



Digitising and Connecting the New World of Energy

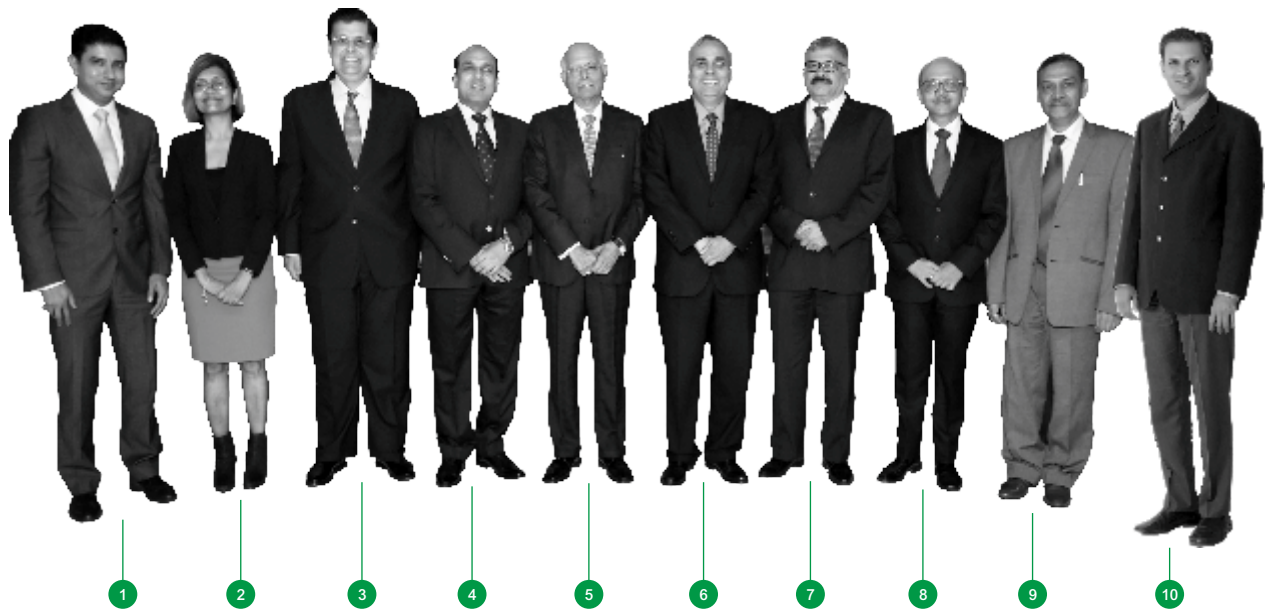
Schneider Electric Infrastructure Limited
ANNUAL REPORT 2016 - 17

<http://infra.schneider-electric.com/in/>

Life Is 

Schneider
 Electric

> Board of Directors & Key Managerial Personnel



From Left to Right

1. **Mr. Arnab Roy**
Chief Financial Officer
2. **Ms. Sonali Kaushik**
Director
3. **Mr. Ranjan Pant**
Independent Director
4. **Mr. Prakash Kumar Chandraker**
Managing Director & CEO
5. **Mr. Vinod Kumar Dhall**
Chairman & Independent Director
6. **Mr. Anil Chaudhry**
Director
7. **Mr. Vishar Subramanian Vasudevan**
Independent Director
8. **Mr. Sugata Sircar**
Director
9. **Mr. Anil Rustgi**
Company Secretary & Compliance Officer
10. **Mr. Vivek Sarwate**
Whole-time Director

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> Message from Chairman



I am happy to present the Annual report of Schneider Electric Infrastructure Limited (SEIL) for the Financial Year 2016-17 to our valued shareholders. The Board and management team strongly believe that we are on the right strategic path in the current economic environment. India's economy has faced subdued demand combined with liquidity challenges over the past few years. The good news, however, is that there is a positive sentiment and the economic and tax reforms that have been undertaken are expected to lead over time to sustainable long-term growth.

In the power sector, the government has made its goal clear, to develop the sector and provide 24x7 uninterrupted power for all by enhancing the reliability of the distribution grid and reducing the AT&C losses. The government's emphasis on infrastructure as a critical priority and its push toward the much-needed financial turnaround and revival of power distribution companies (DISCOMs) is reflected in various initiatives like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), the Integrated Power Development Scheme (IPDS) and the Ujwal DISCOM Assurance Yojna (UDAY). However, some challenges remain and it will take some time for the improvements in the power distribution sector to become visible.

Some major achievements of your Company during the year are mentioned below:

- **Bench mark order:** The first integrated green field smart city order in India was secured by your company from the New Raipur Development Authority (NRDA). This will help to create a benchmark in integrated and effective management of city subsystems to improve the quality of public services.
- **Operational excellence:**
 - o Digitisation of supply chain processes to bring traceability of products and components in the complete value chain.
 - o 'My SE' application was launched for customers to track and trace the deliveries of their orders.

- o Smart remote inspection process was launched at the Kolkata works to facilitate efficient factory acceptance test from the customer's remote locations. This has helped to reduce overall delivery lead time and carbon foot print for our customers.

- **Quality:** Your Company has been awarded the "World Quality Congress Award" for partnering in the quality process with customers.
- **E-house (factory built substation):** your Company has successfully commissioned digitally enabled E-House in Orissa and Mumbai to fulfil the vision of 24X7 quality power supply of Utility.

Your Company continues its focus on creating value to its customers through innovation and application of intelligent technologies in the field of advanced grid management and Smart City. Your Company has gained valuable experience in implementation of real time Grid of Things (GOT) and Internet of Things (IOT) technologies in the last 2 years and is presently implementing advanced Smart City solution under NRDA project. Your Company is continuously enhancing its technological capabilities in the promising business area of smart city.

To meet the emerging challenges and to benefit from the new opportunities in India's fast evolving economic and infrastructural scenes, the Company continues to focus on innovative solutions, customer satisfaction and employee engagement as a part of its growth philosophy.

I would like to thank all our shareholders, customers, suppliers, communities and other stakeholders for their continuing and unstinted support to the Company during the year. I would also like to thank all the employees, and my colleagues on the Board of Directors, for their tireless commitment to enhance the performance and health of the Company.

Vinod Kumar Dhall
Chairman

> Message from Managing Director



The power sector in India is seeing a situation where the demand and supply gap has narrowed, the focus now is on quality and reliability of supply of power. Reliability of power supply is affected by several factors like - transient faults, harmonic distortion, health of distribution network including the level of digitisation. Use of technologies like self-healing and advanced grid solutions can help to tackle the issue of reliability and power quality. The power sectors move towards the Grid of Things and Internet of Things are the right steps towards the development of the grid for uninterrupted power supply by enhancing the reliability of the grid.

In 2016-17 the market continued to be challenging and we saw major financial stress in the industry. As part of its Energy Rebound Programme the management has re-evaluated recoverability of trade receivables based on various factors including passage of time and specific financial and liquidity conditions of certain customers. Based on best estimates it has recorded a provision of 1,377 MINR during the year. We are cautious and selective in term of customers while building the healthy backlog in line with our strategy. Our world is becoming more electric, more connected and more distributed. As a leader in technology innovation and energy management, your company has the opportunity to leverage the demands of this changing world effectively.

Your company's state-of-the art EcoStruxure™ solution is a unique and powerful platform for co-innovation to solve the issues and challenges of

energy grid. The EcoStruxure™ solution consists of three layers. The first layer is focused on 'datafication' of identified assets through connected products and sensors. At the second layer specialised operations technology software is provided to collect, store and analyse the data for effective monitoring and control called Edge Control and at the third layer, advanced grid software applications with highly sophisticated analytics are provided by leveraging Internet of Things(IoT) Solutions. this solution is being deployed for the ongoing contract of New Raipur Development Authority(NRDA) Smart City Solution by your company.

Your company stands at the forefront of technological advancement and for learning from global best practices. With the engagement and support of key stakeholders we hope to be a part of this rapid growth of the country by making it a sustainable one too. The country is committed to addressing the energy dilemma which we face and we are partners in securing a sustainable future for the industry, we remain focused on our strategic initiatives around cost optimisation and growth in advanced technology solution products and services.

I would like to sincerely thank all the stakeholders, employees, customers and board members for their continued support and confidence in our business.

Prakash Kumar Chandraker
Managing Director

> Corporate Information

Board of Directors

Mr. Vinod Kumar Dhall
Chairman (Non-Executive)

Mr. Prakash Kumar Chandraker
(Managing Director)

Mr. Anil Chaudhry

Mr. Ranjan Pant

Ms. Sonali Kaushik

Mr. Subramanian Vishar Vasudevan

Mr. Sugata Sircar

Mr. Vivek Sarwate

Chief Financial Officer

Mr. Arnab Roy*

* Appointed effective 08.03.2017

Company Secretary and Compliance Officer

Mr. Anil Rustgi

Registered Office

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

Registrar & Share Transfer Agent

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

Auditors

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

Committees of Directors

Nomination & Remuneration Committee

Mr. Subramanian Vishar Vasudevan - Chairman

Mr. Anil Chaudhry

Mr. Ranjan Pant

Mr. Vinod Kumar Dhall

Stakeholder's Relationship Committee

Mr. Subramanian Vishar Vasudevan - Chairman

Mr. Prakash Kumar Chandraker

Mr. Ranjan Pant

Corporate Social Responsibility (CSR) Committee

Mr. Prakash Kumar Chandraker

Mr. Ranjan Pant

Mr. Subramanian Vishar Vasudevan

Audit Committee

Mr. Vinod Kumar Dhall - Chairman

Mr. Ranjan Pant

Mr. Subramanian Vishar Vasudevan

Mr. Sugata Sircar

Risk Management Committee

Mr. Prakash Kumar Chandraker

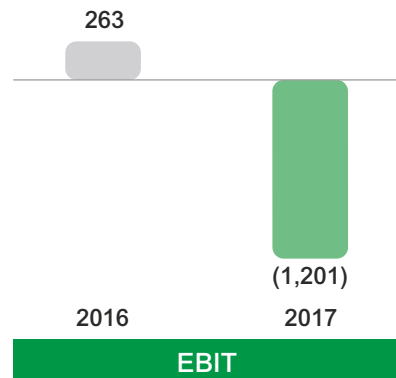
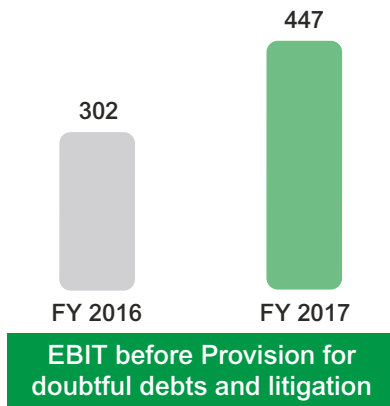
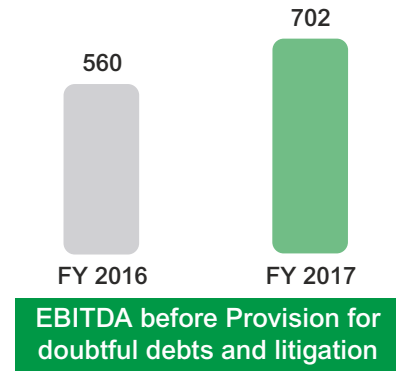
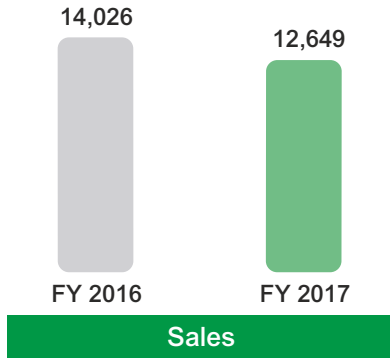
Mr. Ranjan Pant

Mr. Subramanian Vishar Vasudevan

> Financial Highlights

SCHNEIDER ELECTRIC INFRASTRUCTURE LTD.

(IN MINR)



> Directors' Report

Your Directors take pleasure in presenting herewith the Annual Report and Audited Accounts for the year ended March 31, 2017.

Financial Results

	(In MINR)	
	12M FY 2016/17	12M FY 2015/16
Sales and Services (Net)	12,649	14,026
EBITDA before Provision for doubtful debts and litigation	702	560
(As percentage of net sales)	5.5%	4.0%
Depreciation	255	258
EBIT before Provision for doubtful debts and litigation	447	302
(As percentage of net sales)	3.5%	2.2%
Provision for doubtful trade receivables	1,377	39
Provision for litigation	271	0
EBIT	(1,201)	263
Finance costs	325	428
Exceptional items	72	17
Profit after tax	(1,598)	(182)

Dividend

No dividend has been declared by the Directors for the year ended March 31, 2017, due to losses.

Performance Review

Your Company began the year with a renewed focus on profitable growth and converted the external uncertain market conditions into an internal opportunity to implement profit boosting initiatives. Indian power sector has a lot of potential to grow and advance across different stages of the delivery cycle and also at the consumption end. Though the traditional markets are still recovering, there are emerging markets which show a sign of promise. The Company has realigned itself with respect to these market trends which can provide growth opportunities in these emerging segments. The Company has dynamically responded to headwinds and local policy changes and is prepared for the much awaited tax reforms in the country. The Company has maintained its strategic priority towards profitable growth via prudent customer acquisition while offering a strong value proposition.

Your Company is continuously cautious and selective in term of customers while building a healthy backlog in line with our strategy. The Company's normal operation has improved significantly and net income before one off charges turned into positive. The recoverability of older receivables and liquidity has remained a challenge due to the market conditions. The Company has taken a one-off hit of 1,377 MINR for sticky debtors and 271 MINR for various old legal forms which turned the net income into negative.

With the market leaping towards a connected ecosystem rather than a specific standalone solution, your Company is ideally positioned to leverage its global expertise in combining IT with our proven OT to deliver completely automated and reliable solutions with augmented value

and peace of mind to our customers. The investments in development and delivery of EcoStruxure™ is a testimony to our digital and customer-centric offer strategies.

Your Company's deep industry experience and wide product and services portfolio has made it the customer's premier partner of choice. With our unique positioning in the smart products and ecosystems coupled with the increasingly reliable, safe and environmentally friendly offers, we witnessed continued support from our partners and renewed confidence from customers this year. Thus, we have not only secured our existing client base but also acquired industry leading projects in both government and private sectors. At every level in the organisation we remain committed towards sustainability, safety and satisfaction of customers and society in general.

Employees are the company's most valuable assets. Our unwavering focus on employee growth and development has been a keystone in the achievement of successful feats in a highly competitive market. Multiple training programs and employee engagement initiatives with world class content and delivery modes have helped in achieving the ambition of being a dynamic and learning organisation.

Your Company is grateful towards its shareholders, customers, employees and all stakeholders for their confidence and inspiring support to grow our business from strength to strength and meet the expectations of the future.

1.0 Our Offerings

1.1 EcoStruxure™ Grid

The **New World of Energy** built on IT/OT convergence

Megatrends: 3D equation behind profound change in the energy world

Firstly, decarbonisation - for power systems we're talking about the impact of renewables. It is predicted that over the next 15 years, **growth in variable renewable capacity will continue**. The variability of renewables means that grid-tied storage will also become a reality.

Secondly, digitisation - the internet of things has reached power systems. Millions of **automated grid devices gathering and integrating energy data** will change the face of the future grid and transform the job of grid operators

The third D is Decentralisation as power generation models are changing and where small scale solar and storage can turn consumers into prosumers and produce energy closer to where it is used.








Schneider Electric is a technology company in the business of innovation.

Our "advanced grid" vision of how we will **support this transformation is built on 3 pillars of innovation**. It will enable energy world players to embark on a digital journey.



At Schneider Electric, innovation is in our DNA and in every part of the energy ecosystem. We innovate in our connected products to extend communication and data-integration capacities. Our local control systems work across the grid right to its edge, with distributed generation and on the demand side enabling operational and enterprise data to be fully leveraged by powerful analytics and services.

From seamless local production and integration at the grid edge, to bridging demand and supply, EcoStruxure™ Grid increases your grid's efficiency for sustainable networks.

Apps, Analytics & Services	Edge Control	Connected Products
<ul style="list-style-type: none"> EcoStruxure™ ArcFM EcoStruxure™ Microgrid Advisor Smart Grid analytics for efficient operations and predictive maintenance and investment plans 	<ul style="list-style-type: none"> EcoStruxure™ Substation Operation EcoStruxure™ Advanced Metering Operation EcoStruxure™ ADMS Secure, reliable and efficient grid, substation and meter management. 	<ul style="list-style-type: none"> Primary switchgear: MCset Smart Ring Main Unit Protection relays Transformers: Minera SGrid Easergy T300 Remote control and monitoring insights on mobile tools for safer maintenance and operations
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Monitoring and Control for Renewables</p> </div> <div style="text-align: center;">  <p>Monitoring and Control for Renewables</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  <p>Cloud-based Microgrid Analytics</p> </div> <div style="text-align: center;">  <p>Supply, Demand, Sustainability</p> </div> </div>	<div style="text-align: center; margin-bottom: 20px;">  <p>PACiS/ Cybersecurity</p> </div> <div style="text-align: center;">  <p>ADMS/ GIS</p> </div>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Smart RMU</p> </div> <div style="text-align: center;">  <p>Easergy T300 Remote Terminal Unit</p> </div> </div>

1.2 Our Smart Products for Smart Solutions

As electricity networks become more complex and less stable, the grid needs to become smarter to continue to efficiently balance supply and demand. The grid will be smart, once all users are smart grid ready and connected to the network.

- Utilities will drive **Smarter Supply**, to manage increasing demand, network complexity and environmental concerns
- Energy efficient companies and active end-users will drive **Smarter Demand**, to maximise the cost and environmental benefits from energy efficiency
- And **Demand Response** will efficiently link demand and supply

SMART Grid therefore combines electricity operation technology and IT infrastructure to integrate and inter-connect all users (producers, operators, marketers, consumers, etc.), in order to continue to efficiently balance demand and supply over an increasingly complex network.

There is, certainly, a greater need to monitor quite complex voltage grid systems than was previously the case. This expansion of monitoring will lead to an immense amount of data that must be processed.

In addition to the above, there is also need for additional solutions which help in establishing an efficient grid namely:

Digital Substation

Integration of IEC61850 based IEDs into digital control systems can enable the complete substation to be unmanned with remote monitoring and control from control center.

Self Healing Grid

A self-healing grid is one capable of automatically sensing, isolating and instantaneously responding to power system disturbances, while continually optimising its own economic as well as operational performance. Smart grid self healing refers to a design concept that enables problematic elements of an electrical system to be identified, isolated, and restored, with little or no manual intervention, so as to minimise interruptions of service. Self healing is, in essence, the smart grid's immune system

Renewable Integration

The true smart grid should help integrate large number of distributed energy resources, mostly renewable energy sources viz. Solar and Wind. Renewable energy sources bring new challenges to grid managers, like numerous distributed sources of very different sizes located where the resource is (viz. from small kW (residential solar) to some 100s of MW (large wind farms, hydro), intermittent production (seasonal variability, day/ night cycles (solar)), and intra-day variability that is difficult to forecast.

Renewable integration is one of the most important components of smart grid which stimulates new technical opportunities viz. distributed sources may allow grids to better withstand the loss of a centralised production unit or a local grid incident; islanding can become a degraded mode of operation if it is controlled; and power electronic converters bring the flexibility of software controlled machines, plus the ability to communicate, ability to operate in different modes, exchange of information with the grid management.

Several systems are required for this:

- **Distribution Management System (DMS):** The DMS is the tool that enables the power system engineer and dispatcher to effectively and efficiently engineer, plan and operate the distribution network
- **Global Information System (GIS):** GIS is used to show where, precisely, the event took place and which region of it is affected
- **Outage Management System (OMS):** OMS sounds an alarm that informs the operator of the event
- **Customer Information System (CIS):** CIS provides the information on the utility's website, so that customers can find out for themselves why they have no power or how long it will take to rectify the damage
- **Work Management System (WMS):** WMS creates a work order with the GIS data, detailing location of substation for the people to undergo the rectification/ replacement of equipment
- **Cyber Security:** Security of our customers' systems is of paramount importance and this helps provide security guidelines for customers to ensure their systems are protected from attack

E-House: Factory build smart substation

With the growing needs of high reliability and availability of power, energy utilities and electro sensitive/ intensive industries need to look for innovative solutions, which are compact, mobile, reliable and safe. They also need a single responsible interlocutor to deliver a fully engineered solution with simplified and fast delivery model.

Over the past few years, the Smart Grid has been developing quickly, but unevenly. Recent events have made the energy equation more complex everywhere, further accelerating the need for smart grid applications helping cities to get SMART.

SMART INFRA: Smarter Grids are transforming the energy value chain

Rapid economic and social growth, in conjunction with increasing population, translates to more and more energy demand in India. This situation, coupled with strict regulations on the quality and reliability of supply mounts increasing pressure on the Indian power utilities and authorities to keep the network at the best possible state and ensure power availability round the clock.

To live up to the customer expectation and to transform power sector, by and large, Smart Grid has sufficiently transformed the entire value chain of power sector, from generation to consumption, in India, which is the fastest growing economy. We have our own socio-techno-commercial challenges to deal with and we need to define "How Smart Grid can transform India's power Infrastructure value".

Huge investments are already being made by Government, through schemes like DDUGJY, IPDS, 24x7 Power to all, 175 GW Solar, R-APDRP and National Smart Grid Mission (NSGM), on replacing the ageing infrastructure to ensure power availability round the clock.

However, with rapid growth, gap between demand and supply and aging network are putting pressure on the network and hence the chance of failure can't be completely eliminated. It is therefore necessary to deploy "Innovative and Smart technologies" to minimise the impact on the affected customers.

Schneider Electric, which is a global leader in the energy management, sets the benchmark for innovative and focused technologies for Utilities/ Industry/ O&G and Transport segment in India. This is why Schneider Electric has always been at the forefront of leading edge technology at every level of energy infrastructure essential for social, economical and environmental development.

One reason for Schneider Electric's strength and resilience is our global reach matched with well developed local capabilities. With such strong initiatives, we are now one of the world leaders in fastest-growing Smart Grid segment with most robust, expendable, scalable and secure smart grid solution.

SMART RMU for Grid Management

SMART RMU is an intelligent insulated switchboard for secondary distribution networks associated to a RTU ready to use. It is insensible to environment, virtually maintenance free and easy to install and operate. It's a must use product for today's distribution automation requirement.



Condition Monitoring of MV Switchgears

Schneider Electric switchgears are safe to operate, on top of that, it is also possible to operate nearby the switchgear.

This provides customers with a lot of benefits like

- Safety for equipment - a pre alarm is issued immediately (24x7), giving time to inspect/ repair faulty connection before any damage
- No business disruption
- Safety for operator
 - health status assessment is done remotely (online)
 - operate switchgear 10m away from it
- Reduction of fire risk
- Reduction of operational expenses (OPEX)
 - No need for specific visit on-site to check cable connections, humidity, circuit breaker etc
 - reduction of periodic survey between 2 maintenance periods
 - Reduce insurance premiums (fire risks and process loss risks are reduced)
- Extend lifetime: wear indicator helps maintenance manager to invest replacement at the right time
- Linked with Schneider Services (optional): Schneider expertise on top of online monitoring

1.3 Smart City

Introduction

As the leader in energy management and efficiency, Schneider Electric has a portfolio of solutions to optimise, integrate and improve city infrastructure, including energy, transportation, public services, water, and buildings.

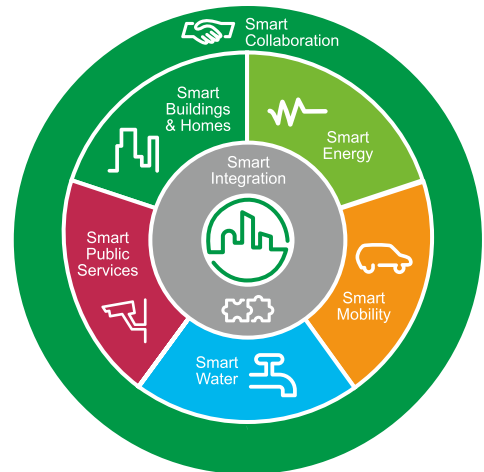
Being smart and sustainable, a city in India increases its competitive advantage for economic growth, and positions the city to attract talent, business and visitors.

The “Smart City” is a relatively new and hot concept and the definition is evolving and will continue to evolve. An appropriate definition that is gaining adoption and acceptance comes from Navigant Research: A Smart City is characterised by the integration of technology into a strategic approach to sustainability, citizen well-being, and economic development. Ultimately, the Smart City is about urban efficiency and doing more with less - providing differentiated services to citizens, reducing costs and generating revenue.

Schneider Electric delivers systems that provide the infrastructure for business - in energy, water and commercial buildings. Our integrated, collaborative approach enables cities to holistically manage all these systems to achieve urban efficiency today. Our approach delivers the short-term, visible, measurable, low-investment results that cities need:

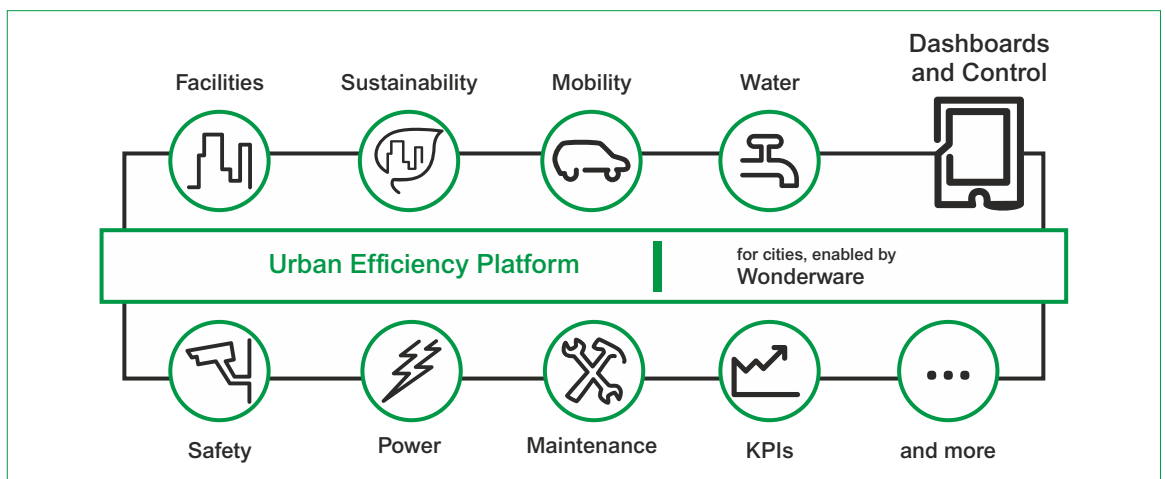
- up to 30% energy savings;
- up to 15% reduction of water losses;
- as well as social and economic benefits.

The solution we propose will allow the city to monitor and control multiple, disparate systems in real time. This Urban Efficiency Platform has been combined with advanced sustainability reporting tools, analytics, operational



control solutions and innovative applications to provide a truly efficient 'system of systems'.

Our approach for the 100 smart cities in India will have to be a highly customisable solution with a flexible and scalable open architecture. It will be applicable for both PAN city projects and Area based developments. Easy to configure web and mobile reports allow city stakeholders to monitor operational KPIs. Custom, real-time dashboards aligned directly with the city's needs provide visible examples of savings and success. The platform can be expanded modularly over time with immediate needs and objectives addressed during initial phases. Efficiencies and cost-savings can be leveraged to expand the platform to other areas of interest. Schneider Electric will intimately work to understand those cities' objectives and then collaborate to define a system architecture and road-map that delivers substantial value and urban efficiency.



Schneider Electric aspires to work with city leadership to define a roadmap for this technology platform to make Smart Cities the most efficient, seamless, safe and impactful experience for residents and visitors

In a nutshell, Schneider Electric's unique approach towards Smart City for Indian context shall be based on the city and its status. The approach will differ for Green field projects from that of Brownfield projects. Not only that, Schneider's solutions are geared up for Whitefield projects like developer townships of smaller scale compared to that of a city.

