's Message



Mr. H.M. Nerurkar
Chairman

Dear Shareholders,
Greetings from Crompton!

The last year was the first completed year of operations, post demerger, for Crompton. Your Company was listed on 13th May, 2016. A new board, comprising of many eminent personalities in relevant domains, has been constituted to guide the Company forward. In the year under consideration, your company grew its topline by 11% and comparable operating earnings at, a faster rate of, 26%.

The year under review has been good for Indian economy as a whole, despite the temporary setback of 'demonetisation' in the second half of the year, which did impact most sectors. Lower crude oil prices and good farm output have kept inflation under control. This has been augmented by a relatively strong rupee, on back of high FDI and portfolio inflows. Higher rural demand, with a good monsoon, and improved consumer sentiment on back of improving macro conditions augur well for the future. The transition to GST in the coming year will further boost business sentiment and operating environment. However, such a major change could result in temporary business disruption during migration.

While domestic private investment has remained weak due to debt overhang, the government has stepped up investment in infrastructure projects related to electrification and connectivity, leading to road, rail and ports development. While construction sector growth is subdued, government push for affordable housing can help bridge the gap in the interim. Multiple smart city projects have been initiated, which will help improve city infrastructure as well as create pockets for wider replication.

These programs create new and unique opportunities for our sector, especially in the emerging trends of energy efficiency and connected products. Energy efficiency in particular has emerged as an important theme in the sector with sharp penetration of LED lighting. This was led by a higher consumer demand for energy efficient products and government enablement on supply side by EESL programs. This trend will extend over a wider portfolio of Crompton's products, as the technology and enabling environment develops.

With the current and impending changes in mind, your Company has identified five levers to take the Company to its aspired position. These are Brand Excellence, Portfolio Excellence, Go-to-market Excellence, Operational Excellence and Organisational Excellence. Some of the actions taken during the year under review were:

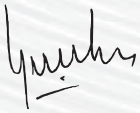
- Crompton ran an innovative and sustained brand campaign, achieving the targeted outcome in brand awareness improvement. This was first such campaign in the recent history of Crompton and is a seed for sustaining long term growth.
- Many innovative products were developed to improve value proposition to the consumer. These include making fan usage and maintenance convenient with first-of-their-kind temperature-sensing and anti-dust fans, best price proposition while maintaining highest Lumens per Watt output among the peers, value added features in Battens and an industry pioneering mini air-cooler.

Energy efficiency in particular has emerged as an important theme in the sector with sharp penetration of LED lighting

- The Company ran a 'Go-to-market' program to enhance shopper experience by improving product availability and visibility. A pilot program with focused approach was run in Lighting segment in South India. This resulted in significant gains in top-line as well as positive feedback from the customers. In coming year, the management looks to replicate this success across all geographies and in other product lines.
- Operational improvement focused on realising higher efficiencies in operations, strengthening the supply chain and supporting IT system for better customer service.
- The Company has instituted programs for higher employee engagement and development thus striving to keep raising the performance standard. This will help generate value on process and market side and is an investment for sustained growth of the Company.

I am proud of the progress the Company has made in its commitments made to you last year. The five strategic levers will continue to be the guiding path in continuous striving for delivering better returns to all the stakeholders.

Yours sincerely,



H. M. Nerurkar
Chairman

Brand Excellence

To increase awareness across its Target Group (TG), the Company ensured that brand Crompton, with its various offerings, is present in the media, round the year.

The year started with TV advertisements aimed towards increasing awareness of two leading categories, Fans and LED Bulbs. Having done that, the Company created feature based ads like Anti-Dust Fans and affordability of LED Lights.

While the above were present in television media through various channels across India and the cricket series, Pumps advertisements were launched in regional print media to establish its core positioning.

With the onset of summers towards the end of the year, the Company launched regional print campaigns for Air Coolers and base model Fans.

The Company also initiated actions for improving its visibility at the point of purchase through 'In-shop Branding', along with building the brand through media.

Fans

Fans Brand Equity TVC





A still from anti-dust TVC



Fans print campaign

Lights

Lighting Brand Equity TVC





A still from LED TVC

Appliances

Air coolers print campaign



Pumps

Agricultural pumps print campaign





Residential pumps print campaign

In-shop branding











Portfolio Excellence

Bliss Instant Water Heater



Bliss water heater has the latest multi-functional safety valve for higher safety. It has a stainless steel weld-less tank and copper element. Bliss is suitable for high rise buildings owing to its 6.5 Bar pressure. Rust-free ABS body further enhances the product durability.

Cozie Air Coolers



Cozie is uniquely designed squarical shaped compact air-cooler with a 34-litre tank capacity. It has a honeycomb cooling medium for better cooling. Cozie has fully closed louvers for mosquito protection. It has 5 castor wheels for easy mobility and it comes with a remote control for ease of use.

Anti-dust Fan

Anti-dust fan is based on a breakthrough coating technology and is first of its kind in the Indian Fans industry. Anti Dust ceiling fans attract 50% less dust compared to any regular fan. It comes with a nanotechnology based paint which has hydrophobic and oleophobic properties that reduces the incidence of dust and grime on the fan. This product addresses the hassle and discomfort that consumers experience in keeping their ceiling fans clean.





Higher Wattage LED Floodlight with High Efficacy – 250/300/350W

This LED Floodlight luminaire comprises of die cast aluminium housing and toughened glass. These are suitable for replacement of conventional 2 x 400W sodium vapour/metal halide floodlights, whereby 50% of energy can be saved. These high wattage floodlights are suitable for lighting of large area like railway yards, ports, plant surroundings or public places.



LSTP Range LED Streetlight – 25/30/36/40/45/60/72/90/100/120W

This compact and sleek LED streetlight luminaire comprises of die cast aluminium housing and toughened glass. The wide range of wattages makes LSTP streetlights a value for money solution for new installations as well as replacement of conventional lighting installations.



Power Ray - 18W dimmable batten

Power Ray Batten is a unique LED batten which gives 4 steps of lighting levels for the convenience of the consumers. It has got 4 steps of dimming through the same switch from 18W to 2W (i.e. 18W, 12W, 4W and 2W). This is an optimal solution of energy saving through LED batten.

Single Pump Booster-IPCHM

Single pump booster – IPCHM is a noiseless pump (less than 60Db) with intelligent pressure-setting controller and automatic ON/OFF as per faucet OPEN/CLOSE. Equipped with Y Strainer for dirt protection with inbuilt dry running and excessive start-stop protection. The impeller and diffuser are made up of SS304 and all cast Iron parts are coated with anti-rust CED coating. Suitable for warm water pressure boosting
(Max pressure 5.5 Bar, max Temp of water 90°C.)





Pressure Washing Pump - CPW

Pressure washing pump – CPW is a high pressure (upto 110 Bar), water-efficient pump for effective cleaning with automatic start/stop during washing. It has an inbuilt dry running protection with an arrangement for using soap solution while cleaning.



100 mm SS Borewell Submersible pump - 4VOSS

4VOSS is a fully Stainless Steel construction-designed pump for better durability, higher efficiency, lower maintenance and longer life. It comes with an oil filled motor that consumes less oil and is economical as compared to other motors.

"Go To Market" Excellence





Mobile vans for promotion of Crompton agricultural pumps in the rural markets







Technician Training programs





Exclusive Crompton pumps showroom displaying the entire range of pumps under one roof





Channel partners' meet



Crompton products on display at ITC chaupal sagar, a rural marketing initiative

Market Blitz









This marketing initiative is aimed at reaching out to retail outlets and showcasing new product offerings. This has resulted into high brand awareness and product visibility across the country.



LED poster depicting the increased affordability of LED lighting due to steep reduction of LED prices.



Anti-dust Fan poster demonstrating dust repellence









Excited with the success of lighting "Market Blitz", Crompton Fans launched its revolutionary new product 'Anti-dust' Fans in a similar mega market blitz across the country, which took the market by storm. Anti-dust fans became a talking point in the market soon after the launch.

Operational Excellence

Pumps-Superbrand

Crompton pumps has been proudly selected as a 'Superbrand' by Business Superbrands India. This eminent recognition of powerful brand is a proof of Crompton pumps being able to cater to its valued customers through efficient and technologically superior products, solutions and services.

Fans - NECA Award



Crompton Fans has been awarded National Energy Conservation Award. Crompton Fans bagged the first prize in this category for the last three consecutive years.

Lighting - Frost and Sullivan's award



Crompton lighting has been awarded as "Winner" in Frost and Sullivan's PERP competition under Operational Excellence Leadership category in the Manufacturing sector at All India level.

Lighting – NECA award



National Energy Conservation Award - 2016, Lighting Division - Baroda bagged the second prize in the category of Tubular Fluorescent Lamps.

Landmark Installations



High wattage, high lumen LED Street lighting at Pokhran road no.1, Thane



Narmada Bridge Street lighting, Bharuch, Gujarat



Facade lighting at Chaukhandi Sarnath



Lighting at Lal Qila Metro, Delhi



LED down lighters at Vidhan Bhavan, Nagpur



Commercial lighting at Shri Vallabh Pittie Group, Rajasthan

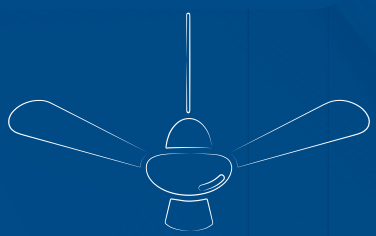
Organisational Excellence

Integrity, transparency and empathy are the foundation of Crompton's behaviour framework. The Company is driving the Key Enablers of personal leadership, courage, people development, innovation and execution excellence, which will help in achieving consumer, employee and stakeholder delight.

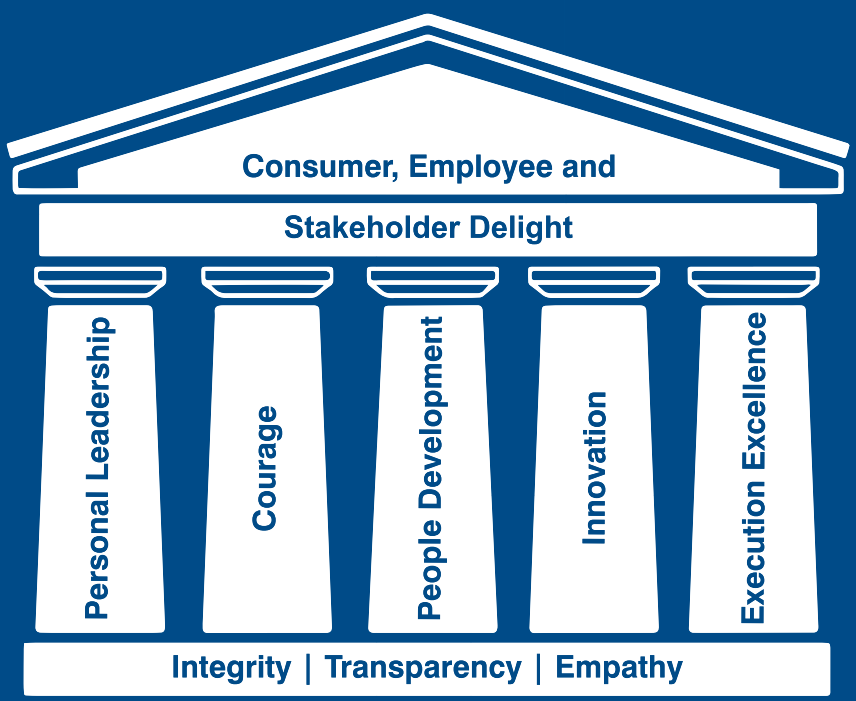








Crompton

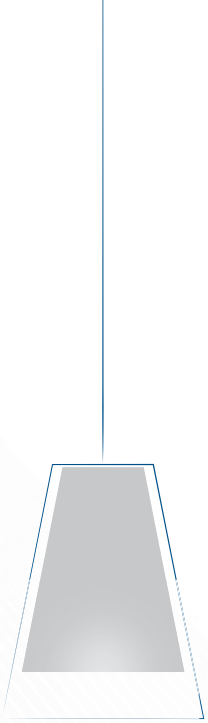


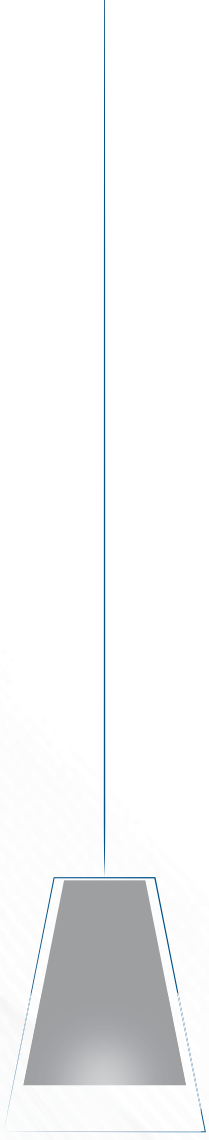
The Objective
For what we exist

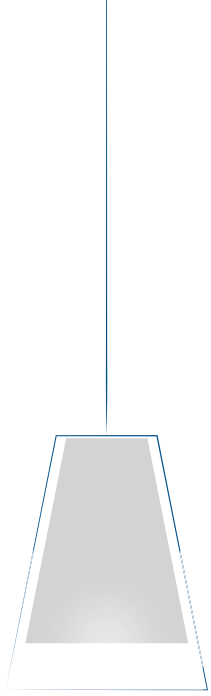
The Enablers
What we will drive

The Fundamentals
What we are all about

Crompton Behaviour Framework







Financial Statements 73 - 112

Independent Auditor's Report 73

Balance Sheet 80

Statement of Profit and Loss 81

Cash Flow Statement 82

Notes to the Financial Statements 84

Statutory Reports 19 - 72

Management Discussion & Analysis 19

Board Report & Annexure 24

Corporate Governance Report & Annexure 48

Corporate Governance Certificate 63

Certificate by MD & CFO 64

Business Responsibility Report 65

Corporate Information

BOARD OF DIRECTORS

Mr. H. M. Nerurkar

Chairman and Independent Director

Mr. Shantanu Khosla

Managing Director

Mr. D. Sundaram

Independent Director

Mr. P. M. Murty

Independent Director

Ms. Shweta Jalan

Non-Executive Director

Mr. Sahil Dalal

Non-Executive Director

Mr. Ravi Narain

Non-Executive Director

Mr. Promeet Ghosh

Non-Executive Director

CHIEF EXECUTIVE OFFICER

Mr. Mathew Job

CHIEF FINANCIAL OFFICER

Mr. Sandeep Batra

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Pragya Kaul (From 19th May, 2016)

STATUTORY AUDITORS

Sharp & Tannan, Chartered Accountants

SECRETARIAL AUDITORS

Mehta & Mehta, Company Secretaries

INTERNAL AUDITORS

Grant Thornton India LLP

REGISTERED AND CORPORATE OFFICE

Tower 3, 1st Floor, East Wing,
Equinox Business Park, LBS Marg,
Kurla (West) ,
Mumbai- 400 070

BANKERS

ICICI Bank
Standard Chartered Bank
IDFC Bank
Corporation Bank
Citibank N. A.

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B,
Plot No 31 & 32, Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500 032

DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai- 400 001.

Management Discussion & Analysis (MDA)

The year under review was the first full year of operations for the Company, post demerger. All the post-demerger activities, including issuance of shares and their listing, were seamlessly completed.

Last year, the strategy for the Company was outlined. The five pillars of this strategy are Brand excellence, Portfolio excellence, Go to Market (GTM) excellence, Operational excellence and Organisational excellence. In 2016-17 the focus was on execution of various elements of the strategy, allocating required resources, instituting review mechanisms and defining success metrics. Performance on various elements has largely been on track and validates the choices made in drawing up the strategy.

During the year, sales on a comparable basis grew by 10.8% and operating profit grew by 22.1%. For past financials the segmental information published by Crompton Greaves Ltd. (Now known as CG Power & Industrial Solutions Ltd.) has been used for comparison.

Industry Structure and Developments

Two reportable segments for the Company have been identified – Electrical Consumer Durables and Lighting.

Electrical Consumer Durables:

This segment comprises the product categories of fans, pumps and appliances.

Fans:

Based on end-use, fans industry is classified as residential and industrial. Residential fans are further classified into ceiling fans, table, wall, pedestal fans "TPW" and exhaust fans.

The government's electrification programs and construction sector growth are the two key drivers for the market. Electrification schemes in both rural and urban areas, enabled by Integrated Power Development Scheme "IPDS" and Deendayal Upadhyaya Gram Jyoti Yojana "DDUGJY" schemes, have progressed at steady pace. However, construction sector growth remained challenged last year. The Sardar Patel Urban Housing Mission "SPUHM" – a scheme for affordable housing has potential to provide impetus to new construction led growth.

Another emerging driver is the EESL financed procurement and incentivisation programs for energy efficient products – National Energy Efficient Fans Program "NEEFP" and Super-Efficient Equipment Program "SEEP". Additionally, the market has shown good acceptance towards premium lifestyle offerings which have led to premium fans growing at a rate above the overall trend for fans.

Pumps:

Based on end use, pumps are classified as residential, agricultural and commercial/ industrial.

Water shortages arising from depleting water tables and growing urbanisation are the key drivers for residential pumps. Growth in new house construction also has a direct bearing on market growth.

With over half the land under agriculture in India lacking proper irrigation facility, this will remain a strong driver for the agricultural pumps market. The government has announced energy efficiency programs in agricultural pumps through "National Pumpset energy efficiency: agriculture demand side management program" for Smart BEE star rated energy efficient pumps to be distributed to farmers.

Appliances:

The appliance category includes water heaters, air coolers, small kitchen appliances (including juicers, mixer grinders etc.), irons and power back-up systems. Higher urbanisation and increase in middle class population are the main drivers for this category. Product innovation and value added-products provide additional value creation opportunity. As the penetration levels for appliances increases, the market size will correspondingly increase.

Lighting:

Based on technology, Lighting can be classified into Light Emitting Diodes (LED) & conventional lighting. Conventional lighting comprises Fluorescent Lights (FTL and CFL), General Lighting Services (Incandescent bulb) and HID lights. The market has been witnessing an accelerated shift to LED. LED lighting has grown by 50% last year, replacing CFL and HID. This was enabled in a big way by government procurement,

through EESL programs, in LED lamps and streetlights. The cost improvements resulting from increased volumes were passed on to the EESL routed consumers as well as in direct market routes.

EESL programs have been extended to LED battens, with corresponding benefits of volume and cost improvement.

Multiple government programs are relevant for growth of this segment, especially for residential and outdoor applications. These include IPDS, DDUGJY, Unnat Jyoti for Affordable LEDs for All "UJALA" and Streetlight National Program "SLNP".

Segment Results and Performance:

Electrical Consumer Durables:

For the year ended 31st March, 2017, segment sales were ₹2,850.74 crores and EBIT was ₹ 494.55 crores. Net capital employed in the segment was ₹ 12.4 crores. Driving a focused cost reduction program across all categories, margins improved by 150 basis point over the comparable previous year.

Fans:

Crompton remains the market leader in fans and the only player in India to have sold over 1 crore fans annually for five consecutive years. A hot summer in 2016 complemented the Company's efforts in taking up the revenue in this segment.

Focus on value addition to consumers was reflected in the innovations introduced in the market. These include auto-temperature controlled fans and fans with anti-dust coating to reduce cleanliness hassles. The Anti-dust fans introduction was accompanied by a media campaign highlighting its utility and uniqueness. The innovations were well received in market, with sale of more than 4.5 lakh anti-dust fans post introduction in H2 of 2016-17.

Pumps:

Crompton is the market leader in residential pumps segment and enjoys a strong overall market presence.

Residential pumps performed well, with strong market growth in areas with monsoon shortfall.

The agricultural segment has been identified as a focus area for growth. Agricultural pumps posted double digit growth with strong in-market focus. Markets with a strong brand presence were identified as priority markets for agricultural pumps. The learnings will be replicated on a wider scale, going forward.

Over 200 models of Crompton pumps have BEE 4-star and 5-star certifications. Within the energy efficient segment, the Company has been able to bag a prestigious EESL order for 5-star borewell submersible pumps.

Appliances:

This comprises a range of products in four major categories: water heaters, air coolers, small appliances and power solutions.

Water heaters comprise a major part of the business. Gaps in product portfolio were filled and a comprehensive cost reduction program was undertaken to enable competitive pricing and improved margins.

Air coolers have shown a strong growth. Here the focus has been on providing an innovative portfolio to the market and carrying it to a wider array of shops through 'Go-to-market' initiatives. This category will remain to be a focus for new product development over the next financial year.

Lighting:

For the year ended 31st March, 2017, Lighting business generated sales of ₹1,125.16 crores and EBIT of ₹ 98.42 crores. Net capital employed in the business was ₹ 54.57 crores as of 31st March, 2017. A comprehensive cost reduction program resulted in benefits of around 5% of sales. However, bulk of this benefit was passed on to consumers in form of lower prices. The Company ran a 'Go-to-market' program to enhance shopper experience by improving product availability and visibility. This pilot was run in South India and is now being extended to other markets. This has resulted in significant gains in top-line and positive feedback from the trade.

The LED category has been the focus of product launches in the year, covering both cost improved as well as value-added segments. Prices for LED lamps came down further, on back of lower input costs. While volumes for lamps increased significantly, total revenue remains lower due to the steep reduction in selling price. This price reduction journey is largely complete for LED lamps and is mid-way for LED panels and battens.

LED lamps revenue tripled with trade volumes growing over 350% over the previous comparable year. LED Panels and Battens have doubled in value and more than 4 times in volume. The Company has also been an active supplier to EESL program with a total supply worth ₹ 77 crores.

Brand development:

The Crompton brand enjoys a long standing relationship with consumers, having strong emphasis on quality and reliability. To continue this trust across generations, the Company decided to invest in communicating the message targeted to the young consumers, in a language that they can relate with. With this objective, a brand campaign was carried out across media channels, with a tagline "Let's hangout Ghar pe". The objective of improving brand awareness was delivered with this campaign. As the campaign progressed, advertisements highlighting specific product benefits were brought out i.e. anti-dust fans and low cost LED lighting.

After-Sales Service:

With an endeavour to give 'best-in-class' after-sales service, the Company has over 500 service franchises with pan-India presence. Along with increasing service network coverage, the focus has been on faster resolution of service requests with over 90% of service requests being resolved within 48 hours. A nationwide customer care toll free number and service request facility through a link on the Company website have given easy accessibility to register a service request. To boost consumer confidence, over 150 free service camps were conducted last year.

Modern retail:

In modern retail, the emphasis has been on establishing strong visibility at stores. In order to increase secondary sales and deliver consistent brand experience, focus has been on maximising shelf space, branding at the stores and educating customers about the benefits of products. Crompton has expanded presence to ~1100 stores across formats.

E-commerce has emerged as a strong channel for retailing in the Indian market. Increased internet penetration through availability of broadband has increased the convenience and influenced the level of engagement through diverse and interactive activities like online shopping, social networking, integration through mobile apps, instant feedback, access to price comparison. The Company is present on all the major online platforms selling fans, LED lighting, especially LED lamps and appliances like water heaters, mixer grinders, irons and air coolers. Many Stock Keeping Units (SKUs) among these products are leading the category as best sellers on the platform.

The Company has also developed exclusive online brand outlets on multiple e-commerce sites – Flipkart, Amazon, Snapdeal and Paytm. Last year the Company launched its own online brand store at www.cromptonstore.com where the entire portfolio of Crompton products is on offer, with the convenience of getting them home delivered anywhere in India. This is part of effort to create an omni-channel approach that provides the customer with an integrated shopping experience.

Cost reduction:

Efficiency in operations is a key component of the Company's strategic objectives. Detailed analysis of the spending helped to identify opportunities to save costs in material and overhead spending. Backed by relentless execution focus, there was a substantial reduction in costs, with part of the benefits getting translated into lower prices, especially in LED lighting products, and part of the benefits getting retained.

IT system:

In 2016-17, the Company successfully transitioned its IT operations to a new ERP system. IT system forms the backbone and enabler for any long term strategy of the organisation. With this understanding, the ERP was redesigned towards higher synchronisation with desired business model and core initiatives. The focus in the coming year will be to leverage this backbone for automation of sales and supply chain processes.

Opportunities:

Changes in technology, implementation of Goods and Services Tax(GST), government drive towards energy efficient products and changing consumer preferences are the main opportunity generators for the Company. The strategy targets to tap into these opportunities.

