Annual Report - 2012-13

Schneider Electric Infrastructure Limited

Building a smarter grid and a smart city to make it more efficient, sustainable and liveable

Schneider Electric™

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Message From Chairman

It gives me great pleasure to present to you, our shareholders, the Annual Report 2012-13 of Schneider Electric Infrastructure Limited, the market leader in India's Medium Voltage Electrical Infrastructure sector. We have now been listed as a separate legal entity for more than one year.

The world of electricity is changing. Every day, end-user expectations increase and suppliers worldwide gain a greater awareness of the environmental impact of energy. As reliance on electricity grows globally, the ways in which we produce, distribute, and use energy must also evolve. While the energy challenge continues, the availability of renewable sources of energy and the amalgamation of new IT and energy technologies are reinventing ways to manage and deliver energy solutions. Your Company is committed to addressing these energy challenges by creating an environment where users, managers and utilities work together to create more innovative and integrated intelligent solutions for smarter management of energy. We are very well equipped in terms of state-of-the-art products, cutting edge technological solutions and efficient services through our dedicated R&D programs.

Your Company's 2012 performance reflects the strength of this strategy. While the infrastructure and power sectors have witnessed an increasing slowdown and significantly lower investments in key sectors, such as renewable and power generation, Schneider Electric Infrastructure Limited has shown strong resilience, maintaining underlying performance. While orders decreased in line with the slowdown, sales showed resilience, thanks to a strong orders backlog, better execution and customer intimacy. I am pleased to inform you that Your Company has retained its market leadership despite the sectoral environment. Your Company has also started to effectively collaborate with other Schneider Electric companies to increase the offerings and improve accessibility to markets.

However, the deteriorating sectoral environment has also led Your Company to provide for its legacy projects receivables. In addition, separation and integration costs related to the legal framework have also impacted the results of Your Company, leading to an overall loss for the financial year. The young age of Your Company and the legal requirements related to distribution of dividends mean that no dividend can be distributed this year. Nevertheless, I retain full confidence in Your Company's ability to continue to grow profitably in its existing business as well as new growth areas and become a stronger and more profitable market leader.

This Annual Report of Schneider Electric Infrastructure Limited is dedicated to all our shareholders, investors, customers, employees, communities and other stakeholders for their continued confidence and trust in our capacity to help build a country of smarter infrastructure and city.

Vinod Kumar Dhall
Chairman

Message From Managing Director

The Market in 2012-13 remained uncertain and challenging. In addition, the Power Generation and Renewable sectors were adversely impacted by liquidity challenges. As a result, the overall Infrastructure market in India shrank during this period. Operating in such challenging market conditions, Your Company still maintained leadership position in Medium Voltage electrical infrastructure segment by adding several new clients and new segments of business.

Customer Satisfaction is at the heart of Your Company's values. Your Company organized a Customer Meet at the state-of the-art facility at Vadodara. The main focus of the event was to enhance and create deeper relationships and partnerships with customers by showcasing the global technological innovations in the field of energy efficient products & solutions. More than 100 customers from all over India participated in the event.

Through out the year, your organization has been very pro-active in participating in various industry-related events in order to create awareness about energy challenges and possible smart energy solutions.

Power is a key resource that plays a vital role in the overall economic development of the nation. India is the fifth largest country in the world in terms of installed power generation capacity, and yet some parts of the country are still without power. This point underlines the scale of the opportunities in medium and long term. However in the short term tight liquidity is creating challenges in the power sector.

Indian Cities are growing and so is the constant need for Energy to keep them running. This has resulted in tremendous pressure on the existing infrastructure. Schneider Electric's experience in implementing Smart City (Smart Energy, Smart Mobility, Smart Water, Smart Public Services, Smart Renewable Integration) and Smart Grid solutions will not only help to cope with the energy challenges, but will also help in maximizing revenue for Your Company for profitable growth in Infrastructure Segment.

The Central Electricity Authority (CEAs) 18th Electric Power Survey (EPS) projects the Energy requirement of 1354.9 BUs and Peak Load of about 200 GW for the 12th Plan period. In the domestic consumer category, the energy requirement is expected to witness a Compound Annual Growth Rate (CAGR) of 10.67% during this period while Industrial demand is expected to grow 9.91% in the medium to long term. In a nutshell the power sector will provide ample opportunities for growth.

Schneider Electric Infrastructure Limited, part of Schneider Electric is in an exceptional position to seize new business opportunities through synergies with the Group's portfolio and this will further strengthened its leadership position in the Indian infrastructure segment. With these synergies and the CONNECT transformation program (Schneider Electric's Company Program), Your Company has been able to drive growth with wider offerings in various infrastructure segments like Transportation, IT, Industries, Oil & Gas, Utilities, Renewable, etc.

In conclusion, I would like to sincerely thank all the stake holders, employees, customers and management for their continued support and confidence in our business.

We remain focused on our vision of a world where we can all achieve more while using less of our common planet. Our mission is to help people **'make most of their energy'**.

Prakash Kumar Chandraker
Managing Director

Corporate Information

Board of Directors

Mr. Vinod Kumar Dhall
Chairman (non-executive)

Mr. Prakash Kumar Chandraker
Managing Director

Mr. Olivier Blum *

Mr. Anil Chaudhry

Ms. Rajani Kesari **

Mr. Ranjan Pant

Mr. Alexandre Tagger
WholeTime Director

Mr. V.S. Vasudevan ***

* upto 1.3.2013
** wef 22.5.2013
*** wef 11.6.2013

Company Secretary
C. S. Ashok Kumar

Registered Office

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

Registrars & Share Transfer Agent

CB Management Services (P) Ltd.
P-22, Bondel Road
Kolkata-700 019

Auditors

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

Committees of Directors

Share Transfer and Shareholders/Investors Grievance Committee
Vinod Kumar Dhall - Chairman
Prakash Kumar Chandraker
Ranjan Pant
Alexandre Tagger

Audit Committee
Vinod Kumar Dhall - Chairman
Ranjan Pant
Alexandre Tagger

Remuneration Committee
Vinod Kumar Dhall - Chairman
Anil Chaudhry
Ranjan Pant
V.S. Vasudevan *

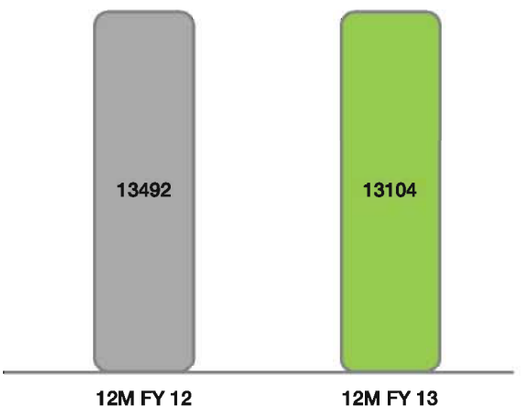
* wef 11.6.2013

Financial Highlights

SCHNEIDER ELECTRIC INFRASTRUCTURE LTD.

Sales

Sales declined by 2.8% Year on Year due to liquidity constraints in the sector affecting execution



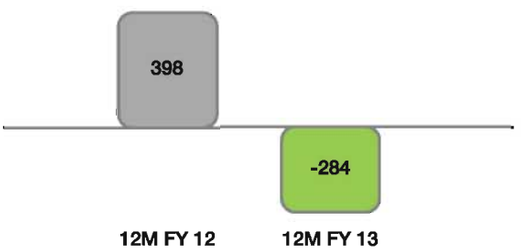
Underlying EBITA

Resilience despite tough market conditions through cost control and productivity improvements

Underlying EBITA: Operating EBITA before exceptional, separation costs or one-off items

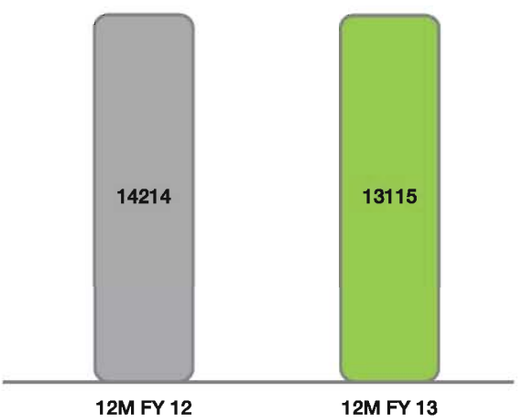
Net Income (Profit after tax)

Impact of separation costs and one-off items relating to history leading to loss



Order Intake

Order Intake declined by 7.7% Year on Year. Market leadership position maintained.



Directors' Report

Your Directors take pleasure in presenting herewith the Third Annual Report and Audited Accounts for the year ended March 31, 2013.

Financial Results

	(Rupees Million)	
	Year ended 31.03.2013	Year ended 31.03.2012
Sales and Services (Net)	13,104.13	13,491.92
Operating Profit before interest	137.66	771.41
(As percentage of net sales)	1.1%	5.7%
Interest, net	318.34	158.47
Operating Profit after Interest	(180.68)	612.94
Restructuring and relocation costs	-	-
Exceptional items	(100.00)	-
Profit Before Tax	(280.68)	612.94
Taxation	(3.91)	(215.29)
Profit After Tax	(284.59)	397.65
Balance brought forward from previous year	246.56	(0.16)
Profit available for appropriations	(38.03)	397.49
Appropriations		
Proposed Dividend	-	95.64
Corporate Dividend Tax	-	15.52
General Reserve	-	39.77
Balance carried forward	**(38.03)**	**246.56**

Dividend

No dividend has been declared by the Directors for the year ended March 31, 2013, due to inadequate profits.

Performance Review

• Performance analysis

Despite challenging market conditions in 2012-13, Your Company has shown resilience and a strong execution of its strategy in managing maintaining a leadership position in the medium voltage electrical infrastructure sector. The Infrastructure market overall has decreased in value as investment in key sectors such as Power Generation and Renewables have slowed down. Our orders have decreased by 7.7%. The order Intake rested at 13115 MINR compared to 14214 MINR last year. Our sales only decreased 2.8% thanks to a strong backlog, better execution and customer intimacy. The Sales valued at 13104 MINR compared to 13492 MINR in the previous year.

The operating performance of the business during the year has been stable. However, it has been impacted by separation and integration costs incurred as a result of the legal framework we operate in, as well as further provisioning of older receivables, whose recoverability in the current market environment has become more challenging.

We believe we have dealt with most of the major issues, however, some operational or separation steps may still be required as per the governance process or legal framework, and may necessitate further extraordinary expenses.

• Performance Highlights

Your Company has strengthened its position in the Infrastructure business as a key player with a strong portfolio of 'Smart' products and solutions. We have also worked for further collaboration with the Schneider Electric Group to both widen our scope of offer, market coverage and also apply best practices to improve efficiency and decrease costs.

The company continued its focus on innovation, customer satisfaction, strengthening the local manufacturing / R&D capabilities and has built a new factory at Poonamallee, Chennai for Energy Automation. Your Company has won several prestigious contracts in Utility, Industry including in new segments like Transport, IT, Building etc. Your Company is also involved in the execution of Smart Grid projects including the prestigious project involving an advanced distribution management system for Temple city Puri.

During the year, the company launched several initiatives on employee engagement, training & development, etc to further improve employee competencies. Your Company's energized and committed workforce is one of the most important assets that creates values for our customers and stake holders.

In a nutshell, the company continues to remain focused on generating sustainable and profitable growth for its shareholders, and would sincerely like to thank all the stake-holders, customers, and employees for their continued support and confidence in Schneider Electric Infrastructure Limited.

1. Our Strategy

Leverage the new energy challenges

Energy challenges are many: There is a growth in overall energy demand, raised energy prices, scarcity of natural resources, CO2 emission reduction requirements, the integration of unpredictable and intermittent renewable sources of energy, increases in peaks of consumption and many other such concerns. We have developed a wide range of Medium Voltage and Automation products and solutions that provide managers of industrial plants, data centers, infrastructure, homes and buildings with significant levels of energy efficiency and savings. Our smart products, equipment, transformers, automation and smart grid solutions help electricity producers and distributors to improve the efficiency of their assets and to in turn, offer a better service to their consumers. This also contributes to the improvement in the operation of the grid and the reduction in investment in new generation capacity.

Build two complementary business models

Products and Solutions

Products and solutions are different and complementary business models and we aim to deliver profitable growth in both. In order to reinforce our leadership positions, we continue to target growth in our Medium Voltage and automation products business by creating new opportunities for distributors and direct partners in a win-win relationship. We are also focused on growing our solutions business by reinforcing project execution and increasing our service revenues. We have developed reference architectures for our energy automation solutions in targeted end-markets in order to facilitate smooth integration of our products and speed up project design and execution.

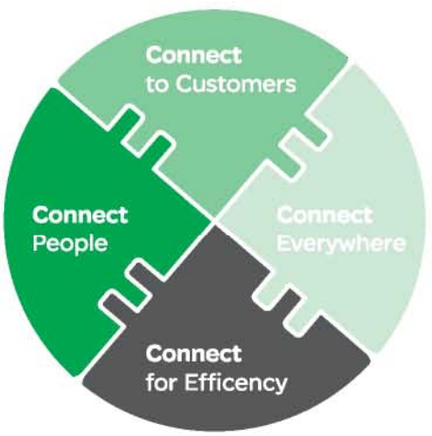
2. Customer Satisfaction

Customer satisfaction is an integral part of your organization's growth strategy. Every contact with Your Company should be a positive experience that makes all customers, no matter who they are or where they are located, feel understood and satisfied. This commitment is an important differentiating factor, and customer satisfaction surveys are regularly carried out. Customers also have access to online diagnostics and support services including training.

3. Connect, Schneider Electric's New Company Program (2012-2014)

Your Company has adopted Schneider Electric's new company program Connect.

The new 3-year plan covering 2012-2014 includes four major initiatives:



- **Connect to Customers:** this initiative aims at further improving the performance of its business models in order to be a leader in products and in solutions, and to adapt the different dimensions of the customers and partners experience with Your Company.
- **Connect Everywhere:** this initiative is designed to identify key investment areas in new geographies.
- **Connect People:** the target of this transformation is to create a culture and an environment for the employee's development and performance through enhanced levels of engagement.
- **Connect for Efficiency:** this initiative includes the actions aiming at profitable and responsible growth through industrial productivity, process efficiency and society at large.

4. Smart and Futuristic Energy Efficient Solutions that your ompany has to offer

Smart Cities

The Challenges:
Cities are 50% of the world's population, use 75% of its energy consumption and cause 80% of its carbon emissions - and cities are growing. Cities face huge challenges: congestion, pollution, blackouts and rising costs - while competing with each other for investment, jobs and talents. Cities need to become smarter, more efficient, livable and sustainable.

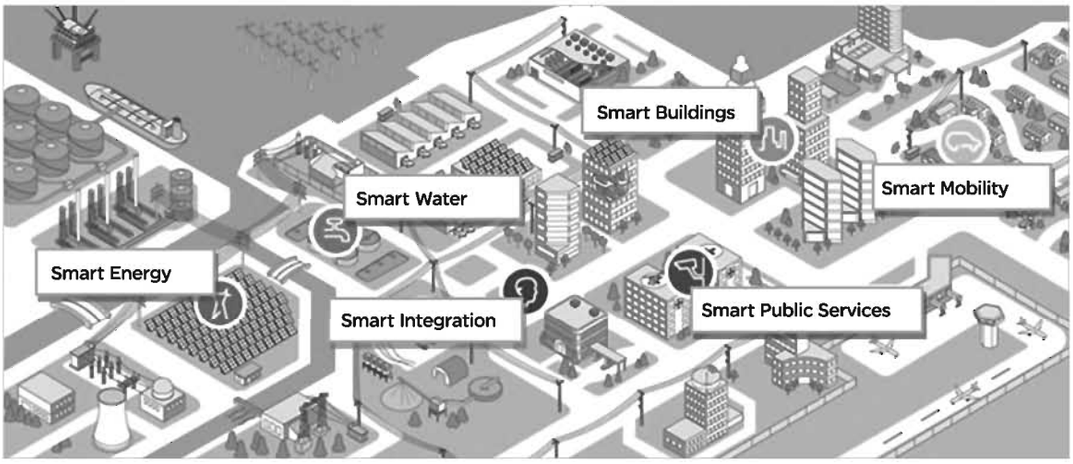
Solutions:
We deliver urban efficiency, through collaboration – today.
Our 5-step approach delivers the short-term, visible, measurable, low-investment results that cities need:

- up to 30% energy savings
- up to 15% reduction of water losses
- up to 20% reduction of travel time and traffic delays
- as well as social and economic benefits

5 steps to make a city smart

1. **Vision:** setting the goal and the roadmap to get there
2. **Solutions:** bringing in the technology to improve the efficiency of the urban systems
3. **Integration:** combining information and operations for overall city efficiency
4. **Innovation:** building each city's specific business model
5. **Collaboration:** driving collaboration with all stakeholders

Our solutions for Smart Cities:



Smart Energy

Cities looking to achieve SmartCity initiatives for reduced energy consumption, lower energy-related emissions, and enhanced quality of service and customer satisfaction will find that your organizations smart energy solutions provide the integration that is critical to enhanced network operations from an advanced digital information network that accurately collects data from all monitoring and control points in the electric system and relays it to the command and control infrastructure that enables and executes better Smart Grid performance.

The Challenges:

More and more people are dependent on energy as being integral to their daily lives. It's an evolution. Everyday end user's expectations are increasing in terms of reliability, quality of electricity supply. High ATC losses in India are also a challenge to address in efficient ways. Cities are where energy flows – oil and gas and electricity feed city life. Cities need to make their energy smarter: more efficient, reliable and green.

Solutions:

We deliver smart energy – today.
Our solutions help save up to 30% energy across the electricity and gas distribution systems through our state-of-the-art automation solutions and real-time information management systems. Your organization's energy management services integrate demand side and supply side efficiently and help balance supply and demand across the network.

Smart Energy Solutions for Electric Utilities:

- Advanced Distribution Management System
- Load shedding schemes
- End-to-end smart metering solutions
- Geographic Information System - ArcFM Solution
- Weather Solutions for Utilities
- Weather Solutions for Renewables
- Renewable Smart Integration

Smart Energy Solutions for Oil & Gas

- Gas Utilities Operations Control and Information Management - Ensure reliability and safety of natural gas services, to better manage market demand
- Oil and Gas Operations Intelligence
- Gas Device Interface
- RealTime Gas
- Gas Measurement and Analysis System
- OASyS SCADA for Oil and Gas

mart Water

As cities grow, it is essential to provide clean and affordable water for consumption. This means that water distribution needs to be optimized, operational and energy costs reduced. This is why water agencies and utilities are feeling the need for your organization's integrated solutions for optimal water and wastewater operations and planning. Similar to Smart Grid deployments in the energy industry, our advanced technology solutions support the network operations efficiencies and best practices. Components are highly integrated, assuring that data is complete, accurate, and secure, and related operations are timely.

The Challenges:

As populations grow and cities expand, it is essential to prevent flooding and provide clean and affordable water for consumption. Cities are where water is not always available but where people need it. Cities need to make their water smarter: more efficient, safe and available.

Solutions:

- Online network optimization
- Smart Water Networks
- Operating and Monitoring solutions
- Telemetry and Remote SCADA Solutions

Smart Mobility

Increase in urban populations will undoubtedly put immense pressure on transportation systems, resulting in increased congestions, may threaten safety, and increase commuting time. Further this may also accelerate burning up valuable fuel, and harming the environment. To meet current and anticipated challenges, SmartCities are relying on Smart Mobility solutions for integrated city management-Improving mobility for citizens through operational efficiency and smart information.

The Challenges:

As cities grow and expand, so will urban transportation systems - increasing traffic congestion, threatening safety, wasting commuter time and valuable fuel, and adversely impacting the environment. And cities are where traffic flows – cars, buses, metro-rails and trams epitomize city life. Cities need to make mobility smarter: more efficient, reliable and green.

Solutions:

We deliver smart mobility – today.

From traffic and transit management systems that deliver real-time visibility across the entire transportation network to efficient and safe electric vehicles recharging infrastructure via tolling and congestion charging solutions, we deliver up to 20% reduction of travel time and traffic delays – to make everyday's life faster for residents, commuters and visitors.

Smart Mobility Solutions for Transportation

- SmartMobility™ Traffic - Reduce urban traffic congestion and improve air quality through centralised, real-time adaptative traffic management
- SmartMobility™ Tolling - The answer for effective and accurate tolling
- SmartMobility™ Tunnel - Increase driver safety by responding quickly and effectively to infrastructure incidents or emergency situations
- SmartMobility™ Traffic for highways - Increase highway safety and improve traffic flow
- Solution for Integrated City Mobility Management - Improve citizen mobility through operational efficiency and smart information
- SmartMobility™ Traveler Information - The Ultimate in Traveler Information

Smart Public Services

As global competition becomes more and more intense, city governments must increasingly work to ensure a high quality of life for their citizens, making their city an attractive destination for jobs and talent. The quality of city services plays an important role in making the city a desirable place to live and work. Your organization's Smart Public Services solutions help cities maximize the efficiency and quality of their city services, improving quality of life within the city and competitiveness in the global economy.

The Challenges:
Citizens need ever-more information and support services from the city government – which also needs to ensure their availability to all, young and old, rich and poor, despite budgetary pressure. Cities and their citizens need and expect effective public services. Public services need to become smarter: more efficient, innovative and available to all.

Solutions:
We deliver smart public services – today. In addition to street lighting and security management, video surveillance and weather intelligence systems, loads of accurate, meaningful data can be pulled from the many urban systems and turned into useful information and innovative services for citizens.
As the Public services and safety improve, so does life in the city, increasing its attractiveness and competitiveness.

Smart Public Services Solutions for Airports, Transportation, Healthcare, Security and Public Safety

Smart Integration

The Challenges:
Operational expertise combined with real-time information management improves efficiency of urban systems. Smart integration is about making the sum greater than its parts. Real-time interconnected data will help city authorities to better manage and continuously optimize their systems, as data flows across systems and can be fed back into them. Integration is an essential step to 'smart'.

Solutions:
We deliver smart integration – today. Integration of operations and information further optimizes overall city efficiency. Creating connections between the different operating systems provides the tools, dashboards and intelligence so that the city government can improve city efficiency so that citizens and companies can get better information and services. Your organization also provides solutions for smart integration of renewable energy plants.

5. Smart Solutions for End User Segments

Electric Utilities:

Your organization's solutions for Electric Utilities help to integrate their sub-station and distribution network into the SmartGrid. Smart integration of Supply and Demand side allows utilities to increase reliability of service. Our solutions also enhance the security of network which in turn helps utilities to reduce CapEx and OpEx.

The Challenges:

- Reliability and Quality of power supply
- Balancing demand and supply
- Grid security

Solutions:

Your organization's open architecture automation, sub-station solutions with primary & secondary equipments, transformers, protection relays, fault passage indicators etc make the grid more **efficient,** more **flexible** and more **secure.**

- Improving service continuity while absorbing increasing demand and peak loads
- Connecting and managing more green and volatile energy smartly
- Delivering better quality power while drastically reducing network losses
- Operating the grid safely and securely
- Delivering greater visibility and decision-making tools at enterprise level allowing to improve CAPEX and OPEX

Oil & Gas

Pipeline Management Solution leverages EcoStruxture Architecture and enablers.

- Collaborative One Scada - encompassing Power, Process & Security
- Architecture adapted to Telemetry applications and Field based RTU's
- Enterprise Energy Management.

The Challenges:

Due to physical size of operations and often extreme conditions, the O&G industry is challenged daily with maintaining energy reliability and availability. To ensure safety, security and reliability while protecting its bottom line, industries need intelligent solutions to monitor, control and optimize their assets.

Solutions:

As experts in the Oil and Gas industry, your organization provides customized solutions which are safe and reliable and continuously provide high levels of productivity. From innovative power distribution solutions comprising Transformers, Switchgears, Visual Monitoring, Systems and Power supply to Scada and advanced control solution for onshore extraction, refinery and pipeline management systems, Your organization's solutions are able to improve the decision making process and deliver benefits at enterprise level. We also offer E-houses for offshore and onshore production systems.

Oil & Gas Upstream (extraction)

- Modernization solutions
- Telemetry and Remote SCADA Solutions
- Onshore scattered oil field pump automation
- Gas Production and Operations Control and Measurement - Advanced data management serves operations and business efficiency
- Liquids Production and Operations Control - Advanced data management serves operations and business efficiency
- Subsea power distribution module

Oil & Gas Midstream (transportation & storage)

- Pipeline Management System
- Operating and Monitoring solutions
- PlantStruxure
- Telemetry and Remote SCADA solutions
- Fast Load shedding solutions

Oil & Gas Downstream

- Operating and Monitoring solutions
- PlantStruxure
- Energy management solutions
- Process safety solutions
- CCTV, surveillance, video analytics protection, asset management system

Mining, Minerals, Metals

The Challenges:
Our customers recognize that energy is a key variable and must optimize production process to make more with less energy in order to be successful.

Solutions:
Your organization, a leader in energy management, has recognized the strong relationship between energy and process. To optimize energy means to optimize processes. We provide comprehensive MMM energy management offers: products, solutions and services Powered by **EcoStruxure** MMM Energy Optimization powered by EcoStruxure offering leads to improved profitability by optimizing energy per ton production.

6. Our Smart Products for Smart Solutions

Automation Solutions

Key Offerings Portfolio/Service Portfolio

Protection IEDs

- Protection relays to fit every application in industrial and distribution utilities: Series 10/20/40/80/380,000+ devices delivered since 2000

SEPAM

Protection IEDs

- Proven and recognized MV & HV suite: Px10, Px20, Px30 & Px40 Platforms. 600,000+ devices delivered since 1997. World leading Arc Protection Specialists
- IEC 61850 Platform: 50 and 200 Series

MICOM

VAMP

Substation Control System

- **Pacis 5**
  Scaleable IEC 61850 based Substation Control Systems 600+ in service since 2002

Feeder Automation

- **FLITE & FLAIR**
  Fault detectors for overhead and underground networks
- **SMART RTU**
  Control units for MV substations and overhead switches with a high level of integrated functions

Large RTU/Bay Control

- Modular Substation Computer for flexible operation (RTU, Bay Controller etc.)

