Smart solutions.
Strong relationships.

Pioneering Innovation for a Sustainable Future

Powered by EDGE

Engage | Deliver | Grow | Excel



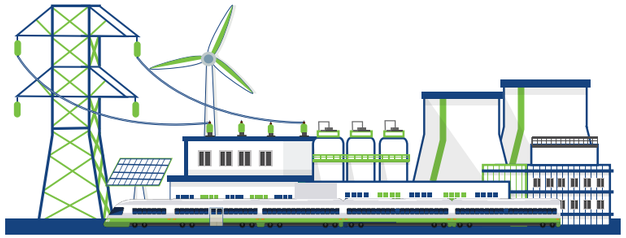
CG Power and Industrial Solutions Limited

ANNUAL REPORT
2025-2026

WHY WE EXIST

Pioneering Innovation for a Sustainable Future

From innovation to sustainable impact, we craft solutions that empower industries, support businesses, and enhance lives. Our aim is to balance performance with responsible long-term value creation for our partners, customers, and communities alike.



WHO WE ARE

Guided by our C.H.O.I.R Values

Our values define who we are and shape the way we engage with all our internal and external stakeholders.

CUSTOMER CENTRICITY	HUMILITY	OWNERSHIP MINDSET	INTEGRITY	RESPECT
We put our customers at the core of every solution. We design with their needs in mind, deliver with precision, and create enduring value that strengthens trust across industries.	We stay grounded even as we grow. We listen, learn, and innovate with openness, ensuring we remain reliable, relevant, and future-ready.	We take charge of tomorrow. Every idea we spark, every system we engineer, and every action we take carries the responsibility of shaping a sustainable future.	We act with uncompromising ethics, transparency, and accountability, earning us trust as we transform industries and deliver on our commitments.	We value people, partnerships, and the planet, thereby fostering collaboration and inclusivity while advancing solutions that are both socially responsible and environmentally conscious.

Together, these values foster a culture of trust, accountability, collaboration, and continuous improvement—enabling us to deliver excellence in everything we do.

HOW WE CREATE IMPACT

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EDGE

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CG EDGE is our enterprise-wide way of working that drives execution excellence, operational discipline, and continuous improvement across the organization.

Embedded across all levels, from leadership teams to the shop floor— EDGE serves as the backbone of how we operate, collaborate, solve problems, and create value.

More than a framework, EDGE enables us to remain agile, customer-focused, and future-ready while delivering sustainable business outcomes.

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PIONEERING INNOVATION FOR A SUSTAINABLE FUTURE

Powered by

EDGE

Engage | Deliver | Grow | Excel

Innovation has always been at the heart of CG's journey. As the world navigates the convergence of technological advancement, energy transition, digital transformation, and changing customer expectations, we believe the future belongs to organisations that continuously innovate with purpose, agility, and responsibility. At CG, this belief shapes the way we think, operate, and grow.

FY26 has been a year of purposeful progress, marked by stronger execution, expanding global presence, focused investments in technology and manufacturing, and accelerated transformation across our businesses. As we continue to strengthen our position across power systems, industrial solutions, rail transportation, consumer durables, and emerging technology segments, our focus remains firmly anchored on creating long-term value through innovation-led growth.

Our purpose, Pioneering Innovation for a Sustainable Future, serves as our guiding force. It reflects our commitment to creating solutions that are technologically advanced, operationally efficient, and environmentally responsible, while addressing the evolving needs of customers, industries, and communities. Whether through grid modernisation, industrial electrification, energy-efficient products, digital transformation, smart manufacturing, or next-generation technologies, we are building businesses that contribute meaningfully to a more sustainable future.

Powering this journey is CG EDGE, our way of working that connects strategy, culture, and execution. Built around four pillars: Engage, Deliver, Grow, and Excel, CG EDGE defines how we work across the organization.

- **Engage** connects strategy to execution by aligning people, goals and accountability across all levels of organization
- **Deliver** drives disciplined execution on commitments by driving execution through structured operating rigor
- **Grow** strengthens capabilities and fosters innovation to drive sustainable growth and long-term value creation for customers and other stakeholders
- **Excel** embeds a culture of continuous improvement and performance excellence to achieve more impactful business outcomes

Together, these pillars align people, processes, and performance around a shared ambition of creating sustainable value.

Through structured practices such as Daily Management, Policy Deployment, Talent Review Excellence (TRX), Innovate to Value (i2V), Lean, Kaizen, and problem-solving methodologies, CG EDGE enables teams to translate strategy into action, accelerate innovation, build future-ready capabilities, and continuously improve performance. More than a framework, it is our way of operating — creating a culture of accountability, agility, collaboration, and execution excellence across businesses.

As we look ahead, we remain committed to pioneering innovation that creates lasting value for stakeholders, communities, and the environment. Guided by our purpose, anchored in our values, and powered by CG EDGE, we continue to strengthen our capabilities, expand our horizons, and help build a more resilient, connected, and sustainable future.

> As we continue to strengthen our position across power systems, industrial solutions, rail transportation, consumer durables, and emerging technology segments, our focus remains firmly anchored on creating long-term value through innovation-led growth.

EDGE

Engage | Deliver | Grow | Excel

OUR PERFORMANCE DIFFERENTIATOR

Delivering results by building a culture of Kaizen, disciplined problem solving, accountability with humility and agility.



COMPANY OVERVIEW

CG Power and Industrial Solutions Limited (CG), headquartered in Mumbai, India, is an 89-year-old global engineering company with a strong presence across power systems, industrial systems, and semiconductor solutions. Since November 2020, the Company has been a part of the Murugappa Group, one of India's most respected business conglomerates.

Guided by its purpose, 'Pioneering Innovation for a Sustainable Future,' CG is committed to developing advanced and responsible solutions that empower industries, support businesses, and enhance lives.

CG offers a diverse portfolio of products, solutions, and services spanning transformers, switchgears, motors, drives, railway systems, consumer electrical products, and RF semiconductor solutions, catering to a broad spectrum of industrial, infrastructure, utility, transportation, and consumer applications across domestic and international markets.

With a growing global footprint, CG operates 22*# world-class manufacturing facilities across India and Europe, supported by an extensive network of regional, branch, and international offices. The Company continues to invest in technology, innovation, digitalisation, and manufacturing excellence to strengthen competitiveness and create sustainable long-term value.



Power Transformer Manufacturing Facility Mandideep, Madhya Pradesh

89
Year legacy

4,900+
Workforce strength#

22
World-class manufacturing facilities*#

14
Regional offices#

19
Branch offices#

* Includes S3 Unit II launched in June 2026
# Includes CG and its Subsidiaries (India & Rest of the World)

CG's Operating Subsidiaries

- CG Drives & Automation, Europe
- CG Adhesive Products Limited, India
- CG Semi Private Limited, India
- Axiro Semiconductor Private Limited, India
- G.G. Tronics India Private Limited, India

Core Competencies

Market Leader
A leader in the electrical engineering industry

Manufacturing Excellence
Cutting-edge automated manufacturing facilities

Diversified Products
Comprehensive range of products and services across its business lines

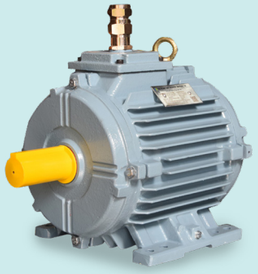
Capacity Expansion
Ongoing expansion of manufacturing capacities to capitalise on increased economies of scale

Excellent Outreach
Outstanding market penetration facilitated by steadfast channel partners

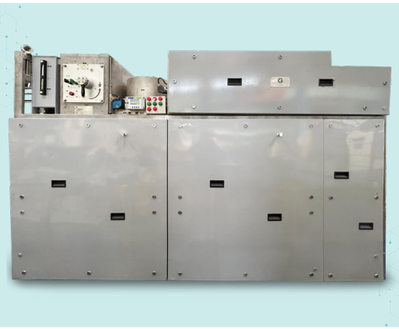
Customised Solutions
Lean cost structure coupled with proven capabilities and credentials to provide customised solutions as per customer requirements

INDUSTRIAL SYSTEMS

Motors, Drives and Automation, Railways, and Fast Moving Electrical Goods



CG Smoke Extraction Motor



CG IGBT Composite Converter



CG AeroSwift Ceiling Fan



CG's 6.0 MW 4P 6.6 kV Motor for Primary Coolant Pump, used in Nuclear Power Radiation Zone



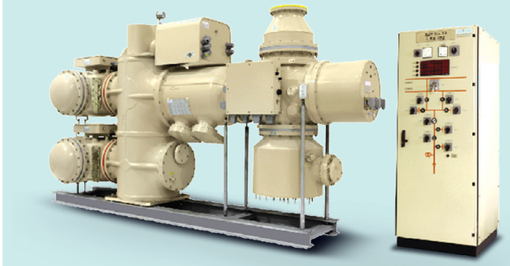
CG FDU/VFX Drives

POWER SYSTEMS

Transformers, Switchgears and Other Allied Products



CG 33kV Indoor VCB panel



CG 145kV GIS



CG 16MVA 132kV Green Transformer



CG 500MVA 765kV Single-Phase Auto Transformer

Key Sectors That We Serve

- Automobile
- Building & Infrastructure
- Cement
- Chemicals
- Data Centers
- Defence
- Electronics
- Fertilizers
- FMCG
- Green Hydrogen
- IT & Telecom
- Metro Rail
- Mining
- Nuclear Power
- Oil & Gas
- Paper
- Pharmaceuticals
- Port & Shipping
- Power Transmission & Distribution
- Railways
- Renewables
- Steel and Metals
- Sugar
- Textiles
- Thermal Power
- Water & Irrigation



VELLAYAN SUBBIAH

> Globally, the energy transition, the proliferation of AI infrastructure, the drive toward higher energy efficiency across industrial operations, and the reconfiguration of semiconductor supply chains are equally durable forces. Together, they are reshaping demand across every segment of CG's portfolio in ways that are deep, sustained, and accelerating.