1. **Technology upgrade:** Market adoption for LED lighting was faster than initially expected. Multiple factors contributed to this change: Investment by companies in product development and subsequent cost improvement, an enabling policy environment and consumer preference & awareness towards the change. Developing a workable value proposition towards some of the incipient technology changes e.g. BLDC fans, Solar pumps etc. can be a big value driver.

2. **GST:** With imminent implementation of this new tax-regime, business models in the industry are set to change. Several broad contours of benefits are clear. Firstly, this will enable companies to garner higher efficiencies in supply chain as impediments to movement of goods are reduced. Secondly, this will remove some of the advantages enjoyed by unorganised segments of market and increase the overall share of organised players

3. **Government programs:** Government has stepped-in in a big way as demand aggregator for energy efficient products. These include fans - "SEEP" and "NEEFP", LED lighting - "UJALA" and "SLNP" and pumps "NEEAP". The assurance of large volumes helps companies to focus on product development and cost improvement, leading to a win-win proposition for consumers and sellers. Continued focus on infrastructure spending will be an impetus for streetlighting and outdoor lighting markets. Additionally, government push for smart city and affordable housing programs will provide boost to new product development as well as market for existing products.

4. **Premium and differentiated products:** Improving lifestyles have resulted in larger number of consumers looking beyond basic product proposition. This creates potential for value-added products. Given the competitive scenario, this will require developing genuine product propositions and differentiating them in the market.

Threats:

Many of these opportunities present themselves as potential threats as well. They also pose a risk to the existing model of business.

1. **Technology induced obsolescence:** Multiple segments of the business are looking at potential technology induced disruption. To take advantage of this, the Company is looking to lead the technology change either by developing technology in-house or partnering with available technology solution companies.

2. **Transition to GST:** While GST should be beneficial for the economy in the long run, some uncertainty is bound to be experienced in the transition period. In particular, GST compliant IT infrastructure has to be developed across the value chain, with its associated investment and disruptions.

3. **Increased competition:** Increase in competition in areas of our strength will remain a significant business risk. Excess manufacturing capacity in China where growth is flagging can result in pricing pressure in our markets from cheap imports. The key will be to maintain the connect with consumer and to add on to our offerings.

Risk mitigation:

Disruptive technology changes, raw material price change and potential supply chain disruptions have been identified as the main sources of risk for the coming year.

The Company has tried to keep abreast of technology change on cusp of commercialisation. This involves developing product propositions and proof-of-concept for important technologies. This is crucial for keeping a head-start towards timely and profitable entry into the market. A flexible and asset-light supply chain helps in further improving the options on technology launch.

Major commodity inputs such as copper, aluminium and steel have shown a sharp price increase towards the end of 2016-17. This has been managed by partly absorbing it with corresponding cost improvement and in part by passing the price change to the market. This will continue to be the approach, going forward.

The Company has done a detailed study on the impact of GST and is working with all the partners on the potential impact as well as steps to minimise any potential disruption when GST is implemented. The end-to-end supply chain is being realigned for optimisation under the new tax regime, which will ensure better availability and service to customers.

Outlook:

The economy has been able to weather the demonetisation shock, as reflected by the headline economic growth numbers for different sectors. Overall the economy remains stable with all major indicators in good health. The economic growth is stable, inflation is within bounds, the country experienced a good monsoon and consumer sentiment is returning back to normal.

The outlook is positive for all of Company's portfolio – Electrical consumer durables and Lighting. One missing link for the market is construction sector growth which remains challenged. As government is expected to keep up its investment in infrastructure, segments like streetlights and highway lights are expected to keep performing strongly.

LED technology will continue to account for increasing share of revenue within the Lighting segment. While LED lamps cost is now on par with comparable CFLs, LED battens and panels are progressing along the same lines and will account for a higher share of volume growth in 2017-18. The pricing of these products in a competitive market will have a bearing on the growth of the overall lighting market.

Energy efficiency is emerging as an important theme in various other product groups as well – fans, pumps, coolers and geysers. Here a higher upfront cost is made-up by lower life-time running costs. Having experienced the benefits across white-goods and brown goods, consumers are showing a higher demand for such products. Policy environment is enabling this change in two ways. First, by increasing the scope of BEE star-labelling and hence enabling differentiation in market. Second, by demand-side management programs for higher efficiencies and assured volumes of energy efficient products.

Communication technology has opened up the possibility of vast application in field of connected devices. The Company's experience as an early provider of such solutions is that the benefits are well defined and more pronounced in larger scale commercial settings. As the space for home automation develops, market will open up, provided effective collaborators emerge. In mid-term, this market will be restricted to the relatively premium-end.

Maintaining a connect with a consumer armed with more information and greater choice will depend on closely aligning brand promise with actual delivery in product performance and service. Crompton's reputation of trust and reliability, developed over the years, is a solid basis to communicate its value in improving in-house experience. The Company will have to make sure that the products reach as close to customer's doorstep as possible and have the right value proposition to differentiate in the crowded space.

All these changes require improved supply chain processes. The leading edge solutions are relying increasing on information technology for transparency across supply. The upcoming GST introduction has provided an opportunity to extract maximum benefit out of this restructuring, making it possible to improve costs with better customer service. The Company is doing a thorough analysis of operations for improvements to keep in step with the market expectations.

The performance in future will depend on how well the multiple waves of change are ridden. Winning strategies will involve identifying the essential capabilities to be developed while maintaining flexibility against unexpected changes and uncertain timelines. The Company's experience in delivering strong performance with relatively low investments is ideally suited for the ensuing market developments.

Cautionary Statement

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

Board Report

Dear Shareholders,

Your Directors are pleased to present the Third Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2017.

FINANCIALS:

The table below depicts the financial performance of your Company for the year ended 31st March, 2017.

₹ in crores

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016*
Sales/Income from operations (Net of excise duty)	3,975.90	1,811.68
Total income	3,995.40	1,815.53
Profit before Exceptional Items and Tax	433.14	171.61
Exceptional Items	2.52	13.93
Profit before Tax	430.62	157.68
Tax expenses (including deferred Tax)	139.93	52.49
Profit after Tax	290.69	105.19

* The financials for 2015-16 reflect the business performance from 1st October, 2015 (appointed date for demerger) to 31st March, 2016.

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Revenue grew 10.8 % to ₹ 3975.90 crores. Operating Profit (PBIT before Corporate expenses and Exceptional Items) at ₹ 592.97 crores was up by 21.9 % versus last year. As mentioned in the MDA, for comparison purposes we have considered the segment profit reported by Crompton Greaves Ltd. (Now known as CG Power & Industrial Solutions Ltd.) for the period 1st April, 2015 to 30th September, 2015.

Finance costs of ₹ 66.53 crores represent the interest cost on the Non Convertible Debentures of ₹ 650 crores and the interest paid on the term loan from 1st April, 2016 to 24th June, 2016 (the date of the repayment of the loan).

Expenses of ₹ 2.52 crores incurred for the demerger have been classified as Exceptional Item.

Profit Before Tax "PBT" was ₹ 430.62 crores and Profit After Tax "PAT" was ₹ 290.69 crores. PBT margin was 10.8 % and PAT margin was 7.3%.

DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 1.50 per Ordinary (Equity) Share of the face value of ₹ 2 each, payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. The equity dividend outgo, inclusive of tax on distributed profits would absorb a sum of ₹ 113.15 crores.

The Company has approved a Dividend Distribution Policy and the same is available on the website of the Company.

RESERVES:

Under the Companies Act, 2013, there is no requirement to transfer any sum to General Reserve in relation to the payment of dividend. Accordingly, the entire undistributed Profit after Tax is carried forward in the Profit and Loss Account.

NON CONVERTIBLE DEBENTURES:

During the year under review, your Company issued Non Convertible Debentures (NCDs) aggregating to ₹ 650 crores on private placement basis. These debentures are listed on Debt Segment of National Stock Exchange of India Ltd. The proceeds of Non Convertible Debentures were used for repaying the Company's term loan.

TERM LOAN:

The Company repaid on 24th June, 2016 the entire term loan outstanding of ₹ 608.26 crores by using the proceeds from the NCD issue. This resulted in reduction in interest costs by approximately ₹ 8.50 crores p.a.

REGISTERED OFFICE:

Your Company shifted its registered office to "Tower 3, 1st Floor, East Wing, Equinox Business Park, LBS Marg, Kurla (West), Mumbai – 400 070" with effect from 1st December, 2016.

EMPLOYEE STOCK OPTIONS:

The Members of the Company approved grant of options to eligible employees of the Company, vide special resolution passed by the members through a Postal Ballot on 22nd October, 2016, under the following plans:

1. Employee Stock Option Plan 2016 (ESOP 2016)
2. Performance Share Plan - 1 2016 (PSP 1)
3. Performance Share Plan - 2 2016 (PSP 2)

The applicable disclosures as stipulated under SEBI (Share Based Employee Benefits) Regulations, 2014 are provided in Annexure 1 to this report.

CHANGES IN PROMOTERS:

During the year under review, Avantha Holdings Limited, the erstwhile promoters transferred its entire shareholding of 21,54,42,496 shares, aggregating to 34.38% of the paid up capital of the Company to Amalfiaco Ltd. "Amalfiaco" (Special Purpose Vehicle managed by Advent International Corporation, USA) and MacRitchie Investments Pte Ltd. "MacRitchie" (wholly owned subsidiary of Temasek Holdings (Pvt) Ltd). Amalfiaco was transferred 14,00,37,623 equity shares and MacRitchie was transferred 7,54,04,873 equity shares of your Company.

MacRitchie is a person acting in concert with Amalfiaco and Nirsinia Ltd. MacRitchie has entered into an Inter se Agreement dated 23rd April, 2015 with Amalfiaco and Nirsinia ("Inter-Se Agreement"). Pursuant to the said Agreement, MacRitchie does not have control rights and will not be exercising control over your Company.

The present promoters of your Company are Amalfiaco Ltd. and Nirsinia Ltd.

National Stock Exchange of India Ltd. and BSE Ltd. vide their letters dated 24th November, 2016 and 28th November, 2016, respectively have approved the re-classification of Promoters.

HUMAN RESOURCES & EMPLOYEE RELATIONS:

All leadership team and most other key positions are now fully staffed. The strategy is to develop talent from within organisation, with selective external hires. With a view to promote this strategy, a series of initiatives were launched to establish robust career development and leadership development processes. In line with the strategic business priorities, key development interventions to enhance customer and consumer focus were also executed. This included training the front-end sales team towards active Go To Market (GTM) pursuit.

Based on the feedback from the Employee Engagement survey, a series of interventions were undertaken to enhance engagement levels in the area of rewards and recognition, employee communication and performance management. A revamped performance-appraisal process was launched. The Crompton Employee Behaviour framework was also rolled out during the year to identify the competencies necessary to succeed.

The overall employee relations scenario remained stable and productive with key long-term settlements getting concluded.

The Baroda Plant signed a settlement with the internal workers union for a period of 5 years effective from 1st March, 2017. This settlement has established a benchmark practice in the region cum Industry being a 5-year tenure whereas most of the other organisations are on 3 to 4 year settlement tenures. The settlement was signed within a week of the expiry of the existing settlement.

As of 31st March, 2017 the employee strength was 1616.

DIRECTORATE & KEY MANAGERIAL PERSONNEL:

The appointment and remuneration of Directors is governed by the Nomination and Remuneration Policy of the Company which also contains the criteria for determining qualifications, positive attributes and independence of Directors. The detailed Nomination and Remuneration Policy is contained in the Corporate Governance section of the Annual Report.

The Company's Board comprises eight members. The Chairman, Mr. H. M. Nerurkar is an Independent Director. Mr. Shantanu Khosla is the Managing Director. Mr. D. Sundaram and Mr. P. M. Murty are Independent Directors. Ms. Shweta Jalan, Mr. Sahil Dalal, Mr. Ravi Narain and Mr. Promeet Ghosh are Non-Executive Directors.

On 16th August, 2016, the Board was expanded and Ms. Shweta Jalan, Mr. Sahil Dalal, Mr. Ravi Narain and Mr. Promeet Ghosh were appointed as Additional Directors. Mr. H. M. Nerurkar was appointed as the Chairman of the Board on 25th October, 2016.

As per section 161 of the Companies Act, 2013 Ms. Shweta Jalan, Mr. Sahil Dalal, Mr. Ravi Narain and Mr. Promeet Ghosh being Additional Directors hold office upto the date of the ensuing Annual General Meeting (AGM) and are eligible to be appointed as Directors of the Company. The Company has received notices in writing from members along with the deposit of requisite amount under section 160 of the Act proposing their candidature. The resolutions seeking their appointment have been included in the Notice of the Annual General Meeting together with their brief details as required

under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings.

Ms. Sonia N. Das resigned from the Board w.e.f. 16th August, 2016. The Board places on record their appreciation of the valuable advice and guidance given by Ms. Sonia N. Das while she was a Director of the Company.

As per section 152(6) of the Companies Act, 2013 (the "Act"), two-thirds of the total number of Directors of a public company shall be persons whose period of office is liable to determination by retirement by rotation. One-third of such of the Directors for the time being liable to retire by rotation shall retire from office at every Annual General Meeting. The Directors who retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment. For the purpose of this provision, the total number of Directors shall exclude Independent Directors and Additional Directors. Therefore, Mr. Shantanu Khosla, Managing Director, being longest in office shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

All Independent Directors have submitted declarations that they continue to meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 read with the rules thereof.

Mr. Sandeep Batra resigned as Company Secretary and Compliance Officer on 18th May, 2016 and continues to be the Chief Financial Officer. Ms. Pragya Kaul was appointed as Company Secretary and Compliance Officer with effect from 19th May, 2016.

The Board of Directors met eight (08) times during the year 2016-17. The details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report.

The Board has established Committees as a matter of good corporate governance practice and as per the requirements of the Companies Act, 2013. The Committees are Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship & Share Transfer Committee. The composition, terms of reference, number of meetings held and business transacted by the Committees is given in the Corporate Governance Report.

BOARD EVALUATION:

The Board of Directors of the Company has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors. This exercise was carried out through structured questionnaires prepared separately for Board, Committee and Individual Directors. Individual and peer assessment of Directors was done based on parameters such as knowledge, contribution, level of engagement, communication/ relationship with Board and Senior Management. These assessments were received by the Chairman of the Nomination and Remuneration Committee of the Company for providing individual feedback. The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board functioning such as adequacy of the composition of the Board, reporting process, risk management systems, external relationships, ethics and governance framework. Committee performance's were evaluated on the basis of its composition, effectiveness in carrying out its mandate, relevance of its recommendations and allocation of adequate time to fulfill its mandate.

The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and Board Members at their Meetings held on 26th May, 2017.

The performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole were carried out by the Independent Directors in their Meeting held on 28th December, 2016.

The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The Directors have expressed their satisfaction with the evaluation process and its result.

FAMILIARISATION PROGRAMME:

The Company has put in place an induction and familiarisation programme for all its Directors including the Independent Directors.

The familiarisation programme for Independent Directors is in accordance with the provisions of Regulation 46(2) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is uploaded on the website of the Company.

SUBSIDIARY COMPANIES, ASSOCIATES & JOINT VENTURES:

Your Company has no subsidiaries, associates and joint ventures.

RELATED PARTY TRANSACTIONS:

All contracts or arrangements or transactions with related parties were at arms' length basis. There were no material contracts or arrangements or transactions with related parties, therefore Form AOC-2 does not form part of this report.

Policy on Materiality of and dealing with Related Party Transaction of the Company is available on the website of the Company and can be accessed at the web link: www.crompton.co.in .

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no Loans, Guarantees and Investments made by the Company under section 186 of the Companies Act, 2013.

RISK MANAGEMENT:

A Risk Management policy has been developed and implemented by the Company for identification of risk elements, which in the opinion of the Board may threaten the existence of the Company. The key elements of the Company's risk management framework have been captured in the risk management policy which details the process for identifying, escalating, prioritizing, mitigating and monitoring key risk events and action plans. The assessment of the risks covers business risks, operational risks, physical risks, regulatory risks, fraud risks, people risk, information risk and IPR risk. There are appropriate assurance and monitoring mechanisms in place to monitor the effectiveness of the risk management framework including the mitigation plans identified by the Management for key risks identified through the risk management exercise.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a well placed, proper and adequate Internal Financial Control "IFC" system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company's policies and standard operating procedures, supplemented by internal audit checks from Grant Thornton, the internal auditors of the Company. During the year, the internal auditors have been engaged for providing assistance in reviewing and testing the IFC framework.

To ensure effective Internal Financial Controls the Company has laid down the following measures:

- All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- Approval of all transactions is ensured through a preapproved Rules of Procedure (ROP) Schedule. ROP is reviewed periodically by the management and compliance of ROP is regularly checked and monitored by the auditors.
- The Company follows a robust internal audit process:
  - Management/Strategic/Proprietary audits are conducted on regular basis throughout the year as per agreed audit plan.
  - The Audit Reports for the above audits are compiled and submitted to Audit Committee for review and necessary action.
- The Company's Books of Accounts are maintained in SAP and transactions are executed through SAP (ERP) setups to ensure correctness/ effectiveness of all transactions, integrity and reliability of reporting.
- The Company has a robust mechanism of building budgets at an integrated cross- functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required.
- The Company has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.
- Compliance of secretarial functions is ensured by way of secretarial audit.

RESEARCH AND DEVELOPMENT:

Your Company has come out with India's first Anti dust ceiling fan with a special coating which helps to drastically reduce the deposition of dust on the fan. Since its launch in October, 2016 this product has gained encouraging acceptance from consumers and channel partners.

Research and Development efforts in Pumps were focused on developing energy efficient pumps for a variety of applications to enhance ease and convenience of use and conserve water. Some of the products introduced in the year were:

- Pressure pump booster "IP" series with an intelligent controller "Intellipress" to offer trouble free and noiseless performance while efficiently delivering constant high pressure water.
- High pressure washing pump "CPW" series with pressure up to 110 bars for high pressure applications like cleaning of car, bike, floor, building facade etc. This pump requires significantly less water as compared to alternate pumps.
- An automatic, compact, noiseless and light weight, inline circulating pump ("CIL") series for localized pressure boosting applications for shower, washing machine, geyser, solar water heater applications.

Research and Development efforts in Lighting were concentrated towards developing innovative products in LED consumer lighting using state of art design tools and techniques covering thermal, optical and electronics aspects. Some of the new products were:

- Colour changing LED lamps and battens which enable multiple light options as per the preference of the consumer.
- Dimmable battens
- High performance, aesthetic and energy efficient products with higher lumen in streetlight, floodlight and highbay series.

R&D efforts helped your Company in winning major orders for various prestigious projects like Delhi Metro, Bengaluru International Airport, Chennai Municipal Corporation and Tirumala Tirupati Devasathanam.

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

As required by the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the prescribed format as Annexure 2 to this Report.

ENVIRONMENT, HEALTH & SAFETY (EHS):

Your Company won the Frost and Sullivan's Project Evaluation & Recognition Program (PERP) award for Operational Excellence Leadership category in the Manufacturing sector for its Baroda Factory. Baroda Factory also won National Energy Conservation Award – 2016 in the category of Tubular Fluorescent Lamps.

Your Company has revised its EHS policy to reaffirm its commitment to environment, safety & health of all employees and stakeholders and to minimize adverse environmental impact from its activities.

The EHS Policy, inter alia, covers and ensures safety of public, employees, plant and equipment, ensures compliance and imparts training on safety and sustainability.

Each plant has displayed and communicated the EHS Policy to all its stakeholders. To eliminate/minimise unsafe acts, awareness amongst employees is being enhanced by imparting EHS related training. Work permit system, SOP and detailed work instructions are used to reduce operational risks. A focused safety initiative "Kavach" is being deployed across the Company.

At each plant location, annual events are organised and commemorated like Road Safety Week, National Safety Day/ Week and Safety Audits/Inspections. Safety culture is being demonstrated through "Safety Crusade", and "Waste to Wealth" programs in all manufacturing plants. Occupational health check-up of your Company's employees, associates and health-friendly sustainable activities are promoted as per the guidelines.

At Baroda factory, the utilisation of STP-ETP treated water increased by 10% compared to 2015-16, resulting in reduction of fresh water intake by 3%. The centralised STP water system also helped to reduce 300 KWH of power usage every month. Hazardous waste generation reduced by 37% over last year at Baroda.

Rain water harvesting was done at Ahmednagar plant for effective utilization of water collected from the office terrace and factory roofs. This water, after due filtering, is used for replenishment of underground tanks with the overflow being used to recharge nearby bore wells. 4 soak pits were dug up at different locations in the factory premises to recharge the ground water levels. Approximately 20 lakh litres of rain water harvesting was done under this project.

A fire hydrant system was installed at Unit 2 Baddi as a part of emergency preparedness for fire fighting.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company's commitment towards CSR initiatives endeavours to embrace responsibility for its corporate actions and achieve fruitful impact of its business actions not only on its stakeholders, but also the society at large.

2016-17 was the first full year of the operations of the Company post demerger. During the year the Company carried out a detailed assessment of the areas where the CSR activities should be focused so as to maximise societal good. Based on interactions with a wide cross section of stakeholders - internal and external – the Company has identified the following as the focus areas for its CSR activity(ies):-

a. Promoting education and vocational skills;
b. Projects for conservation of water.

Due to the time taken to finalise the priority areas, the Company was able to spend on CSR an amount of ₹ 0.10 crores which is 0.04% of PAT. In the current year the Company endeavours to increase the spending on CSR and be in line with the norms in this area.

Your Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2017, in accordance with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as Annexure 3.

GREEN INITIATIVES:

Electronic copies of the Annual Report and Notice of the 3rd Annual General Meeting will be sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the Notice and Annual Report will be sent in the permitted mode. [Members requiring physical copies can send a request to the Company]. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days, excluding Saturdays.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year of the Company i.e. 31st March, 2017 and the date of the Board Report.

COST AUDITORS:

Based on the recommendation of the Audit Committee, the Board had appointed Ashwin Solanki & Associates as Cost Auditors, for 2016-17 and 2017-18.

As required under the Act, the necessary resolution seeking member's ratification for the remuneration payable to the Cost Auditors is included in the notice convening the 3rd Annual General Meeting.

The Cost Audit report in respect of financial year 2016-17 will be filed within the due date.

SECRETARIAL AUDITORS:

Your Company has appointed Mehta and Mehta, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit for 2016-17 is annexed here with as Annexure 4 to the Report.

MATERIAL ORDERS OF REGULATORS/COURTS/TRIBUNALS:

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

SHARE REGISTRAR & TRANSFER AGENT:

Karvy Computershare Pvt. Ltd. ("Karvy"), a SEBI registered Registrar & Transfer Agent ("RTA") has been appointed as the Company's RTA for shares and NCD's. The contact details of Karvy are mentioned in the Report on Corporate Governance.

PUBLIC DEPOSITS:

No public deposits have been accepted by your Company during the year under review.

PARTICULARS OF EMPLOYEES:

The Company had seven employees who were in receipt of remuneration of not less than ₹ 1,02,00,000 if employed for the full year or not less than ₹ 8,50,000 per month if employed for any part of the year.

Disclosures with respect to the remuneration of Directors, KMPs and employees as per section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 5 to this Report. Your Directors affirm that the remuneration is as per the remuneration policy of the Company.

Details of employee remuneration as required under provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to members on request.

BUSINESS RESPONSIBILITY REPORT:

A Business Responsibility Report as per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, detailing the various initiatives taken by your Company on the environmental, social and governance front forms an integral part of this report.

COMPLAINTS RELATING TO SEXUAL HARASSMENT:

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

During the year under review, one complaint with allegations of sexual harassment was reported which was investigated by the committee (including an external member) as defined under the Policy and appropriate action was taken in the said case.

VIGIL MECHANISM:

Your Company has formulated a Vigil Mechanism and Whistle Blower Policy with a view to providing a mechanism for employees to report violations and assure them of the process that will be followed to address the reported violation. The Policy also lays down the procedures to be followed by Senior Management for tracking of complaints, giving feedback,

conducting investigations and taking disciplinary actions. It also provides assurances and guidelines on confidentiality of the reporting process and protection from reprisal to complainants. No personnel have been denied access to the Audit Committee.

Whistleblower Policy of the Company is available on the website of the Company and can be accessed at the web link: www.crompton.co.in .

AUDITORS:

The Company's Statutory Auditors, M/s. Sharp & Tannan, who were appointed at the 2nd Annual General Meeting of the Company, for a term of 5 (five) years hold office up to the conclusion of the Seventh Annual General Meeting, subject to the ratification by the Members at every Annual General Meeting. At the ensuing Annual General Meeting, their appointment is proposed to be ratified by the shareholders.