Our Brands

MICOM

- A proven and recognized suite of Extremely High, High and medium voltage IEDs with communication capabilities (Measurement, Protection, Bay controller etc..)
- More than 300 000 MiCOM equipments world-wide since 1997

SEPAM

- Modular range of digital protection relays. SIL 2 certification for safety and reliability or critical feeders

VAMP

- Protection @ speed of light
- Accurate and fast Arc fault protection

MiCOM S1 Studio

- Mimics the real world of electrical systems with its intuitive and versatile user interface and integrated file management facilities

PACIS 5

- Comprehensive range of Digital Control System for Electrical EHV, HV and MV applications
- More than 1000 PACiS in service since 2002

Medium Voltage offerings

PIX-MV, PIX-C & PIX-36

- Offerings covering the entire Medium Voltage range upto 33 kV
- Indoor switchgear applications in segments including Industries, Utilities, Power plants
- Compact width of cubicles starting from 600 mm for 11 kV and 1000 mm for 11 kV
- Tested and designed as per latest IEC 62271-100 & 62271-200
- Metal-enclosed switchgear, loss of continuity category LSC 2B-PM, tested for Internal Arc faults, qualification IAC AFLR

Ringmaster

- Touch proof/completely shielded SF6 tank
- Cable testing facility without disconnecting the cables from cable chamber (on customer request)
- Internal arc AFLR of 21 kA 1sec since the pressure relief device is at the top of the tank
- Motorization within a minute and complete isolation from the remote
- Lesser gas leakage points due to moulded construction

FBX

- Up to 24 kV, 630 A, 21 kA/3s for 11 kV and 20 kA/3s for 11 kV Also, available as 11 kV for 1sec for 11 kV RMU
- Up to IAC 21 kA, 0.1s AFL for Indoor, 0.2s AFLR for Outdoor
- Available in various versions: Compact (FBX-C), Extensible (FBX-E), Indoor & Outdoor (IP54 protection)
- Manual or Motorized Operation.
- Switching and insulation in sealed-for-life SF6-gas tank
- Continuity of service LSC2A
- Compliance to IEC 622271-200 & local standards
- Versatile to fit most applications and also available with FRTU & SCADA connectivity options

BIOSCO IN 10 & BIOSCO IN 16

- Tested as per IEC 62271-202
- Internal Arc tested solutions ensures public and operator safety
- Range IN10 – upto 22 kV 1000 kVA, IN 16-upto 33 kV 1600 kVA
- HV side with RMU, LV side with ACB & MCCBs
- Oil type & Dry type Transformer with optional HT metering & LV APFC panel
- Manufactured, assembled and tested in the factory & delivered ready to be connected

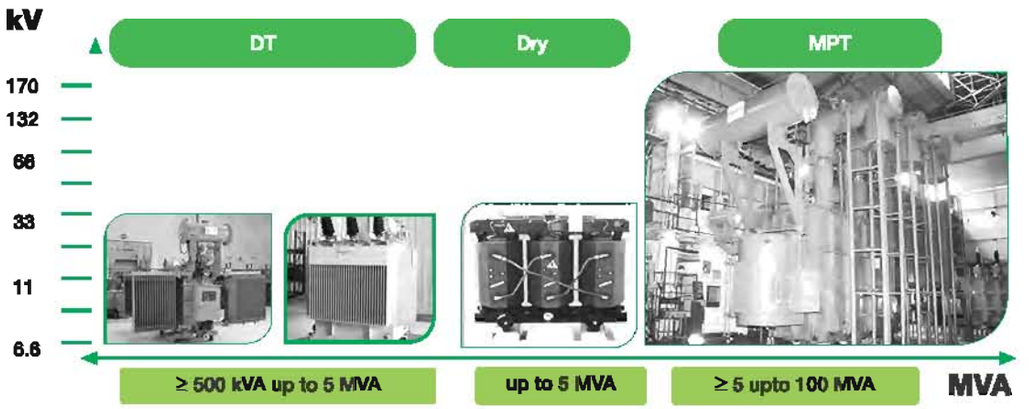
Gas-insulated switchgear GHA/WS

- Modular design, suitable for Single & Double Bus Bar System
- Touch proof, rapid and safe on-site assembly
- User-friendly operator interface with great variety of cable connection options
- GIS (GHA) with no gas handling required at site makes it environment friendly
- Hermetically sealed, gas insulated switchgear with all live parts in protective gas area (WS)
- Rated voltage upto 40.5 kV current upto 4000A (2BB), STC upto 40 kA for 3 sec

E House

- Complete switchrooms comprising both MV & LV Switchgear plus other equipment like UPS, SCADA, VSD etc
- Fully factory equipped and tested, shipped to site in transportable sections
- Economical & FAST Site Installation, simplified commissioning
- Increased RELIABILITY, due to assembly/testing/ quality control in factory
- Reduced exposure to fatal RISKS in unsafe areas
- Less Reduced ENGINEERING costs, civil costs – easy repeatability
- Design engineered by the PRODUCT Specialists

Transformers



MPT: Minera Power Transformers (from MVA till 100 MVA)

Minera MP oil-immersed medium voltage power transformer is dedicated to all applications up to 100 MVA and is designed to meet your needs. Our broad range for Minera MP transformers includes:

- Three phase units (single phase available on request)
- Ratings up to 100 MVA, 50 or 60 Hz
- Breathing or sealed type
- A wide range of accessories
- High capacity cooling options such as ONAN, ONAF, OFAF, OFWF or others upon request
- Standard or low noise levels
- Off-circuit tap changer (OCTC) or on load tap changer (OLTC)

Minera Oil - Immersed Distribution Transformers

Our standard range of Minera transformers is available as:

- Three phase units (single phase available on request)
- With ratings up to 4 000 kVA, 36 kV, 50/60 Hz
- With conservator or hermetically sealed type
- Ground, pad Mounted
- Naturally cooled (ONAN), air forced (ONAF) or other type of cooling upon request
- With normal or low noise or loss levels

Trihal - Dry Type Cast Resin Transformer

- **C3***
  Lowest ambient temperatures :
  - Operation - 50°C
  - Storage/Transport - 50°C (*C2 Thermal shock test carried out at - 50°C)
- **E3**
  - Nearly Total condensation or heavy pollution or combination of both
  - Abnormal level of humidity up to 95%
  - According to new IEC 60076 - 16 Standard
- **F1**
  Transformers subject to a fire hazard:
  - Self - extinguishing transformer fire
  - Restricted flammability required
  - Limited formation of fumes
  - Limited contribution with calorific energy to the source of fire
- **≤ 5 pC**
  - Maximum level of partial discharges measured during special test according to IEC 60076 - 11 standard
  - Resistant, Safe, Versatile Economic & Compact

Special Transformers in Range

- Furnace Transformers
- Aluminum Wound transformers
- Earthing Transformers
- Converter Duty/Rectifier Duty/Inverter Transformers
- Solar Transformers
- Vegeta Oil Transformers

7. Solutions Centre Activity

The Solution Centre provides a complete range of electrical solutions for oil & gas, industries and utilities, from substations to complete power distribution systems. Our greatest strength is in our expertise of handling projects from the concept stage to completion. We perform design and engineering, manufacturing and supply of products, erection, testing and commissioning. We also provide extended warranty and long term maintenance support. Our range of offerings vary from Intake/ evacuation sub-station, electrical balance of plants, electrical distribution systems, medium and low voltage packages. We also offer customised packages for specific needs, power distribution for infrastructure and other solutions. The Solution centre delivers projects giving the customer the benefit of a single management interface backed with an efficient and competent team experienced in engineering and execution of various packages specific to customer needs. We are committed to deliver high quality turnkey electrical projects that are efficient, EHS compliant, safe, reliable and meet Indian and International standards.

Major Orders

In the Solution business, Schneider Electric has won several orders:

- SEPR Refractories India (a Sanit Gobain subsidiary) worth 77 MINR for supply, installation, testing and commissioning of 110/11 kV Sub-station with 2 nos. 16/20 MVA transformers, 2 nos. 3MVA furnace transformer & 11 kV switchgears
- Megha Engineering and Infrastructure Limited project worth 122 MINR involving supply, installation, testing and commissioning of eBOP for 50 MW solar thermal power plant at ananthpur, Andhra Pradesh, involving GCB, GT, UAT, ST, 4 nos. 132 kV bays, SCADA, LT & HT switchgear, busducts & associated earthing, lighting, cabling etc.
- Mahindra Solar One worth 76 MINR for supply, erection, testing, commissioning and civil works of 132/33 kV switchyard for 55 MW solar power evacuation at Phalodi, Jodhpur, including 132/33 kV, 31.5/35 MVA power transformers
- Mahindra EPC worth 80 MINR for supply, erection, testing and commissioning of 0.4/33 kV pooling stations and 33 kV evacuation station for 20 MW + 10 MW units at Phalodi, Jodhpur
- Linde Engineering India Private Limited a/c Engineers India Limited worth 57 MINR for supply, erection, testing, commissioning of 3 bays 110/6.9 kV switchyard with 2 nos. 16/20 MVA transformer & 6.6 kV switchgear at Padur, Karnataka
- Bhutan Power Corporation Limited worth 109 MINR for supply, installation, testing and commissioning of 33/11 kV substation including 33 kV GIS, 5 MVA Transformers & civil works at Deisel Power House and Babesa, Thimpu.
- Tata Projects Limited worth 125 MINR for supply, installation, testing and commissioning of 7 bays 220 kV switchyard for 1x388 MW gas based CPP in Raigad
- Renewable Energy Generation Private Limited worth 140 MINR for supply, installation, testing, commissioning and civil works for 2x100 MVA, 220/33 kV substation for wind farm at Paruthiyur, Tamilnadu involving 4 nos. 220 kV bays and 12 nos. 33 kV bays.
- Mishra Dhatu Nigam Limited (under Ministry of Defence) worth 136 MINR for supply, installation, testing and commissioning of 132 kV, 4 bays switchyard with 2 nos. 40 MVA Transformer & 11 kV load block switching stations
- Orders from various customers viz Refex Energy, Felguera Gruas, IL&SF, HCL Technologies, Angre Port, Bharat Oman Refineries, Procter & Gamble, Honda Cars etc.

Major Solution Business Milestones in 2012-13

- **NTPC Ramagundam**
  Solution centre recorded a break through after successfully commissioning of transmission bay

- **Gita Power & Infrastructure Pvt. Ltd.**

Solution Centre has successfully commissioned the transmission bay

- **Moserbaer**

Schneider Electric executed 3 major Moserbaer solar plants being developed for a. Ujjawala Power, b. Responsive SUTIP & c. Chattal Construction where the scope involved 66/11 kV main evacuation substation and 11/0.3 kV pooling stations with associated cabling and other works. Schneider Electric undertook the mountainous activity of erecting and commissioning Chattel Project and successfully completed within 15 days and Ujjawala project in 30 days.

- **Mahindra Solar One**

Mahindra Solar One entrusted Schneider Electric for AC Electricals 55 MW solar plant at Jodhpur which Schneider Electric completed in scheduled duration, meeting the customer's expectations. The Scope included 2x31.5/35 MVA, 132/33 kV pooling substation with civil works. The project also included AC evacuation system for 30 MW Solar PV power plant involving 33/0.3 kV AC evacuation substations with associated cabling, for which Mahindra EPC placed a separate order

- **Uttar Gujarat Vij Company Limited (UGVCL)**

Solution Centre executed UGVCL project for conversion of over-head power distribution network to underground power distribution network in the area of Ambaji sub-division of Palanput – II division. The project included Supply, Erection, Testing & Commissioning of 11kV distribution system involving 59 nos. 11/.415kV substations & more than 22 kms HT cabling. The team ensured smooth execution with all safety & quality standards maintained.

- **Wipro a/c NTPC Dadri**

This is the first project of NTPC into Solar power generation, Wipro placed the order with Schneider Electric to execute 33 kV AC evacuation system for 5 MW solar power plant & 220/33 kV and a 5 MW bay at the main Switchyard of NTPC, Dadri.

8. Services Activity

Services are a focus area for the company and a key differentiator in driving customer delight. Our value added service offers are built around our comprehensive basket of product and solutions. With increasing complexity of the electrical network, lack of permanent skilled resources at site and demand for greater reliability, customers are keen to entrust consulting, maintenance, refurbishing, retrofitting & upgrading of their systems in the hands of experts. This distinctive need of the market is served through Your Company's Services Business. Broadly, Services cover customer needs around the complete installation lifecycle and the portfolio includes "Comprehensive Services to improve performance of customer installation" such as Asset Management program (preventive services contract, predictive services contract & extended diagnosis for ED equipment), On Demand Maintenance (maintenance of equipment, spare parts & repairs), Modernization & Upgrade (retrofit & revamp solutions) and Installation Assessment (health check). An extensive network of service engineers & authorized service centers are deployed across the country to quickly respond to customer calls.

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

Some of the major projects executed by Services Business in 2012-13

- PSPCL Bhatinda for the refurbishment of 67 nos old ASEA and Kirloskar Circuit Breakers. The commissioning was carried out in a short span considering the criticality of the installation in terms of DCS & interlocking schemes and narrow shutdown timelines.
- Hotel Oberoi, Bangalore for refurbishment & upgradation of Main LT & DG AMF Panels inclusive of all advance interlocks between EB and DG sources. The work was carried out by carefully ensuring power supply availability for critical feeders by providing a temporary power supply panel.
- MESCOM-Maintenance contracts side, a prestigious annual maintenance contract was won for 301 nos Auto Reclosures & Sectionalisers including spares & consumables for a period of two years in Mangalore.
- Fertilizers & Chemicals Travancore (FACT) has placed an order for replacement of old 21nos. HT Oil Circuit Breaker panels with new state of the art Vacuum Circuit Breaker panels at their Cochin Plant. These panels are scheduled to be replaced in their upcoming annual shutdown.

9. Human Resources

The year 2012 was a year of actions. We spent our energy and efforts in harmonizing and mutualizing our resources, organization and functions for higher synergy. During the year, Your Company undertook several successful initiatives towards strengthening its 'Employer of Choice' positioning among new and existing talent. We completed the revamping of our employee manual and updated our policies to ensure that we are consistent and aligned with our Parent Organization. Over all, during the year we reviewed and refreshed all major HR policies that included Performance Management, Travel, Job grading and succession planning. In continuation of our retention plan for long term engagement of vital talent we identified key talents who were offered a deferred bonus spread over a few years. This plan was well received and provided employees enough challenges in terms of stretched objectives and corresponding rewards that were linked with the concerned employees own performance and the overall performance of the organisations for the agreed years.

In order to uphold the values of ethical conduct and compliance to our Principles of Responsibility Your Company ensured that all employees, undertook a detailed training and awareness program to familiarize themselves with the standards and expectations of the Group.

Learning and Development

The focus on learning and development of resources continued and our Learning and Development initiatives during the year were on the three Es approach viz 'Education, Experience and Exposure'. Thus, all organized trainings were based on competency reviews held by managers addressing real and critical needs for the organization. Your Company conducted more than 6000 man days training and covered almost all employees for various programs. This not only included technical skill building trainings but also interventions and workshops on change management and culture building.

Senior managers underwent Global Leadership Programs such as Leadership through Engagement and Execution skills, several of them participated in the Global Leadership Excellence Acceleration Program (LEAP).

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

Workshop organized for Employees

A selected group of professionals were nominated for FELIX and Edison corporate programs. Edison is the most coveted technical certification and recognition program for which some of your Indian employees had qualified for the year. Career workshops were conducted for key talents to help them understand their own competencies and preferences. This also provided them with a chance to better understand possible opportunities across the company and the competencies required for the same. Employees were provided professional guidance to create their Individual Development plans in consultations with their Managers. Your Company provided many employees the opportunity to take up higher roles & responsibilities by way of internal mobility. In line with our continued efforts to improve the solutions business, Your Company has nominated sales and solutions engineers and managers for the Global Schneider Electric Energy and Solutions University Certification Program. Besides these programs, employees were also nominated by their managers for select public program and seminars.

Your Company continued to promote and strengthen a culture of continuous learning at all levels through the e-learning process. An intensive e-learning campaign was undertaken to create Champions who would drive this process. Those who completed the e-learning modules received awards, which were a big motivation to other managers. By way of encouraging employees to enhance their skills and knowledge we not only created a learning environment where everyone valued continuous improvement as a way of life but also improved the productivity and efficiency of our processes by way of application of the acquired knowledge. During the year more than majority of employees undertook various courses online.

Integration, Restructuring & HR

Your Company aligned all HR systems and processes such as Annual PMS, Mid year Performance Reviews, Career and Competency Reviews, Escalating People Reviews and trained all employees for effectively using the systems. A number of webinars were conducted globally and locally to promote awareness and knowledge to use all applications within the system. These processes helped both employees and managers to work collaboratively, to clear objectives and measurements and to identify their development needs.

A new and more comprehensive system of Talent Link Performance tool was put in place with all HR systems in one platform. This also enables employees to self update their profiles to promote their mobility across the organization.

Mr. Anil Chaudhry addressing the employees and sharing his vision

Your Company took the next leap in the One Voice Survey results and reached high ENPS (Employee Net Promoter Score) which was a consistent improvement from the previous year scores. The Employee engagement score did remain the same but the Action Awareness Score moved up substantially. This is a clear indication of the employee acknowledgment for organizational efforts.

The attrition levels were contained and for the last one year the attrition also continually declined. This was at a time when the external talent market was still experiencing high attrition.

Company has a policy to bring young talents into the organization and nurturing them for its future growth. Thirty Five Graduate Engineer Trainees (GETs) joined the organization in July 2012 from 11 top rated engineering institutes across the country. This includes 20% female GETs supporting company's vision to have balanced gender diversity in the organization. All GETs went through a structured induction & orientation program prior to their placement at various units.

The Company engaged Great Place to Work Institute to help assess organization culture and engagement levels of employees. As part of the project they conducted a survey to seek feedback from employee at large. We recorded 80% participation from the targeted group and received very good qualitative and quantitative data. Based on the inferences from the same a two day leadership workshop was conducted to identify the key priorities for creating a "GREAT PLACE TO WORK". We are now working on executing the plan for percolating the priorities and engaging the employee at large.

A new and more comprehensive system of HR Bridge was put in place with all HR systems in one platform. This also enables employees to self update their profiles to promote their mobility across the organization.

3 Year HR strategy with specific innovative action plans put in place in line with business plans.

The Human resources function was reorganized based on the 3 pillars concept of the Global Business Model viz. HR Business Partners, HR Solutions and HR Operations. HR Business Partners worked closely with business leaders on their strategic objectives while HR solutions, who are specialists for talent management and reward solutions and HR Operations supported in sourcing of Talent, HR services, Payroll etc.

It is a matter of great pride that in spite of all the challenges of transition and carved-out Your Company maintained trust and confidence of employees throughout this phase. All employee benefits schemes like Group Medical Insurance and Life Insurance Policies, Preventive Health Check were reviewed during the year and extended to employees. This is a continuous effort to get better benefits for employees at optimum costs.

Employees appreciated and awarded for their good work

The Human Resources Department complemented the business endeavor of continued and sustainable growth by way of anticipating and planning future manpower needs through strategic workforce planning. Strengthen competencies in Leadership, Project Management, Smart Grid, Solutions and Services. Strive for HR excellence: strengthen partnership with the business through HR Competency Growth and continuously improving HR Processes

Principles of Responsibility (POR) Deployment

POR outline the legal and ethical principles that must guide all of us in our work. POR is a core document with local content in order to be as pragmatic and realistic as possible uniting our commitment to all our stakeholders: Employees, Business Partners, Shareholders, Planet & Society. It helps Schneider Electric employees to know:

- What we must do
- What we cannot do
- What we should do

POR was deployed across the organization during 2012. All white-collar employees undertook an e-learning module on POR followed by participating in face to face workshops to have clear understanding of POR. Many workshops were organized at various locations across country for white collars and multiple awareness sessions were organized to ensure all blue collar employees were well aware of the "Principles of Responsibility" and guide themselves accordingly.

Corporate Social Responsibility

In pursuit of its Sustainable Development goals, Company is committed to Corporate Social Responsibility (CSR). Our business units provide pro-active support for local projects of social and cultural interest, with continued active participation from the employees.

Blood donation camps were organized at various locations during which employees donated blood. Appreciation was also received from Medical Association & Lions club recognizing employees' service towards humanity and the nation.

Towards education outreach, company facilitated industrial visits for engineering students and exposed them to our manufacturing process. Many students of Engineer & Business Management courses got benefited through their summer internship. Many of your Senior Leaders reached out to the academia and helped the universities and Engineering colleges in improving their curriculum as well as teaching capabilities. More than thousand students benefited by listening and engaging with our professionals who visited campuses across the country with the intention of giving back to the society.

Luli Week

Luli is an international mobilization campaign launched by the Schneider Electric Youth Foundation in 1998 under aegis of Foundation de Franc. Luli dedicates a week to put the spotlight on local initiatives celebrated by all employees to support partnerships and promote employee engagement with the foundation. It is usually held in the 3rd week of June across the globe.

In India, Your Company organized a week-long celebration with the focus on the common goal of 'Helping people at bottom of the pyramid to change their lives', by raising funds through various employee engagement activities. It was one of the most memorable weeks for us at Schneider Electric Infrastructure Limited and was held between 11th -15th June, 2012 at all locations of Your Company.

The key highlights of Luli week for 2012 are:

- 122 Employees donated blood
- 8 NGOs supported through organization of sales and kind donations.
- More than 1050 Employees participated in Luli Week
- 40 Indoor and outdoor sports/activities organized
- 102 Volunteered actively as delegates and volunteers

The initiative was well coordinated by the respective regional and site delegates who competed for the Luli Rolling Trophy titled 'LULI CHAMPS' initiated to mark Luli's 11th Birthday. The winning location was Schneider Electric Infrastructure Limited - Kolkata location, coordinated by Site Delegate Sharad Aggarwal, Gaganendra Thakur and Sabysachi Mahapatara. The National Level Second Prize for Local Communication won by Pallav Pathak, Schneider Electric Infrastructure Limited – Noida. SEIL-Vadodara also won the Second prize for Best Site for supporting Luli Week.

Glimpse of Luli Week

10. Various Key Events of the Year

Board Members Visit to state-of-the-art R&D Facility

Your Company's Board Member, Mr. Vinod Kumar Dhall, Chairman and Mr. Ranjan Pant, Director of SEIL, had visited the state of art R&D facility for Smart City/Smart Grid Solutions in Noida. They were taken on a guided tour and explained in detail the process of solutions development and testing at this facility.

Technical Day (Customer Meet) at Vadodara Facility

Your Company had organized a **Customer Meet** at its Vadodara Facility on 26th Feb, 2013. The main focus of the event was to enhance and create deeper relationships and partnerships by showcasing the global technological innovations in the field of energy efficient products & solutions. There were close to 100 customers flown down from across India. Influencers, Decision Makers and Senior Management from organizations such as NTPC, CESC, HPCL, Tata Power, IOCL, L&T and Reliance Infrastructure, etc were at the event. The event was effectively used as a platform to showcase Solar, LV Equipment and Energy Management Service offers.

Customers were taken for Factory tour in second half of the day and shown the various products on shop floor of Equipment and Transformer Factories. There was a separate Live demo area was created to demonstrate the different products and solutions like TVDA, Pacis, RMUs, GIS, etc.

4th Annual Conference on Smart Grids in India, New Delhi

Your Company participated in the 4th Annual Conference on **Smart Grids** in India (Upcoming Projects: Issues and Opportunities) on FEB 27th & 28th, at the Imperial Hotel, New Delhi, organised by Powerline. The mission of this conference was to highlight the proposed smart grid pilot projects, discuss key issues and challenges as well as potential solutions and strategies. The conference also showcased the most appropriate technologies and noteworthy projects.

Seminar - Revamping Gurgaon's Electricity Sector, Gurgaon

Your Company participated in the conference on REVAMPING GURGAON'S ELECTRICITY SECTOR (Towards Private Participation, Smart Grids and Solar), on FEB 20th at The Palms, Sushant Lok-I, Gurgaon, organised by **Gurgaon First.** Schneider Electric was the lead sponsors for this event, with a good visibility of the brand on the podium, conference area and other strategic locations.

Product Launch - PREMSET

Your Company has launched the revolutionary MV Switchgear, Shielded Solid Insulation System type **PREMSET** in Mumbai, followed by Vadodara, Delhi and Pune. The feature and benefits of Premset were explained in detail by different leaders and about its unique 2SIS Technology, Safety, Low Maintenance, extremely Compact dimensions, flexibility & modularity. They also explained lucidly and the Premset applications for market segments like Buildings, data centers, Hotels, Hospitals etc. were made clear. The event was attended by more than 700 target customers in all cities from different cross section of business community i.e. Consultants from Buildings & Industry, End users – Builders, Industry, and Utility, etc. appreciated this breakthrough innovation from Schneider Electric.

Smartelec Conference

In its continuous effort to promote and encourage development of Smart Product & Solution, GETCO organized a Smartgrid conference named "Smartelec 2013"

The objective of this two day conference was to come up with brainstorming ideas, views & thoughts to be presented by experts of Power sector.

GETCO invited technological papers by industry experts; academia & consultants.

Mr. Sandeep Pathak, submitted a paper on "Decentralized Self Healing Solution for Distribution Grid Automation – A step ahead for Indian Utilities". It was a proud moment that his paper got selected and was presented in this conference in the presence of the major influencers of the industry and more than 500 customers.

Mr. Sandeep Pathak also presented a paper on "Smart Grid" at Gridtech 2013.

Mr. Sandeep Pathak at Smartelec 2013

PCIC2013

Petroleum & Chemical Industry Conference (PCIC) is the premier European forum for the exchange of experience in the practical application of electricity and instrumentation in the petroleum, chemical and pharmaceutical industries, including all upstream and downstream activities.