CHAIRMAN'S MESSAGE

Dear Shareholders,

As I reflect on FY26, two things stand out equally: the strength of what we have delivered this year, and how far we have come over the past five years. Over these years, the task was not simply to stabilise a business, rather it was to rebuild an institution by restoring credibility with customers, partners, employees, and shareholders, and converting a vision of what CG could become with disciplined, sustained action. That journey is well underway and FY26 has been its clearest expression yet.

The numbers tell the story of a transformation that is both real and accelerating. It reflects the compounding of five years of deliberate choices around people, capability, capital allocation, and culture. CG delivered consolidated revenue of ₹12,418 Cr in FY26, growing 25% over the prior year, with Profit After Tax rising 23% to ₹1,196 Cr. These results were achieved in a year of significant global disruption: conflict in the Middle East, commodity volatility, evolving tariff regimes, and the reconfiguration of global supply chains. CG navigated it with agility and came through stronger.

The confidence that global institutional investors placed in CG, was demonstrated by the three-times oversubscribed QIP in July 2025, which raised ₹3,000 Cr from a high-quality mix of Indian and international investors.

A Truly Global Company

CG has always had a global DNA. Our manufacturing operations span across India and Europe catering to customer demand across all major continents, including the Americas, Europe, Africa and Asia. What has changed in FY26 is the ambition and momentum behind our international growth.

Export order bookings more than doubled year-on-year. The single largest order in CG's history was not a domestic order, rather it was a ₹900 Cr contract to supply power transformers for a hyperscale data centre in the United States. Our drives and automation business in Europe continues to serve markets across the continent and beyond. Furthermore, India's expanding trade architecture with several FTAs, including agreements with the UK, Oman, New Zealand, and others, is materially expanding the addressable market for Indian-manufactured industrial and power solutions globally.

The world's power infrastructure needs rebuilding and expanding, and the focus on energy transition is a global phenomenon. This is driven by the increasing demand for datacentres and grid modernization efforts. CG's transformer capacity expansion to approximately 1,20,000 MVA is not sized for the Indian market alone; it is sized for the global opportunity. The same applies to our semiconductor investments: the supply chain diversification driving India's semiconductor mission is a global imperative, and our capacities in this space are designed to serve customers globally.

A Platform Built for the Structural Shift

The most consequential changes in CG's addressable markets are structural, not cyclical. India's energy transition, railway modernisation, the rise of data centres and electronics manufacturing, and the country's growing role in global manufacturing are all multi-decade themes. Globally, the proliferation of AI infrastructure, the drive toward higher energy efficiency, and the reconfiguration of semiconductor supply chains are equally durable forces. CG's businesses are not peripheral beneficiaries of these shifts — they are foundational to them. Power transformers and switchgear enable the grid infrastructure the energy transition demands. Motors and drives power a more efficient, lower-carbon industrial economy. Rail systems underpin one of the world's largest modernisation programmes. And semiconductors sit at the intersection of every technology curve shaping the next decade. CG's portfolio is aligned with every significant vector of this demand, both at home and internationally.

Semiconductors, and the Long Game

CG's entry into semiconductors through Axiro in FY25 and the launch of CG Semi's advanced OSAT facility (G1) in August 2025, reflects a longer arc of our strategic ambition. As India's semiconductor mission gains credibility and institutional momentum, backed by sustained policy support from the Government of India through initiatives such as the India Semiconductor Mission, DLI Scheme, and RDIF, we are building capabilities across both design and manufacturing through Axiro and CG Semi. Axiro has established a strong foundation in semiconductor design, with over 150 IPs in front-end technologies and more than 200 chip designs, which have been deployed in over 600 million chips globally, being strengthened further by our investment in EdgeCortix. The OSAT project is being developed to support a capacity of up to 14.5 million chips per day, reflecting our ambition to build globally competitive semiconductor capabilities. The global imperative to build resilient, geographically diversified semiconductor supply chains is precisely what creates the opportunity for CG Semi to serve international customers at scale.

Semiconductors are a long-gestation business that demand patient capital, technological depth and sustained execution. We are approaching this opportunity with a long-term perspective, with the ambition of building globally competitive capabilities that contribute meaningfully to India's semiconductor journey.

Governance, Sustainability, and Culture

The Board has remained focused on ensuring that CG's growth is sustainable in its fullest sense: financially, operationally, and environmentally. The Company's ESG progress including multiple facilities certified for ISO 14001, Zero Liquid Discharge, Zero Waste to Landfill, and Single-Use Plastic Free operations, and an S&P Global ESG rating that improved 16 points to 50, reflects an organisation that takes responsible manufacturing seriously. Safety continues to receive priority attention across all locations.

Equally important is the culture being built. CG EDGE has moved from being a framework to being a way of working by embedding operational excellence and execution discipline into the day-to-day rhythm of the organisation. This cultural depth is a competitive asset that does not appear on the balance sheet but is reflected in the consistency of execution.

Looking Ahead

FY27 will bring its own complexities and uncertainties. However, the structural forces driving demand for CG's products, including energy transition, infrastructure investment, industrial modernisation, AI-driven data centre expansion, and semiconductor localisation, are intact. CG enters this environment with expanded capacity, strong order visibility, a growing export base, and an organisation that has demonstrated its ability to perform under pressure.

I want to express my appreciation to Mr. Amar Kaul and the entire CG leadership team for the quality of thinking and execution that underpins these results; and to the thousands of CGites across India, Europe, and our global operations whose daily commitment makes this Company what it is.

To our shareholders: five years ago, you placed your confidence in a vision. Today, that vision is a track record. Thank you for your partnership, your patience, and your continued trust. The most exciting chapter of CG's story is still ahead.

We remain committed to growing responsibly, competing with integrity, and delivering enduring value for all our stakeholders.

Warm regards,

Vellayan Subbiah
Chairman



AMAR KAUL

MANAGING DIRECTOR & CEO'S MESSAGE

Dear Shareholders,

FY26 was a record year for CG Power and Industrial Solutions Limited and I want to begin not with numbers, but with what made those numbers possible. This year, we formally crystallised our Purpose and Values as the foundation of how CG operates and grows. Our Purpose: Pioneering Innovation for a Sustainable Future defines what we build, how we build it, and who we build it for. Our Values: Customer Centricity, Humility, Ownership Mindset, Integrity and Respect, guide our people and nurture a culture of excellence.

Powered by CG EDGE

With our Purpose at its core, CG EDGE is our operating model that translates strategy into execution. Embedded deeply across the organisation, CG EDGE defines how we create superior value for our stakeholders and brings together operational excellence, commercial rigour, digital enablement, innovation, and high-performance culture. In FY26, it was the engine behind our margin expansion, our responsiveness to customers, and our ability to navigate commodity and supply chain pressures without compromising delivery commitments. CG EDGE is not a programme with an end date. It is how we operate, providing the foundation for continuous improvement, sharper execution, and enduring competitiveness as we pursue the next phase of growth.

> "Global supply chains continue to shift in India's favour. And CG's portfolio is aligned with every significant vector of that demand. Competition is intensifying across our segments. But we enter FY27 with a clear Purpose, strong Values, a proven execution framework in CG EDGE, and a team that has demonstrated it can deliver through complexity."

Operating in a Complex World

FY26 unfolded against a backdrop of significant global disruption. The outbreak of conflict in the Middle East introduced fresh volatility in commodity markets, particularly copper, steel, and crude oil. It also raised energy costs and tightened global supply chains at a time when the world was still adjusting to the trade policy and tariff-related disruptions of 2025. For an industrial manufacturer with a global footprint, this demanded agility, pricing discipline, and supply chain resilience in equal measure.

Despite the disruption, FY26 marked CG's strongest standalone financial performance. Revenue reached ₹11,331 Cr, growing 21% over the prior year. Profit Before Tax (before exceptional items) rose 34% to ₹1,793 Cr. This reflects strong operating leverage and disciplined execution across the portfolio. Profit After Tax grew 35% to ₹1,317 Cr. Return on Capital Employed, including QIP proceeds, stood at 22% for the year. Order intake of ₹17,574 Cr, up 30% year-on-year, and a closing order backlog of ₹15,719 Cr, up 59%, provide strong, multi-quarter revenue visibility into FY27 and beyond.

At the consolidated level, CG recorded revenue of ₹12,418 Cr with PAT at ₹1,196 Cr. Order intake reached ₹19,616 Cr, while the closing unexecuted order book stood at ₹17,107 Cr, offering a solid foundation for future growth.

Power Systems: Exceptional Momentum

The global power sector is undergoing a transformation driven by accelerating energy transition, grid modernisation efforts, and a focus on building robust infrastructure to support rising electricity demand from data centres, industrial expansion, and electrification. This is translating directly into sustained, multi-year demand for transformers, switchgear, and grid solutions. At CG, our Power Systems business delivered a standout year, with revenue growing 46%. The business won landmark orders: the largest single domestic transformer order in CG's history from PowerGrid Corporation, and its largest single export transformer order from a US data centre customer.

Transformer capacity, which stood at approximately 23,000 MVA a year earlier, has now been expanded to almost 75,000 MVA. Our upcoming new facility in Madhya Pradesh will commission in Q2FY27, initially adding 25,000–30,000 MVA and reaching 45,000 MVA over the subsequent quarters, taking our total capacity to approximately 1,20,000 MVA. This scale of expansion reflects our confidence in the sustained, structural demand for power infrastructure across India and globally.

Switchgear also received a significant commitment: the Board approved a ₹748 Cr greenfield expansion for medium and extra-high voltage circuit breakers, instrument transformers, and gas-insulated switchgear — both for domestic and export markets.