Your Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) for the time being in force), from M/s. Sharp & Tannan.

During the year no frauds have been reported by the auditors under sub-section (12) of Section 143 of the Companies Act, 2013 either to Audit Committee of the Company or to the Central Government.

LISTING:

The equity shares of your Company were listed on BSE Ltd. and National Stock Exchange of India Ltd. on 13th May, 2016. The Non Convertible Debentures of the Company were listed on the Debt Segment of National Stock Exchange of India Ltd on 30th June, 2016. The Company has paid the Listing fees for both the Stock Exchanges for the F.Y. 2017-18.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as Annexure 6.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors would like to assure the Members that the Financial Statements for the year under review conform in their entirety to the requirements of the Companies Act, 2013. Your Directors confirm that:

- the Annual Accounts have been prepared in conformity with the applicable Accounting Standards
- the Accounting Policies selected and applied on a consistent basis, give a true and fair view of the affairs of the Company and of the profit for 2016-17
- sufficient care has been taken that adequate accounting records have been maintained for safeguarding the assets of the Company; and for prevention and detection of fraud and other irregularities
- the Annual Accounts have been prepared on a going concern basis
- the internal financial controls laid down in the Company were adequate and operating effectively
- the systems devised to ensure compliance with the provisions of all applicable laws were adequate and operating effectively

ACKNOWLEDGEMENTS:

Your Directors wish to convey their gratitude and appreciation to all of the Company's employees at all its locations for their tremendous personal efforts as well as their collective dedication and contribution to the Company's performance.

The Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, government and all other business associates, consultants and all the stakeholders for their continued support extended to the Company and the Management.

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd.

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

ANNEXURE 1

DISCLOSURES IN COMPLIANCE WITH REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 ARE SET OUT BELOW:

Details of ESOP		Crompton Stock Option Plan 2016 (ESOP 2016)	Crompton Performance Share Plan 1 2016 (PSP 1)	Crompton Performance Share Plan 2 2016 (PSP 2)
1.	Description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including:			
a.	Date of shareholder's approval	22nd October, 2016	22nd October, 2016	22nd October, 2016
b.	Options granted during the year	30,00,000	1,09,68,057	31,33,731
c.	Pricing formula	Exercise Price per option is ₹ 186.60 (Being the closing market price on the day prior to the date on which the Nomination and Remuneration Committee approved the grant).	Exercise Price per Option is ₹ 92.83.	Exercise Price per Option is ₹ 185.66.
d.	Options vested as on 31.03.2017	Nil	Nil	Nil
e.	Options exercised and allotted during the year	Nil	Nil	Nil
f.	The total number of equity shares arising as a result of exercise of options	NA	NA	NA
g.	Options lapsed/forfeited / expired during the year	Nil	Nil	Nil
h.	Variation of terms of options during the year	Nil	Nil	Nil
i.	Money realised during the financial year 2016-2017 by exercise of options (nominal value)	Nil	Nil	Nil
j.	Total number of options outstanding at the end of the year	30,00,000	1,09,68,057	31,33,731
2.	Details of options granted to Employee:			
a.	Senior Managerial Personnel	Mr. K. Aher-1,50,000 options Mr. S. Abraham-1,50,000 options Mr. P. G. Bhat-1,50,000 options Mr. B. Chakraborty-1,50,000 options Mr. S. Mohanty-1,50,000 options Mr. R. Naik-1,50,000 options Mr. R. Sriram -1,50,000 options Mr. S. Mishra-1,50,000 options	Mr. S. Khosla- 47,00,596 options Mr. M. Job- 47,00,596 options Mr. S. Batra-15,66,865 options	Mr. S. Khosla- 31,33,731 options
3.	Any other employee receiving a grant in any one year of option amounting to 5% or more of option granted during that year	Nil	Nil	Nil

Details of ESOP	Crompton Stock Option Plan 2016 (ESOP 2016)	Crompton Performance Share Plan 1 2016 (PSP 1)	Crompton Performance Share Plan 2 2016 (PSP 2)
4. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	Mr. S. Khosla has been granted options under PSP1 and PSP 2 scheme in excess of 1% of the issued capital.	
5. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS 20 'Earning Per Share')	₹ 4.63		
6. Method used to account ESOPs	Intrinsic value method		
7. Difference, if any, between the employees compensation cost calculated using the intrinsic value of stock options and the employee compensation cost recognised if the fair value of the options had been used and the impact of this difference on profits and EPS of the Company	Impact on Profit: ₹ 11,18,34,672 Difference in EPS: ₹ 0.18		
8. Vesting Schedule/Requirements and maximum term of options granted	Options granted under ESOP 2016 would vest not earlier than one year and not later than five years from the date of grant of such Options.	Options granted under PSP -1 2016 would vest not earlier than one year and not later than ten years from the date of grant of such Options.	Options granted under PSP -2 2016 would vest not earlier than one year and not later than ten years from the date of grant of such Options.

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd.

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

ANNEXURE 2

Pursuant to Clause (m) of sub-section 3 of section 134 of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY:

(a) ENERGY CONSERVATION MEASURES TAKEN

As a manufacturer and seller of electrical goods your Company has a special responsibility towards energy conservation. This is reflected in our product development efforts and process upgrades. The Fans unit has been the winner of the National Energy Conservation Award continuously for last three years. This year, too, the Company has been awarded the Top Rank Award which is a special award given to those who have been ranked first continuously for three years.

Some of the activities carried out in the area of energy conservation were:

1. Reduction in per person power consumption by 5% by improvement in manufacturing process and water consumption by 10% at Baroda facility by using recycled water for gardening, plugging leaks and using closed circuit radiator system for cooling instead of conventional cooling towers.
2. Saving of 3000 KWH by introducing an energy efficient compressor with variable frequency drive for laser marking machine.
3. Reduction of natural gas consumption from 16200 M^3/Day to 15000 M^3/Day due to efficient thermal processes in lamp manufacturing.
4. Reduction of power consumption by 40% in CFL manufacturing process by redesigning lamp pumping process.
5. Replacement of all CFL bulbs in Bethora, Kundiam and Baddi plants with energy efficient LED bulbs.
6. Use of Solar power in canteen building in Bethora plant to reduce power consumption.

(b) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT:

NIL

B. TECHNOLOGY ABSORPTION:

The technology focus for the Company has been on process improvement for better quality, lower cost, new product development and import substitution. Some of the initiatives were:

1. Anti dust ceiling fan with a special coating was developed which helps to drastically reduce the deposition of dust on the fan.
2. Research in pump hydraulics using software for design and CFD (Computational Fluid Dynamics) simulations helped in developing 5 Star rated products with high energy efficiency over conventionally designed products.
3. In-house CFD analysis capability has been developed in pumps, which enables to predict fluid flow and heat transfer. This has reduced the design cycle by eliminating multiple prototype testing.
4. Anti rust Cathode Electro Deposition (CED) coating implemented in many of the submersible pumps which helps in keeping the pump rust free for longer time with increased reliability of the product. The Company has plans to introduce this feature in many more products.
5. "Controlite" a product for office conference rooms was enhanced by adding Blue Tooth Low Energy ("BLE") connectivity. This allows the customer to operate and select lighting modes through mobile phones.
6. The office lighting product was improved by providing in-built occupancy sensor, thus removing the need for an external sensor unit. This saves cost, space and reduces installation complexity.
7. New product series in luminaires were introduced with high performance, thermal, optics and electronics.

8. Introduced new solid mercury (Hg) pill dosing technology to reduce the mercury content in fluorescent tubelights in line with "Restriction of Hazardous Substances" norms.

9. Introduced T-8 glass LED tubelight with state of art technology which saves more than 50% energy and the life of this lamp is nearly 5 times of the conventional tubelight.

C. IMPORTED TECHNOLOGY:

Nil

D. EXPENDITURE ON R&D:

R & D expenditure for the year was ₹ 7.41 crores

E. FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign exchange earned	:	₹ 65.97 crores
Foreign exchange used	:	₹ 226.53 crores

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd.

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

ANNEXURE 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-2017

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The Company is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on society.

The Company as part of its initiatives under CSR, has undertaken projects in the area of:

- Promoting education & vocational skills;
- Projects for conservation of water

The CSR policy is placed on the website of the Company at the below mentioned link:

www.crompton.co.in/media/CGCEL-CSR-Policy.pdf

2. Composition of the CSR Committee:

Mr. Shantanu Khosla, Chairman (Managing Director) (DIN : 00059877)

Mr. H. M. Nerurkar, Member (Independent Director) (DIN : 00265887)

Mr. D. Sundaram, Member (Independent Director) (DIN : 00016304)

Ms. Shweta Jalan, Member (Non-Executive Director) (DIN : 00291675)

Mr. Promeet Ghosh, Member (Non-Executive Director) (DIN : 05307658)

3. Average net profit of the Company for last three financial years: ₹ 78.30 crores

4. Prescribed CSR Expenditure (two % of the amount as in item 3 above): ₹ 1.59 crores

5. Details of CSR spent during the Financial Year:

a. Total amount to be spent for the financial year 2016-17: ₹ 1.59 crores

b. Amount unspent, if any: ₹ 1.49 crores

c. Manner in which the amount spent during the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project Is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (bud get) project or programs wise (in ₹)	Amount spent on the projects or programs sub heads 1. Direct expenditure on projects or programs 2. Overheads (in ₹)	Cumulative expenditure upto the reporting period (in ₹)	Amount spent: Direct or through implementing agency (in ₹)
1.	Water supply in drought affected area	Making available safe drinking water	Relief for freight charges for water supply to Latur	5,80,000	Direct Expenditure - 5,80,000	5,80,000	Bombay Chamber of Commerce & Industry
2.	Skill Development Project – Donating old used Computers	Promotion of education	Zilha Parishad School, Renukanagar, Bolhegaon, Ahmednagar	26,000	Direct Expenditure - 24,927	6,04,927	Direct

(1) Sr. No.	(2) CSR Project or activity identified	(3) Sector in which the project Is covered	(4) Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	(5) Amount outlay (bud get) project or programs wise (in ₹)	(6) Amount spent on the projects or programs sub heads 1. Direct expenditure on projects or programs 2. Overheads (in ₹)	(7) Cumulative expenditure upto the reporting period (in ₹)	(8) Amount spent: Direct or through implementing agency (in ₹)
3.	Rain water harvesting project - Water Conservation Initiative	Ensuring environmental sustainability	Rain harvesting project at Tukai Vidhya Mandir, Shingve, Tukai Village School Building	3,00,000	Direct Expenditure – 3,03,991	9,08,918	Direct
4.	Skill Development	Employment enhancing vocational skills	Knowledge Partner for "ICICI Academy for Skills" 1. Maharashtra- Sangli 2. Rajasthan- Jaipur 3. Tamilnadu- Coimbatore 4. Bihar - Patna 5. Madhya Pradesh- Indore 6. Punjab – Mohali	3,35,000	Direct Expenditure – 1,19,734	10,28,652	Direct
	Total Amount Spent for the Financial Year 2016-17					**10,28,652**	

6. Reasons for not spending the amount during the financial year.

2016-17 was the first full year of the operations of the Company post demerger. During the year the Company carried out a detailed assessment of the areas where the CSR activities should be focused so as to maximise societal good. Based on interactions with a wide cross section of stakeholders - internal and external – the Company has identified the following as the focus areas for its CSR activity:-

a. Promoting education and vocational skills
b. Projects for conservation of water.

Due to the time taken to finalise the priority areas, the Company was able to spend on CSR an amount of ₹ 0.10 crores which is 0.04% of Profit after Tax. In the current year the Company endeavours to increase the spending on CSR and be in line with the norms in this area.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company is reproduced below:

"We hereby affirm that CSR Policy, as recommended by CSR Committee and approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with CSR objectives."

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd.

H. M. Nerurkar
Chairman
DIN: 00265887

Shantanu Khosla
Managing Director & Chairman CSR Committee
DIN: 00059877

Date: 26th May, 2017
Place: Mumbai

ANNEXURE 4

Secretarial Audit Report

FORM No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Crompton Greaves Consumer Electricals Limited
Tower 3, 1st Floor, East Wing,
Equinox Business Park, LBS Marg, Kurla (W),
Mumbai 400070

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Crompton Greaves Consumer Electricals 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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

(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 Borrowing;

(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, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the year under review not applicable to the Company);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (during the year under review not applicable to the Company);

(vi) Bureau of Indian Standards
The National Standards Body of India

(vii) Bureau of Energy Efficiency (Government of India, Ministry of Power)

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

a) Secretarial Standards issued by the Institute of Company Secretaries of India;

b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

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

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

All decisions of the Board are carried through unanimously. As per the records provided by the Company, none of the member of the Board dissented on any resolution passed at the meeting of the Board.

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.

We further report that during the audit period there were following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. which are: -

i) Change in situation of its Registered Office from 6th Floor, CG House, Dr. AB Road, Worli, Mumbai - 400030 to Tower 3, 1st Floor, East Wing, Equinox Business Park, LBS Marg, Kurla (West), Mumbai – 400070 with effect from 1st December, 2016.

ii) Post approval of members by the way of Postal ballot dated 6th June, 2016 the Committee of Debentures of the Company allotted 6,500 8.95% Secured Redeemable Non-Convertible Debentures having face value of ₹ 10,00,000/- each.

iii) The Company in its Nomination and Remuneration Committee meeting held on 25th October, 2016 approved Grant of ESOP under the following Schemes:

- Crompton ESOP Plan (ESOP 2016) – 30,00,000 options
- Performance Share Plan – 1 2016 (PSP – 1) - 109,68,057 options
- Performance Share Plan – 2 2016 (PSP – 2) - 31,33,731 options.

iv) The Company obtained approval of National Stock Exchange of India Limited and BSE Limited on 24th November, 2016 and 28th November, 2016 respectively for reclassification of its Promoters.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No : 5782
CP No. : 2486

Place : Mumbai
Date : 26th May, 2017

Note: 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,
Crompton Greaves Consumer Electricals Limited
Tower 3, 1st Floor, East Wing,
Equinox Business Park, LBS Marg, Kurla (W),
Mumbai 400070

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 processes 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 processes 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. Where ever 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 laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures 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 **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No : 5782
CP No. : 2486

Place : Mumbai
Date : 26th May, 2017

ANNEXURE 5

Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for 2016-17:

The median remuneration of employees of the Company during the 2016-17 was Rs. 5,94,414 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the table below:

Sr. No.	Name of Director	Designation	Remuneration of Director for 2016-17	Ratio of Remuneration of each Director to Median Remuneration of employees for 2016-17
1	Mr. Shantanu Khosla (DIN: 00059877)	Managing Director	₹ 5,58,60,400	93.97
2	Mr. H. M. Nerurkar (DIN: 00265887)	Chairman, Independent Director	₹ 9,47,000	1.59
3	Mr. D. Sundaram (DIN: 00016304)	Independent Director	₹ 14,10,000	2.37
4	Mr. P. M. Murty (DIN: 00011179)	Independent Director	₹ 13,50,000	2.27
5	Ms. Shweta Jalan (DIN: 00291675)	Non-Executive Director	NIL	N.A.
6	Mr. Sahil Dalal (DIN: 07350808)	Non – Executive Director	NIL	N.A.
7	Mr. Ravi Narain (DIN: 00062596)	Non – Executive Director	NIL	N.A.
8	Mr. Promeet Ghosh (DIN: 05307658)	Non – Executive Director	NIL	N.A.
9	Ms. Sonia Das* (DIN: 03405569)	Non – Executive Director	NIL	N.A.

^The remuneration of Independent Directors covers sitting fee and commission.

**Ceased to be a Director with effect from 16th August, 2016.*

(b) The percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the financial year:

The percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in 2016-17 is provided in the table below:

Sr. No.	Name of Director/ KMP	Designation	% increase in Remuneration in 2016-17
1	Mr. Shantanu Khosla	Managing Director	13%
2	Mr. Mathew Job	Chief Executive Officer	13%
3	Mr. Sandeep Batra	Chief Financial Officer & Company Secretary	11.1%
4	Ms. Pragya Kaul	Company Secretary	Not Applicable as appointed as Company Secretary effective from 19th May, 2016.

(c) The percentage increase in the median remuneration of employees in the financial year

In the Financial Year, there was an increase of 13.24 % in the median remuneration of employees.

(d) The number of permanent employees on the rolls of the Company:

There were 1616, permanent employees on the rolls of the Company as on 31st March, 2017.

(e) 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 percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2016-17 was 12.93% whereas the increase in the managerial remuneration for the Financial Year 2016-17 was 12.37%.

Justification : Increase in remuneration of the Managing Director is decided based on the individual performance, inflation, prevailing industry trends and benchmarks.

The remuneration of Independent Directors consists of commission and sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees etc., were taken into consideration.

(f) Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

"Median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one.

If there is an even number of observations, the median shall be the average of the two middle values.

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd.

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

ANNEXURE 6

Form No. MGT-9

Extract of Annual Return

For the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L31900MH2015PLC262254
ii.	Registration Date	:	25/02/2015
iii.	Name of the Company	:	Crompton Greaves Consumer Electricals Ltd.
iv.	Category/Sub-Category of the Company	:	Category: Company Limited by Shares; Sub-Category: Indian Non-Government Company
v.	Address of the Registered office and contact details	:	Tower 3, 1st Floor, East Wing, Equinox Business Park, LBS Marg, Kurla (West), Mumbai- 400070 Contact Details: +91 022-61678499 Fax Number: +91 022-61678383 E-mail Id: crompton.investorrelations@crompton.co.in
vi.	Whether listed Company	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Karvy Computershare Pvt. Ltd. Unit: Crompton Greaves Consumer Electricals Ltd. Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032. Phone: +91 040 67161510 Toll Free no.: 1800-345-4001 www.karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1. Lighting Products (Luminaries, Light Sources)	27400	28.30
2. Electrical Consumer Durables (Fans, Pumps and Appliances)	27501, 27502, 27503, 28132	71.70

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	Name and address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i Category Wise Shareholding

Category of Shareholders		Number of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
	1. Indian									
	a. Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
	b. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	c. State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d. Bodies Corporate*	21,54,51,070*	0	21,54,51,070*	34.38	0	0	0	0	(34.38)
	e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	f. Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub – Total (A) (1)		**21,54,51,070**	**0**	**21,54,51,070**	**34.38**	**0**	**0**	**0**	**0**	**(34.38)**
	2. Foreign									
	a. NRI – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b. Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c. Bodies Corporate	0	0	0	0.00	14,00,60,033	0	14,00,60,033	22.34	22.34
	d. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	e. Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub – Total (A) (2)		**0**	**0**	**0**	**0.00**	**14,00,60,033**	**0**	**14,00,60,033**	**22.34**	**22.34**
Total Shareholding of Promoter A = (A) (1) + (A) (2)		**21,54,51,070**	**0**	**21,54,51,070**	**34.38**	**14,00,60,033**	**0**	**14,00,60,033**	**22.34**	**(12.03)**
B.	**Public Shareholding**									
I.	**Institutions**									
	a. Mutual Funds/UTI	14,40,89,289	5,166	14,40,94,455	22.99	8,24,66,826	5,166	8,24,71,992	13.16	(9.83)
	b. Banks/FI	4,04,15,417	79,360	4,04,94,777	6.46	3,78,10,263	79,360	3,78,89,623	6.05	(0.41)
	c. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	d. State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
	e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g. Foreign Institutional Investors	8,40,74,371	80,362	8,41,54,733	13.43	18,22,48,811	80,362	18,23,29,173	29.09	15.66
	h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i. Alternate Investment Funds	0	0	0	0.00	23,61,711	0	23,61,711	0.38	0.38
	j. Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total B(1)		**26,85,79,077**	**1,64,888**	**26,87,43,965**	**42.88**	**30,48,87,611**	**1,64,888**	**30,50,52,499**	**48.68**	**5.80**
II.	**Non - Institutions**									
a.	Bodies Corporate									
	I. Indian	5,25,33,872	47,839	5,25,81,711	8.39	4,48,07,007	33,761	4,48,40,768	7.15	(1.24)
	II. Overseas**	61,250	350	61,600	0.01	7,54,66,123**	350	7,54,66,473**	12.04	12.03
b.	Individual									
	I. Individual shareholders holding nominal share capital upto ₹ 1 Lakh	4,13,65,844	51,17,630	4,64,83,474	7.42	3,74,45,510	48,10,788	4,22,56,298	6.74	(0.68)
	II. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	1,32,96,286	1,21,520	1,34,17,806	2.14	1,36,99,597	1,21,520	1,38,21,117	2.21	0.07
c.	Others									
	I. Trust	13,96,659	0	13,96,659	0.22	7,49,693	0	7,49,693	0.12	(0.10)
	II. Clearing Members	2,64,70,352	85	2,64,70,437	4.22	9,23,595	85	9,23,680	0.15	(4.07)
	III. Foreign Nationals	5,076	0	5,076	0.00	3,158	0	3,158	0.00	0.00
	IV. Non Resident Indians	20,72,944	61,400	21,34,344	0.34	24,81,743	59,739	25,41,482	0.41	0.07
	V. NBFC registered with RBI	0	0	0	0.00	14,162	0	14,162	0.00	0.00
	VI. Others	0	0	0	0.00	10,16,779	0	10,16,779	0.16	0.16
Sub-total (B)(2):-		**13,72,02,283**	**53,48,824**	**14,25,51,107**	**22.74**	**17,66,07,367**	**50,26,243**	**18,16,33,610**	**28.98**	**6.24**
Total Public Shareholding (B)=(B)(1)+ (B)(2)		**40,57,81,360**	**55,13,712**	**41,12,95,072**	**65.62**	**48,14,94,978**	**51,91,131**	**48,66,86,109**	**77.66**	**12.04**
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)		**62,12,32,430**	**55,13,712**	**62,67,46,142**	**100**	**62,15,55,011**	**51,91,131**	**62,67,46,142**	**100**	**0.00**

Notes:-

* *Avantha Holdings Ltd., Avantha Realty Ltd. and Varun Prakashan Pvt Ltd. reclassified from Promoter's category to Public Category vide NSE and BSE approval letters dated 24th November, 2016 and 28th November, 2016 respectively.*

** *MacRitchie Investments Pte. Ltd. is a person acting in concert with Amalfiaco Ltd. and Nirsinia Ltd. MacRitchie Investments Pte. Ltd. has entered into an Inter se Agreement dated 23rd April, 2015 with Amalfiaco Ltd. and Nirsinia Ltd. ("Inter-Se Agreement"). Pursuant to the Inter-Se Agreement, MacRitchie Investments Pte. Ltd. does not have control rights and will not be exercising control over the Company.*

ii. Promoters Shareholding:-

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	*Avantha Holdings Ltd.	21,54,42,496	34.37	N.A.	NIL	N.A.	N.A.	(34.37)
2	*Avantha Realty Ltd.	3,552	0.00	N.A.	Nil	N.A.	N.A.	0.00
3	*Varun Prakashan Ltd.	5,022	0.00	N.A.	Nil	N.A.	N.A.	0.00
4	**Amalfiaco Ltd.	NIL	N.A.	N.A.	**14,00,37,623	22.34	22.34	22.34
5	Nirsinia Ltd.	Nil	N.A.	N.A.	22,410	0.00	Nil	0.00
	Total	**21,54,51,070**	**34.38**	**N.A.**	**14,00,60,033**	**22.34**	**N.A**	**N.A**

Notes:-

* *Avantha Holdings Ltd., Avantha Realty Ltd. and Varun Prakashan Pvt Ltd. reclassified from Promoter's category to Public Category vide NSE and BSE approval letters dated 24th November, 2016 and 28th November, 2016 respectively.*

** *Encumbrance over 14,00,37,623 equity shares held by Amalfiaco Ltd. (Promoter) in the Company as a security towards loan taken by Amalfiaco Ltd.*

iii. Changes in Promoters Shareholding

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the End of the year	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1	*Avantha Holdings Ltd.	21,54,42,496	34.37	Nil	(21,54,42,496)	0.00	0.00
2	*Avantha Realty Ltd.	3,552	0.00	Nil	(3,552)	0.00	0.00
3	*Varun Prakashan Ltd.	5,022	0.00	Nil	(5,022)	0.00	0.00
4	Amalfiaco Ltd.	0.00	0.00	14,00,37,623	Nil	14,00,37,623	22.34
5	Nirsinia Ltd.	0.00	0.00	22,410	Nil	22,410	0.00
	Total	21,54,51,070	34.38	14,00,60,033	(21,54,51,070)	14,00,60,033	22.34