In case of Brownfield cities, which are mostly 100+ cities announced by MoUD, Schneider proposes to have Bottom to Upside approach, which means, it will make individual pillars like water, electricity, gas, waste, transport, etc., smart, as they all belong to different utilities. It will be difficult to synergize different departments at first go. Next level can go for Urban Efficiency Platform approach where cities can have a unified control room for all utilities.

Whereas, in case of Green field cities, we propose the approach of Unified Control Room (Integration) along with all smart verticals together to avoid any integration issues at later stage.

Schneider Electric approach towards this market is mainly through partnerships with major Infra & IT companies to make a holistic approach.

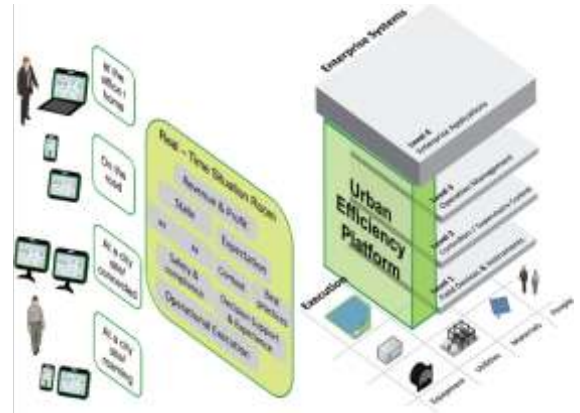


Figure 3: Virtual real-time situation room supported by the Urban Efficiency Platform

2.0 Our Strategy

Leverage the world's new energy challenges

The energy challenges are many: growth in energy demand, energy price increase, scarcity of natural resources, CO₂ emission reduction requirements, integration of unpredictable and intermittent renewable sources of energy, increase in peaks of consumption and infrastructure growth. We have developed a wide range of products and solutions that will provide end users and consumers with significant levels of energy efficiency and

savings. Our Smart Grid Solutions, delivered through the innovative Ecostuxure Grid Platform help electricity producers and distributors to improve the efficiency of their assets and to offer a better service to their consumers and build future smart cities. This also contributes to the improvement in the operation of the grid and reduction in investment in new generation capacity.

Serve the increasing need for automation of our customers in key market segments

The 'Make in India' as well as rising standard of power reliability and safety is creating significant opportunities for growth. Coupled with this, large corporations are looking to improve operational efficiency across the whole enterprise, while at the same time improving security and safety of operators and the environment. The power

distribution segment is undergoing a transformation to provide 24x7 power to all and improve the reliability and quality. We are today offering advanced automation solutions to establish self healing grids, unmanned stations and asset management solutions.

Support the digital transformation of customers and partners

The convergence of operational technology (OT) and information technology (IT) creates many new opportunities for customers. It makes their life easier, increases productivity, creates new business models that provide new value propositions for their own customers. Digitization in products and processes, is at the heart of their future growth. Through continuous innovation, we

engineer products and solutions that help them unlock this potential. Schneider Electric builds native connectivity in its product offerings, delivers a range of digital services to help customers' extract value from their data through analytics, ensures cyber security and provide a transparent user interface and the best customer experience.

Build two complementary business models: Products and Technology Solutions

Products and solutions are complementary business models and we aim to deliver profitable growth in both. Products allow us to achieve scale and pricing power. In order to reinforce our leadership position and continue to grow, we leverage technology to offer connected, market leading products. Solutions and Services allow us to generate additional growth and profits, lower capital intensity and help reduce cyclicalities. They provide

significant opportunities to establish greater customer intimacy and sustainable business opportunities through dialogue with final end-users, which in turn help in our quest for continuous innovation. We have developed tested, validated and documented reference architectures for solutions in targeted end-markets, in order to facilitate smooth integration of our products and speed up project design.

Invest in profitable and responsible growth while driving efficiency

We believe in the long-term growth potential of our business, and we continuously invest in our R&D practices and to drive growth through engagement with customer and partners. The investment is focused on sustained spending in R&D, as well as on growing our commercial presence and skills, especially in the fields of high value-added technologies and services and also in facilitating engagement and involvement of customers to develop offers aimed at solving current and future challenges,

including those that are country specific. In addition to the investments we make to foster growth, driving efficiency at all levels of our Company is an equally important focus of the group. We continuously seek to generate savings from purchasing and manufacturing and through improving operational efficiency by reducing selling, general and administrative expenses, while maintaining best-in-class standards in environmental sustainability and social responsibility.

3.0 Digitization Initiatives

Digitization will drive speed, efficiency, cost reduction and customer satisfaction

- **Bridge SAP:** Go live in April, 2016
- **V FAST (Vendor Forecasting tool)** drive to measure and sustain vendor forecast accuracy for standard parts
- **One MM (Material Management) tool** Maturity
- Extend **Satellite (tool to simplify tendering and order booking process)** to all switchgear products
- **CNPS@FAT (Customer net promoter score at Final assembly & testing):** online with iPad application
- Online key **shipment tracking**
- Implementation of **QR code** on **mySchneider App** for Protection and Substation Automation Devices
- Web based tool for protection relays product selection and configuration on IPAD and mobile platforms

4.0 Customer Care Excellence (CCE)

Customer Care Excellence is at the heart of Schneider Electric strategy

Our vision is to deliver the best-in-class customer experience to all our customers across market segments.

We transform the way we engage and deliver value to our customers and partners:

- by leveraging digital to deeply understand their behaviours and needs in order to strengthen their business
- by enabling extended value creation through connected offers and services
- to enhance customer satisfaction and loyalty by acting as a competent and trusted advisor
- to provide excellent value added support across all communication channels with easy access to Schneider Electric
- and promote self-service by utilising digital technology

The pillars of customer care excellence transformation

Shift to Tailored Care

- Align to the unique needs of each customer segment
- Create a personalised customer experience that replaces "one size fits all"
- Become a leader in customer experience

Contribute to Growth

- A new level of customer experience: best-in-class with effortless buying journey
- Technical services and training services

Drive Efficiency

- Increase of self-service and elimination of simple transactions through:
- Best in class WEB support experience
 - Customer adoption of mySchneider app, FAQs, MySE etc.
 - Digitisation of ordering process
 - Productivity through better adoption of digital tools (Chat/ MyPact)

5.0 Energy Efficiency

At Schneider Electric Infrastructure Limited (SEIL), we believe in embedding energy efficiency in our DNA. We do this with our own internal energy management program, Schneider Energy Action (SEA). Launched in 2012, SEA aims to drive energy efficiency at Schneider Electric sites through the use of our own energy management solutions. Currently, three units of SEIL, Salt Lake Works (SLW), Transformers Baroda India (TBI) and Medium Voltage India (MVI), are a part of SEA. Also, these three units are ISO 50001 certified (ISO 50001 is the international standard for energy management systems).

At SLW Kolkata, there was an increase in Specific Energy Consumption (SEC) by 19% and nominal kWh consumption by 17% in FY 2016-17. This increase was due to an electrical load expansion in the plant, on account of the start a new production line. In FY 2016-17, over INR 1.8 million were invested in energy conservation measures like installation of LED lightings, solar heater, inverter AC and capacitor bank.

At TBI Vadodara, the reduction in nominal kWh consumption was close to 7% in FY 2016-17. However, the

SEC increased by 2% (due to some modifications to the production processes). Major energy conservation measures that were implemented in the year were replacement of existing lighting with LEDs and upgradation of the online energy management system along with installation of new energy meters.

In FY 2016-17, at MVI Vadodara, an expansion in the existing electrical load resulted in an increase in the SEC by 10% and nominal kWh consumption by 2%. The energy conservation projects that were completed in the financial year include replacement of the existing lighting system with LEDs and installation of a roof top solar photovoltaic system for lighting.

Overall, as FY 2016-17 was a year of major expansion in load and production lines for our SEIL facilities, the nominal kWh consumption at these three facilities increased by 3%. (Baseline for all the relative figures is FY 2015-16.)

6.0 Schneider is (2015-2020)

The company programme 'Schneider is ON' is progressing well with most initiatives having delivered good results in 2016.

- **Overall progress : very good**
- Directions for each pillar were set at the start of 2016. Parameters and targets for each pillar were revisited at the beginning of the year to align with 'Schneider is On' priorities.

Progress across the 5 pillars:

1. Do more for the customers to create more opportunities for them, and for Schneider Electric

- Key initiatives:
 - Commercial transformation (EU coverage/ X-Sell/ Inside sales etc.)
 - Improve project execution
 - Accelerate booster business growth
 - More alignment of supply chain
 - Improve gross margin
- Booster businesses growth was in line with the 2016 target

2. Simplify the operations for increased efficiency that makes difference to our customers

- Key initiatives:
 - Simplify operations
 - Mutualise optimally for efficiency
 - Streamline/ simplify processes
- Simplifying initiatives has led to a more productive and effective organisation which has driven savings through simplification that exceeded 2016 target

3. Digitise for customers, for efficiency and simplicity

- Key initiatives:
 - Connect more customers and partners digitally
 - Measure effectiveness through CC Net Satisfaction Score
 - Enhance use of mySchneider mobile app
 - Increase the number of connected assets
- Continuous focus of digitisation in the company has driven the initiative and resulted in exceeding 2016 targets

4. Innovate to support growth and surprise our customers with innovation, to make their lives simpler and better

- Key initiatives:
 - More interaction between R&D and customers
 - Shorter development timeline and adherence
 - I4I (India for India) product development
 - Greater focus on access to energy
- The Innovate pillar initiatives focused on delivering the right products and solutions to customers within optimal timeline and made good progress in sustainability targets

5. "Step Up" people

- Key initiatives:
 - Improve workforce diversity
 - Introduce work place satisfaction, well-being, diversity initiatives
 - Connect and engage with people
- 'Step Up' parameters have seen continuous improvement over the years and have exceeded targets for 2016

7.0 Some Major Solution Business Milestones of Your Company in 2016-17

- **Tata Power E - House (Mumbai)**

Your Company executed a project which included supply, transportation, installation as well as testing and commissioning of electrical installation comprising of E-House for the electrical utility Tata Power in Mumbai. E-House consisted of 33 & 11kV GIS, LV panels, BBT, DC system etc. The project was successfully commissioned within the contractual timelines and to the complete satisfaction of the customer.



- **BPCL Kochi**

Schneider Electric successfully completed the SITC of 33 kV GIS panels and Ethernet switch for BPCL Kochi Refinery expansion project. The project included 90 GIS panels. Engineers India Limited was the consultant for the project. The project was successfully commissioned and became the reference for the other ongoing GIS opportunities.



- **Gujrat Mineral Development Corporation**

Your Company successfully commissioned the 220 kV Bay Extension job for a public sector undertaking at Bhuj (Gujarat). The project was successfully completed and handed over to the customer in May 2016.



8.0 Services Activity

Your Company listens to its customers and understands their needs. We seek to deliver the best customised efficiency solutions while creating long-term trust. Field Services is the heart of SEIL's business model. Being one of the focus areas, your Company understands Services is a people's business more than any other business. We at Field Services endeavor to help our customers to increase productivity, reliability and safety, mitigate risk, limit downtime, upgrade equipment, enhance life and cut costs thereby improving return on investment.

One of the ways we bring maintenance costs under control, by moving from many agreements with varying costs to one service plan with one responsible provider. This makes management and budgeting easier by creating controlled and consistent costs without surprises.

The Indian power sector is plagued with mounting losses due to various inefficiencies, commercial and technical losses in electrical networks. One of the key issues and initiatives that surfaced in the power reform is to fully utilise the capacity of generation and distribution units, including revamping of old, sick and low performing units. With increasing complexity and requirements in the electrical network, lack of permanent skilled resources at site and demand for greater reliability, customers are keen to entrust consulting, maintenance, refurbishing, retrofitting and upgrade of their systems in the hands of experts. This distinctive need of the market is served through the Services business.

Our solutions cover the entire life cycle of infrastructure installations and our aim is to assist customers to proactively plan, install, operate, optimise and renew all solutions and to define and implement the best solution thereby improving performance and flexibility, while controlling aging infrastructures' costs. We are quick to adapt and act with flexibility that makes it possible to capture opportunities. Adding to this personal attention, which makes us easy to work with, is our expertise in infrastructure digitisation and digitised services. Our extensive digital products and systems improve management and customer experience. Offers such as Remote Monitoring Service (RMS) can anticipate threats before they become significant while ensuring that equipment and systems are running at peak efficiency.

On-site maintenance and repair can lower downtime, and make spare parts readily available. Combining our personalized customer service with advanced products and expertise, especially digitization, makes our Field Services offer truly comprehensive.

Your Company 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 and predictive services maintenance

contract and extended diagnosis for ED equipment), On-Demand maintenance (one time maintenance, spare parts and repairs), Modernisation & Upgradation (retrofit and revamp solutions) and Installation Assessment (health check). To effectively deliver this, we have a pan India presence of dedicated services and authorised service centers and specialised channel partners, who cater to all the legacy and current brands of your Company and quickly respond to customer calls.

Your Company'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 and retrofits, scaling up and completing critical projects during short annual maintenance breaks, etc. A dedicated Services Business unit enables this capability building and as the services market matures, our focus and 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.

Field Services Business of your Company has set the benchmark in the country in the field of services in electrical distribution, by obtaining the BVCI's IMS certification comprising of ISO9001:2008 & ISO14001:2004, and also BS OHSAS 18001:2007 for maintenance services, supply of spares, design, engineering, supply, installation, testing and commissioning of retrofit solutions and MV/LV revamp projects.

Some of the major projects by Services Business in 2016-17 includes:

Shipping Corporation of India and ONGC: ONGC produces around 77% of India's crude oil (equivalent to around 30% of the country's total demand) and around 62% of the natural gas. SCI operates and manages vessels that service both national and international lines. Your company undertook a complete project execution right from survey, approvals, supply, installation upto testing work at the yard. All Schneider make components were supplied and it included Evolis breakers, Rollarc contactors, SEPAM relays suited for Marine Electrical work. This is the biggest field services order and it opens up further opportunities in Marine, Oil & Gas industries. Field Services was successful in delivering the complex industrial solution and once again proved its capability to its customer.

Maruti Suzuki India Limited: Your Company has executed projects for Maruti Suzuki India Limited. One of the projects entailed Modernising of APFC system along with cabling, civil work and the second one was for upgrading the

existing 11kV HT switchgear. These orders were considered breakthrough orders for Schneider Electric. The was one of the early orders for APFC and considered to be of high value to the company. This order was awarded from the MSIL plant in Gurgaon. Repeated orders shows the established confidence and trust of the customer on our services and our ability to ensure customer satisfaction.

Nestle India Limited: Your Company has successfully worked on the Low Voltage Modernisation project with the supply of PMCC panels for Nestle India Limited. This was the first time that PMCC panels of Schneider make were installed at Nestle Moga. This can be considered as an achievement in the PMCC panel service segment for SEIL. The modernisation has been done at Nestle Moga factory in Punjab. This opens up new opportunities for Schneider in PMCC panels and ensures high customer satisfaction.

Banaras Hindu University: Your Company has renewed the maintenance contract at Banaras Hindu University, one of the best universities in the country, for the ninth year in a row. The Operation and Maintenance Contract of electrical installations at the university has been in place since 2007. We have been providing support to operate and maintain two 33 kV Grids along with 20 substations feeding entire campus, including hostels, a hospital and academic blocks. We have taken up 24/7 electrical O&M on both campuses. We are proud to provide efficient and reliable services and peace of mind to the customer for the last eight years. Renewal of this important maintenance contract establishes the confidence and trust the customer has on our services.

Steel Authority of India Limited: Your Company executed the project of supply of iPMCC which minimised the problems of communication of circuit breaker with the customer. The device is smart and can communicate the current power supply and ensure power supply as well as the control and protection of loads, it is energy efficient. The wide and complete range of the iPMCC solutions covers all continuous and critical process requirements. This was executed at the SAIL plant in Rourkela.

Mangalore Electricity Supply Company: Your Company has successfully renewed the contract with MESCOM for comprehensive preventive maintenance throughout. This also includes the maintenance experts stationed in three districts covering 301 Nos. Overhead feeders. Schneider dedicated stock to serve the customer within 36hrs ensuring the equipment down time is minimum and followed predictive maintenance approach through remote monitoring of equipment data using WSOS soft tools. This was successfully executed in Mangalore. MESCOM is our long run consistent partner for all electrical solutions

Lodha Group: It is India's premier real estate developer having a wide range of residential and commercial projects in Mumbai and other cities in India. This project was one of India's largest residential projects of Lodha Group at Casa bella, Dombivali in Mumbai. Your Company has been awarded a comprehensive contract for 5 years from LODHA group for operation and maintenance of Schneider make PSS, HT Panels and LT Panels at Casa Rio. This order consisted of 43 substations, 40 22kV Panels and 9 LT boards. Both the supply and the service have been handled by Schneider Electric for this project.

9.0 Human Resources

“Great people make Schneider Electric a great company”. An agenda around people has been built into our business strategy. It’s the people who ensure the overall company ambition. Our people are our most valuable asset. As a global specialist in energy management and automation, we help customers to make their lives and ecosystem safe, reliable, efficient, and sustainable. Our technologies make sure ‘Life Is On’ everywhere, for everyone, at every moment. Our mission is to do a great job for our customers by creating the best products and solutions and simplifying the customer experience. To achieve that, we are constantly making sure our employees develop in the right environment to deliver the best of Schneider to our customers.



There are 6 people priorities under the framework of “Step Up”. The 6 pillars are leadership, high performance culture, talent, wellbeing, learning and diversity and inclusion. Our company keenly listens to our employees through surveys in order to understand people needs and requirements. Thus enabling us to tailor people policies and practices to meet our specific needs as an organisation. This is an ongoing practice and it helps us to constantly reinvent our practices basis the feedback from our employees. The structured strategy and policies help us to attract and retain the best talents that encourage innovation and create a congenial work environment.

We trust and empower people to drive our agenda. Our leaders are authentic and inspire their teams. Our culture, ensures we have accessible leaders who decide quickly and are exemplary in building teams, collaboration and business.

Our Leadership Expectations and SCOPE values form the foundation of our culture and every employee is expected to live by them. Our leaders are expected to not just deliver the business results but also to be a role model for our leadership expectations namely business developer, team builder, team player, role model of our values, decision maker and great professionals.

Schneider as an organisation has an extremely open culture and there are open channels of communication between employees and leaders. The organisation channels like Ask the CEO, CHRO, Connexion Sessions and Open Lines at Global and Country level are available for employees to share their ideas, give feedback and express their concerns.

We also have development programs like Champions Club, Ojas and Tejas that help us to develop leaders who can be role models. People who go through the development program, within a year (40-59%) receive career progression over a year.

We have accountable people who are moved by a common culture and purpose and ensure superior teamwork, with the right balance of freedom, process and speed to move from innovation to execution. They drive performance with our strong set of values. People agenda is driven by each manager where leaders are champions for some of the key initiatives that we have taken in the recent past. By adopting a common set of values in the way we work, our people drive a culture of innovation and high performance. With the strong culture, leadership behaviour, empowerment and an unrelenting focus on people we have been able to keep the motivation of our employees high. This includes the culture of mentoring to inculcate high performance culture across all levels of management.

One of our key initiatives under “Talent” pillar has been that of our Employer Value Proposition (EVP). These are core differentiators for us to attract and engage both internal and external talent, making Schneider Electric their employer of choice. We circulate talents between functions, entities, communities to help employees grow vertically and horizontally. There are various engagement activities carried out throughout the year which includes leadership connect, Leadership live sessions to promote leadership behaviour, celebrations, festivals, recreational, sport activities, etc. Additionally, Rewards and Recognition program has been reinforced, aiming to create a culture of recognition and celebrating performance at multiple levels across the organisation for individuals and teams.

In order to uphold the values of ethical conduct and compliance to our Principles of Responsibility we ensure all employees of the company including the newly joined employees, follow a detailed training and awareness program to familiarise themselves with the standards and expectations of ethics.

Employee Wellbeing

“Wellbeing is not a special project, its way of life.”

Based on the fundamental premise that wellbeing creates performance and performance generates wellbeing, we have a holistic view of wellbeing (physical, mental, emotional and social) that have a positive impact on communities and environment.

Alongside our policies, interventions like yoga, guided meditation, stepathalon, blood donation camps and wellbeing labs have contributed significantly to improving our wellbeing scores by 11% over the year.

We have a basket of activities under the wellbeing initiative which helps in imparting regular tips to employees and encouraging them towards a healthy lifestyle. This is being further facilitated by “Employee Assistance Program”, a unique way to take care of our employee’s mental and emotional need through free and confidential counselling.

This program under the name of “Saathi”, helps employees solve issues, both personal and work-related. We have embedded flexibility in health insurance coverage for employees which gives flexibility to employees to exercise their choice in line with their needs and family requirements.

The initiative “Joy of Giving Week” focuses on social wellbeing and has driven each Schneider employee to connect and support others. Joy of Giving initiative conducted between Oct 2nd to Oct 8th 2016 brought meaning to the employee’s mindset through the act of giving dry ration to the needy as per their choice. This drive was conducted in 29+ location and later this was distributed among poor homes and institutions.

“Wellbeing creates performance and performance generates wellbeing”



Joy of Giving



Wellbeing Week



Employees participating in Daan Utsav



Yoga classes held in office premises



Yoga session



Homeopathy campaign



Health on demand: Employee health checkup campaign



Kids day out - Employees kids engaged in fun and creative activities



New year celebration

Diversity & Inclusion

Schneider Electric strongly advocates Diversity as a key business imperative and inculcates it as a core value. Diversity for us is not just about promoting Gender Balance – it is about appreciation of different cultures, backgrounds and generations. With the intent to integrate diversity of all forms within the culture of Schneider Electric India, we identified Gender Balance as our first priority, simply because our ratio was heavily skewed towards one gender. To make speedy progress in this direction we adopted a multi-dimensional approach, because we understood that a one dimensional approach would not make us best in class.

Recruitment Strategies / Attract

Focused mid-level/ lateral hiring - We had tremendous focus to get women in the organisation at all levels. Various initiatives like Her 2nd Innings to encourage women to get back to the professional world after taking a break and Parichay, Women Referral program were initiated. Campus engagement - To build a robust pipeline for our women leaders we have accelerated our hiring especially at the base level. Our engagement with the campuses ensures that we are able to infuse women during their formative years. In 2016, 64% of our campus offers were women GETs & MTs.

“Diversity for us is not just about promoting gender balance - it’s about appreciating different cultures, backgrounds and generations.”

Enabling Environment

To support our employee’s diverse lifestyle and life choices we have introduced several progressive policies

in the last 2 years. Few of these are, flexible work policy, work from home, sabbatical and surrogacy. While these policies are applicable for both the genders they are especially beneficial for the retention of our women colleagues.

D&I principles are also integrated in other people processes like talent review, promotion, salary review process etc.

We want to have an inclusive culture and hence it’s important for us to sensitise our employees on unconscious bias. This year we celebrated International Women’s Day on 8th March. The theme of this year’s celebration was “Unconscious Bias”. Various initiatives and programs on this theme were organised with an overwhelming participation of employees.

Development Initiatives:

Gender Workshops - Mandatory inclusion trainings for managers has helped reiterate the business case for inclusion, address unconscious biases at workplace, and understand the benefits of an inclusive team.

Urja - Continuing our 2015 journey, this development program aims to facilitate and accelerate the career progression of our women leaders along with enhancing their awareness on their signature strengths. In last 2 years we have covered 100+ women leaders via this program

Societal Commitment

Progressing on our WEP commitment (Women empowerment principles) last year we worked a lot on

trying to bring about changes, for an egalitarian society. Few noteworthy initiatives are:

Jagriti – A curriculum designed to teach school children on gender stereotyping. By touching the lives of children in schools, this program aims to tackle with this problem at its roots. We covered 2500+ students in 2016 by these learning sessions

'DIYA' is a women entrepreneurship initiative of Schneider Electric in India, which encourages bright and smart women students to seek out a career as an entrepreneur.



Women round table meeting with Anil Chaudhary (Country President India) and Prith Banerjee (SE - CTO)

This is a novel way of enabling women outside of the organisation to empower themselves and SEI has already hired 10+ women as SE promoter

2016 was the second consecutive year where in 2 women SME's were recognized by Schneider Electric India for their contribution towards women empowerment. These awards are termed as Prerna Awards.

HeForShe mobilisation continued to spread beyond Schneider boundaries and we gathered 15K+ commitment (highest among all Schneider countries).



HeForShe Campaign

Learning & Development

“Learning is the way to grow”

Competency development of people continues to be a key area of strategic focus for us and our Learning and Development initiatives during the year are based on the 3Es approach viz 'Education, Experience and Exposure'. Thus, all organised trainings are based on competency reviews held by managers addressing real and critical needs for the organisation. We have conducted more than 6174 man-days training and covered more than 97% of employees. This not only includes technical skill building trainings but also interventions and workshops of change management, culture building and leadership.

Middle Level Managers are offered training on Leadership through Performance Management, so as to improve their skills in managing performance of their teams with effective feedback. We have identified internal mentors and coaches for a pool of key talents. The mentors and coaches help these young professionals, hone their skills and apply their knowledge effectively.

In line with our continued efforts to improve the solutions business, Company has nominated sales and solutions engineers and managers for the Global Schneider Electric Energy and Solutions University Certification Program. Besides these programs, employees are also nominated

by their managers for selected public program and seminars. In order to make front office team more agile and effective, team specific programs are organised for Marketing, Sales Execution and Targeted account managers to meet their specific development needs.

Internal Trainer policy is designed as a key initiative which has an intent to encourage and engage internal trainers towards common organisational goal for employee development. The objective is to leverage the knowledge and experience inside Schneider in a planned and structured manner. This helps internal trainers have a sense of pride for delivering trainings.

Our Company continues to promote and strengthen a culture of continuous learning at all levels through the e-learning process. An intensive e-learning campaign has been undertaken to create Champions who drive this process. The company has closed the year with more than 4 hrs of e-learning clocked per managerial staff. Reward and recognition for those who have completed the prescribed e-learning modules with maximum hours every month has acted as a big motivation to other managers to take the lead. In the process all have valued continuous improvement as a way of life which in turn has improved productivity and efficiency of employees.



Ted Talk discussion



Learning week celebration across locations



Connect with the leader



Learning week celebration



Learning week

Schneider Electric's social Commitment

- In the FY 2016-17, your Company was not required to contribute to the CSR activities as mandated by the CSR law u/s 135 of Companies Act 2013, due to the losses in the preceding financial years. However, as part of their social obligation to contribute to the society, your Company donated 189 end-of-useful-life desktop computers and accompanying accessories to various NGO's and Foundations.
- The donation made by your Company would support these NGO's in disseminating the IT skills to various beneficiaries enrolled at their centers and help them in building their own administrative capabilities and infrastructure for the better management of their programs.

Energy Rebound Acceleration Workshop

The leadership team came together and deliberated on various levers for driving and sustaining higher margin growth for the business. The team identified four key levers i.e. Customer Centricity, Value Creation, Collaboration and Innovation which will help to improve margins and profitability. A simulation based session was conducted to build the mindset of employees towards this aspect. Positive relationship and team cohesion were facilitated through interactive sessions. Post completion of the exercise, the team correlated their learning to the challenges faced in the current market and business environment so as to strengthen the possibility of thinking

in a tough environment. In a nut shell, this workshop not only helped teams to widen their perspective on business, customers, opportunities but also prepared them for future challenges. The overall workshop helped to bring teams together for a better tomorrow with respect to collaboration and working together towards a common vision.

“The success of this business depends on value you create and the customer intimacy you have”

- Prakash Chandraker



10.0 Key Events of the Year

Intelect 2017: Showcasing innovation and technology prowess

Your Company had an impactful presence at INTELECT 2017, India's first fully integrated intelligent electricity exhibition to demonstrate the New & Intelligent digital solutions. Held from 23-25th January, 2017 at the **India Expo Centre, Greater Noida**, the event converged electrical operation technology and automation devices with information and communication technology onto one platform.