Industrial Systems: Stabilised and Recovering

Modernisation efforts and large-scale industrial infrastructure creation, expansion of manufacturing across sectors such as electronics, chemicals, and renewable energy, and the rising adoption of automation and energy-efficient systems offer long term growth potential for industrial systems. Our Industrial Systems segment delivered revenue of ₹6,197 Cr with the motors business achieving double-digit growth. It is a strong reflection of both the commercial and operational turnaround the business has executed over the past several quarters. The division maintained its market leadership with approximately 38–39% share of the LT motor segment while managing through a challenging commodity environment.

The Indian Railways' focus on network expansion, modernization and other improvement initiatives is creating structural, long-duration demand for traction systems, propulsion technology, and railway safety solutions. The margins for our Railways business remain a work in progress, reflecting competitive pricing dynamics and mix. The business is responding on three fronts: operational efficiency improvements, a dedicated services vertical that will structurally lift margins over time, and an active new product development agenda. G.G. Tronics, our railway safety systems subsidiary, entered FY26 with a healthy order backlog.

Semiconductors: Building India's Future, One Chip at a Time

Semiconductors represent one of the most significant industrial opportunities of our generation. Global demand is accelerating driven by digitalisation, artificial intelligence, electrification and connectivity, while nations increasingly seek resilient and diversified supply chains. India is well positioned to participate in this shift, supported by strong policy momentum, a growing electronics manufacturing ecosystem and rising domestic demand.

At CG, we are building capabilities across two critical segments of the semiconductor value chain. Through Axiro, we have established a presence in semiconductor design, creating IP and products for global markets. Through CG Semi, we are building semiconductor manufacturing capabilities with the support of the India Semiconductor Mission. These investments reflect our belief that India must participate not only as a consumer of semiconductors, but also as a creator of innovation and manufacturing capacity.

Axiro, our semiconductor design subsidiary, generated approximately ₹500 Cr in revenue in FY26, anchored by the RF business acquired from Renesas Electronics. Its technologies have been deployed in over 600 million chips globally, reflecting the strength of its design capabilities. Our investment in EdgeCortix signals our intent to continue building AI-driven semiconductor design capabilities through targeted partnerships.

CG Semi reached a defining milestone in FY26 with the inauguration of India's first end-to-end OSAT facility at Sanand, Gujarat in August 2025. The G1 facility is now operational at a peak capacity of 0.5 million units per day, with plans to further scale up to 14.5 million chips per day, with the upcoming commissioning of our G2 facility. Together, the two facilities represent an estimated project investment of approximately ₹7,600 Cr and is expected to generate approximately 5,000 direct and indirect jobs. The establishment of CG Semi has been enabled by the fiscal support from Central Government via India Semiconductor Mission (ISM) and Gujarat State Government via Gujarat State Electronics Mission (GSEM).

Capital Allocation and Financial Strength

The QIP completed in July 2025 raised ₹3,000 Cr from a high-quality mix of Indian and global institutional investors, oversubscribed more than three times. This capital is being deployed into the greenfield transformer and switchgear facilities, and our OSAT facility, aligned with our long-term growth agenda. The Board also approved an interim dividend of ₹1.3 per share (65% of face value), reflecting confidence in the cash generation capacity of the business.

Sustainability: Built In, Not Bolted On

At CG, sustainability is a design principle, and in FY26, it showed up in our results. In a year of elevated commodity costs and energy price volatility, our investments in resource efficiency delivered tangible operating benefits alongside their environmental impact. Our manufacturing facilities are ISO 14001 certified and also hold certifications for Zero Liquid Discharge, Zero Waste to Landfill, and Single-Use Plastic Free operations, reflecting our high focus toward sustainability. This commitment is now externally recognised: our S&P Global ESG rating improved 16 points to 50, and we became a signatory to the United Nations Global Compact. We manage carbon footprint reduction with the same rigour as our financial metrics through structured reviews, KPI-driven accountability, and ownership embedded from shopfloor to boardroom. Beyond our operations, we invested ₹21.33 Cr in healthcare and education initiatives during FY26, reaching over 2.33 lakh lives across rural and marginalised communities, because the communities around us are part of the story we are building.

Our People: The Source of the Edge

Every result achieved and reported is the work of the CG team — our people are our greatest asset. FY26 was demanding in many ways: commodity shocks, supply chain volatility, an evolving geopolitical environment, and the simultaneous execution of multiple large capital, technology and cost transformation programmes, including i2V (Innovate to Value). Our people navigated all of this with competence, resilience, and purpose.

Looking Ahead

FY27 begins with the strongest order book in CG's recent history, new manufacturing capacities coming online, and deepening presence in global markets. India's infrastructure investment cycle, energy transition, and industrial modernisation agenda remain structurally intact. Global supply chains continue to shift in India's favour. And CG's portfolio, spanning power transformers, switchgears, motors & drives, railways, consumer products and semiconductors, is aligned with every significant vector of that demand.

Commodity markets remain volatile. Geopolitical uncertainty is unlikely to abate quickly. Competition is intensifying across our segments. But we enter FY27 with a clear Purpose, strong Values, a proven execution framework in CG EDGE, and a team that has demonstrated it can deliver through complexity.

Thank you to our customers for the trust they place in us, to our partners and suppliers for their collaboration, and to our Board for their guidance and oversight. And to our shareholders — thank you for your continued confidence in CG's journey.

Exciting days, months, and years lie ahead.

Warm regards,

Amar Kaul

Managing Director and CEO

BOARD OF DIRECTORS



Mr. Vellayan Subbiah

Chairman & Non-Executive Non-Independent Director

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



Mr. Amar Kaul

Managing Director & CEO

Mr. Amar Kaul has over three decades of rich leadership experience, with deep expertise in global operations across multiple industry sectors. He has successfully led diverse, cross-cultural teams across markets and built high-performing businesses. His forte lies in leading organizational transformation, strategy design and execution, managing high-growth P&Ls and fostering innovation across Power, Engineering, Capital Goods, and Automotive industry sectors.

At CG, he is focused on strengthening the Company's growth trajectory through long-range strategic plan, embedding execution excellence into the Company's DNA, and driving innovation and technology development. His leadership is centered on creating long-term value for customers, employees, and shareholders while continuing to build CG's position as a trusted partner across industries.

Before joining CG, Mr. Amar held executive leadership roles at Ingersoll Rand, Bharat Forge, and Delphi Corporation, shaping their business strategy and driving growth.

Mr. Amar is an alumnus of the University of Warwick, U.K., graduating with a master's degree in Engineering Business Management, and has a bachelor's degree in mechanical engineering.



Mr. M A M Arunachalam
Non-Executive Non-Independent Director

Mr. M A M Arunachalam also known as Arun Murugappan holds a Master's degree in Business Administration from the University of Chicago, USA. A senior member of the Murugappa family, he is an Industrialist and has over three decades of experience in varied industrial activities.

He is currently the Executive Chairman (Whole-time Director) of Tube Investments of India Limited. He is the Chairman of various companies including Shanthi Gears Limited and TI Clean Mobility Private Limited and also on the Board of various companies including Cholamandalam Investment and Finance Company Limited.



Mr. P S Jayakumar
Non-Executive Independent Director

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

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

Currently, he is on the Board of Governor of Indian Institute of Corporate Affairs. He is also on the Board of listed companies such as Emcure Pharmaceuticals Limited, HT Media Limited, Adani Ports and Special Economic Zone Limited, Northern ARC Capital Limited and JM Financial Limited amongst others.



Mr. Sriram Sivaram
Non-Executive Independent Director

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

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



Mrs. Vijayalakshmi Rajaram Iyer
Non-Executive Independent Director

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

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



Mr. Mammen Chally
Non-Executive Independent Director

Mr. Mammen Chally holds a graduation degree from IIT Madras and an MBA degree from Northeastern University, Boston. He is a retired Partner and Portfolio Manager of Wellington Management Company, LLP with over thirty years of investing experience in public market equities in the US.

After graduating from IIT Madras in 1989, he spent three years at GAIL as an Engineer, primarily working on the construction of an LPG plant at Vijaipur, India. Thereafter in 1994, he joined Wellington Management Company, LLP as an Analyst and was quickly promoted to the role of a Portfolio Manager (PM) and was named a co-PM to the Hartford Core Equity Fund in 1998.

He took over as the Lead Manager and Team Leader in mid-2009 with $3 B in client Assets Under Management. He grew client assets to over $30 Billion through both; additions of clients and market returns. Since 1998, he has participated in hundreds of management team interviews of public companies (and some private) each year, to discuss results, understand strategy and evaluate future capital allocation plans. He has discussed the merits of acquisition plans, disposition plans, raising of growth and other capital myriad times. He also looked at business transformations, succession plans and governance.

Over the time, he was part of multiple projects to advise Wellington's CEO and Leadership Team on aspects of their products and strategy. He has also served on several committees that worked to improve the investment results that they generate for their clients.

FY26 AT A GLANCE

STANDALONE REVENUE

₹11,331 Cr ($1.20B)

REVENUE GROWTH (YoY)

21%

* Standalone

CONSOLIDATED REVENUE

₹12,418 Cr ($1.31B)

PBT GROWTH

34%

* Standalone before exceptional items

UNEXECUTED ORDER BOOK

₹15,719 Cr ($1.66B)

* Standalone

ROCE

22%

* Standalone (including QIP proceeds)

ORDER INTAKE REACHED

₹17,574 Cr ($1.85B)

* Standalone

CORPORATE INFORMATION

CHAIRMAN

- Vellayan Subbiah

NON-EXECUTIVE DIRECTORS

- M A M Arunachalam
- P S Jayakumar
- Sriram Sivaram
- Vijayalakshmi R Iyer
- Mammen Chally

MANAGING DIRECTOR & CEO

- Amar Kaul

CHIEF FINANCIAL OFFICER

- Susheel Todi

COMPANY SECRETARY

- Sanjay Kumar Chowdhary

AUDITORS

- S R B C & CO LLP

BANKERS

- State Bank of India (Lead Bank)
- HDFC Bank Limited
- Standard Chartered Bank
- Citi Bank N A

REGISTERED OFFICE

- One Unity Center, 15th Floor, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai-400013.