A RAJESH of your organization, in his paper, at the 10th PCIC international conference, introduced an Intelligent load shedding application implemented in an oil & gas refinery by your organization to the audience. This is a truly modern, fully interoperable, IEC 61850 compliant application that provides fast and optimum load shedding with a built-in powerful prediction approach to manage the larger sub-networks. Unlike conventional approach where the aim is to shed the loads, this solution is aimed at supplying the critical loads based on the real time topology, analogs, operating conditions & dynamic priority settings.

11. Information Systems and Technology

The primary IT activity during the last year has been carve-out of the IT infrastructure and applications of Areva T&D (now Alstom T&D) between Alstom and Schneider Electric, subsequent to the transfer of the Distribution business.. This project has been successfully completed, and the separated IT infrastructure of the de-merged entity, SEIL is fully operational.

12. Finance

Finance is a very vital function for the operations of Your Company. In complement to strong historical practices, Schneider Electric Global tools and processes are implemented in combination with energetic and enthusiastic staff to achieve optimum efficiency of this function.

Following Schneider Electric guidelines, certain Finance functions like treasury, audit, reporting, taxation, finance shared services, credit, were mutualised across all Schneider Electric entities in India to follow uniform practices and to bring cost effectiveness across a larger scale. This has resulted into reduction in cost with efficient utilisation of resources, and better skills, taking advantage of best practices.

In terms of further strengthening the internal control environment, the Key Internal Control (KIC) process established last year has started giving good results in making sure all internal control guidelines are continuously followed, regularly monitored by Management, and policies updated as and when necessary.

The FiSS (Finance Shared Service - formerly called FSSC) has matured well during the year and handled transactional finance activities more efficiently. More tools were implemented for smooth and efficient processing of transactions. More focus was given for training of employees on system, processes, and controls which resulted into efficient functioning, with the view of expanding the scope of its activitiesm in relation with integration with the best practices of the Schneider Electric Group.

13. Investor Relations

Last year was a momentous year for Your Company as it held its first AGM and also published its first annual report, after being listed in March 2012. The management of Your Company are appreciative of the fact that need for information and communication among shareholders will be high considering the fact that Your Company got listed quite recently. Your Company made all efforts in this regards by making sure to have a strong investor relations function in place. Senior Executives of the Company held investor conference call based interactive sessions to discuss the progress and performance of the Company. This is in keeping with our intention to be transparent to the investing community and to keep them abreast of the appropriate and material information on a timely basis.

14. Internal Audit

Your Company has in place, a system of internal audit designed to provide reasonable assurance with regard to the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The in-house internal audit department of Your Company is an independent and objective function performing assurance and consulting activities designed to add value and improve the Company processes. It helps Your Company to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The audit team maintains an independent status within the Company. In order to supplement the audit assurance provided by in-house team; Your Company had also out sourced some of the audit work to third party audit firms.

The deliverables of appointed audit firms expected them to provide audit assurance on the end-to-end spectrum of the area/processes defined in the scope of work agreed with them. The audit plan for the year is based on business risk and Internal Control assessment which is approved by the Audit Committee and Board of Directors of the company. The Audit Committee does a regular review of the Audit Reports submitted by the Internal Auditors and an action plan for remedial actions is put in place. The Audit Committee is continuously apprised of the action plan status. The Committee also meets the Company's statutory auditors to ascertain, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations, if any.

In addition the internal audit is also in the process of streamlining audit methodology from inception, through fieldwork, to final reporting to fit in the COSO framework so that it is no longer incidental to our processes but provides the foundation for all our audit work. Integrating COSO in this manner will add structure to the audit process, ensures that appropriate criteria are considered in key phases of each audit, and provides a trail to support the conclusions reached. All the five essential components of control environment, risk assessment, control activities, information communication and monitoring of COSO framework is considered while defining the control objective to be audited. Your Company has set up a robust risk management and Internal Control assessment framework across the organization. This facilitates identification, assessment, communication and management of risk in effective manner.

15. Customer Satisfaction & Quality

During the year under review, Your Company had launched the quarterly customer satisfaction surveys through third party customer contact centres. The surveys were undertaken to identify unsatisfied customers, and who were not willing to recommend the products and services of Your Company to their friends and colleagues. Your Company has prioritized resolving the pending issues and have done its best to convert the unsatisfied customers to happy ones. The continuous process of engaging with these customers has enabled Your Company to achieve more than its targeted scores for Customer Satisfaction Level.

16. Present Status of Shareholding of Promoters

In March 2012, Energy Grid Automation Transformers and Switchgears India Limited became the Holding Company of Your Company by acquiring the shares aggregating 73.40% from the four promoters. The entire shareholding of Energy Grid was held by Alstom Grid Finance BV, which is jointly controlled by Alstom Holdings and Schneider Electric Services International (SESI). SESI is controlled by Schneider Electric Industries SAS.

In order to bring to a close the separation of Transmission and Distribution business in India, ALSTOM Grid Finance BV and Schneider Electric Singapore Pte Ltd entered into a Share purchase agreement to transfer the entire shareholding in Energy Grid Automation Transformers and Switchgears India Limited. This resulted in the indirect acquisition of Your Company. Hence in view of the Take over regulations, Schneider Electric Singapore Pte Ltd ("Acquirer") and Schneider Electric South East Asia (HQ) Pte Ltd, Schneider Electric Services International and Energy Grid Automation Transformers and Switchgears India Limited, in their capacity as persons acting in concert with the Acquirer (collectively the "PAC"), made an open offer to the minority shareholders of Your Company. The open offer opened on January 4, 2013 and closed on January 17, 2013. Out of the 11,314,680 equity shares which were tendered by the shareholders, "Acquirer" acquired 10,592,659 equity shares and as one of the PAC Energy Grid Automation Transformers and Switchgears India Limited acquired 722,021 equity shares. Consequent to the Open Offer, the present shareholding of the acquirer/promoters have increased from 73.40% to 78.13%. However Your Company's management is committed to reduce the shareholding of the promoters below 75% in terms of the Listing Guidelines.

17. Directors

At the Second Annual General Meeting of Your Company held on 31st July 2012, the First Directors, who retired and at the said meeting, were re-appointed as Directors, who holds office till the conclusion of this meeting.

At the Board meeting held on 22nd May 2013, Ms. Rajani Kesari was appointed as Additional Director of the Company. Mr. Olivier Blum resigned from the Board, effective from 1st March 2013. The Board places on record its deep appreciation for the valuable contribution made by Mr. Olivier Blum during his association with the Company.

Brief Particulars of these Directors are given elsewhere in this Report.

Mr. Vinod Kumar Dhall and Mr. Ranjan Pant, Directors, retire by rotation and being eligible, offer themselves for re-appointment. The Board recommends the re-appointment of both the Directors. Considering the background and experience of the above Directors, the Board is of the opinion that the appointment of Directors as above will immensely benefit Your Company.

Particulars of Employees

A statement, as required under Section 217 (2A) of the Companies Act, 1956, read with The Companies (Particulars of Employees) Rules, 1975, is given as a separate Annexure which forms part of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo

The particulars, as prescribed under sub-section 1(e) of Section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the Annexure which forms part of this report.

Directors' Responsibility Statement

In compliance of Section 217 (2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Directors of Your Company confirm:

- that the applicable Accounting Standards have been followed in the preparation of final accounts and that there are no material departures.
- that such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of Your Company as at March 31, 2013 and of the profit of your Company for the year ended on that date.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of Your Company and for preventing and detecting fraud and other irregularities.
- that the annual accounts have been prepared on a going concern basis.

The explanation to the qualification made by the Auditors in their report, is given by way of an addendum in the Annexure to the Director's Report

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, Reports on Management Discussion and Analysis and on Corporate Governance have been included elsewhere in this Report as separate sections.

Auditors

The Company has received a letter from M/s. S R Batliboi & Co, LLP retiring Auditors indicating their willingness to be reappointed as Auditors.

For and on behalf of the Board

New Delhi
22nd May 2013

Vinod Kumar Dhall
Chairman

Annexure to the Directors' Report

Conservation of Energy

Measures taken to conserve energy: Vadodara Switchgear Location

- Daylight integration & grouping of lighting done to keep the lighting requirement at optimum level.
- Actions taken on air compressor to
  - deliver required pressure at lowest possible energy consumption
  - rectify compressed air leakages
  - reduce air intake temperature at incoming air-receiver
- Average power factor maintained at 0.98 inductive.
- HVAC system programmed through centralized controller for optimum temperature setting of thermostat based on internal heat load.

Kolkata Switchgear Location

- Revamped Electrical distribution network in the plant
- Changed the power factor from 0.75 to 0.95 by installing capacitor bank

Naini Transformer Location

- Office Area reorganized to reduce electricity consumption
- Optimization of processes related to oven loading resulted in savings on electricity and fuel
- Optimization of high energy consumption loads like compressor, cooling tower and filter machine
- Transparent sheets installed in shop floor area to enhance utilization of natural lighting resulting saving in electricity

Vadodara Transformer Location

- Capacitors introduced at source end to maintain power factor above 0.9
- Timers provided to all street lights to start at 7:00PM and turn off at 6:00AM
- All air conditioners at offices and administration building provided with temperature controls (set at 27 deg C)
- DT oven is modified to reduce the oven cycle time

Measures to Conserve Energy

- Providing energy efficient VRF A/C systems for 24 X 7 operations of R&D Labs and for UPS, BMS and Hub Rooms.
- Providing energy efficient In row cooling for Server Room
- Providing light filtering blinds on glass facade to reduce lighting use in office.
- Providing heat and glare blocking sun film in identified locations of office to increase impact of Central A/c.
- Open office module enables efficient distribution of lighting and air conditioning
- An internal Energy Audit has rated Energy Performance Index of facility to be 61.17 kWh/m2/year - which is within the norms of 5 Star BEE rating building (unfortunately we are not eligible to seek certification for the same as chillers and other high end are not under our scope).

Additional investments and proposals being implemented to improve energy efficiency

- Energy Audit has been conducted by the SE Energy Efficiency team to identify gaps and provide solutions for greater efficiency.
- Solutions proposed from EE team like sensors based lighting etc will be implemented within 2013.
- Additionally, Struxureware implementation analysis has commenced and implementation has been targeted by Q3 2013.

Consequent impact

- While a ROI plan is yet to be shared by the EE team, it is expected to bring a reduction on 5-7% in the energy consumed by the lighting load.

Benefits derived

- Reduced energy expenses for the premises
- Steps towards Great Place to Work and Cool Site initiatives leading to higher employee engagement.
- Reinforcing our commitment to the environment.

Technology absorption, adaptation and innovation

Transformers

- Aluminum winding transformer technology absorbed
  - Type tests conducted for Short Circuit testing
- Technology for Cast Resin Transformer type "Trihal" absorbed in India. Product launched in India
- Technology for layer winding developed up to 66kV

Switchgear

- Technology for manufacturing 33kV Ring Main Unit type "Flusarc" absorbed in India.
- Technology for manufacturing Auto Reclosers absorbed in India.
- Schneider Electric's latest innovation SF6 Free Switchgear type "PREMSET" launched in India

Schedule of Imported Technology

S. No.	Technology	Year	Status regarding absorption
1	33kV Ring Main Unit	2012	Product localization is in progress
2	Sectionaliser	2012	Product localization is in progress
3	ODT Transformer Design Optimization Tool	2012	Training is over and production also started
4	CRT TRIHAL Design Optimization Tool	2013	Training is over. Prototype Made. Regular production planned for Oct'13
5	DMS3.4 (Distribution Management System)	2012	Being used to deliver the 3 APDRP projects
6	OASysSCADA (Supervisory Data and Acquisition System)	2012	Being used to deliver the 3 APDRP projects
7	SaitelRange FRTU	2013	Feeder FRTU (SaitelHU_BI) is the compact FRTU being used for SCADA-DMS projects
8	SaitelDP RTU	2013	Primary Modular RTU from Telvent is being offered as complementary with C264 RTU
9	Communicable FPI (Fault Passage Indicator) Flite116 SA + G200 Gateway	2013	This is tested at our Smartgrid Lab and is being demonstrated to our Distribution utility customers
10	SUI–SystemUser Interface for PACiS Substation Automation Gateway	2012	New smart HMI (Human Machine Interface) for Substation Automation Systems being offered

Expenditure on Research and Development

Expenditure on R&D	45.4 MINR	0.35% on turnover

Foreign Exchange Earnings and Outgo

Forex earnings	1039.90 MINR
Forex outgo	1450.47 MINR

For and on behalf of the Board

New Delhi
22nd May 2013

Vinod Kumar Dhall
Chairman

Annexure to Director's Report

Addendum to Director's Report in respect to Auditors report with regard to Qualifications for the year 2012- 13

Ref point No	Auditors Report	Management's perceptions on auditors report
ix (b) of Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of Auditors report:	According to the information and explanations given to us, undisputed dues in respect of service tax which were outstanding, at the year end, for a period of more than six months from the date they became payable is Rs. 26.17 Million, and not paid	Service tax payable of Rs. 26.17 million is still outstanding as it relates to collections against invoices raised by Alstom T&D India Limited prior to demerger. A portion of these collections relate to the Company, and relating to the pre carve-out period and we are still awaiting some details from Alstom on this issue. The liability will be paid shortly.

For and on behalf of the Board

New Delhi
22nd May 2013

Vinod Kumar Dhall
Chairman

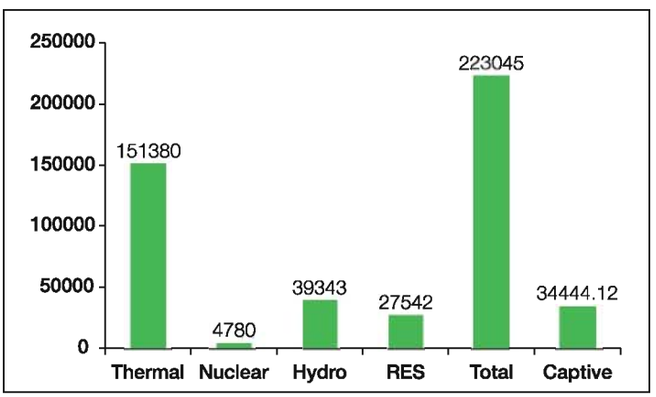
Management Discussion and Analysis Report (2012-13)

Market Overview

India is ranked as the fifth largest power producing and fifth largest power consuming country in the world (Source: IEA – Key World Energy Statistics, 2010).

The power generation capacity of India has increased to 223,045 MW (excluding captive generation) as of March 31, 2013 from a meagre 1713 MW in 1950. The captive generation capacity stands at 34444.12 MW (as on March 31, 2011).

ALL INDIA GENERATING INSTALLED CAPACITY (MW) (As on 31-03-12)



During the year 2012 - 13, peak demand registered an increase of 4.2% against the projected increase of 7.7%.

	Energy (MU)	Peak (MW)
Requirement	998,114	135,453
Availability	911,209	123,294
Shortage	86,905	12,159
%	8.7	9.0

Source: CEA

Several initiatives have been undertaken by government to improve the efficiency in the power sector:

- Restructured Accelerated Power Development and Reform Programme (R-APDRP)
- Demand Side Management Initiatives by BEE
- IT Based Project Monitoring.

The overall external market environment in 2012 was very challenging for Your Company. For the first time in many years, GDP growth went down to less than 6 percent, IIP growth was down to 1 percent from 5 percent and there was almost a 30 percent drop in the announcements of new projects as per data from the Centre for Monitoring of Indian Economy (CMIE).

Delays in fiscal and market reforms, environmental clearances, fuel linkages and land acquisitions combined with high inflation and increasing interest rates contributed toward the downward trend.

Demand Overview

As a result of robust economic growth the demand for power has grown considerably. Indias generation capacity has grown at a rate of over 8.5% during the Eleventh Five Year Plan period to stand at 223 GW currently. Another 75 GW is planned to be added in the Twelfth Five Year Plan (2012-17).

Generation capacity can be maximized using a reliable and efficient transmission network. There have been several positive developments in the transmission sector. A national grid is being established.

At a central level, a separate entity for load dispatch functions has been formed. The same is expected at the state level to ensure fair access to the network to all entities.

The Central Transmission Utility (CTU) has begun work on introducing ultra high voltage (UHV) technologies and has initiated a few pilot projects to implement smart grid technologies so as to ensure more efficient power transmission.

The gross all-India electrical energy consumption (EEC) is projected to grow from 569.3 BUs in 2009-10 to 1099 BUs by 2016-17 and to 1611.8 BUs by 2021-22. The CAGR for energy consumption is estimated to be 9.85% during 2009-10 to 2016-17 and 7.96% during 2016-17 to 2021-22.

The pattern of electricity consumption is expected to change in the future. In 2009-10, the industrial and commercial segments together accounted for about 45% of consumption, followed by the domestic category (25%), and irrigation (21.03%). The share occupied irrigation requirement is likely to decrease by the end of the Twelfth Five Year Plan period. Another expected change in the consumption pattern is a decline in the share of rural consumers from 59.78% in 2009-10 to 58.76% by 2016-17.

CEA's all-India electricity forecast

	2013-14	2014-15	2015-16	2016-17	2021-22
Energy consumption by consumer category					
Domestic	214,189	237,347	262,202	289,924	426,148
Commercial and miscellaneous	86,494	95,497	105,472	116,535	185,722
Public lighting	8,054	8,661	9,315	10,021	13,488
Public waterworks	20,436	22,064	23,829	25,742	36,329
Irrigation	166,425	179,784	194,559	210,611	287,926
Low tension industries	57,977	63,721	70,010	76,898	117,984
High tension industries	240,057	262,437	286,699	316,408	467,835
Railway traction	16,437	17,489	18,635	19,832	26,810
Bulk supply	26,154	28,247	30,523	33,024	49,566
Total energy consumption (MUs)	**836,224**	**915,249**	**1,001,244**	**1,098,955**	**1,611,809**
T&D losses (%)	21.52	20.66	19.78	18.89	15.38
Energy requirement (MUs)	1,065,571	1,153,606	1,248,081	1,354,874	1,904,861
Annual electric load factor (%)	79.85	79.21	78.29	77.51	76.71
Peak load (MW)					
Unrestricted energy requirement and peak load at power station busbars					
Energy requirement (MUs)	1,084,610	1,167,731	1,257,589	1,354,874	1,904,861
Peak load (MW)	156,208	169,491	183,902	199,540	283,470

Source: CEA

Distribution Overview

The main focus area for utilities is loss reduction. As of 2010-11 more than 14 out of the total of 53 unbundled utilities reported aggregate technical and commercial (AT&C) losses of 30% or above. The utilities have also reported cash losses. The Shunglu Committee estimated aggregate net losses of Rs. 820 billion till 2009-10. A key reason for these losses is stagnant tariff.

IT technology is increasingly being applied to take target-based action in checking losses. Key applications include the supervisory control and data acquisition system (SCADA) and Enterprise Resource Planning (ERP) systems, distribution line maintenance system with modems and automated metering infrastructure (AMI), among others. The emphasis is on progressively customized solutions rather than large-scale solutions.

R-APDRP is an attractive investment for utilities. This scheme enables utilities to establish energy accounting systems and upgrade network assets. This scheme has played a key role in introducing systems such as asset mapping, consumer indexing, and automated meter reading. But the utilities have not been able to achieve the integration of IT systems across operational, financial and commercial functions. The lack of meter testing facilities and non-availability of meters have been one of the main hurdles in achieving efficient metering at the distribution transformer level.

Smart Grid

The ongoing modernization of infrastructure has spurred a move towards a smart grid framework. A smart grid looks to integrate features such as bidirectional flow of power and information, the optimisation of diverse generation sources, demand side management through an active consumer role, and self healing capabilities during system disturbances.

Issues such as power shortages, erratic outages, unpredictable demand peaks and high AT&C losses are the some of the main concerns in India to which the smart grid provides various solutions. Emerging trends make for greater complexity in grid management. This includes an increased share of renewable energy, a synchronised national grid, and, a rising share of power trading and competition in retail power. All this implies that the business case for smart grid technologies is yet to be established in the Indian context. The first step towards this is the commissioning of pilot projects.

Eight pilot projects are due to be undertaken across the country. About fourteen utilities are likely to submit plans in this regard. Half of the project cost will be funded by R-APDRP. The remaining funding has to come from the utility or shared between the utility and the technology partner.

In terms of policy, an important development has been the push for open-access. The term upon access implies the non discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system by any licensee or consumer or a generating company. The usage must be in accordance with regulations and includes long term access, medium term open access and short term open access.

Smart Grid India

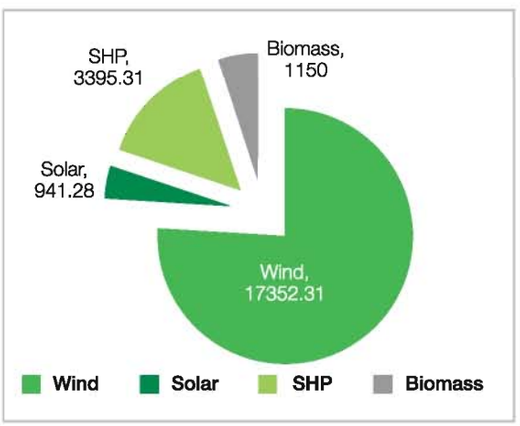
- National Smart Mission
- ISGTF mooted the idea of 8 smart grid pilot projects in the country in different distribution utilities.
- ISGTF issued model specification and guidelines to utilities for choosing the pilots and technology partners.
- 50% of the project cost will be funded by the GOI while the rest is to be borne by the utility fully or shared between the utility and technology partner.
- The average size of these pilots are USD 10 million.

Renewable Energy

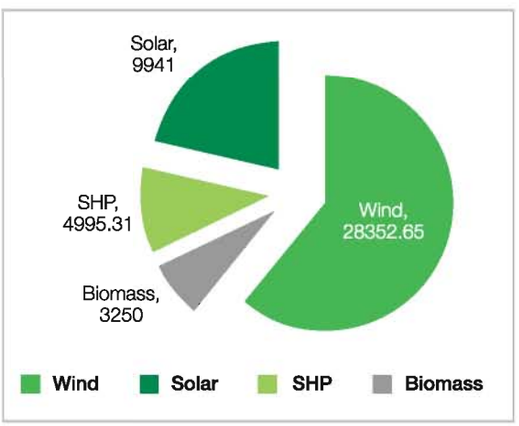
The total installed capacity of India as on Nov'12 was 210 GW. Out of which about 12% could be credited to renewable generation mostly through wind (18.3 GW), small hydro (3.4 GW), biomass (1.2 GW) and solar (1 GW).

Various initiatives such as new policies, regulatory and fiscal incentives have accelerated the development of renewable energy (RE) generation. Recognizing the criticality of large scale deployment of RE capacity MNRE has set aggressive targets for the 12th plan. In the solar category the initial target of 3400 MW has been revised to 9000 MW.

Installed capacity			
Type	**2012**	**2017**	**CAGR**
SHP	3395.31	4995.31	10%
Biomass	1150	3250	30%
Solar	941.28	9941	80%
Wind	17352.65	28352.65	13%



2012



2017

Oil & Gas Sector Overview

In order to meet the burgeoning demand for petroleum products in the country, the government has taken several measures to enhance exploration of petroleum resources including natural gas and coal bed methane (CBM), apart from improved distribution, marketing, and pricing of petroleum products.

The projected crude oil production in 2012-13 is 42.31 MMT which is about 11.1% higher than in the figures for 2011-12. The increase in production is expected mainly on account of higher crude oil production from Barmer Fields, Rajasthan. The total refining capacity in the country increased from 187.4 MMT (as on 1 April 2011) to 215.1 MMT (as on 1 January 2013) and is projected to reach 218.4 MMT by the end of 2012-13 and 239.6 MMT in 2013-14 with a capacity augmentation of existing refineries and the commissioning of the Paradip Refinery. Refinery production (crude throughput) during 2011-12 was 211.4 MMT (including the Jamnagar Refinery under the special economic zone [SEZ] by Reliance Industries Ltd) showing an increase of 2.6% compared to a production of 206.15 MMT in 2010-11. There has been a substantial increase in the pipelines network in the country with 32 product pipelines with a length of 11,274 km and capacity of 70.688 MMT at present. There are also 16 crude pipelines spreading over 8,558 km with a capacity of 106.45 MMT.

Opportunities & Threats

Opportunities

The Twelfth Five Year Plan lays special emphasis on the development of the infrastructure sector including energy, as the availability of quality infrastructure is important not only for sustaining growth but also ensuring that the growth is inclusive.

The Indian power sector has made considerable progress in the last decade and has evolved from a nascent market to a developing market led by policy reforms and increased private sector participation.

Strong growth in generation capacity led by per capita consumption, urbanization

There is strong growth opportunity in power generation led by exponential growth in economy, along with an increasing propensity for electricity consumption and urbanization. India has made considerable progress in building up capability and uncovering opportunities for capacity additions.

Infrastructure Projects

The Twelfth Five Year Plan (2012-2017) has envisaged an integrated approach for the transport sector as a whole. The vision for transport is to be guided by a modal mix that will lead to an efficient, sustainable, economical, safe, reliable, environment friendly, and regionally balanced transport system

- 22 Cities have been identified for Metro projects
- Dedicated Freight Corridor Project (Eastern & Western)
- BRO-NHAI Tunnel Projects
- NHAI Electronic Tolling Collection Projects across India
- High Speed Rail Projects

Energy Sector

In the 12th five year plan, India has planned to add approximately 75 GW of power generation capacities. The huge capacity addition plan also offers an opportunity for developing evacuation capacities and supply related OEMs.

- **Distribution Reform Program**
  The Government has proposed several initiatives to improve and reform the distribution sector. Many states have issued new tariff orders to improve the financial health of the distribution companies. **R-APDRP is an attractive investment for utilities.** The Indian government proposes to spend more than Rs. 300,000 crores on distribution sector for both expansion of the network as well as improving the efficiency of the sector. The substation capacity is likely to expand by 80,000 MVA, and investments in Smart Grid technologies are expected to be at Rs. 9,500 crores.