Your Company booth was the cynosure of all eyes, not just in its visual appeal but also in the value it offered. The booth was inaugurated by **Shri Piyush Goyal, Minister of State with Independent Charge for Power, Coal, New & Renewable Energy and Mines** in presence of Anil Chaudhry, Country President and Managing Director and Prakash Chandraker, Managing Director and Vice President, Energy BU. All through the conference, the

booth attracted several high-profile customers, journalists, opinion makers, think-tanks and industry leaders who could be seen eagerly taking a tour of the stall.

Members of your Company were invited to share their opinions and perspectives at various sessions through all the three days of the conference on topics like - **Future Energy Grid, Cyber Security, etc.**

The event was an apt platform to showcase your Company's diverse portfolio of products and solutions. The event proved to be a key driver in creating brand awareness, generating leads and engaging with hundred of customers, consultants, contractors and other target segments.



Utility : 24x7 Power to all'

Your Company has initiated a campaign targeting utilities with the objective to join the government mission of delivering 24x7 quality and reliable power by offering Smart Electrical Distribution Solutions; thereby empowering the power system with an efficient and reliable network. Your Company has organised series of

road shows in various cities, to name few - Delhi, Vizag and Kolkata by inviting C-Level top managers, functional heads and other key officials in from various DISCOM like APDCL, BESCOM, Tata Power, MESCL, etc. All the workshop were attended by more than 100 people.



Schneider Electric @ Vibrant Gujarat Global Summit 2017

Your Company had a vibrant presence in the prestigious Vibrant Gujarat Global Summit held from 10-13 January 2017 in Gandhinagar, Gujarat.

The grand event was inaugurated by the Honorable Prime Minister Shri Narendra Modi and was attended by many heads of states, ambassadors of prominent countries and industrialists from India and abroad. Among the high-level figures present at the event were India's Finance Minister Shri Arun Jaitely, Chief Minister of Maharashtra, Shri Devendra Fadnavis and top industrialists from India. Your company also got the unique opportunity to address the participants at the French Country Seminar on 11 January, 2017.

The presentation shared your company's capabilities in the new world of energy like Smart Grids, Micro Grids, Renewables, Energy Efficiency, Distributed Energy Resources, Digitized products, etc. The country seminar was attended by officials from the Gujarat government, delegates from French companies, FICCI, and industrialists. Other speakers at the French Country Seminar included CEOs of French companies invited for the seminar.

SEIL team engaged the participants through an attractive

stall at the exhibition grounds. The stall hosted B2B meetings between your company and local entrepreneurs with a focus on Smart Cities.

Vibrant Gujarat Global Summit 2017 was attended by 30 participating countries including USA, Canada, France, Australia, Denmark, Japan, Netherlands, Singapore, Poland, Sweden, UK & UAE.

The inauguration was attended by the President of Kenya, Deputy Prime Minister of Russia, Ministers from Canada, Poland, Germany, France among others.

Attendees at the meets included management and employees of the Tata Power and Reliance Infrastructure. The participants from both the organisations actively engaged in SEIL led technical sessions around Comprehensive Asset Management System; Innovative Technologies Primary Distribution Systems, Innovative Technologies Secondary Distribution Systems, Smart Grid Transformers, Renewable Integration, Demand-Response, Low Voltage Intelligent Switchgear, Automatic LT network structure Mapping, AT&C losses/ LT Revenue Protection/ Analytics and many more. The interactive sessions and technology discussions impressed participants with the format and content.

Smart Cities Exhibition by Schneider Electric Infrastructure Limited

Your Company participated in the Smart Cities exhibition at one of the prestigious Industry Events. This exposition was aimed at bringing together all the stakeholders to discuss the challenges and opportunities in developing smart cities in India. Showcased at SEIL booth were capabilities in the areas of smart public services, urban

efficiency and energy optimisation. The know-how and experience gathered from over 250 projects was showcased at the SEIL booth. Our booth done in green and white, complete with a command control center, was visited by over 300 attendees.

Regional Outreach Programme:

To extend the reach into potential regions, your Company participated in various technology seminars and exhibitions in these regions with the objective of targeting

potential buyers. DGNP Vizag, Electromatia (Gujarat), OLF (Odisha), etc. are some examples.

Cement Day: A Technology Date

Your Company organised Technical Meet with Indexl, Rajasthan. The event showcased new technologies and solutions from SEIL which included Smart Grid, Substation Automation System, E-House. Your Company also took this opportunity to showcase SEIL's technology leadership in smart electrical distribution and to showcase our commitment towards creating a sustainable and commercially viable power distribution

system and robust transmission system for power evacuation; generating capacity to meet the rising power demand and promoting renewable energy development in the state. The corporate presentation session along with product display was attended by 60 people. Customers recognised and appreciated the wide portfolio of products and solutions available to serve the needs of large cement plants.

Partner Meet and Easypact Launch

Your Company organised a partner meet on 3rd December 2016. The purpose of this event was to share our technology roadmap with key partners and to show them efficient ways of improving reliability and operational efficiency. Over 70 partners attended our sessions on new

offers and solutions for various segments. Your Company also launched - Easypact: new product offer. Your Company also organised an award night where SEIL awarded its partners under various award categories.



11.0 Information Systems and Technology

India is going through the biggest tax reform by rolling out of the Goods and Services Tax (GST). Schneider ERP platform has been upgraded in-line with new tax system within prescribed time lines, seamlessly migrating all the transactions to new taxation rules.

The ERP landscape simplification happened in April 2016 when we migrated out from two old SAP systems to the recent version of SAP platform which has helped significantly in implementing and stabilising the new GST specific solution.

12.0 Finance

In the recent trend, finance has been playing an important role in supporting business, customer engagement, decision making, performance management, business analytics and control. Synergies between processes play a critical role in business success which requires a robust

process to control and bring in conformity of all the activities. The company follows the Schneider group's best practices of treasury, audit, reporting, taxation, financial shared services (FiSS) and credit to bring synergies with efficient utilisation of resources.

13.0 Investor Relations

Your Company has a strong belief in stakeholder engagement and its role in building long term relationship and confidence. The company is putting best efforts to ensure accurate and timely communication of information through press releases, conference calls, investor meetings etc. and to promptly reply to all stakeholder queries.

Through conference calls, the management of your Company has created a platform for two-way communications that will help address the stakeholders and analyst queries and keep them updated on market conditions, strategies, business segment and operational performance of the company.

Your Company has maintained its website and have uploaded all financial results and presentations made to investors on timely manner. In addition, all major developments are communicated to the stock exchanges.

You Company understands and appreciates the significance of good corporate governance and its role in building investor confidence, improving investor protection and maximising shareholder value.

14.0 Internal Audit

The in-house internal audit department is an independent unit, responsible to provide reasonable assurance with regards to the effectiveness and adequacy of the internal control system and processes. The in-house internal audit department, along with third party audit firms, provides audit assurance on the end-to-end spectrum for the area/processes of the Company. It also adds value for improvement of the Company processes, through a systematic disciplined approach, from inception, through fieldwork, to final reporting, streamlined to fit in the COSO framework, to improve the effectiveness of risk management, control and governance processes.

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 Company has set up a robust risk management and Internal Control assessment framework across the organisation which facilitates identification, assessment, communication and management of risk in effective manner.

As per the requirement of Companies Act 2013, for the frame work for internal control on financial reporting, the Company has developed Risk and Control Matrix (RCMs). Testing's, post-diagnostic review of the Company's processes are also completed, highlighting existing risk's and corresponding mitigation plan, with closure of previously identified risks', in compliance with requirements of ICFR guidelines.

15.0 Customer Satisfaction & Quality

Customer Experience is as important as products and prices and will soon become the first driver. Most of the buying decisions will be made through digital before talking to any sales representative.

Everywhere in Schneider Electric, we put the Customer at the center of our decisions. We deliver tailored customer experiences, fast and consistent at all touch points, to get satisfied customers like the one below:

"I want to thank you for creating a culture where at every step, someone took ownership of my needs and did what was right to serve me. I don't often experience such amazing customer service. These people are super stars!" - Testimonial sent to our Chairman & CEO

Our guiding principles

1. **Customer Centricity:** Customer Experience culture is in all employees' DNA. We deploy customer personas everywhere, we master customer journeys, we follow customer-centric rituals, we decide and prioritise always from the customer viewpoint.
2. **Offer Quality:** We innovate and provide a non-negotiable premium quality along the life cycle through offer creation, manufacturing, delivery, operations and services, we focus on a digital, tailored

and predictive end-to-end experience, to fulfill customers needs.

3. **Intelligence:** We run strong analytics to convert our customer experience data into actionable information, to anticipate customer failures, prevent customer complaints and improve on all touch points and we propagate this customer intelligence to all teams.
4. **People:** We empower our teams to manage their priorities and decisions to maximise the business value for our customers, we look for superior customer driven skills when recruiting new talents and work as one team to always serve our customers first.
5. **Satisfaction to Order:** We deeply analyse customer experience on all touch points and leverage it to prioritise our investments and tailor our sales tactics accordingly. Customer experience is recognised in our company as a strong competitive advantage.

Our Quality policy is supported by a robust Quality Management System which we improve in a continuous and rigorous manner through efficient processes and tools, in compliance with ISO9001 standard. We deploy this policy everywhere in Schneider Electric and translate these guiding principles into operational objectives for execution throughout the organisation.

16.0 Directors and Key Managerial Personnel

Appointment

Mr. Arnab Roy was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company effective 08.03.2017 pursuant to Section 203 and other applicable provisions of Companies Act, 2013. His appointment was recommended by Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company.

Resignation

Mr. Anurag Mantri, who was the Chief Financial Officer and Key Managerial Personnel of the Company has resigned and he was relieved from the close of business hours on 24th November, 2016.

Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Anil

Chaudhry and Mr. Vivek Sarwate, Directors, retire by rotation and being eligible, offer themselves for re-appointment.

Considering the background and experience of Mr. Anil Chaudhry and Mr. Vivek Sarwate, the Board is of the opinion that their appointment will immensely benefit your Company. The Board recommends their re-appointment.

Brief particulars of the Directors to be appointed/re-appointed are given elsewhere in this Report.

As per the declarations received, none of the Directors of the Company are disqualified for being appointed/re-appointed as Directors as specified in Section 164(2)(a) and (b) of the Companies Act, 2013

17.0 Criteria of Independence

The Nomination and Remuneration Committee assesses the independence of Directors at the time of appointment / re-appointment pursuant to the criteria laid down by the Company in line with the requirements of the Companies

Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Determination of independence is being re-assessed when any new interests or relationships are disclosed by a Director.

18.0 Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 that the Independent Directors of the Company meet with the criteria of their Independence as prescribed therein.

Familiarization program for independent directors

The Independent Directors are provided with necessary documents, reports and internal policies to enable them to

familiarise with the Company's procedures and practices. Periodic presentations are made to the Board and Board Committee Meetings on business and performance updates of the Company. The details of such familiarisation programs for Independent Directors are posted on the website of the Company and can be accessed at the link <http://infra.schneider-electric.com/in/investor-relations/board-of-directors.html>

19.0 Evaluation of the Board's Performance

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors including Chairman pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"). The performance of the Board was evaluated on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning etc. The performance of the committees was evaluated on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to

be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. Performance evaluation of independent directors was done by the entire Board, excluding the Independent Director being evaluated.

The review concluded by affirming that the Board as a whole as well as all of its Members, individually and the Committees of the Board continued to display commitment to good governance, ensuring a constant improvement of processes and procedures. It was further acknowledged that every individual Member and Committee of the Board contribute its best in the overall growth of the organization.

20.0 Adoption of new Articles of Association

The Ministry of Corporate Affairs (MCA) notified most of the sections of the Companies Act, 2013 ('the Act') which replaced the provisions of the Companies Act, 1956. The MCA also notified the rules pertaining to the further notified sections.

In order to bring the Articles of Association (AOA) of the Company in line with the provisions of the Act, the Company recommended that the members adopt a comprehensive new set of the Articles of Association of

the Company ('new articles'), in substitution of, and to the exclusion of, the AOA. Accordingly, the resolution to adopt the new articles was passed by Board of Directors of the Company in their meeting held on 27th July, 2017, subject to the approval of the requisite majority of shareholders of the Company in the ensuing Annual General Meeting.

The new articles are available on the website of the Company, at <http://infra.schneider-electric.com/in/investor-relations/announcements.html>.

21.0 Indian Accounting Standards (Ind AS)

Your Company has adopted IND-AS with effect from April 01, 2017. The Ministry of Corporate Affairs has made New Set of Accounting Standards mandatory for different types of Companies with different compliance dates, vide notification dated 16th February, 2015 notifying the

Companies (Indian Accounting Standard) Rules, 2015. Pursuant to this, effective first quarter of the Financial Year 2017-18, the reports shall be prepared in line with the requirements of IND-AS.

22.0 Remuneration to Directors

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

23.0 Policy on Remuneration to be paid to Directors, Key Managerial Personnel (KMP) and other employees and criteria for appointment of Directors

Your Company has in place Remuneration Policy for Directors, KMP and all other employees of the Company and Criteria for Appointment of Directors. The policies were adopted in line with the requirements of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

The Policy, inter-alia, requires the Directors to be of high integrity with relevant expertise and experience so as to have a diverse Board. The Policy further lay down the

positive attributes/ criteria which the Nomination and Remuneration Committee keep in mind while recommending the candidature for the appointment as a Director.

Policy on Remuneration to be paid to Directors, Key Managerial Personnel (KMP) and other employees and criteria for appointment of Directors is annexed to this Report at Annexure-I.

24.0 Committees of the Board

The Details of composition of Audit Committee and other committees of the Board of Directors along with the

attendance thereof is provided in the Corporate Governance Report forming part hereof.

25.0 Related Party Transactions

In line with the requirements of the Companies Act, 2013 and Listing Regulations, all related party transactions are entered into, on arm's length basis, in the ordinary course of business. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prior approval of the Audit Committee is obtained for all related party transactions. Omnibus approval is obtained for unforeseen transactions. A report on the transactions,

specifying the nature, value and terms and conditions of the same, done during the quarter vis-à-vis the approval granted are presented to the Audit Committee on a quarterly basis for its review. The transactions which are likely to cross materiality threshold, as prescribed, are placed before the Members for their approval.

The Related Party Transactions Policy, as approved by the Board, may be assessed at the Company's website at the weblink: http://infra.schneider-electric.com/in/pdf/Investor-Relations/Related_Party_Transaction_Policy_SEIL_Revised.pdf

26.0 Particulars of Employees

The information required pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules") in respect of employees of the Company, is annexed to this Report.

In terms of first proviso to Section 136(1) of the Companies Act, 2013, the Financial Statements are being sent to the Members and others entitled thereto, excluding the information on the employees' particulars specified

under Rule 5 (2) & (3) of the Rules. The same are available on the website of the Company viz. <http://infra.schneider-electric.com/in/> and is open for inspection by the Members at the registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy thereof may write to the Company Secretary.

27.0 Directors' Responsibility Statement

Your Directors state that:

- a. in the preparation of the annual accounts for the year ended 31.03.2017, the applicable accounting standards have been followed and there are no material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and profit and loss of the Company as at 31.03.2017;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

28.0 Auditors

i. Statutory Auditors

The observations of Statutory Auditors in their report, read with the relevant Notes to Accounts are self-explanatory and therefore, do not require any further explanation.

M/s S.R Batliboi & Co, LLP, Chartered Accountants (ICAI Registration No. 301003E/E300005), Statutory Auditors of the Company, were appointed by the Shareholders of the Company at their 5th Annual General Meeting (AGM) held on August 11, 2015 from the conclusion of 5th Annual General Meeting up to the conclusion of the 10th Annual General Meeting of the Company subject to ratification of appointment by the members at every Annual General Meeting.

M/s. S.R Batliboi & Co, LLP have expressed their willingness to get appointed as the Statutory Auditors of the Company and have furnished a certificate of their eligibility confirming that ratification of their appointment, if made, at the ensuing AGM, would be within the limits specified under Section 139(1) and 141 of the Companies Act, 2013 and the rules framed there under.

The Report given by the Auditors on the Financial Statements of the Company forms part hereof. There have been no qualifications, reservation, adverse remarks or disclaimer given by the Auditor in their report.

There were no fraud transactions reported by the Statutory Auditors of the Company.

ii. Cost Auditors

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records. The Board of Directors on the recommendation of Audit Committee has appointed M/s. Shome & Banerjee, Cost Auditors, Kolkata (Firm Registration No. 000001) as Cost Auditors to audit the cost records of the Company for the financial year 2017-18. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the forthcoming Annual General Meeting.

iii. Secretarial Auditor and Secretarial Audit Report

The Board has appointed M/s Sanjay Grover and Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2016-17 as required under Section 204 of the Act and Rules made thereunder. The Secretarial Audit Report for the financial year 2016-17 is attached as Annexure - II to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

29.0 Public Deposits

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the year under review.

30.0 Buy back of Securities

The Company has not bought back any of its securities during the year under review.

31.0 Sweat Equity

The Company has not issued any Sweat Equity shares during the year under review.

32.0 Bonus Shares

No bonus shares were issued during the year under review.

33.0 Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the same. The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the law. A separate section on Corporate Governance is annexed to this report as Annexure-III.

The Auditors' Certificate certifying the Company's compliance with the requirements of Corporate Governance in terms of the Listing Regulations, is annexed as Annexure-IV and forms part of the Boards' Report.

34.0 Particulars of Loans, Guarantees or Investments

There are no Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

35.0 Extract of Annual Return

As provided under Section 92(3) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is given in Annexure V in the prescribed Form MGT-9, which forms part of this report.

36.0 Risk Management Policy

In compliance with the requirement of the Companies Act, 2013, the Company has put in place Risk Minimization and Assessment Procedures. In order to effectively and efficiently manage risk and address challenges, the Company has formulated Risk Management Policy.

The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main

components of a risk assessment are business risk, service/operational risk and external risk.

The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision-making, and compliance with applicable laws and regulations.

37.0 Significant & material orders passed by the regulators

During the year under review, no significant and material orders were passed by the Regulators or Courts or

Tribunals impacting the going concern status and the Company's operations.

38.0 Vigil mechanism

The Vigil Mechanism of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 includes a Task Force comprising

senior executives of the Company. Protected disclosures can be made by a Whistle Blower through an email or dedicated telephone lines or a letter to the Task Force.

39.0 Material changes and commitments affecting the financial position of the company after 31st March 2017

There were no material changes and commitments affecting the financial position of the Company after 31st March 2017.

40.0 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the provisions of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 read with Rules as amended upto date, the Company has constituted Internal Complaints Committees (ICCs). ICCs have been given the responsibility to receive and address the complaints

received, if any, at all locations where the Company is present. The Company has also taken steps to create awareness about familiarization to the said policy having been put in place. There was no instance of alleged sexual harassment reported during the year under review.

41.0 Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as Annexure-VI.

The CSR Policy may be accessed on the Company's website at the link http://infra.schneider-electric.com/in/pdf/Investor-Relations/corporate_social_reponsibility_policy_SEIL_Final%2008_02_2016.pdf

42.0 Meetings of the Board

Four meetings of the Board of Directors were held during the period under review. For further details, please refer

report on Corporate Governance forming part of this Annual Report.

43.0 Code of conduct and ethics

The Board of the Company has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company. The objective of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's

conduct in dealing with the Company, fellow Directors and Employees and with the environment in which the Company operates. The Code is available on the Company's website (<http://infra.schneider-electric.com/in/pdf/Investor-Relations/SEIL-Code-of-Conduct-SEIL.pdf>)

44.0 Conservation of energy, technology absorption and foreign exchange earning and outgo

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the

Companies Act, 2013 is annexed as Annexure-VII and forms part of this Report.

45.0 Employees Stock Option Scheme

The company has not provided any Stock Option Scheme during the year under review.

46.0 Acknowledgments

Your Directors would like to thank all stakeholders, namely, customers, shareholders, dealers, suppliers, bankers, employees and all other business associates for the

continuous support given by them to the Company and its Management.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 27th July, 2017

Vinod Kumar Dhall
Chairman

Policy on remuneration to be paid to directors, key managerial personnel and other employees and criteria for appointment of directors

Remuneration Policy

Non-Executive Independent Directors

Non-Executive Independent Directors are appointed for their professional expertise in their respective fields in individual capacity and receive sitting fees for attending the meetings of the Board and Committees thereof as approved by the Board from time to time.

Executive/Whole-Time Directors

The Committee shall recommend Remuneration of Whole-Time Directors which will be again recommended by the Board and finally approved by the shareholders.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to Whole-Time Directors.

Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. This is further benchmarked so as to attract and retain the right talent for the job.

Key Managerial Personnel and Other Employees

The remuneration of Key Managerial Personnel and other employees largely consists of basic salary, perquisites and allowances. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different levels and are governed by the industry pattern, qualification & experience/ merits and performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package as is prevailing in the industry.

The annual variable pay of Key Managerial Personnel and employees is linked to the performance of the Company in general for the relevant year and measured against Company's objectives fixed in the beginning of the year.

Director's Qualification and Evaluation Criteria

The composition and strength of the Board of Directors (the "Board") of the Company is subject to the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and Articles of Association of the Company.

Within the defined parameters, as above, the Board determines the size and composition of the Board.

The Nomination and Remuneration Committee of the Board (the "Committee") is responsible for evaluating the qualifications of each candidate to be appointed as Director on the Board of the Company and of those Directors who are to be nominated for election by shareholders at each annual shareholder's meeting.

The qualification criteria set forth herein below is designed to describe the qualities and characteristics desired for the Board as a whole and for Board members individually.

Director Qualification Criteria- General

It is not mandatory to establish specific minimum age, education, years of business experience or specific types of skills for Board Members, but, in general, it is expected from an independent Director to possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business and to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values. In its evaluation, the Committee shall consider the Board size and composition of the Board according to the following guidelines:

With respect to Board composition as a whole, the Board will maintain composition of the Directors pursuant to applicable laws, rules and regulation and the Independence Standards set forth below:

Additional Qualification Review Criteria

The Committee shall also consider whether each Director candidate and each Director possesses the following

- The highest level of personal and professional ethics, integrity and values;
- An appreciation of the Company's mission and purpose,
- The ability to exercise objectivity and independence in making informed business decisions;
- The willingness and commitment to devote the time necessary to fulfill his/ her duties;
- The ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others; and
- The skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in manufacturing, international operations, finance, accounting, legal, strategic planning, supply chain, technology and marketing.

Independent Directors

It is expected that an Independent Director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his/ her duties;
- (3) exercise his/ her responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his/ her obligations towards the company for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his/ her exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his/ her position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his/ her independence;
- (8) where circumstances arise which make an independent Director lose his/ her independence, the independent Director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

Role and functions:

The Independent Directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of Board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive Director/s, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive Directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

Duties:

The independent Directors shall

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his/ her authority, assist in protecting the legitimate interests of the company, shareholders and its employees; not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Independence Review Procedures

Annual Review

Determinations of Director's independence will be made by the Board for each Director on an annual basis.

Individual Director - Independence Determinations

If a Director nominee is considered for election to the Board between annual meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-to-case basis for each Director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any Director is not independent even if he or she satisfies the criteria set forth above.

Notice of Change of Circumstances

Each Director has an affirmative obligation to notify the Company of any change in circumstances that may put his/ her independence at issue. If so notified, the Committee shall re-evaluate such Director's independence, as promptly as practicable, and make a recommendation to the Board with respect to such Director's independence.

Secretarial Audit Report

For the Financial Year ended March 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Schneider Electric Infrastructure Limited
 (CIN: L31900GJ2011PLC064420)
 Milestone 87, Vadodara, Halol Highway,
 Village Kotambi, Post Office Jarod,
 Vadodara, Gujarat, 391510.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Schneider Electric Infrastructure Ltd** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that -

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management Representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) *The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (l) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

* No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable as mentioned above.

(vi) 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 1000 Voltage Protection Relays and Electricity Distribution & Automation Equipments. Following are the laws which are applicable specifically on the Company:

- Indian Boiler Act, 1923 and rules made there under;
- Environment (Protection) Act, 1986;
- Manufacture, Storage and Import of Hazardous Chemical Rules, 1989; and
- Hazardous Wastes (Management and Handling) Rules, 1989.

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

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No. P2001DE052900

Place: New Delhi
Date: 27th July, 2017

Devesh Kumar Vasisht
Partner
CP No.: 13700

Report on Corporate Governance

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 its stakeholders.

The 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.

The Company is constantly interacting with all the stakeholders; its borders are expanding, its environment

is changing ever faster, its activities are becoming globalized 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 emphasizes the importance of placing responsibility at the heart of its corporate governance.

2. Board of Directors

A. Composition

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

Of the total Eight Directors, 6 Directors are Non-Executive and 2 are Executive Directors.

The Company does not have any nominee Director.

The Company meets the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in terms of the composition of its Board.

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

S. No.	Names of Directors*	Position	Classification	Number of Board Meetings attended (April 2016 - March 2017)	Attendance at the last AGM held on 23 rd September, 2016
1	Mr. Vinod Kumar Dhall	Chairman	Independent (Non-Executive)	4	Yes
2	Mr. Anil Chaudhry	Director	Non-Executive	4	Yes
3	Mr. Prakash Kumar Chandraker	Managing Director	Executive	4	Yes
4	Mr. Ranjan Pant	Director	Independent (Non-Executive)	3	Yes
5	Ms. Sonali Kaushik	Director	Non-Executive	4	Yes
6	Mr. Subramanian Vishar Vasudevan	Director	Independent (Non-executive)	4	Yes
7	Mr. Sugata Sircar	Director	Non-Executive	4	Yes
8.	Mr. Vivek Sarwate	Whole-time Director	Executive	2	Yes

* Arranged in Alphabetical order except Chairman

Brief write-ups about the Directors are given elsewhere in this report.

C. Number of other directorship and membership of committee(s) (Audit and Stakeholders Relationship Committee) of the Board of Directors in such Companies are as under:

S. No.	Name of the Director*	No. of other Directorships (Excluding foreign Companies and Private Limited Companies)	Number of other Committees	
			As Chairman	As Member
1.	Mr. Vinod Kumar Dhall**	6	5	3
2.	Mr. Vishar Subramanian Vasudevan***	1	-	1
3.	Mr. Anil Chaudhry	-	-	-
4.	Mr. Prakash Kumar Chandraker	-	-	-
5.	Mr. Ranjan Pant	2	-	-
6.	Ms. Sonali Kaushik	-	-	-
7.	Mr. Sugata Sircar	1	-	-
8.	Mr. Vivek Sarwate	-	-	-

* Arranged in Alphabetical order except Chairman.

** Mr. Vinod Kumar Dhall is the Chairman of the Audit Committee.

*** Mr. Vishar Subramanian Vasudevan is the Chairman of the Stakeholders Relationship Committee.

D. Number of Board Meetings held and dates of Board Meetings

Number of Board Meetings held during the period 01.04.2016 to 31.03.2017.

Four

E. Dates of the Board Meetings:

- May 25, 2016
- August 08, 2016
- November 11, 2016
- February 11, 2017

F. Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of executive directors and management personnel. Accordingly, the Independent Directors met on 11th November, 2016.

G. Familiarization programme - Independent Directors

In terms of Reg. 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Familiarization Program for Independent Directors was organized as per the following details:

S. No.	Programme held on	Particulars		Name of the Directors		
				Mr. Vinod Kumar Dhall	Mr. Ranjan Pant	Mr. V.S Vasudevan
1	08.08.2016	Succession planning for Board of Directors and Senior Management as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Whether attended	Yes	Yes	Yes
			Hours spent	One and half hours	One and half hours	One and half hours
2	23.09.2016	Presentation by Mr. Sant Kumar Verma on GST	Whether attended	Yes	Yes	Yes
			Hours spent	Two hours	Two hours	Two hours
3	11.02.2017	Applicability of Indian Accounting Standard	Whether attended	Yes	Yes	Yes
			Hours spent	Half an hour	Half an hour	Half an hour

Summary of programmes held during this financial year 2016-17 and on cumulative basis till date

Total no. of programmes held	During the financial year		Cumulative
	3		3
No. of hours spent	4		4

3. Disclosures regarding Directors' appointment and re-appointment

Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company,

Mr. Anil Chaudhry and Mr. Vivek Sarwate, Directors, retire by rotation and being eligible, offer themselves for re-appointment.