TEN YEARS' HIGHLIGHTS

●STANDALONE ●CONSOLIDATED

(₹ crores)

	2017^		2018^		2019^		2020^		2021^		2022***		2023		2024		2025		2026	
EARNINGS																				
TOTAL INCOME	5066	6042	5486	8313	5504	8040	3226	5158	2568	3075	5204	5521	6659	7040	7761	8152	9491	10071	**11584**	**12662**
GROSS SALES AND SERVICES	4812	5975	5106	8169	5356	7998	3169	5110	2526	2964	5159	5484	6580	6973	7610	8046	9329	9909	**11331**	**12418**
NET SALES & SERVICES	4407	5568	5008	8070	5356	7998	3169	5110	2526	2964	5159	5484	6580	6973	7610	8046	9329	9909	**11331**	**12418**
EBIDTA*	513	510	677	6	447	263	160	44	156	219	642	671	1016	1061	1227	1234	1435	1467	**1894**	**1870**
PBT@	129	80	(35)	(1082)	(3544)	(3647)	(1548)	(1400)	824	1427	742	752	983	1002	1289	1158	1342	1348	**1757**	**1626**
PAT**@	140	72	(13)	(1092)	(2658)	(2778)	(1480)	(1317)	689	1296	627	629	785	796	1004	870	974	975	**1317**	**1204**
DIVIDEND PAY-OUT	-	-	-	-	-	-	-	-	-	-	-	-	229	229	199	199	199	199	**205**	**205**
WHAT THE COMPANY OWNED																				
GROSS BLOCK (INCL. CAPITAL WIP)	2145	3139	2193	3526	1489	3326	1508	2686	1473	2283	1526	2234	1599	2106	1788	2316	2043	3152	**2356**	**4217**
NET BLOCK (INCL. CAPITAL WIP)	1315	1766	1278	2350	953	2053	898	1517	811	1166	792	1117	800	1009	916	1153	1096	1865	**1400**	**2733**
INVESTMENTS	446	209	1029	145	899	2	15	2	304	2	343	41	303	1	995	588	1593	438	**2109**	**453**
NET CURRENT ASSETS	1221	402	(493)	(1023)	(1322)	(2172)	(2079)	(4030)	(256)	(1424)	436	(408)	798	774	1695	1627	1505	2126	**3367**	**3804**
NET ASSETS EMPLOYED	4797	3904	5059	4310	755	84	(1121)	(2439)	874	(214)	1548	743	2036	1928	3148	2912	4154	4125	**8383**	**8444**
WHAT THE COMPANY OWED																				
BORROWINGS	1724	1892	2367	3529	2280	3414	1990	2757	945	1465	302	352	3	0	3	0	3	0	**3**	0
TOTAL LIABILITIES	3366	4105	4049	7669	4259	7672	3667	6543	2845	4470	2019	3209	1824	2163	2179	2542	2713	3227	**3725**	**4407**

(₹ crores)

	2017^		2018^		2019^		2020^		2021^		2022***		2023		2024		2025		2026	
NET WORTH OF THE COMPANY																				
SHARE CAPITAL	125	125	125	125	125	125	125	125	268	268	288	288	305	305	305	305	306	306	**315**	**315**
RESERVES & SURPLUS	4056	4047	3942	2427	1038	(587)	(442)	(2081)	766	(352)	1531	715	2125	1485	2940	2712	3763	3538	**7901**	**7655**
SHAREHOLDERS' FUNDS	4181	4172	4067	2552	1163	(462)	(317)	(1956)	1034	(84)	1819	1003	2430	1790	3245	3017	4069	3844	**8216**	**7970**
NET WORTH	4181	4172	4067	2552	1163	(462)	(317)	(1956)	1034	(84)	1819	1003	2430	1790	3245	3017	4069	3844	**8216**	**7970**
RATIOS																				
BOOK VALUE PER SHARE (IN ₹)	66.7	66.6	64.9	40.7	18.6	(7.4)	(5.1)	(31.2)	7.7	(0.6)	12.6	7.0	15.9	11.7	21.2	19.8	26.6	25.1	**52.2**	**50.6**
EARNINGS PER SHARE (BASIC) (IN ₹)	1.70	1.14	(1.28)	(17.43)	(42.76)	(44.33)	(23.61)	(21.01)	7.94	14.92	4.62	6.72	5.18	6.35	6.58	9.34	6.38	6.38	**8.42**	**7.72**
CASH EARNINGS PER SHARE (BASIC) (IN ₹)	5.42	3.82	7.46	(12.22)	2.90	(2.60)	0.26	(3.89)	0.85	0.99	4.10	4.44	6.45	6.80	7.66	8.15	8.05	8.11	**9.19**	**8.99**
CURRENT RATIO	1.44:1	1.11:1	0.84:1	0.83:1	0.63:1	0.65:1	0.37:1	0.32:1	0.87:1	0.6:1	1.26:1	0.86:1	1.45:1	1.36:1	1.8:1	1.66:1	1.57:1	1.68:1	**1.94:1**	**1.91:1**
DEBT EQUITY RATIO	0.12:1	0.12:1	0.21:1	0.59:1	0.53:1	NA##	NA##	NA##	0.79:1	NA##	0.17:1	0.35:1	0.00:1	0.00:1	0.00:1	0.00:1	0.00:1	0.00:1	**0.00:1**	**0.00:1**
EBIDTA / NET SALES (IN %)	11.6	9.2	13.5	0.1	8.3	3.3	5.0	0.9	6.2	7.4	12.4	12.2	15.4	15.2	16.1	15.3	15.4	14.8	**16.7**	**15.1**
RETURN ON NET WORTH (IN %) #	2.55	(12.20)	(1.98)	(45.90)	(230.39)	NA##	NA##	NA##	66.64	NA##	34.47	90.98	32.32	53.77	30.95	47.29	23.95	25.35	**16.03**	**15.13**
FIXED ASSETS TURNOVER RATIO (IN TIMES)	3.4	3.2	3.9	3.4	5.6	3.9	3.5	3.4	3.1	2.5	6.5	4.9	8.2	6.9	8.3	7.0	8.5	5.3	**8.1**	**4.5**
NO OF PERMANENT EMPLOYEES	3421	6288	3377	5655	3382	5524	2802	3482	2570	2794	2586	2774	2771	2968	3113	3329	3408	4150	**3825**	**4868**

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

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

ECONOMIC OVERVIEW

GLOBAL SOCIO-ECONOMIC LANDSCAPE

The global economy in FY26 has demonstrated resilience but faces renewed and intensifying headwinds. After navigating the trade policy disruptions of 2025, the global economy encountered a significant new shock with the outbreak of conflict in the Middle East in early 2026. This disrupted commodity markets, tightened financial conditions, and raised inflation expectations at a time when the disinflation process was still incomplete. This development, alongside the lingering effects of the Russia-Ukraine conflict on energy markets and global supply chains, has materially altered the near-term outlook.

The structural drivers of the global economy continue to reflect deep, ongoing shifts. Geopolitical fragmentation is accelerating the reconfiguration of global supply chains, with countries and corporations alike diversifying sourcing and production footprints. The trade architecture is also being redrawn as rising tariff regimes have prompted a growing number of countries to conclude long-stalled bilateral trade agreements, influencing the flow of goods, services, and capital across regions.

Technology and energy transition remain central to global economic activity. Investments in artificial intelligence, electrification, and clean energy continue to drive long-term growth potential, particularly in Asia and North America. Growth trends remain uneven across regions. Advanced economies continue to face structural headwinds, including ageing demographics, subdued productivity growth, and fiscal tightening. Emerging markets benefit from stronger domestic demand and demographic tailwinds but face disproportionate exposure to the current conflict through commodity price volatility, currency depreciation pressures, and tighter global financial conditions.

Global Economic Growth

According to the World Economic Outlook, April 2026, published by the International Monetary Fund, global growth is projected at 3.1% in 2026 and 3.2% in 2027, under the assumption that the Middle East conflict remains limited in duration and scope. This marks a downward revision from the 3.3% trajectory projected earlier. The outbreak of war has interrupted that momentum and the impact is being felt through three primary channels: higher energy and food prices, persistent wage and price inflation, and a confidence shock tightening financial conditions globally.

Global headline inflation, which had been on a sustained declining path, is now expected to tick up to approximately 4.4% in 2026[1], before resuming its decline in 2027. This is a sharp departure from the earlier disinflation trend. The impact is expected to be particularly pronounced in emerging market and developing economies, especially commodity importers with pre-existing fiscal and external vulnerabilities.

Downside risks to the outlook are decisively dominant. A longer or broader conflict, deeper geopolitical fragmentation, renewed trade tensions, or further erosion of institutional credibility could significantly weaken growth and destabilize financial markets. On the upside, a swift resolution of the conflict, or meaningful progress in trade negotiations could lift global activity.

SOCIO-ECONOMIC LANDSCAPE: INDIA

India continues to be one of the fastest-growing major economies, supported by strong domestic demand, policy continuity, and sustained infrastructure investment. The economy is being shaped by structural reforms, increasing formalisation, and government-led initiatives — most prominently the Production Linked Incentive (PLI) scheme, which remains fully active across 14 strategic sectors with a cumulative outlay of ₹1.91 lakh Cr and has attracted investments exceeding ₹2.16 lakh Cr as of December 2025.[2]

A particularly significant development in FY26 has been India's accelerating trade diplomacy. Over the past few years, India has concluded several Free Trade Agreements (FTAs) spanning 38 countries, with multiple landmark agreements executed in FY26, including[2]:

- The India–UK Comprehensive Economic and Trade Agreement (July 2025)
- The India–EFTA Trade and Economic Partnership Agreement entering into force (October 2025)
- The India–Oman CEPA (December 2025)
- The India–New Zealand FTA (December 2025)

These agreements open preferential market access across key geographies for Indian goods, including engineering products, capital equipment, chemicals, and pharmaceuticals. This positions India as an increasingly attractive destination for supply chain diversification away from geopolitically exposed manufacturing hubs.

