

G G B

CROMPTON GREAVES LIMITED ANNUAL REPORT

 $2 \quad 0 \quad 1 \quad 2 \quad - \quad 2 \quad 0 \quad 1 \quad 3$



CONTENTS

Consolidated Financial Highlights

01

Corporate Information

12

Chairman's Letter

14

Executive Committee

18

Management Discussion and Analysis

20

Ten Years' Highlights

44

Directors' Report

46

Corporate Governance

58

Additional Shareholder Information

68

Stand-Alone Financials

74

Consolidated Financials

120

Accounts in Foreign Currency

157

Products and Services

166

Establishments

172

C O N S O L I D A T E D F I N A N C I A L H I G H L I G H T S

CONSOLIDATED NET SALES

of business units

IN RS CRORE



7,336
POWER SYSTEMS



2,593 CONSUMER PRODUCTS



1,835
INDUSTRIAL SYSTEMS

NET SALES AND SERVICES

IN RS CRORE

12,094

EBIDTA

Earnings before interest, depreciation and amortisation, taxes & exceptional item

IN RS CRORE

459

PROFIT BEFORE TAXES

& exceptional Item

IN RS CRORE

185

PROFIT / (LOSS)

After exceptional item, minority interest and share of associates (NET)

IN RS CRORE

(36)

ROCE

Return on capital employed, calculated excluding exceptional item

IN PERCENT

4.7

RONW

Return on net worth

IN PERCENT

1.1)

AS

GLOBAL

ENERGY

DEMAND GROWS,

Our customers are looking for greater energy efficiency and more use out of their assets. Governments are looking to reduce emissions and consumers their bills.

THE MOST VISIBLE SOLUTIONS demonstrate that there is a global push to make alternative sources of power more viable, while also giving consumers more efficient ways to use it. Picture a wind farm producing green energy at one end and a hyper-efficient motor or an LED lamp that uses minimum power at the other.

but there's A third, Less visible opportunity, that of connecting the supply sources and users in more efficient ways. Systems that can sense the fluctuating energy needs of a township, industrial complex or a



home and...



SLASH LOSSES





IT'S A MORE INTELLIGENT WORLD





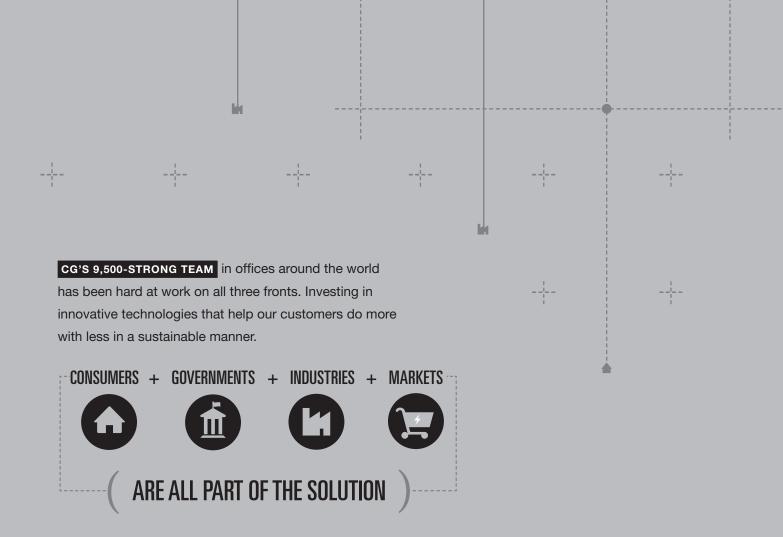


太









CG KNOWS WHAT IT TAKES

TO CREATE A MORE SUSTAINABLE WORLD.

CG works at several levels, from an everyday use product such as an advanced light bulb or the best-in-class water heater, to high-end technologies such as offshore wind substations (where CG is Europe's leading supplier). CG's power automation teams are working with utilities in Spain and the UK to make the smart grid a reality. In India, our energy management solutions division delivers what's needed first—efficiency and a reliable supply.

This year's Annual Report presents this spectrum of projects and products that underline our current capabilites and hint at the future. For it's clear that the worldwide demand for energy-conserving solutions is the start of a new reality.

WE PUT ALL OUR ENERGY INTO

N E W L E D F F T E C H N O L O G Y

SO THAT A ZERO-WATT BULB IS REALLY A ZERO-WATT BULB.



The country that gave the world the concept of 'zero', now gets a zero-watt bulb.

Well, almost. The new SMART deco lamp takes a miserly 0.5W and is as bright as a 10W bulb.

Why does this matter? It's an open secret that so-called 'zerowatt' bulbs are really 10W or 15W bulbs. And when you add up the cost of energy consumed, *that* can take the colour out of a celebration. With CG's LED technology, you can use, say, a 100 bulbs to light up a five-day wedding, and save 1.45 units per hour or 50 units in all!

Consider too, the SMART's unique features. First, the 50,000 hours of life—enough to light up diwalis and weddings for a generation. Next, a 3-year *replacement warranty*. The best part is that it looks like a decorative incandescent bulb instead of a tiny LED and, with five colours on offer, it's time to celebrate. Economically.

AND STREETLIGHTS GET SMART.

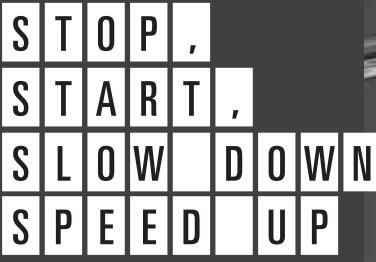
Indian municipalities are going green.

And CG shows the way. Municipalities in Thane, Chandigarh, Ahmedabad, Nasik and Pune have opted for CG solutions for LED streetlighting. In Puducherry, CG's Street Smart systems can switch on and off, or dim automatically at sunrise and sunset, saving huge amounts of energy. This new technology reports the faults by SMS, thus reducing the turnaround time, and lowering the total cost of ownership.





WE PUT ALL OUR ENERGY INTO FIGURING OUT HOW TO



SO THAT HALMSTAD'S WATER SUPPLY DOESN'T HAVE TO.

Clean, constant water for Halmstad needs just eskers, sodium—and communication.

Halmstad, on the Swedish west coast, enjoys a natural supply of pure water from eskers, a geological water-bearing formation.

But managing the pumping stations is another matter.

CG's drives start and stop the pumps smoothly and in a timely manner to minimize wear and save energy. As the water demand varies, 60 of CG's drives automatically set the required speed of the pumps, thus saving a lot of energy. Without these drives, all the pumps would run at

a constant speed, wasting a lot of energy.



And finally, the 17 pumping stations at Halmstad are connected to industrial networks that draw water. A communication module manages this supply-demand information link, so that the drives 'know' at what speed to run the pumps and to vary them as needed.