Notes:-

* *Avantha Holdings Ltd., Avantha Realty Ltd. and Varun Prakashan Pvt Ltd reclassified from Promoter's category to Public Category vide NSE and BSE approval letters dated 24th November, 2016 and 28th November, 2016 respectively.*

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the End of the year	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1	*MacRitchie Investments Pte. Ltd	0	0	7,54,04,873	Nil	7,54,04,873	12.03
2	LIC of India Child Fortune Plus Balanced Fund	2,99,45,849	4.78	Nil	Nil	2,99,45,849	4.78
3	Smallcap World Fund, Inc	0	0	2,96,70,000	Nil	2,96,70,000	4.73
4	Birla Sun Life Trustee Company Private Limited a/c Birla Sun Life Blanced 95 Fund Series - 16	2,59,71,638	4.14	Nil	22,70,259	2,37,01,379	3.78
5	HDFC Trustee Company Limited - HDFC Equity Fund - R Fund	5,78,09,500	9.22	Nil	3,60,66,571	2,17,42,929	3.47
6	TIAA-CREF Funds - TIAA CREF International Equity Fund	0	0	1,52,38,300	Nil	1,52,38,300	2.43
7	Nomura India Investment Fund Mother Fund	0	0	1,37,56,230	Nil	1,37,56,230	2.19
8	Franklin Templeton Investment Funds	0	0	1,24,46,700	Nil	1,24,46,700	1.99
9	HDFC Standard Life Insurance Company Limited	1,25,78,791	2.00	Nil	7,72,951	1,18,05,840	1.88
10	Amansa Holdings Private Limited	0	0	1,15,98,374	Nil	1,15,98,374	1.85

*MacRitchie Investments Pte. Ltd. is a person acting in concert with Amalfiaco Ltd. and Nirsinia Ltd. MacRitchie Investments Pte. Ltd. has entered into an Inter se Agreement dated 23rd April, 2015 with Amalfiaco Ltd. and Nirsinia Ltd. ("Inter-Se Agreement"). Pursuant to the Inter-Se Agreement, MacRitchie Investments Pte. Ltd. does not have control rights and will not be exercising control over the Company.

v. – Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the End of the year	
	Key Managerial Personnel	No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Mr. Mathew Job	0.00	0.00	793	Nil	793	0.00

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	646.38	-	-	646.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**646.38**	**-**	**-**	**646.38**
Addition	650.00	-	-	650.00
Reduction	646.38	-	-	646.38
Net Change	3.62	-	-	3.62
Indebtedness at the end of the financial year				
i) Principal Amount	650.00	-	-	650.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	44.63	-	-	44.63
Total (i+ii+iii)	**694.63**	**-**	**-**	**694.63**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a - Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ in crores)

Sr. No.	Particulars of Remuneration	Mr. Shantanu Khosla, Managing Director (DIN: 00059877)
1.	Gross Salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.26
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	
2.	Stock Option	
3.	Sweat Equity	
4.	Commission	
	▪ as % of profit	
	▪ Others specify	
5.	Others, please specify (Variable Pay)	2.33
	Total	**5.59**
	Ceiling as per the Act	5% of the Net Profit of the Company

b - Remuneration to other Directors

(₹ in crores)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. P. M. Murty	Mr. D. Sundaram	Mr. H. M. Nerurkar	
1.	Independent Directors				
	a. Fee for attending Board/Committee meetings	0.07	0.08	0.08	0.22
	b. Commission	0.06	0.06	0.01	0.13
	c. Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	**0.13**	**0.14**	**0.09**	**0.35**

* *Note: None of the Non-Executive Non-Independent Directors were paid any remuneration during the year 2016-17.*

c - Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in crores)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Mathew Job (CEO)	Mr. Sandeep Batra (CFO)	**Ms. Pragya Kaul (CS)	
1.	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.28	2.08	0.21	4.57
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961				
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
	▪ as % of profit				
	▪ Others specify				
5.	Others, please specify (Variable Pay)	1.14	0.60	0.00	1.74
	Total	**3.42**	**2.68**	**0.21**	**6.31**

** *Note: Ms. Pragya Kaul was designated as Key Managerial Personnel w.e.f. 19th May, 2016.*

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment			N.A.		
Compounding					
C. Other Officers in default					
Penalty					
Punishment					
Compounding					

On behalf of the Board of Directors

For Crompton Greaves Consumer Electricals Ltd

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

Corporate Governance Report

1. THE COMPANY'S (CROMPTON'S) PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's commitment towards adoption of best corporate governance practices goes beyond compliance of the law and endeavors to embrace responsibility for corporate actions and impact of its initiatives on all stakeholders. The Company continuously strives for betterment of its corporate governance mechanisms in order to improve efficiency, transparency and accountability of its operations.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below.

2. BOARD OF DIRECTORS

a. COMPOSITION:

The Company has formulated and adopted the Nomination and Remuneration Policy to ensure that the composition of the Board is optimum, balanced and diverse so as to benefit from fresh perspectives, new ideas and broad experience. As on the date of this Report, the Company has an eight member Board of Directors. The Chairman, Mr. H. M. Nerurkar is an Independent Director. Mr. Shantanu Khosla is the Managing Director. Mr. D. Sundaram and Mr. P. M. Murty are independent in terms of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. Ms. Shweta Jalan, Mr. Sahil Dalal, Mr. Ravi Narain and Mr. Promeet Ghosh are Non Executive Directors.

Thus, as on 31st March, 2017, the Board comprises one Executive Director and seven Non-Executive Directors, of whom three are Independent Directors. Table 1 gives the composition of the Board, and the number of outside Directorships held by each Director. None of the Directors are related to each other.

TABLE 1

Composition of the Board of Directors as on 31st March, 2017

Name	Particulars	Other Board/Committee Memberships		
		Directorships*	Committee Chairmanships**	Committee Memberships**
Mr. H. M. Nerurkar	Chairman Non-Executive Director, Independent	8	2	4
Mr. Shantanu Khosla	Executive, Managing Director	-	-	-
Mr. D. Sundaram	Non-Executive Director, Independent	5	1	3
Mr. P. M. Murty	Non-Executive Director, Independent	-	-	-
Ms. Shweta Jalan	Non-Executive Director	-	-	-
Mr. Sahil Dalal	Non-Executive Director	-	-	-
Mr. Promeet Ghosh	Non-Executive Director	-	-	-
Mr. Ravi Narain	Non-Executive Director	8	-	7

*Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and Government Bodies.

**For the purpose of calculating the above, only Audit and Stakeholders Relationship & Share Transfer Committee in public limited companies, whether listed or not, are considered – Regulation 26(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

b. BOARD MEETINGS:

There were 08 Board Meetings held during 2016-17.

Meetings of the Board are pre-scheduled. Board meetings are convened by giving appropriate notice to the Directors. The meetings are held at the Company's Registered & Corporate Office at Tower 3, 1st Floor, East Wing, Equinox Business Park, LBS Marg, Kurla (West), Mumbai- 400 070.

TABLE 2

Attendance Record of the Directors for Year 2016-17

Name	Board Meetings								Last AGM
	18.4.2016	28.4.2016	18.05.2016	29.07.2016	11.08.2016	25.10.2016	24.01.2017	02.03.2017	11.08.2016
Mr. H. M. Nerurkar (DIN: 00265887)	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Shantanu Khosla (DIN: 00059877)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. D Sundaram (DIN: 00016304)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. P M. Murty (DIN: 00011179)	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Sonia Das[1] (DIN: 03405569)	No	No	No	No	No	N.A.	N.A.	N.A.	No
Ms. Shweta Jalan[2] (DIN: 00291675)	N.A.	N.A.	N.A.	N.A.	N.A.	Yes	Yes	Yes	N.A.
Mr. Sahil Dalal[2] (DIN: 07350808)	N.A.	N.A.	N.A.	N.A.	N.A.	Yes	Yes	Yes	N.A.
Mr. Promeet Ghosh[2] (DIN: 05307658)	N.A.	N.A.	N.A.	N.A.	N.A.	Yes	Yes	Yes	N.A.
Mr. Ravi Narain[2] (DIN: 00062596)	N.A.	N.A.	N.A.	N.A.	N.A.	Yes	No	Yes	N.A.

[1] Resigned on 16th August, 2016.

[2] Appointed on 16th August, 2016.

The Board evaluates the Company's strategic direction, risks and opportunities, investments, financial performance, asset optimization, management policies and their effectiveness. The Board has dedicated meetings for review of annual strategic and operating plans, capital allocation and annual budgets of businesses. Additionally, the Board reviews the compliance processes, internal control systems and material occurrences in the areas of EHS, financial liabilities, regulatory claims and developments in human resources.

c. INDEPENDENT DIRECTORS MEETING:

During the year under review, a meeting of the Independent Directors was held on 28th December, 2016. All Independent Directors were present at the meeting to discuss the performance evaluation of the Board and Chairman, assess information flows from Management to the Board and the current strategic and operational position of the Company.

d. FAMILIARISATION PROGRAMME:

The details of the Familiarisation programme is given in the Board Report of the Company and is available on the website of the Company at http://www.crompton.co.in/media/Familiarization-Programme.pdf.

e. RELATIONSHIP BETWEEN DIRECTORS:

None of the Board of Directors are related to each other.

f. DIRECTORS' REMUNERATION:

The annual remuneration package of Mr. Shantanu Khosla, Managing Director comprises a fixed salary component including a basket of allowances/ reimbursements and a Variable Pay component. A service agreement exists with Mr. Shantanu Khosla which contains his terms and conditions of service, including remuneration, notice period, severance compensation, etc, as approved by the Nomination and Remuneration Committee and the Board of Directors, from time to time.

The remuneration paid to Mr. Shantanu Khosla in 2016-17 was as follows:

(₹ in crores)

Annual Salary	3.26
Variable Pay	2.33
Total	**5.59**

g. NON-EXECUTIVE DIRECTORS COMPENSATION:

The shareholders, at the 2nd Annual General Meeting held on 11th August 2016, approved payment of commission to the Company's Non-Executive Independent Directors, collectively, upto 1% of net profits, as permitted by the Companies Act, 2013. The Board has formulated Guidelines for payment of commission to the Non-Executive Independent Directors. Additional commission is paid to the Chairman of Audit Committee and Chairman of the Board.

The remuneration of Non-Executive Independent Director is given in Table 3.

TABLE 3

Compensation of Non-Executive Independent Directors of the Company for attending various Board and Committee Meetings for the year 2016-17

(₹ in crores)

	*Sitting Fees	Commission	Total
Mr. H. M. Nerurkar	0.08	0.01	0.09
Mr. D. Sundaram	0.08	0.06	0.14
Mr. P. M. Murty	0.07	0.06	0.13

None of the Non-Executive Non-Independent Directors were paid any remuneration.

* The amount of sitting fees includes the sitting fees paid to Non-Executive Independent Directors for attending the Independent Directors' Committee meetings and other Committee meetings.

h. CODE OF CONDUCT:

The Company has a Code of Conduct for Directors and senior management that reflects its high standards of integrity and ethics. The Directors and senior management of the Company have affirmed their adherence to this Code of Conduct for FY 2016–2017. As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Shantanu Khosla, as the Company's Managing Director, has signed a declaration, stating that the Board of Directors and senior management personnel of the Company have affirmed compliance with this Code of Conduct, which is annexed to this Report.

This Code has been posted on the Company's website http://www.crompton.co.in.

i. DIRECTORS SHAREHOLDING:

As on 31st March, 2017 none of the Directors hold any shares and/or convertible instruments in the Company.

j. COMMITTEES OF THE BOARD:

I. AUDIT COMMITTEE:

- The Audit Committee of the Board was re-constituted on 8th September, 2016.
- There were 7 Audit Committee Meetings held during 2016-17.

Table 4 given below gives the attendance record of the Members of the Audit Committee:-

TABLE 4

Audit Committee Meetings

Name	Designation	18.05.2016	29.07.2016	20.09.2016	25.10.2016	13.01.2017	24.01.2017	02.03.2017
Mr. D. Sundaram	Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. P. M. Murty	Member	Yes	Yes	No	Yes	Yes	Yes	Yes
Mr. Shantanu Khosla[1]	Member	Yes	Yes	N.A.	N.A.	N.A.	N.A.	N.A
Mr. H. M. Nerurkar[2]	Member	N.A.	N.A.	Yes	Yes	Yes	Yes	Yes
Ms. Shweta Jalan[2]	Member	N.A.	N.A.	Yes	Yes	Yes	Yes	Yes

[1] Ceased to be a Committee Member w.e.f. 8th September, 2016.

[2] Appointed as a Committee Member w.e.f. 8th September, 2016.

The Company Secretary of the Company acts as the Secretary of the Committee.

Terms of reference of Audit Committee are:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- 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 necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Carrying out any other function contained in the Listing Agreement/Listing Regulations, as amended from time to time; and
- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

II. NOMINATION AND REMUNERATION COMMITTEE

- The Nomination and Remuneration Committee ("NRC") was re-constituted on 8th September, 2016.
- There were 3 Nomination and Remuneration Committee Meetings held during 2016-17.

Table 5 given below gives the attendance record of the Members of the Audit Committee:-

TABLE 5

Nomination and Remuneration Committee Meetings				
Name	**Designation**	**18.05.2016**	**11.08.2016**	**25.10.2016**
Mr. P. M. Murty	Chairman	Yes	Yes	Yes
Mr. D. Sundaram	Member	Yes	Yes	Yes
Mr. H. M. Nerurkar	Member	Yes.	Yes	Yes
Ms. Shweta Jalan[1]	Member	N.A.	N.A.	Yes
Mr. Promeet Ghosh[1]	Member	N.A.	N.A.	Yes
Mr. Ravi Narain[1]	Member	N.A.	N.A.	Yes

[1]Appointed as a Committee Member w.e.f. 8th September, 2016

The Company Secretary of the Company acts as the Secretary of the Committee.

- Terms of reference of Nomination and Remuneration Committee are:
  - Determine the criteria for appointment including qualifications, positive attributes and independence of a Director;
  - Identify candidates who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal;
  - Recommend to the Board a policy in relation to the remuneration for the Directors, Key Managerial Personnel and other employees;
  - Carry out evaluation of performance of each Director and performance of the Board as a whole;
  - Carrying out any other function contained in the Listing Agreement/ Listing Regulations, as amended from time to time; and
  - To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.
- The Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes relating to hiring, training, talent management,

succession planning and compensation structure of the Directors and KMPs. The Committee also anchored the performance evaluation of the Individual Directors.

REMUNERATION POLICY

The Nomination and Remuneration Committee has formulated the Remuneration Policy which deals with the remuneration of the Directors and Key Managerial Personnel (KMP) of the Company. The Policy is guided by the principles as envisaged under Section 178 of the Companies Act, 2013. A substantial excerpt of the Policy is enclosed as Annexure to this Report.

III. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

- The Corporate Social Responsibility Committee ("CSR") was re-constituted on 8th September, 2016.
- There were 2 Corporate Social Responsibility Committee Meetings held during financial year 2016-17.
- Table 6 given below gives the attendance record of the Members of the Corporate Social Responsibility Committee:-

TABLE 6

Corporate Social Responsibility Committee Meetings			
Name	**Designation**	**18.5.2016**	**25.10.2016**
Mr. Shantanu Khosla	Chairman	Yes	Yes
Mr. H. M. Nerurkar	Member	Yes	Yes
Mr. P. M. Murty[1]	Member	Yes.	N.A.
Mr. D. Sundaram[2]	Member	N.A.	Yes
Ms. Shweta Jalan[2]	Member	N.A.	Yes
Mr. Promeet Ghosh[2]	Member	N.A.	Yes

[1]Ceased to be a Committee Member w.e.f. 8th September, 2016

[2]Appointed as a Committee Member w.e.f. 8th September, 2016

- The Company Secretary of the Company acts as the Secretary of the Committee.
- Terms of reference of CSR Committee are:
  - To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Act;
  - To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company under the CSR Policy;
  - To monitor the CSR policy of the Company from time to time;
  - Adhere to the applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modifications, amendments or re-enactments thereto for the time being in force);
  - Carrying out any other function contained in the Listing Agreement/ Listing Regulations, as amended from time to time; and
  - To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

IV. STAKEHOLDERS' RELATIONSHIP AND SHARE TRANSFER COMMITTEE

The Stakeholders Relationship and Share Transfer Committee ("SRC") was re-constituted on 8th September, 2016.

- There was 1 Stakeholders' Relationship and Share Transfer Committee Meeting held during financial year 2016-17.
- Table 7 given below gives the attendance record of the Members of the Stakeholders Relationship and Share Transfer Committee:-

TABLE 7

Stakeholders Relationship & Share Transfer Committee Meetings		
Name	**Designation**	**29.7.2016**
Mr. H. M. Nerurkar	Chairman	Yes
Mr. D. Sundaram	Member	Yes
Mr. Shantanu Khosla	Member	Yes
Mr. Sahil Dalal[1]	Member	N.A.

[1]Appointed as a Committee Member w.e.f. 8th September, 2016

- The Company Secretary of the Company acts as the Secretary of the Committee.
- Terms of reference of Stakeholders Relationship and Share Transfer Committee are:
  - Consider and resolve the grievances of security holders of the Company including Investors' complaints;
  - Approval of transfer or transmission of shares, debentures or any other securities;
  - Issue of duplicate certificates and new certificates on split/consolidation/ renewal etc;
  - Redress the complaints regarding non-receipt of declared dividends, balance sheets of the Company, etc;
  - Ensure effective implementation of whistle blower mechanism offered to all the stake holders to report any concerns about illegal or unethical practices;
  - Carrying out any other function contained in the Listing Agreement/ Listing Regulations, as amended from time to time; and
  - To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

Ms. Pragya Kaul also serves as the Compliance Officer of the Company.

During the year, 360 complaints were received from the shareholders, all of which have been attended/ resolved to the satisfaction of the Shareholders.

Apart from the above mentioned Committees, Board of Directors had constituted Independent Directors Committee ("IDC"), for the purpose of providing written reasoned recommendations to the shareholders of the Company in respect of the Open offer made by Amalfiaco, Nirsinia, MacRitchie and AI Global Investments (Cyprus) PCC Ltd. During the year four IDC meetings were held on 26th May, 2016; 17th June, 2016; 4th July, 2016 and 5th August, 2016.

INSIDER TRADING

The Company has issued comprehensive guidelines in accordance with the SEBI Regulations in this regard, which advise and caution the Directors, Management, employees and their connected persons on the procedures to be followed, whilst dealing with the securities of the Company. The Insider Trading Code framed by the Company helps in ensuring compliance with these requirements.

INFORMATION ON GENERAL BODY MEETINGS:-

The details of the Annual and Extra Ordinary General Meeting(s) held during the last two years are as follows:-

TABLE 8

Information on General Body Meetings

Sr. No.	Event	Date, Time & Venue	Resolution	No. of Resolutions Passed	Purpose
1.	1st Extra-Ordinary General Meeting	24th April, 2015 at 10:00 a.m. at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai – 400030.	Special	3	1. Approval of reduction of share capital of the Company; 2. Approval for increasing the borrowing limits; 3. Approval for creating mortgage/charge on the assets of the Company.
2.	2nd Extra-Ordinary General Meeting	18th September, 2015 at 11:00 a.m. at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai – 400030.	Ordinary	2	1. Appointment of Independent Director – Mr. P. M. Murty; 2. Appointment of Independent Director – Mr. D. Sundaram

Sr. No.	Event	Date, Time & Venue	Resolution	No. of Resolutions Passed	Purpose
3.	3rd Extra-Ordinary General Meeting	23rd November, 2015 at 11:00 a.m. at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai – 400030.	Special	2	1. Approval for increasing the borrowing limits; 2. Approval for creating mortgage/charge on the assets of the Company
4.	4th Extra-Ordinary General Meeting	7th December, 2015 at 11:00 a.m. at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai – 400030.	Special	2	1. Approval to set limit for loan and investments by the Company u/s. 186 of the Companies Act, 2013; 2. Approval for alteration of Articles of Association of the Company.
5.	1st Annual General Meeting	24th July, 2015 at 9:00 a.m. at 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai – 400030.	Ordinary	3	1. Adoption of Financial Statements; 2. Re-appointment of Mr. Madhav Acharya as a Director; 3. Appointment of M/s. Sharp & Tannan as Statutory Auditors.
6.	2nd Annual General Meeting	11th August, 2016 at 2.00 p.m. at IES Manik Vidyamandir (Manik Sabhagriha Auditorium), Opposite Lilavati Hospital, Bandra Reclamation, Mumbai-400 050, Maharashtra, India.	Ordinary	8	1. Adoption of Financial Statements 2. Appointment of Statutory Auditor 3. Appointment of Mr. Shantanu Khosla as Director. 4. Appointment of Mr. Shantanu Khosla as Managing Director. 5. Appointment of Mr. H. M. Nerurkar as Independent Director. 6. Appointment of Ms. Sonia N. Das as Director. 7. Ratification of the remuneration payable to M/s. Ashwin Solanki and Associates. 8. Payment of Commission to Non-Executive Independent Directors of the Company

No special resolution(s) have been passed at the 1st and 2nd Annual General Meetings.

Postal Ballot:

During the year 2016-17, pursuant to section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company passed the following Special Resolutions by postal ballot:

Sr. No.	Special Resolution	Votes cast in favour of the Resolution		Votes cast against the Resolution		Invalid Votes	Date of declaration of result
		No.	%	No.	%	No.	
1	Increase in borrowing limits from ₹ 1,500 crores to ₹ 1,800 crores	39,51,47,878	90.25	4,27,11,622	9.75	64	6th June, 2016
2	Creation of charges on the movable and immovable properties of the Company, both present and future in respect of borrowings	38,53,31,721	88.02	5,24,64,782	11.98	63,061	6th June, 2016
3	Issue of Secured Non – Convertible Debentures on Private Placement	39,34,17,367	90.02	4,36,23,665	9.98	8,18,535	6th June, 2016
4	Approval of Crompton Employee Stock Option Plan 2016 ("ESOP 2016")	44,25,05,142	98.24	79,24,073	1.76	2,41,39,570	24th October, 2016
5	Approval of Crompton Performance Share Plan – 1 2016 ("PSP 1 2016")	43,45,96,677	91.63	3,97,22,031	8.37	2,50,144	24th October, 2016
6	Approval of Crompton Performance Share Plan 2 2016 ("PSP – 2 2016")	47,24,44,721	99.55	21,23,985	0.45	144	24th October, 2016
7	Approval of proposed grant of equal to or exceeding 1% of issued capital to specified employee	43,51,15,748	91.73	3,92,02,917	8.27	2,50,190	24th October, 2016

The Company successfully completed the process of obtaining approval of its shareholders for Special Resolutions on the items detailed above, vide postal ballot.

Mr. Anshul Kumar Jain and Ms. Dipti Mehta partners of Mehta & Mehta, Company Secretaries were appointed as the scrutinizers for conducting the process of aforesaid postal ballots in a fair and transparent manner.

Procedure for postal ballot

In compliance with sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the related Rules, the Company provides electronic voting facility to all its members. For both the postal ballots process Company had engaged Karvy Computershare Private Limited, the Registrar and Transfer Agent of the Company, for the purpose of providing e-voting facility to all its Members. The Members have the option to vote either by physical ballot or through e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the Register of Members/ list of beneficiaries as on a cut-off date. The postal ballot notice is sent to Members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Transfer Agent (in case of physical shareholding). The Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the Companies Act, 2013 and Rules made thereunder. Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The scrutinizer submits his report to the Chairman or any other Director of the Company, after the completion of scrutiny of the postal ballots (including remote e-voting).The results of the postal ballot (including remote e-voting) are announced by the Chairman or any other Director authorised by him. The results are also displayed at the registered office of the Company, intimated to Registrar and Transfer Agent and the Stock Exchanges where the Company's shares are listed and also displayed along with the Scrutinizer's report on the Company's website viz. www.crompton.co.in. The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

COMPLIANCE WITH MANDATORY REQUIREMENTS

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

WEBSITE, NEWS & EVENTS

i. A separate dedicated section under 'Investors' on the Company's http://www.crompton.co.in/investor-grievances/ gives information on applicable policies including policy on dealing with related party transactions, information on Registrar & Share Transfer Agent ('RTA') along with news and events held during the year of the Company.

ii. The quarterly, half yearly and yearly results are sent to the Stock Exchanges where the shares of the Company are listed. The results are normally published in "Financial Express" (English Daily), "Economic Times" (English Daily) and "Loksatta" (Marathi Daily). The results are displayed on the Company's website www.crompton.co.in. Press Releases are also issued, which are also displayed on the Company's website.

iii. The required disclosures to the extent applicable including results were also sent to the Stock Exchanges.

iv. Presentations are also made to institutional investors and analysts. These presentations and other disclosures which are required to be disseminated on the Company's website under the Listing Regulations have been uploaded on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

3rd ANNUAL GENERAL MEETING

Date & Day	: Thursday, 27th July, 2017
Time	: 3.00 pm
Venue	: Shree Bhaidas Maganlal Sabhagriha, Next to Mithibai college, Juhu Vile Parle Development (JVPD) Road No. 1, VileParle West, Mumbai 400 056.