India is also emerging as a key player in the global energy transition, with significant investments in renewable energy, transmission infrastructure, and grid modernisation. Global supply chain realignments are further strengthening India's position as a manufacturing hub, supported by its engineering talent base and competitive cost structure. The India Semiconductor Mission continues to build domestic capability in advanced electronics, a strategically important priority given global semiconductor supply chain vulnerabilities.

1 *Source: IMF World Economic Outlook*

2 *Source: pib.gov.in*

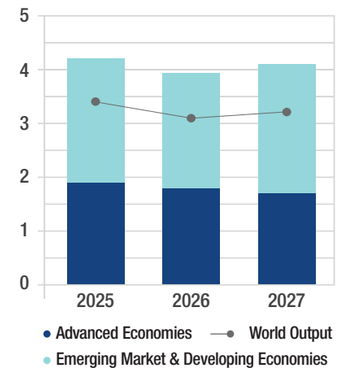
At the same time, India's status as a net energy importer means the country faces some exposure to the commodity price volatility arising from the Middle East conflict. This is a risk for emerging market commodity importers. Prudent macroeconomic management and continued fiscal discipline will be important buffers against this external pressure.

Public capital expenditure continues to drive private investment, creating multiplier effects across sectors. Government-led initiatives such as industrial corridors, logistics infrastructure, and production-linked incentives are improving the ease of manufacturing and enhancing global competitiveness. The emphasis on building resilient and diversified supply chains is further strengthening India's positioning as a global manufacturing hub.

GDP Growth: India

As per the IMF's April 2026 World Economic Outlook, India's GDP grew at an estimated 7.3% in FY26 and growth is projected to moderate to 6.5% in FY27, reflecting a more benign external environment despite global headwinds. This moderation reflects a normalisation of growth following a strong recovery phase, while underlying fundamentals remain robust. Growth continues to be driven by domestic consumption, infrastructure investment, and expanding industrial activity. India's increasing focus on sectors such as renewable energy, advanced manufacturing, and digital infrastructure is strengthening its long-term growth trajectory. India's expanding FTA network further enhances its export potential and positions it as a preferred partner in reconfigured global supply chains.

Global Economic Growth



Source: IMF World Economic Outlook, April 2026

3 *Source: MOSPI*

4 *Source: pib.gov.in*

5 *Source: World Intellectual Property Organization*

INDUSTRY OVERVIEW

INDUSTRIAL SYSTEMS

India's Industrial Momentum: Strengthening Scale and Complexity

India's industrial sector continues to demonstrate resilience and structural strength, supported by sustained policy focus, infrastructure investments, and a gradual shift towards higher-value manufacturing. According to the Economic Survey 2025–26, the industrial sector was projected to grow by 6.2% in FY26. Manufacturing has emerged as the key engine of this recovery, with GVA growth signalling a structural revival and reinforcing the sector's role as a key driver of economic growth. Real GVA is estimated at ₹294.91 lakh Cr in FY26, against ₹273.36 lakh Cr in FY25, registering a growth rate of 7.9% as compared to 7.3% growth rate in FY25[3]. This momentum is increasingly underpinned by structural shifts within the sector, including greater formalisation, improved infrastructure availability through corridor-led development, and deeper integration of technology across operations.

A notable transformation is the rising share of medium- and high-technology manufacturing, reflecting a gradual move up the value chain. Government-led initiatives have been catalytic in driving this shift — most notably the Production Linked Incentive (PLI) scheme across 14 sectors, which has attracted over ₹2.0 lakh Cr in actual investment, generated incremental production and sales exceeding ₹18.7 lakh Cr, and created over 12.6 lakh jobs as of September 2025[4]. India's innovation credentials have strengthened in parallel, with the country's Global Innovation Index rank improving to 38th in 2025, up sharply from 66th in 2019[5], reinforcing the role of manufacturing-led innovation in long-term industrial competitiveness.

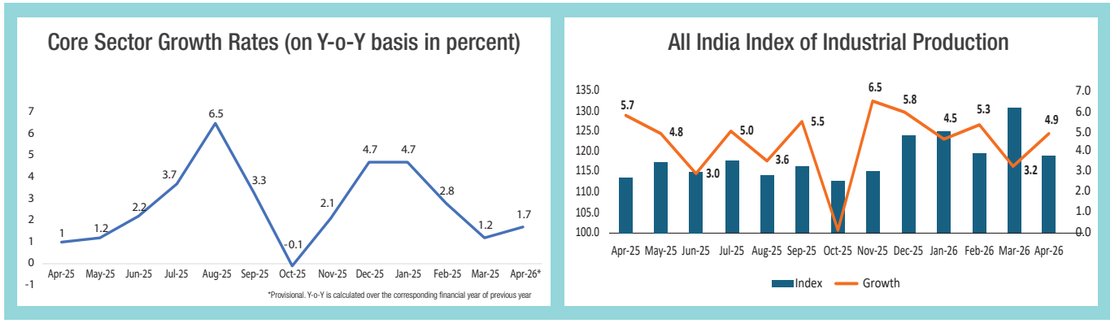
At the same time, industrial financing patterns are evolving. While bank-based credit growth moderated, financial flows from non-bank sources to the commercial sector recorded double digit growth between FY20 and FY25, indicating diversification of capital sources and improved access to funding for industrial expansion.

Core Industries Driving Demand Expansion

India's core input industries continue to anchor industrial growth, supported by strong domestic demand and infrastructure development.

The country remains the second-largest global producer of steel and cement, with sustained investments in infrastructure expected to further drive consumption. Cement demand, in particular, is supported by government-led initiatives in highways, railways, housing, and urban development, alongside rising rural and industrial activity.

The steel sector has undergone significant transformation over recent years, driven by robust demand from construction and manufacturing. Meanwhile, India's coal production reached a historic high of over 1,047 million tonnes in FY25, reflecting the scale of energy demand required to support industrial expansion.



Source: pib.gov.in/, MOSP

The chemicals and petrochemicals sector continues to play a critical role in industrial value chains, contributing meaningfully to manufacturing GVA, while enabling downstream industries including pharmaceuticals, agriculture, and specialty materials.

Infrastructure and Industrial Capex: Enabling Sustained Growth

The next phase of India's industrialisation is being shaped by large-scale infrastructure investments and a renewed focus on manufacturing competitiveness.

Government-led initiatives such as industrial corridors, logistics infrastructure, and production-linked incentives are improving ease of manufacturing and enhancing global competitiveness. At the same time, the focus is shifting from import substitution towards scale, efficiency, and deeper integration into global value chains.

This transition is expected to be supported by increased private sector participation in capital expenditure, alongside continued investments in technology adoption, skill development, and innovation systems. The emphasis on building resilient and diversified supply chains is further strengthening India's positioning as a global manufacturing hub.

Implications for Industrial Systems

The evolving industrial landscape presents significant opportunities for industrial systems players. Sustained growth in core sectors such as metals, cement, and energy continues to drive demand for heavy-duty motors, drives, and automation solutions. At the same time, emerging sectors such as data centres, electric mobility, electronics manufacturing, and renewable energy are creating demand for higher-efficiency, technologically advanced solutions.

The increasing complexity of industrial operations, coupled with the need for energy efficiency and reliability, is accelerating the adoption of advanced motor systems, digital monitoring solutions, and integrated industrial technologies.

Against this backdrop, companies with strong execution capabilities, deep domain expertise, and the ability to align with evolving industrial requirements are well positioned to participate in India's next phase of industrial growth.

MOTORS

Demand Anchored in Infrastructure and Manufacturing Growth

India's motors market continues to track the broader trajectory of industrial activity, infrastructure creation, and energy transition. In FY26, this linkage has strengthened, with industrial growth supported by sustained public capex and improved momentum in core sectors. The Economic Survey 2025–26 highlights continued expansion in infrastructure-linked industries such as steel, cement, mining, and water, which remain key demand anchors for heavy-duty motors requiring high reliability, uptime, and operational efficiency.

Shift from Core Industries to Emerging Demand Segments

While traditional sectors continue to drive base demand, FY26 witnessed a visible shift towards new-age industrial consumption. The rapid expansion of data centres, electronics manufacturing, and renewable energy ecosystems is creating incremental demand for specialised motors and integrated systems. India's data centre capacity is expected to scale significantly over the next decade, driven by digitalisation, AI adoption, and cloud infrastructure, leading to increased requirements for HVAC systems, cooling solutions, and high-efficiency motors.

Energy Efficiency and Regulatory Push

Energy efficiency is emerging as a key decision driver. With rising energy costs and regulatory focus on sustainability, industries are accelerating adoption of high-efficiency motors and variable frequency drives (VFDs). Programmes led by the Bureau of Energy Efficiency (BEE), along with industry-level decarbonisation targets, are reinforcing this shift towards energy-optimised industrial operations.

From Volume Growth to Value-Led Demand

The motors market is increasingly transitioning from volume-led growth to value-led demand. Customers are prioritising performance, lifecycle efficiency, and application-specific solutions over standardised offerings. This is expanding demand across sectors such as water management, urban infrastructure, renewable installations, and commercial buildings, while also increasing the need for technologically advanced and customised motor solutions.



Process Performance Motors

RAILWAYS

Embracing Technological Transformation

Indian Railways has undergone significant transformation shifting from conventional infrastructure to modern technologies leading to a sustainable network that will support India's growing economy.