Considering the background and experience of Mr. Anil Chaudhry and Mr. Vivek Sarwate, the Board is of the

opinion that their appointment will immensely benefit your Company. The Board recommends their re-appointment.

Brief particulars of the Directors to be appointed/ re-appointed are given elsewhere in this Report.

As per the declarations received, none of the Directors of the Company are disqualified for being appointed/ re-appointed as Directors as specified in Section 164(2)(a) and (b) of the Companies Act, 2013.

Mr. Vinod Kumar Dhall



Mr. Vinod Kumar Dhall was in the Indian Administrative Service (IAS) where he worked at very high levels in government, at policy as well as executive levels. As Secretary, Ministry of Corporate Affairs, he introduced path-breaking reforms, such as enactment of the Competition Act, corporate insolvency law and enhancing corporate governance provisions. He set up the Serious Frauds Investigation Office and initiated the pioneering E-governance project MCA21. He has long experience in economic and industrial matters and regulatory experience including as Member, SEBI and in Insurance. As Chairman / CEO of public sector companies, he has direct commercial experience. He also worked overseas with United Nations organizations.

Mr. Dhall is identified with the origin and growth of the Indian competition law, and was the first Chairman (actg) of the Competition Commission of India (CCI). He set up

the CCI, established the framework of its policies and procedures for mergers and antitrust cases, draft regulations, analytical models, and the deploying of core staff with requisite training; these have formed the foundations of the working of the CCI. Mr. Dhall also set up one of the first competition law practices in India and is well known for handling complex competition matters of several Indian and multinational companies. His highly regarded book on Competition Law is one of the first books on the subject in India.

He is on the Boards of Directors of a number of leading Companies, and is / has been member of various juries for awards in areas like corporate social responsibility and corporate governance.

He is Chairman of the Audit Committee and member of Nomination and Remuneration Committee of the Company.

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

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.

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.

He is a Member of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Company.

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

Mr. Vishar Subramanian Vasudevan



in NYSE.

Mr. Vishar Subramanian Vasudevan held the position of CFO at Dr. Reddy's Laboratories Limited, responsible for Finance and Investor Relations for a period of 23 years. During this period Dr. Reddy's transformed itself from a start up to a US \$ 1 Bn company and was listed

Mr. Vasudevan also held the position of Head of European Operations for a period of 3½ years based in London and during this tenure was responsible for developing the European market for Dr. Reddy's through a series of organic and inorganic moves. 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.

He 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. He was a key participant in transforming the company from a regional API manufacturer to a global corporation and key player in formulating strategy and corporate policies.

He contributed to molding the Company, post economic liberalization from 1991 onwards (and for Export sector from 1986 onwards)

He was instrumental in putting together innovative financial structures for the company's R&D activities and Product Development activities – also a case study in Harvard Business School and complimented by Dr. Anji Reddy as 'Innovations need not happen in labs alone, they can also happen in finance'.

He is also on the Board of Schneider Electric President Systems Ltd. and also on the Board of a European Company. Currently he is also doing Equity research and portfolio management with a team of young Management Graduates.

He was nominated as one of the finalists for CNBC for the Best Indian CFO in 2007. He was also awarded Chairman's Excellence Award at Dr. Reddys.

He is a Member of the Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee and Chairman of Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

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

Mr. Prakash Kumar Chandraker



Mr. Prakash Kumar Chandraker is the Managing Director of Schneider Electric Infrastructure Limited. He is an Electrical Engineering by qualification & has pursued his Professional trainings in Business Leadership from IIM Bangalore.

He holds a rich experience of over 30 years in the Power Industry. During his career journey, he has worn different hats and successfully lead various leadership positions in the domains of Business Development, Marketing, Sales and Operations in companies like Cegelec, Alstom T&D, and Areva T&D.

His versatile experience & expertise in the power sector has set milestones which brought him great recognition in the Industry and in companies he has worked with. He was bestowed by prestigious awards like Pinnacle Award by Schneider Electric & Excellence in Operations by Areva T&D for his exemplary service. His remarkable achievement during his tenure as Regional Managing

Director, Automation business, Areva T&D for spearheading the implementation of State of art, largest unified Load Dispatch Centers and Energy Management Schemes for Power Grid Corporation of India Limited (PGCIL) and various utilities in India was highly appreciated.

He is an active member of CII National Committee on Power and National Committee on Capital Goods & Engineering. He holds the panel of the Executive council of IEEMA (Indian Electrical & Electronics Manufacturers' Association). By his in-depth knowledge on Smartcity, Smart grid, Self-healing grid and Energy management, he has represented Schneider Electric at various media forums and has presented technical and strategic papers on these subjects.

He is a member of the Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee of the Company.

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

Mr. Anil Chaudhry



Anil Chaudhry is the Managing Director and Country President of Schneider Electric India Private Limited since 2013. Prior to this, he was the Senior Vice President, Global Sales Organisation, Infrastructure and a member of the Leadership Team in Paris. In his professional career of over 30 years, he has held leadership positions in management, operations, sales, strategy and business development with Global responsibility based out of Europe and India.

Anil has been associated with the Energy and Infrastructure sector in major part of his career and has done substantial amount of work, spanning over three decades, for French business interests worldwide with a focus on infrastructure development, climate change, access to energy, skills development and promoting

diversity & inclusion. He is also member of Women Advisory Board at Schneider Electric.

In July 2015, Anil was conferred the highest French civilian distinction – Chevalier de la Légion d'Honneur (Knight of the Legion of Honour) by President of Republic of France recognizing his significant contributions towards strengthening Indo-French economic relations.

He has published and presented numerous Technical and concept Papers at various national and international seminars for application of Digital Technology, Automation & IoT for Energy Management and Efficiency for Smart Infrastructure and Smart Cities.

He is a Member of the Nomination and Remuneration Committee of the Company.

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

Mr. Sugata Sircar



Mr. Sugata Sircar is a Chartered Accountant with 27 years of experience in various industries including Electrical Energy, Gas Distribution, Manufacturing of Chemicals, Textiles, Tyres and FMCG. He has worked as CFO and as Managing Director of a Public Limited Company in India

In the current role he sits on the Board of several Schneider India companies and partners the President & MD in managing all businesses of Schneider in the Greater India Zone.

His focus areas are business performance management, strategy and business decision support, investment decisions, efficiency improvement, processes and systems, leadership and risk management.

He has been actively involved in various CFO forums including the CII as chair of economic forums. He has been awarded several times as a CFO.

He is a Member of the Audit Committee of the Company.

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

Ms. Sonali Kaushik



Ms. Sonali Kaushik is a global business leader with 30 years of business management, marketing and sales experience in global market with Fortune 500 MNCs in hi-tech industry. A strong leader in developing and driving growth strategies and plans to maximize

market access and market share growth. Proven track record in leading large organizations to consistently drive revenue and profit growth with strong work ethics. A pioneer and change agent in breaking ground and turning around businesses. A culturally astute leader with a strong passion for Disciplined Sales Process, Organization Design, Talent Acquisition & Leadership Development.

She does not hold any shares in the Company.

Mr. Vivek Sarwate



Mr. Vivek Sarwate is an Entrepreneurial leader with 20 years expertise in R&D, Product Marketing, Exports, Business Development and ETO (Engineering to Order) Front End Processes like Engineering, Project Management and Tendering.

He has demonstrated strengths in creating strategy for New Products and Product Launches in India and Export Markets.

He has proven ability to create value through improvements in ETO Processes to increase Profitability of ETO plants, by involving cross functional teams and successfully envisaging & implementing strategies with the help of team members.

He has Completed Electrical Engineering from Govt. Engineering College - Jabalpur, India in the year 1996 and Masters of Science in Power Systems from Arizona State University, USA in the year 2003.

He does not hold any shares in the Company.

4. Non-executive Directors - Compensation and Disclosures

Sitting fees are paid to the independent Directors for attending the meetings.

The details of the sitting fees paid to the Independent Directors during 2016-17 are as under:

- Mr. Vinod Kumar Dhall : Rs. 8,40,000 ;
- Mr. Ranjan Pant : Rs. 6,00,000; and
- Mr. Subramanian Vishar Vasudevan: Rs.7,60,000

Non-executive Non- Independent Directors are not paid any compensation.

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

In line with the Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 Group.

The Code is available on the Company's website <http://infra.schneider-electric.com/in/pdf/Investor-Relations/SEIL-Code-of-Conduct-SEIL.pdf>

A declaration by the Managing Director that all the Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2017 is annexed as Annexure-A.

6. CEO/CFO Certification

In line with the requirements of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has reviewed the certificate submitted by the Managing Director and the Chief Financial Officer of the Company certifying various covenants about financial/cash flow statements, internal controls, financial reporting, etc. The certificate is annexed as Annexure-B.

7. Audit Committee

The composition of the Audit Committee is as under:

Name of Director	Designation on the Committee
Mr. Vinod Kumar Dhall	Chairman
Mr. Ranjan Pant	Member
Mr. Subramanian Vishar Vasudevan	Member
Mr. Sugata Sircar	Member

The above composition duly meets the requirement of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The Internal Auditor, representatives of the Statutory Auditors and other executives are invited to the meetings of the Audit Committee.

Mr. Anil Rustgi, Company Secretary is the Secretary to the Audit Committee.

The terms of reference and powers of the Audit Committee 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.

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

The Audit Committee met 4 times during the year on 25.05.2016, 08.08.2016, 11.11.2016 and 11.02.2017 and the attendance of all the Audit Committee Members at the said meetings are as under:

S.No.	Name of Director	Number of Meetings attended
1.	Mr. Vinod Kumar Dhall	4
2.	Mr. Ranjan Pant	3
3.	Mr. Subramanian Vishar Vasudevan	4
4.	Mr. Sugata Sircar	4

Composition of Audit Committee of the Company may be accessed at Company's website at the link <http://infra.schneider-electric.com/in/investor-relations/committees-of-directors.html>.

8. Nomination and Remuneration Committee

Composition of the Committee

Nomination and Remuneration Committee of the Company comprising of Mr. Subramanian Vishar Vasudevan, Chairman of the Committee; Mr. Vinod Kumar Dhall, Mr. Ranjan Pant and Mr. Anil Chaudhry, Members of the Committee.

The above composition duly meets the requirement of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee met once during the year on 11.02.2017 and the attendance of the Committee members at the said meeting is as under:

S.No	Names	Number of Meetings	Attended
1.	Mr. Subramanian Vishar Vasudevan	1	1
2.	Mr. Anil Chaudhry	1	1
3.	Mr. Ranjan Pant	1	1
4.	Mr. Vinod Kumar Dhall	1	1

Mr. Anil Rustgi, Company Secretary is the Secretary to the Nomination and Remuneration Committee.

Composition of Nomination and Remuneration Committee of the Company may be accessed at Company's website at the link <http://infra.schneider-electric.com/in/investor-relations/committees-of-directors.html>.

Performance Evaluation Criteria

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors and other Directors, Board as a whole and the Committees thereof. The criteria for performance evaluation cover the areas relevant to their functioning as Independent Directors or other Directors, Member of Board and Committees of the Board.

The Nomination and Remuneration Committee has evaluated the performance of each Director for the Financial Year ended March 31, 2017. The evaluation of the performance of each Director was based on level of participation in meetings, understanding the roles and responsibilities, understanding the strategic issues and challenges in the Company.

The Independent Directors at their meeting also discussed the performance of the Non-Executive Directors including the Chairman of the Board. Based on the above broad parameters, the effectiveness of the Board and its Committees was found satisfactory.

The performance evaluation of Independent Directors was done by the entire Board of Directors excluding Independent Director being evaluated. Broad parameters for reviewing the performance of Independent Directors amongst other include participation at the Board/Committee meetings, understanding their roles and responsibilities and business of the Company, effectiveness of their contribution/ commitment, effective management of relationship with stakeholders, integrity and maintaining of confidentiality, exercise of independent judgment in the best interest of the Company, ability to contribute to and monitor corporate governance practice, adherence to the code of conduct for Independent Directors, bringing independent judgement during Board deliberations on strategy, performance, risk management, etc.

The evaluation of the Performance of Board was based on Board composition, experience and competencies, understanding of business and competitive environment, quality of discussions at the Board Meetings, time spent by the Board on the Company's long term goals and strategies.

9. Remuneration to Directors

No remuneration (other than sitting fees are paid to the Independent Directors, the details of which are given elsewhere in the report) is paid to Non-Executive Directors.

Remuneration paid to the Executive Directors during the period from 01.04.2016 to 31.03.2017 is as under:

S.No	Name of the Director	Salary (Rs.)	Perquisites and allowances, including Retirals (Rs.)	Commission Paid (Rs.)	Total (Rs.)
1.	Prakash Kumar Chandraker Managing Director	93,71,724	61,71,740	-	1,55,43,464
2.	Vivek Sarwate Whole-time Director	34,90,872	56,84,193	-	91,75,065

10. Stakeholders Relationship Committee

In line with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Stakeholders Relationship Committee 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 the Director	Designation on the Committee
Mr. Subramanian Vishar Vasudevan	Chairman
Mr. Prakash Kumar Chandraker	Member
Mr. Ranjan Pant	Member

Mr. Anil Rustgi, Company Secretary is the Compliance Officer of the Company and also the Secretary to the Committee.

Composition of Stakeholders Relationship Committee of the Company may be accessed at Company's website at the link <http://infra.schneider-electric.com/in/investor-relations/committees-of-directors.html>.

11. Risk Management Committee

As a pro-active measure, the Board has constituted a Risk Management Committee. The roles and responsibilities of Risk Management Committee are as prescribed under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes monitoring and review of risk management plan and reporting the same to the Board of Directors as it may deem fit.

The present composition of the Committee is as under:

Name of the Director	Designation on the Committee
Mr. Subramanian Vishar Vasudevan	Member
Mr. Ranjan Pant	Member
Mr. Prakash Kumar Chandraker	Member

Mr. Anil Rustgi, Company Secretary is the Secretary to the Risk Management Committee.

Composition of Risk Management Committee and Risk Management Policy of the Company may be accessed at Company's website at the link <http://infra.schneider-electric.com/in/investor-relations/committees-of-directors.html>.

12. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee to discharge the duties stipulated under Section 135 of the Companies Act, 2013 which includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013; recommendations of the amount of expenditure to be incurred and monitoring the CSR Policy of the Company.

The present composition of the Committee is as under:

Name of the Director	Designation on the Committee
Mr. Subramanian Vishar Vasudevan	Member
Mr. Ranjan Pant	Member
Mr. Prakash Kumar Chandraker	Member

Mr. Anil Rustgi, Company Secretary is the Secretary to the Corporate Social Responsibility Committee.

The contribution to the Corporate Social Responsibility is not applicable on the Company due to losses in the preceding three financial years.

Composition of Corporate Social Responsibility Committee of the Company may be accessed at Company's website at the link <http://infra.schneider-electric.com/in/investor-relations/committees-of-directors.html>.

13. Status for Complaints received and redressed during the period from 01.04.2016 to 31.03.2017

Nature of Complaints	No. of complaints against quarter ended			
	30.06.2016	30.09.2016	31.12.2016	31.03.2017
Non-receipt of Certificates after Transfer/ Demerger	1	1	–	1
Non-receipt of Dividend	--	–	–	–
Non-receipt of Annual Reports & Accounts	--	–	–	1
Others	--	–	–	–
Total	1	1	–	2
Complaints Redressed	1	1	–	2
Complaints Pending	NIL	NIL	NIL	NIL

Total No. of Complaints: 4

There are no transfers pending as on 31.03.2017

Details of complaints received from 01.04.2016 to 31.03.2017

S.No	Complaint received from	Name	Nature of complaint	Action taken Report
1.	NSE – (07.02.2017)	Mr. Naik Subhash Jaiwant	Non receipt of Annual Report (2016)	A copy of Annual Report (2016) dispatched to the complainant on 08.02.2017.
2.	SEBI - Scores (07.02.2017)	Mr. Ratanji Jamshedji	Non-receipt of Share Certificate	Non receipt of Share Certificate. 1050 shares duly transmitted on 30.01.2017 in favour of Khambatta, after transmission on 31.01.2017 (new folio 04100457) and dispatched on 07.02.2017
3.	SEBI - Scores (06.09.2016)	Ms. Caroline Franco	Non receipt of Duplicate Share Certificate	Vide our registered letter dated 20th September, 2016, we have requested the complainant to comply with the duplicate formalities already sent vide our letter dated 20.04.2016.
4.	SEBI - Scores (06.04.2016)	Ms. Caroline Franco	Non receipt of Share Certificate	Vide our registered letter dated 20th April, 2016, we sent the complainant documents required for issue of duplicate share certificate such as Indemnity Bond and Affidavit and requested the complainant to get the same signed , witnessed, notarized and resubmit all documents along with received copy of FIR in original.

14. General Body Meetings

The details of the General Body Meetings held/ Postal Ballot conducted during last three years are given below:

S. No.	General Body Meetings	Date and Time	Venue
1	Postal Ballot*	17 th February, 2014	-
2	Annual General Meeting	25 th September, 2014 11:30 a.m.	Gateway Hotels Akota Garden, Akota, Vadodara 390 020, Gujarat
3	Postal Ballot*	27 th December, 2014	-
4	Annual General Meeting	11 th August, 2015	Gateway Hotels Akota Garden, Akota, Vadodara 390 020, Gujarat
5	Postal Ballot**	03 rd March, 2016	-
6	Annual General Meeting	23 rd September, 2016	Gateway Hotels Akota Garden, Akota, Vadodara 390 020, Gujarat

Note:

- *Special resolutions as set out in the Notices to the past three Annual General Meetings were passed with requisite majority in each case.*
- **The process of Postal Ballot was conducted by Mr. Nesar Ahmad, a Practicing Company Secretary, under the provisions of Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014*
 - i. Resolution was approved on 17.02.2014 by 83.48%*
 - ii. Resolution was approved on 27.12.2014 by 99.89%*
- ***The process of Postal Ballot was conducted by Mohd. Nazim Khan, Practicing Company Secretary, under the provisions of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014*
 - i. Resolution was approved on 03.03.2016 by 80.24%.*

15. Disclosures

(i) Related party transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and at arm's length basis. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link at http://infra.schneider-electric.com/in/pdf/Investor-Relations/Related_Party_Transaction_Policy_SEIL_Revised.pdf.

(ii) The Company has complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidelines of SEBI. No penalties and strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during the period under review. The Company has not made any rights or public issue during the period covered by this report.

(iii) The Company has adopted the Vigil Mechanism as required by Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for directors and employees to report concerns about unethical behaviour. The said link has been also uploaded on the website of the Company at the following link http://infra.schneider-electric.com/in/pdf/Investor-Relations/Whistle_Blower_Policy_SE_Infra.pdf.

(iv) The Company has also adopted Policy on Determination of Materiality for Disclosures, Policy for Preservation of Documents on the Company's website at the following link: <http://infra.schneider-electric.com/in/investor-relations/policies.html>.

(v) Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2017. The annual report of the Company contains a certificate by the CEO and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management as Annexure-A.

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

16. 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	:	Mint (English) and Gujrat Samachar (Gujarati).
Any website, where displayed	:	http://infra.schneider-electric.com/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.

17. Unclaimed Dividend

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

Details of unclaimed dividend are available at Company's Website at the link <http://infra.schneider electric.com/in/investor-relations/dividendstatus-of-unclaimed-dividend.html>

18. Subsidiary Company

The Company does not have any subsidiary Company.

19. General Shareholder Information

A. Sixth Annual General Meeting:

Day	:	Friday
Date	:	22 nd September, 2017
Time	:	11:00 a.m.
Venue	:	The Gateway Hotel, Akota Garden, Akota, Vadodara - 390020 Gujarat (India)

B. Financial Calendar

: April to March

The tentative dates for approval of unaudited/audited results for financial year 2017-18 are as under:

• Quarter ending June 30, 2017	:	2 nd Week of September, 2017
• Quarter ending September 30, 2017	:	2 nd Week of November, 2017
• Quarter ending December 31, 2017	:	2 nd Week of February, 2018
• Quarter ending March 31, 2018	:	Last Week of May, 2018

C. Dates of Book Closure

: From September 16, 2017 to September 22, 2017 (both days Inclusive)

D. Dividend Payment Date

: Not Applicable

E. Listing on Stock Exchanges

: **National Stock Exchange of India Limited.**

Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

Bombay Stock Exchange Limited

Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai - 400 023.

The Calcutta Stock Exchange Limited

7, Lyons Range
Kolkata - 700 001.

The Board has given the approval for voluntary delisting of the Equity Shares of the Company from the Calcutta Stock Exchange (CSE), pursuant to the Regulation 6(a) and 7(1) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, in the meeting held on 11th February, 2017.

Accordingly, the Company has made an application to CSE for Voluntary Delisting along with the other required documents.

Final confirmation regarding this is still awaited from CSE. The Company is regularly following with the CSE for the updates.

The Company has paid the Listing Fees for the year 2017-18 to the above three Stock Exchanges.

F. 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

G. Market Price Data

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

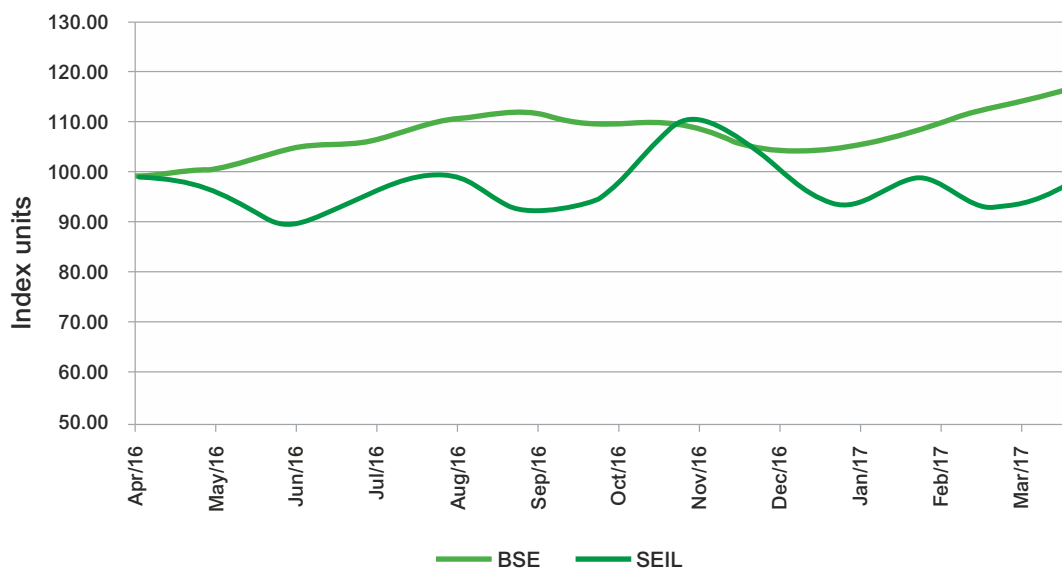
	Schneider Electric Infrastructure Ltd. Share prices on BSE		BSE SENSEX	
	High (INR)	Low (INR)	High (INR)	Low (INR)
April 2016	153.50	139.00	26,100.54	24,523.20
May 2016	144.00	126.75	26,837.20	25,057.93
June 2016	147.90	130.10	27,105.41	25,911.33
July 2016	152.70	139.00	28,240.20	27,034.14
August 2016	145.00	129.90	28,532.25	27,627.97
September 2016	149.60	130.70	29,077.28	27,716.78
October 2016	169.90	138.55	28,477.65	27,488.30
November 2016	173.55	126.60	28,029.80	25,717.93
December 2016	150.00	132.30	26,803.76	25,753.74
January 2017	155.00	134.90	27,980.39	26,447.06
February 2017	149.00	134.05	29,065.31	27,590.10
March 2017	146.00	129.00	29,824.62	28,716.21

(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 (INR)	Low (INR)	High (INR)	Low (INR)
April 2016	149.75	139.30	7,979.90	7,546.45
May 2016	139.85	129.50	8,178.50	7,706.55
June 2016	143.95	134.60	8,287.75	8,088.60
July 2016	151.45	141.15	8,666.30	8,323.20
August 2016	141.50	131.65	8,786.20	8,544.85
September 2016	145.20	131.75	8,952.50	8,591.25
October 2016	165.45	139.75	8,769.15	8,520.40
November 2016	168.35	130.60	8,626.25	7,929.10
December 2016	145.70	133.65	8,261.75	7,908.25
January 2017	151.55	137.90	8,641.25	8,179.50
February 2017	145.20	134.85	8,939.50	8,716.40
March 2017	144.10	129.85	9,173.75	8,897.55

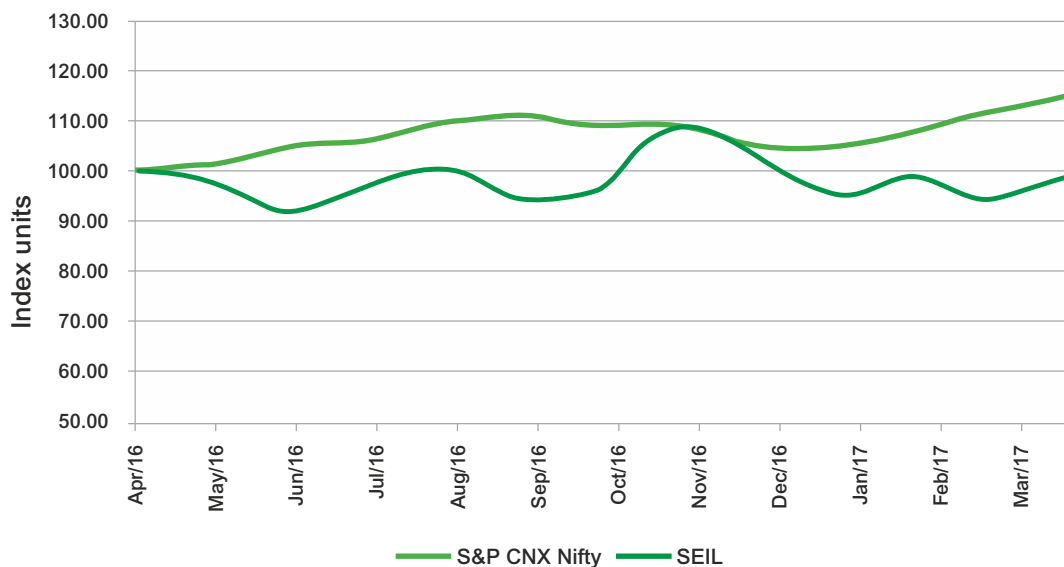
(iii) The shares of the Company were not traded on The Calcutta Stock Exchange Limited and therefore no market price is available.

H. Stock Performance of Schneider Electric Infrastructure Ltd. (SEIL) Vs. BSE Sensex



SEIL share price as on April 2016 INR 144 = 100 units
 BSE SENSEX as on April 2016 INR 25269.64=100 units

I. Stock Performance of Schneider Electric Infrastructure Ltd. (SEIL) Vs. S&P CNX Nifty



SEIL share price as on April 2016 INR 143.95 = 100 units

S&P CNX Nifty as on April 2016 INR 7713.05= 100 units

J. Shareholding pattern as on March 31, 2017

Sl. No.	Category	No. of Equity Shares held	Percentage %
1	Indian Principal		
	- Energy Grid Automation Transformers and Switchgears India Private Limited	168735367	70.57
	Foreign Principal		
	- Schneider Electric Singapore Pte Ltd	10592659	4.43
2	Insurance Companies	7246218	3.03
3	Financial Institutions and Banks	65071	0.03
4	Mutual Funds	9859175	4.12
5	Foreign Portfolio Investors	595450	0.25
6	Corporate Bodies	9176039	3.84
7	Non-resident Indians, Overseas Corporate Bodies and Foreign Nationals	901816	0.38
8	Directors and their Relatives	--	-
9	General Public	26887091	11.24
10	Others - Clearing Member	224828	0.09
	Others - Trust	4819716	2.02
	Others - State Government	605	0.00
	Total	239104035	100.00

K. Distribution of Holdings as on March 31, 2017

Category	No. of Shareholders	Percentage %	No. of Shares	Percentage %
1 - 500	43643	83.25	6108302	2.55
501 - 1000	4040	7.71	3220611	1.35
1001 - 2000	2302	4.39	3521219	1.47
2001 - 3000	856	1.63	2194893	0.92
3001 - 4000	432	0.82	1579595	0.66
4001 - 5000	311	0.59	1459545	0.61
5001 - 10000	505	0.96	3702853	1.55
10001 - 50000	285	0.54	5729625	2.40
50001 - 100000	29	0.06	2100824	0.88
100001 - and above	25	0.05	209486568	87.61
	50656	100.00	239104035	100.00

L. 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

M. Share Transfer System

A Committee of Directors – Stakeholders Relationship Committee, has been 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, 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 practicing Company Secretary and a Certificate to that effect is issued. The Company's scrip forms part of the SEBI's compulsory demat segment.