FINANCIAL YEAR

The financial year of the Company is from 1st April to 31st March.

FINANCIAL CALENDAR

First Quarter Results

End July/First fortnight of August

Second Quarter Results

End October/First fortnight of November

Third Quarter Results

End January/First fortnight of February

Last Quarter Results and Annual Audited Results

April/May

DATES OF BOOK CLOSURE AND DIVIDEND PAYMENT DATE:

Book Closure for Dividend will be from 22nd July, 2017 to 27th July, 2017, both days inclusive and the Dividend would be paid/ despatched after 27th July, 2017.

SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in dematerialized form. In the case of transfers in physical form which are lodged at the Registrar and Transfer Agent's office, these are processed within a maximum period of 15 days from the date of receipt. All share transfers and other share related issues are approved by Stakeholders' Relationship and Share Transfer Committee duly constituted for this purpose. During 2016-17, 56 approvals were obtained. The total number of shares in physical form transferred during the year under review was 35,596 shares.

DEMATERIALISATION OF SHARES

As on 31st March 2017, 99.18% of the total shares of the Company were in dematerialized form, compared with 99.12% as on 31st March, 2016.

STOCK CODES:-

BSE Ltd. - 539876

National Stock Exchange of India Ltd. -
CROMPTON
ISIN :- INE299U01018 (NSDL & CDSL)

Corporate Identification Number :-
L31900MH2015PLC262254

PLANT LOCATIONS

Sr. No.	State	City	Address
1.	Goa	Kundaim	Plot No 214-A, Kundaim Industrial Estate, Kundaim, Goa 403 115, India
2.	Goa	Bethora	Plot No 1, Goa IDC Industrial Estate, Bethora, Ponda, Goa 403 409, India
3.	Gujarat	Baroda	Baroda Lamp Works, Kural Village, Padra Taluka, Padra Jambusar Road, District Baroda 391430, Gujarat, India
4.	Maharashtra	Ahmednagar	C-19, MIDC, Ahmednagar 414 111, Maharashtra, India
5.	Maharashtra	Ahmednagar	A-28, MIDC, Ahmednagar 414 111, Maharashtra, India
6.	Himachal Pradesh	Baddi	Plot No 81, HPSIDC India, Industrial Area Baddi, District Solan, Himanchal Pradesh 173 205, India
7.	Himachal Pradesh	Baddi	Plot No – 150, HPSIDC, Industrial Area, Baddi, District Solan, Himachal Pradesh 173 205, India
8.	Himachal Pradesh	Baddi	Baddi (Unit III) Village Thana, Tehsil Baddi District Solan, Pin: 173205 Himachal Pradesh – India

REGISTRAR AND TRANSFER AGENT AND ADDRESS FOR CORRESPONDENCE:

For any queries relating to the shares and debentures of the Company, correspondence may please be addressed to Karvy Computershare Pvt. Ltd. at:

Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032.

Telephone	:	+91 40-67161510
Fax	:	+91 40-23420814
Email	:	inward.ris@karvy.com
Website	:	www.karvycomputershare.com
Contact Person	:	Mr. Rajendra Prasad V
Designation	:	Manager - Corporate Registry
SEBI Registration	:	INR000000221

For the benefit of shareholders, documents will continue to be accepted at the Registered and Corporate Office of the Company at:

Crompton Greaves Consumer Electricals Ltd.

CIN : L31900MH2015PLC262254

Tower 3, 1st Floor, East Wing, Equinox Business

Park, LBS Marg, Kurla (West), Mumbai – 400 070.

Telephone : +91 22-61678499

Fax : +91 22-61678383

Email : crompton.investorrelations@crompton.co.in

Website : www.crompton.co.in

Shareholders are requested to quote their folio no./DP ID & Client ID, e-mail address, if any, telephone number and full address while corresponding with the Company and its RTA.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017

Sr. No.	Number of Shares held	Number of Shareholders	Number of Shares held	% of Shareholding
1	1 – 5000	1,08,008	2,85,38,342	4.55
2	5001 -10000	1,042	73,40,603	1.17
3	10001- 20000	439	60,75,052	0.97
4	20001-30000	137	33,48,397	0.53
5	30001-40000	54	18,96,780	0.31
6	40001-50000	36	16,72,362	0.27
7	50001-100000	98	68,95,406	1.10
8	100001 and above	224	57,09,79,200	91.10
	TOTAL	**1,10,038**	**62,67,46,142**	**100.00**

CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH 2017

Sr. No,	Category	No. of shares of ₹ 2 each	% of shareholding
1	Foreign Promoters Bodies Corporate*	14,00,60,033*	22.34*
2	Indian Financial Institutions	3,75,91,427	6.00
3	Bodies Corporates	4,48,40,768	7.15
4	Foreign Institutional Investors	2,17,46,742	3.47
5	Banks	2,98,196	0.05
6	Clearing Members	9,23,680	0.15
7	Foreign Nationals	3,158	0.00
8	Foreign Portfolio Investors	16,05,82,431	25.62
9	H U F	10,24,523	0.16
10	Mutual Funds	8,24,71,992	13.16
11	NBFC	14,162	0.00
12	Non Resident Indians	25,41,482	0.41
13	Overseas Corporate Bodies**	7,54,66,473**	12.04**
14	Resident Individuals	5,50,52,892	8.78
15	Trusts	7,49,693	0.12
16	Alternative Investment Fund	23,61,711	0.38
17	NRI Non- Repatriable	9,75,779	0.16
18	Others	41,000	0.01
	TOTAL	**62,67,46,142**	**100.00**

Notes:-

** The present promoters of your Company are Amalfiaco Ltd. and Nirsinia Ltd.*

*** MacRitchie is a person acting in concert with Amalfiaco and Nirsinia Ltd. MacRitchie has entered into an Inter se Agreement dated 23rd April, 2015 with Amalfiaco and Nirsinia ("Inter-Se Agreement"). Pursuant to the said Agreement, MacRitchie does not have control rights and will not be exercising control over your Company.*

MARKET PRICE DATA

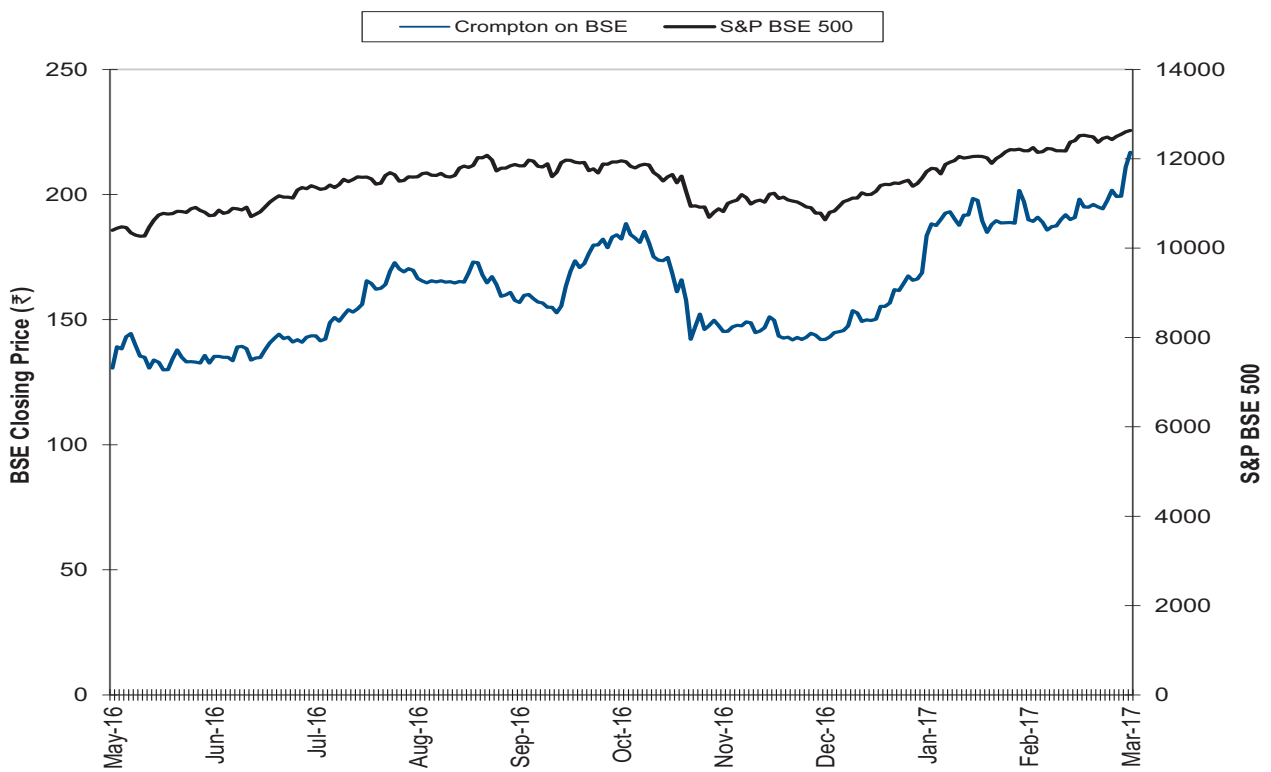
The details of monthly high/low market price of the Equity shares of the Company at BSE Ltd and at the National Stock Exchange of India Ltd for the year under review is provided here under:

Month	BSE Ltd.			National Stock Exchange of India Ltd.		
	High	Low	Total Turnover (₹ in crores)	High	Low	Total Turnover (₹ in crores)
	Face Value ₹ 2	Face Value ₹ 2		Face Value ₹ 2	Face Value ₹ 2	
*May, 2016	150.00	126.20	158.48	145.95	130.00	646.52
June, 2016	144.00	130.05	62.06	143.75	132.85	373.60
July, 2016	158.65	139.00	87.37	157.00	139.55	251.40
August, 2016	175.70	157.00	61.52	173.05	161.35	407.67
September, 2016	174.65	139.75	174.70	173.75	152.05	300.08
October, 2016	191.00	153.90	26.79	188.75	157.70	449.59
November, 2016	184.95	135.05	9.83	180.80	145.15	276.70
December, 2016	157.50	137.40	51.01	154.75	140.40	285.13
January, 2017	193.00	145.50	66.77	191.35	148.20	357.00
February, 2017	206.20	183.00	58.22	200.20	185.20	324.51
March, 2017	224.25	184.00	137.97	216.95	186.05	660.89

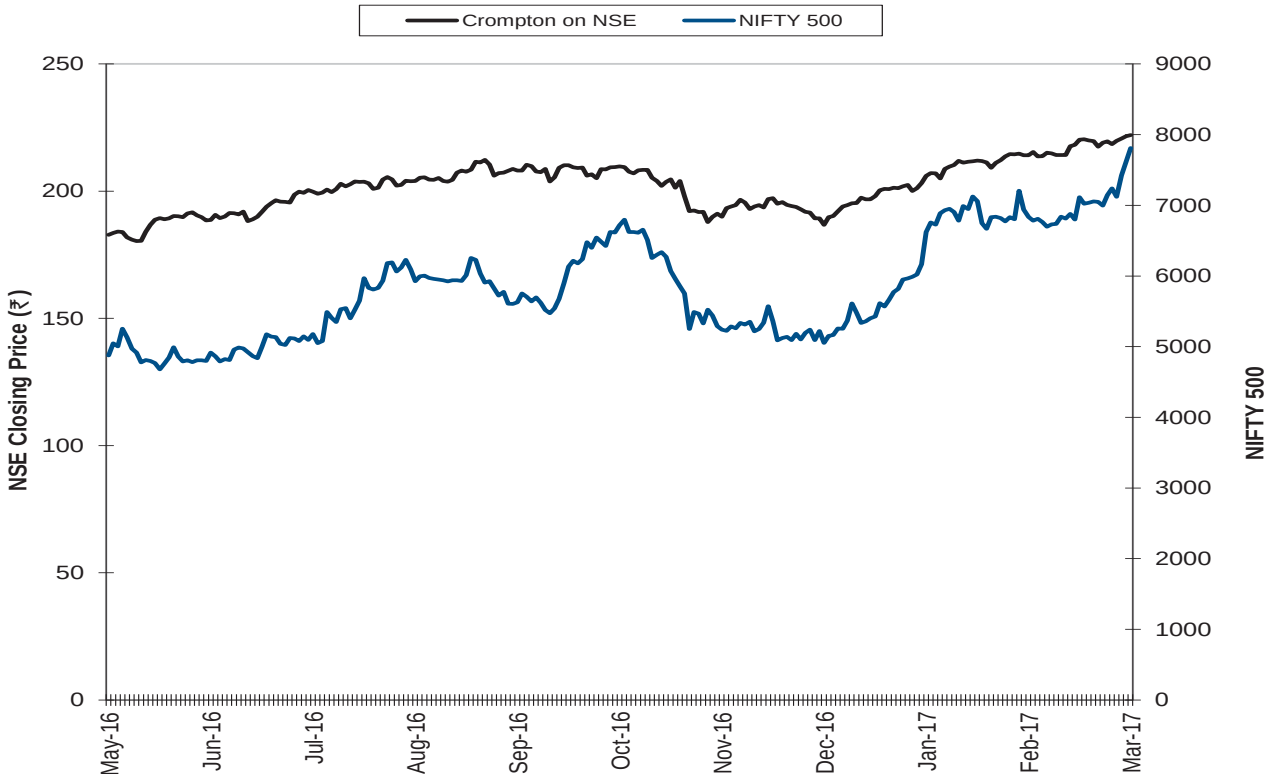
* *The shares of the Company got listed on 13th May, 2016.*

STOCK PERFORMANCE vs S&P BSE 500 AND NSE NIFTY 500

The performance of your Company's shares relative to the S&P BSE 500 index is given in the chart below



The performance of your Company's shares relative to the NSE Nifty 500 Index is given in the chart below:



BREAK-UP OF SHARES IN PHYSICAL AND DEMAT FORM AS ON 31ST MARCH, 2017

Description	No. of Shareholders	Shares	% to Equity
Physical	7,618	51,91,131	0.82
Demat			
NSDL	69,574	60,31,53,927	96.24
CDSL	32,846	1,84,01,084	2.94
TOTAL	**1,10,038**	**62,67,46,142**	**100.00**

OUTSTANDING GDRS/ ADRS/ WARRANTS/ CONVERTIBLE INSTRUMENTS AS ON 31ST MARCH, 2017

Nil

DETAILS OF CAPITAL MARKET NON-COMPLIANCE, IF ANY

No penalties/strictures were imposed on the Company by the stock exchanges or SEBI or any statutory authority in any matters related to the capital markets since incorporation.

UNCLAIMED SHARES

9,55,925 number of equity shares were lying in the unclaimed suspense account of Crompton Greaves Ltd. Pursuant to the Scheme of demerger, equivalent number of equity shares were allotted. There were 9,55,803 number of equity shares lying in Unclaimed Suspense account as unclaimed shares as on 31st March, 2017.

Disclosure In Respect of Equity Shares Transferred in the 'Crompton Greaves Consumer Electricals Ltd. – Unclaimed Suspense Account' is as under:

Particulars	Number of Shareholders	Number of Equity shares
Aggregate number of share holders and the outstanding shares in the suspense account lying as on 1st April, 2016	4,074	9,55,925
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	1	122
Number of shareholders to whom shares were transferred from suspense account during the year;	1	122
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2017	4,073	9,55,803

The voting rights on these shares in the suspense account as on 31st March, 2017 shall remain frozen till the rightful owner of such shares claims the shares.

MD & CFO CERTIFICATION

For 2016-17, Mr. Shantanu Khosla, Managing Director and Mr. Sandeep Batra, Chief Financial Officer have certified to the Board with respect to the financial statements, internal controls and other matters, as required by Clause 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the said Certificate is contained in this Annual Report.

REPORT ON CORPORATE GOVERNANCE

This Chapter, read together with the "Annexure to Corporate Governance", constitutes the Compliance Report on Corporate Governance for F.Y. 2016-17.

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd.

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

Annexure to Corporate Governance

NOMINATION AND REMUNERATION POLICY

APPOINTMENT AND REMOVAL OF DIRECTOR, KMPs AND SENIOR MANAGEMENT

Appointment criteria and qualifications

1. The Committee shall identify and ascertain, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his/her appointment.

2. The Company shall not appoint or continue the employment of any person as Managing Director/Whole - Time Director or Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the Committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

4. A Director shall not be a member in more than ten Committees or act as chairperson of more than five Committees across all listed entities in which he is a Director, which shall be determined as follows:

   - The limit of the Committees on which a Director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded;

   - For the purpose of determination of limit, chairpersonship and membership of the audit Committee and the Stakeholders' Relationship Committee alone shall be considered.

Term/Tenure

1. Managing Director/Whole-time Director

   The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director

   An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

   No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

   Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for five years or more in the Company as on 1st April, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he/she shall be eligible for appointment for one more term of five years only.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

Removal

Due to reasons for any disqualification mentioned in the Act and rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the

Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

Remuneration for Directors and KMPs

1. The remuneration/compensation/commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.

2. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.

3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the shareholders in the case of Managing Director.

4. Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

   Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

5. The remuneration to KMP's shall be decided and recommended by the NR Committee and approved by the Board of Directors.

6. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

7. The remuneration payable to each Non-Executive Director(s) is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.

8. The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

9. The Independent Directors shall not be entitled to any stock option of the Company.

On behalf of the Board of Directors
For Crompton Greaves Consumer Electricals Ltd

H. M. Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: 26th May, 2017

Compliance Certificate on Corporate Governance

To,

The Members of
Crompton Greaves Consumer Electricals Limited

We have examined the compliance of conditions of Corporate Governance by **Crompton Greaves Consumer Electricals Limited** (hereinafter referred as "Company") for the year ended March 31, 2017 as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof 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 our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

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

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
FCS No : 3667
CP No. : 3202

Place : Mumbai
Date : 26th May, 2017

Compliance Certificate by Managing Director and Chief Financial Officer

To,

The Board of Directors

Crompton Greaves Consumer Electricals Ltd.

Dear Sir/Madam,

Sub: Compliance Certificate for the year ended 31st March, 2017 – Regulation 17 (8) & Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 17 (8) & Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is certified that –

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

   (1) the significant changes in internal control over financial reporting during the year;

   (2) there were no significant changes in accounting policies during the year; and

   (3) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking You,

Shantanu Khosla
Managing Director
(DIN: 00059877)

Sandeep Batra
Chief Financial Officer

Place: Mumbai
Date: 26th May, 2017

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT UNDER SEBI(LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31st March, 2017.

Shantanu Khosla
Managing Director
(DIN: 00059877)

Place: Mumbai
Date: 26th May, 2017

Business Responsibility Report (BRR)

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A - GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	L31900MH2015PLC262254
2.	Name of the Company	Crompton Greaves Consumer Electricals Ltd.
3.	Registered Office and Corporate Office	Tower 3, East Wing, Tower 3, 1st Floor, East Wing, Equinox Business Park, LBS, Marg, Kurla (West), Mumbai- 400070
4.	Website	www.crompton.co.in
5.	E-mail Id	crompton.investorrelations@crompton.co.in
6.	Financial Year reported	2016-17
7.	Sections that the Company is engaged in(Industrial Activity code-wise)	1. Lighting Products (27400) 2. Electrical Consumer Durables (27501, 27502, 27503, 201132)
8.	List three key products/services that the Company Manufactures/ provides (as in Balance Sheet)	1. Lighting Products – Luminaries and Light Sources 2. Electrical Consumer Durables – Fan, Appliances and Pumps
9.	Locations where business activity is undertaken by the Company	The Company has 8 factories, 4 Regional offices and 22 Branch offices
10.	Markets served by your Company- Local /State/National/International	The Company's products are distributed pan India and are also marketed in several countries like: Nepal, Sri Lanka, Singapore, Brunei, Fiji, UAE, Oman, Saudi Arabia, Bahrain, Iraq, Kuwait, Qatar, South Africa, Kenya, Ghana, Nigeria, Zambia, Equatorial Guinea, Uganda, Italy, United Kingdom and Paraguay

Section B - FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (As on 31.3.2017)	₹125 crores
2.	Total Turnover	₹ 3,976 crores
3.	Total profit after taxes	₹ 291 crores
4.	Total Spending on Corporate Social Responsibility (CSR)	0.10 crores
5	As percentage of Profit after taxes	0.04 %
6.	List of activities in which Corporate Social Responsibility (CSR) expenditures have been incurred.	1. Promoting education & vocational skills; 2. Projects for conservation of water.

Section C - OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   No

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)**

   Not Applicable

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No

Section D - BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR

a. Details of Director/Directors responsible for implementation of the BR policy/policies

Sr. No.	Particulars	Details
1	DIN Number	00059877
2	Name	Shantanu Khosla
3	Designation	Managing Director

b. Details of the BR Head

Sr. No.	Particulars	Details
1	DIN Number (If Applicable)	N.A.
2	Name	Mr. Mathew Job
3	Designation	Chief Executive Officer
4	Telephone Number	+91 22-61678499
5	E-Mail ID	Mathew.job@crompton.co.in

2. Principle-wise (as per National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business {NVGs}) BR Policy/policies (Reply in Y/N)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy being formulated in consultation with the relevant Stakeholders? (Refer Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are aligned to the legal requirements and EHS Policy is as per ISO and Occupational Health and Safety Assessment System "OHSAS".								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	The implementation and adherence to the Code of Conduct for employees is overseen by the Human Resource Department. The Corporate Social Responsibility Policy is administered by the CSR Committee in line with requirements of the Companies Act, 2013. The EHS Policy is overseen by the Chief Executive Officer. The Company has separate after sales service centre which looks at all customer related issues.								
6	Indicate the link for the policy to be viewed online?	Please refer below links:-								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Code of Conduct, CSR Policy and Prevention of Sexual Harassment Policy are available on the website of the Company. The EHS Policy has been communicated to all relevant stakeholders.								
8	Does the Company have in-house structure to implement the policy/policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	No								

Note 1:- While there may not be formal consultation with all stakeholders, the relevant policies have been drafted after taking inputs from concerned internal stakeholders.

Linkages of various Company policies with BR Principles as per National Voluntary Guidelines (NVGs)

Principle No.	Principle	Reference Document	Reference links
1	Businesses should conduct and govern themselves with ethics, transparency and accountability	1. Code of Conduct 2. Vigil Mechanism and Whistle Blower Policy 3. Code of Conduct to Regulate Monitor and Report Trading by Insiders 4. Prevention of Sexual Harassment Policy	1. http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. http://www.crompton.co.in/media/Vigil-Mechanism-and-Whistle-Blower-Policy.pdf 3. http://www.crompton.co.in/media/Code-to-Regulate-Monitor-and-Report-Insider-Trading-CGCEL.pdf 4. http://www.crompton.co.in/media/CGCEL-POSH-Policy.pdf
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life-cycle	Code of Conduct	http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf
3	Businesses should promote the well-being of all employees	1. Code of Conduct 2. Environment, Health and Safety Policy	1. http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. http://www.crompton.co.in/media/EHS-Policy.pdf
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	1. Code of Conduct 2. Corporate Social Responsibility Policy	1. http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf 2. http://www.crompton.co.in/media/CGCEL-CSR-Policy.pdf
5	Businesses should respect and promote human rights.	Code of Conduct	http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf
6	Businesses should respect, protect, and make efforts to restore the environment	1. Corporate Social Responsibility Policy 2. Environment, Health and Safety Policy	1. http://www.crompton.co.in/media/CGCEL-CSR-Policy.pdf 2. http://www.crompton.co.in/media/EHS-Policy.pdf
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Code of Conduct	1. http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf
8	Businesses should support inclusive growth and equitable development	Corporate Social Responsibility Policy	http://www.crompton.co.in/media/CGCEL-CSR-Policy.pdf
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	Code of Conduct	http://www.crompton.co.in/media/Crompton-Code-of-Conduct.pdf

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company.

It is proposed to be assessed in 2017-18.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequency it is published?

Business Responsibility Report is applicable for the first time to the Company and is part of the Annual Report. It is also available on the Company's website www.crompton.co.in.