Some of the key accomplishments include:

- Record-breaking Freight and Operations:
  - Freight transport reached an all-time high
  - India became the world's 2nd largest rail freight transporter surpassing United States.
- Infrastructure and Network Expansion;
  - Electrification Milestone: Nearly 99.6% of the Broad Gauge (BG) network was electrified by March 2026
  - Kashmir All-Weather Connectivity: Udhampur–Srinagar–Baramulla Rail Link (USBRL) was completed, including Chenab Bridge (world's highest arch bridge) and longest operational railway tunnel (T-50)
  - New Pamban Bridge: India's first vertical-lift railway sea bridge was commissioned in April 2025
- Passenger Service and Modernisation
  - Vande Bharat Expansion: Vande Bharat Sleeper service was launched in January 2026, offering premium, long-distance AC travel
  - Amrit Bharat Station Scheme: 119 railway stations were redeveloped, featuring modern amenities and re-imagined passenger facilities
  - Safety Upgrades (Kavach 4.0): The indigenous Automatic Train Protection system (Kavach) was deployed on over 3,100 route kilometres, with plans to expand further to enhance collision prevention
  - Locomotive Production: India emerged as a leader in locomotive manufacturing, producing 1,674 units
- Digital Transformation
  - RailOne App: Launched in July 2025 as a one-stop solution for ticket booking, live train tracking, e-catering, and grievance redressal
  - AI Surveillance: Video Surveillance Systems (VSS) with Artificial Intelligence (AI) and facial recognition technology were installed at 1,731+ stations to enhance security

Government Initiatives Driving Railway Growth

The Indian government continues to invest in strategic initiatives to modernise railway sector. A few examples include:

- High-speed Rail corridors: Identified 7 new high-speed corridors to enable faster inter-city travel. Mumbai-Ahmedabad Bullet Train (MAHSR) to launch in 2027
- Dedicated Freight Corridors (DFCs): A new 2,052 km DFC connecting Dankuni (West Bengal) to Surat (Gujarat) is proposed to speed up logistics
- Vande Bharat Expansion: Continued rollout of modern trains, including Vande Bharat Sleeper trains
- Locomotive Manufacturing: Increased domestic production, with 1,674 locomotives produced in 2025-26, highlighting self-reliance
- Kavach: The indigenous Kavach Automatic Train Protection System continues to be deployed on top priority to enhance safety
- 100% Electrification by 2030: Reducing carbon emissions and promoting green energy solutions.
- Public-Private Partnerships (PPP) & 100% FDI: Encouraging private investment to accelerate infrastructure growth

The Indian Railways Budget 2026-2027 has allocated ₹2,93,000 Cr towards capital expenditure, emphasizing infrastructure expansion, modernisation, and safety enhancements. Key investment areas include:

- ₹36,721 Cr for new railway lines
- ₹37,750 Cr for doubling existing tracks, and
- ₹52,108 Cr for rolling stock acquisition
- Additionally, ₹7,897 Cr is set aside for traffic facilities and yard remodelling

INDUSTRY OVERVIEW

POWER SYSTEMS

India's power sector continues to evolve rapidly, supported by strong policy momentum, rising electricity demand, and accelerated adoption of renewable energy. India remains committed to achieving 500 GW of non-fossil fuel capacity by 2030, aligned with its net-zero target by 2070, as announced at COP26 and reaffirmed through subsequent government policy updates.

The sector has witnessed sustained growth in both demand and capacity. India's peak power demand has continued to rise, reaching a recent high of over 255 GW, reflecting structural growth in electricity consumption driven by industrialisation, urbanisation, and emerging demand segments. At the same time, the country's total installed renewable energy capacity has scaled up significantly to approximately 266 GW as of early 2026, with solar accounting for more than 50% of total renewable capacity.

This expansion marks a structural shift in the power ecosystem. The grid is transitioning from a conventional, generation-led model to a more renewable-heavy, decentralised, and technology-intensive system, where variability, intermittency, and system balancing are becoming critical challenges.

The National Electricity Plan (NEP) continues to guide this transition, projecting substantial additions in renewable capacity alongside investments in battery energy storage systems (BESS) and flexible generation. The plan emphasises the need for grid modernisation, transmission expansion, and system flexibility to support large-scale renewable integration.

Energy storage is emerging as a key enabler of this next phase. India is witnessing increasing deployment of both battery storage and pumped storage projects, with long-term plans to scale storage capacity significantly to ensure round-the-clock renewable power and grid stability.

Globally, similar trends are visible. Electricity demand is expected to grow steadily through the decade, supported by electrification and digitalisation, while renewable energy continues to dominate incremental capacity additions. This convergence of global and domestic trends is reinforcing the need for robust, flexible, and intelligent power systems.

CG's capabilities across transformers, switchgear, and system solutions position it well to support a grid that is becoming more complex, performance-driven, and renewable-intensive. With a strong focus on execution and reliability, CG continues to align closely with the evolving requirements of India's energy transition.

Transmission and Distribution

India's transmission and distribution (T&D) network continues to expand in both scale and capability, forming the backbone of a more resilient and renewable-integrated power system. The country's transmission infrastructure has crossed a key milestone, with total transmission line length exceeding 5 lakh circuit kilometres (ckm) at 220 kilovolt (kV) and above, reflecting sustained investments in high-voltage networks and inter-regional connectivity. This expansion is being driven by rising electricity demand, increasing renewable energy penetration, and the need to connect geographically concentrated generation with dispersed consumption centres.



143 MVA 500 kV/34.5 kV/13.9 kV Power Transformer supplied for Wind Farm in the U.S.

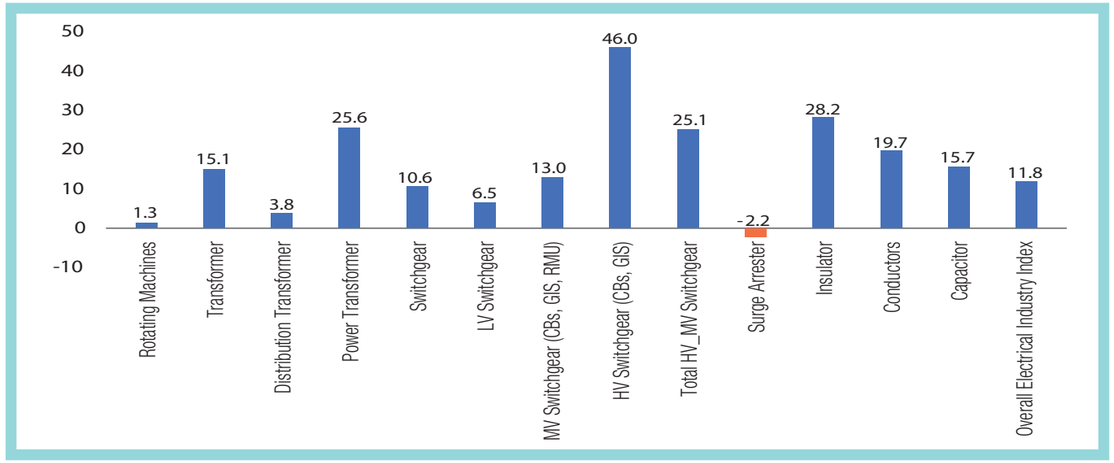
As the energy mix evolves, transmission is emerging as the critical enabler of India's power transition. The rapid scale-up of renewable energy, with installed capacity reaching approximately 266 GW as of early 2026, is increasing the complexity of grid operations and necessitating significant investments in evacuation infrastructure and system balancing capabilities. The grid is progressively shifting toward high-capacity transmission corridors, including 765 kV AC systems and strengthened inter-state transmission systems (ISTS), to support long-distance power transfer and ensure reliability across regions.

In parallel, transformation capacity across the network continues to expand, strengthening the grid's ability to handle higher loads and improving system resilience. The focus is increasingly moving beyond capacity creation toward network efficiency, stability, and real-time system management, particularly in the context of renewable intermittency and rising demand variability.

Policy and regulatory frameworks have played a central role in enabling this transition. The structured trajectory of waivers on ISTS charges for renewable energy and energy storage projects, along with regulatory reforms in connectivity and network access, is accelerating renewable integration and improving grid utilisation. Government-led initiatives such as the Green Energy Corridor programme and transmission planning aligned with the National Electricity Plan are further strengthening evacuation infrastructure to support India's 2030 clean energy ambitions. In parallel, the expansion of open access and market-based mechanisms is broadening the base of power consumers and increasing demand for transmission capacity and flexible distribution networks.

On the distribution side, the sector is undergoing a structural transformation aimed at improving operational efficiency and financial sustainability. Under the Revamped Distribution Sector Scheme (RDSS), large-scale investments continue to be deployed toward smart metering, infrastructure strengthening, and loss reduction. Smart metering works covering approximately 19.8 Cr consumers have been sanctioned under the scheme; however, implementation has now moved into an execution phase, with around 4 Cr smart meters installed under RDSS and over 5 Cr deployed across all schemes as of early 2026. While the rollout remains work-in-progress relative to overall targets, it represents one of the largest digitalisation initiatives in the power sector. These interventions are already translating into measurable outcomes, with aggregate technical and commercial (AT&C) losses declining, alongside a gradual narrowing of the average cost of supply–average revenue realised (ACS–ARR) gap. This indicates progress toward a more efficient and financially viable distribution ecosystem.

IEEMA Growth Indices (%GOLY Apr - Dec 25)



Additionally, the growth of rooftop solar, distributed generation, and emerging energy storage solutions is enabling bidirectional power flows and altering consumption patterns. This is driving the need for more advanced distribution infrastructure capable of managing variability, ensuring power quality, and supporting real-time monitoring and control.

The evolving geopolitical environment is also shaping the operating landscape for the sector. Global conflicts and trade realignments have introduced volatility in commodity prices and supply chains, particularly for critical inputs such as copper and steel. For OEMs, this has translated into increased focus on supply chain resilience, localisation, and execution discipline. At the same time, while India continues to prioritise domestic manufacturing and trusted supply chains in critical infrastructure, global competition remains a factor in pricing and procurement dynamics.