Threats

1. **Shortage in coal supply: Impacts capacity addition programme**
   India's power requirement over the years has been largely dominated by coal based generation, with close to 55% of the total installed capacity being coal based power plants, accounting for over 80% of the total units generated in the country.

   However, more stringent rules and norms brought about recently by the MoEF over award of coal blocks have left many developers devoid of coal linkages.
2. **Financial health of the distribution sector**
   Apart from a handful of franchisees and privatized utilities, the distribution sector is still largely in the hands of the state owned utilities. The low collections and cash deficit scenario of the distribution sector severely impacts the financial viability of generation and transmission sectors.

Business Projections

Your Company has the considerable management talents to face the market challenges, as it did in the recent past. Amongst competition Your Company has a high level of localization though its world class factories supported by a well trained professional work force. Your Company is ready to meet the demand as well as the challenges of the Infrastructure market in the country.

Support Functions

Human Resources

The HR team is committed to further develop and retain the competencies of the organizational talent. Industrial relations continued to be cordial, contributing to Productivity increase

Investor Relations

During the year company continued to make several efforts in strengthening investor communication and to make investors interested in the Infrastructure sector. Several investor conference calls were held to discuss the progress and performance of the Company to keep investors abreast of developments in the company and in the sector.

Finance

Finance is a very vital function for the operations of Your Company. Following Schneider Electric's guidelines, certain Finance functions like treasury, audit, reporting, taxation, finance shared services, credit, were mutualised across all Schneider Electric entities in India to follow uniform practices and to bring cost effectiveness across a larger scale. This has resulted in reduction of cost with efficient utilization of resources and better skills, taking advantage of best practices.

The mutualised treasury function maintains very good relationships with all major banks in India and was able to negotiate and avail favorable terms for various banking facilities.

In terms of further strengthening the internal control environment, the Key Internal Control (KIC) process established last year has started giving good results in making sure all internal control guidelines are continuously followed, regularly monitored by Management, and policies updated as and when necessary.

The FiSS (Finance Shared Service - formerly called FSSC) has matured well during the year and handled transactional finance activities more efficiently. More tools were implemented for smooth and efficient processing of transactions. More focus was given for training of employees on system, processes, and controls which resulted into efficient functioning, with the view of expanding the scope of its activities in relation with integration with the best practices of the Schneider Electric Group.

Risk and Internal Controls

Your company continues its focus towards corporate governance. During the year, the Audit Committee was informed of the risk assessment and internal control framework of the company. Internal Controls are assumed to be embedded in all company processes and there is a system of self-assessment by operational management with respect to the Key Internal Controls which are identified for each process. The risk assessment follows a company wide approach and the risk matrix summarises the key risks to the company's business. This is reviewed by the Audit Committee along with the Annual Audit Plan. The progress of the risk mitigation plans is be reviewed by the Board periodically as is the progress of the internal audit assignments as well as the recommendations of internal audit and accompanying remedial action plans.

Outlook

While timing of market recovery is uncertain, the underlying drivers for growth remain intact:

- The Working Group on Power has estimated a capacity addition requirement of 75,785 MW corresponding to 9 percent GDP growth during the Twelfth Plan period. The plan states that the share of power based on non-fossil fuel plants is very low at present and should be increased over time to promote low carbon growth strategy.
- Oil & Gas: The increase in production is expected through capacity augmentation of existing refineries. Substantial increase in the pipelines network is expected in medium term. Above activities will provide good opportunities in O&G segment.
- For Distribution sector, apart from ongoing RAPDRP initiatives, it's a priority to make the distribution companies financially viable for which some serious recommendations for Debt Restructuring Policy have been suggested.
- Infrastructure Improvement projects like Metro, Freight Corridors, Highways, Water Projects etc are also likely to throw up big opportunities in the market

Above strategic measures are expected to create good opportunities for the sector.

For and on behalf of the Board

New Delhi
22nd May 2013

Vinod Kumar Dhall
Chairman

Report on Corporate Governance

[For the period from 01.04.2012 to 31.03.2013]

1. Company's philosophy on Corporate Governance

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

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

Your Company is constantly interacting with all the stakeholders; its borders are expanding, its environment is changing ever faster, its activities are becoming globalised and its social responsibilities are growing.

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

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

The group currently has around 1,40,000 employees worldwide. Following the Group's various acquisitions, it has been able to integrate this exceptionally professional and cultural diversity to its advantage. Driven by Group values, the Responsibility and Ethics Dynamics program forms the basis of common references. Schneider Electric's mission therefore takes its meaning from engaging with individuals and organisations in order to help them get the most from their energy.

2. Board of Directors

A. Composition

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

Of the total six Directors:

- Four Directors (one of them being the Chairman) comprising of two-thirds of the Board, are non-executive Directors.
- Two Directors (one of them being the Chairman), comprising of one-third of the Board, are independent non-executive Directors.

The Company does not have any nominee Director.

Your Company meets the requirement of SEBI's guidelines as per the amended Clause 49 of the Listing Agreement, between the Company and the relevant stock exchanges ("Listing Agreement"), in terms of the composition of its Board.

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

Sl. No.	Names of Directors	Position	Classification	Number of Board Meetings attended (Apr 2012 – Mar 2013)	Attendance at the last AGM held on 31st July 2012
1	Mr. Vinod Kumar Dhall	Chairman	Independent (Non-Executive)	5	Yes
2	Mr. Prakash Kumar Chandraker	Managing Director	Executive	5	Yes
3	Mr. Olivier Blum*	Director	Non-Executive	1	No
4	Mr. Anil Chaudhry	Director	Non-Executive	3	Yes
5	Mr. Ranjan Pant	Director	Independent (Non-Executive)	5	Yes
6	Mr. Alexandre Tagger	WholeTime Director	Executive	5	Yes
7	Ms. Rajani Kesari**	Director	Non-Executive	NA	NA

* *Resigned from the Board on 1st March 2013.*

** *Appointed as Additional Director at the Board meeting held on 22nd May 2013.*

Brief write-ups about the Directors, due for appointment/re-appointment are given elsewhere in this report.

C. Number of other Companies or Committees in which any of the Directors (being a Director as on the date of this Directors' Report) is a Director/Chairman/Member

Sl. No.	Name of the Director	No. of other Directorships (Excluding foreign Companies and Private Limited Companies)	No. of other Committees	
			As Chairman	As Member
1	Mr. Vinod Kumar Dhall	5	2	3
2	Mr. Prakash Kumar Chandraker	--	--	--
3	Mr. Anil Chaudhry	1	--	--
4	Mr. Alexandre Tagger	1	--	--
5	Mr. Olivier Blum*	1	--	--
6	Mr. Ranjan Pant	2	1	1
7	Ms. Rajani Kesari**	1	-	-

* *Resigned wef 1st March 2013*
** *Appointed on 22nd May 2013*

D. Number of Board Meetings held during the period from 01.04.2012 to 31.03.2013

Five

E. Dates of the Board Meetings

- May 29, 2012
- July 31, 2012
- October 7, 2012
- November 2, 2012
- February 8, 2013

3. Disclosures regarding Directors' appointment and re-appointment

At the ensuing Annual General Meeting, Mr. Vinod Kumar Dhall and Mr. Ranjan Pant, Directors, retiring by rotation, are proposed to be re-appointed.

At the Board Meeting held on 22nd May 2013, Ms. Rajani Kesari, Vice President Finance and Country Finance Business Partner of Schneider Electric India Pvt Ltd., was appointed as Additional Director.

Mr. Olivier Blum, Director, resigned from the Board on March 1, 2013.

Brief particulars of all Directors are as under:

A. Mr. Vinod Kumar Dhall

Mr. Vinod Kumar Dhall belonged to the IAS and retired as Secretary, Government of India. He was the first and founding Head of the Competition Commission of India, a position that he held for about 5 years. He laid the foundation of the Commission by establishing the framework of its policies and procedures, including the draft Regulations, analytical models, and the core staff with requisite training. Currently, Mr. Dhall is Chairman, Dhall Law Chambers that specialises in competition law practice. He has a "best friend" relationship with global law firm, Linklaters LLP.

As Secretary, Ministry of Corporate Affairs, Mr. Dhall was responsible inter alia for the introduction and enactment of the Competition Act, 2002. Mr. Dhall's book, "Competition Law Today" was published by Oxford University Press, and his writings have been published in professional journals and the business press. He has thus been deeply involved in shaping the competition law in India.

Mr. Dhall was Chairman of the Working Group on National Competition Policy, which has been the basis for further steps to institute a National Competition Policy for India. He is Senior Consultant to Government of Bhutan for introducing Competition Law and Policy.

As Secretary, Ministry of Corporate Affairs, Mr. Dhall was responsible for: the establishment of the Serious Fraud Investigation Office (SFIO), formulation and initiation of the e-Governance project-MCA21, and reforms relating to corporate governance

During his career in Government, Mr. Dhall specialized in the fields of Corporate Affairs, Industry and Commerce, Economic Regulation and Finance, in which he worked for about 27 years. This includes direct experience of running a business as CEO of two PSUs, and experience as Chairman / Member of Board of Directors of insurance companies, banks, development banks, financial institutions, and Joint Sector undertakings. It also includes economic regulatory experience and international experience. He was Member of stock market regulator-SEBI, and involved with regulation of insurance sector and company law. Mr. Dhall was also Chairman of the Committee on Public Procurement for reform of the public procurement processes, whose report is being actively implemented by Government.

Mr. Dhall is recognised as an expert in competition law and is member of several expert committees and bodies at the international level related to competition law. He is Visiting Professor / resource person on Competition Law at reputed institutions.

He is also the Chairman of the Audit Committee and Share Transfer & Shareholders/Investors Grievance Committee of the Company.

He is also on the Board of various other companies namely ICICI Prudential Trust Limited, ICICI Prudential Life Insurance Company Limited, ICICI Prudential Pension Funds Management Company Limited, Bharti Infratel Limited and Orient Cement Ltd.

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

B. Mr. Prakash Kumar Chandraker

Mr. Prakash Kumar Chandraker is a graduate in Electrical Engineering from NIT, Raipur. He has done Business Leadership from IIM Bangalore and Management Leadership from Management Centre Europe (MCE).

Mr. Chandraker was the Head of the Energy Automation in India Region and has a working experience of 26 years in power sector. He has held many challenging positions (Business Segment Manager, Operations Director, Unit Head, etc.) in Cegelec India, Alstom India and Areva T&D India. He was awarded for Excellence in operations.

Mr. Chandraker was also the Head of the Energy Automation team which lead implementation of Unified Load Despatch Centre (ULDC) Scheme for Northern Region, North-Eastern Region and Eastern Region for Power Grid Corporation of India Limited (PGCIL) and various Electricity Boards in India.

Mr. Chandraker has been actively involved in various business and trade related forums and seminars, providing Thought Leadership and presenting papers to leaders of the industry on related topics.

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

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

C. Mr. Anil Chaudhry

Mr. Anil Chaudhry is the Country President and Managing Director of Schneider Electric India Private Limited. Before assuming his current responsibility in March 2013, he was the Senior Vice President, Global Sales Organisation of Infrastructure BU and a member of Leadership Team based in Paris. He joined Schneider Electric SAS in June 2010 after acquisition of distribution business of ex-AREVA T&D, where he was member of Executive Management Committee.

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

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

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

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

He is on the Boards of Energy Grid Automation Transformers and Switchgears India Limited, Schneider Electric India Pvt. Ltd. and Schneider Electric Srilanka (P) Ltd.

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

D. Mr. Alexandre Tagger

Mr. Alexandre Tagger started his career at JP Morgan in London in 1994 in Corporate Finance focusing on European domestic and cross-border mergers & acquisitions in the financial sector. Mr. Tagger joined Schneider Electric in Paris in 2004 and was promoted to Vice President, External Growth – Mergers & Acquisitions in 2007 and additionally named Global M&A Co-ordinator for the Group in 2008. Mr. Tagger was fully involved in the Areva T&D consortium acquisition in partnership with Alstom, including the review and structuring with regard to Areva T&D India. Since August 2010, Mr. Tagger is based in Delhi, where he has overseen the statutory requirements under the open offer and other related formalities as per the consortium agreement. He was on the Board of AREVA T&D India Limited from February 2011 to December 2011 representing Schneider Electric to oversee the separation process.

Mr. Tagger holds a graduate degree from Ecole de Management Lyon as well as a Master's of Business Administration from the University of Texas Red McCombs Graduate School of Business (1994).

Presently, he is the Chief Finance Officer and Wholetime Director of the Company. He is also a Member of the Audit Committee and Share Transfer Committee. Also, he is on the Board of Energy Grid Automation Transformers and Switchgears India Limited.

Mr. Alexandre Tagger does not hold any shares in the Company.

E. Mr. Ranjan Pant

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

Mr. Pant is an Independent Director on the Boards of several companies. Select Boards: Present & Previous - HDFC Standard Life, Mahindra Two Wheelers Limited, BHEL, Pyramid Retail. Mr. Pant serves as an Executive in Residence at Babson's F. W. Olin Graduate School of Management. Mr. Pant was a Partner at Bain & Co. strategy consulting where he led the worldwide Utility Practice. He was also a Director-Corporate Business Development at General Electric headquarters.

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

Mr. Pant is a Member of the Audit Committee and Share Transfer & Shareholders/Investors Grievance Committee of the Company.

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

F. Ms. Rajani Kesari

Ms. Rajani Kesari joined Schneider Electric in October 2008 and is presently Vice President Finance and Country Finance Partner. Prior to this she has worked with Dr. Reddy's Laboratories for several years in various positions such as that of Chief Finance Officer-Europe, Chief Internal Auditor, Head of Global Taxation and Finance Head for a large business unit. She has also worked with KPMG in Dubai in their Assurance business, supervising audits of manufacturing and banking sectors. She also has extensive exposure to mergers and acquisitions activity in Europe followed by integration of acquisitions. She is a qualified Chartered Accountant, Cost Accountant and Certified Public Accountant from USA.

Ms. Kesari is also on the Board of Schneider Electric India Private Limited, Luminous Power Technologies Pvt. Ltd. and other Companies Viz: Energy Grid Automotaion Transformers and Switchgears India Limited, CST Sensors India Pvt. Ltd., etc.

She is on the Board of the Company, effective from 22nd May 2013.

Ms. Kesari does not hold any shares in the Company.

4. Non-executive Directors - Compensation and Disclosures

Non-executive Directors are not paid any compensation. However, sitting fees are paid to the independent Directors for attending the meetings.

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

In line with the amended Clause 49 of the Listing Agreement, the Company had adopted a Code of Conduct and Ethics for its Directors and Senior Executives.

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

The Code is available on the Company's website

6. CEO/CFO Certification

In line with the requirements of Clause 49 (V) of the Listing Agreement, the Managing Director and the Chief Finance Officer, have submitted the CEO/CFO Certification, certifying to the Board, inter-alia, that:

(a) they have reviewed the Financial Statements and the Cash Flow Statements for the period from 1st April 2012 to 31st March 2013 and that to the best of their knowledge and belief, these statements :
   (i) do not omit any material facts, or contain any untrue statement or statements that may be misleading statements;
   (ii) together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) the transactions entered into by the Company during the year are not fraudulent, illegal or violative of the Company's code of conduct;

(c) they have taken necessary action for establishing internal controls for financial reporting, evaluating internal control systems and making necessary disclosures to the Auditors and the Audit Committee have been complied with; and

(d) they have indicated to the Auditors and Audit Committee matters concerning internal control, changes in accounting policies and matters regarding fraud wherever applicable.

7. Audit Committee

The composition of the Audit Committee is as under:

Name of Director	Designation on the Committee
Mr. Vinod Kumar Dhall	Independent Chairman
Mr. Ranjan Pant	Independent Member
Mr. Alexandre Tagger	Member

The above composition duly meets the requirement under amended Clause 49 of the Listing Agreement.

Mr. Prakash Kumar Chandraker, Managing Director, is a permanent invitee to all Audit Committee meetings. The Internal Auditor, representatives of the Statutory Auditors and Cost Auditors are invitees to the relevant meetings of the Audit Committee. The terms of reference of the Audit Committee are wide enough covering the matters stipulated in Clause 49 of the Listing Agreement and The Companies Act, 1956.

The terms of reference and powers of the Audit Committee shall be as mentioned in Clause 49 II (D) of the Listing Agreement entered into with the Stock Exchanges and would include overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issues and issues related to risk management and compliances.

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

The Audit Committee met five times and the attendance of the Audit Committee Members at the said meetings are as under:

Sl. No.	Name of Director	Number of Meetings attended
1	Mr. Vinod Kumar Dhall	5
2	Mr. Ranjan Pant	5
3	Mr. Alexandre Tagger	5

8. Remuneration Committee

At the Board meeting held on 22nd May, 2013, a Remuneration Committee, as contemplated under the Listing Agreement, has been constituted comprising of Mr. Vinod Kumar Dhall, Mr. Anil Chaudhry and Mr. Ranjan Pant, Directors. It is proposed to induct another independent director as a member of the Remuneration Committee.

The remuneration paid to Mr. Prakash Kumar Chandraker, Managing Director and Mr. Alexandre Tagger, Chief Finance Officer, as per the applicable provisions of the Companies Act, 1956 and as specified under Schedule XIII thereto, will be approved by the Remuneration Committee.

9. Remuneration to Directors

Details of remuneration paid to the Directors, both executive and non-executive, during the period from 01.04.2012 to 31.03.2013 are as under:

A. Non-Executive Directors

Sl. No.	Name of the Director	Position	Sitting Fees Paid (Rs.)	Commission (Rs.)
1	Mr. Vinod Kumar Dhall	Chairman (Non-executive)	2,40,000	Nil
2	Mr. Ranjan Pant	Director (Non-executive)	2,20,000	Nil

Notes:

(i) Other than sitting fees, for attending the Board and/or Committee Meetings, the non-executive Independent Directors of the Company are not entitled to any other remuneration.

(ii) No sitting fees was paid to the non-executive Directors employed within Promoter Group for attending Board or Committee Meetings.

B. Executive Directors

Sl. No.	Name of the Director	Salary	Perquisites and allowances, including retirals	Commission paid (Rs.)	Total (Rs.)
1	Mr. Prakash Kumar Chandraker	27,00,000	50,48,593	Nil	77,48,593
2	Mr. Alexandre Tagger	34,56,000	1,06,89,562	Nil	1,41,45,562

10. Shareholders/Investors Grievance Committee

The Board of Directors have constituted a "Share Transfer and Shareholders / Investors Grievance Committee" in line with the Listing Agreement, which is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and attending to the grievances of the shareholders.

The present composition of the Committee is as under:

Name of Director	Designation on the Committee
Mr. Vinod Kumar Dhall	Independent Chairman
Mr. Prakash Kumar Chandrekar	Member
Mr. Ranjan Pant	Independent Member
Mr. Alexandre Tagger	Member

Your Company has appointed Mr. C.S. Ashok Kumar, Company Secretary as the 'Compliance Officer', who may be contacted for any matter relating to share transfers/transmissions, non-receipt of Annual Reports, Dividend, etc. During the year, the Company received 8 complaints from shareholders and the same were duly resolved. The Company did not have any pending transfers as at March 31, 2013.

11. General Body Meetings

The details of the General Body Meetings held since incorporation of the Company on 12.3.2011 are given below:

Sl. No.	General Body Meetings	Date and Time	Venue
1	Extraordinary General Meeting	23rd November, 2011 11:00 AM	Hyatt Regency JA-1, Sector 3 Salt Lake City Kolkata-700 098
2	Annual General Meeting	5th December, 2011 09.00 AM	Milestone 87 Vadodara-Halol Highway Village Kotambi, P.O. Jarod Vadodara-391 510 Gujarat
3	Annual General Meeting	31st July, 2012 09.00 AM	Gateway Hotels Akota Garden, Akota Vadodara-390 020 Gujarat

Notes:

- *Special resolutions as set out in the Notices to the past two Annual General Meetings were passed with requisite majority in each case.*
- *The process of Postal Ballot was conducted by Mr. P.V. Subramanian, a practicing Company Secretary, under the provisions of Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011.*
- *The Postal Ballot resolution was passed with 99% of votes cast in favour of the resolution,*
- *None of the items to be passed at the ensuing Annual General Meeting is required to be passed by Postal Ballot.*

12. Disclosures

(i) There were no materially significant related party transactions during the year having conflict with the interests of the Company.

(ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, since inception.

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets since the date of incorporation i.e. 12th March, 2011. The Company has not made any rights or public issue during the period covered by this report.

(iii) The Company has not adopted any Whistle Blower policy but it is confirmed that no personnel has been denied access to the Audit Committee.

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

13. Means of Communication

Half-yearly report sent to each household of shareholders	:	No, but published in specified newspapers.
Quarterly Results which newspapers normally published in	:	The Economic Times (English) in all Metro editions and Gujarat Samachar (Gujarati) in Vadodara.
Any website, where displayed	:	*www.schneider-infra.in*
Whether it also displays official news releases and presentations made to institutional investors or to the analysts	:	Yes.
Whether Management Discussions and Analysis is a part of Annual Report or not	:	Yes, annexed to the Directors' Report.

14. Dividend History of the Company

No dividend has been declared by the Directors for the year ended March 31, 2013 due to inadequate profits. During the year ended March 31, 2012, company had declared a dividend of 20% (Rs. 0.40) per share of Rs. 2/- each

15. Unclaimed Dividend

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

16. General Shareholder Information

A. AGM: Venue, Date and time	:	The Gateway Hotels Akota Garden, Akota Vadodara-390020 Thursday, the 1st of August, 2013 at 11.30 AM
B. Financial Calendar	:	April to March
For the Financial Year 2013-14		
• First Quarter Results will be published during	:	August, 2013
• Half Yearly Results will be published during	:	October, 2013
• Third Quarter Results will be published during	:	January, 2014
• Results for the fourth quarter and for the year ending on March 31, 2014, will be published during	:	May 2014
C. Dates of Book Closure	:	From July 22, 2013 to August 1, 2013 (both days inclusive)
D. Listing on Stock Exchanges	:	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai-400 051 Bombay Stock Exchange Ltd. Phiroz Jeejeebhoy Towers Dalal Street, Mumbai-400 023 The Calcutta Stock Exchange Ltd. 7 Lyons Range Kolkata-700 001

The Company has paid the Listing Fees for the year 2012-13 to the three Stock Exchanges.