Section E - PRINCIPLE WISE PERFORMANCE

PRINCIPLE 1:- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs Others?**

   The Company is committed to adhere to the highest standards of ethical, moral and legal code of conduct for business operations. The Company, in order to maintain these standards has adopted the 'Code of Conduct', which lays down the principles and standards that should govern the actions of the employees in the course of conduct of business of the Company. Any actual or potential violation of the Code, however insignificant or perceived as such, would be a matter of serious concern for the Company.

   The Company has in place different mechanisms for receiving and dealing with complaints from different stakeholders.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   During the year the Company received 360 investor complaints from its shareholders which were promptly resolved. No complaint was outstanding, as on 31st March, 2017.

Principle 2:- PRODUCT LIFE CYCLE SUSTAINABILITY

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. **List three products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.**
   i. Intellipress Pumps
   ii. T-8 Glass Tubelight
   iii. eSave50 Ceiling Fan

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   i. Intellipress Pumps: Single pump booster "IP" series with highly intelligent controller "Intellipress", offers trouble free and noiseless performance and delivers constant high pressure water automatically. The energy consumed in pumping is less as compared to conventional pumping. As the modern water gadgets save water consumption by the virtue of high pressure water supply, this pump helps in water saving.

   ii. T-8 Glass Tubelight :- T-8 Glass LED tubelight with state of art technology uses 50% less energy and has a life nearly 5 times that of the conventional tubelight.

   iii. eSave50 Ceiling Fan:- eSave 50 Ceiling Fan uses 40 Watts per fan as compared to the normal fan which uses 75 Watts per fan, thereby resulting in lower power usage.

3. **Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably.**

   Sustainable sourcing can be classified under two broad headings:

   1. **Products and processes:**

      Any vendor or source identified for the Company is kept informed about its key principles & efforts made towards sustainable operations. Key vendors carrying high pollution potential are audited in line with Environment Health Safety (EHS) norms. The local team, helps in assessment of high risk operations/processes. Frequent training programmes addressing the requirements are briefed & periodically updated during open house /workshop.

   2. **Transportation & Logistics:**

      Vehicles are pooled for collecting raw materials reducing the diesel consumption & load on environment. All transporters & security team are trained yearly & briefed on EHS requirements related to transportation & environment.

      Your Company has strategically designed its distribution network in order to serve its dealers at the least possible transportation cost. This has resulted in better warehouse and inventory management. Further, your Company drives its

distribution plan using an ERP (Enterprise Resource Planning) system to optimize freight cost. It also promotes suppliers wherever feasible, to set up their manufacturing units near your Company's manufacturing locations. These initiatives on one hand benefits your Company in terms of time and cost of transportation and on the other support environment through reduction in fuel consumption and resultant carbon emission.

4. **Steps taken to procure goods and services from local and small producers, including communities and capability building initiatives, undertaken for local and small vendors**

   The Company has developed several small vendors located near the manufacturing plants and upgraded their technical capability and also imparted detailed understanding of quality environment and manufacturing systems.

   Further, at each of the factory locations, the Company endeavors to create jobs for the local communities.

5. **Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)**

   The Environment Management practices of the Company focus on conservation of natural resources and has stringent waste management policies for internally generated wastes.

   All lamps manufactured by the Company which do not meet quality standards are recycled by extracting the phosphorus powder used in them and reusing it for new lamps.

   The defective pumps are dismantled and sent to processing industries like foundries for recycling of the metal.

Principle 3: EMPLOYEES' WELL-BEING

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

1. **Total number of employees**

   The total number of employees including contract labourers and trainees was 3,805 as on 31st March, 2017.

2. **Number of employees hired on temporary/ contractual/ casual basis**

   The total number of employees hired on temporary/ contractual/ casual basis were 2,189 as on 31st March, 2017.

3. **Number of permanent women employees**

   The total number of permanent women employees were 148 as on 31st March, 2017.

4. **Number of permanent employees with disabilities**

   There was 1 permanent employee with disability as on 31st March, 2017.

5. **Employee associations recognized by the management**

   Crompton respects the rights of employees to free association and union representation. The Company has various employee unions in Ahmednagar, Baroda, Bethora & Kundaim which encourage the employees to participate freely in constructive dialogue with the management.

6. **Percentage of permanent employees that are members of recognized employee associations**

   All permanent blue collar employees of Ahmednagar, Baroda and Goa manufacturing units are members of trade unions/ employee associations

7. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**

   No cases of child labour, forced labour, involuntary labour and discriminatory employment were reported in the last financial year. 1 complaint was received for sexual harassment which was investigated and appropriate action was taken in this regard.

8. **Percentage of under-mentioned employees that were given safety and skill upgradation training in the previous year**

   1. Permanent employees-88%
   2. Permanent women employees-80%
   3. Casual/ temporary/ contractual employees-62%
   4. Employees with disabilities-100%

Principle 4: STAKEHOLDER ENGAGEMENT

1. **Has the company mapped its internal and external stakeholders?**

   Yes. The key stakeholders and their mode of engagements are shown below:-

Stakeholders	Mode of Engagement
Government and Regulatory Authorities	Industry bodies/ forums, direct interactions.
Employee	Meetings, newsletters, employee satisfaction survey and trainings.
Customers	Customer meets and visits by Company officials.
Investors and Stakeholders	Investor meets, annual general meeting and annual report.
Suppliers	Site visits and personal/ telephonic interactions.
Trade Unions	Works Committee, Grievance Committee and Union Meetings.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Our disadvantaged and vulnerable stakeholders include differently-abled employees, women and rural communities in and around our plants.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**

   The Company is an equal opportunity employer and provide equal opportunities to differently abled, marginalized and people from economically weaker background. All employees have equal opportunity on career growth.

Principle 5 - HUMAN RIGHTS

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

   The Code of Conduct is applicable to all employees of the Company.

2. **How many stakeholder complaints have been received in the past financial year and what % was satisfactorily resolved by the management?**

   Other than shareholder complaints there were no other complaints received in the past financial year.

Principle 6 - ENVIRONMENT

BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT.

1. **Coverage of the policy related to principle 6 and its extension to the group/ joint ventures/ suppliers/ contractors/ NGO's/ others**

   The Company's Environment, Health and Safety Policy covers all employees- permanent and contract employees.

2. **The company's strategies/ initiatives to address global environmental issues, such as climate change, global warming and more**

   The rain water harvesting project completed at the Ahmednagar plant has recharged ground water amounting to 20 lakh litres in last season and will keep on doing for years whereas the one completed in the nearby village school will recharge ground water @ 1 lakh litres in coming season and onwards.

   The Company's efforts towards developing energy efficient 4 and 5 star rated pumps will minimise the use of power and water.

   Clear sheets on the roof of the Baroda Factory allows natural sunlight to enter and reduce the usage of artificial light and thus save energy.

   Recycled treated water is used for gardening in Baroda Factory.

   The LED tubeights and bulbs manufactured by the Company are highly energy efficient and reduce power in use.

3. **Identification and assessment of potential environmental risk**

   Identification and assessment of potential environment risk is done by following EMS14001 & OSHAS 18001 management system for Environment and Occupational Health & Safety. We also conduct Aspect Impact and Hazard Identification and Risk analysis of our manufacturing operations.

4. **Company's initiatives towards clean development mechanism**

   All manufacturing locations are certified for requirements under ISO 14001 (Environmental Management System) and OHSAS 18001(Occupational Health and Safety System). Audits are carried out to check the level of

compliance. Deviation management system ensures that the corrective actions are completed within a reasonable time frame.

The EHS performance assessment is carried out annually at all plant locations, by cross functional teams assessing the performance over the past year. Based on the outcome, areas for improvement are identified and objectives are derived for the next year.

5. **The company's initiatives on – clean technology, energy efficiency and renewable energy, among others**

The Company has taken up initiatives on Clean Technology and energy efficiency. Innovative technologies are used to reduce the impact on the environment.

The Company's Baroda facility has been awarded Frost & Sullivan and TERI Sustainability award for 2017. Tree plantation drive was taken in and around the Baroda factory.

Solar Panels are used in the canteen at Bethora Plant to save energy.

6. **Reporting on the emissions/ waste generated by the company as per the permissible limits given by CPCB/ SPCB**

Yes. The Company is complying with the emissions norms and is accordingly reporting it to CPCB and SPCB.

7. **Number of show cause/ legal notices received from CPCB/ SPCB, which are pending (i.e. not resolved to satisfaction) as on the end of the financial year**

The Company has not received any show cause/ legal notices from CPCB/ SPCB during the financial year under review.

Principle 7 - POLICY ADVOCACY

BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. **Representation in any trade and chamber/ association**

The Company has its representation in several business and Industrial associations such as Indian Pump Manufacturers Association (IPMA), Southern India Engineering Manufacturers Association (SIEMA), Indian Fan Manufacturers Accociation (IFMA), The Advertising Standards Council of India, Indian Society of Advertisers, IMA IP Ltd., Indian Society of Lighting Engineers, Electrical Lamp Manufacturer's Association, Bureau of Indian Standards (BIS), National Lighting Code and Bombay Chambers of Commerce.

2. **Advocated/ lobbied through above associations for the advancement or improvement of public good**

The Company is working with IPMA core Committee towards creation of new standards for Solar Pumps.

Principle 8 - INCLUSIVE GROWTH

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Specified programmes/ initiatives/ projects by the company in pursuit of the policy related to principle 8.**

1. Does the company have specified programmes / initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

In line with the provisions of the Companies Act, 2013 and based on recommendation of the CSR Committee, the Board of Directors have adopted a CSR Policy. The CSR policy, inter-alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the thrust areas of CSR, the responsibilities of the CSR Committee, the implementation plan and reporting framework.

The thrust areas of the Company's CSR activities are:

1. To promote education & vocational skills;
2. To invest in projects for conservation of water.

Our efforts during the year were focused on the following:-

Sr. No	Projects or activities identified	Project details
1.	Water supply in drought affected area	Relief for freight charges for water supply to Latur
2.	Skill Development Project	Donating old used Computers to Zilha Parishad School, Renukanagar, Bolhegaon, Ahmednagar
3.	Rain water harvesting	Rain harvesting project at Tukai Vidhya Mandir, Shingve , Tukai Village School Building, Ahmednagar, Maharashtra

2. **Modes through which programmes/ projects undertaken (through in-house team/ own foundation/ external NGO's/ Government structures/ any other organization)**

   The programmes are undertaken directly and through agencies.

3. **Impact assessments for initiatives**

   Currently, no impact assessment of our initiatives has been undertaken. However, the Company intends to review the impact of its various initiatives in coming years.

4. **Company's direct contribution to community development projects**

   Details of the projects undertaken are given in Annual Report on CSR Activities in the Board Report.

5. **Steps undertaken to ensure that community development initiatives are successfully adopted by the community**

   The Company ensures its presence is established right from the commencement of the initiatives. It collaborates with the communities right from need identification to project implementation.

Principle 9 - CUSTOMER VALUE

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **Percentage of customer complaints/consumer cases pending as on the end of financial year**

   During the year, 11,14,989 customer complaints were received by the Company. Out of this, 11,14,845 complaints/cases were successfully resolved and 144 (0.01 %) were pending as on 31st March, 2017.

   There were 28 consumer related legal cases as on 31st March, 2017.

2. **Product information and product labeling**

   All the Company's products carry the information required under the Legal Metrology Act, 2009.

3. **Case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anticompetitive behaviour during the last five years and pending as on end of the financial year.**

   Nil

4. **Consumer survey/ consumer satisfaction trends carried out by the Company**

   Yes we carry out consumer surveys to identify needs of consumers and use this information for product developments.

INDEPENDENT AUDITOR'S REPORT

To the Members of Crompton Greaves Consumer Electricals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Crompton Greaves Consumer Electricals Limited** (the 'Company'), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure 'A'**, a Statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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;

(c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**;

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(1) the Company has disclosed the impact of pending litigations on its financial position in its financial statements - (Refer Note 28 to the financial statements);

(2) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(3) reporting on being no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company is not applicable; and

(4) the Company has provided requisite disclosures in the financial statements as to holdings as well as in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management - (Refer Note 44 to the financial statements).

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385

Mumbai, 26th May, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, the title deeds of immovable properties are generally in the name of the Company, except, in two cases of freehold land acquired consequent to the 'Scheme' - (Refer Note 43 to the financial statements) with gross and net carrying amounts of ₹ 1.76 crores and ₹ 1.76 crores respectively - (Refer Note 11 to the financial statements), in respect of which the deeds of conveyance is yet to be completed.

(ii) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and the book records.

(iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the Paragraph 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loan or given any guarantees or provided any security to the parties covered under Section 185 of the Act. Further, the Company has not made any investment or given any loan or given any guarantee or provided any security within the meaning of Section 186 of the Act. Accordingly, the Paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder apply.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these accounts and records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, where applicable, to the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, the particulars of income tax, sales tax, service tax, duty of customs, duty of excise, and value added tax as at 31st March, 2017 which have not been deposited on account of a dispute pending, are as under:

Name of the Statute	Nature of the disputed dues	Amount (₹ crores)*	Period to which the amount relates	Forum where disputes are pending
The Income Tax Act, 1961	Tax, Interest and Penalty	14.83	2009-10 2010-11	Commissionerate (Appeals)
The Central Sales Tax Act, 1956, Local Sales Tax Acts and Works Contract Tax Act	Tax, Interest and Penalty	0.06	1999-2000	High Court
		32.04	1997-98 to 2016-17	Commissionerate (Appeals)
		6.01	1994-95 1996-97 2000-01 to 2003-04 2006-07 to 2010-11	CESTAT/Tribunal
The Central Excise Act, 1944, the Customs Act, 1962 and Service Tax under the Finance Act, 1994	Duty, Service tax, Interest and Penalty	0.04	2005-06 to 2010-11	CESTAT
		1.37	2001-02	Commissionerate (Appeals)

(*net of pre-deposit paid in getting the stay/appeal admitted)

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from Government. The Company has issued redeemable non-convertible debentures during the year, however, there are no dues for repayment.

(ix) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, on an overall basis, the term loan has been applied for the purpose for which the term loan was obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year nor have we been informed of such case by management.

(xi) According to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the Paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The relevant details of such related party transactions have been disclosed in the financial statements, etc., as required under Accounting Standard (AS) 18 Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) According to the information and explanations given to us, the Company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the Paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the Paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385

Mumbai, 26th May, 2017

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) of our report of even date)

Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **Crompton Greaves Consumer Electricals Limited** (the 'Company') as of 31st March, 2017 in conjunction with our audit of the 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 (the 'Guidance Note') 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 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 (the 'Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by The ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or

disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2017, 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.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385

Mumbai, 26th May, 2017

Balance Sheet
as at 31st March, 2017

₹ crores

Particulars	Note No	As at 31-03-2017		As at 31-03-2016	
EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	2	125.35		125.35	
(b) Reserves and surplus	3	413.81		103.37	
			539.16		228.72
2 Non-current liabilities					
(a) Long-term borrowings	4	650.00		507.21	
(b) Other long-term liabilities	5	-		0.08	
(c) Long-term provisions	6	17.55		14.47	
			667.55		521.76
3 Current liabilities					
(a) Short-term borrowings	7	-		10.00	
(b) Trade payables	8				
(i) Due to micro and small enterprises		20.52		27.22	
(ii) Due to creditors other than micro and small enterprises		694.01		636.88	
(c) Other current liabilities	9	130.22		200.44	
(d) Short-term provisions	10	63.54		28.03	
			908.29		902.57
Total			**2,115.00**		**1,653.05**
ASSETS					
1 Non-current assets					
(a) Property, Plant & Equipments					
(i) Tangible assets	11	75.76		75.77	
(ii) Intangible assets	11	785.75		782.24	
(iii) Capital work-in-progress		0.05		0.07	
(b) Deferred tax assets (net)	12	18.16		4.32	
(c) Long-term loans and advances	13	18.56		17.82	
			898.28		880.22
2 Current assets					
(a) Current investments	14	318.54		-	
(b) Inventories	15	234.82		209.98	
(c) Trade receivables	16	543.43		416.51	
(d) Cash & bank balances	17	69.97		90.00	
(e) Short-term loans and advances	18	49.96		56.34	
			1,216.72		772.83
Total			**2,115.00**		**1,653.05**
CONTINGENT LIABILITIES AND COMMITMENTS	28				
SIGNIFICANT ACCOUNTING POLICIES	1				
OTHER NOTES	41 to 47				

The accompanying notes form an integral part of the financial statements

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385
Mumbai, 26th May, 2017

H.M. Nerurkar
Chairman
DIN: 000265877

Sandeep Batra
Chief Financial Officer

Pragya Kaul
Company Secretary

Mumbai, 26th May, 2017

Shantanu Khosla
Managing Director
DIN: 00059877

D. Sundaram
Director
DIN: 00016304

Statement of Profit and Loss
for the year ended 31st March, 2017

₹ crores

Particulars	Note No	2016-17		2015-16	
Sales and services		4,091.68		1,868.27	
Less: Excise duty		115.78		56.59	
Revenue from operations	19		3,975.90		1,811.68
Other income	20		19.50		3.85
Total Revenue			**3,995.40**		**1,815.53**
Expenses:					
Cost of raw materials and components consumed	21	819.13		428.00	
Purchases of stock-in-trade	22	1,934.87		879.92	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(19.15)		(37.68)	
Employee benefits expense	24	225.18		100.49	
Finance costs	25	65.53		35.45	
Depreciation and amortisation expense	26	11.04		6.27	
Other expenses	27	525.66		231.47	
Total Expenses			**3,562.26**		**1,643.92**
Profit before exceptional items and tax			**433.14**		**171.61**
Exceptional items	37		2.52		13.93
Profit before tax			**430.62**		**157.68**
Tax expense:					
Current tax		153.77		56.44	
Deferred tax	12	(13.84)		(3.95)	
			139.93		52.49
PROFIT FOR THE YEAR			**290.69**		**105.19**
Earnings Per Equity Share					
Basic (Face value of ₹ 2 each) (₹)	40		4.64		3.36
Diluted (Face value of ₹ 2 each) (₹)			4.63		3.36
SIGNIFICANT ACCOUNTING POLICIES	1				
OTHER NOTES	41 to 47				

The accompanying notes form an integral part of the financial statements

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385
Mumbai, 26th May, 2017

H.M. Nerurkar
Chairman
DIN: 000265877

Sandeep Batra
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Company Secretary

Mumbai, 26th May, 2017

Shantanu Khosla
Managing Director
DIN: 00059877

D. Sundaram
Director
DIN: 00016304

Cash Flow Statement

for the year ended 31st March, 2017

₹ crores

Particulars		2016-17	2015-16
[A] CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxes		**430.62**	**157.68**
Adjustments for:			
Depreciation and amortisation expense		11.04	6.27
Interest expense		65.53	35.06
Loss on sale of property, plant and equipment		0.17	0.04
Expense on employee stock options scheme		19.75	-
Provision for diminution in value of investments		0.57	-
Interest income		(16.01)	(3.70)
Dividend income		(2.90)	-
Unrealised exchange (gain) / loss (net)		(0.06)	(1.25)
		78.09	36.42
Operating profit before working capital changes		508.70	194.10
Changes in assets and liabilities			
(Increase) / Decrease in trade and other receivables		(121.07)	(19.07)
(Increase) / Decrease in inventories		(24.84)	(50.23)
Increase / (Decrease) in trade and other payables		62.84	96.90
Increase / (Decrease) in provisions		31.41	8.05
		(51.66)	35.65
Cash from operations		457.04	229.75
Direct taxes paid (net of refunds)		(146.60)	(54.04)
Net cash (used in) / from operating activities	**[A]**	**310.44**	**175.71**
[B] CASH FLOW FROM INVESTING ACTIVITIES			
Add: Inflow from investing activities			
Interest received		15.93	3.70
Dividend received		2.90	-
Sale of property, plant and equipment		0.14	0.28
		18.97	3.98
Less: Outflow from investing activities			
Purchase of current investments		319.11	-
Purchase of property, plant and equipment		14.98	1.54
		334.09	1.54
Net cash (used in) / from investing activities	**[B]**	**(315.12)**	**2.44**

₹ crores

Particulars		2016-17	2015-16
[C] CASH FLOW FROM FINANCING ACTIVITIES			
Add: Inflow from financing activities			
Proceeds from long-term borrowings		650.00	-
Proceeds from short-term borrowings		-	10.00
		650.00	10.00
Less: Outflow from financing activities			
Repayment of long-term borrowings		634.45	63.25
Repayment of short-term borrowings		10.00	-
Interest paid		20.91	35.06
		665.36	98.31
Net cash (used in) / from financing activities	**[C]**	**(15.36)**	**(88.31)**
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES	**(A+B+C)**	**(20.03)**	**89.84**
(a) Cash and bank balances at beginning of the year		90.00	0.05
(b) Cash and bank balances pursuant to the 'Scheme' (Refer Note 43)		-	0.11
(c) Cash and bank balances at end of the year		69.97	90.00
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES	**(c-a-b)**	**(20.03)**	**89.84**

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 Cash Flow Statements, as specified in the Companies (Accounting Standards) Rules, 2006, (as amended).

2 Additions to Property, plant and equipment include movements of capital work-in-progress during the year.

3 Figures for the previous year have been regrouped wherever necessary.

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385
Mumbai, 26th May, 2017

H.M. Nerurkar
Chairman
DIN: 000265877

Sandeep Batra
Chief Financial Officer

Pragya Kaul
Company Secretary

Mumbai, 26th May, 2017

Shantanu Khosla
Managing Director
DIN: 00059877

D. Sundaram
Director
DIN: 00016304

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

(1) Basis of preparation and presentation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards, the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the guidance notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable, except to the extent where compliance with other statutory bodies, viz., SEBI guidelines override the same requiring a different treatment. Certain escalation and other claims are accounted for in terms of contracts with the customers / admitted by the appropriate authorities.

(2) Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent liabilities and assets. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The examples of such estimates include, the useful life of tangible and intangible assets, allowances for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Actual results may differ from the estimates and assumptions and in such case, the difference is recognised in the period in which the results are known.

(3) Property, plant and equipment:

The Company has adopted cost model as its accounting policy and has accordingly applied the same to the entire class of property, plant and equipment.

(A) Tangible assets:

(a) Tangible assets are stated at cost, net of tax / duty credit availed, if any, less accumulated depreciation, amortisation and impairment, if any. Costs directly attributable to acquisition are capitalised until the assets are ready for use as intended by the management. Subsequent upgradations / enhancements which results in an increase in the future benefits from such assets, beyond the previously assessed standard of performance, are also capitalised. Machinery spares which can be used only in connection with an item of tangible assets and whose use is not regular in nature are capitalised and written-off over the estimated useful life of the relevant asset.

(b) Administrative and other general overheads that are specifically attributable to construction or acquisition of tangible assets or bringing the tangible assets to working condition necessary for it to be capable of operating in the manner intended by the management are allocated and capitalised as a part of tangible assets.

(c) Pre-operative expenses, including interest on borrowings upto the date of commercial operations, are treated as part of project cost and capitalised.

(d) Self-constructed tangible assets are capitalised at factory cost, including excise duty, and appropriate share of overheads, where applicable.

(e) Tangible assets not ready for intended use on the date of the balance sheet are disclosed as Capital work-in-progress.

(f) Where cost of an asset ('asset component') is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

(g) Capital expenditure on tangible assets for research and development is classified under tangible assets and is depreciated on the same basis as other tangible assets.

(h) Tangible assets are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case retirement of assets and gains or losses arising from disposal of tangible assets are recognised in the statement of profit and loss in the year of occurrence.

(i) Useful lives and residual values of the assets are determined by the management at the time the asset is acquired and reviewed periodically including at each financial year end.

(B) Intangible assets and amortisation:

(a) Goodwill

The goodwill arising as a result of business combination is not amortised and is tested for impairment every year.

(b) Other 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 are stated at acquisition cost net of accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on straight line basis over their useful life as follows:

Intangible assets:

(1) Computer software: Over a period of five years

(2) Technical know-how: Over a period of five years (from the date of its availability for use)

(c) Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

(d) Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development'.

(e) Amortisation on impaired assets is provided by adjusting the amortisation charges in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(f) Research and development cost:

(1) Research cost:

Revenue expenditure on research is charged to statement of profit and loss under the respective heads of accounts in the period in which it is incurred.

(2) Development cost:

Development expenditure on new product is capitalised as intangible asset, if all of the following 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 including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;

(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 measure the expenditure attributable to the intangible asset during the development reliably.

Development costs on the intangible assets, fulfilling the criteria are amortised over a period of five years, otherwise are expensed in the period in which they are incurred.