Taken together, these developments are reshaping the demand profile for transmission and distribution infrastructure. The sector is transitioning from a phase of expansion to one defined by performance, reliability, and system-level optimisation. This is driving sustained demand for high-performance transformers, advanced switchgear, and grid stabilisation technologies, with increasing emphasis on execution capability, engineering depth, and lifecycle efficiency.

INDUSTRY OVERVIEW

SEMICONDUCTORS

India's semiconductor sector is witnessing strong growth, driven by increasing demand across 5G/6G, artificial intelligence, automotive, and high-speed connectivity applications. The domestic semiconductor market is projected to reach approximately $100–110 billion by 2030, supported by strong policy initiatives and rising global demand. India holds a significant advantage in semiconductor design, contributing nearly 20% of the global design workforce and hosting a growing number of fabless companies. Government-led initiatives such as the India Semiconductor Mission and Design Linked Incentive (DLI) Scheme are further strengthening the ecosystem, positioning India as an emerging global hub for semiconductor design and innovation.[6]

[6] *Source: pib.gov.in, india-briefing.com, investindia.gov.in*

BUSINESS SEGMENTS REVIEW

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

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

INDUSTRIAL SYSTEMS-MOTORS

As one of India's leading motor manufacturers, CG continues to deliver innovative and high-performance motor solutions designed to address the evolving requirements of industrial, infrastructure and commercial solutions. With decades of engineering expertise, CG has built a strong reputation for reliability, energy efficiency, and application-specific innovation across domestic and international markets.

The Company offers a comprehensive portfolio of motor solutions including low-voltage motors up to 710 kW, medium-voltage motors up to 20 MW, fractional horsepower motors up to 5.5 kW, specialised drive systems, and customised engineered solutions designed for demanding industrial applications. Its continued focus on research and innovation has enabled CG to remain at the forefront of energy-efficient motor technology, becoming the first company in India to design and manufacture a complete range of high-efficiency motors from IE2 to IE4 premium energy efficient induction motors.

This combination of technological depth, product breadth, and customer-centric engineering continues to strengthen CG's leadership in the industrial motors segment.

Business Performance

CG's Motors Business delivered a resilient performance across key market segments, achieving a substantial revenue growth compared to FY25. The division continued to strengthen its presence across infrastructure, industrial, agricultural, and renewable energy sectors through its comprehensive portfolio of Low Voltage, Medium Voltage, Generators, and FHP/commercial motors. In FY26, the business demonstrated strong alignment with national priorities around water management, sustainability, rural development, and energy transition.

- **Low Voltage (LV) Motors:** The Low Voltage Motors business continued to perform strongly across infrastructure, industrial processing, water management, and renewable energy applications. The division also deepened its contribution to the circular economy by supplying motors for recycling and material recovery facilities involved in tyre, metal, and waste processing, helping transform industrial waste into reusable resources while enabling more sustainable and resource-efficient manufacturing ecosystems.
- **Medium Voltage (MV) Motors:** Demand for MV motors across water infrastructure, irrigation, and heavy industrial segments translated into meaningful deployments in high-load, performance-critical applications such as material handling and pumping. This continued to reinforce CG's reputation for reliability, robust engineering, and consistent performance in demanding operating environments.
- **Fractional Horsepower (FHP)/Commercial Motors:** FHP motors continued to support agri-mechanisation initiatives, particularly through their use in chaff cutters and small agricultural equipment under rural development programs. This segment reflects CG's commitment to improving farm productivity and supporting grassroots economic growth.



BLDC Motor

- **Generators and Windmill Applications (Renewable Energy):** In the renewable energy space, CG strengthened its contribution to clean power generation through the supply of generators and components for windmill applications. These efforts are aligned with the global shift towards sustainable energy solutions and reinforce CG's positioning within the green energy ecosystem.
- **Service Business:** The Service Business is focused on delivering reliable lifecycle support across the installed base through maintenance, modernisation, and technical services. Engagements spanned preventive care, breakdown response, retrofits, spares, and long-term service contracts across key industries and regions. Operational emphasis remained on responsiveness, field capability, safety, and process standardization. Digital tools and structured service programs enhanced asset visibility and service efficiency. During the year, the business strengthened its service footprint across the installed base through consistent execution and customer engagement.



Commissioning activity of 900 kW 4Pole 6.6 kV HT Motors at Coal field in Nagpur

Overall, the Motors Business continued to strengthen its presence across sectors that are vital to economic development and sustainability, delivering a diversified portfolio that reflects CG's purpose of "Pioneering Innovation for a Sustainable Future" through solutions that enhance industrial performance while supporting a more resource-efficient future.

Manufacturing and Testing Expertise

The Company's manufacturing facilities continue to leverage advanced technology to deliver high levels of efficiency, productivity, and quality across operations. These state-of-the-art plants reflect industrial innovation through the integration of advanced machinery, automation, and sustainable manufacturing practices. With a continued focus on environmental responsibility, the facilities are designed to reduce ecological impact while maintaining consistently high standards of performance and reliability.

CG's motor manufacturing facilities are located at three locations in India:

- Low Voltage (LV) Motors manufacturing units in Ahilyanagar (Maharashtra) and Goa
- High Voltage (HV) Motors unit in Bhopal (Madhya Pradesh)
- Stampings units in Ahilyanagar and Goa
- Single-phase motor manufacturing unit in Goa

A Partial Discharge (PD) test facility has been installed in Ahilyanagar to enhance winding insulation reliability in VFD-driven motors by enabling early detection of insulation defects during the manufacturing stage. The system incorporates advanced features such as graphical representation of key test parameters including resistance, surge, partial discharge, and insulation resistance. All test data is automatically recorded, enabling improved traceability and easier analysis.



PD Testing Instrument

Capacity Expansion

In FY26, CG continued to invest in strengthening its manufacturing capabilities to meet rising demand and enhance operational scalability. With the CAPEX planned in FY26, the Company undertook capacity expansion for LV Motors, HV Motors and Stampings. The outlay was partly utilized to enhance capacity of the LV Motors 80–132 frame range and for further expansion in the 160–355 frame range. This expansion reflects CG's commitment to delivering high-quality motor solutions at scale while supporting the growing needs of core industries and infrastructure projects.

R&D and New Product Development

The Motors Business maintained a strong commitment to research and development in the field of industrial motors, with a focus on driving innovation, improving efficiency, and addressing the evolving demands of modern industry.

Products and Service Solutions Developed

- **High-Efficiency Product and Technology Developments - FHP business**
  - Advanced product development initiatives with the development of an ECM/BLDC motor range from 30 W to 200 W for HVAC and industrial applications, alongside sustainability focused innovations such as BLDC retrofit kits for air circulators aimed at improving energy efficiency of installed systems
  - In addition, expanded high efficiency portfolio through the development of transformer cooling fan range, supporting efficient thermal management solutions across utility applications

- **New products – LV Motors**
  - Stabilized IE4 efficiency motors up to 7.5 kW across all mounting configurations for market readiness
  - Secured UL safety certification for the NEMA Premium series up to 7.5 kW
  - Designed and validated IE3 and IE4 nominal efficiency motors across eight ratings in higher frame sizes
  - Developed a 132 kW, 4-pole, compressor-duty IE4 motor for high-performance industrial applications
- **Sustainability and Predictive maintenance solutions**
  - CG's Sustainability Solution is built on the principle of circularity and is delivered through qualified professional auditors. It provides end-to-end support ranging from comprehensive energy assessments of existing motor systems to customised buy-back programmes.
  - The business also introduced a predictive maintenance and Life Cycle Assessment (LCA)-based diagnostic tool designed to operate with minimal disruption to ongoing operations. Backed by over eight decades of experience in supplying motors and generators across diverse applications and operating environments, these solutions enhance asset reliability while delivering long-term value for customers.

DRIVES AND AUTOMATION

Business Performance

CG Drives and Automation Emotron ("CG D&A") offers a wide range of drives and automation products, solutions and applications. With production units in India, Sweden and Germany, the company serves Indian, European and export markets through direct sales channels and channel partners. The company remains committed to developing sustainable and energy-efficient solutions across industrial segments, including green energy power solutions.

Manufacturing and Testing Expertise

CG D&A is expanding the capacity of the India production facility to meet increasing demand for standard products in the Export markets, and project-specific solutions in Sweden and Germany to meet the need of tailored solutions for the end customer. The alignment with the CG Motor business unit further enables the company to offer more tailored and value-adding products that address overall energy efficiency and savings requirements.

R&D and NPD

In response to the growing global need for converter solutions that enable businesses to use batteries and renewable energy sources, CG D&A has invested in research and development to create products that ensure efficient and reliable power with regulated current and voltage in any operating condition.

The division has also introduced Emotron Power Conversion Systems (PCS) tailored for the growing Battery Energy Storage market. These high-power converters provide flexible solutions designed to unlock the full potential of energy storage systems.

The team continues to work on product innovation and R&D projects to enhance and expand its portfolio for different geographical markets in conjunction with the CG Motor Division, with several new product launches planned for 2026 to support further geographical expansion.

Capacity Expansion

The capacity expansion of the India production facility is being undertaken to support the growing demand for standard products and project-specific solutions across domestic and international markets.

Marketing Initiatives by Motors and Drives

The Motors and Drives businesses continued to strengthen customer engagement through focused marketing initiatives aligned with CG's core value of 'customer centricity.' During the year, the businesses participated in key industry events including:

- **Compelec, Mumbai, India** – A leading electrical and electronics industry exhibition organised by IEEMA, focused on components, systems and technology for the power and industrial sector.