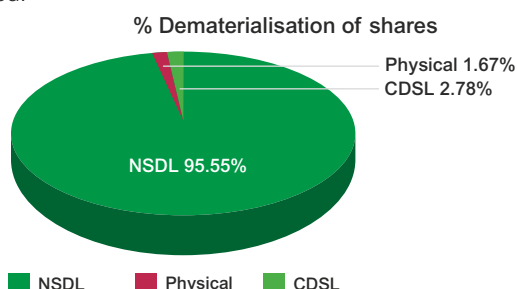
N. Permanent account number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders/legal heirs be furnished to the Company while obtaining the services of transfer, transposition and transmission of shares.

O. 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 31.03.2017 a total of 235113905 Equity Shares of the Company, constituting 98.33% of the paid-up share capital stands dematerialized.



P. Reconciliation of Share Capital

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the share capital reconciliation 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.

Q. Nomination facility for Shareholders

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Those Members who hold shares in physical form may obtain nomination from the Company Secretary at 10th Floor, Building No. 10, Tower-C, DLF Cyber City, Phase-II, Gurgaon-122002 India or download the same from the Company's website at <http://infra.schneider-electric.com/in/>

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

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

S. Address for Correspondence/ Investor Complaints

Registered Office :	Contact Person :
Milestone 87	Mr. Anil Rustgi
Vadodara-Halol Highway	Company Secretary
Village Kotambi, P.O. Jarod	Tel. No. 91 124 7152300
Vadodara 391 510, Gujarat	Fax No. 91 124 4222036
	Email : company.secretary@schneider-electric.com

For and on behalf of the Board of Directors

Place: New Delhi
Date: 27th July, 2017

Vinod Kumar Dhall
Chairman

Declaration regarding compliance by board members and senior management personnel with the company's code of conduct

To

The Members of Schneider Electric Infrastructure Limited

This is to declare that the members of board of directors and senior management personnel of the Company have affirmed compliance with the code of conduct of board of directors and senior management for the year ended March 31, 2017.

Place: New Delhi
Date: 27th July, 2017

Prakash Kumar Chandraker
Managing Director & Chief Executive Officer

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To,

**The Board of Directors
Schneider Electric Infrastructure Limited**

We, Prakash Kumar Chandraker, Managing Director & Chief Executive Officer and Arnab Roy, Chief Financial Officer of Schneider Electric Infrastructure Limited ("the Company"), to the best of our knowledge and belief certify that;

1. We have reviewed the financial statements and the cash flow statements of the Company for the financial year ended 31st March, 2017, and we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our evaluation, to the Auditors and the Audit Committee that:
 - i. There are no significant changes in internal control over financial reporting during the year;
 - ii. There are no significant changes in accounting policies.
 - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Arnab Roy
Chief Financial Officer
PAN: AEXPR4552H

Place: Gurgaon
Date: 30th May, 2017

Prakash Kumar Chandraker
Managing Director and Chief Executive Officer
DIN: 05150366

Certificate of Compliance with the Corporate Governance

To

The Members of Schneider Electric Infrastructure Limited

Milestone 87, Vadodara, Halol Highway
Post Kotambi, Post office Jarod
Vadodara - 391510, Gujarat, India

We have examined the compliance of conditions of Corporate Governance by Schneider Electric Infrastructure Limited (the Company), for the year ended March 31, 2017 as stipulated in Regulation 17 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the Regulations) of the Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the condition 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 conditions of Corporate Governance as stipulated in the Regulations.

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

For **MNK & Associates,**
Company Secretaries

Mohd. Nazim Khan
Proprietor
FCS: 6529; C.P No: 8245

Place: New Delhi
Date: 12th July, 2017

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31.03.2017

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

I. Registration and other details:

- i. **CIN:** L31900GJ2011PLC064420
- ii. **Registration Date:** 12.03.2011
- iii. **Name of the Company:** Schneider Electric Infrastructure Limited
- iv. **Category / Sub-Category of the Company:** Public Listed Company
- v. **Address of the Registered Office and Contact details:** Milestone 87, Vadodara, Halol Highway, Village Kotambi, Post office Jarod, Vadodara, Gujarat 391510, Tel. 02668-664300/664466, Fax: 02668 - 664621
- vi. **Whether listed company:** Yes
- vii. **Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:** C.B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata-700019, Tel. +91 33-40116700/2280, Email: rta@cdmsl.com, Contact Person: Mr. Amit Bannerjee.

II. Principal business activities of the company

The Company is engaged in the business relating to product and systems for electricity distribution.

S.No	Product Particulars	Amount (In Millions)	Total Revenue (In Millions)	%
1.	Switchgear, Ring Main Units, etc.	6,704.88	12,108.76	55.37
2.	Transformers	2,936.09	12,108.76	24.25
3.	Automation and Others	2,467.79	12,108.76	20.38

III. Particulars of holding, subsidiary and associate companies

S.No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Energy Grid Automation Transformers And Switchgears India Private Limited	U65921HR2010PTC041756	Holding Company	70.57	2(46)

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)**(i) Category-wise Share Holding**

Category of Shareholder	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter									
1 Indian									
(a) Individuals/ HUF									
(b) Central Government									
(c) State Government(s)									
(d) Bodies Corporate	168735367	0	168735367	70.57	168735367	0	168735367	70.57	0.00
(e) Bank/Financial Institutions									
(f) Any Other (specify)									
Sub Total(A)(1)	168735367	0	168735367	70.57	168735367	0	168735367	70.57	0.00

Category of Shareholder	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2 Foreign									
(a) NRIs-Individuals									
(b) Other-Individuals									
(c) Bodies Corporate	10592659	0	10592659	4.43	10592659	0	10592659	4.43	0.00
(d) Bank/Financial Institutions									
(e) Any Other (specify)									
Sub Total(A)(2)	10592659	0	10592659	4.43	10592659	0	10592659	4.43	0.00
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	179328026	0	179328026	75.00	179328026	0	179328026	75.00	0.00
(B) Public shareholding									
1 Institutions									
(a) Mutual Funds	9833235	3500	9836735	4.11	9855675	3500	989175	4.12	0.01
(b) Bank/Financial Institutions	56357	8015	64372	0.03	57056	8015	65071	0.03	0.00
(c) Central Govt									
(d) State Govt(s)	0	605	605	0.00	0	605	605	0.00	0.00
(e) Venture Capital Funds									
(f) Insurance Companies	8240709	0	8240709	3.45	7246218	0	7246218	3.03	-0.42
(g) Foreign Institutional Investors (FII)/ Foreign Portfolio Investors	674483	4450	678933	0.28	591000	4450	595450	0.25	-0.03
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-Total (B)(1)	18804784	16570	18821354	7.87	17749949	16570	17766519	7.43	-0.44
2 Non-institutions									
(a) Bodies Corporate									
i) Indian	13520540	79125	13599665	5.69	9098914	77125	9176039	3.84	-1.85
ii) Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital up to Rs 1 lakh	18549859	3926868	22476727	9.40	19811255	3807210	23618465	9.88	0.48
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	3734030	0	3734030	1.56	3268626	0	3268626	1.37	-0.19
(c) Others (specify)									
(c-i) NRI	629714	88820	718534	0.30	812341	88820	901161	0.38	0.08
(c-ii) Foreign National	4250	405	4655	0.00	4250	405	4655	0.00	0.00
(c-iii) Trust	7845	0	7845	0.00	4819716	0	4819716	2.02	2.01
(c-iv) Clearing Member	413199	0	413199	0.17	224828	0	224828	0.09	-0.08
Sub-Total (B)(2)	36859437	4095218	40954655	17.13	38035930	3973560	42009490	17.57	0.44
Total Public Shareholding (B) = (B)(1)+(B)(2)	55664221	4111788	59776009	25.00	55785879	3990130	59776009	25.00	0.00
TOTAL (A)+(B)	234992247	4111788	239104035	100.00	235113905	3990130	239104035	100.00	0.00
(C) Shares held by Custodians for GDRs & ADRs									
Sub-Total (C)									
GRAND TOTAL (A)+(B)+(C)	234992247	4111788	239104035	100.00	235113905	3990130	239104035	100.00	0.00

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			
		No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	%change in shareholding during the year
1	Energy Grid Automation Transformers And Switchgears India Private Limited	168735367	70.57	0.00	168735367	70.57	0.00	0.00
2	Schneider Electric Singapore PTE Ltd.	10592659	4.43	0.00	10592659	4.43	0.00	0.00
	Total	179328026	75.00	0.00	179328026	75.00	0.00	0.00

(iii) Change in Promoter's Shareholding (please specify if there is no change)

S. No.	Folio No.	Name	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1IN30014210717156		Energy Grid Automation Transformers And Switchgears India Private Limited	At the beginning of the year	01-04-16	168735367	70.57	168735367	70.57
				31-03-17			168735367	70.57
2IN30263810065687		Schneider Electric Singapore PTE Ltd.	At the beginning of the year	01-04-16	10592659	4.43	10592659	4.43
				31-03-17			10592659	4.43

Note : There is no change in Promoters' shareholding

(iv) Shareholding Pattern of Top Ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRS)

S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)		
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company	
1	AABCH7520C	Hasham Investment And Trading Company Private Limited	At the beginning of the year	01-04-16	9210221	3.85	9210221	3.85	
				Decrease	17-03-17	9210221	3.85	0	0.00
				At the end of the year	31-03-17			0	0.00
2	AAATR0090B	Reliance Capital Trustee Co. Ltd. - A/c Through Its Various Schemes	At the beginning of the year	01-04-16	8611604	3.60	8611604	3.60	
				Increase	25-11-16	63559	0.03	8675163	3.63
				Increase	02-12-16	26441	0.01	8701604	3.64
				At the end of the year	31-03-17			8701604	3.64

DIRECTORS' REPORT

S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
					No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3	AAACN4165C	The New India Assurance Company Limited	At the beginning of the year	01-04-16	3891760	1.63	3891760	1.63
			At the end of the year	31-03-17			3891760	1.63
4	AAACG0615N	General Insurance Corporation of India	At the beginning of the year	01-04-16	2215806	0.93	2215806	0.93
			Decrease	10-03-17	100000	0.04	2115806	0.88
			At the end of the year	31-03-17			2115806	0.88
5	AADPB5433H	Akash Bhanshali	At the beginning of the year	01-04-16	1887268	0.79	1887268	0.79
			At the end of the year	31-03-17			1887268	0.79
6	AARFA5161F	Aadi Financial Advisors LLP	At the beginning of the year	01-04-16	1000000	0.42	1000000	0.42
			At the end of the year	31-03-17			1000000	0.42
7	AAATS2554B	Sundaram Mutual Fund A/c Through Its Various Schemes	At the beginning of the year	01-04-16	907171	0.38	907171	0.38
			Increase	15-07-16	18587	0.01	925758	0.39
			Decrease	30-12-16	9587	0.00	916171	0.38
			Decrease	06-01-17	20000	0.01	896171	0.37
			Decrease	13-01-17	14000	0.01	882171	0.37
			At the end of the year	31-03-17			882171	0.37
8	AACCM3201E	Max Life Insurance Company Limited A/c - ULIF00125/ 06/04LIFEGROWTH 104 - Growth Fund	At the beginning of the year	01-04-16	894491	0.37	894491	0.37
			Decrease	22-04-16	412575	0.17	481916	0.20
			Decrease	29-04-16	75390	0.03	406526	0.17
			Decrease	06-05-16	148135	0.06	258391	0.11
			Decrease	13-05-16	26224	0.01	232167	0.10
			Decrease	20-05-16	78869	0.03	153298	0.06
			Decrease	27-05-16	43420	0.02	109878	0.05
			Decrease	27-05-16	109878	0.05	0	0.00
			At the end of the year	31-03-17			0	0.00
			9	AAACT0627R	The Oriental Insurance Company Limited	At the beginning of the year	01-04-16	826950
At the end of the year	31-03-17						826950	0.35
10	ADUPS8026P	Neepa Shah	At the beginning of the year	01-04-16	511203	0.21	511203	0.21
			Decrease	24-02-17	883	0.00	510320	0.21
			Decrease	03-03-17	65462	0.03	444858	0.19
			Decrease	10-03-17	20633	0.01	424225	0.18

S. No.	Folio No.	Name - For each of the Top 10 Shareholders	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
					No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
			Decrease	17-03-17	123276	0.05	300949	0.13
			Decrease	24-03-17	219183	0.09	81766	0.03
			Decrease	31-03-17	43500	0.02	38266	0.02
			At the end of the year	31-03-17			38266	0.02
11	AACTA8629B	Azim Premji Trust	At the beginning of the year	01-04-16	0	0.00	0	0.00
			Increase	31-03-17	4810221	2.01	4810221	2.01
			At the end of the year	31-03-17			4810221	2.01
12	AAACP4921G	Prazim Trading and Investment Co. Pvt. Ltd.	At the beginning of the year	01-04-16	0	0	0	0
			Increase	24-03-17	4400000	1.84	4400000	1.84
			At the end of the year	31-03-17			4400000	1.84
13	AAACN9967E	National Insurance Company Ltd	At the beginning of the year	01-04-16	411702	0.17	411702	0.17
			At the end of the year	31-03-17			411702	0.17

(v) Shareholding Pattern of Directors and Key Managerial Personnel

S. No.	Name - For each of the Directors and KMP	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
				No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
1	Mr. Vinod Kumar Dhall	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
2	Mr. Prakash Kumar Chandraker	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
3	Mr. Anil Chaudhry	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
4	Mr. Ranjan Pant	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
5	Mr. Vishar Subramanian Vasudevan	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
6	Mr. Manish Arun Jaiswal	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00

S. No.	Name - For each of the Directors and KMP	Remarks	Shareholding/ Transaction Date	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
				No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
7	Mr. Sugata Sircar	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
8	Ms. Sonali Kaushik	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
9	Mr. Vivek Sarwate	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
10.	Mr. Anurag Mantri	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
11.	Mr. Anil Rustgi	At the beginning of the year	01-04-2016	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00
12	Mr. Arnab Roy	At the beginning of the year	08-03-2017	0	0.00	0	0.00
		At the end of the year	31-03-2017			0	0.00

(vi) Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment				(Rupees)	
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
i) Principal Amount	Nil	1752893478	21174288	1774067766	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	11023290	Nil	11023290	
Total (i+ii+iii)	Nil	1763916768	21174288	1785091056	
Change in Indebtedness during the financial year					
• Addition	Nil	2502611109	2140896	2504752005	
• Reduction	Nil	381189552	Nil	381189552	
Net Change	Nil	2121421557	2140896	2123562453	
Indebtedness at the end of the financial year					
i) Principal Amount	Nil	3847476065	23315184	3870791249	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	37862260	Nil	37862260	
Total (i+ii+iii)	Nil	3885338325	23315184	3908653509	

(vii) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rupees)

S. No.	Particulars of Remuneration	Name of MD/Whole Time Director/Manager		Total Amount
		MD/CEO	WTD	
		Prakash Kumar Chandraker	Vivek Sarwate	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	93,71,724	34,90,872	1,28,62,596
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	61,71,740	56,84,193	1,18,55,933
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	- as % of profit			
	- Others Specify			
	- others, specify..			
5.	Please specify			
	Total (A)	1,55,43,464	91,75,065	2,47,18,529
	Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is within the limits.		

B. Remuneration to other directors:

(Rupees)

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		(Amount in INR)			
1.	A. Independent Directors	Vinod Kumar Dhall	V.S. Vasudevan	Ranjan Pant	
	Fee for attending board committee meetings	8,40,000	7,60,000	6,00,000	22,00,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (A)	8,40,000	7,60,000	6,00,000	22,00,000
2.	B. Other Non-Executive Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission				
	Others, please specify				
	Total (B)	Nil	Nil	Nil	Nil
3.	Total (C)=(A+B)	8,40,000	7,60,000	6,00,000	22,00,000
4.	Total Managerial Remuneration				2,47,18,529
5.	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is within the limits			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CFO	CFO	Company Secretary	
		Anurag Mantri*	Arnab Roy*	Anil Rustgi	
(Amount in INR)					
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,114,952	516,129	2,407,500	7,038,581
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,971,900	349,135	2,274,645	9,595,680
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission				
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil
5	Others, please specify				
	Total	11,086,852	865,264	4,682,145	16,634,261

*Remuneration for the part of the year

(viii) Penalties/ Punishment/ Compounding of Offences:

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

Annual Report on CSR Activities of the Company

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

The Company's CSR Policy has been framed within the prescribed under Schedule VII of the Companies Act, 2013 as per the following Vision and Objective:

1. Vision:

To be an active contributor in raising the country's human development index and fulfill the role of a Socially Responsible Corporate, with environment concerns.

2. Objective:

2.1. To align and integrate the Schneider-CSR activities with the Schneider philosophy and make them outcome oriented.

2.2. To sustain and continuously improve the quality of life and economic well being of the local populace.

2.3. To create a brand image of Schneider which society will want to exist as a socially responsible image.

CSR activities proposed to be undertaken by the Company shall be in pursuance to Section 135 read with Schedule VII of the Companies Act, 2013.

The policy is also posted on the Company's website at the weblink: http://infra.schneider-electric.com/in/pdf/Investor-Relations/corporate_social_reponsibility_policy_SEIL_Final%2008_02_2016.pdf

2. The Composition of the CSR Committee

Name	Category/Director	
Mr. Subramanian Vishar Vasudevan	Independent	Member
Mr. Ranjan Pant	Independent	Member
Mr. Prakash Kumar Chandraker	Executive	Member

3. Average net profit of the Company for last three years (Amount in Rs. Lakh)

-4450.1

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) (amount in Rs. Lakh)

Not required due to losses

5. Details of CSR spent during the year

- | | |
|---|----------------|
| 1) Amount to be spent for the year | NIL |
| 2) Amount Unspent, if any | NIL |
| 3) Manner in which the amount spent during the financial year | Not Applicable |

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

A. Conservation of Energy

<p>i. The Steps taken or impact on conservation of energy</p>	<ul style="list-style-type: none"> • All ETO plants are ISO 50001 (Energy Management System) certified by Bureau Veritas. • All plants are having online monitoring of energy consumption by our real time and cloud energy management solutions. • Regular energy audit being held by Schneider Electric Energy Audit Team. • Special drive being taken for more awareness among user to stop waste of energy consumption. • Major source of energy is electrical energy, diesel & LPG. • Regular monitoring and energy review being held in all plants by plant head. • Each plant is having one Energy manager who is constantly monitoring energy efficiency, energy consumption and progress of improvement projects. • Every month, energy managers are loading data for energy consumption and equivalent production data in ENPI tool from where reduction of energy consumption is calculated.
<p>ii the steps taken by the Company for utilizing alternate sources of energy</p>	<ul style="list-style-type: none"> • Use of sky tube during day light. Here direct sources of energy sunlight entering to shop/ office and illuminate the place. Around 45 skytube fitted covering Kolkata & MVI plants. • Use of motion/ occupancy sensors in rooms and toilets so that during unused period, lights are automatically switched off. • Use of VFD (variable frequency drive) in air conditioning plant. • Improving power factor level to 1 to be able to use effectively the supplied power without any loss. APFC panel installed. • Periodical checking of pneumatic and other electrical line/ wiring to prevent loss of energy • Creating habit to employee to put off light, fans etc when they are not using it. • Visual posters all around the workplace to create awareness among people about energy conservation. • Periodical energy audit by experts to find out deficiencies and taking corrective actions on that. • Setting central air conditioner at a cut off temp (24 deg cel)so that nobody can go below that one. • Proper utilization of high power consuming plant/ machinery by proper utilization plan • Use of LED lamps (energy efficient lamps) in office and shop floor in all ETO plants • Fitting of SOLAR Cells on the roof top of MVI & TBI plant. • Use of condensate water from AC plant to chiller unit - thereby saving electricity
<p>iii. the capital investment on energy conservation equipments</p>	<p>Nil</p>

iv. Energy Conservation & saving calculation:	<p>At Schneider Electric, we believe in embedding energy efficiency in our DNA. In order to do so, our company launched a Company-wide program called Schneider Energy Action (SEA) in 2012 with an aim to drive energy management and energy cost savings in our facilities using our own energy management solutions. Currently, in India, 11 energy intensive facilities are equipped with our energy monitoring tools, and 13 facilities are ISO 50001 certified.</p>
	<p>The SEA program covers three facilities of SEIL - Salt Lake Works (SLW), Transformers Baroda India (TBI) and Medium Voltage India (MVI).</p>
	<p>At SLW Kolkata, the energy performance improved by 14.4% in FY 2016-17, against normalised baseline of FY 2014-15. The significant improvement was achieved with several energy conservation projects that were implemented since 2015, some of which were mentioned above.</p>
	<p>At TBI Vadodara, the energy performance improved by 13.9% in FY 2016-17, against normalised baseline of FY 2014-15. Energy efficiency projects contributed to the reduction in consumption.</p>
	<p>At MVI Vadodara, the energy performance improved by 1.7% in FY 2016-17, against normalised baseline of FY 2015-16 (revised baseline due to addition of loads in 2015). The team has set up various energy conservation project like</p>
	<p>Overall, with the implementation of various energy efficiency projects, these three facilities were able to improve energy performance in FY 2016-17 by 11.6%.</p>

B. Technology Absorption

i. The effort made towards technology absorption	<ul style="list-style-type: none"> • New global VCB “Easypact EXE VCB“ (17.5kV, 31.5kA up to 2500A) implementation in India
ii. The benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> • Easy pact EXE is ready for embedded intelligence with new generation vacuum Interrupter. <p>Web based order management for channel partner New business model for transactional business</p>
<p>iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p>a) The details of technology imported</p> <p>b) The year of Import</p> <p>c) Whether the technology has been fully absorbed</p> <p>d) If not fully absorbed, area where absorption has not taken place and the reasons thereof</p>	<ul style="list-style-type: none"> • No technology was imported for MV in F.Y. 2016-2017

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings	Rs. 832.45 Millions
Foreign Outgo	Rs. 379.62 Millions

Schedule of Imported Technology

Sl. No.	Technology	Year	Status regarding Absorption
1	Advanced Distribution Management System	2012	Successful Customer Inspection finished for Bihar, Kerala & Puri projects
2	Fault Passage Indicator	2013	Thousands of FPI successfully supplied and integrated in of India
3	Saitel HU_BI	2014	Successful localisation and manufacturing of HU_BI in India
4	Self Healing Grid Solution	2014	Schneider is sponsoring the first pilot with Tata Power Mumbai
5	EcoSUI - New HMI for PACiS SAS	2014	New Human Machine Interface for Substation Automation Systems
6	Web HMI for Substation Automation	2015	Executed one pilot project
7	Cyber Security for Substation Automation	2015	Few pilots are under discussion with Utility
8	Titanium AMI	2015	Developing offer preparation for Smart Metering with Smart Infra Spain
9	Renewable Forecasting & Integration	2015	For renewable integration and planning
10	Traction Automation	2015	Developing OASys SCADA based offer preparation for Traction
11	Telecom Consultancy Solution	2015	Developing offer preparation for Telecom Consultancy Solution
12	eDNA & PRISM, Historian & Asset Performance Management	2016	New generation Data Analytics and Historian Solution
13	ArcFM GIS for Utility Asset Mapping	2016	World's best Utility Geographical Information and Asset Mapping Solution
14	T300 & Easergy P5 new range of Automation devices	2016	State of the art Feeder Automation and Protection devices

> Management Discussion and Analysis Report (2016-17)

Economic Overview

The macro-economic stability of the Indian economy improved in the first half of FY 2016-17, weathering global headwinds. Overall economic growth remained robust, current account balance improved despite continuing sluggishness in global demand, fiscal trends remained attuned to the consolidation plans and inflation remained broadly within the corridor. An important macro-economic challenge faced by the Indian economy relates to the declining trend in the investment and saving rates. The fixed investment rate (ratio of gross fixed capital formation to GDP) declined from 29.2 per cent in 2015-16 to 26.9 per cent in 2016-17.

GDP growth

The Indian economy grew at 7.1 per cent in 2016-17 (Central Statistics Office Estimates). The growth in agriculture, industry and services is estimated at 4.1 per cent, 5.2 per cent and 8.8 per cent in 2016-17 as opposed to 1.2 per cent, 7.4 per cent and 8.9 per cent respectively in 2015-16. However, industry sector growth rates declined in 2016-17 mainly on account of contraction in mining & quarrying and moderation of growth in manufacturing sector.

The growth in Gross Value Added (GVA) at constant (2011-12) basic prices for the year 2016-17 is estimated to

be 6.7 per cent, as compared to 7.8 per cent in 2015-16. Eight core infrastructure industries observed a growth of 5.0 per cent in March 2017, as compared to 9.3 per cent in March 2016. Overall annual growth of these industries during the year 2016-17 was 4.5 per cent, as compared to 4.0 per cent during the previous year. As per the Central Electricity Authority, growth of electricity generation was 4.7 per cent during April-March 2016-17.

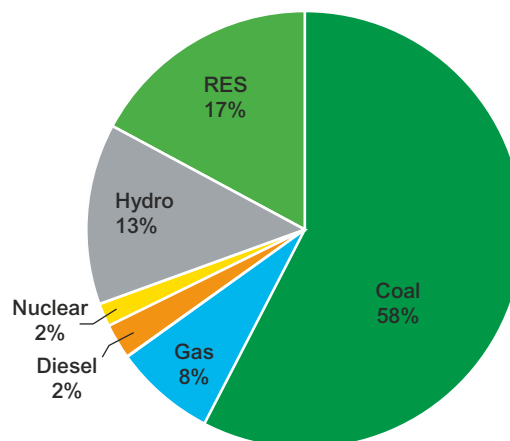
Sustainability

The 22nd Session of the Conference of Parties (COP 22) to United Nations Framework Convention on Climate Change (UNFCCC) was held from 7-19 November 2016 in Marrakech, Morocco which captured the sense of urgency for action on climate change. India confirmed the Paris Agreement on 2nd October 2016 and established its comprehensive Nationally Determined Contributions (NDCs) target to lower the emissions intensity of GDP by 33 to 35 per cent by 2030 from 2005 levels, to increase the share of non-fossil fuels based power generation capacity to 40 per cent of installed electric power capacity by 2030, and to create an additional (cumulative) carbon sink of 2.5-3GtCO₂e through additional forest and tree cover by 2030.

Power Sector Overview

At the closure of FY16 the country stands at an installed generation capacity of 327 GW (excluding captive plants contribution). The captive power generation installed capacity is 41 GW. India in the third week of December 2016 was ranked 4th in the Global Wind Power Installed Capacity Index. The cumulative installed wind power generation capacity of India is 25 GW.

The energy deficit gap reduced to -0.7% in March 2017 from -2.1% in March 2016. Peak demand deficit also followed a similar pattern of improvement to -1.6% in March 2017 as compared to -3.2% last year.



Energy Supply Position (Provisional) April 2016-March 2017

Region	Energy Requirement	Energy Supplied	Energy not Supplied	
			Deficit (MU)	Deficit (%)
Northern	349,039	343,432	-5,607	-1.6
Western	344,966	344,846	-120	0
Southern	305,655	305,173	-482	-0.2
Eastern	127,293	126,461	-832	-0.7
North Eastern	15,138	14,719	-419	-2.8
Total	1,142,092	1,134,631	-7,461	-0.7

Peak Demand/ Peak Met (Provisional) April 2016-March 2017

Region	Peak Demand (MU)	Peak Met (MU)	Demand not Met	
			Deficit (MU)	Deficit (%)
Northern	53,372	52,612	-760	-1.4
Western	48,516	48,298	-218	-0.4
Southern	42,290	42,277	-13	0
Eastern	18,790	18,781	-9	0
North Eastern	2,487	2,475	-12	-0.5
Total	159,542	156,934	-2,608	-1.6

Introduction

Power being a critical component of infrastructure and welfare of nation has continued as a strong pillar of support for Indian economy. India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index, driven by the government focus on promoting renewable energy and project execution.