(4) Depreciation:

(a) Owned assets:

Depreciation on tangible assets carried at historical costs is provided on straight line method on the basis of the useful life of assets as specified in Schedule II to the Companies Act, 2013. In case of tangible assets which are added / disposed off during the year, the depreciation is provided on pro-rata basis with reference to the month of addition / deletion.

In case of following category of tangible assets, the depreciation has been provided based on the technical evaluation of the remaining useful life which is different from the one specified in Schedule II to the Companies Act, 2013:

(i) Plant and machinery – Maximum 21 years

(ii) Furniture and fixtures – Maximum 15 years

(iii) Vehicles – Maximum 8 years.

(b) Leased assets:

(i) Leasehold lands are amortised over the period of lease.

(ii) 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 is beyond the life of the building.

(iii) In other cases, buildings constructed on leasehold land is amortised over the primary lease period of the land.

(5) Impairment of assets:

As at each balance sheet date, the carrying amounts of assets are tested for impairment so as to determine:

(a) the provision for impairment loss, if any; and

(b) the reversal of impairment loss recognised in previous accounting periods, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

(a) In the case of an individual asset, at the higher of the net selling price and the value in use; and

(b) 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 net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

(6) Inventories :

Inventories are valued after providing for obsolescence, if any, as under:

(a)	Raw materials, components, stores and spare parts	: At lower of cost computed, on weighted average basis and net realisable value
(b)	Work -in-progress - Manufacturing	: At lower of cost of materials, plus appropriate production overheads and net realisable value.
(c)	Finished goods – Manufacturing	: At lower of cost of materials plus appropriate production overheads, including excise duty paid / payable on such goods and net realisable value.
(d)	Finished goods – Trading	: At lower of cost computed, on weighted average basis and net realisable value

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs

incurred in bringing the inventories to their present location and condition. Materials and supplies held for use in the production of inventories are not written down, if the finished goods in which they will be used are expected to be sold at or above cost.

(7) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date of acquisition are classified as current investments. Cost of investments include acquisition charges, if any, and are stated at lower of cost and fair value determined on individual basis.

Any reduction in the carrying amount or any reversals of such reduction is charged or credited to the statement of profit and loss.

(8) Cash and cash equivalents:

(a) Cash comprises cash on hand and demand deposits with banks.

(b) Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(9) Foreign currency transactions :

(a) The reporting currency of the Company is Indian Rupee.

(b) Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate.

(10) Derivative contracts:

(a) The Company uses forwards or options contracts to hedge its risks associated with foreign currency transactions relating to certain firm commitments and forecasted transactions.

(b) Forward contracts and options, other than those entered into to hedge foreign currency risks on unexecuted firm commitments or highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 The Effects of Changes in Foreign Exchange Rates. Exchange differences arising on such contracts are recognised in the period in which they arise.

(c) The premium or discount on forward or options contracts is amortised as expense or income over the period of the contract.

(d) Gains and losses on roll over or cancellation of derivative contracts which qualify as effective hedge are recognised in the statement of profit and loss in the same period in which the hedged item is accounted.

(11) Long-term loans

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the income statement.

(12) Revenue recognition:

a. Sale of goods:

Revenue from sale of goods is recognised, when all the significant risks and rewards of ownership are transferred to the buyer, as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from sale of the goods. Sales also includes excise duty and price variations based on the contractual agreements and excludes value added tax / sales tax.

b. Sale of services:

Service income is recognised as per the terms of the contracts / arrangements with the customers on proportionate completion method. When no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognised net of service tax as applicable.

c. Revenue from contracts:

Revenue from contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the costs incurred upto the reporting date to the total estimated cost to complete. Foreseeable loss, if any, on the contracts is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included in contract revenue is taken into consideration. Contract is reflected at cost till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter. Claims are accounted as income acceptance by customer.

d. Interest income:

Interest income on deposits, securities and loans is recognised at the agreed rate on time proportionate basis.

e. Dividend income:

Dividend income on investments is recognised when the right to receive dividend is established.

(13) Employee benefits :

(a) Short-term employee benefits:

All employee benefits falling due wholly within twelve months of rendering service 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.

(b) Post-employment benefits:

Defined contribution plans:

The Company's contribution to defined contribution plans, namely State governed provident fund, superannuation fund, employee state insurance scheme, employee pension scheme and labour welfare fund are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The above benefits are classified as Defined Contribution Scheme as the company has no further defined obligations beyond the monthly contributions.

Defined benefit plans:

For defined benefit schemes in the form of gratuity fund and post-retirement medical benefits, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

Actuarial gains / losses are recognised in full in the statement of profit and loss, for the period in which they occur.

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

(c) Long-term employee benefits:

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

(d) Termination benefits:

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

(e) Employee stock option plan:

Equity settled stock options granted under the employee stock option plan are accounted for under the intrinsic value method as per the accounting treatment prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, issued by Securities and Exchange Board of India and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

(14) Borrowing costs:

(a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(b) All other borrowing costs are recognised as expense in the period in which they are incurred.

(15) Segment accounting:

(a) Segment accounting policies:

Segment accounting policies are in line with the accounting policies of the Company. The Company identifies primary business segment based on the different risks and returns, the organisation structure and the internal reporting systems. Secondary segments are identified on the basis of geography in which sales have been effected. In addition, the following specific accounting policies have been followed for segment reporting:

(1) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

(2) 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.

(3) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

(4) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Company.

(5) 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.

(b) Inter-segment transfer pricing:

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

(16) Leases:

The determination of whether an agreement is a lease is based on the substance of the agreement at the date of inception. Lease rentals are charged to the statement of profit and loss on accrual basis.

(17) Earnings per share :

(a) Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) Diluted earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares.

(18) Taxes on income:

(a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act,1961 and based on the expected outcome of assessments / appeals.

(b) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

(c) Deferred tax assets relating to unabsorbed depreciation / business losses are recognised and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(d) Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(e) The carrying amount of deferred tax asset is reviewed at each balance sheet date for any write down as considered appropriate.

(19) Provisions, Contingent liabilities, Contingent assets and Commitments:

(a) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if:

(1) the Company has a present obligation as a result of a past event;

(2) it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation; and

(3) a reliable estimate can be made of the amount of obligation.

(b) Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if the enterprise settles the obligation.

(c) Contingent liability is disclosed in the case of:

(1) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;

(2) a present obligation arising from past events, when no reliable estimate is possible;

(3) a possible obligation arising from past events, where the probability of outflow of resources is remote.

(d) Contingent assets are neither recognised nor disclosed.

(e) Commitments are future liabilities for contractual expenditure. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

(f) Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(20) Extraordinary and exceptional items:

Income or expenses that arise from events or transactions that are clearly distinct from ordinary activities of the company are classified as extraordinary items. Specific disclosures of such events / transactions are made in the financial statements. Similarly, any external event beyond the control of the company, significantly impacting income or expenses, is also treated as extraordinary item and disclosed as such. On Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company 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 in the notes accompanying to the financial statements.

2. SHARE CAPITAL

₹ crores

	As at 31-03-2017	As at 31-03-2016
Authorised		
65,00,00,000 Equity Shares of ₹ 2 each	130.00	130.00
(Previous year 65,00,00,000 Equity Shares of ₹ 2 each)		
Issued		
62,67,46,142 Equity Shares of ₹ 2 each	125.35	125.35
(Previous year 62,67,46,142 Equity Shares of ₹ 2 each)		
Subscribed and paid-up		
62,67,46,142 Equity Shares of ₹ 2 each	125.35	125.35
(Previous year 62,67,46,142 Equity Shares of ₹ 2 each)		
	125.35	**125.35**

Notes:

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Issued, Subscribed and Paid up Share capital	As at 31-03-2017		As at 31-03-2016	
	No. of Shares	₹ crores	No. of Shares	₹ crores
Balance at the beginning of the year	62,67,46,142	125.35	2,50,000	0.05
Add: Issued during the year #	-	-	62,67,46,142	125.35
Less: Shares cancelled, extinguished and annulled	-	-	(2,50,000)	0.05
Balance at the end of the year	**62,67,46,142**	**125.35**	**62,67,46,142**	**125.35**

In the previous year 62,67,46,142 Equity shares of ₹2 each at par have been issued to the equity shareholders of CGL in the ratio of 1 equity share of the Company for every 1 equity share of CGL (Refer Note 43).

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.

c) Shareholders holding more than 5 % of shares in the Company:

Shareholder	As at 31-03-2017		As at 31-03-2016	
	%	No. of Shares	%	No. of shares
Avantha Holdings Limited	-	-	34.37%	21,54,42,496
Amalfiaco Limited	22.34%	14,00,37,623	-	-
MacRitchie Investments Pte Ltd	12.03%	7,54,04,873	-	-

d) There are no bonus shares issued/ shares bought back.

e) There are no shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment.

f) Refer Note 42 for Employee stock option schemes.

g) The Board of Directors has recommended a dividend of ₹ 1.50 per fully paid up equity share of ₹ 2 each for the financial year 2016-17, aggregating to ₹ 113.15 crores, including dividend distribution tax.

3. RESERVES AND SURPLUS

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Capital Reserve				
As per last balance sheet	0.05		-	
Add: Share capital written back pursuant to the 'Scheme'	-		0.05	
		0.05		0.05
Employee stock option outstanding account				
As per last balance sheet	-		-	
Add: Employee compensation expense for the year (Refer Note 42)	19.75		-	
		19.75		-
Surplus in Statement of profit and loss				
As per last balance sheet	103.32		(1.87)	
Add: Profit for the year	290.69		105.19	
Profit available for appropriation	394.01		103.32	
Less: Appropriations	-		-	
Profit available for distribution	394.01		103.32	
		394.01		103.32
		413.81		**103.37**

4. LONG-TERM BORROWINGS

₹ crores

	As at 31-03-2017	As at 31-03-2016
Secured loan		
Debentures	650.00	-
Term loan from Banks	-	507.21
	650.00	**507.21**

Notes:

Terms of Debentures:

Particulars	Series A	Series B	Series C
Face value per debenture (₹)	10,00,000	10,00,000	10,00,000
Date of allotment	24th June, 2016	24th June, 2016	24th June, 2016
As at 31st March, 2017 (₹ crores)	300.00	170.00	180.00
As at 31st March, 2016 (₹ crores)	-	-	-
Interest	8.95% p.a. payable annually	8.95% p.a. payable annually	8.95% p.a. payable annually
Terms of repayment for debentures outstanding as on 31st March, 2017	Redeemable at face value at the end of 3 years from the date of allotment	Redeemable at face value at the end of 4 years from the date of allotment	Redeemable at face value at the end of 5 years from the date of allotment

Debentures are secured by:

(a) Charge on 'Crompton' Brand and Registered Trade Mark of the Company; and

(b) Charge by way of equitable mortgage by deposit of title deeds of immovable properties situated in the State of Maharashtra, Himachal Pradesh and Goa.

5. OTHER LONG-TERM LIABILITIES

₹ crores

	As at 31-03-2017	As at 31-03-2016
Other payables:		
Security deposits	-	0.08
	-	**0.08**

6. LONG-TERM PROVISIONS

₹ crores

	As at 31-03-2017	As at 31-03-2016
Provision for employee benefits (Refer Note 34)	17.55	14.47
	17.55	**14.47**

7. SHORT-TERM BORROWINGS

₹ crores

	As at 31-03-2017	As at 31-03-2016
Secured loans		
Working capital demand loan		
From banks	-	10.00
	-	**10.00**

Notes:

Working capital demand loan was secured by way of charge on the Company's inventory and trade receivables.

8. TRADE PAYABLES

₹ crores

	As at 31-03-2017	As at 31-03-2016
Acceptances	283.34	223.24
Due to micro and small enterprises	20.52	27.22
Due to creditors other than micro and small enterprises	410.67	413.64
	714.53	**664.10**

Notes:

(a) The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31st March, 2017. The disclosure pursuant to the said Act is as under:

₹ crores

Particulars		2016-17	2015-16
(a)	Principal amount due to suppliers under MSMED Act	20.52	27.22
(b)	Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	-	-
(c)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	0.77
(d)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(e)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(f)	Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
(g)	Interest accrued and remaining unpaid at the end of each of the year to suppliers under MSMED Act	-	-

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

9. OTHER CURRENT LIABILITIES

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Current maturities:				
Long-term borrowings:				
From Bank		-		127.24
Advances from customers		22.77		16.04
Interest accrued but not due on borrowings		44.63		-
Other payables:				
Statutory dues	41.50		37.55	
Security deposits	19.13		16.28	
Others	2.19		3.33	
		62.82		57.16
		130.22		**200.44**

10. SHORT-TERM PROVISIONS

₹ crores

	As at 31-03-2017	As at 31-03-2016
Provision for employee benefits	3.44	2.38
Others:		
Income tax (net of payments made)	9.58	2.40
Other provisions	50.52	23.25
	63.54	**28.03**

Notes:

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

(1) Movement in provisions :

₹ crores

Nature of Provisions	Warranties		Sales tax / VAT/Other Tax	
	2016-17	2015-16	2016-17	2015-16
Carrying amount at the beginning of the year	21.06	-	2.13	-
Addition pursuant to the "Scheme" (Refer Note 43)	-	15.03	-	2.13
Additional provision made during the year #	22.30	6.03	4.97	-
Amounts used during the year	-	-	-	-
Unused amounts reversed during the year #	-	-	-	-
Carrying amount at the end of the year	**43.36**	**21.06**	**7.10**	**2.13**

Nature of Provisions	Other Litigation Claims		Total	
	2016-17	2015-16	2016-17	2015-16
Carrying amount at the beginning of the year	0.06	-	23.25	-
Addition pursuant to the "Scheme" (Refer Note 43)	-	0.06	-	17.22
Additional provision made during the year #	-	-	27.27	6.03
Amounts used during the year	-	-	-	-
Unused amounts reversed during the year #	-	-	-	-
Carrying amount at the end of the year	**0.06**	**0.06**	**50.52**	**23.25**

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

(2) Nature of provisions:

(a) Product warranties: The Company gives warranties on certain products and services, undertaking to repair / replace products, 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 repair / replacement. The timing of outflows is expected to be within a period of two years from the date of balance sheet.

(b) Provision for sales tax / VAT / other tax represents liability on account of non-collection of declaration forms and other legal matters which are in appeal under the Acts / Rules.

(c) Provision for other litigation obligation claims represents liabilities that are expected to materialise in respect of matters in appeal.

(3) Disclosure in respect of contingent liabilities (Refer Note 28)

NOTE: 11 PROPERTY, PLANT AND EQUIPMENT

₹ crores

ASSETS	Gross block (Cost / Valuation)				Depreciation /Amortisation				Net block	
	As at 01-04-2016	Additions	Deductions	**As at 31-03-2017**	Upto 31-03-2016	For the year	Deductions	**Upto 31-03-2017**	**As at 31-03-2017**	As at 31-03-2016
(i) Tangible assets										
Owned assets:										
Freehold land	3.62	0.55	-	4.17	-	-	-	-	4.17	3.62
Leasehold land	1.96	0.64	-	2.60	0.41	0.03	-	0.44	2.16	1.55
Buildings	43.78	0.35	-	44.13	14.76	1.52	-	16.28	27.85	29.02
Plant and equipments	124.81	4.21	1.30	127.72	88.90	6.31	1.20	94.01	33.71	35.91
Furniture and fixtures	10.31	0.75	0.88	10.18	7.17	0.52	0.83	6.86	3.32	3.14
Vehicles	1.62	1.35	0.34	2.63	0.86	0.18	0.21	0.83	1.80	0.76
Office equipment	9.43	1.98	0.08	11.33	7.66	0.97	0.05	8.58	2.75	1.77
Sub-total (i)	**195.53**	**9.83**	**2.60**	**202.76**	**119.76**	**9.53**	**2.29**	**127.00**	**75.76**	**75.77**
(ii) Intangible assets										
Goodwill	779.41	-	-	779.41	-	-	-	-	779.41	779.41
Computer software	1.04	5.02	-	6.06	0.79	0.28	-	1.07	4.99	0.25
Technical know-how	4.33	-	-	4.33	2.43	0.94	-	3.37	0.96	1.90
Research and development	1.52	-	-	1.52	0.84	0.29	-	1.13	0.39	0.68
Sub-total (ii)	**786.30**	**5.02**	**-**	**791.32**	**4.06**	**1.51**	**-**	**5.57**	**785.75**	**782.24**
Total (i+ii)	**981.83**	**14.85**	**2.60**	**994.08**	**123.82**	**11.04**	**2.29**	**132.57**	**861.51**	**858.01**
Total (Previous year)	**-**	**982.71**	**0.88**	**981.83**	**-**	**124.37**	**0.56**	**123.82**	**858.01**	**-**

Note:

(a) Cost of freehold land included ₹ 1.76 crores (Previous year ₹ 3.62 crores) for which conveyance is yet to be completed consequent to the 'Scheme' (Refer Note 43).

(b) Cost / valuation of buildings includes ownership accommodation in various co-operative societies and apartments: ₹ 0.67 crores; (Previous year ₹ 0.67 crores), including 3 shares of ₹ 100 each, which is in the process of transferring in the Company's name (Refer Note 43).

(c) Impairment during the year ₹ Nil (Previous year ₹ Nil).

(d) Additions of previous year includes assets transferred pursuant to 'Scheme' (Refer Note 43).

12. DEFERRED TAX

₹ crores

	As at 31-03-2017		As at 31-03-2016	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Difference between book and tax depreciation		4.48		4.82
Expenses allowable for tax purposes when paid / on payment of TDS	10.99		5.42	
Other items giving rise to timing differences	11.65		3.72	
	22.64	4.48	9.14	4.82
Net deferred tax assets/ (liability)	**18.16**		**4.32**	
Deferred tax liability/ (asset) charged /(credited) to Statement of profit and loss.	(13.84)		(3.95)	

13. LONG-TERM LOANS AND ADVANCES

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Unsecured, considered good, unless otherwise stated				
Capital advances	1.49		1.34	
Less: Allowance for bad and doubtful advances	(1.07)		(1.07)	
		0.42		0.27
Security deposit		5.36		5.36
Others		12.78		12.19
		18.56		**17.82**

14. CURRENT INVESTMENTS

₹ crores

	Face Value	Units	As at 31-03-2017	As at 31-03-2016
Investment in Mutual funds				
(At lower of cost and fair value)				
Unquoted				
Birla Sun Life Cash Plus-Regular -Daily Dividend -Reinvestment	100	19,68,150	19.72	-
Birla Sun Life Short Term-Regular-Monthly Dividend-Reinvestment	10	1,88,03,908	22.43	-
Birla Sun Life Short Term-Direct-Monthly Dividend-Reinvestment	10	68,12,080	8.03	-
DSP Black Rock Banking and PSU Debt Fund-Regular-Daily Dividend-Reinvestment	10	89,53,544	9.03	-
DSP Black Rock Liquidity Fund-Institutional Plan--Regular-Daily Dividend-Reinvestment	1,000	99,937	10.00	-
DSP Black Rock Ultra Short Term Fund-Direct-Daily Dividend-Reinvestment	10	50,33,748	5.07	-
HDFC Short-Term Opportunities Fund-Regular-Fortnightly Dividend-Reinvestment	10	99,09,917	10.14	-
HDFC Short-Term Opportunities Fund-Direct-Fortnightly Dividend-Reinvestment	10	2,99,35,646	30.81	-
ICICI Prudential Banking and PSU Debt Fund-Regular-Daily Dividend-Reinvestment	10	1,98,76,001	20.28	-
IDFC Corporate Bond Fund-Regular-Monthly Dividend-Reinvestment	10	1,43,83,181	15.08	-
IDFC Corporate Bond Fund-Direct-Monthly Dividend-Reinvestment	10	3,42,52,831	35.05	-
Invesco India Liquid Fund- Regular-Daily Dividend-Reinvestment	1,000	3,52,122	35.27	-
Kotak Floater Short-Term-Regular-Daily Dividend-Reinvestment	1,000	84,161	8.51	-
Kotak Liquid -Regular -Daily Dividend-Reinvestment	1,000	1,57,237	19.23	-
Reliance Liquid Fund-Treasury Plan-Regular-Daily Dividend-Reinvestment	1,000	2,97,196	45.44	-
Tata Short Term Bond-Direct-Fortnightly Dividend-Reinvestment	10	1,64,60,711	25.02	-
			319.11	-
Less: Provision for diminution in value			0.57	-
			318.54	**-**

14. CURRENT INVESTMENTS (Contd..)

₹ crores

Details of unquoted investments:	As at 31-03-2017	As at 31-03-2016
(a) Aggregate amount of unquoted investments:		
Book value	319.11	-
(b) Aggregate provision for diminution in value of investments	0.57	-

15. INVENTORIES (At lower of cost and net realisable value)

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Raw materials	38.53		32.84	
Add: Goods-in-transit	0.23		0.36	
		38.76		33.20
Work-in-progress - manufacturing		23.74		14.13
Finished goods - manufacturing		56.03		62.77
Stock-in-trade		113.46		97.17
Stores, spares and packing materials		2.83		2.71
		234.82		**209.98**

Disclosure of Work-in-progress -manufacturing

₹ crores

	As at 31-03-2017	As at 31-03-2016
(i) Lighting products		2.04
(ii) Electrical consumer durables	23.74	12.09
	23.74	**14.13**

16. TRADE RECEIVABLES

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Unsecured				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered good	35.84		27.98	
Considered doubtful	6.13		1.50	
	41.97		29.48	
Less: Allowance for bad and doubtful debts	6.13		1.50	
		35.84		27.98
Others:				
Considered good		507.59		388.53
		543.43		**416.51**

17. CASH AND BANK BALANCES

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Cash and cash equivalents				
Balances with banks:				
On current accounts	43.00		74.25	
On deposit accounts (Refer Note below)	26.73		15.50	
(with less than 12 months maturity)	69.73		89.75	
Cash on hand	0.01	69.74	0.02	89.77
Other bank balances				
On deposit accounts (Refer Note below)		0.23		0.23
(with more than 12 months maturity)				
		69.97		**90.00**

Note: Deposits of ₹ 4.37 crores (Previous year ₹ 0.23 crore) are under lien with banks.