E. Stock Code

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

F. Market Price Data

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

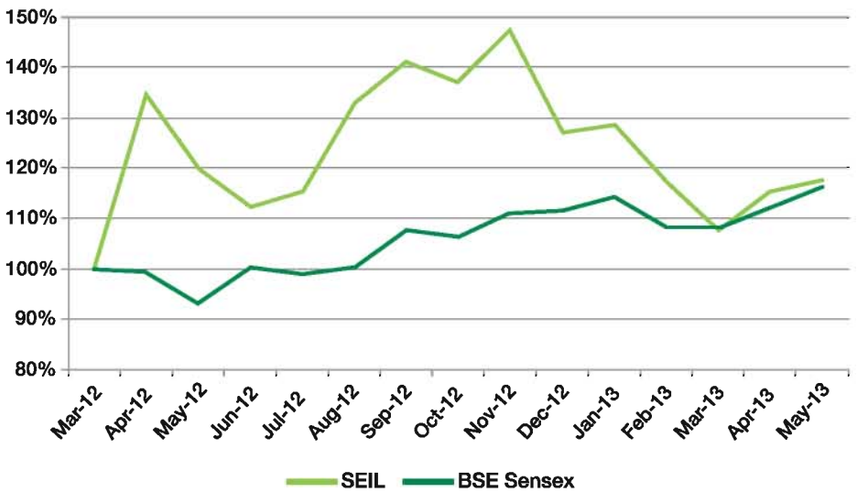
	Schneider Electric Infrastructure Ltd. Share prices on BSE		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2012	100.60	70.00	17,664.1	17,010.16
May 2012	94.40	79.30	17,432.33	15,809.71
June 2012	80.60	72.65	17,448.48	15,748.98
July 2012	86.05	73.70	17,631.19	16,598.48
August 2012	91.40	72.20	17,972.54	17,026.97
September 2012	104.70	85.25	18,869.94	17,250.8
October 2012	96.80	89.00	19,137.29	18,393.42
November 2012	99.50	82.70	19,372.7	18,255.69
December 2012	101.40	84.40	19,612.18	19,149.03
January 2013	90.30	81.05	20,203.66	19,508.93
February 2013	89.00	72.00	19,966.69	18,793.97
March 2013	80.90	70.00	19,754.66	18,568.43
April 2013	79.80	70.20	19,622.68	18,144.22
May 2013	79.90	73.05	20,326.48	19,451.26

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

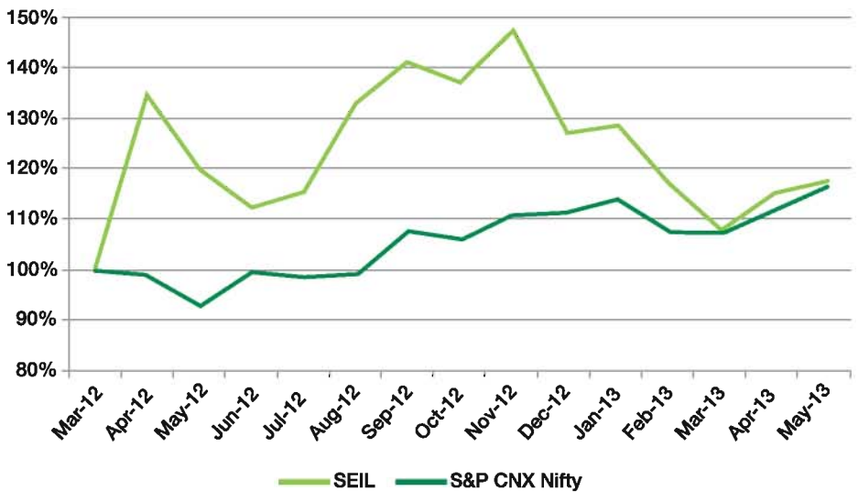
	Schneider Electric Infrastructure Ltd. Share prices on NSE		S&P CNX Nifty	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2012	100.70	70.00	5,378.75	5,154.3
May 2012	94.70	79.10	5,279.6	4,788.95
June 2012	81.90	72.55	5,286.25	4,770.35
July 2012	86.00	73.00	5,348.55	5,032.4
August 2012	91.65	72.00	5,448.6	5,164.65
September 2012	104.65	85.15	5,735.15	5,215.7
October 2012	96.70	89.30	5,815.35	4,888.2
November 2012	99.90	84.30	5,885.25	5,548.35
December 2012	101.55	84.00	5,965.15	5,823.15
January 2013	91.00	81.20	6,111.8	5,935.2
February 2013	88.80	72.00	6,052.95	5,671.9
March 2013	81.40	69.55	5,971.2	5,604.85
April 2013	78.90	69.70	5,962.3	5,477.2
May 2013	80.00	73.20	6,187.3	5,928.45

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

G. Stock Performance of Schneider Electric Infrastructure Limited Vs. BSE Sensex



Stock Performance of Schneider Electric Infrastructure Ltd. Vs. S&P CNX Nifty



H. Shareholding pattern as on March 31, 2013

Sl. No.	Category	No. of Equity Shares held	Percentage %
1	**Indian Principal** - Energy Grid Automation Transformers and Switchgears India Limited	176,214,545	73.70
	Foreign Principal - Schneider Electric Singapore Pte Ltd	105,92,659	4.43
2	Insurance Companies	83,85,359	3.51
3	Financial Institutions and Banks	38,096	0.02
4	UTI and other Mutual Funds	132,11,281	5.52
5	Foreign Institutional Investors	10,42,977	0.44
6	Corporate Bodies	56,65,336	2.37
7	Non-resident Indians, Overseas Corporate Bodies and Foreign Nationals	6,32,955	0.26
8	Directors and their Relatives	--	--
9	General Public	231,72,448	9.69
10	Others - Clearing Member	1,39,109	0.06
	Others - Trust	8,665	0.00
	Others - State Government	605	0.00
	Total	**239,104,035**	**100.00**

I. Distribution of Holdings as on March 31, 2013

Category	No. of Shareholders	Percentage %	No. of Shares	Percentage %
1 - 500	44764	85.01	57,70,403	2.41
501 - 1000	3590	6.82	28,45,845	1.19
1001 - 2000	2040	3.87	30,68,055	1.28
2001 - 3000	828	1.57	21,23,574	0.89
3001 - 4000	412	0.78	14,88,897	0.62
4001 - 5000	292	0.56	13,69,690	0.57
5001 - 10000	464	0.88	33,07,473	1.38
10001 - 50000	232	0.44	41,77,722	1.75
50001 - 100000	10	0.02	7,54,150	0.32
100001 - and above	28	0.05	214,198,226	89.59
	52660	**100.00**	**239,104,035**	**100.00**

J. Registrars and Share Transfer Agents

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

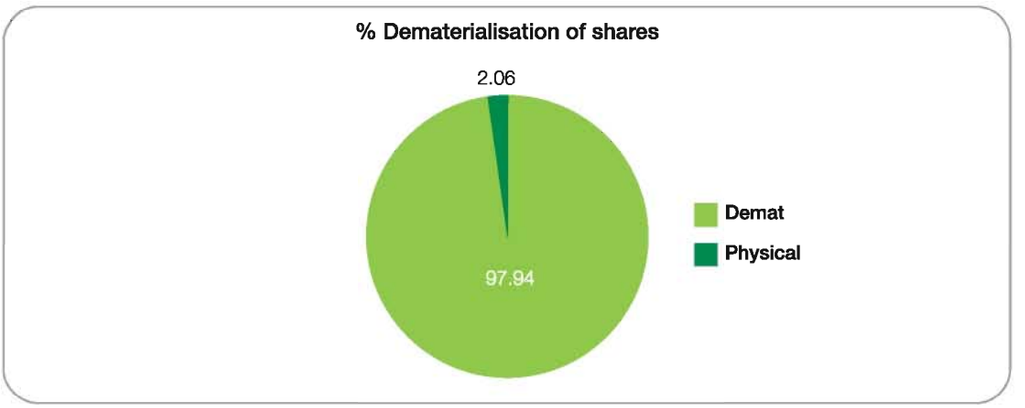
K. Share Transfer System

A Committee of Directors - Share Transfer and Shareholders / Investors Grievance Committee, was constituted to approve the transfers and transmissions of shares, issue of duplicate share certificates and allied matters. In addition to the above, to expedite the share transfer process Mr. C.S. Ashok Kumar, Company Secretary and the Registrars and Share Transfer Agents, CB Management Services (P) Limited have been severally authorised to approve share transfers and transmissions, which are given effect to atleast every fortnight.

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

L. Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory demat segment for all investors effective 20.03.2012. To facilitate the investors in having an easy access to the Demat System, the Company has signed up with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through the Company's Registrars CB Management Services (P) Limited. As at 31.03.2013, a total of 234,176,784 Equity Shares of the Company, constituting 97.94% of the paid-up share capital stand dematerialized.



M. Secretarial Audit Report

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

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

None. Not Applicable

O. Plant Locations

In all, the Company has four manufacturing locations, one each at Naini, Noida, Kolkata and Vadodara. Their full addresses, telephone / fax numbers, etc. are given elsewhere in this Report.

P. Address for Correspondence/Investor Complaints

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

Contact Person:
Mr. C.S. Ashok Kumar
Company Secretary
Tel: +91 120 3940400 / 3898703
Fax: +91 120 3898700
Email: company.secretary@schneider-electric.com

For and on behalf of the Board

New Delhi
22nd May 2013

Vinod Kumar Dhall
Chairman

Declaration by the Managing Director under Clause 49 of the Listing Agreement

To

The Members of Schneider Electric Infrastructure Limited

This is to declare that to the best of my knowledge and belief all the Members of the Board and Senior Management personnel of the Company have affirmed their respective Compliance with the Company's Code of Conduct for the year ended March 31, 2013.

New Delhi
May 22, 2013

Prakash Kumar Chandraker
Managing Director

Auditors' Certificate

To

The Members of Schneider Electric Infrastructure Limited

We have examined the compliance of conditions of corporate governance by Schneider Electric Infrastructure Limited, for the year ended on March 31, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

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

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

For **S.R. BATLIBOI & CO LLP**
Firm registration No: 301003E
Chartered Accountants

per **Manoj Gupta**
Partner
Membership No.: 83906

Place: Gurgaon
Date: May 22, 2013

1 Highlights of 2012-13

1. Partnerships, major contracts, commissioning and Awards

2. Research and Development

1. Partnerships, major contracts, commissioning and awards

Major Landmarks during the year 2012-13

Key landmarks for your company during the year included new orders, successful commissioning of projects, new product launches and sponsorship and participation in various end customer related events:

Schneider Electric Infrastructure Limited established itself as major player in Infrastructure domain with strategic orders from Power Gen, transport, Oil & Gas, Utility and Industry segment as under:-

Power Generation

- Medium Voltage Switchgear Panels and Transformers for Jaypee Bara 3 X 660 MW
- Medium Voltage Switchgear Panels from BGR for Krishnapatnam Thermal Power Station & TRN Energy
- Outdoor Transformer Orders for NTPC Mauda & Solapur Stage II Thermal Power Project
- Order for Substation Automation and Control & Relay Panel from L&T for Bajaj Infra
- Super Critical Thermal Power Project (3x660MW).
- Control & Relay Panel for Nuclear Power Corporation of India Ltd.
- Kakrapar Atomic Power Project (KAPP) and Rajasthan Atomic Power Project (RAPP) from L&T

Transport

- 25 KV Gas Insulated Substation, 33 KV Indoor Panels and Substation Automation for Jaipur Metro through L&T
- Order for 25 KV & 33 KV GIS for Hyderabad Metro
- AMC for Mumbai Traffic Management System

Oil & Gas

- Successful Delivery of Intelligent Fast Load Shedding System and MV Switchgear Panels in Oil & Gas segment for GAIL, Pata.
- Strategic reference for Turnkey Substation & MV Switchgear Panels for ISPRL Padur Crude Oil Storage Project thru Linde
- Supply of MV Switchgear and HMI for ISPRL Mangalore project thru Punj Lloyd
- Strategic reference for MV Switchgear and HMI for Numaligarh Refinery Extension
- Transformers for IOCL Paradeep
- Supply of MV Switchgear Panels and HMI for HPCL Mahul

Utility

Strategic references were delivered in Utility for cutting edge technology namely:

- Successful Design, Delivery and Commissioning of first Regional Transmission Asset Monitoring Center (RTAMC) at Hyderabad for Power Grid Corporation of India Ltd.
- On time Engineering, Design & Delivery of Substation Automation System for 20 Nos. Sub-stations of Power Grid Corporation of India Ltd. across India
- Order for 33 KV GIS for Delhi Tranco Peeragarhi and UPPTCL Substations from Crompton Greaves.

Industry : Mining & Metal And Cement

- Turnkey Substation Order received for Dalmia Belgaum, Chettinad Cement and Goldstone Cement Project
- Major orders received for MV Switchgear Panels from:-
  - JSW Steel Limited
  - Jaiprakash Associates

Renewables

Strategic reference in Solar and Wind included:-

- 220 KV Substation and Transformer order from Regen Power in Wind segment
- Major order for e BOP for 50 MW Ananthpur Solar Thermal from Megha Engineering and Infrastructure Limited
- Supply of Aluminium Wound Transformers to Enercon for Wind Projects across India
- Order for Substation Automation, Control & Relay Panel, Generator Relay Panel from GET for NTPC Muzaffarpur Project
- Successfully commissioned and handed over Substation Automation Solutions for various Renewable Energy Projects eg, Enercon Narmada A/c APTRANSCO, Greenco A/c MSETCL, Kintech – Suzlon A/C GETCO.

Major Orders and Projects commissioned by Solutions Activity during the year

- **NTPC Ramagundam**
  Solution centre recorded a break through after successfully commissioning of transmission bay
- **Gita Power & Infrastructure Pvt. Ltd.**
  Solution Centre has successfully commissioned the transmission bay
- **Moserbaer**
  Schneider Electric executed 3 major Moserbaer solar plants being developed for a. Ujjawala Power, b. Responsive SUTIP & c. Chattal Construction where the scope involved 66/11 kV main evacuation substation and 11/0.3 kV pooling stations with associated cabling and other works. Schneider Electric undertook the mountainous activity of erecting and commissioning Chattel Project and successfully completed within 15 days and Ujjawala project in 30 days.
- **Mahindra Solar One**
  Mahindra Solar One entrusted Schneider Electric for AC Electricals 55 MW solar plant at Jodhpur which Schneider Electric completed in scheduled duration, meeting the customer's expectations. The Scope included 2x31.5/35 MVA, 132/33 kV pooling substation with civil works. The project also included AC evacuation system for 30 MW Solar PV power plant involving 33/0.3 kV AC evacuation substations with associated cabling, for which Mahindra EPC placed a separate order
- **Uttar Gujarat Vij Company Limited (UGVCL)**
  Solution Centre executed UGVCL project for conversion of over-head power distribution network to underground power distribution network in the area of Ambaji sub-division of Palanput – II division. The project included Supply, Erection, Testing & Commissioning of 11kV distribution system involving 59 nos. 11/.415kV substations & more than 22 kms HT cabling. The team ensured smooth execution with all safety & quality standards maintained.
- **Wipro a/c NTPC Dadri**
  This is the first project of NTPC into Solar power generation, Wipro placed the order with Schneider Electric to execute 33 kV AC evacuation system for 5 MW solar power plant & 220/33 kV and a 5 MW bay at the main Switchyard of NTPC, Dadri.

Orders won by Services activity

- PSPCL Bhatinda for the refurbishment of 67 nos old ASEA and Kirloskar Circuit Breakers. The commissioning was carried out in a short span considering the criticality of the installation in terms of DCS & interlocking schemes and narrow shutdown timeliness.
- Hotel Oberoi, Bangalore for refurbishment & upgradation of Main LT & DG AMF Panels inclusive of all advance interlocks between EB and DG sources. The work was carried out by carefully ensuring power supply availability for critical feeders by providing a temporary power supply panel.
- MESCOM-Maintenance contracts side, a prestigious annual maintenance contract was won for 301 nos Auto Reclosures & Sectionalisers including spares & consumables for a period of two years in Mangalore.
- Fertilizers & Chemicals Travancore (FACT) has placed an order for replacement of old 21nos. HT Oil Circuit Breaker panels with new state of the art Vacuum Circuit Breaker panels at their Cochin Plant. These panels are scheduled to be replaced in their upcoming annual shutdown.

Awards and Recognition

Two talented managers, Amit Shukla and Pragnesh Dave from your organization were awarded with the prestigious **"SCM – Young Managers Award - 2013".** These managers have been engaged in every facet of the business process – planning, purchasing, production, transportation, storage and distribution, customer service and more. Organized by the Indian Institute of Material Management (IIMM) & **International Federation of Purchasing & Supply Management (IFPSM),** the APCON (Asia-pacific) Conference 2013 is back in India with a big bang after 11 years of a successful tour around the globe. The flagship event of International Federation of Purchasing and Supply Management (IFPSM) is a platform for promoting supply chain management related sharing of best practices, industry discussion & case study competition. "Unleashing Innovation in Value Chain" was the theme & focus agenda at APCON 2013 International Conference on Supply Chain Management by Indian Institute of Materials Management (IIMM).

2. Research and Development

- **Accredition from National Accredition Board of Testing and Calibration Laboratories (NABL) for in house Medium voltage switchgear laboratory**
- Implemented PIX C global product, specific for export market
- Developed customised FBX RMU for RAPDRP projects
- Re-certification of FBX RMU at International laboratory

2 Financial Statements Schneider Electric Infrastructure Limited

1. Independent Auditor's Report

2. Annexure

3. Balance Sheet

4. Statement of Profit and Loss for the year

5. Cash Flow Statement for the year

6. Notes to Financial Statement

Independent Auditor's Report

To
The Members of
Schneider Electric Infrastructure Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Schneider Electric Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to note 40 of the accompanying financial statements regarding the sale and purchase of goods and services from a Company covered under section 297 of the Companies Act, 1956, which require prior approval of Central Government, more fully described in the note. The Company is in process of obtaining Central Government approval. Pending final outcome, no adjustments are made in financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
   a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
   c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
   d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
   e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E

per **Manoj Gupta**
Partner
Membership No.: 83906

Place:
Date: May 22, 2013

Annexure

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

Re: Schneider Electric Infrastructure Limited ('the Company')

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. Inventories lying with outside parties have been confirmed by them as at year end.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.

(b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacture of power transformers, switchgears and other related products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund. employees' state insurance, income-tax, wealth-tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there has been a slight delay in a few cases.*

Undisputed statutory dues including sales-tax, excise duty and related cess thereto have *not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.*

Undisputed statutory dues of service tax and related cess thereto have *not been regularly deposited with the appropriate authorities and there have been serious delays.* [Refer (ix) (b) below]

(b) According to the information and explanations given to us, undisputed dues in respect of service tax which were outstanding, at the year end, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (Rupees Million)	Period to which the amount relates	Due Date	Date of Payment
The Finance Act, 1994	Service tax*	1.48	2008-2009	5th/6th of the end of each month	Unpaid
		13.96	2009-2010		
		7.53	2010-2011		
		3.20	2011-2012		
		26.17			

(c) According to the information and explanation given to us, there are no dues of income tax, wealth tax, customs duty, and cess which have not been deposited on account of any dispute.

According to the records of the Company, the dues outstanding of sales-tax, service tax, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rupees million)	Amount deposited (Rupees Million)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non submission of declaration forms, Input tax claim disallowed	168.38	-	2007-08	Senior Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non collection of declaration forms	92.62*	50.27	2007-08	Joint Commissioner, Allahabad
Central Sales Tax Act, 1956	Non submission of form C/I/E-1 and export documents	74.00*	-	2008-09	Joint Commissioner (Allahabad)
Central Sales Tax Act, 1956	Non submission of declaration forms, Input tax claim disallowed	46.17*	-	2006-07	West Bengal Sales Tax Revision Board
Assam Value Added Tax Act, 2003	Benefit of admitted tax, input tax and TDS certificates not given	18.34	-	2005-06	Deputy Commissioner, Appeal
Central Sales Tax Act, 1956	Non collection of declaration forms	16.79	-	1993-94	West Bengal Sales Tax Revision Board
Gujarat Value Added Tax, 2003	Non collection of declaration forms	15.07*	1.83	2008-09	Deputy Commissioner

Central Sales Tax Act, 1956	Non submission of declaration forms	13.38*	3.35	2008-09	Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non collection of declaration forms	11.09	-	2009-10	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of declaration forms	10.40*	-	2005-06	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non collection of declaration forms	9.61*	-	2007-08	Deputy Commissioner, U.P. Sales Tax
Uttar Pradesh Trade Tax Act, 1948	Seizure of transformer on charges of incomplete documentation	8.70	2.94	2010-11	Joint Commissioner (Corporate)
Central Sales Tax Act, 1956	Non collection of declaration forms	8.32*	-	2003-04	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non collection of declaration forms	7.50*	-	2004-05	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non collection of declaration forms	7.10*	-	2006-07	Deputy Commissioner, U.P. Sales Tax
Central Sales Tax Act, 1956	Non collection of declaration forms	7.03*	-	2006-07	Deputy Commissioner, Allahabad
Central Sales Tax Act, 1956	Disallowance of stock transfers made within the state, Denial of input tax credit, Difference in interpretation of rates and Non submission of documents to substantiate the purchases	6.64*	5.76	2008-09	Joint Commissioner (Allahabad)
Central Sales Tax Act, 1956	Non collection of declaration forms	6.36*	-	2002-03	High Court of Kolkata
Uttar Pradesh Trade Tax Act, 1948	Project sales tax assessment	5.50	-	2005-06	Deputy Commissioner, U.P. Sales Tax
Tamil Nadu General Sales Tax Act, 1959	Stock transfer alleged to be pre-determined interstate sales	3.32*	-	1988-89	Sales Tax Appellate Tribunal, Chennai
West Bengal Sales Tax Act, 1994	Non collection of declaration forms	3.20	-	1997-98	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non collection of declaration forms	2.80	-	1997-98	West Bengal Sales Tax Revision Board
Central Sales Tax Act, 1956	Non collection of declaration forms	2.63*	-	2007-08	DCCT, (Recovery-22) Bangalore, JCCT (Appeals-1), Bangalore
Central Sales Tax Act, 1956	Enhancement of purchases and levy of entry tax	2.47*	-	2008-09	Joint Commissioner (Allahabad)
Tamil Nadu General Sales Tax Act, 1959	Stock transfer alleged to be pre-determined interstate sales	2.38*	-	1987-88	Sales Tax Appellate Tribunal, Chennai
Gujarat Value Added Tax, 2003	Non collection of declaration form	2.22*	-	2007-08	Deputy Commissioner
Central Sales Tax Act, 1956	Interest demand on non collection of declaration forms	2.16*	-	2001-02	Deputy Commissioner
Delhi Value Added Tax Act, 2004	VAT Audit objections and exparte assessment done	1.83	-	2007-08	VAT Audit Officer, Delhi
Central Sales Tax Act, 1956	Non collection of declaration forms	1.77*	-	2009-10	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956	Interest demand on non collection of declaration forms	1.51*	-	2002-03	Deputy Commissioner
Tamil Nadu General Sales Tax Act, 1959	Stock transfer alleged to be pre-determined interstate sales	0.79*	-	1986-87	Sales Tax Appellate Tribunal, Chennai
Central Sales Tax Act, 1956	Non collection of declaration forms	0.50*	-	2005-06	Deputy Commissioner, U.P. Sales Tax
Central Sales Tax Act, 1956	Non collection of declaration forms	0.43	-	2005-06	DCCT, (Audit - 1.1) DVO-1, Bangalore
Uttar Pradesh Trade Tax Act, 1948	Levy of purchase Tax due to Unregistered purchases made	0.33*	-	2006-07	Deputy Commissioner, U.P. Sales Tax

Central Sales Tax Act, 1956	Non collection of declaration forms	0.32	-	2006-07	DCCT, (Audit - 15) DVO-1, Bangalore
Tamil Nadu General Sales Tax Act, 1959	Levy of penalty for wrong disclosure of turnover and Non furnishing of required documents for export and other claims	0.29*	-	1991-92	Sales Tax Appellate Tribunal, Chennai
Central Sales Tax Act, 1956	Non collection of declaration forms	0.26	-	2008-09	Deputy Commissioner, Jaipur
Central Sales Tax Act, 1956	Non collection of declaration forms	0.23*	-	2011-12	Deputy Commissioner
Punjab Value Added Tax Act , 2005	Material held for non endorsement of lorry receipts	0.09*	-	2009-10	Joint Director (Investigation) cum Deputy Commissioner
Rajasthan Value Added Tax Act, 2003	Difference in interpretation	0.08	-	Not Available	Deputy Commissioner, Jaipur
Tamil Nadu General Sales Tax Act, 1959	Stock transfer alleged to be pre-determined interstate sales	0.01*	-	1983-84	Sales Tax Appellate Tribunal, Chennai
Uttar Pradesh Trade Tax Act, 1948	Seizure of Fibre Glass being transported without road permit	0.004	-	2006-07	Deputy Commissioner, Allahabad
Uttar Pradesh Trade Tax Act, 1948	Seizure of Gland Cable being transported without road permit	0.004	-	2007-08	Deputy Commissioner (Appeals)
Central Excise Act, 1944	Wrong availment of CENVAT on Inter Unit transfer	361.59	-	2007-08	CESTAT – Chennai
Finance Act, 1994	Non-payment of Service Tax on amount paid for the use of Trade Mark	23.19*	-	2010-11	CESTAT – Chennai
Finance Act, 1994	Non-payment of Service Tax on amount paid for the use of Trade Mark	12.66*	-	2011-12	CESTAT – Chennai
Central Excise Act, 1944	Demand of duty for Exemption under notification 108/95	10.29	-	2001-02	Tribunal Delhi
Finance Act, 1994	Non-payment of service tax on provision created in books, short payment of service tax on royalty and technical knowhow payments made under intellectual property right services	10.12*	-	2010-11	CESTAT – Chennai
Central Excise Act, 1944	Under valuation of VIT tubes CAS 4 not considered by department for earlier period	5.21	-	1994-95	CESTAT – Chennai
Central Excise Act, 1944	Non inclusion of 15% Profit Margin in Transfer Pricing	5.13	-	1993-94 and 1994-95	Kolkata High Court
Finance Act, 1994	Irregular availment of CENVAT Credit of Service Tax	4.98*	-	2012-13	CESTAT – Chennai
Central Excise Act, 1944	Rejection of refund claim towards CENVAT reversals as insisted during Excise audit	4.44*	-	2012-13	Commissioner (Appeals) LTU
Central Excise Act, 1944	Captively consumed goods for manufacture of control panels without payment of duty under notification 67/95, subsequently cleared by availing exemption under notification 6/2006	2.15*	-	2008-09	CESTAT – Chennai
Central Excise Act, 1944	Disallowance of CENVAT Credit, duty on captive consumption and clearance of goods under notification 6/2006.	1.76*	-	2009-10	CESTAT – Chennai

Central Excise Act, 1944	Non-payment of interest on duty paid for supplementary invoices belatedly	1.57*	-	2009-10	High Court- Chennai
Central Excise Act, 1944	Short payment of duty	1.35	-	2007-08	Commissioner (Appeals) LTU
Central Excise Act, 1944	Demand of amount equal to credit availed on mandatory spares cleared as such under notification 6/2006	1.20*	-	2008-09	CESTAT – Chennai
Central Excise Act, 1944	Non-payment of interest on duty paid for supplementary invoices belatedly	0.93*	-	2011-12	CESTAT – Chennai
Finance Act, 1994	Disallowance of CENVAT credit availed on certain input services	0.79*	-	2012-13	CESTAT – Chennai
Finance Act, 1994	Non-payment of service tax on provision created in books, short payment of service tax on royalty and technical knowhow payments made under intellectual property right services	0.65*	-	2011-12	CESTAT – Chennai
Finance Act, 1994	Non-payment of service tax on manpower supply services	0.62*	-	2012-13	Commissioner (Appeals) LTU
Finance Act, 1994	Payment of Service Tax on GTA through CENVAT	0.51*	-	2005-06	Tribunal Delhi
Central Excise Act, 1944	Demand of duty for exemption under notification 108/95	0.47*	-	2003-04	Commissioner (Adj.) New Delhi
Finance Act, 1994	Rejection of refund claim made towards CENVAT reversal done under protest in respect of service tax credit availed on marine insurance policies	0.43*	-	2011-12	Commissioner (Appeals) LTU
Central Excise Act, 1944	Non-payment of interest on duty paid for supplementary invoices belatedly	0.27*	-	2010-11	CESTAT – Chennai
Central Excise Act, 1944	CENVAT credit availed on SAP maintenance charges	0.21*	-	2008-09	High Court- Chennai
Finance Act, 1994	Rejection of refund claim of interest paid for CENVAT credit wrongly availed but not utilized	0.13*	-	2012-13	Commissioner (Appeals) LTU
Central Excise Act, 1944	Captively consumed goods cleared by availing exemption under notification 6/2006	0.11*	-	2010-11	CESTAT – Chennai
Finance Act, 1994	Short payment of service tax on GTA	0.08*	-	2009-10	High Court- Chennai
Central Excise Act, 1944	Levy of penalty	0.02	-	2011-12	CESTAT – Chennai
Central Excise Act, 1944	Seizure of spares while being transported to railway station alleging transportation without invoice	0.01	-	1996-97	Commissioner (Appeals) Allahabad

** Includes Company's share of Rs. 392.17 Million of dues pending in forums jointly with ALSTOM T&D India Limited (Refer note 31 of the accompanying financial statements)*

(x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a banks. The Company did not have any outstanding dues in respect of a financial institution or debenture holders during the year.

(xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company did not have any outstanding debentures during the year.

(xx) During the period covered by our audit report, the Company has not raised any money by way of public issue.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E

per **Manoj Gupta**
Partner
Membership No.: 83906

Place:
Date: May 22, 2013

Balance sheet as at March 31, 2013

Schneider Electric Infrastructure Limited

	Notes	(Rupees Millions) March 31, 2013	March 31, 2012
Equity and liabilities			
Shareholders' funds			
Share capital	3	478.21	478.21
Reserves and surplus	4	1,906.85	2,191.44
		2,385.06	2,669.65
Non-current liabilities			
Long-term provisions	5	244.66	206.10
		244.66	206.10
Current liabilities			
Short-term borrowings	6	2,341.38	2,248.17
Trade payables	7	6,154.59	4,867.63
Other current liabilities	7	1,767.11	2,096.23
Short-term provisions	5	158.06	332.53
		10,421.14	**9,544.56**
TOTAL		**13,050.86**	**12,420.31**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	1,932.59	2,072.69
Capital work-in-progress		56.51	13.45
Deferred tax assets (net)	8	114.23	82.39
Loans and advances	10	88.75	85.79
Trade receivables	11	533.08	719.75
		2,725.16	**2,974.07**
Current assets			
Inventories	13	1,497.20	1,639.37
Trade receivables	11	7,556.80	6,542.79
Cash and Bank Balances	14	43.94	107.72
Loans and advances	10	1,088.07	943.12
Other current assets	12	139.69	213.24
		10,325.70	**9,446.24**
TOTAL		**13,050.86**	**12,420.31**

Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Per Manoj Gupta
Partner
Membership No.83906

Place: New Delhi
Date: May 22, 2013

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

Prakash Kumar Chandraker
Managing Director

Alexandre Tagger
Director

C.S. Ashok Kumar
Secretary

Statement of Profit and Loss for the Year ended March 31, 2013

Schneider Electric Infrastructure Limited

	Notes	(Rupees Millions) March 31, 2013	March 31, 2012
Income			
Revenue from operations (gross)	15	14,178.01	14,518.78
Less: excise duty		(1,073.88)	(1,026.86)
Revenue from operations (net)		**13,104.13**	**13,491.92**
Other income	16	68.31	43.09
Total revenue (I)		**13,172.44**	**13,535.01**
Expenses			
Cost of raw material and components consumed	17	9,073.92	9,289.02
(Increase)/ Decrease in Inventories of finished goods and work-in-progress	18	(92.54)	252.46
Employee benefits expense	19	1,482.69	1,224.38
Other expenses	20	2,311.20	1,782.73
Total Expenses (II)		**12,775.27**	**12,548.59**
Earnings before interest, tax and depreciation and amortisation (EBITDA) (I) - (II)		**397.17**	**986.42**
Depreciation and amortisation	21	259.51	215.01
Finance costs	22	318.34	158.47
Profit/ (loss) before Exceptional Items and Tax		**(180.68)**	**612.94**
Exceptional Items	23	100.00	-
Profit/ (loss) before Tax		**(280.68)**	**612.94**
Current tax		-	229.37
Tax related to Prior years		35.75	-
Deferred tax	8	(31.84)	(14.08)
Total tax expense		**3.91**	**215.29**
Profit/ (loss) for the year		**(284.59)**	**397.65**
Basic & Diluted - Earnings per equity share (In Rupees) (nominal value of share Rupees 2/- each) computed on the basis of total profit / (loss) for the year	24	(1.19)	1.66

Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

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

Per Manoj Gupta
Partner
Membership No.83906

Prakash Kumar Chandraker
Managing Director

Alexandre Tagger
Director

C.S. Ashok Kumar
Secretary

Place: New Delhi
Date: May 22, 2013

Cash Flow Statement for the Year Ended March 31, 2013

Schneider Electric Infrastructure Limited

		(Rupees Millions)	
		March 31, 2013	March 31, 2012
A.	**Cash flow from operating activities**		
	Profit / (Loss) before tax	**(280.68)**	**612.94**
	Adjustments to reconcile profit / (loss) before tax to net cash flows:		
	Provision for warranties	29.37	28.67
	Provision for litigation	17.53	116.26
	Provision for doubtful debts / advances	69.46	27.16
	Bad debts / advances written off	354.12	159.46
	Tangible assets written off	1.67	4.09
	Loss on sale of tangible assets	17.22	-
	Unrealised foreign exchange variation (net)	20.77	45.68
	Depreciation	259.51	215.01
	Interest expense	248.34	151.42
	Operating profit before working capital changes	737.31	1,360.69
	Movements in Working Capital:		
	(Increase) / Decrease in Trade receivables	(1,255.29)	(2,337.49)
	(Increase) / Decrease in Loans and advances	(65.07)	(42.01)
	(Increase) / Decrease in Other current assets	73.55	(38.98)
	(Increase) / Decrease in Inventories	142.17	50.46
	Increase / (Decrease) in Trade payables	1,269.52	837.13
	Increase / (Decrease) in Other current liabilities	(335.64)	419.00
	Increase / (Decrease) in Provisions	(19.89)	21.24
	Cash generated from / (used in) operations	**546.66**	**270.04**
	Income tax paid	(170.35)	(173.54)
	Net cash from / (used in) operating activities (A)	**376.31**	**96.50**
B.	**Cash flow from investing activities**		
	Purchase of tangible assets (including CWIP)	(208.63)	(173.09)
	Proceeds from Sale of tangible assets	4.27	-
	Net cash from / (used in) investing activities (B)	**(204.36)**	**(173.09)**
C.	**Cash flow from financing activities**		
	Proceeds from Short-term borrowings	5,284.52	330.63
	Repayment of Short-term borrowings	(5,190.26)	-
	Dividends paid on equity shares	(94.74)	-
	Taxes paid on equity dividend	(15.52)	-
	Interest paid	(219.73)	(146.32)
	Net cash from / (used in) financing activities (C)	**(235.73)**	**184.31**
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(63.78)**	**107.72**
	Cash and cash equivalents at the beginning of the year	107.72	-
	Cash and cash equivalents at the end of the year	43.94	107.72
	Components of Closing Cash and Cash equivalents		
	With Banks on Current Account	43.04	107.72
	Unclaimed Dividend Account *	0.90	-
	Total Cash and Cash Equivalents (Refer Note 14)	**43.94**	**107.72**

Summary of significant accounting policies 2.1

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

As per our report of even date

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

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

Per Manoj Gupta
Partner
Membership No.83906

Prakash Kumar Chandraker
Managing Director

Alexandre Tagger
Director

C.S. Ashok Kumar
Secretary

Place: New Delhi
Date: May 22, 2013

Notes to Financial Statements

1. Nature of Operations

Schneider Electric Infrastructure Limited was incorporated on March 12, 2011. It is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on three stock exchanges in India. The Company is engaged in the business of manufacturing, designing, building and servicing technologically advanced products and systems for electricity distribution including products such as distribution transformers, medium voltage switchgears, medium and low voltage protection relays and electricity distribution and automation equipments.

2. Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1. Summary of significant accounting policies

(a) Use of estimates

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

(b) Tangible Fixed assets

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

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

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(c) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which are higher than the rates prescribed under the Schedule XIV to the Companies Act, 1956, The company has used the following rates to provide depreciation on its fixed assets.

Buildings	2.5% and 4.0%
Plant and Equipment	10.0%, 15.0%, 20.0% and 33.3%
EDP Equipments	33.3% and 50.0%
Furniture and Fixtures (Includes Office Equipments)	10.0%, 15.0%, 20.0%, and 33.0%

Motor vehicles 25.0%

Leasehold land is amortized on a straight line basis over the period not exceeding that of the lease,.

(d) Leases

Where the company is lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

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

(e) Borrowing costs

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

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

(f) Impairment of tangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The

reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(g) Inventories

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

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

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

(h) Revenue recognition

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

Sale of goods

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

Income from services

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. Revenue from engineering and design contracts is recognized on the basis of chargeable time spent on projects and hourly rates set out in the relevant contracts. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(i) Long-term contracts

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

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

(j) Foreign currency transactions

Foreign currency transactions and balances

Initial recognition

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

Conversion

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

Exchange differences

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

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

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(k) Retirement and other employee benefits

Retirement benefit in the form of Superannuation Fund and ESI are defined contribution schemes and charged to the statement of profit and loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.

The company operates two defined benefit plans for its employees, viz., gratuity and provident fund contribution to recognized provident fund. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

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

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(l) Income Taxes

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

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

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

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

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

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

(m) Segment Reporting Policies

Identification of segments

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

Inter-segment transfers

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

Allocation of common costs

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

Unallocated items

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

Segment accounting policies

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

(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

(o) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

Warranty provisions

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

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also

arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Cash and Cash equivalents

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

(r) Derivative instruments

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

(s) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

3. Share capital

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Authorized share capital		
250,000,000 (31 March 2012: 250,000,000) equity shares of Rupees 2/- each	500.00	500.00
Issued, subscribed and fully paid-up share capital		
239,104,035 (31 March 2012: 239,104,035) equity shares of Rupees 2/- each	478.21	478.21
Total issued, subscribed and fully paid-up share capital	478.21	478.21

a. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rupees 2/- per share. Each holder of equity shares is entitled to one vote per share. The company shall declare and pay dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of winding-up of the company, the equity shareholders shall be entitled to be repaid remaining assets of the company, in the ratio of the amount of capital paid up on such equity shares.

b. Shares held by Holding Company and Parent of Holding Company

	Number of shares (in Millions)		Amount (in Millions)	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Energy Grid Automation Transformers and Switchgears India Limited, the Holding Company (refer note 39)	176.21	175.49	352.43	350.99
Schneider Electric Singapore Pte. Limited, Parent of Holding Company (Refer Note 39)	10.59	-	21.18	-

c. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	(Rupees Millions)			
	March 31, 2013		March 31, 2012	
	Number of shares (in Millions)	Amount	Number of shares (in Millions)	Amount
Outstanding at the beginning of the year	239.10	478.21	0.50	1.00
Issued during the year (refer note 27)	-	-	239.10	478.21
Cancelled during the year (refer note 27)	-	-	(0.50)	(1.00)
Outstanding at the end of the year	**239.10**	**478.21**	**239.10**	**478.21**

d. Aggregate number of shares issued for consideration other than cash:

	Number of shares (in Millions)	
	March 31, 2013	March 31, 2012
As per scheme of Demerger of distribution business (refer note 27)	-	**239.10**

e. Details of shareholders holding more than 5% shares in the company

	March 31, 2013		March 31, 2012	
	Number of shares (in Millions)	Percentage (%)	Number of shares (in Millions)	Percentage (%)
Equity shares of Rupees 2/- each fully paid:				
Energy Grid Automation Transformers and Switchgears India Limited, the Holding Company	176.21	73.70%	175.49	73.40%
Reliance Capital Trustee Company Limited A/c through Reliance Regular Vision Fund, (Scheme of Reliance Mutual Fund)	11.98	5.01%	-	-

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

4. Reserves and surplus

(Rupees Millions)

	March 31, 2013	March 31, 2012
Capital reserve		
Balance as per the last financial statements	410.25	-
Add: Addition on scheme of demerger of distribution business (refer note 27)	-	410.25
Closing Balance	410.25	410.25
General reserve		
Balance as per the last financial statements	1,534.63	-
Add: Addition on scheme of demerger of distribution business (refer note 27)	-	1,494.86
Add: Amount transferred from surplus balance in statement of profit and loss	-	39.77
Closing Balance	**1,534.63**	**1,534.63**
Surplus/(deficit) in the statement of profit and loss:		
Balance as per the last financial statements	246.56	(0.16)
Add: Profit for the year	(284.59)	397.65
Less: Proposed final equity dividend (March 31, 2012 - Rupees 0.40 per share)	-	(95.64)
Less: Tax on proposed equity dividend	-	(15.52)
Less: Transfer to general reserve	-	(39.77)
Net surplus / (deficit) in the statement of profit and loss	**(38.03)**	**246.56**
Total reserves and surplus	**1,906.85**	**2,191.44**

5. Provisions

(Rupees Millions)

	Non-Current		Current	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Provision for Employee Benefits				
Provision for gratuity (refer note 25.1)	15.47	7.08	-	-
Provision for leave benefits	-	-	43.94	76.03
Other Provisions				
Provision for warranties	37.65	30.31	112.95	90.92
Provision for Lease Equalization	5.30	-	-	-
Proposed equity dividend	-	-	-	95.64
Provision for tax on proposed equity dividend	-	-	-	15.52
Provision for tax (net of Advance Tax)	-	-	-	51.76
Provision for Contract Losses	-	-	1.17	2.66
Provision for Litigation	186.24	168.71	-	-
	244.66	**206.10**	**158.06**	**332.53**

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

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

Movement of Provisions

(Rupees Millions)

	Provision for Warranties		Provision for Litigation	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
At the beginning of the year	121.23	-	168.71	-
Addition on scheme of demerger of distribution business (refer note 27)	-	92.56	-	41.00
Arising during the year	55.06	33.67	17.53	127.71
Utilized during the year	-	-	-	-
Unused amounts reversed	(25.69)	(5.00)	-	-
At the end of the year	**150.60**	**121.23**	**186.24**	**168.71**
Current portion	112.95	90.92	-	-
Non-current portion	37.65	30.31	186.24	168.71

6. Short-term borrowings

(Rupees Millions)

	March 31, 2013	March 31, 2012
Unsecured		
Loan from banks repayable on demand	-	740.02
Short term loan from banks	1,175.00	740.00
Short term foreign currency loan from banks	166.38	768.15
Loans and Advances from Related Parties:		
Short term Loan from Schneider Electric IT Business India Private Limited	1,000.00	-
	2,341.38	**2,248.17**

a. Short term loan from banks includes-
   (i) Rupees 750 Millions which carries interest rate 9.50 % per annum. The loan has been repaid on April 2, 2013, and
   (ii) Rupees 425 Millions which carries interest rate 9.50% per annum. The loan is payable within 5 months from the end of the balance sheet date.
b. Short term foreign currency loan includes-
   (i) USD 0.98 Millions (Rupees 56.89 Millions) which carries interest rate LIBOR plus 1.16 % per annum. This loan is repayable in 135 days from the end of the balance sheet date and
   (ii) USD 2 Millions (Rupees 109.49 Millions) which carries interest rate LIBOR plus 1.27 % per annum. This loan is repayable 150 days from the end of the balance sheet date."
c. Short term Loan taken from Schneider Electric IT Business India Private Limited of INR 1000 Millions which carries interest rate of 8.00% per annum. The loan was repayable in 49 days from the end of the Balance Sheet date, however it has been proposed to extend the loan by further six months.

7. Other current liabilities

(Rupees Millions)

	March 31, 2013	March 31, 2012
Trade payables (including acceptances) (Refer Note 34 for details of dues to Micro, Small and Medium enterprises)	6,154.59	4,867.63
	6,154.59	4,867.63
Other liabilities		
Advance from Customers	767.08	1,015.28
Advance billing to Customers	812.40	921.44
Capital Creditors	28.39	51.38
Book overdraft	-	86.82
Interest accrued but not due on borrowings	33.71	5.10
Unclaimed Dividend	0.90	-
Others		
ED on Finished Goods	36.56	13.08
Service Tax payable *	72.78	-
Other statutory payables	15.29	3.13
	1,767.11	2,096.23
	7,921.70	**6,963.86**

* Service tax payable includes undisputed service tax not paid for more than six months of Rupees 26.17 Millions

8. Deferred tax assets (net)

(Rupees Millions)

	March 31, 2013	March 31, 2012
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	104.73	115.08
Gross deferred tax liability	**104.73**	**115.08**
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	19.26	31.12
Provision for doubtful debts and advances	137.55	115.01
Provision for litigations	60.43	51.34
Others	1.72	-
Gross deferred tax asset	218.96	197.47
Net deferred tax asset	**114.23**	**82.39**
Movement:		
At the beginning of the year	82.39	0.02
Addition on scheme of demerger of distribution business (refer note 27)	-	68.29
Arising during the year	31.84	14.08
At the end of the year	**114.23**	**82.39**

9. Tangible assets

(Rupees Millions)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	EDP Equipments	Motor Vehicles	Total
Cost								
At April 1, 2011	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions on Acquisition of Distribution Business (Refer Note : 26)	103.36	1.53	1,092.08	1,189.08	87.25	165.42	3.95	2,642.67
Additions during the year	-	-	56.18	170.17	3.65	29.16	1.56	260.72
Disposals	-	-	1.76	9.62	0.98	5.50	-	17.86
At March 31, 2012	**103.36**	**1.53**	**1,146.50**	**1,349.63**	**89.92**	**189.08**	**5.51**	**2,885.53**
Additions during the year	-	-	3.50	44.80	10.82	46.86	36.60	142.58
Disposals *	-	-	1.75	35.18	1.37	6.46	-	44.76
At March 31, 2013	**103.36**	**1.53**	**1,148.25**	**1,359.25**	**99.37**	**229.48**	**42.11**	**2,983.35**
Depreciation								
At April 1, 2011	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions on Acquisition of Distribution Business (Refer Note : 26)	-	0.06	88.58	377.27	31.53	110.78	3.64	611.86
Charge for the year	-	-	44.44	121.86	13.60	34.66	0.45	215.01
Disposals	-	-	1.57	6.07	0.80	5.33	-	13.77
At March 31, 2012	**-**	**0.06**	**131.45**	**493.06**	**44.33**	**140.11**	**4.09**	**813.10**
Charge for the year	-	0.01	68.01	132.14	18.39	37.40	3.56	259.51
Disposals *	-	-	0.12	14.63	0.61	6.49	-	21.85
At March 31, 2013	**-**	**0.07**	**199.34**	**610.57**	**62.11**	**171.02**	**7.65**	**1,050.76**
Net Block								
At March 31, 2013	**103.36**	**1.46**	**948.91**	**748.68**	**37.26**	**58.46**	**34.46**	**1,932.59**
At March 31, 2012	103.36	1.47	1,015.31	856.57	45.59	48.97	1.42	2,072.69

* Disposals include net tangible assets written off - Rupees 1.67 Millions

Note 1 : Buildings include those constructed on Leasehold Land (Other than mentioned in Note 2):

	March 31, 2013	March 31, 2012
Gross Block	203.76	203.07
Depreciation Charge for the year	8.35	7.29
Accumulated Depreciation	23.24	14.89
Net Block Value	180.52	188.18

Note 2 : In terms of the Scheme of Demerger approved by the Hon'ble High Courts of Delhi and Gujarat, the lease hold land, situated at Naini - Uttar Pradesh, admeasuring 24,916 Sq mtrs was to be subleased to the Company by ALSTOM T&D India Limited, subject to the grant of permission by the relevant authorities. Application for Sub lease permission has been submitted to the relevant authorities and approval for the same is pending.

	March 31, 2013	March 31, 2012
Gross Block	87.09	87.91
Depreciation Charge for the year	25.46	3.65
Accumulated Depreciation	43.88	18.53
Net Block Value	43.21	69.38

10. Loans and advances

(Rupees Millions)

	Non-Current		Current	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Security deposit				
Unsecured, considered good	30.60	31.82	49.75	130.24
	30.60	31.82	49.75	130.24
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	520.31	521.18
	-	-	520.31	521.18
Other loans and advances (Unsecured, considered good)				
Prepaid expenses	-	-	17.98	24.51
Advance Tax paid (net of Provision for Tax)			82.84	-
Balances with statutory / government authorities	58.15	53.97	417.19	267.19
	88.75	85.79	1088.07	918.61

11. Trade receivables

(Rupees Millions)

	Non-Current		Current	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Unsecured, considered good, unless stated otherwise				
Unsecured, considered good				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	1,665.66	1,781.00
Others	533.08	719.75	5,891.14	4,761.79
Unsecured, Considered Doubtful				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	423.94	354.48
	533.08	**719.75**	**7,980.74**	**6,897.27**
Less: Provision for doubtful receivables	-	-	(423.94)	(354.48)
	533.08	**719.75**	**7,556.80**	**6,542.79**
Trade Receivables includes dues from Schneider Electric India Private Limited in which Company's Non-executive director is a director			**180.04**	**-**

12. Other current assets (Unsecured, considered good)

	March 31, 2013	March 31, 2012
Unbilled Contract Revenue	139.69	213.24
	139.69	**213.24**

13. Inventories

	March 31, 2013	March 31, 2012
Raw materials and components (refer note 17) (In transit Rupees 44.46 Millions ; March 31, 2012 - Rupees 116.64 Millions)	541.07	775.87
Work-in-progress (refer note 18)	492.33	448.12
Finished goods (refer note 18)	463.37	415.04
Stores and spares	0.43	0.34
	1,497.20	**1,639.37**

14. Cash and Cash Equivalents

(Rupees Millions)

	March 31, 2013	March 31, 2012
Cash and Cash Equivalents:		
Balances with banks:		
On current accounts	43.04	-
Cheques on hand	-	107.72
Restricted Cash:		
Unclaimed Dividend	0.90	-
	43.94	**107.72**

15. Revenue from operations

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Sale of finished goods	11,030.75	10,524.85
Project revenue (Refer note 33)	2,614.43	3,879.67
Service revenue - Engineering and Design Services	315.07	-
Service revenue - Maintenance Contract Services	136.78	12.00
Other operating revenue:		
Scrap sales	80.99	102.26
Revenue from operations (gross)	**14,178.01**	**14,518.78**
Less: Excise duty *	1,073.88	1,026.86
Revenue from operations (net)	**13,104.13**	**13,491.92**

* Excise duty on sales amounting to Rupees 1073.88 Millions (March 31, 2012 - Rupees 1026.86 Millions) has been reduced from sales in Statement of profit and loss and excise duty on increase/decrease in inventory amounting to Rupees 23.48 Millions (March 31, 2012 - Rupees 13.08 Millions) has been considered as (income)/expense in Note 20 of Financial Statements.

Details of finished goods sold		
Transformers	3,302.21	4,290.33
Automation	1,281.60	738.33
Switchgear, Ring Main Units, etc.	6,446.94	5,496.19
	11,030.75	**10,524.85**

16. Other income

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Provisions written back	17.48	3.69
Other non-operating Income	50.83	39.40
	68.31	**43.09**

17. Cost of raw material and components consumed

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Inventory at the beginning of the year	775.87	740.00
Add: Purchases	8,839.12	9,324.89
	9,614.99	**10,064.89**
Less: inventory at the end of the year	541.07	775.87
Cost of raw material and components consumed *	**9,073.92**	**9,289.02**

* Includes Contract Costs of Rupees 1,973.79 Millions (March 31, 2012 - Rupees 2,828.66 Millions)

Details of raw material and components consumed		
Ferrous	378.21	1,421.69
Non-Ferrous	1,132.95	983.76
Components and others	7,562.76	6,883.57
	9,073.92	**9,289.02**
Details of Inventory - Raw materials and Components		
Ferrous	55.12	218.94
Non-Ferrous	32.28	70.06
Components and others	453.67	486.87
	541.07	**775.87**

18. (Increase)/decrease in inventories

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Work in Progress		
At the beginning of the year	448.12	-
Add: Addition on scheme of demerger of distribution business (refer note 27)	-	849.62
Less: At the end of the year	492.33	448.12
(Increase) / Decrease in Work in progress	**(44.21)**	**401.50**
Finished Goods		
At the beginning of the year	415.04	-
Add: Addition on scheme of demerger of distribution business (refer note 27)	-	266.00
Less: At the end of the year	463.37	415.04
(Increase) / Decrease in Finished goods	**(48.33)**	**(149.04)**
(Increase) / Decrease in inventories	**(92.54)**	**252.46**
Details of inventory		
Work-in-progress		
Transformers	295.19	278.84
Automation	35.19	-
Switchgear, Ring Main Units, etc.	161.95	169.28
	492.33	**448.12**
Finished goods		
Transformers	101.80	15.89
Automation	28.14	0.20
Switchgear, Ring Main Units, etc.	333.43	398.95
	463.37	**415.04**

19. Employee benefit expense

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Salaries, wages and bonus	1,206.08	1,005.26
Contribution to provident and other fund	101.71	100.16
Gratuity Expenses (Refer note 25)	27.08	4.37
Staff welfare expenses	147.82	114.59
	1,482.69	**1,224.38**

20. Other expenses

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Consumption of stores and spare parts	44.85	49.64
Power and fuel	70.91	66.79
Rent	82.48	42.92
Rates and taxes	22.75	7.35
Repairs and maintenance		
Buildings	68.79	55.26
Plant and machinery	25.01	28.70
Others	46.43	49.82
Insurance	15.75	20.78
Royalty and technical know-how	2.51	7.49
Directors' sitting fees	0.46	0.22
Freight and forwarding charges	396.19	400.49
Travelling and conveyance	215.20	212.54
Payment to auditors	15.02	17.56
Provision for doubtful debts / advances	69.46	27.16
Provision for warranties	29.37	28.67
Bad debts / advances written off	354.12	159.46
Provision for litigation	17.53	127.71
Loss on sale of Tangible Assets	17.22	-
Tangible assets written off	1.67	4.09
Trade mark fees	245.60	56.54
Data management charges	109.33	126.94
(Increase) / Decrease of Excise Duty on Inventory	23.48	13.08
Foreign exchange variation cost (net)	69.70	35.85
Miscellaneous expenses	367.37	243.67
	2,311.20	**1,782.73**
Payment to auditors:		
for Audit fee	9.30	10.10
for Taxation matters	0.80	0.80
for Limited review	4.05	6.05
for Reimbursement of expenses	0.87	0.61
	15.02	**17.56**

21. Depreciation and amortization expense

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Depreciation of tangible assets	259.51	215.01
	259.51	**215.01**

22. Finance costs

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Interest	248.34	151.42
Bank Charge	30.77	6.24
Foreign exchange variation cost	39.23	0.81
	318.34	**158.47**

23. Exceptional items

Exceptional items represents stamp duty of Rupees 100 Millions paid by the Company on stamping of the orders, pursuant to the scheme of demerger approved by the Hon'ble High Courts.