Market Size

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

Total installed capacity of power stations in India stood at 326,848.53 Megawatt (MW) as of March 31, 2017. The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the financial year 2017-18, which is 50 BU's higher than the target for 2016-17.

The Government has added 8.5 GW of conventional generation capacity during the April 2016-January 2017 period. Under the 12th Five Year Plan (2012-17), the Government has added 93.5 GW of power generation capacity, thereby surpassing its target of 88.5 GW during the period.

Investment Scenario

Around 293 global and domestic companies have committed to generate 266 GW of solar, wind, mini-hydel and biomass-based power in India over the next 5–10 years. The initiative would entail an investment of about US\$ 310–350 billion. Between April 2000 and December 2016, the industry attracted US\$ 11.4 billion in Foreign Direct Investment (FDI).

Government Initiatives

The Government of India has identified power sector as a key sector of focus so as to promote sustained industrial growth. Some initiatives by the Government of India to boost the Indian power sector:

- The Government of India plans to set up a US\$ 400 million fund, sourced from The World Bank, which would be used to protect renewable energy producers from payment delays by power distribution firms, while at the same time protecting the distribution firms from the shrinking market for conventional grid-connected power, caused by wider adoption of rooftop solar power generation.
- The Ministry of Power plans to set up two funds of US\$ 1 billion each, which would give investment support for stressed power assets and renewable energy projects in the country.
- The Ministry of New and Renewable Energy plans to introduce a fixed-cost component to the tariff for electricity generated from renewable energy sources like solar or wind, in a bid to promote a green economy.
- The Government of India plans to introduce a scheme to encourage setting up of biomass plants across the country, which will generate electricity and also help dispose of agricultural waste in a carbon-neutral manner to help tackle growing pollution.

- The Government of India plans to rationalize various categories of electricity consumers across states, which is expected to bring transparency and efficiency in billing, improve tariff collection and improve the health of distribution companies in the country.
- Successful launch of Tarang (Transmission App for Real Time Monitoring & Growth) mobile app and web portal for electronic bidding for transmission projects, which is expected to enhance ease, accountability, transparency, and boost investor confidence in power transmission sector.
- The Ministry of Shipping plans to install 160.64 MW of solar and wind based power systems at all the major ports across the country by 2017, thereby promoting the use of renewable energy sources and giving a fillip to government's Green Port Initiative.
- The Government of India plans to start as many as 10,000 solar, wind and biomass power projects in next five years, with an average capacity of 50 kW per project, thereby adding 500 MW to the total installed capacity.
- Garv II app launched by Ministry of Power in Dec 2016, to provide real time data on electrification of six lakh villages in India. This app will also place in public domain the electrification data like sanctioning of funds and implementation progress.
- The Government of India announced a massive renewable power production target of 175,000 MW by 2022; this comprises generation of 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass, and 5,000 MW from small hydro power projects.

The Road Ahead

The Indian power sector has an investment potential of Rs 15 trillion (US\$ 225 billion) in the next 4–5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment, according to Union Minister Mr Piyush Goyal.

The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agriculture use. The Government of India is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve India's ambitious renewable energy targets of adding 175 GW of renewable energy, including addition of 100 GW of solar power, by the year 2022. The government has also sought to restart the stalled hydro power projects and increase the wind energy production target to 60 GW by 2022 from the current 20 GW.

(#Exchange Rate Used: INR 1 = US\$ 0.015 as on February 9, 2017)

Oil & Gas

The oil and gas sector is among the six core industries in India and plays a major role in influencing decision making for all the other important sections of the economy. The government has allowed 100 per cent Foreign Direct Investment (FDI) in many segments of the sector, including natural gas, petroleum products, and refineries, among others. Today, it attracts both domestic and foreign investment, as attested by the presence of Reliance Industries Ltd (RIL) and Cairn India. Petroleum and Natural Gas sector attracted a cumulative FDI of USD 66.75 billion during April 2000- December 2016

Opportunities

- The country's gas production is expected to touch 90 Billion Cubic Metres (BCM) in 2040 from 23.09 BCM in FY2016-17 (till December 2016).

- India is expected to be one of the largest contributors to non-OECD petroleum consumption growth globally. Fuel consumption in India increased by 10.7 per cent to a 16-year high of 196.48 million tonnes (MT) in 2016.1
- India targets US\$100 billion worth investments in gas infrastructure by 2022, including an addition of another 228 cities to city gas distribution (CGD) network. This would include setting up of RLNG terminals, pipeline projects, completion of the gas grid & setting up of CGD network in more cities.
- The government has allowed 100 per cent FDI in E&P projects/companies; & 49 per cent in refining under the automatic route from the earlier approval route

Note: 1- According to data from the Petroleum Planning & Analysis Cell, Ministry of Petroleum and Natural Gas

Metals and Mining Sector

In FY16, India had 1,878 operative mines – excluding mining areas for minor minerals, crude petroleum, natural gas & atomic minerals. India is the 3rd largest producer of coal. Coal production stood at 539 million tonnes in FY16. India has the 5th-largest estimated coal reserves in the world, standing at 60.6 billion tonnes in FY16 & with 1,878 operational mines during the same year. India has become the 3rd-largest steel producer in FY16 with the production of finished steel at 90.63 million tonnes.

Opportunities

- FDI of up to 100 per cent is permitted under the Automatic Route to explore & exploit all non-fuel & non-atomic minerals & process all metals as well as for metallurgy.
- Government has planned Special Purpose Vehicles (SPVs) with four iron ore rich states i.e., Karnataka,

Jharkhand, Orissa, and Chhattisgarh to set up plants having capacity between 3 to 6 MTPA

- National Mineral Development Corporation (NMDC) has planned to invest Rs 40,000 crore (US\$ 6 billion) in the next eight years to achieve mining capacity of 75 Million Tonnes Per Annum (MTPA) by FY2018-19 and 100 MTPA by FY2021-22, compared to 48 MTPA current capacity.
- Players in the industry are focusing on optimizing technology to increase process Efficiency. Coal India Limited is focusing on making best use of technology. It has ambitious plans of using GPS/GPRS based vehicle tracking system to enhance productivity. It also has services such as E-Auction, E-Procurement of goods and services

Source:

<http://indiabudget.nic.in/ub2016-17/frbm/frbm1.pdf>

http://www.cea.nic.in/reports/monthly/installedcapacity/2017/installed_capacity-03.pdf

<https://www.ibef.org/industry/power-sector-india.aspx>

http://www.cea.nic.in/reports/monthly/executivesummary/2017/exe_summary-03.pdf



HIGHLIGHTS of 2016-17

Partnerships, Major Contracts, Commissioning and Awards

81



> Partnerships, Major Contracts, Commissioning and Awards

Major landmarks during the year 2016-17

Your Company continued its strong presence and broke new grounds in the important business segments of MMM, Oil & Gas, Transport and Utilities. Significant orders from these segments, either direct from end users, or from EPCs were booked as below:

Power Utility

Significant orders acquired from utility

- 11kV MV Indoor Equipment and 33kV Out Door Equipment - SOUTHCO Orissa Distribution Utility
- Medium Voltage Equipment for Traction and SCADA System for Navi Mumbai Metro Rail Project
- Grid Modernization Project PSPCL & PTCUL for revamping of Protection & S/Stn Automation System
- 97 Nos 11kV Package S.Stn a/c OPTCL - SCRIPS Projects
- 33kV Gas Insulated Switchgear for BSPTCL

MMM (Mining, Minerals and Metals)

Significant orders acquired from this segment include

- MV Equipment - Danieli Automation a/c VSP, Coke oven
- HV & MV Power Distribution Package for Float Glass 5 - Saint Gobain Chennai
- SAIL Bokaro - 6.6kV MV Equipment
- NLC Tamil Nadu - 11kV MV Equipment through Essar Projects (I) Ltd
- MV Switchgear & Transformer for Emami Panagarh Cement Grinding unit

Oil & Gas

Major order received from this segment include

- ONGC Samudra Sevak HT offshore retrofit solution - Mumbai - through The Shipping Corporation of India Ltd.
- Power distribution Modernisation of IOCL Panipat including relay retrofitting
- MV Equipment supply for IIR Butyl Rubber (DTA) Project - Reliance Industries Limited (J3)
- IOCL LNG Regasification Terminal - Ennore through Black and Veatch - MV Equipment & Transformer
- Power Management & Sub Station Automation System - IOCL Paradeep

Renewable & Other Segments

- Continued our strong presence as a preferred supplier for Power and Inverter Transformers for various solar power projects in the country and associated with major Solar Developers & EPCS.
- Tata Motors - Dharwad Plant Power Distribution Package 132/33kV on turnkey basis
- Power Supply, Traction & SCADA System for Navi Mumbai Metro Rail Project Line - 1
- 25kV GIS System for Lucknow Metro Rail Corporation
- Market leadership as Loco Breaker supplier for Electric Locomotive manufactured in the country for India Railway and various Metro rails.



Financial Statements Schneider Electric Infrastructure Limited

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> 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, 2017, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.



2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required bylaw have been kept by the Company so far as it 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period.

For **S.R. Battiboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Place: Amsterdam
Date: May 30, 2017

per **Manoj Kumar Gupta**
Partner
Membership Number: 83906



> Annexure

Annexure 1 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”)

- (l) (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) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) 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 are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of power transformers, switchgears and other related products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, 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.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of sales-tax, service tax, duty of custom, duty of excise, value added tax, income tax and cess on account of any dispute, are as follows:

S. No.	Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
1	Central Excise Act, 1944	Wrong availment of CENVAT on Inter Unit transfer	361.59	-	2007-08	CESTAT - Chennai
2	Central Excise Act, 1944	Demand of duty for Exemption under notification 108/95	10.29	-	2001-02	Tribunal Delhi
3	Central Excise Act, 1944	Under valuation of VIT tubes CAS 4 not considered by department for earlier period	5.21	2.00	1994-95	CESTAT - Chennai
4	Central Excise Act, 1944	Non-inclusion of 15% Profit Margin in Transfer Pricing	5.13	-	1993-94 and 1994-95	Kolkata High Court



S. No.	Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
5	Central Excise Act, 1944	Rejection of refund claim towards CENVAT reversals as insisted during Excise audit	4.44*	-	2012-13	CESTAT – Chennai
6	Central Excise Act, 1944	Wrongly availment and distribution of ISD Credit	15.07	-	2011-13	CESTAT - Ahmedabad
7	Central Excise Act, 1944	Refund of excise duty denied for cases where proof of Export submitted after payment of Excise Duty after 180 days of export	3.07	-	2012-13	Tribunal Gujarat
8	Central Excise Act, 1944	Captively consumed goods cleared by availing exemption under notification 6/2006	2.26*	-	2008-09 & 2010-11	CESTAT - Chennai
9	Central Excise Act, 1944	Disallowance of CENVAT Credit, duty on captive consumption and clearance of goods under Notification 6 of 2006.	1.11*	-	2009-10	CESTAT - Chennai
10	Central Excise Act, 1944	Short payment of Duty	1.35	-	2007-08	Commissioner (Appeals) LTU
11	Central Excise Act, 1944	Demand of duty for Exemption u/n 108/95	0.47*	-	2003-04	Commissioner (Adj.) New Delhi
12	Central Excise Act, 1944	CENVAT Credit availed on SAP maintenance charges	0.21*	-	2008-09	High Court - Chennai
13	Central Excise Act, 1944	Levy of penalty	0.02	-	2011-12	CESTAT - Chennai
14	Central Excise Act, 1944	Seizure of spares while being transported to Railway Station alleging transportation without Invoice.	0.01	-	1996-97	Commissioner (Appeals) Allahabad
15	Finance Act, 1994	Service Tax on testing and technical Analysis Service	0.45	-	Dec-11 to Sep-12	Commissioner Appeals
16	Finance Act, 1994	Wrongly availment and utilized Cenvat Credit. Address on Invoices	0.54	0.08	2013-14	Commissioner Appeals
17	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	151.40*	26.28	2010-11 & 2011-12	Joint Commissioner (Corporate Circle)
18	Central Sales Tax Act, 1956	Non submission of declaration Forms , Input tax claim disallowed	168.38	-	2007-08	Revision Board at Beliaghata
19	Central Sales Tax Act, 1956	Non submission of Form C//E-1 and export documents	59.26*	44.30	2009-10	Joint Commissioner (Allahabad)
20	Central Sales Tax Act, 1956	Non collection of declaration forms	22.52*	37.97	2007-08	Joint Commissioner, Allahabad
21	Central Sales Tax Act, 1956	Non collection of declaration forms & CST treated as local VAT Sale	72.96*	14.59	2010-11	Additional Commissioner Appeals
22	Central Sales Tax Act, 1956	Non submission of form C//E-1 and export documents	56.23*	48.56	2008-09	Joint Commissioner (Allahabad)



S. No.	Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
23	Central Sales Tax Act, 1956	Non Submission of C Forms	44.87*	9.47	2009-10	Tribunal Ahmedabad
24	Central Sales Tax Act, 1956	Non submission of Declaration forms	20.65*	20.65	2010-11 & 2011-12	Tribunal
25	Central Sales Tax Act, 1956	Non collection of declaration forms	28.05*	21.19	2006-07	Deputy Commissioner, Allahabad
26	Central Sales Tax Act, 1956	Non collection of declaration forms	1.57*	0.76	1993-94, 1997-1998, 2003-04, 2004-05 & 2005-06	Assessing Officer, Charge Office, West Bengal
27	Central Sales Tax Act, 1956	Non submission of Declaration forms	14.87*	14.87	2008-09 & 2009-10	Revision Board
28	Central Sales Tax Act, 1956	Non collection of declaration forms	17.21*	-	2005-06, 2006-07 & 2007-08	Deputy Commissioner, U.P. Sales Tax
29	Central Sales Tax Act, 1956	Input tax claim disallowed, non-submission of declaration forms	9.30*	-	2009-10	West Bengal Commercial Taxes Appellate & Revisional Board
30	Gujarat Value Added Tax, 2003	Non collection of declaration form	16.56*	3.35	2007-08 & 2008-09	Deputy Commissioner Appeal
31	Central Sales Tax Act, 1956	Non collection of declaration forms	6.36*	-	2002-03	Calcutta High Court
32	Uttar Pradesh Trade Tax Act, 1948	Ex Parte Assessment Order Passed. Records not submitted at the Time of Assessment.	5.50*	4.61	2005-06	Deputy Commissioner, U.P. Sales Tax
33	Central Sales Tax Act, 1956	Non collection of declaration forms	3.91*	-	2001-02, 2002-03 & 2011-12	Deputy Commissioner
34	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	3.58*	3.58	2008-09	Joint Commissioner (Allahabad)
35	West Bengal Sales Tax Act, 1994	Non collection of declaration forms	3.20	-	1997-98	West Bengal Tribunal
36	Delhi Value Added Tax Act, 2004	Non submission of Statutory Form such as C/H/F/E-1 and export documents	1.83	-	2007-08	Commercial Tax Officer
37	Central Sales Tax Act, 1956	Non submission of declaration forms, Input tax claim disallowed	1*	0.40	2006-07	Assessing Officer, Charge Office, West Bengal
38	Central Sales Tax Act, 1956	Non collection of declaration form CST ,Documents like PO, Endorsed ARE 1,E1 Forms	0.54*	-	2009-10	Deputy Commissioner, Comm Tax



S. No.	Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
39	Uttar Pradesh Trade Tax Act, 1948	Levy of purchase Tax due to Unregistered purchases made	0.33*	-	2006-07	Deputy Commissioner Sales Tax Noida
40	Tamil Nadu General Sales Tax Act, 1959	Levy of penalty for wrong disclosure of turnover and Non furnishing of required documents for export & other claims	0.29*	-	1991-92	Sales Tax Appellate Tribunal, Chennai
41	Central Sales Tax Act, 1956	Non collection of declaration forms	0.26*		2008-09	Deputy Commissioner, Jaipur
42	Madhya Pradesh Value Added Tax Act, 2002	Non collection of declaration form CST treated as local VAT Sale	0.18*	0.06	2010-11	Deputy Commissioner Appeal
43	Rajasthan Value Added Tax Act, 2003	Input tax claim disallowed	0.08*	-	2008-09	Deputy Commissioner, Jaipur
44	Madhya Pradesh Value Added Tax Act, 2002	Entry Tax On High Sea Sales Imported Material	0.07*	0.02	2010-11	Deputy Commissioner Appeals
45	Central Sales Tax Act, 1956	Provisional Assessment	4.54	0.91	2014-15	Additional Commissioner Appeals
46	Gujarat Value Added Tax, 2003	Input tax claim disallowed, non-submission of declaration forms	146.50*	28.27	2011-12	Joint Commissioner Appeals
47	Central Sales Tax Act, 1956	Non collection of declaration forms	39.39	8.41	2011-12, 2013-14	Additional Commissioner Appeal
48	Central Sales Tax Act, 1956	Non collection of declaration forms	17.04	8.79	2013-14	Deputy Commissioner
49	Central Sales Tax Act, 1956	Non collection of declaration forms	16.87	2.53	2012-13	Joint Commissioner Appeals
50	Central Sales Tax Act, 1956	Non collection of declaration forms	7.67*	3.56	2008-09, 2011-12	Deputy Commissioner Appeals
51	Central Sales Tax Act, 1956	Non collection of declaration forms	11.09*	-	2009-10	Deputy Commissioner Appeal
52	Central Sales Tax Act, 1956	Non collection of declaration forms	12.10*	2.42	2011-12	Joint Commissioner Appeals
53	Central Sales Tax Act, 1956	Non collection of declaration forms	1.77*	-	2009-10	Deputy Commissioner Appeals
54	Central Sales Tax Act, 1956	Non collection of declaration forms	0.42*	0.14	2010-11	Deputy Commissioner Appeals



S. No.	Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
55	Central Sales Tax Act, 1956	Non collection of declaration forms	6.82*	1.82	2010-11	Deputy Commissioner Appeals
56	Central Sales Tax Act, 1956	Non collection of declaration forms	2.80	-	1997-98	Tribunal
57	Central Sales Tax Act, 1956	Non collection of declaration forms	16.79	-	1993-94	Revision Board at Beliaghata
58	Finance Act, 1994	Non-payment of Service Tax on amount paid for the use of Trade Mark	35.84*	35.84	2010-11 & 2011-12	CESTAT - Chennai
59	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
60	Finance Act, 1994	Irregular availment of CENVAT Credit of Service Tax	4.98*	-	2012-13	CESTAT - Chennai
61	Finance Act, 1994	Disallowance of CENVAT credit availed on certain input services	0.79*	-	2012-13	CESTAT - Chennai
62	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
63	Finance Act, 1994	Non-payment of Service Tax on Manpower supply services	0.62*	-	2012-13	CESTAT - Chennai
64	Finance Act, 1994	Rejection of refund claim of interest paid for CENVAT credit wrongly availed but not utilised	0.13*	-	2012-13	CESTAT - Chennai
65	Finance Act, 1994	Short payment of service tax on GTA	0.08*	-	2009-10	High Court- Chennai
66	The Custom Act, 1962	Refund of drawback for non-realisation of export proceeds	5.59	-	2012-13	Commissioner of Customs (Appeals)
67	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	63.72	-	2012-13	Deputy Commissioner, Noida-I, Uttar Pradesh
68	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	47.36	-	2012-2013	Joint Commissioner of Commercial Tax (Appeals), Vadodara
69	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	28.57	5.71	2011-12	Deputy Commissioner, Vadodara
70	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	20.75	2.07	2013-14	Deputy Commissioner Appeal



S. No.	Name of Statute	Nature of Dues	Amount (Rupees Millions)	Amount Deposited (Rupees Millions)	Period to which the amount relates	Forum where dispute is pending
71	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	19.37	9.75	2014-15	Appellate Deputy Commissioner Of Commercial Taxes, Chennai (South]
72	Central Sales Tax Act, 1956	Non-submission of waybill Form 402	6.41	2.10	2016-2017	Deputy Commissioner, Commercial Taxes, Gujarat
73	Central Sales Tax Act, 1956	ITC disallowance	4.72	-	2012-2013	Joint commissioner of Commercial Tax (Appeals), Vadodara
74	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	3.77	-	2013-14	Assistant Commissioner of Commercial Tax, Rajasthan
75	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C/H/F/E-1 and export documents	3.62	1.81	2012-13	Appellate Deputy Commissioner Of Commercial Taxes, Chennai (South]
76	Central Sales Tax Act, 1956	Non submission of Statutory Form such as C	0.36	-	2014-15	Assistant Commissioner of Commercial Tax, Rajasthan
77	Central Sales Tax Act, 1956	Regular VAT assessment	0.24	-	2013-14	Assistant Commissioner of Commercial Tax, Rajasthan
78	Central Excise Act, 1944	Irregular availment of Cenvat Credit on certain Ineligible service alleged	0.46*	-	2010-2011	CESTAT - CHENNAI
79	Central Excise Act, 1944	Excise duty on Exports	2.51	-	2012-2013	Commissioner Appeal
80	Central Excise Act, 1944	Duty on removal of Inputs "as such"	2.37	-	2011-2016	Additional Commissioner, Sec-62, Noida
81	Central Excise Act, 1944	Excise duty on Freight charges recovered from customer to be included in Assessable value	11.65	0.19	2011-2016	Additional Commissioner, Vadodara-II
82	Income Tax Act, 1961	Disallowance on account of bad debts written off and various other disallowances	90.00	-	AY 2012-13	Commissioner of Income Tax (Appeals)
83	Income Tax Act, 1961	Disallowance on account of bad debts written off and various other disallowances	104.31	-	AY 2013-14	Commissioner of Income Tax (Appeals)
Total			1,874.97	367.06		

* Represents Company's share of Rs.786.08 Million of dues pending in forums Jointly with ALSTOM T&D India Limited (Refer Note 31 of the accompanying financial statements)



- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to any bank. Further, the company did not have any outstanding debentures and did not have any outstanding loans or borrowings dues in respect of a financial institution or to Government.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Place: Amsterdam
Date: May 30, 2017

per **Manoj Kumar Gupta**
Partner
Membership Number: 83906



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED ("the Company")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Battiboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Place: Amsterdam

Date: May 30, 2017

per **Manoj Kumar Gupta**

Partner

Membership Number: 83906



> Balance Sheet as at March 31, 2017

Schneider Electric Infrastructure Limited

(Rupees Millions)

	Notes	As at March 31, 2017	As at March 31, 2016
Equity and liabilities			
Shareholders' funds			
Share capital	3	2,198.21	2,198.21
Reserves and surplus	4	(1,408.00)	190.23
		790.21	2,388.44
Non-current liabilities			
Long-term borrowings	5	650.00	915.00
Long-term provisions	6	205.56	209.44
		855.56	1,124.44
Current liabilities			
Short-term borrowings	7	3,197.48	837.90
Trade payables	8		
- Total outstanding dues of micro enterprises and small enterprises		187.08	141.56
- Total outstanding dues of creditors other than micro enterprises and small enterprises		4,714.62	7,157.76
Other current liabilities	8	697.96	463.71
Short-term provisions	6	1,004.55	786.00
		9,801.69	9,386.93
TOTAL		11,447.46	12,899.81
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	9 (A)	1,752.11	1,837.91
- Intangible assets	9 (B)	86.18	-
- Capital work-in-progress		151.14	74.65
Loans and advances	10	467.57	356.50
Trade receivables	11	-	144.86
		2,457.00	2,413.92
Current assets			
Inventories	12	2,200.53	2,287.64
Trade receivables	11	5,104.98	6,679.25
Cash and bank balances	13	209.69	12.70
Loans and advances	10	1,437.73	1,436.99
Other current assets	14	37.53	69.31
		8,990.46	10,485.89
TOTAL		11,447.46	12,899.81

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.Batliloi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

Per Manoj Kumar Gupta
Partner
Membership No.83906

Prakash Kumar Chandraker
Managing Director

Anil Chaudhry
Director

Arnab Roy
Chief Financial Officer

Anil Rustgi
Company Secretary

Place: Amsterdam
Date: May 30, 2017

Place: New Delhi
Date: May 30, 2017



> Statement of Profit and Loss for the Year Ended March 31, 2017

Schneider Electric Infrastructure Limited

(Rupees Millions)

	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations (gross)	15	13,787.38	15,528.57
Less: Excise duty		(1,138.69)	(1,502.50)
Revenue from operations (net)		12,648.69	14,026.07
Other income	16	260.75	106.08
Total revenue (I)		12,909.44	14,132.15
Expenses			
Cost of raw material and components consumed	17	8,622.52	10,100.08
Purchase of traded goods	18	115.49	124.73
(Increase)/ Decrease in Inventories of finished goods and work-in-progress and traded goods	19	22.16	(144.81)
Employee benefits expense	20	1,710.49	1,681.77
Other expenses	21	3,384.74	1,849.20
Total Expenses (II)		13,855.40	13,610.97
Earnings before interest, tax and depreciation and amortisation (EBITDA) (I) - (II)		(945.96)	521.18
Depreciation and amortization expense	22	255.07	257.82
Finance costs	23	324.86	428.00
Profit/ (loss) before Exceptional Items and Tax		(1,525.89)	(164.64)
Exceptional Items	24	72.34	17.31
Profit/ (loss) before Tax		(1,598.23)	(181.95)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit/ (loss) for the year		(1,598.23)	(181.95)
Earnings per equity share	25		
Basic and Diluted (In Rupees)		(7.38)	(0.90)
Nominal value of share		2	2
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/E300005
Chartered Accountants

Per Manoj Kumar Gupta
Partner
Membership No.83906

Prakash Kumar Chandraker
Managing Director

Anil Chaudhry
Director

Arnab Roy
Chief Financial Officer

Anil Rustgi
Company Secretary

Place: Amsterdam
Date: May 30, 2017

Place: New Delhi
Date: May 30, 2017



> Cash Flow Statement for the Year Ended March 31, 2017

Schneider Electric Infrastructure Limited

(Rupees Millions)

	March 31, 2017	March 31, 2016
A. Cash flow from operating activities		
Profit / (Loss) before tax	(1,598.23)	(181.95)
Adjustments to reconcile profit / (loss) before tax to net cash flows		
Provision for warranties	240.17	128.91
Provision written back	(81.04)	(40.04)
Provision for litigation	271.23	-
Provision for doubtful trade receivables	1,376.72	39.03
Provision for doubtful loans and advances	100.40	3.66
Provision for contract Losses	30.03	35.78
Loss on sale/written off of tangible assets	-	1.66
Premium on forward contract amortised	2.80	-
Profit on sale of tangible assets	(16.21)	-
Interest Income	(5.60)	(6.81)
Unrealised foreign exchange variation (net)	(80.95)	314.76
Depreciation	255.07	257.82
Interest expense	290.34	354.65
Operating profit before Change in working capital	784.73	907.47
Movements in Working Capital:		
(Increase) / Decrease in trade receivables	343.39	308.86
(Increase) / Decrease in loans and advances	(147.89)	(274.74)
(Increase) / Decrease in other current assets	51.04	167.88
(Increase) / Decrease in inventories	87.11	(169.36)
Increase / (Decrease) in trade payables	(2,248.52)	(680.08)
Increase / (Decrease) in other current liabilities	116.87	(76.34)
Increase / (Decrease) in provisions	(326.76)	(119.20)
Cash generated from operations	(1,340.03)	64.49
Direct taxes paid	(7.02)	(12.06)
Net cash from operating activities (A)	(1,347.05)	52.43
B. Cash flow from investing activities		
Purchase of tangible assets (including capital work-in-progress)	(302.64)	(222.80)
Proceeds from sale of tangible assets	52.10	7.60
Interest received	5.60	6.81
(Increase) / Decrease in capital advances	(57.31)	(0.80)
Net cash (used in) investing activities (B)	(302.25)	(209.19)
C. Cash flow from financing activities		
Proceed/(Repayment) from long term borrowings	(265.00)	265.00
Proceed/(Repayment) of short term borrowings (net)	2,510.41	(143.54)
Proceed/(Repayment) of bank overdraft (net)	(114.19)	24.44
Dividends paid on equity shares (Unclaimed dividend)	-	(0.02)
Interest paid	(279.13)	(517.83)
Net cash from / (used in) financing activities (C)	1,852.09	(371.95)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	202.79	(528.71)
Effect of exchange differences on cash and cash equivalents held in foreign currency	(5.80)	(3.41)
Cash and cash equivalents at the beginning of the year	12.70	544.82
Cash and cash equivalents at the end of the year	209.69	12.70
Components of Cash and Cash equivalents at the end of the Year		
With Banks on Current Account	90.78	2.31
On EEFC	118.06	9.54
Unclaimed Dividend Account*	0.85	0.85
Total Cash and Cash Equivalents (Refer Note 13)	209.69	12.70

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/E300005

Chartered Accountants

Per Manoj Kumar Gupta
Partner
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Prakash Kumar Chandraker
Managing Director

Anil Chaudhry
Director

Arnab Roy
Chief Financial Officer

Anil Rustgi
Company Secretary

Place: Amsterdam
Date: May 30, 2017

Place: New Delhi
Date: May 30, 2017



> 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 equipment.