18. SHORT-TERM LOANS AND ADVANCES

₹ crores

	As at 31-03-2017		As at 31-03-2016	
Unsecured, considered good, unless otherwise stated				
Others				
Security deposits:		13.84		10.15
Advances recoverable in cash or in kind or for value to be received:				
Considered good	22.48		30.49	
Considered doubtful	0.19		0.19	
	22.67		30.68	
Less: Allowance for bad and doubtful advances	0.19		0.19	
		22.48		30.49
Balances with excise, customs, service tax and value added tax, etc.		13.64		15.70
		49.96		**56.34**

19. REVENUE FROM OPERATIONS

₹ crores

	2016-17		2015-16	
Sale of products	4,089.79		1,866.38	
Less: Excise duty	115.78		56.59	
		3,974.01		1,809.79
Sale of services		1.89		1.89
		3,975.90		**1,811.68**

Note:

Disclosure of sale of products and services

₹ crores

Sale of Products	**2016-17**	2015-16
(i) Lighting products	1,123.27	560.88
(ii) Electrical consumer durables	2,850.74	1,248.91
	3,974.01	**1,809.79**

₹ crores

Sale of Services	**2016-17**	2015-16
(i) Lighting products	1.89	1.81
(ii) Electrical consumer durables	-	0.08
	1.89	**1.89**

20. OTHER INCOME

₹ crores

	2016-17	2015-16
Interest income	16.01	3.70
Dividend income on current investments	2.90	0.04
Other non-operating income:		
Miscellaneous income	0.59	0.11
	19.50	**3.85**

21. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

₹ crores

	2016-17		2015-16	
Opening stock	33.20		20.80	
Add: Purchases	770.22		417.67	
Less: Closing stock	38.76		33.20	
Raw materials consumed	764.66		405.27	
Less: Scrap sales	4.32		2.69	
		760.34		402.58
Add: Sub-contracting charges		58.79		25.42
		819.13		**428.00**

Note:

Disclosure of Raw materials and components consumed

₹ crores

		2016-17	2015-16
(i)	Ferrous materials	102.74	47.41
(ii)	Non-ferrous materials	237.52	107.48
(iii)	Components	367.12	216.67
(iv)	Others	57.28	33.71
		764.66	**405.27**

22. PURCHASES OF STOCK-IN-TRADE

₹ crores

	2016-17	2015-16
Purchases of stock-in-trade	1,934.87	879.92
	1,934.87	**879.92**

Note:

Details of purchases of stock-in-trade

₹ crores

		2016-17	2015-16
(i)	Lighting products	618.07	296.22
(ii)	Electrical consumer durables	1,316.80	583.70
		1,934.87	**879.92**

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ crores

	2016-17		2015-16	
Changes in inventories of finished goods and work-in-progress:				
Closing stock:				
Finished goods	56.03		62.77	
Work-in-progress	23.74		14.13	
	79.77		76.90	
Less: Opening Stock				
Finished goods	62.77		-	
Work-in-progress	14.13		-	
	76.90		-	
Less: Pursuant to the 'Scheme'				
Finished goods	-		41.64	
Work-in-progress	-		9.77	
	-		51.41	
		(2.87)		(25.49)
Changes in inventories of stock-in-trade:				
Closing stock:				
Stock-in-trade	113.46		97.17	
Less: Opening Stock				
Stock-in-trade	97.17		-	
Less: Pursuant to the 'Scheme'				
Stock-in-trade	-		84.98	
		(16.29)		(12.19)
		(19.15)		**(37.68)**

24. EMPLOYEE BENEFITS EXPENSE

₹ crores

	2016-17	2015-16
Salaries, wages and bonus	180.27	88.57
Contribution to provident and other funds	11.90	4.09
Expense on employee stock option scheme (Refer Note 42)	19.75	-
Staff welfare expenses	13.26	7.83
	225.18	**100.49**

25. FINANCE COSTS

₹ crores

	2016-17	2015-16
Interest expenses	65.53	10.08
Net loss on foreign currency transactions and translation	-	24.98
Interest - others	-	0.39
	65.53	**35.45**

26. DEPRECIATION AND AMORTISATION EXPENSE

₹ crores

	2016-17	2015-16
Depreciation on tangible assets	9.53	5.60
Amortisation on intangible assets	1.51	0.67
	11.04	**6.27**

27. OTHER EXPENSES

₹ crores

	2016-17	2015-16
Consumption of stores and spares	16.32	10.36
Power and fuel	8.63	5.37
Rent	18.68	10.64
Repair to property, plant and equipment	1.40	1.18
Insurance	1.78	1.04
Rates and taxes	38.71	14.93
Freight and forwarding	89.46	46.23
Packing materials	40.45	18.62
After sales service including warranty	38.30	17.42
Sales promotion	60.16	28.00
Cash discount	62.72	28.40
Corporate Social Responsibility expenses	0.10	-
Advertising	55.71	6.75
Legal and professional charges	53.60	14.90
Miscellaneous expenses	39.64	27.63
	525.66	**231.47**

₹ crores

	2016-17	2015-16
Auditors' remuneration (excluding service tax)		
Audit fees	0.28	0.25
Tax audit fees	0.07	0.04
Certification work	0.06	0.05
Other services	0.20	0.09
Expenses reimbursed	0.04	0.01
	0.65	**0.44**

28. CONTINGENT LIABILITIES AND COMMITMENTS

₹ crores

		As at 31-03-2017	As at 31-03-2016
A	**Contingent Liabilities:**		
	(to the extent not provided for)		
	(a) Claims against the Company not acknowledged as debts	0.46	0.62
	(b) Income tax liability that may arise in respect of matters in appeal	20.78	-
	(c) Excise duty/ customs duty / service tax liability that may arise in respect of matters in appeal	0.05	0.07
	(d) Sales tax / VAT liability that may arise in respect of matters in appeal	25.65	6.22
B	**Commitments:**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	0.08	0.63

Notes:

1 The Company does not expect any reimbursements in respect of the above contingent liabilities.

2 It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above, pending resolution of the arbitration/appellate proceedings.

29 Value of imports (on C.I.F. basis):

₹ crores

		2016-17	2015-16
(a)	Raw materials	110.33	54.95
(b)	Trading goods	112.58	52.49
(c)	Spare parts	2.22	0.17
(d)	Capital goods	0.14	0.10

30 Expenditure in foreign currency

₹ crores

		2016-17	2015-16
(a)	Technical know-how fees	-	0.83
(b)	Interest	0.29	0.02
(c)	Commission, travelling and others	0.97	0.55

31 Earnings in foreign exchange

₹ crores

		2016-17	2015-16
(a)	Export of goods (on F.O.B. basis) including deemed exports	65.97	28.95

32 Expenditure on research and development

₹ crores

		2016-17	2015-16
(a)	**Capital expenditure**	2.30	-
	Sub-total (a)	**2.30**	**-**
(b)	**Revenue expenditure**		
	Raw materials consumed	0.02	0.00
	Employee benefits	3.20	0.38
	Depreciation and amortisation	0.56	0.07
	Other expenses		
	Consumption of stores and spares	0.01	0.03
	Repairs to machinery	-	0.00
	Miscellaneous expenses	1.32	0.02
	Sub-total (b)	**5.11**	**0.50**
	Total (a) + (b)	**7.41**	**0.50**

33. Raw materials, spare parts and components consumed

	2016-17		2015-16	
	Percentage of total Consumption	₹ crores	Percentage of total Consumption	₹ crores
Raw materials				
Imported	16.33%	124.89	10.92%	44.25
Indigenous	83.67%	639.77	89.08%	361.02
	100.00%	**764.66**	**100.00%**	**405.27**
Stores and spares:				
Imported	6.43%	1.05	3.09%	0.32
Indigenous	93.57%	15.27	96.91%	10.04
	100.00%	**16.32**	**100.00%**	**10.36**

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

(a) Defined contribution plans [Refer Accounting Policy Note 1]

Amount of ₹ 6.47 crores (Previous year ₹ 2.83 crores) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans: (Refer Note 24)

₹ crores

Benefits (Contribution to)	2016-17	2015-16
Provident fund	4.73	2.01
Superannuation fund	1.67	0.80
Employee state insurance scheme	0.06	0.02
Labour welfare scheme	0.01	0.00
Total	**6.47**	**2.83**

(b) Defined Benefit Plans [Refer Accounting Policy Note 1] as per Actuarial Valuation are as under:

₹ crores

		Gratuity		Leave Encashment		Post Retirement Medical Benefits	
		2016-17 (Funded)	2015-16 (Funded)	2016-17 (Nonfunded)	2015-16 (Nonfunded)	2016-17 (Nonfunded)	2015-16 (Nonfunded)
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	16.25	-	9.09	-	6.50	-
2	Transfer pursuant to the 'Scheme'	-	15.43	-	7.83	-	5.53
3	Interest cost	1.31	-	0.73	0.31	0.54	0.19
4	Current service cost	1.36	0.46	0.75	0.25	0.39	0.11
5	Past service cost	-	-	-	-	-	-
6	Liability transfer from other company	-	-	-	-	-	-
7	Benefits paid	(2.06)	(0.44)	(1.36)	(0.87)	(0.37)	(0.33)
8	Actuarial (gains) / losses	2.94	0.80	2.90	1.57	0.20	1.00
9	Present Value of defined benefit obligation at the end of the year	19.80	16.25	12.11	9.09	7.26	6.50
II	**Change in fair value of plan assets during the year**						
1	Fair value of plan assets at the beginning of the year	14.99	-	-	-	-	-
2	Transfer pursuant to the 'Scheme'	-	15.43	-	-	-	-
3	Expected return on plan assets	-	-	-	-	-	-
4	Contributions	3.23	-	-	-	-	-
5	Benefits paid from the fund	(0.23)	(0.44)	-	-	-	-
6	Actuarial gain / (loss)	0.18	-	-	-	-	-
7	Fair value of plan assets at the end of the year #	18.17	14.99	-	-	-	-
8	Total actuarial gain/(loss) to be recognised	(2.94)	(0.80)	(2.90)	(1.57)	(0.20)	(1.00)

₹ crores

		Gratuity		Leave Encashment		Post Retirement Medical Benefits	
		2016-17 (Funded)	2015-16 (Funded)	**2016-17 (Nonfunded)**	2015-16 (Nonfunded)	**2016-17 (Nonfunded)**	2015-16 (Nonfunded)
III	**Actual return on plan assets**						
1	Expected return on plan assets	-	-	-	-	-	-
2	Actuarial gain / (loss)	0.18	-	-	-	-	-
3	Actual return on plan assets	0.18	-	-	-	-	-
IV	**Net asset / (liability) recognised in the balance sheet**						
1	Present Value of defined benefit obligation at the end of the year	(19.80)	(16.25)	(12.10)	(9.09)	(7.26)	(6.50)
2	Fair value of plan assets at the end of the year#	18.17	14.99	-	-	-	-
3	Amount recognised in the balance sheet	(1.63)	(1.26)	(12.10)	(9.09)	(7.26)	(6.50)
V	**Expenses recognised in the statement of profit and loss for the year**						
1	Current service cost	1.36	0.46	0.75	0.25	0.39	0.11
2	Interest cost	1.31	-	0.73	0.31	0.54	0.19
3	Return on plan assets	(0.18)	-	-	-	-	-
4	Actuarial (gains) / losses	2.94	0.80	2.90	1.57	0.20	1.00
5	Total expenses as per actuarial valuation	5.43	1.26	4.38	2.13	1.13	1.30
6	Total expenses included in employee benefits expense	5.43	1.26	4.38	2.13	1.13	1.30
VI	**Balance sheet reconciliation**						
1	Opening net liability	1.26	-	9.09	-	6.50	-
2	Expenses as above	5.43	1.26	4.38	2.13	1.13	1.30
3	Employer's contribution	(3.23)	(0.44)	-	-	(0.37)	(0.33)
4	Benefits paid directly	(1.84)	-	(1.36)	(0.87)	-	-
5	Transfer pursuant to the 'Scheme'	-	15.43	-	7.83	-	5.53
6	Amount recognised in the balance sheet	1.62	16.25	12.11	9.09	7.26	6.50
VII	**The major categories of plan assets as a percentage of total**	100%	100%	NA	NA	NA	NA
VIII	**Effect of one percent point change in the assumed medical inflation rate**						
(1)	Increase/(decrease) on aggregate service and interest cost of Post Retirement Medical Benefits						
(i)	One percentage point increase in discount rate	NA	NA	NA	NA	(0.85)	(0.78)
(ii)	One percentage point decrease in discount rate	NA	NA	NA	NA	1.07	0.99

₹ crores

		Gratuity		Leave Encashment		Post Retirement Medical Benefits	
		2016-17 (Funded)	2015-16 (Funded)	**2016-17 (Nonfunded)**	2015-16 (Nonfunded)	**2016-17 (Nonfunded)**	2015-16 (Nonfunded)
(2)	Increase/(decrease) on present value of defined benefits obligation at the end of the year						
(i)	One percentage point increase in Medical Inflation rate	NA	NA	NA	NA	1.09	0.54
(ii)	One percentage point decrease in Medical Inflation rate	NA	NA	NA	NA	(0.87)	(0.87)
IX	**Experience Adjustment**						
	On plan liabilities - gain/(loss)	1.84	0.80	2.16	1.57	0.54	1.00
	On plan assets - gain/(loss) #	0.18	-	-	-		-
X	**Actuarial assumptions**						
1	Discount rate	7.12%	8.05%	7.12%	8.05%	7.45%	8.30%
2	Rate of return on plan assets	7.12%	8.21%	N.A	N.A	N.A	N.A
3	Salary escalation	6.00%	6.00%	6.00%	6.00%	N.A	N.A
4	Mortality pre retirement rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5	Mortality post retirement rate	N.A	N.A	N.A	N.A	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
6	Medical premium inflation rate	-	-	-	-	2%	2%

Includes ₹ 14.99 crores pending transfer from CGL pursuant to the Scheme (Refer Note 43). In absence of adequate information the Company has not recognised any income on the same.

(c) The Company makes a specified percentage of salary as contribution towards superannuation fund, a defined contribution retirement benefit plan for qualifying employees to Trust which administer the scheme.

(d) The Company makes contributions to the Gratuity Trust, which is a funded defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the Company's Gratuity Scheme. Vesting occurs upon completion of five years of service.

(e) The Company provides post retirement medical benefits to qualifying employees.

(f) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2017. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(g) 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.

(h) Expected rate of return on the plan assets is based on the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

(i) 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.

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

i) There is no Related Party over which the Company exercises its control

ii) List of related parties with whom transactions were carried out during the year and description of relationship :

Other Related Parties:

1 Crompton Greaves Limited (upto 26th July, 2016)

2 Ballarpur Industries Limited (upto 26th July, 2016)

3 BILT Graphic Paper Products Limited (upto 26th July, 2016)

4 Avantha Business Solutions Limited (upto 26th July, 2016)

Key Management Personal

1 Mr. Shantanu Khosla, Managing Director

2 Mr. Mathew Job, Chief Executive Officer

3 Mr. Sandeep Batra, Chief Financial Officer

4 Mrs. Pragya Kaul, Company Secretary (w.e.f. 19th May, 2016)

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

₹ crores

Sr. No.		2016-17	2015-16
1	**Purchase of goods**		
	Crompton Greaves Limited	11.70	18.03
	Total	**11.70**	**18.03**
2	**Services received**		
	Crompton Greaves Limited - Professional fees	5.20	7.69
	Crompton Greaves Limited - Rent	1.84	2.76
	Others	0.45	0.44
	Total	**7.49**	**10.89**
3	**Sales of goods and services**		
	Crompton Greaves Limited	-	0.24
	BILT Graphic Paper Products Limited	-	0.00
	Total	**-**	**0.24**
4	**Payment of salaries, commission and perquisites**		
	Key Management Personnel		
	Mr. Shantanu Khosla	5.59	0.75
	Mr. Mathew Job	3.42	1.53
	Mr. Sandeep Batra	2.68	0.66
	Mrs. Pragya Kaul	0.21	-
	Total	**11.90**	**2.94**

ii) **Amount due to / from related parties**

₹ crores

Sr. No.		As at 31-03-2017	As at 31-03-2016
1	**Accounts Payable**		
	Crompton Greaves Limited	-	7.93
	Total	**-**	**7.93**
2	**Other receivable**		
	Crompton Greaves Limited	-	14.06
	Total	**-**	**14.06**
3	**Trade receivable**		
	Crompton Greaves Limited	-	0.17
	BILT Graphic Paper Products Limited	-	0.00
	Ballarpur Industries Limited	-	0.02
	Total	**-**	**0.19**

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

(a) Primary Segments (Business Segments)

₹ crores

Particulars	Lighting Products	Electric Consumer Durables	Total 2016-17	Lighting Products	Electric Consumer Durables	Total 2015-16
Segment revenue						
External sales	1,125.16	2,850.74	3,975.90	562.69	1,248.99	1,811.68
Inter-segment sales	-	-	-	-	-	-
Total	**1,125.16**	**2,850.74**	**3,975.90**	**562.69**	**1,248.99**	**1,811.68**
Segment results	98.42	494.55	592.97	49.22	197.31	246.53
Less: Finance costs			65.53			35.45
Less: Other unallocable expenditure net of unallocable Income			94.30			39.47
Less: Exceptional items			2.52			13.93
Profit before tax			430.62			157.68
Tax expense			139.93			52.49
Profit after tax			**290.69**			**105.19**
Capital employed:						
Segment assets	333.14	583.82	916.96	323.44	454.38	777.82
Segment liabilities	278.57	571.42	849.99	244.47	503.23	747.70
Net assets	**54.57**	**12.40**	**66.97**	**78.97**	**(48.85)**	**30.12**
Capital expenditure	1.04	13.81	14.85	0.41	1.00	1.40
Depreciation and amortisation	6.97	4.07	11.04	3.74	2.53	6.27
Non-cash expenses other than depreciation	2.66	3.27	5.93	1.44	7.60	9.04

(b) Secondary Segments (Geographical Segments)

The Company operates predominantly in the domestic market, i.e., in India. Accordingly, information under this segment has not been disclosed.

(c) Unallocable Assets/ Liabilities :

₹ crores

	2016-17	2015-16
Liabilities:		
Long-term borrowings	650.00	507.21
Short-term borrowings	-	10.00
Current maturity of long-term debt	-	127.24
Other liabilities	75.85	32.18
Total Liabilities	**725.85**	**676.63**
Assets:		
Goodwill	779.41	779.41
Other assets	400.47	91.50
Deferred tax assets (net)	18.16	4.32
Total Assets	**1,198.04**	**875.23**

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

(d) Segment Identification, Reportable Segment and definition of each Reportable Segment:

(i) Primary segment :
In the opinion of the management, the business segments comprise the following :

(a) Lighting Products : Luminaires, Light Sources

(b) Electrical Consumer Durables : Fans, Appliances and Pumps

(ii) Primary / Secondary segment reporting format:

(a) The risk-return profile of the Company's business is determined predominantly by the nature of its products and services. Accordingly, the business segment constitutes the primary segment for disclosure of segment information.

(b) The Company mainly caters to Indian Market only, accordingly, secondary information/ geographical segment is not applicable.

(iii) Segment identification:
Business segments have been identified on the basis of the nature of products / services, the risk-return profile of individual businesses, the organizational structure and the internal reporting system of the Company.

(iv) Reportable segments:
Reportable segments have been identified as per the quantitative criteria specified in the Accounting Standard.

(v) 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).

(vi) Segment assets and liabilities:
Segment assets include all operating assets used by the business segment and mainly consist of fixed assets, trade receivables 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.

(vii) Inter-segment transfer:
Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks.

37 Exceptional items

Exceptional items include the following:

(a) Expenses in relation to the 'Scheme' (Refer Note 43) ₹ 2.52 crores (Previous year ₹ 11.29 crores)

(b) Deposit written-off ₹ Nil (Previous year ₹ 2.64 crores)

38 Expenditure on Corporate Social Responsibility (CSR)

The particulars of CSR expenditure are as follows:

(a) Gross amount required to be spent by the Company during the year is ₹ 1.59 crores. (Previous year ₹ Nil)

(b) Amount spent during the year is ₹ 0.10 crores (Previous year ₹ Nil)

₹ crores

Sr no.	Particulars	Disclosed under	2016-17			2015-16		
			In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i)	Construction/acquisition of assets charged to the statement of profit and loss	-	-	-	-	-	-	-
ii)	For purpose other than (i) above	Note 27	0.10	-	0.10	-	-	-
	Total		**0.10**	**-**	**0.10**	**-**	**-**	**-**

39 (a) The Company has not entered into any finance lease as specified in Accounting Standard (AS) 19 Leases. The Company has, however, taken various residential/ commercial premises and plant and equipments under operating lease arrangements. These lease arrangements are normally renewed on expiry, wherever required.

(b) During the year, an amount of ₹ 18.68 crores was recognized as rent expense in the statement of profit and loss.

40 Disclosure as required by Accounting Standard (AS) 20 Earnings Per Share

Particulars		2016-17	2015-16
Profit for the year	₹ crores	290.69	105.19
Weighted average number of equity shares outstanding	Nos.	62,67,46,142	31,34,98,071
Earnings per share (₹) (Basic) (Face value of ₹ 2 per share)	₹	4.64	3.36
Add: Weighted average number of potential equity shares on account of employee stock option schemes	Nos.	458,163	-
Weighted average number of equity shares (including dilutive shares) outstanding	Nos.	62,72,04,305	31,34,98,071
Earnings per share (₹) (Diluted) (Face value of ₹ 2 per share)	₹	4.63	3.36

41 Foreign currency transactions, Forward contracts and Derivatives

The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

(a) The particulars of derivative contracts entered into for hedging purposes outstanding as at the year-end are as under:

Particulars	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016	As at 31-03-2016
	USD Million	₹ crores	USD Million	₹ crores
Forward contracts for payables including firm commitments	-	-	7.13	47.26
Options for payables including firm commitments	3.18	20.62	-	-

(b) The foreign currency exposures not hedged as at the year-end are as under:

₹ crores

Particulars	As at 31-03-2017	As at 31-03-2016
Trade payables	-	5.30
Trade receivable	5.19	11.69

42 Employee Stock Option Schemes

(a) The Members of the Company have approved grant of employee stock options under various Schemes on 22nd October, 2016 by way of postal ballot. The plan envisaged grant of shares to eligible employees at market price/ pre-determined value as determined by the Compensation Committee of the Board of Directors from time to time.

(b) Number of shares granted under the Schemes are as under:-

Schemes	Date of grant	No of Options granted	Exercise price (₹)	Vesting Period	Exercise period	Weighted average remaining contractual life (in years)
Crompton Stock Option Plan 2016 (ESOP 2016)	26-10-2016	30,00,000	186.60	1 - 5 years		7.07
Crompton Performance Share Plan 1 2016 (PSP 1)	26-10-2016	1,09,68,057	92.83	1 - 10 years	5 years from vesting date.	7.49
Crompton Performance Share Plan 2 2016 (PSP 2)	26-10-2016	31,33,731	185.66	1 - 10 years		7.49

(c) The stock-based compensation cost calculated as per the intrinsic value method for the period 1st April, 2016 to 31st March, 2017 is ₹ 19.75 crores. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the financial statements for the period 1st April, 2016 to 31st March, 2017 would be ₹ 30.94 crores The effect of adopting the fair value method on the net income and earnings per share is presented below:

Particulars	₹ crores
Net income as reported	**290.69**
Add: Intrinsic value compensation cost	19.75
Less: Fair value compensation cost	30.94
Adjusted proforma net income	**279.51**
Earnings per share: Basic	
As reported (₹)	4.64
Adjusted proforma (₹)	4.46
Earnings per share: Diluted	
As reported (₹)	4.63
Adjusted proforma (₹)	4.46

(b) Option movement during the year

	ESOP 2016	PSP 1	PSP 2
No. of options outstanding at the beginning of the year	-	-	-
No. of options granted during the year	30,00,000	1,09,68,057	31,33,731
No. of options forfeited / lapsed during the year	-	-	-
Options lapsed during the year			
No. of options vested during the year	-	-	-
No. of options exercised during the year	-	-	-
Total No. of shares arising as a result of exercise of options	-	-	-
Money realised by exercise of options (₹)	-	-	-
No. of options outstanding at the end of the year	30,00,000	1,09,68,057	31,33,731
No. of options exercisable at the end of the year	-	-	-

(e) Weighted average exercise price of options granted during the year whose

	ESOP 2016	PSP 1	PSP 2
Exercise price equals market price	186.60	-	-
Exercise price is greater than market price	-	-	-
Exercise price is less than market price	-	92.83	185.66
Weighted average fair value of options granted during the year whose			
Exercise price equals market price	76.85	-	-
Exercise price is greater than market price	-	-	-
Exercise price is less than market price	-	111.56	54.88

(f) The Black-Scholes Valuation Model has been used for computing weighted average fair value considering the following inputs:-

Particulars	ESOP 2016	PSP 1	PSP 2
Risk free interest rate	6.72%	6.74%	6.74%
Expected life	5.00	2.92	2.92
Expected volatility	33.24%	32.46%	32.46%
Dividend yield	0.00%	0.00%	0.00%
Price of the underlying share in market at the time of the option grant (₹)	186.60	186.60	186.60

43 Scheme of Arrangement

On 20th November, 2015, the Honourable High Court of judicature at Bombay sanctioned a Scheme of Arrangement (the 'Scheme') between the Company and Crompton Greaves Limited (CGL) (now CG Power and Industrial Solutions Limited) and their respective shareholders and creditors. The Consumer Products business of CGL, along with its related assets and liabilities has been transferred to the Company with effect from 1st October, 2015 being the appointed date. The certified copy of the Order sanctioning the Scheme has been filed with the Registrar of the Companies, Maharashtra, on 1st January, 2016. Accordingly, effect of the Scheme was considered in the financial statements of 2015-16.

Further, the Company is in the process of obtaining/transfer to its name the title of certain assets transferred pursuant to the 'Scheme'.

44 Details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016

₹ crores

Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.04	0.01	0.05
(+) Permitted receipts	-	0.11	0.11
(-) Permitted payments	-	0.09	0.09
(-) Amount deposited in Banks	0.04	0.01	0.05
Closing cash in hand as on 30.12.2016	**-**	**0.02**	**0.02**

45 Amounts shown as 0.00 represents amount below ₹ 50,000 (Rupees Fifty Thousand).

46 Financial results for the previous year represent the business performance from 1st October, 2015 (being the effective date of the transfer of business into the Company) to 31st March, 2016.

47 Figures for the previous year have been regrouped wherever necessary.

Signatures to Notes 1 to 47

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Edwin P. Augustine
Partner
Membership No. 043385
Mumbai, 26th May, 2017

H.M. Nerurkar
Chairman
DIN: 000265877

Sandeep Batra
Chief Financial Officer

Pragya Kaul
Company Secretary

Mumbai, 26th May, 2017

Shantanu Khosla
Managing Director
DIN: 00059877

D. Sundaram
Director
DIN: 00016304

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