24. Earnings per share (EPS)

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit/(loss) after tax	(284.59)	397.65
Weighted average number of equity shares in calculating basic EPS (No.s in Million)	239.10	239.10
Basic / diluted EPS as reported (In Rupees)	(1.19)	1.66

25. Employee Benefits

25.1 The company operates two defined plans, viz., gratuity and PF fund trust, for its employees. Under the gratuity plan, every employee who has completed atleast one year of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

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

Net employee benefit expense recognized in the employee cost

	(Rupees Millions)			
	Gratuity		Provident fund trust	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Current service cost	13.79	13.19	18.31	22.51
Interest cost on benefit obligation	11.04	10.17	36.97	32.18
Expected return on plan assets	(12.40)	(11.12)	(37.78)	(33.30)
Net actuarial(gain) / loss recognized in the year	14.65	(7.85)	(0.97)	(3.09)
Net benefit expense	**27.08**	**4.37**	**16.53**	**18.30**
Actual return on plan assets	11.57	8.00	41.73	27.00
Benefit asset/ liability				
Present value of defined benefit obligation	160.61	134.67	(453.52)	(441.77)
Fair value of plan assets	145.14	127.59	458.13	445.97
Plan asset / (liability)	**(15.47)**	**(7.08)**	**4.61**	**4.20**
Changes in the present value of the defined benefit obligation are as follows:				
Opening defined benefit obligation	134.77	131.02	441.85	382.48
Current service cost	13.79	13.19	18.31	22.51
Transfer in	-	-	5.09	8.11
Employee Contributions	-	-	35.15	51.97
Interest cost	11.04	10.17	36.97	32.18
Benefits paid	(12.80)	(8.10)	(88.13)	(46.09)
Change in Reserves			1.30	0.08
Actuarial (gains) / losses on obligation	13.81	(11.60)	2.97	(9.39)
Closing defined benefit obligation	**160.61**	**134.67**	**453.52**	441.85
Changes in the fair value of plan assets are as follows:				
Opening fair value of plan assets	127.59	115.21	445.98	382.48
Expected return	12.40	11.12	37.78	33.30
Contributions by employer	18.77	13.10	18.31	22.50
Transfer in	-	-	5.09	8.11
Employee Contributions	-	-	35.15	51.97
Benefits paid	(12.80)	(8.10)	(88.13)	(46.09)
Actuarial gains / (losses)	(0.83)	(3.75)	3.94	(6.30)
Closing fair value of plan assets	145.13	127.59	458.12	445.97

The company expects to contribute Rupees 16.68 Millions (March 31, 2012 - Rupees 21.28 Millions) to gratuity in the next year.

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

	Gratuity	
	March 31, 2013	March 31, 2012
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the company's plans are shown below:

	(Rupees Millions)			
	Gratuity		Provident fund trust	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Discount rate	8.16%	8.60%	8.60%	8.60%
Expected rate of return on assets	9.40%	9.50%	9.00%	9.00%
Salary escalation	7.50%	7.50%	7.50%	7.50%
Mortality table	LIC (1994-96)	LIC (1994-95)	LIC (1994-96)	LIC (1994-95)

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

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

Amounts for the current period are as follows: (Rupees Millions)

Gratuity	March 31, 2013	March 31, 2012
Defined benefit obligation	160.61	134.67
Plan assets	145.13	127.59
Surplus / (deficit)	(15.47)	(7.08)
Experience adjustments on plan liabilities	(8.45)	4.59
Experience adjustments on plan assets	(0.83)	(3.75)

Amounts for the current period are as follows:

PF Trust	March 31, 2013	March 31, 2012
Defined benefit obligation	453.52	441.85
Plan assets	458.13	445.98
Surplus / (deficit)	4.61	4.13

The Company has adopted Accounting Standard 15 - Employee Benefits as prescribed by the Companies (Accounting Standard) Rules, 2006 w.e.f March 12, 2011 as the entity was incorporated on that date. Therefore, only two year Figures have been disclosed as required by Para 120(n) of AS - 15.

25.2 The Company has contributed an amount of Rupees 24.73 Millions (March 31, 2012 - Rupees 0.74 Millions) to Regional Provident Fund Commissioner during the year. The same is recognised as an expense and included in Employee benefit expense in the Statement of Profit and Loss.

25.3 The Company has a defined contribution plan towards Superannuation fund and ESI, for which an amount of Rupees 28.68 Millions (March 31, 2012 - Rupees 44.80 Millions). The same is recognised as an expense and included in Employee benefit expense in the Statement of Profit and Loss.

26. Leases

Operating Lease: Company as Lessee

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

There is an initial lock-in period of three years and after that each renewal is at the option of the lessee. There are no restrictions placed upon the company by entering into this lease.

The lease rental expense recognized in the Statement of Profit and Loss during the year in respect of this lease transaction is Rupees 55.86 Millions (Including a Provision of Lease Equalization of Rupees 5.30 Millions) (March 31, 2012 - Nil).

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

	(Rupees Millions)	
	March 31, 2013	March 31, 2012
Within one year	50.46	50.46
After one year but not more than five years	216.97	211.92
More than five years	183.91	239.42
	451.34	**501.80**

The Company has cancellable operating lease arrangements for its office premises and storage locations, with varying renewable options. Some of the lease agreements have escalation clause ranging from 5% to 15%. There are no exceptional / restrictive covenants in the lease agreements. Lease payments recognised in the statement of profit and loss for the period is Rupees 26.62 Millions (March 31, 2012 - Rupees 42.92 Millions).

27. Accounting for Demerger

By a Scheme of arrangement, between the Company and Areva T&D India Limited and their respective shareholders and creditors under section 391-394 of the Companies Act, 1956, the distribution undertaking of Areva T&D India Ltd, now known as ALSTOM T&D India Limited (Transferor) was transferred to the Company (Transferee). The said Scheme was sanctioned by Hon'ble High Courts of Gujarat and Delhi, on September 19, 2011 and October 24, 2011 respectively. The certified true copies of the orders of the Hon'ble High Courts of Gujarat and Delhi were filed with the respective Registrar of Companies on November 26, 2011 (effective date) . In terms of the aforesaid Scheme the distribution business of Areva T&D India Limited was demerged to the Company w.e.f. April 1, 2011.

As per the terms of the Scheme, the Company has issued and allotted 239,104,035 equity shares of Rupees 2/- each fully paid to the shareholders of Areva T&D India Limited (now Alstom T&D India Limited), as on the record date (December 15, 2011), on a proportionate basis, for every 1 (one) fully paid-up equity share of Rupees 2 /- each held in Areva T&D India (now Alstom T&D India Limited), 1 (one) fully paid-up equity shares of Rupees 2 /- each of the Company. In terms of the Scheme, there are no fractional entitlements. Simultaneous to the issue of these shares, as per Scheme, existing shares (500,000 shares of Rupees 2/- each) issued to Areva T&D India Limited and its nominees stands cancelled. The shares have been issued at fair value.

In terms of the Scheme of arrangement for demerger ("Scheme"), upon the Scheme becoming effective (effective date – November 26, 2011), the assets and liabilities of the 'distribution undertaking' demerged from the Transferor Company, were transferred and vested unto the Company at the book values appearing in the books of account of the Transferor Company as on the close of business on the date immediately preceding the appointed date – April 1, 2011 and the net balance between the book value of assets and liabilities as given below were adjusted from the reserves in the books of the Transferor Company in the manner specified in the Scheme.

	(Rupees Millions) Amount
Assets taken over	
Fixed Assets (including Capital work in progress Rupees 101 Millions)	2,131.66
Investments	2.00
Deferred tax asset	68.29
Current Assets Loans & Advances	8,014.92
Total (A)	**10,216.87**
Liabilities taken over	
Unsecured Loan	1,917.54
Current Liabilities & Provisions	5,916.01
Total (B)	**7,833.55**
Net Assets taken over	**2,383.32**
Less:	
Share capital issued	478.21
General Reserve Acquired	1,494.86
Capital Reserve	**410.25**

28. Segment information

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

			(Rupees Millions)
	Sales	**Total Assets**	**Capital Expenditure**
France	312.35	170.39	-
	(253.48)	*(96.66)*	-
Australia	53.99	40.78	-
	(24.42)	*(17.31)*	-
Germany	23.95	21.94	-
	(51.75)	*(18.44)*	-
India	12,748.32	12,343.77	208.63
	(14,099.52)	*(12,048.92)*	*173.09*
Other countries	1,039.40	276.92	-
	(89.61)	*(156.59)*	-
Total Segment Information	**14,178.01**	**12,853.79**	**208.63**
	(14,518.78)	***(12,337.92)***	***173.09***
Add : Income Tax Assets		197.07	
		(82.39)	
Total Assets		**13,050.86**	
		(12,420.31)	

Amounts in parentheses are pertaining to Previous Year ended March 31, 2012

29. Related party disclosures

a. Names of related parties and related party relationship

Related parties where control exists

Holding company	Energy Grid Automation Transformers and Switchgears India Limited (w.e.f. March 28, 2012)
Ultimate holding company	Alstom Holdings (by shareholding) and Schneider Electric Services International (by agreement) (Upto February 14, 2013) Schneider Electric SA (w.e.f. February 15, 2013)
Parent of holding company and Others	Alstom Grid Finance BV, Netherlands; (parent of holding company) (Upto February 14, 2013) Schneider Electric Singapore Pte. Limited (w.e.f. February 15, 2013)

b. Related parties with whom transactions have taken place:

Fellow subsidiaries

Schneider Electric India Pvt Ltd, India	Schneider Electric Huadian Switchgear, China
Schneider Electric Protectionale, France	Schneider Electric East Mediterranean S.A.L, Jordan
Alstom T&D India Ltd, India (Upto February 14, 2013)	Schneider Electric Brasil Ltda., Brazil
Schneider Electric Sachsenwerk Gmbh, Germany	Areva Energietechnik Gmbh, Germany (Upto February 14, 2013)
Schneider Electric Energy, France	Schneider Electric Taiwan Co., Ltd., Taiwan
Schneider Electric Industries SAS, France	Alstom Switchgear, South Africa (Upto February 14, 2013)
Schneider Electric Service International Sprl, Belgium	Schneider Electric Energy De, Columbia
Schneider Electric Energy UK Ltd, UK	Schneider Electric It Business India Pvt Ltd, India
Schneider Electric Energy Poland Sp. Z O.O., Poland	Schneider Electric Mexico, Mexico
Schneider Electric Australia Pty Ltd, Australia	Areva Solar India Private Limited, India (Upto February 14, 2013)
Schneider Electric Industries, Malaysia	Areva T&D Uk Ltd Systems Produ, Uk (Upto February 14, 2013)
Schneider Electric Energy, Italy	Schneider Electric Sri Lanka(Pvt) Ltd, Sri Lanka
Schneider Switchgear (Suzhou) Co. Ltd, China	Alstom Transport SA, France (Upto February 14, 2013)
Alstom S A Transport Tarbes, France (Upto February 14, 2013)	Schneider Electric Vietnam., Ltd, Vietnam
Schneider Electric Nigeria Ltd., Nigeria	Schneider Electric (China) Investment Co. Ltd., Shanghai, China
Schneider Electric Canada Inc., Canada	Schneider Electric D.O.O., Croatia
Schneider Electric Sa, Uae	Alstom Grid Sas, France (Upto February 14, 2013)
Alstom Projects India Ltd, India (Upto February 14, 2013)	Schneider Electric Sa, South Africa
Schneider Enerji Endustri, Turkey	Areva T&D Australia Limited, Australia (Upto February 14, 2013)
Schneider Electric Ftr, France	Alstom Grid Pte Ltd, Singapore (Upto February 14, 2013)
Areva T&D Sas, France (Upto February 14, 2013)	Alstom Grid Italy S.P.A., Italy (Upto February 14, 2013)
Alstom Grid Uk Ltd, Uk (Upto February 14, 2013)	Power Measurement Ltd, Canada
Schneider Electric Telecontrol, France	Areva Renewable Energies Ltd, India (Upto February 14, 2013)
Areva Ert Tanzania, Tanzania (Upto February 14, 2013)	Schneider Electric(China), China
Schneider-Electric Energy, Hungary	Schneider Electric, Indonesia
Shanghai Schneider Electric Power Automation Co.,Ltd, China	Areva Suzhou High Voltage, Suzhou, China (Upto February 14, 2013)
Areva T&D Enerji Endustrisi A.S.Turkey (Upto February 14, 2013)	Areva T&D Malaysia Sdn Bhd-215632V, Malaysia (Upto February 14, 2013)
Key management personnel	Mr.Prakash Kumar Chandraker, Managing director (From December 16, 2011) Mr. Alexandre Tagger, Whole Time Director (From April 1, 2012)

c. Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant Financial Year:

(Rupees Millions)

	Sale of goods	Sale of services	Purchase of goods / services	Amount owed by Related Parties	Amount owed to Related Parties
Fellow subsidiaries					
Schneider Electric India Pvt Ltd, India	296.31	25.39	488.80	180.04	424.19
	(179.09)	-	*(80.95)*	*(27.05)*	*(13.51)*
Schneider Electric Protectionale, France	51.89	33.46	532.91	13.27	750.66
	(72.25)	-	*(498.23)*	*(64.03)*	*(282.32)*
Alstom T&D India Ltd, India	237.82	-	141.20	-	-
	(284.53)	-	*(779.76)*	*(208.46)*	*(64.22)*
Schneider Electric Sachsenwerk Gmbh, Germany	21.17	-	274.37	17.11	280.20
	(53.11)	-	*(51.37)*	*(18.15)*	*(49.36)*
Schneider Electric Energy, France	80.18	-	66.19	8.66	24.27
	(3.54)	-	*(50.58)*	*(6.06)*	*(16.65)*
Schneider Electric Industries SAS, France	-	271.12	84.25	129.64	84.25
	-	-	-	-	-
Schneider Electric Service International Sprl, Belgium	-	-	245.60	-	279.02
	-	-	*(56.54)*	-	*(56.54)*
Schneider Electric Energy UK Ltd, UK	0.18	-	83.01	2.46	100.66
	(2.53)	-	*(9.58)*	*(0.85)*	*(0.23)*
Schneider Electric Energy Poland Sp. Z O.O., Poland	0.50	0.37	69.66	0.37	80.35
	-	-	*(49.68)*	*(0.04)*	*(20.03)*
Schneider Electric Australia Pty Ltd, Australia	53.84	7.43	-	41.30	-
	(16.37)	-	-	*(16.03)*	-
Schneider Electric Industries, Malaysia	51.50	-	-	30.50	-
	(14.84)	-	-	*(13.17)*	-
Schneider Electric Energy, Italy	-	-	27.78	-	50.69
	-	-	*(58.30)*	-	*(66.87)*
Schneider Switchgear (Suzhou) Co. Ltd, China	41.46	-	1.97	6.09	0.95
	(19.04)	-	*(7.06)*	*(5.73)*	*(0.52)*
Areva Ert Tanzania, Tanzania	-	-	-	-	-
	(135.94)	-	-	*(12.44)*	-
Others	81.09	2.69	94.12	21.66	24.76
	(113.15)	-	*(301.83)*	*(68.94)*	*(18.29)*
Total	**915.94**	**340.46**	**2,109.86**	**451.10**	**2,100.00**
	(894.39)	**-**	***(1,943.88)***	***(440.95)***	***(588.54)***

Amounts in parentheses are pertaining to Previous Year ended March 31, 2012

d. Loans taken

(Rupees Millions)

	Loans taken	Repayment	Interest accrued	Amount owed to Related parties
Fellow Subsidiary:				
Schneider Electric IT Business India Private Ltd. (March 31, 2013)	1,000.00	-	29.33	1,029.33
(March 31, 2012)	-	-	-	-

Loans taken from Fellow subsidiary is repayable with interest at the rate of 8 % p.a.

e. Remuneration to Key Managerial Personnel

(Rupees Millions)

	Alexandre Tagger	Prakash Kumar Chandraker
Salary, bonus and contribution to PF etc.	14.15	7.75
Balance Outstanding	-	-

30. Capital and other commitments

a. At March 31, 2013, the company has commitments of Rupees 358 Millions (March 31, 2012: Rupees 26 Millions) relating to purchase of tangible assets.

b. There are no significant other commitments.

31. Contingent Liabilities

a. Post demerger, Company and ALSTOM T&D India Limited (ALSTOM) have bifurcated the total outstanding demands of Excise/ Service Tax and Sales tax in accordance with the arrangement agreed between the two Companies. Accordingly, ALSTOM is contesting the total outstanding demands, before various appellate authorities, including the share of the Company.

(i) Total outstanding demands of Excise / Service tax aggregates to Rupees 277.81 Million out of which Company share is Rupees 67.27 Million. The Company has considered demands amounting to Rupees 3.84 Million, net of service tax provision of Rupees 46.61 Million, for various years as contingent. (March 31, 2012 - Rupees 46.02 Million, net of provision of Nil).

(ii) Total outstanding demands of Sales Tax aggregates to Rupees 820.17 Million out of which Company share is Rupees 324.90 Million. The Company has considered demands amounting to Rupees 110.10 Million, net of sales tax deposits of Rupees 61.20 Million and provisions of Rupees 144.24 Million, for various years as contingent. (March 31, 2012 - Rupees 136.75 Million, net of deposit of Rupees 52.09 Million and provisions of Rupees 126.70 Million).

b. For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Sales Tax demands amounting to Rupees 192.80 Million, net of sales tax deposit of Rupees 2.94 Million and provisions of Rupees 42 Million, for various years as contingent. (March 31, 2012 - Rupees192.80 Million, net of deposit of Rupees 2.94 Million and provision of Rupees 42 Million).

The Company has preferred appeals against the above demands which is pending before various appellate authorities, and has been advised by the reputed professional advisers, engaged by it, that there are reasonable chances of success in these appeals.

32. Forward cover instruments and unhedged foreign currency exposure

		(Rupees Millions)		
Particulars	**Currency**	**Foreign Currency**	**Indian Currency**	**Purpose**
a. Forward covers outstanding				
Buy	USD	3.64	203.30	To hedge Import purchases & loans
		(21.48)	*(1,118.48)*	
Sell	USD	0.59	32.77	To hedge export sales
		(5.22)	*(262.37)*	
		4.23	**236.07**	
Buy	Euro	-	-	
		-	-	
Sell	Euro	1.17	87.64	To hedge export sales
		(0.87)	*(58.89)*	
		1.17	**87.64**	
b. Particulars of unhedged foreign currency exposure				
Import trade payables	USD	10.91	591.04	
		(3.28)	*(168.14)*	
	Euro	9.46	678.14	
		(3.17)	*(183.62)*	
	Others	0.31	21.49	
		-	-	
			1,290.67	
Export trade receivables	USD	2.91	158.09	
		(0.40)	*(20.42)*	
	Euro	1.89	132.80	
		(1.13)	*(76.77)*	
			290.89	

* Amounts in parantheses represent Previous Year figures.

33. Disclosure pursuant to AS - 7 - "Construction Contracts":

Particulars	(Rupees Millions) March 31, 2013	March 31, 2012
Contract revenue recognised for the year	2,614.43	3,879.67
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress upto the period end	5,936.75	5,557.37
Gross amount due from customers for contracts in progress	139.69	213.24
Gross amount due to customers for contracts in progress	812.40	921.44
Amount of advances received	159.43	299.03
Amount of retentions	669.61	587.94

34. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

	(Rupees Millions) March 31, 2013	March 31, 2012
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	89.56	233.65
Interest due on above	6.52	12.82
	96.08	**246.47**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	19.34	12.82
The amount of further interest remaining due and payable even in the succeeding years, until suuch date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

35. Earnings in foreign exchange (accrual basis)

Particulars	(Rupees Millions) March 31, 2013	March 31, 2012
FOB value of exports	1,039.90	648.38
Other Service Income	315.07	-
	1,354.97	**648.38**

36. Value of imports calculated on CIF basis

	(Rupees Millions) March 31, 2013	March 31, 2012
Raw materials	2,061.85	1,759.75
Components and spare parts	1.12	4.34
Capital goods	9.31	87.73
	2,072.28	**1,851.82**

37. Expenditure in foreign currency (accrual basis)

Travelling	26.05	11.26
Royalties	2.51	7.49
Trademark Fees	245.60	56.54
Others	91.04	26.22
	365.20	**101.51**

38. Imported and indigenous raw materials, components and spare parts consumed

	(Rupees Millions)	
	% of total consumption	Value
Raw Materials		
Imported	18%	1,023.39
Indigenously obtained	82%	4,693.99
	100%	**5,717.38**
Components		
Imported	5%	156.41
Indigenously obtained	95%	3,200.13
	100%	**3,356.54**
Spare parts		
Imported	0%	-
Indigenously obtained	100%	44.85
	100%	**44.85**

39. Holding Company

Consequent to the closure of the demerger in India, the ALSTOM Grid Finance BV and Schneider Electric Singapore Pte Ltd entered into a Share purchase agreement whereby ALSTOM Grid Finance BV had agreed to transfer the entire beneficial interest in Energy Grid Automation Transformers and Switchgears India Limited the Holding Company of Schneider Electric Infrastructure Limited. In terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011, Schneider Electric Singapore Pte Ltd ("Acquirer") and Schneider Electric South East Asia (HQ) Pte Ltd, Schneider Electric Services International and Energy Grid Automation Transformers and Switchgears India Limited, in their capacity as persons acting in concert with the Acquirer (collectively the "PAC"), made an open offer. The process of 'Open Offer' was completed in February,2013 and in terms of the same, 11,314,680 Equity Shares of the Company were tendered by the Shareholders of the Company. 10,592,659 Equity Shares were acquired by the Acquirer and one of the PAC, Energy Grid Automation Transformers and Switchgears India Limited acquired, 722,021 equity shares. Consequent to the open Offer the shareholding of the Acquirer/ Promoter Group in the Company increased from 73.40% to 78.13%. Also, shareholding of holding company has increased from 73.40% to 73.70%. The Acquirer /Promoter Group have committed themselves to reduce their shareholding in the Company within the regulatory time frame, such that the minimum public shareholding of the voting share capital of the Company is maintained, to enable the Company's Shares, to continue to remain listed.

40. During the year, the Company has entered into transactions of Purchase of goods and services amounting to Rupees 488.80 Million and sales of goods and services amounting to Rupees 321.70 Million with Schneider Electric India Private Limited (Company covered under Section 297 of the Ccompanies Act, 1956). These transactions are approved by Board of Directors of the Company. Company has also filed an application for approval from Central Government which is awaited as of date. Pending Government approval, no adjustments have been considered in financial statements as Management is of the view that it will not have any material impact on the results.

41. Previous year figures

The company has reclassified previous year figures, wherever necessary, to conform to this year's classification.

As per our report of even date

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

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

Per Manoj Gupta
Partner
Membership No.83906

Prakash Kumar Chandraker
Managing Director

Alexandre Tagger
Director

C.S. Ashok Kumar
Secretary

Place: New Delhi
Date: May 22, 2013

Schneider Electric Infrastructure Ltd

SEIL

- Corporate Office
- Regional Offices / Branch Offices

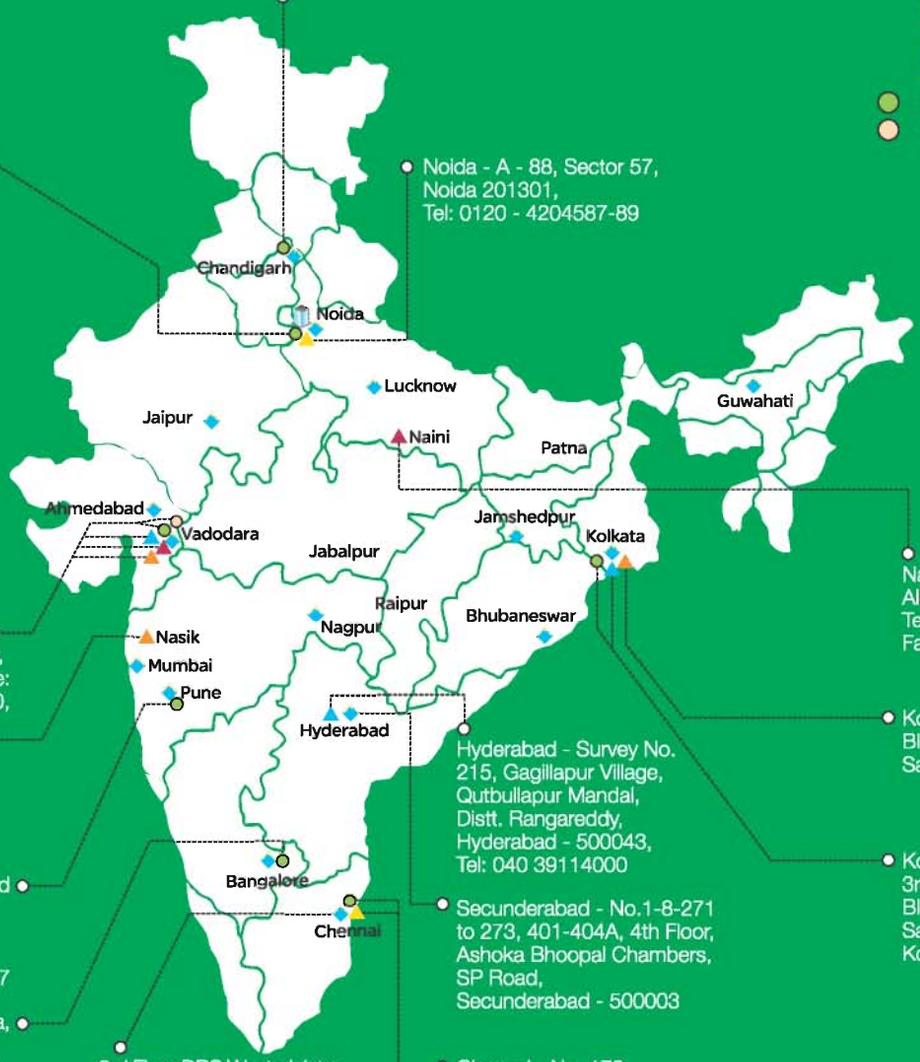
Factories
- Transformer Factory
- Equipment factories
- Product factories
- Automation factories

- Solution Centres
- Service Ecofit

Noida: IGL Complex, 6th Floor, Tower-3, Plot no. 2B, Sector-126, Noida-201307 Ph: 0120 - 3898000

Chandigarh: SCO 15, 2nd Floor, Sec-26, Madhya Marg Chandigarh -160 019

Noida - A - 88, Sector 57, Noida 201301, Tel: 0120 - 4204587-89



Naini Works, P. O. Naini, Allahabad-211008 Tel: 0532-2699990 Fax: 0532-2699990

Vadodara: Milestone 87, Vadodara - Halol Highway, Village Kotambi, Post office: Jarod, Vadodara - 391510,

*Nasik PSS - 58, MIDC Satpur, Nasik - 422007, Tel: 0253-3915100

Kolkata Works: Block BN 3, Sector-V, Salt Lake, Kolkata - 700091

Hyderabad - Survey No. 215, Gagillapur Village, Qutbullapur Mandal, Distt. Rangareddy, Hyderabad - 500043, Tel: 040 39114000

Kolkata: Technopolis, 3rd floor, Wing-B, Plot-4, Block-BP, Sector-V Salt Lake City, Bidhan Nagar Kolkata - 700 091

Pune: Flat No: 401, Prasad Apartments, Lane No:9, Prabhat Road, Pune - 411004, Phone: 020-65009152 - 57

Secunderabad - No.1-8-271 to 273, 401-404A, 4th Floor, Ashoka Bhoopal Chambers, SP Road, Secunderabad - 500003

Bangalore: 4th Floor, Electra, Wing 'A" Exora Business Parks, Marathalli, Sarjapur Outer Ring Road, Bangalore - 560103, Phone: 080 - 43333002

3rd Floor DBS Westminister, 108/4, Dr.Radha Krishnan Salai, Mylopore, Chennai - 600 004

Chennai - No. 172, Poonamallee By Pass Road Poonamalle, Chennai - 600056

North Region

Regional Office
4-7th Floor, Block 3, IGL complex, Plot No. 2B, Sector 126, **Noida**-201304, UP.