2. Basis of preparation

The financial statements of the company have been prepared in accordance with the 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 section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies

(Accounting Standards) Amendment Rules, 2016. 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

Change in Accounting Policy

Classification of items of stores and spares

Pre-revised AS 10 required that stand-by and servicing equipment should normally be capitalized as fixed assets. It required that machinery spares are usually treated as inventory and charged to profit or loss on consumption. However, spares parts that can be only used in connection with a particular item of fixed assets, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

According to AS 10(R), all spare parts, stand-by and servicing equipment qualify as fixed assets if they meet the definition of i.e. if the company intends to use these during more than a period of 12 months. The spare parts capitalized in this manner are depreciated as per AS 10 (R).

However, the company does not have any inventory held under Stores and Spares that qualifies to be fixed assets.

(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, capital work in progress are stated at cost, net of 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 and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Similarly, when significant parts of plant and equipment are required to be replaced at intervals or when a major inspection/overhauling is required to be performed, such cost of replacement or inspection is capitalised (if the recognition criteria is satisfied) in the carrying amount of plant and equipment as a replacement cost or cost of major inspection/ overhauling, as the case may be and depreciated separately based on their specific useful life.

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.

Items of stores and spares that meet the definition of fixed assets are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from de-recognition 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.



Fixed assets held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

c) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates/ life arrived at based on the useful lives estimated by the management on technical evaluation; these rates are in certain cases different from lives prescribed under Schedule II. The Company has used the following rates to provide depreciation on its Fixed assets.

Particulars	Estimated useful lives (In Years)	Rates (SLM)
Buildings	10 and 40	
Plant and equipment	1, 3, 5, 6.5, 8 and 10	
EDP equipment	4	
Furniture and fixtures (including office equipment)	4 and 10	
Motor vehicles	4 and 8	
Computer software		20%

Leasehold land is amortized on a straight line basis over the period of the lease. Cost of leasehold improvement is depreciated over their useful life or unexpired lease period, whichever is lower.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from

the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

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

A summary of amortization policies applied to the company's intangible assets is as below:

(e) 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. 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 or the lease term.

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.

(f) 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.

g) 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.

(h) 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. Stores and spares which do not meet the definition of fixed assets are accounted as inventories.

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. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other

costs incurred in bringing the inventories to their present location and condition. Cost 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.

(i) 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

Revenue from maintenance contracts is recognized pro-rata over the period of the contract as and when services are rendered.

Revenue from engineering and designing services is recognized on the basis of amounts agreed on for the time spent and expenses incurred on the activities.

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. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

(j) 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. 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.

(k) Foreign currency transaction

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.

(l) Retirement and other employee benefits

Retirement benefit in the form of Superannuation Fund, Provident Fund and ESI are defined contribution schemes. There are no other obligations other than the contributions payable to the respective funds. The Company recognizes contribution payable to the respective fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity is the defined benefit plan of the Company for its employees. The costs of providing benefits for gratuity plan are determined on the basis of actuarial valuation at

each year-end. Actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan 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 leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

The company recognizes termination benefit as a liability and an expense 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. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

(m) Income Taxes

Tax expense comprises of current and deferred tax. 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 taxes 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(n) 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.

(o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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 year are adjusted for the effects of all dilutive potential equity shares.

(p) 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.

(q) 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.

(r) 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.



(s) 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.

(t) Measurement of EBITDA

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, 2017	March 31, 2016
Authorized share capital		
- 250,000,000 (31 March, 2016: 250,000,000) equity shares of Rupees 2 each	500.00	500.00
- 180,000,000 (31 March, 2016: 180,000,000) 8% cumulative redeemable preference shares of Rupees 10 each	1,800.00	1,800.00
Issued, subscribed and fully paid-up share capital		
- 239,104,035 (31 March, 2016: 239,104,035) equity shares of Rupees 2 each	478.21	478.21
- 172,000,000 (31 March, 2016: 172,000,000) 8% cumulative redeemable preference shares of Rupees 10 each	1,720.00	1,720.00
Total issued, subscribed and fully paid-up share capital	2,198.21	2,198.21

a. Terms/rights attached to equity shares

The company has equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays 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.

The Company issued 172,000,000 Cumulative Redeemable Preference Shares of Rs. 10 each fully paid-up by conversion of loans. Cumulative Preference Shares carry cumulative dividend @ 8% p.a. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Shares held by Holding/ ultimate holding company and/or their subsidiaries/ associates :

Out of equity and preference shares issued by the Company, shares held by its holding company and/or their subsidiaries are as below:

Equity Shares	Number of shares (in Millions)		(Rupees Millions)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Energy Grid Automation Transformers and Switchgears India Private Limited, the Holding company	168.74	168.74	337.47	337.47
Schneider Electric Singapore Pte. Limited, Parent of Holding company	10.59	10.59	21.18	21.18
Preference Shares				
Energy Grid Automation Transformers and Switchgears India Private Limited, the Holding company	47.00	47.00	470.00	470.00
Schneider Electric IT Business India Private Limited, India, fellow subsidiary	125.00	125.00	1,250.00	1,250.00



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

Equity Shares

	March 31, 2017		March 31, 2016	
	Number (in Millions)	Rupees (Millions)	Number (in Millions)	Rupees (Millions)
Outstanding at the beginning of the year	239.10	478.21	239.10	478.21
Issued during the year	-	-	-	-
Outstanding at the end of the year	239.10	478.21	239.10	478.21

Preference Shares

	March 31, 2017		March 31, 2016	
	Number (in Millions)	Rupees (Millions)	Number (in Millions)	Rupees (Millions)
Outstanding at the beginning of the year	172.00	1,720.00	-	-
Issued during the year	-	-	172.00	1,720.00
Outstanding at the end of the year	172.00	1,720.00	172.00	1,720.00

d. Details of shareholders holding more than 5% shares in the Company

	March 31, 2017		March 31, 2016	
	Number (in Millions)	Percentage (%)	Number (in Millions)	Percentage (%)
Equity shares of Rupees 2 each fully paid:				
Energy Grid Automation Transformers and Switchgears India Private Limited, the Holding Company	168.74	70.57%	168.74	70.57%
Cumulative Redeemable Preference Shares of Rs.10 each fully paid				
Schneider Electric IT Business India Private Limited, fellow subsidiary	125.00	72.67%	125.00	72.67%
Energy Grid Automation Transformers and Switchgears India Private Limited, the Holding Company	47.00	27.33%	47.00	27.33%

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.

e. Arrears of cumulative dividends (including dividend distribution tax) on cumulative redeemable Preference shares as at March 31, 2017 Rs. 198.64 Millions (March 31, 2016 - Rs. 32.25 Millions)

4. Reserves and surplus

	(Rupees Millions)	
	March 31, 2017	March 31, 2016
Capital reserve		
Balance as per the last financial statements	410.25	410.25
Closing balance	410.25	410.25
General reserve		
Balance as per the last financial statements	1,534.63	1,534.63
Add: amount transferred from statement of profit and loss	-	-
Closing balance	1,534.63	1,534.63
Surplus/(deficit) in the statement of profit and loss		
Balance as per the last financial statements	(1,754.65)	(1,572.70)
Add: Profit / (Loss) for the year	(1,598.23)	(181.95)
Net surplus / (deficit) in the statement of profit and loss	(3,352.88)	(1,754.65)
	(1,408.00)	190.23



5. Long-term borrowings

(Rupees Millions)

	Non-current portion		Current maturities	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Loans from related parties				
- Schneider Electric IT Business India Private Limited	650.00	915.00	-	-
	650.00	915.00	-	-
The above amount includes				
- Secured borrowings	-	-	-	-
- Unsecured borrowings	650.00	915.00	-	-
Less: Amount disclosed under the head 'other current liabilities' (note 8)	-	-	-	-
Net Amount	650.00	915.00	-	-

Loan taken from Schneider Electric IT Business India Private Limited carries interest rate of 6% per annum (March 31, 2016 interest rate at 7.25% to 7.50% per annum). The loan is repayable within 18 months from the date of balance sheet.

6. Provisions

(Rupees Millions)

	Long-term		Short-term	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Provision for employee benefits				
Provision for gratuity (refer note 26.1)	-	0.13	-	8.47
Provision for leave encashment	60.96	80.51	5.80	3.18
Other provisions				
Provision for warranties	144.60	112.63	314.87	337.88
Provision for lease equalization	-	16.17	-	-
Provision for contract losses	-	-	19.10	42.92
Provision for litigation	-	-	664.78	393.55
	205.56	209.44	1,004.55	786.00

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 balance will be 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 litigations for sales tax, excise duty and service tax. 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, 2017	March 31, 2016	March 31, 2017	March 31, 2016
At the beginning of the year	450.51	466.68	393.55	393.55
Arising during the year	240.17	128.91	271.23	-
Utilized during the year	231.21	145.08	-	-
At the end of the year	459.47	450.51	664.78	393.55
Current portion	314.87	337.88	664.78	393.55
Non-current portion	144.60	112.63	-	-



7. Short-term borrowings

(Rupees Millions)

	March 31, 2017	March 31, 2016
Cash credit from banks	7.32	121.51
Short term loan from banks	303.64	200.00
Foreign currency loan from banks	1,088.52	481.39
Loan from related party :		
- Energy Grid Automation Transformers and Switchgears India Private Limited	33.00	35.00
- Schneider Electric IT Business India Private Limited	1,765.00	-
Total	3,197.48	837.90
The above amount includes		
- Secured borrowings	-	-
- Unsecured borrowings	3,197.48	837.90

- Cash credit is repayable on demand and carries interest @ 9.00% per annum.
- Short term loan from bank carries interest rate of 7.70% and payable within 30 days from the balance sheet date.
- Foreign currency loan from banks carries interest rate of 2.23% to 2.36% and payable within 90 to 180 days from the balance sheet date.
- Loan taken from Energy Grid Automation Transformers and Switchgears India Private Limited carries interest rate of 5.75% per annum. The loan is repayable within 90 days from the date of balance sheet.
- Loan taken from Schneider Electric IT Business India Private Limited carries interest rate of 5.90% to 6.15% per annum. The loan is repayable within 60 to 210 days from the date of balance sheet.

8. Other current liabilities

(Rupees Millions)

	March 31, 2017	March 31, 2016
Trade payables (including acceptances)		
- total outstanding dues of micro enterprises and small enterprises (refer note 34 for details of dues to Micro, Small and Medium enterprises)	187.08	141.56
- total outstanding dues of creditors other than micro enterprises and small enterprises	4,714.62	7,157.76
Total	4,901.70	7,299.32
Other liabilities		
Advance from Customers	267.55	207.14
Advance billing to Customers	96.23	66.24
Capital Creditors	74.99	9.80
Security deposits from employees	23.32	21.17
Interest accrued but not due on borrowings	15.85	9.80
Interest accrued and due to MSMED creditors (refer note no.34)	22.01	16.85
Unclaimed dividend - Investor Education and Protection Fund will be credited (as and when due)	0.85	0.85
Derivative liability - forward contracts	40.98	-
Others		
- Excise Duty on Finished Goods	65.82	52.74
- Other statutory dues	90.36	79.12
	697.96	463.71



9(A). Tangible assets

(Rupees Millions)

Particulars	Freehold Land	Leasehold Land	Leasehold Improvements	Buildings	Plant and Equipments	Furniture and Fixtures	EDP Equipments	Motor Vehicles	Total
Cost									
At March 31, 2015	103.36	62.79	34.04	1,305.31	1,295.25	138.43	272.54	123.05	3,334.77
Additions during the year	-	-	-	43.93	49.10	3.54	14.73	40.53	151.83
Disposals*	-	-	-	0.06	20.26	1.98	25.75	7.01	55.06
Adjustment*	-	-	-	-	11.72	-	-	-	11.72
At March 31, 2016	103.36	62.79	34.04	1,349.18	1,335.81	139.99	261.52	156.57	3,443.26
Additions during the year	-	-	-	28.41	109.01	2.83	22.12	22.01	184.38
Disposals	-	-	5.56	0.16	58.76	19.08	7.17	22.13	112.86
Adjustment	-	-	-	-	-	(43.00)	43.00	-	-
At March 31, 2017	103.36	62.79	28.48	1,377.43	1,386.06	80.74	319.47	156.45	3,514.78
Depreciation									
At March 31, 2015	-	0.11	4.77	285.05	750.29	77.38	223.66	48.04	1,389.30
Charge for the year	-	0.06	4.76	63.90	122.15	11.16	22.02	33.77	257.82
Disposals	-	-	-	-	15.77	1.64	24.81	3.58	45.80
Adjustment*	-	-	-	-	4.03	-	-	-	4.03
At March 31, 2016	-	0.17	9.53	348.95	860.70	86.90	220.87	78.23	1,605.35
Charge for the year	-	0.06	5.16	44.99	109.83	3.25	34.17	36.83	234.29
Disposals	-	-	2.04	0.15	41.57	12.87	7.14	13.20	76.97
Adjustment	-	-	-	-	-	(8.55)	8.55	-	-
At March 31, 2017	-	0.23	12.65	393.79	928.96	68.73	256.45	101.86	1,762.67
Net Block									
At March 31, 2017	103.36	62.56	15.83	983.64	457.10	12.01	63.02	54.59	1,752.11
At March 31, 2016	103.36	62.62	24.51	1,000.23	475.11	53.09	40.65	78.34	1,837.91

*Adjustment made on account of fixed assets which was previously written off in the financial statements being considered unusable at that time.

Note : Buildings include those constructed on Leasehold Land :

(Rupees Millions)

	March 31, 2017	March 31, 2016
Gross Block	208.40	208.40
Depreciation Charge for the year	3.67	8.32
Accumulated Depreciation	53.56	49.89
Net Block Value	154.84	158.51

9(B). Intangible assets

(Rupees Millions)

Particulars	Software	Total
Cost		
At March 31, 2015	-	-
Additions during the year	-	-
Disposals	-	-
At March 31, 2016	-	-
Additions during the year	106.96	106.96
Adjustment	-	-
At March 31, 2017	106.96	106.96
Amortisation		
At March 31, 2015	-	-
Charge for the year	-	-
Disposals	-	-
At March 31, 2016	-	-
Charge for the year	20.78	20.78
Adjustment	-	-
At March 31, 2017	20.78	20.78
Net Block		
At March 31, 2017	86.18	86.18
At March 31, 2016	-	-



10. Loans and advances

(Rupees Millions)

	Non-Current		Current	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Capital advances				
Unsecured, considered good	64.96	7.65	-	-
Security deposit				
Unsecured, considered good	26.98	10.57	9.06	69.15
Unsecured, considered doubtful	67.42	45.80	-	-
	94.40	56.37	9.06	69.15
Less : Provision for doubtful security deposits	67.42	45.80	-	-
	26.98	10.57	9.06	69.15
Advances recoverable in cash or kind				
Unsecured, considered good (include advance to related parties Rupees 171.82 Millions, March 31, 2016 Rupees 1.92 Millions)	-	-	247.84	212.57
Unsecured, considered doubtful	-	-	40.72	3.65
	-	-	288.56	216.22
Less : Provision for doubtful balances	-	-	40.72	3.65
	-	-	247.84	212.57
Other loans and advances (Unsecured, considered good)				
Balances with statutory / government authorities				
Unsecured, considered good	375.63	338.28	972.27	965.03
Unsecured, considered doubtful	-	-	30.97	-
	375.63	338.28	1,003.24	965.03
Less : Provision for doubtful balances	-	-	30.97	-
	375.63	338.28	972.27	965.03
Advance income-tax (net of provision for income tax)	-	-	160.22	153.20
Prepaid expenses	-	-	20.98	31.56
Loans to employees	-	-	5.00	5.48
Balance in gratuity fund (refer note 26.1)	-	-	22.36	-
	375.63	338.28	1,180.83	1,155.27
Total	467.57	356.50	1,437.73	1,436.99

11. Trade receivables

(Rupees Millions)

	Non-Current		Current	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, Considered good	-	144.86	1,252.99	2,255.84
Unsecured, Considered Doubtful	-	-	1,892.28	632.39
	-	144.86	3,145.27	2,888.23
Less: Provision for doubtful trade receivables	-	-	1,892.28	632.39
	-	144.86	1,252.99	2,255.84
Others Unsecured, Considered good	-	-	3,851.99	4,423.41
	-	144.86	5,104.98	6,679.25
Trade receivables includes dues from companies in which Company's Non-executive director is a director				
Schneider Electric India Private Limited	-	-	254.86	95.05
Schneider Electric Lanka Private Limited	-	-	4.55	70.06



12. Inventories (valued at lower of cost and net realisable value)

(Rupees Millions)

	March 31, 2017	March 31, 2016
Raw materials and components (Includes in transit Rupees 100.27 Millions; March 31, 2016 - Rupees 173.10 Millions) (refer note 17)	895.17	970.92
Work-in-progress (refer note 19)	680.81	736.15
Finished goods (Includes in transit Rupees 137.19 Millions; March 31, 2016 - Rupees 67.92 Millions) (refer note 19)	596.32	538.25
Traded Goods (Includes in transit Rupees Nil Millions; March 31, 2016 - Rupees 23.22 Millions) (refer note 19)	16.80	41.69
Stores and spares	11.43	0.63
	2,200.53	2,287.64

13. Cash and bank balances

(Rupees Millions)

	March 31, 2017	March 31, 2016
Cash and cash equivalents:		
Balances with banks:		
On current accounts	90.78	2.31
On EEFC accounts	118.06	9.54
	208.84	11.85
Other bank balances		
Unclaimed dividend*	0.85	0.85
	209.69	12.70

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

14. Other current assets (Unsecured, considered good)

(Rupees Millions)

	March 31, 2017	March 31, 2016
Unbilled Contract Revenue	18.27	69.31
Unamortised premium on forward Contracts	19.26	-
Total	37.53	69.31

15. Revenue from operations

(Rupees Millions)

	March 31, 2017	March 31, 2016
Sale of finished goods	12,108.76	13,731.34
Sale of traded goods	156.31	86.16
Project revenue (Refer note 33)	917.10	1,056.88
Sale of Services	532.56	568.95
Other operating revenue:		
Scrap sales	54.89	72.68
Others	17.76	12.56
Revenue from operations (gross)	13,787.38	15,528.57
Less: Excise duty*	1,138.69	1,502.50
Revenue from operations (net)	12,648.69	14,026.07

* Excise duty on sales amounting to Rupees 1,138.69 Millions (March 31, 2016 - Rupees 1,502.50 Millions) has been reduced from sales in Statement of profit and loss and excise duty on (increase)/decrease in inventory amounting to Rupees 13.08 Millions (March 31, 2016 - Rupees 16.82 Millions) has been considered as (income)/expense in Note 21 of Financial Statements.



(Rupees Millions)

	March 31, 2017	March 31, 2016
Details of finished goods sold		
Switchgear, Ring Main Units, etc.	6,704.88	6,776.77
Transformers	2,936.09	2,977.45
Automation	1,210.13	1,397.64
Others	1,257.66	2,579.48
	12,108.76	13,731.34
Details of traded goods sold		
Evolis Breaker	12.27	27.98
Auto Recloser	62.61	11.48
Ring Main Unit (RMU)	28.35	21.11
Others	53.08	25.59
	156.31	86.16
Details of services rendered		
Engineering and Design Services	179.52	220.65
Erection, Commissioning and maintenance services	350.04	345.30
Others	3.00	3.00
	532.56	568.95

16. Other income

(Rupees Millions)

	March 31, 2017	March 31, 2016
Interest income on		
- Bank deposits	2.68	2.44
- Others	2.92	4.37
Excess provisions written back	81.04	40.04
Foreign exchange variation income (net)	140.78	-
Bad debts recovered	17.12	51.65
Profit on sale of fixed assets	16.21	-
Other non-operating income	-	7.58
	260.75	106.08

17. Cost of raw material and components consumed

(Rupees Millions)

	March 31, 2017	March 31, 2016
Inventory at the beginning of the year	970.92	946.27
Add: Purchases	8,546.77	10,124.73
	9,517.69	11,071.00
Less: inventory at the end of the year	895.17	970.92
Cost of raw material and components consumed *	8,622.52	10,100.08
* Includes Contract Costs of Rupees 863.81 Millions (March 31, 2016 - Rupees 1,004.98 Millions)		
Details of raw material and components consumed		
Ferrous	1,697.51	889.23
Non-Ferrous	4,778.14	6,469.59
Components and others	2,146.87	2,741.26
	8,622.52	10,100.08
Details of Inventory - Raw materials and Components		
Ferrous	107.90	103.70
Non-Ferrous	409.51	303.52
Components and others	377.76	563.70
	895.17	970.92



18. Purchase of traded goods

(Rupees Millions)

	March 31, 2017	March 31, 2016
Purchases of traded goods	115.49	124.73
	115.49	124.73
Detail of purchase of traded goods		
Auto Recloser	49.83	12.57
Evolis Breaker	7.76	29.04
Ring Main Unit (RMU)	7.23	41.35
Others	50.67	41.77
	115.49	124.73

19. (Increase)/decrease in inventories

(Rupees Millions)

	March 31, 2017	March 31, 2016
Work in Progress		
At the beginning of the year	736.15	879.49
Less: At the end of the year	680.81	736.15
(Increase) / Decrease in Work in progress	55.34	143.34
Finished Goods		
At the beginning of the year	538.25	291.79
Less: At the end of the year	596.32	538.25
(Increase) / Decrease in Finished goods	(58.07)	(246.46)
Traded Goods		
At the beginning of the year	41.69	-
Less: At the end of the year	16.80	41.69
(Increase) / Decrease in Finished goods	24.89	(41.69)
(Increase) / Decrease in inventories	22.16	(144.81)
Details of inventory		
Work-in-progress		
Switchgear, Ring Main Units, etc.	420.29	166.40
Transformers	132.11	163.84
Automation	88.43	347.89
Others	39.98	58.02
	680.81	736.15
Finished goods		
Switchgear, Ring Main Units, etc.	300.72	245.79
Transformers	136.45	192.65
Automation	53.92	48.67
Others	105.24	51.14
	596.32	538.25
Traded goods		
Auto Recloser	-	2.09
Evolis Breaker	-	2.06
Ring Main Unit (RMU)	0.90	21.24
Others	15.90	16.30
	16.80	41.69



20. Employee benefits expense

(Rupees Millions)

	March 31, 2017	March 31, 2016
Salaries, wages and bonus	1,456.25	1,435.13
Contribution to provident and other fund (including gratuity expense)	118.22	98.18
Staff welfare expenses	136.02	148.46
	1,710.49	1,681.77

21. Other expenses

(Rupees Millions)

	March 31, 2017	March 31, 2016
Consumption of stores and spare parts	15.19	23.14
Power and fuel	81.17	75.76
Rent	75.38	118.60
Rates and taxes	15.97	24.34
Repairs and maintenance		
- Buildings	54.88	61.09
- Plant and machinery	27.61	14.05
- Others	58.88	63.55
Insurance	28.32	31.84
Royalty and technical know-how	1.88	2.07
Directors' sitting fees	2.20	2.54
Freight and forwarding charges	148.22	141.78
Travelling and conveyance	151.09	192.00
Remuneration to Auditors	13.95	14.68
Provision for doubtful trade receivables (Refer note 40)	1,376.72	39.03
Provision for doubtful loans and advances	100.40	3.66
Provision for warranties	240.17	128.91
Provision for contract loss	30.03	35.78
Provision for litigation	271.23	-
Loss on sale of Tangible Assets	-	1.32
Tangible assets written off	-	0.34
Legal and professional expenses	151.85	127.01
Trade mark fees	223.29	246.60
Data management charges	150.98	118.36
(Increase) / decrease of excise duty on inventory	13.08	16.82
Foreign exchange variation cost (net)	-	202.72
Miscellaneous expenses	152.25	163.21
	3,384.74	1,849.20
Remuneration to Auditors :		
for audit fee	8.10	8.50
for tax audit fee	0.80	0.80
for limited review	4.10	4.40
for other services (certification fees)	0.10	0.10
for reimbursement of expenses	0.85	0.88
	13.95	14.68



22. Depreciation and amortization expense

(Rupees Millions)

	March 31, 2017	March 31, 2016
Depreciation of tangible assets	234.29	257.82
Amortisation of intangible assets	20.78	-
	255.07	257.82

23. Finance costs

(Rupees Millions)

	March 31, 2017	March 31, 2016
Interest*	290.34	354.65
Bank charges	25.54	35.05
Foreign exchange variation treated as borrowing cost	8.98	38.30
	324.86	428.00

* include interest on delayed payment of statutory dues Rupees 2.13 Millions (March 31, 2016 - Rupees 2.55 Millions) and interest under Micro, Small and Medium Enterprises Act Rupees 5.16 Millions (March 31, 2016 Rupees 1.22 Millions)

24. Exceptional items

(Rupees Millions)

	March 31, 2017	March 31, 2016
Exceptional items	72.34	17.31
	72.34	17.31

Exceptional items mainly represents expenses relating to employee settlements, which are incurred as part of organisation restructuring for higher efficiency, undertaken by the Company.

25. Earnings per share (EPS)

(Rupees Millions)

	March 31, 2017	March 31, 2016
The following reflects the loss and share data used in the basic and diluted EPS computations:		
Basic EPS		
Profit/ (loss) after tax as per the statement of Profit and Loss	(1,598.23)	(181.95)
Less:		
Dividend on 8% 172,000,000 Cumulative Redeemable Preference Shares	(137.60)	(26.77)
Dividend Distribution Tax	(28.79)	(5.48)
Net Profit/ (loss) for calculation of basic EPS	(1,764.62)	(214.20)
Weighted average number of equity shares in calculating basic EPS (Nos. in Millions)	239.10	239.10
Basic earning/(loss) per share as reported in Rupees	(7.38)	(0.90)
Diluted EPS		
Profit/ (loss) after tax as per the statement of Profit and Loss	(1,598.23)	(181.95)
Less:		
Dividend on 8% 172,000,000 Cumulative Redeemable Preference Shares	(137.60)	(26.77)
Dividend Distribution Tax	(28.79)	(5.48)
Net Profit/ (loss) for calculation of diluted EPS	(1,764.62)	(214.20)
Weighted average number of equity shares in calculating diluted EPS (Nos. in Millions)	239.10	239.10
Diluted earning/(loss) per share as reported in Rupees	(7.38)	(0.90)



26. Employee Benefits

26.1 The company has a defined gratuity plan. Every employee who has completed five years or more of service (as per Gratuity Act) gets a gratuity on retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The liability is provided as per actuarial valuation.

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 Gratuity.

Net employee benefit expense recognized in the employee cost

(Rupees Millions)

	March 31, 2017	March 31, 2016
Current service cost	15.24	14.48
Interest cost on benefit obligation	12.18	10.82
Expected return on plan assets	(12.24)	(13.11)
Net actuarial(gain) / loss recognized in the year	13.59	9.30
Net benefit expense	28.77	21.49
Actual return on plan assets	10.50	11.48
Benefit asset/ liability		
Present value of defined benefit obligation	165.30	155.13
Fair value of plan assets	187.66	146.53
Plan asset / (liability)	22.36	(8.60)
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	155.13	137.79
Current service cost	15.24	14.48
Interest cost	12.18	10.82
Benefits paid	(29.10)	(15.61)
Actuarial (gains) / losses on obligation	11.85	7.65
Closing defined benefit obligation	165.30	155.13
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	146.53	145.68
Expected return	12.24	13.09
Contributions by employer	59.73	5.00
Benefits paid	(29.10)	(15.61)
Actuarial gains / (losses)	(1.74)	(1.63)
Closing fair value of plan assets	187.66	146.53

The company expects to contribute Rupees 20.89 Millions (March 31, 2016 - Rupees 24.19 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:

Investments with insurer	100%	100%
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The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

Discount rate	7.54%	7.85%
Expected rate of return on plan assets	8.25%	8.35%
Attrition rate	1-3%	1-3%
Salary escalation	5.00%	5.00%
Mortality table	IALM(2006-08)	IALM(2006-08)

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, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	165.30	155.13	137.79	155.43	160.61
Plan assets	187.66	146.53	145.68	146.59	145.14
Surplus / (deficit)	22.36	(8.60)	7.89	(8.84)	(15.47)
Experience adjustments on plan liabilities	(7.23)	(7.65)	24.98	11.32	(8.45)
Experience adjustments on plan assets	(1.74)	(1.63)	(0.89)	(1.14)	(0.83)

26.2 The Company has defined contribution plans towards Provident Fund, Superannuation fund and ESI recognised as an expense and included in Employee benefit expense in the Statement of Profit and Loss as described in the below table.

Contribution to Defined contribution Plans

(Rupees Millions)

Particulars	March 31, 2017	March 31, 2016
Provident fund	72.26	61.40
Superannuation fund and ESI	17.19	15.29
TOTAL	89.45	76.69

27. 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 Company has vacated the premises during the year.

The lease rental expense recognized in the Statement of Profit and Loss during the year in respect of this lease transaction is Rupees 10.60 Millions (March 31, 2016 - Rupees 55.85 Millions).

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

(Rupees Millions)

	March 31, 2017	March 31, 2016
Within one year	-	55.50
After one year but not more than five years	-	234.79
More than five years	-	-
	-	290.29

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 year is Rupees 64.78 Millions (March 31, 2016 - Rupees 62.75 Millions).

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)

	Segment Sales	Segment Assets	Capital Expenditure
India	12,849.18	11,193.86	367.83
	(14,359.43)	(12,409.72)	(216.39)
Outside India	938.20	253.60	-
	(1,169.14)	(490.09)	-
Total	13,787.38	11,447.46	367.83
	(15,528.57)	(12,899.81)	(216.39)

Amounts in parentheses are pertaining to previous year ended March 31, 2016



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 Private Limited
Ultimate holding Company	Schneider Electric Industries SAS, France
Parent of holding Company	Schneider Electric Singapore Pte. Limited, Singapore

b. Related parties with whom transactions have taken place during the year :

Fellow subsidiaries

Schneider Electric Industries SAS, France	Schneider Electric Argentina Sa, Argentina
Schneider Electric India Private Limited, India	Schneider Electric Asia Pacific Limited, Hong Kong
France Transfo SAS, France	Schneider Electric Brasil Ltda, Brazil
Manufacturas Electricas Sa, Spain	Schneider Electric Canada Inc., Canada
Power Measurement Ltd, Canada	Schneider Electric Systems Colombia Ltda, Colombia
Société Électrique D'Aubenas SAS, France	Schneider Electric D.O.O., Croatia
Schneider (Beijing) Medium & Low Voltage Co., Ltd, China	Schneider Electric De Colombia Sa, Colombia
Schneider Electric (Xiamen) Switchgear Co. Ltd, China	Schneider Electric Distribution Company, Egypt
Schneider Electric (Australia) Pty. Limited, Australia	Schneider Electric East Mediterranean Sal, Lebanon
Schneider Electric Energy France SAS, France	Schneider Electric (Uk) Ltd, United Kingdom
Schneider Electric Espana Sa, Spain	Schneider Electric Fze, United Arab Emirates
Schneider Electric France SAS, France	Schneider Electric Industries (M) Sdn Bhd, Malaysia
Schneider Electric GmbH, Germany	Schneider Electric It Logistics Asia Pacific Pte. Ltd, Singapore
Schneider Electric IT Business India Pvt.Ltd., India	Schneider Electric Korea Ltd (Ex-Samwha Eocr Co. Ltd), South Korea
Schneider Electric IT Vietnam Ltd, Vietnam	Schneider Electric Lanka (Private) Limited, Sri Lanka
Schneider Electric Ltd, United Kingdom	Schneider Electric Mexico S.A. De C.V., Mexico
Schneider Electric Logistics Asia Pte. Ltd, Singapore	Schneider Electric Nigeria Ltd, Nigeria
Schneider Electric Protection Et Contrôle SAS, France	Schneider Electric Peru Sa, Peru
Schneider Electric S.P.A., Italy	Schneider Electric (Philippines) Inc., Philippines
Schneider Electric Sachsenwerk GmbH, Germany	Eps Electrical Power Distribution Boards & Switchgear Ltd, Saudi Arabia
Schneider Electric South East Asia (Hq) Pte. Ltd, Singapore	Schneider Electric South Africa (Pty.) Ltd, South Africa
Schneider Electric Telecontrol SAS, France	Schneider Electric Taiwan Co Ltd, Taiwan
Schneider Electric Usa, Inc., USA	Schneider Electric India Software Private Limited, India
Schneider Elektrik Sanayi Ve Ticaret A.S., Turkey	Telvent Usa, Llc, Usa
Schneider Enerji Endustrisi Sanayi Ve Ticaret A.S., Turkey	Zao Gruppa Kompaniy Electroshield, Russia
Schneider Switchgear (Suzhou) Co, Ltd, China	Energy Grid Automation Transformers And Switchgears India Private Limited, India
Schneider (Suzhou) Transformers Co. Ltd, China	Invensys India Private Ltd, India
Shanghai Schneider Electric Power Automation Co. Ltd, China	Schneider Electric O.M. Llc, Oman
Schneider Electric Services International Sprl, Belgium	Schneider Electric Dms Ns, Serbia
Vamp Oy, Finland	Schneider Electric President Systems Ltd, India
Invensys Development Centre India Private Ltd, India	Schneider Electric Overseas Asia Pte. Ltd, Singapore
Luminous Power Technologies Private Ltd, India	Schneider Electric Polska Sp, Poland
Pt Schneider Electric Indonesia, Indonesia	Schneider Electric Services Llc, Qatar
Schneider (Thailand) Ltd, Thailand	Schneider Electric Vietnam Co. Ltd, Vietnam
Schneider Electric Aebe, Greece	

c. Key management personnel

Mr. Prakash Kumar Chandraker, Managing Director
Mr. Vivek Sarwate, Whole time Director
(With effect from February 4, 2016)

d. Additional related parties as per companies act 2013 with whom transactions have taken place during the year

Mr. Anurag Mantri, Chief Financial Officer till Nov 24, 2016
Mr. Arnab Roy, Chief Financial Officer w.e.f Mar 8, 2017
Mr. Vinod Kumar Dhall, Chairman and Director
Mr. Ranjan Pant, Director
Mr. Subramanian Vishar Vasudeven, Director
Mr. Anil Rustgi, Company Secretary (With effect from May 15,2015)



e. Transactions and Balances Outstanding with Related Parties

(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
TRANSACTIONS WITH RELATED PARTIES								
(1) SALE OF GOODS								
Schneider Electric India Private Limited, India			548.72	229.67			548.72	229.67
Schneider Electric Nigeria Ltd, Nigeria			2.16	176.19			2.16	176.19
Schneider Electric Sachsenwerk GmbH, Germany			55.40	45.40			55.40	45.40
Schneider Electric O.M. Llc, Oman			31.97	14.62			31.97	14.62
Schneider Electric Lanka (Private) Limited, Sri Lanka			18.83	135.30			18.83	135.30
Schneider Electric Korea Ltd (Ex-Samwha EOOR Co Ltd)			1.89	210.70			1.89	210.70
Others			293.52	176.88			293.52	176.88
Total			952.49	988.76			952.49	988.76
(2) SALE OF SERVICES								
Energy Grid Automation Transformers and Switchgears India Private Limited	3.00	3.00					3.00	3.00
Schneider Electric Espana Sa, Spain			1.13	1.32			1.13	1.32
Schneider Electric France SAS, France			31.17	-			31.17	-
Schneider Electric India Private Limited, India			79.46	130.51			79.46	130.51
Schneider Electric Industries SAS, France	30.19	74.79					30.19	74.79
Schneider Electric Protection Et Contrôle SAS, France			-	30.01			-	30.01
Others			40.43	23.88			40.43	23.88
Total	33.19	77.79	152.19	185.72			185.38	263.51
(3) PURCHASE OF GOODS								
Schneider Electric India Private Limited, India			454.35	453.34			454.35	453.34
Vamp Oy, Finland			190.23	151.79			190.23	151.79
Schneider Electric Sachsenwerk GmbH, Germany			282.12	513.64			282.12	513.64
Schneider Electric Protection Et Contrôle SAS, France			664.44	676.19			664.44	676.19
Schneider Switchgear (Suzhou) Co. Ltd., China			4.26	0.74			4.26	0.74
Schneider Electric S.P.A., Italy			75.01	94.61			75.01	94.61
Others			370.52	595.05			370.52	595.05
Total			2,040.93	2,485.36			2,040.93	2,485.36
(4) PURCHASE OF SERVICES								
Schneider Electric India Private Limited, India			97.71	134.80			97.71	134.80
Schneider Electric Dms Ns, Serbia			7.30	14.90			7.30	14.90
Schneider Electric Protection Et Contrôle SAS, France			83.34	-			83.34	-
Schneider Electric, ADH			-	3.24			-	3.24
Schneider Electric Energy, Poland			-	2.06			-	2.06
France Transfo SAS, France			19.19	-			19.19	-
Schneider Electric Industries SAS, France	0.45	32.20					0.45	32.20
Others			4.33	8.51			4.33	8.51
Total	0.45	32.20	211.87	163.51			212.32	195.71
(5) REIMBURSEMENT BY THE COMPANY								
Schneider Electric India Private Limited, India			82.49	181.53			82.49	181.53
Schneider Electric Canada Inc., Canada			-	6.80			-	6.80
Schneider Electric Asia Pacific Limited, Hong Kong			-	0.91			-	0.91
Schneider Electric Industries (M) Sdn Bhd, Malaysia			-	0.83			-	0.83
Schneider Electric Usa, Inc., Usa			-	0.50			-	0.50
Others			0.12	1.21			0.12	1.21
Total			82.61	191.78			82.61	191.78


FINANCIAL STATEMENTS SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(6) REIMBURSEMENT TO THE COMPANY								
Schneider Electric Industries SAS, France	25.82	63.16					25.82	63.16
Schneider Electric P&C SAS, Lattes			-	4.83			-	4.83
Eps Electrical Power Distribution Boards & Switchgear Ltd, Saudi Arabia			1.03	3.05			1.03	3.05
Schneider Electric Canada Inc., Canada			0.21	1.92			0.21	1.92
Schneider Electric (Australia) Pty. Limited, Australia			0.13	-			0.13	-
Vamp Oy, Finland			1.84	7.24			1.84	7.24
Schneider Electric Fze, United Arab Emirates			-	1.16			-	1.16
Schneider Electric Espana Sa, Spain			0.21	0.58			0.21	0.58
Schneider Electric India Private Limited, India			38.89	-			38.89	-
Schneider Electric India Software Private Limited			3.37	-			3.37	-
Others			5.69	-			5.69	-
Total	25.82	63.16	51.37	18.78			77.19	81.94
(7) MANAGERIAL REMUNERATION*								
Prakash Kumar Chandraker					15.54	12.00	15.54	12.00
Vivek Sarwate					9.18	0.87	9.18	0.87
Anurag Mantri					11.09	12.84	11.09	12.84
Arnab Roy					0.87	-	0.87	-
Anil Rustgi					4.68	3.26	4.68	3.26
Total					41.36	28.97	41.36	28.97
(8) SITTING FEES TO DIRECTORS								
Vinod Kumar Dhall					0.84	0.98	0.84	0.98
Ranjan Pant					0.60	0.68	0.60	0.68
Subramanian Vishar Vasudeven					0.76	0.88	0.76	0.88
Total					2.20	2.54	2.20	2.54
(9) INTEREST EXPENSES								
Schneider Electric IT Business India Private Ltd			134.86	149.79			134.86	149.79
Energy Grid Automation Transformers and Switchgears India Private Limited	2.25	12.95					2.25	12.95
Total	2.25	12.95	134.86	149.79			137.11	162.74
(10) TRADEMARK FEES PAID								
Schneider Electric Services International SPRL, Belgium			223.29	246.60			223.29	246.60
Total			223.29	246.60			223.29	246.60
(11) DATA MANAGEMENT CHARGES PAID								
Schneider Electric Industries SAS, France	105.09	93.36					105.09	93.36
Schneider Electric India Private Limited, India			42.13	25.00			42.13	25.00
Total	105.09	93.36	42.13	25.00			147.22	118.36
(12) SALE OF FIXED ASSETS								
Pt Schneider Electric Indonesia, Indonesia			-	4.16			-	4.16
Total			-	4.16			-	4.16
(13) PURCHASE OF INTANGIBLE ASSETS								
Schneider Electric India Private Limited, India			17.03	-			17.03	-
Schneider Electric Industries SAS, France	51.65	-					51.65	-
Total	51.65	-	17.03	-			68.68	-
(14) PURCHASE OF TANGIBLE ASSETS								
Schneider Electric India Private Limited, India			-	16.35			-	16.35
Schneider Electric Industries SAS, France	115.94	-					115.94	-
Others			2.05	1.17			2.05	1.17
Total	115.94	-	2.05	17.52			117.99	17.52
(15) INTER-CORPORATE LOAN CONVERTED INTO 8 PERCENT CUMULATIVE PREFERENCE SHARES								
Energy Grid Automation Transformers and Switchgears India Private Limited	-	470.00					-	470.00
Schneider Electric IT Business India Private Limited			-	1,250.00			-	1,250.00
Total	-	470.00	-	1,250.00			-	1,720.00


FINANCIAL STATEMENTS SCHNEIDER ELECTRIC INFRASTRUCTURE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(16) LONG TERM BORROWINGS								
Schneider Electric IT Business India Private Limited			-	265.00			-	265.00
Total			-	265.00			-	265.00
(17) SHORT TERM BORROWINGS (NET)								
Schneider Electric IT Business India Private Limited			1,765.00	-			1,765.00	-
Energy Grid Automation Transformers and Switchgears India Private Limited	-	35.00					-	35.00
Total	-	35.00	1,765.00	-			1,765.00	35.00
(18) REPAYMENT OF SHORT TERM BORROWINGS								
Energy Grid Automation Transformers and Switchgears India Private Limited	2.00	-					2.00	-
Total	2.00	-					2.00	-
(19) REPAYMENT OF LONG TERM BORROWINGS								
Schneider Electric IT Business India Private Limited			265.00	-			265.00	-
Total			265.00	-			265.00	-
BALANCES OUTSTANDING AT THE YEAR END:								
(1) 8 PERCENT CUMULATIVE REDEEMABLE PREFERENCE SHARES OF RS 10 EACH FULLY PAID UP								
Energy Grid Automation Transformers and Switchgears India Private Limited	470.00	470.00					470.00	470.00
Schneider Electric IT Business India Private Limited			1,250.00	1,250.00			1,250.00	1,250.00
Total	470.00	470.00	1,250.00	-			1,720.00	1,720.00
(2) LONG TERM BORROWINGS								
Schneider Electric IT Business India Private Ltd			650.00	915.00			650.00	915.00
Total			650.00	915.00			650.00	915.00
(3) SHORT TERM BORROWINGS								
Schneider Electric IT Business India Private Ltd			1,765.00	-			1,765.00	-
Energy Grid Automation Transformers and Switchgears India Private Limited	33.00	35.00					33.00	35.00
Total	33.00	35.00	1,765.00	-			1,798.00	35.00
(4) TRADE PAYABLES								
Schneider Electric India Private Limited, India			237.79	173.13			237.79	173.13
Schneider Electric Protection Et Contrôle SAS, France			542.11	1,129.87			542.11	1,129.87
Schneider Electric Sachsenwerk GmbH, Germany			114.51	285.72			114.51	285.72
Schneider Electric Services International Sprl, Belgium			249.05	558.16			249.05	558.16
Schneider Electric Industries SAS, France	215.29	399.25					215.29	399.25
Schneider Electric South East Asia (Hq) Pte. Ltd, Singapore			0.03	246.76			0.03	246.76
Others			439.26	917.03			439.26	917.03
Total	215.29	399.25	1,582.75	3,310.67			1,798.04	3,709.92
(5) INTEREST ACCRUED BUT NOT DUE								
Schneider Electric IT Business India Private Ltd			11.18	8.51			11.18	8.51
Energy Grid Automation Transformers and Switchgears India Private Limited	0.73	0.02					0.73	0.02
Total	0.73	0.02	11.18	8.51			11.91	8.53
(6) ADVANCES FROM CUSTOMER								
Schneider Electric Energy France SAS, France			6.58	2.58			6.58	2.58
Schneider Electric Mexico S.A. De C.V., Mexico			2.51	6.85			2.51	6.85
Schneider Electric De Colombia Sa, Colombia			1.24	0.96			1.24	0.96
Others			0.23	8.82			0.23	8.82
Total			10.56	19.21			10.56	19.21



(Rupees Millions)

Particulars	Related Party Where Control Exists		Fellow subsidiaries		Key Management Personnel and other related parties		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(7) TRADE RECEIVABLES								
Schneider Electric India Private Limited, India			254.86	95.05			254.86	95.05
Schneider Electric Protection Et Contrôle SAS, France			0.02	29.94			0.02	29.94
Schneider Electric Sachsenwerk GmbH, Germany			17.97	30.31			17.97	30.31
Schneider Electric Lanka (Private) Limited, Sri Lanka			4.55	70.06			4.55	70.06
Energy Grid Automation Transformers and Switchgears India Private Limited	3.14	-					3.14	-
Schneider Electric Industries SAS, France	6.29	5.18					6.29	5.18
Schneider Electric Nigeria Ltd, Nigeria			5.60	190.54			5.60	190.54
Others (net of provision for doubtful trade receivables amounting to Rs 33.35 Millions (March 31, 2016 Nil))			144.30	221.74			144.30	221.74
Total	9.43	5.18	427.30	637.64			436.73	642.82
(8) OTHER CURRENT ASSETS								
Schneider Electric India Private Limited, India			1.70	-			1.70	-
Energy Grid Automation Transformers and Switchgears India Private Limited	3.45	-					3.45	-
Total	3.45	-	1.70	-	-	-	5.15	-
(9) ADVANCES RECOVERABLE IN CASH OR IN KIND								
Schneider Electric India Private Limited, India			148.67	-			148.67	-
France Transfo SAS, France			16.72	-			16.72	-
Schneider Electric Industries SAS, France	6.43	1.62					6.43	1.62
Vamp Oy, Finland			-	0.30			-	0.30
Total	6.43	1.62	165.39	0.30			171.82	1.92

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

In addition to the above transactions, Schneider Electric Industries SAS, France (the ultimate holding company) has given letter of comfort to banks of the Company based on which banks have given unsecured loan facilities (at the prevailing interest rate) to the Company. This letter is not intended as a legal guarantee on the part of the ultimate holding company.

30. Capital and other commitments

- At March 31, 2017, the company has commitments of Rupees 40.44 Millions (March 31, 2016: Rupees 20.21 Millions) relating to purchase of tangible fixed assets.
- There are no significant other commitments.

31. Contingent Liabilities

- Total contingent liability of Income Tax aggregates to Rupees 360.67 Millions (March 31, 2016 - Rupees 116.78) in relation to financial year 2011-12, 2012-2013 and 2013-2014.
- 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.
 - Total outstanding demands of Excise / Service tax aggregates to Rupees 264.78 Million out of which Company share is Rupees 62.16 Million. The Company has considered demands amounting to Rupees 6.24 Millions as contingent as at March 31, 2017, net of provisions of Rupees 55.92 Million.
(March 31, 2016 - Total outstanding demands of Excise / Service tax aggregates to Rupees 249.18 Million out of which Company share is Rupees 61.70 Million. The Company has considered demands amounting to Rupees 5.78 Millions as contingent as at March 31, 2017, net of provisions of Rupees 55.92 Million)
The deposits made under protest pertaining to above demands aggregates to Rupees 35.84 Million (March 31, 2016 - Rupees 35.84 Million).
 - Total outstanding demands of Sales Tax aggregates to Rupees 1791.38 Million out of which Company share is Rupees 723.93 Million. The Company has considered demands amounting to Rupees 311.11 Million as contingent, net of provisions of Rupees 412.82 Million.
(March 31, 2016 - Total outstanding demands of Sales Tax aggregates to Rupees 1,779.70 Million out of which Company share is Rupees 723.93 Million. The Company has considered demands amounting to Rupees 476.35 Million as contingent, net of provisions of Rupees 247.58 Million).
The deposits made under protest pertaining to above demands aggregates to Rupees 286.88 Million (March 31, 2016 - Rupees 285.13 Million)



- c. For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Excise/ Service Tax demands amounting to Rupees 406.23 Million as contingent, net of provisions of Rupees 13.03 Million. (March 31, 2016 - Rupees 389.70 Million, net of provision of Rupees 13.03 Million).
The deposits made under protest pertaining to above demands aggregates to Rupees 2.27 Million (March 31, 2016 - Rupees 2.08 Million)
- d. For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Sales Tax demands amounting to Rupees 348.86 Million as contingent, net of provisions of Rupees 120.87 Million. (March 31, 2016 - Rupees 216.26 Million, net of provision of Rupees 61.83 Million).
The deposits made under protest pertaining to above demands aggregates to Rupees 42.07 Million. (March 31, 2016- Rupees 8.55 Million)
- e. For the demands pertaining to the Company only (with no ALSTOM share being there), the Company has considered Custom tax demands amounting to Rupees 5.59 Million as contingent, net of provisions of Rupees Nil. (March 31, 2016 - Rupees 5.59 Million, net of provision of Rupees Nil)
The Company has preferred appeals against the above demands which are 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.
- f. The Company has availed receivables purchase facility from banks against which a sum of Rupees 118.83 Million (March 31, 2016 - Rupees 203.19 Million) have been utilised as on the date of Balance Sheet. The Company has assigned all its rights and privileges to the bank. Accordingly the amount of utilization has been reduced from trade receivables.

32. Forward cover instruments and unhedged foreign currency exposure

(Rupees Millions)

Particulars	Currency	Foreign Currency	Indian Currency	Purpose
a. Forward covers outstanding				
Buy	USD	15.00	972.75	To hedge foreign currency loan
		-	-	
Buy	EUR	1.50	103.94	To hedge Import purchases
		(0.50)	(37.24)	

b. Particulars of unhedged foreign currency exposure

(Rupees Millions)

Particulars	Currency	Foreign Currency	Indian Currency
Trade payables	USD	2.95	191.47
		(4.42)	(292.48)
	EUR	15.29	1,059.55
		(38.20)	(2,878.96)
Others	0.80	9.29	
	(1.22)	(17.10)	
Trade receivables	USD	2.97	192.38
		(6.65)	(440.75)
	EUR	0.88	61.22
		(0.65)	(49.34)
Borrowings	USD	1.79	115.77
		(7.26)	(481.39)
EEFC account	USD	1.29	83.49
		(0.14)	(9.12)
	EUR	0.50	34.57
		(0.01)	(0.42)

Amounts in parentheses are pertaining to Previous Year ended March 31, 2016



33. Disclosure pursuant to AS - 7 - "Construction Contracts": (Rupees Millions)

	March 31, 2017	March 31, 2016
Contract revenue recognised for the year	917.10	1,056.88
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress upto the reporting date	2,689.81	1,810.00
Gross amount due from customers for contracts in progress	14.11	69.31
Gross amount due to customers for contracts in progress	96.23	66.24
Amount of advances received	9.65	12.71
Amount of retentions	208.70	257.75

34. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006 (Rupees Millions)

	March 31, 2017	March 31, 2016
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, small and medium enterprises	187.08	141.56
Interest due on above	1.65	1.22
	188.73	142.78
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	3.51	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	22.01	16.85
The amount of further interest remaining due and payable even in the succeeding years, until such 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	22.01	16.85

35. Earnings in foreign exchange (accrual basis) (Rupees Millions)

	March 31, 2017	March 31, 2016
FOB value of exports	729.52	921.60
Other service income	102.93	127.75
	832.45	1,049.35

36. Value of imports calculated on CIF basis (Rupees Millions)

	March 31, 2017	March 31, 2016
Raw materials and Components	2,753.32	2,653.86
Store and Spare parts	2.58	4.19
Traded goods	115.31	73.21
Capital goods	201.59	4.05
	3,072.80	2,735.31

37. Expenditure in foreign currency (accrual basis) (Rupees Millions)

	March 31, 2017	March 31, 2016
Travelling	9.16	8.44
Royalty and technical know-how	1.88	2.07
Trademark fees	223.29	246.60
Data management charges	105.09	93.36
Interest	4.90	4.91
Others	35.30	49.12
	379.62	404.50



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

(Rupees Millions)

	March 31, 2017		March 31, 2016	
	% of total consumption	Value	% of total consumption	Value
Raw Materials and Components				
Imported	31%	2,670.04	28%	2,798.54
Indigenous	69%	5,952.48	72%	7,031.54
	100%	8,622.52	100%	10,100.08
Stores and Spare parts				
Imported	21%	3.15	33%	7.63
Indigenous	79%	12.04	67%	15.51
	100%	15.19	100%	23.14

39. As per Notification dated March 30, 2017, issued by Ministry of Corporate Affairs, details of the Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the Company did not have cash balance on November 8, 2016 and December 30, 2016 and no cash dealings during this period.

40. The Company as part of its Energy Rebound Program is focusing on profitable and rigorous project selection. As part of this initiative, management has evaluated the recoverability of old trade receivables considering the changing financial conditions of some customers, slow recovery and passage of time. On the basis of such evaluation and other factors, the management based on best estimates has recorded a provision for doubtful trade receivables of Rs. 1,376.72 Millions (year ended March 31, 2016 - Rs. 39.03 Millions).

41. The Company follows Accounting Standard - 22 "Accounting for Taxes on Income" as notified by the Company Accounting Standards Rules, 2006 (as amended). The Company has net deferred tax assets primarily consisting of unabsorbed depreciation and carry forward losses. However, the subsequent realization of such amount is not virtually certain in near future and the management is of the view that it is prudent not to recognize deferred tax assets. A summary of deferred tax assets to the extent of deferred tax liability is given below:

(Rupees Millions)

Particulars	As at 31 March 2017	As at 31 March 2016
Deferred Tax Liability		
Fixed Assets : Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting	(73.83)	(69.24)
Total Deferred Tax Liability	(73.83)	(69.24)
Deferred Tax Assets		
Deferred Tax Assets on account of provision for doubtful trade receivables, business losses, unabsorbed depreciation and other temporary differences to the extent of Deferred Tax Liability.	73.83	69.24
Total Deferred Tax Assets	73.83	69.24

42. Previous year figures have been regrouped / reclassified, where 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.Batlilobi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

Per Manoj Kumar Gupta
Partner
Membership No.83906

Prakash Kumar Chandraker
Managing Director

Anil Chaudhry
Director

Arnab Roy
Chief Financial Officer

Anil Rustgi
Company Secretary

Place: Amsterdam
Date: May 30, 2017

Place: New Delhi
Date: May 30, 2017

Schneider Electric Infrastructure Limited

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