Branch Office
SCO 15, 2nd Floor, Sec-26, Madhya Marg, **Chandigarh**-160 019
309, 3rd Floor, Jaipur Buisness Centre, Sangam Tower, Church Road, **Jaipur**-302 001
27/2A, First Floor, Asha Bhavan, Gokhle Marg, **Lucknow**-226 001

East Region

Regional Office
Technopolis, 3rd floor, Wing-B, Plot-4, Block-BP, Sector-V, Salt Lake City, Bidhan Nagar, **Kolkata**-700 091

Branch Offices
A-3/1. 'L' Road, Bistupur **Jamshedpur**-831001, Jharkhand
Apeejay Business Centre, Near Nemcare Hospital G. S. Road, **Guwahati**-781 005, Assam
Plot - 14, Forest Park **Bhubaneswar**-751 009, Orissa

West Region

Regional Office
Unit No. 1141/1142, Building No. 11, 4th Floor, Solitaire Corporate Park, Andheri Kurla Road, Chakala, Andheri (E), **Mumbai**-400 059

Branch Offices
305, "CONCORDE", RC Dutt Road, Alkapuri, **Vadodara**-390007
42/A Space House, Opp. Shree Krishna Centre Mithakhali Six Road, **Ahmedabad**-380 009
Fortune Business Centre, 1st Floor, 6, Vasant Vihar, W.H.C. Road, Shankar Nagar **Nagpur**-440010
2nd Floor, R.B.Bussiness centre, Above PUMA Showroom, Sanghvi Nagar, Aundh, **Pune**-411007

South Region

Regional Office
4th Floor, Electra, Wing'A', Exora Business Parks, Marathahalli-Sarjapur Outer Ring Road, **Bangalore**-560 103, INDIA
No.1-8-271 to 273, 401-404A, 4th Floor, Ashoka Bhoopal Chambers, SP Road, **Secunderabad**-500003
3rd Floor DBS Westminister, 108/4, Dr. Radha Krishnan Salai, Mylopore, **Chennai**-600 004

*Sourcing from Nashik, a plant of Schneider Electric India Pvt. Ltd.

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Toll-free numbers: 1800 180 1707, 1800 103 0011
General number: 0124 4222040
Email: in-care@schneider-electric.com
Web: **www.schneider-infra.in**

Schneider Electric™

Schneider Electric Infrastructure Limited

Notice of Annual General Meeting

NOTICE is hereby given that the Third Annual General Meeting of the Members of Schneider Electric infrastructure Limited will be held on Thursday, the 1st day of August, 2013 at 11.30 AM at The 'Tropicana', The Gateway Hotels, Vadodara Akota Garden, Akota, Vadodara - 390020, Gujarat to transact the following businesses:

As Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Profit and Loss Account for the financial year ended March 31, 2013 together with the Reports of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Vinod Kumar Dhall, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

3. To appoint a Director in place of Mr. Ranjan Pant, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

4. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.

As Special Business:

To consider and if thought fit to pass with or without modification(s) the following as Ordinary Resolutions:

5. "RESOLVED that Ms. Rajani Kesari, who was appointed as an Additional Director at the Board Meeting held on 22nd May 2013 and who holds office as such up to the date of this Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 (Act) and Article 30 (13) of the Articles and in respect of whom the Company has received a notice in writing from a member, under Section 257 of the Act, signifying the member's intention to propose Ms. Rajani Kesari as a candidate for the office of Director,be and is hereby appointed a Director of the Company, liable to retire by rotation."

6. "RESOLVED that Mr. V.S. Vasudevan, who was appointed as an Additional Director by means of a Circular Resolution passed by the Board of Directors on 11th June 2013 and who holds office as such up to the date of this Annual General Meeting, pursuant to Section 260 of the Act and Article 30(13) of the Articles and in respect of whom the Company has received a notice in writing from a member, under Section 257 of the Act, signifying the member's intention to propose Mr. V.S. Vasudevan as a candidate for the office of Director, be and is hereby appointed a Director of the Company, liable to retire by rotation."

To consider and if thought fit to pass with or without modification(s) the following as Special Resolutions:

7. "RESOLVED that the Company hereby accords its approval under Sections 198, 269, 309 and other applicable provisions, if any, of the Act read with Schedule XIII thereto, the Articles and subject to such other approvals as may be necessary in this regard, to the remuneration of Mr. Prakash Kumar Chandraker as Managing Director of the Company, for a period of three years, with effect from 16th December 2011, on the terms and conditions as set out in the Agreement entered into between the Company of the one part and Mr. Prakash Kumar Chandraker of the other part, a summary of which is set out in the Explanatory Statement in relation to this resolution.

RESOLVED FURTHER that subject to the aforesaid provisions of the Act and amendment(s) or modification(s) or relaxations (s) by the Central Government to the Schedule XIII to the Act, the Board be and is hereby authorized to do all those things, deeds and matters as may be incidental or necessary including modification or variation of the terms and conditions of the appointment and payment of remuneration of Mr. Prakash Kumar Chandraker without any further reference to the Company in a General Meeting."

8. "RESOLVED that the Company hereby accords its approval under Sections 198, 269, 309 and other applicable rovisions, if any, of the Act, read with Schedule XIII thereto, to the remuneration of Mr. Alexandre Tagger as Whole-time Director of the Company with effect from 1st April, 2012 for a period of 3 years on the terms and conditions a summary of which is set out in the Explanatory Statement in relation to this resolution.

RESOLVED FURTHER that subject to the aforesaid provisions of the Act and amendment(s) or modification(s) or relaxation(s) by the Central Government to the Schedule XIII to the Act, the Board of Directors be and is hereby authorized to do all those things, deeds and matters as may be incidental or necessary including modification or variation of the terms and conditions of the appointment and payment of remuneration of Mr. Alexandre Tagger without any further reference to the Company in General Meeting."

Registered Office:
Milestone 87, Vadodara, Halol Highway
Village Kotambi, P.O. Jarod
Vadodara 391 510, Gujarat

By the order of the Board
C.S. Ashok Kumar
Company Secretary

20th June 2013

Notes:

1. Explanatory Statement pursuant to Section 173(2) of the Act, in respect of business under items set out above as special business to be transacted at the Annual General Meeting are annexed hereto and forms part of this Notice. The information and disclosure required under Clause 49 of the listing agreement is set out under relevant items in the Explanatory Statement.

2. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting. Such proxy need not to be a member of the company.

3. An instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.

4. Members / Proxies attending the Meeting are requested to bring their completed attendance slips (sent herewith) along with the copy of Annual Report to the Annual General Meeting.

5. A member desirous of getting any information on the accounts of the Company is requested to forward his / her query(ies) to the Company at least one day prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same at the Annual General Meeting.

6. The documents referred to in the Notice and the Explanatory Statement annexed hereto are available for inspection by the Members of the Company at the Registered Office of the Company between 2:00 PM to 4:00 PM on any working day of the Company.

7. Members are requested to notify any change in their address / mandate / bank details immediately to the Company's Registrars and Share Transfer Agents, namely C.B. Management Services (P) Limited at P-22 Bondel Road, Kolkata - 700019.

Explanatory Statement
Pursuant to Section 173(2) of the Companies Act, 1956

Item 5
At the Board meeting held on 22nd May 2013, Ms Rajani Kesari was appointed as an Additional Director of the Company. In terms of Section 260 of the Act, read with Article 30(13) of the Articles, Ms. Rajani holds office as such Director until the date of this Annual General Meeting. The Company has received a notice in writing along with the requisite deposit from a Member, under Section 257 of the Act, signifying his intention to propose Ms. Rajani for appointment as a Director of the Company.

Brief particulars of Ms. Rajani Kesari are given hereunder:

Ms. Rajani joined Schneider Electric in October 2008 and is presently Vice President Finance and Country Finance Partner. Prior to this she has worked with Dr. Reddy's Laboratories for several years in various positions such as that of Chief Finance Officer-Europe, Chief Internal Auditor, Head of Global Taxation and Finance Head for a large business unit. She has also worked with KPMG in Dubai in their Assurance business, supervising audits of manufacturing and banking sectors. She also has extensive exposure to mergers and acquisitions activity in Europe followed by integration of acquisitions. She is a qualified Chartered Accountant, Cost Accountant and Certified Public Accountant from USA.

Ms. Rajani is presently the Vice President Finance and Country Finance Business Partner of Schneider Electric India Private Limited. She is also on the Board of Schneider Electric India Private Limited and other Companies viz Energy Grid Automation Transformers and Switchgears India Ltd, Luminous Technologies Pvt. Ltd., CST Sensors India Pvt. Ltd., etc.

Ms. Rajani does not hold any equity shares of the Company as on the date of this Notice.

The Directors recommend passing of the resolution set out in Item 5 of the Notice.

[Excepting Ms. Rajani Kesari no other director is concerned or interested in this resolution].

Item 6
Mr. V.S. Vasudevan was appointed as Additional Director, by means of a Circular Resolution passed by the Board of Directors of the Company, on 11th June 2013. In terms of Section 260 of the Act, read with Article 30(13) of the Articles, Mr.Vasudevan holds office as such Director until the date of this Annual General Meeting. The Company has received a notice in writing along with the requisite deposit from a Member, under Section 257 of the Act, signifying his intention to propose Mr. Vasudevan for appointment as a Director of the Company.

Brief particulars of Mr. V.S. Vasudevan are given hereunder:

Mr. Vasudevan has held the position of CFO at Dr Reddy's Laboratories, responsible for Finance and Investor Relations for a period of 22 years. During this period, Dr Reddy's transformed itself from a start up to a US $ 1 Bn Company and was listed in NYSE. He was the Head of European Operations for a period of 3 ½ years based in London and during this tenure was responsible for developing the European market for Dr. Reddy's through series of organic and inorganic moves.

Currently working as an Independent Advisor to Private Equity Institution, Financial Institution and Health Care Services Institution. Also doing equity research and portfolio management with a team of young Management Graduates. He is the Managing Director of Vishar Portfolio Investment Pvt. Ltd. and on the Board of UQUIFA, Barcelona, Spain.

As a Member of Management Council at Dr. Reddy's, CFO and being on Board of companies in Europe and India, was a key member for developing the strategy and driving execution for Dr. Reddy's growth.

Summary of his achievements:
Enabled the Company to establish very progressive Corporate Governance policies and practices including ahead of time compliance with Sarbanes Oxley Act and Clause 49 requirements - Brought board practices to a world class level in terms of information sharing, analysis of competitor information, detailed analysis and benchmarking of Company information to facilitate decision making. Key participant

in transforming the company from a regional API manufacturer to a global corporation.

Strategic Contributor to putting company's financials on a sound footing - initiatives in tax areas resulted in efficient tax structure and significant and recurring tax savings.

Pioneered activities competitor information, detailed analysis and benchmarking of Company information to facilitate decision making. As a CFO have a credit for record number of IPOs/FPOs/GDR/ADR issuances - GDR listing in Luxembourg (traded in London), ADR listing in NYSE follow on ADR.

As head of European Operations - Integrated acquired company and functions and integrated the European Operations under very challenging circumstances.
Set up a Global Business services center with over 150 members to service all accounting and other services.

Recognitions:

- Nominated as one of Finalists for CNBC for the Best Indian CFO in 2007.
- Was awarded Chairman's Excellence Award at Dr. Reddy's.

Team Development:

- Put together a team with diverse capabilities for European Operations; Groomed several younger colleagues to become CFOs of different companies; and motivated younger members through career transitions.

Mr. Vasudevan does not hold any equity shares of the Company as on the date of this Notice.

The Directors recommend passing of the resolution set out in Item 6 of the Notice.

[Excepting Mr. Vasudevan no other director is concerned or interested in this resolution].

Item 7

At the last Annual General Meeting held on 31st July 2012, the shareholders had approved the appointment and remuneration paid to the Managing Director, Mr. Prakash Kumar Chandraker. At that time the Company had made profits and the approval for payment was made in terms of Sections 198, 269, 309 and other applicable provisions, if any, of the Act read with Schedule XIII thereto. Since, there has been inadequate profits for the current year ended March 31, 2013, the Shareholders approval is now sought once again in terms of the aforesaid provisions of the Act and amendment(s) or modification(s) or relaxations (s) by the Central Government to the Schedule XIII to the Act.

I. Salary:

Rs.2,25,000/- (Rupees two lakhs twenty five thousand only) per month with such increases as may be determined by the Board from time to time.

II. Bonus:

Mr. Chandraker shall be entitled to a bonus based on the Company's bonus scheme (Short Term Incentive Scheme) as may be approved by the Board.

III. Perquisites:

a. Mr. Chandraker shall be entitled to perquisites such as furnished accommodation (or House Rent Allowance in lieu thereof) including gas, electricity and water, maintenance charges,reimbursement of medical expenses, medical insurance, leave travel concession for self and family, club fees, accident insurance and such other perquisites as may be decided from time to time.

For the purpose of calculating the annual value of the perquisites, the same shall be evaluated as per the Income Tax Rules, wherever applicable. In the absence of any such Rule, the same shall be evaluated at actual cost. Provision for use of car for official duties and telephone at residence shall not be included in the computation of the perquisites value.

b. The Company's contribution to Provident Fund and Superannuation Fund in accordance with the Rules and Regulations of the Company. Such contributions will not be included in the computation of the ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

c. Gratuity shall be paid at a rate not exceeding half month's salary for each completed year of service and this would not be considered as remuneration or perquisite for the purpose of computing commissions or minimum remuneration.

d. Encashment of leave as per the Rules of the Company.

e. In the event of loss or inadequacy of profits of the Company in any financial year during the tenure of Mr. Chandraker, he shall be entitled to receive the total remuneration (excluding the exempted perquisites at (b), (c) and (d) above) not exceeding Rs.48,00,000/- per annum subject to such payment being approved by the Remuneration Committee in terms of the regulations contained in Part II, Section II of Schedule XIII to the Companies Act, 1956.

f. In the year of adequate profits, the total remuneration paid to him for a financial year, inclusive bonus as per II above (but excluding the exempted perquisites as detailed above) shall not exceed 5% of the net profits of the Company, determined in accordance with the provisions of the companies Act, 1956, as may be applicable for that financial year.

The following additional information as required under Schedule XIII of the Companies Act, 1956 is given below:

General Information:

Nature of Industry
The Company is engaged in the business of design, manufacture, build, supply, service, engineered and technologically advanced products, turnkey integrated solutions for efficient management of energy comprising all types of transformers, air insulated and gas insulated switchgears, package substations, auto reclosures, sectionalisers, substation automation systems, network automation systems, protection, control and measurement devices and solution for smart grid and smart infrastructure etc.

Date or expected date of commencement of commercial production: Not applicable.

In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

Financial Performance based on given indicators: Please refer to the Annual Report
Export Performance and Net Foreign Exchange Collaborations: As per Annual Report
Foreign Investments and Collaborations: Please refer to the Annual Report
Information about the Appointee:

Background Details:
Mr. Chandraker is a graduate in Electrical Engineering from Govt. Engineering College, Raipur (NIT Raipur). He has done Business Leadership from IIM Bangalore and Management leadership from Management Centre Europe (MCE).

Mr. Chandraker was the Head of the Energy Automation in India Region and has a working experience of 27 years in power sector. He has held many challenging positions (Business Segment Manager, Operations Director, Unit Head, etc.) in Cegelec India, Alstom T&D Systems India and Areva T&D India Limited.

Mr. Chandraker was the head of the Energy Automation team which lead implementation of Unified Load Despatch Centre (ULDC) Scheme for Northern Region, North-Eastern Region and Eastern region for Power Grid Corporation of India Limited (PGCIL) and various Electricity Boards in India

Past remuneration drawn by Mr. Chandraker during the financial year ended 31st March, 2013:

Appointed as the Managing Director wef 16.12.2011, remuneration paid as Managing Director is 1,491,608/-

Recognition and Awards: Mr. Chandraker was awarded for excellence in operations.

Job profile Suitability: As per the Industry requirement

Remuneration Paid: Salary paid to Mr. Chandraker is the basic salary of Rs. 2,25,000/- per annum and other perquisites, allowances, other benefits, etc. respectively, as fully set out in Item no. 7 of this notice. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Chandraker, the remuneration paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Besides the Remuneration paid to Mr. Chandraker he does not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors.

Other Information:

Reasons of loss or inadequate profits:
The current position of the Company can be attributed to the fact that during the year there had been a delay in many large projects getting implemented due to economic uncertainties and low investment in keysectors leading to overall decline in the market. The performance for the year ended is more fully given in the Directors report to the shareholders.

Disclosures:
The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report for the year ended March 31, 2013.
Mr. Chandraker does not hold any equity shares of the Company as on the date of this Notice.

Considering his background and experience, the Board is of the opinion that the remuneration paid to Mr. Chandraker, as Managing Director, will commensurate with similar counterparts in other companies and accordingly recommends the acceptance of the resolution set out in Item 7 of the Notice.

Excepting Mr. Prakash Kumar Chandraker no other director is concerned or interested in these resolutions.

Item 8
At the last Annual General Meeting held on 31st July 2012, the shareholders had approved the appointment and remuneration of the wholetime Director, Mr. Alexandre Tagger. At that time the Company had made profits and the approval of the shareholders for payment was made in terms of Sections 198, 269, 309 and other applicable provisions, if any, of the Act read with Schedule XIII thereto. Since, there has been inadequate profits for the current year ended March 31, 2013, the Shareholders approval is now sought once again in terms of the aforesaid provisions of the Act and amendment(s) or modification(s) or relaxations (s) by the Central Government to the Schedule XIII to the Act.

Brief particulars of Mr. Tagger are given hereunder:

Mr. Tagger was deputed to the Company from Schneider Electric India Pvt. Limited (SEIPL) on a whole time basis and the cost of Mr. Tagger's deputation will be recharged to the Company by the SEIPL.

This will compose the following:

Basic Per Annum	Rs.	34,56,000
Allowances and Perquisites per Annum	Rs.	1,06,89,562
Total Cost to Company	Rs.	1,41,45,562

At the Board meeting held on 29th May 2012, Mr. Tagger was appointed as a Whole-time Director for a period of 3 years with effect from 1.4.2012. In terms of the Articles of Association, as a Whole-time Director, Mr Tagger shall not be liable to retire by rotation.

The following a dditional information as required under Schedule XIII of the Companies Act, 1956 is given below:

General Information:

Nature of Industry
The Company is engaged in the business of design, manufacture, build, supply, service, engineered and technologically advanced products, turnkey integrated solutions for efficient management of energy comprising all types of transformers, air insulated and gas insulated switchgears, package substations, auto reclosures, sectionalisers, substation automation systems, network automation systems, protection, control and measurement devices and solution for smart grid and smart infrastructure etc.

Date or expected date of commencement of commercial production: Not applicable

In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

Financial Performance based on given indicators: Please refer to the Annual Report Export Performance and Net Foreign Exchange Collaborations: As per Annual Report

Foreign Investments and Collaborations Please refer to the Annual Report

Information about the Appointee:

Background Details:
Mr. Alexandre Tagger started his career at JP Morgan in London in 1994 in Corporate Finance focusing on European domestic and cross-border mergers & acquisitions in the financial sector. Mr. Tagger joined Schneider Electric in Paris in 2004 and was promoted to Vice President, External Growth – Mergers & Acquisitions in 2007 and additionally named Global M&A Co-ordinator for the Group in 2008. Mr. Tagger was fully involved in the Areva T&D consortium acquisition in partnership with Alstom, including the review and structuring with regard to Areva T&D India. Since August 2010, Mr. Tagger is based in Delhi, where he has overseen the statutory requirements under the open offer and other related formalities as per the consortium agreement. He has been on the Board of AREVA T&D India Limited from February 2011 to December 2011 representing Schneider Electric to oversee the separation process.

Mr. Tagger holds a graduate degree from Ecole de Management Lyon as well as a Master's of Business Administration from the University of Texas Red McCombs Graduate School of Business (1994).

He is also a Director on the Board of Energy Grid Automation Transformers and Switchgears India Ltd., the Holding Company.

Past remuneration drawn by Mr. Tagger during the financial year ended 31st March, 2013: Appointed as whole time Director wef 1.4.2012.

Remuneration paid: Salary to Mr. Tagger is the basic salary of Rs. 34,56,000/- per annum and other perquisites, allowances, other benefits, etc. respectively, as fully set out in Item 8 of this notice.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Tagger, the remuneration paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Besides the Remuneration proposed to be paid to Mr. Tagger he does not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors.

Other Information:

Reasons of loss or inadequate profits:
The current position of the Company can be attributed to the fact that during the year there had been a delay in many large projects getting implemented due to economic uncertainties and low investment in key sectors leading to overall decline in the market. The performance for the year ended is more fully given in the Directors report to the shareholders.

Disclosures:
The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report for the year ended March 31, 2013.

Mr. Tagger does not hold any equity shares of the Company as on the date of this Notice.

Considering his background and experience, the Board is of the opinion that the remuneration paid to Mr. Tagger, as Whole-Time Director, will commensurate with similar counterparts in other companies and accordingly recommends the acceptance of the resolution set out in Item 8 of the Notice.

Excepting Mr. Tagger no other director is concerned or interested in these resolutions.

Registered Office:
Milestone 87, Vadodara, Halol Highway
Village Kotambi, P.O. Jarod
Vadodara 391 510, Gujarat

By the order of the Board
C.S. Ashok Kumar
Company Secretary

20th June 2013

Dear Member

In accordance with Green Initiative undertaken, in terms of the circular issued by Ministry of Corporate Affairs, you are requested to inform your current Email ID in the following manner:

For shares held in Electronic Form: to your Depository Participant (DP)

For shares held in Physical Form: to the Company or to the RTA at the following address
C B Management Services Pvt. Limited, P-22, Bondel Road, Kolkata-700 019.

If your email address is not registered with your Depository Participant/the Company, a physical copy of all communications/documents will be sent to you as hitherto. You can also change your instructions at any time hereafter and request the Company to send all communications to you in the physical form. The relevant documents will also be displayed on the Company's website.

Dematerialisation of Shares: If you are holding shares in physical form, please take immediate action to demat your shares (since trading of shares of the Company is under compulsory Demat mode as per the regulation of SEBI). Dematerialisation will not only provide easy liquidity, but also safeguard the shares from any possible physical loss.

Thanking you

Yours faithfully,
For Schneider Electric Infrastructure Limited

C.S. Ashok Kumar
Company Secretary

Schneider Electric Infrastructure Limited

Registered Office:
Milestone 87, Vadodara-Halal Highway
Village Kotambi, Post Office Jarod
Vadodara 391 510, Gujarat

PROXY FORM

I/We.....
of.....
being a Member/Members of Schneider Electric Infrastructure Limited hereby appoint .....or.....as my/our proxy to attend and vote for me/us and on my/our behalf at the Third Annual General Meeting of the Company to be held on Thursday, the 1st day of August, 2013 at 11.30 AM at the 'Tropicana', The Gateway Hotels, Vadodara Akota Garden, Akota, Vadodara-390020, Gujarat India and/or at any adjournment thereof.

As witness my/our hand(s), this..... day of….....2013.

Signature of the Account/Proxy Holder

Affix
Revenue Stamp
here

Member's Folio No/…….....

DP ID / Client ID…….....

Note: Proxies should be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for holding the meeting.

----------Perforation----------

Schneider Electric Infrastructure Limited

ATTENDANCE SLIP
(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the Third Annual General Meeting of the Company on Thursday, the 1st day of August, 2013 at 11.30 AM at the 'Tropicana', The Gateway Hotels, Vadodara-390020, Gujarat.

Full Name of the Shareholder in Block Letters:.....

Member's Folio No/…….....

DP ID / Client ID…….....

No. of Shares held:.....

Name of Proxy (if any) in Block Letters:.....

Signature of the Shareholder