CG at CompElec 2026

- **Cement Expo, Delhi NCR, India** – A specialised industry exhibition that brings together stakeholders from the cement manufacturing ecosystem to showcase plant technology, automation and energy-efficient industrial solutions.
- **VA-Sveriges Framtid 2026, Sweden** – A regional industry platform in Sweden focused on future infrastructure, utility and industrial solutions, bringing together technology providers and customers in the Nordic market.



Drives CoE Helsingborg Sweden

To build stronger customer relationships, regular customer meets and technical interactions were conducted across regions to improve understanding of application requirements and provide solution-oriented support. In addition, small-group channel partner meets were organised at factory locations to create closer engagement with partners, offer product demonstrations and strengthen collaboration across markets. These initiatives helped reinforce the trust, deepen market presence and further strengthen relationships with customers and channel partners.

Products – Motors

Product	Range	Industry Application
Low Tension Motors and IE2, IE3, IE4 and IE5 efficiency Motors	0.18 kW to 850 kW	Cement, metal & mining, renewable power, nuclear power, water & wastewater, material handling, sugar, railway, pulp & paper infrastructure, and agriculture, etc.
Fractional Horse Power (FHP) Motors/ Single Phase Motors	0.02 kW to 5.5 kW	Used for all general-purpose applications in domestic, commercial, agricultural, industrial, healthcare and construction segments.
Hazardous Area Application Motors (Low Voltage and High Voltage)	0.37 kW to 12,000 kW	Designed to suit the ignitable atmospheres present in hazardous locations such as Zone 1, Zone 2 or Class 1 Div 1 and 2.
High Voltage Motors (Large Industrial Machines)	Up to 12,000 kW	Energy efficient and intelligent motors for various applications in IP23, IP55, IP56 and IP65 enclosures.
Stamping and Laminations	Consumer Products to HVDC Generator & Alternators	For industrial motors, alternators, generators, ceiling fan etc., Railway motors, electric vehicle laminations.

Products – Drives and Automation

Product	Range	Industry Application
Industrial AC Drives (LV&MV)	0.75 kW to 4000 kW	Used for all industrial segments such as cement, water, metals, oil & gas, marine, sugar, etc.
Active Front End AC Drives (AFE)	11 kW to 4000 kW	Used for low harmonics and regenerative applications.
Soft Starters	5.5 kW-1000 kW	Industrial applications such as pumps and fans.
Power Conversion Systems	Up to 3000 kW	Marine and industrial hybrid electric drive systems, renewable energy, energy storage, hydrogen electrolysis.
Industrial Panels	Up to 4000 kW	Customized panel solutions for all type of industrial users.
Customized products	11 kW-250 kW	Completely customized and branded products for diverse applications such as compressors, battery energy storage, pumps, servo drives.
Test Benches	Up to 10 MW	Routine type, back-to-back regenerative test setups.
Shaft Power Monitor	Up to 999A	Patented technology to protect motors from dry runs, over / under load conditions.
Solar Drives	0.75 kW to 110 kW	Used for renewable energy applications and solar water pumping for agriculture.
PLC & HMI	Automation	Automation of the industrial application like packaging, printing, special purpose machines, etc.

CONSUMER DURABLES

Following its strategic re-entry into the Fast-Moving Electrical Goods (FMEG) segment in 2019, CG continued to strengthen its Consumer Durables portfolio across fans, pumps, water heaters, air coolers, and small domestic appliances, while expanding its presence across retail, e-commerce, and regional markets.

Business Performance

During the year, the business focused on expanding market reach, strengthening channel partnerships, enhancing after-sales service, and increasing penetration across modern trade and digital platforms.

Key highlights included:

- Introduction of 150+ new SKUs across product categories
- Expansion across e-commerce platforms, modern retail, and regional channel networks
- Strengthening of the service network to over 425 authorised service centres
- Expansion of the pumps business across Central and Western India, with deeper penetration in Northern and Eastern markets
- Onboarding of strategic channel partners to strengthen regional market presence

These initiatives improved market visibility, enabled wider channel reach, and enhanced customer engagement across categories.

R&D and New Product Development

The business continued to align product development with evolving consumer preferences, energy efficiency trends, and application-specific requirements.

Key developments included:

- Expansion of the pumps' portfolio with energy-efficient and application-focused solutions across industrial, commercial, and agricultural segments
- Strengthening of the fans and air coolers portfolio through new product introductions across premium and channel-specific categories
- Entry into adjacent categories including air circulators and small domestic appliances to widen the consumer product portfolio
- Securing institutional orders in solar pumping applications, supporting the business's growing presence in sustainable solutions



CG BLDC Fans



CG Agriculture Monobloc Pump

Marketing and Business Development Initiatives

The business undertook focused initiatives to strengthen brand visibility, channel engagement, and consumer outreach across markets.

Key initiatives included:

- Trade engagement and influencer-led programmes to strengthen channel relationships and improve product awareness
- Retail branding and point-of-sale activations across key markets to enhance in-store visibility
- Expansion of the CG Vishwas programme to strengthen engagement with plumbers, electricians, and installation professionals
- Strengthening digital consumer engagement through social media outreach, seasonal campaigns, and the launch of the CG Care WhatsApp chatbot for customer support and service tracking

These initiatives continue to support CG's long-term growth ambitions in the Consumer Durables segment through stronger market presence, enhanced consumer engagement, and expanding channel reach.

Products – Consumer Durables

Pumps

Product	Range	Industry Application
Domestic Pumps	Mini Series / Shallow-Well Jet / Openwell	Normal water supply through Direct pipeline – filling storage / overhead tanks.
Domestic Pumps / Agricultural Pumps	Submersibles / Monobloc / Openwell pumps	Getting groundwater through borewells to overhead tanks; Getting water through rivers / ponds and borewells.
Agricultural Pumps	V4 to V8 Borewell Submersibles	Groundwater lifting for agriculture use (farm irrigation) and drip water / sprinklers applications.
Industrial Pumps	V4 Submersible / Monobloc	Building segment (water supply).
Industrial Pumps	Fire-Fighting System	Fire-fighting installations.
Industrial Pumps	Pressure Boosters / Vertical Multistage	Pressure pumps for Commercial buildings, RO Segments.
Industrial Pumps	Monobloc/ Openwell	Fountains
Industrial Pumps	Monobloc/ Openwell	Cooling towers
Industrial Pumps	Sewage Pumps	Sewage treatment in households / hospitals / hotels / treatment plants & construction sites.
Domestic Pumps / Commercial Pumps	Pressure Washer	Car washing, panel washing, floor washing.

Fans & Appliances

Product	Range	Industry Application
Air Coolers	Desert, Personal, Tower, Window	Residential rooms, small offices, and indoor spaces
Water Heaters	Storage, Instant, Immersion	Residential bathrooms & kitchens, small commercial establishments
Room Heaters	Halogen, Quartz	Residential rooms and small indoor spaces
Electric Irons	Dry Iron	Household use
Electric Kettles	Regular and Multi-function Kettle	Household kitchens, hotel rooms, offices
Electric Choppers	Dual Blade Chopper	Household kitchens use



CG Consumer Products

RAILWAYS

Business Performance

The Railways business delivered a strong performance during the year, supported by multiple order wins and continued market expansion across key geographies. The business secured several strategic contracts, reflecting its established position as a trusted provider of reliable and innovative solutions for the railway sector.

This momentum was further strengthened by a broader presence in both existing and new markets, enabling the business to capture emerging opportunities while deepening relationships in priority regions. Supported by operational excellence, strategic collaboration and a customer-focused approach, the business continued to strengthen its position and build a solid foundation for sustained growth in the railways sector.

Traction Machines & Systems (TMS)

The Traction Machines & Systems (TMS) business specialises in a wide range of AC and DC traction motors, traction alternators and customised solutions for self-propelled railway vehicles. With more than three decades of experience in the railways sector, the business has collaborated with original equipment manufacturers (OEMs) in India and international markets, delivering high-efficiency and cost-effective locomotive traction motors and alternators.



Traction Alternator

The business developed rewinding and vacuum-pressure impregnation (VPI) capabilities for both epoxy and silicone resins. The AC motor test rig is designed for dynamic evaluation of AC and DC traction motor performance across all specifications. To ensure the highest quality, the business uses rotor bar crack detection, automated TIG welding and precision undercutting equipment. The TMS shop produces high-quality traction coils that are manufactured and rigorously tested in-house, supported by seamless supply chain management.

The business supports customers from concept design to installation and commissioning, along with field service support. By leveraging advanced diagnostic tools, the business offers predictive maintenance backed by data-driven trend analysis. Service offerings include flexible maintenance contracts, real-time equipment monitoring and expert troubleshooting to maximise product and system reliability.

CG continues to maintain certified management systems in compliance with IRIS, ISO 9001, ISO 14001, AAR certification and ISO 45001 standards, ensuring consistent innovation and operational excellence.

Rail Transportation Traction Electronics

The Rail Transportation Traction Electronics business remains at the forefront of traction electrification, offering state-of-the-art IGBT-based three-phase propulsion systems and locomotive panels. These propulsion systems are built with a modular and scalable design, helping lower complexity, environmental footprint and long-term costs.



IGBT-based Hotel Load Converter

Backed by dedicated design and reliability teams in India, the business provides high-performance rail propulsion systems for a range of transportation applications including semi high-speed rail, mass transit, onboard locomotive solutions and underslung solutions for electric multiple units.

The business delivers support across all aspects of system development, from traction and auxiliary converters to high-voltage and battery-powered systems. Rigorous testing ensures every product meets stringent industry standards.

CG adheres to EN 50657 and EN 50128 software standards, with propulsion systems integrating traction converter-inverters, auxiliary converter-inverters and Train Control and Management System (TCMS) for seamless and optimised performance.

Designed for efficiency and future readiness, the business's traction converters for electric locomotives feature advanced voltage regulation, safety mechanisms and microprocessor-driven switching. The latest Ethernet-based communication and remote diagnostics provide adaptability to evolving railway requirements.

Railway Signalling

The Railway Signalling business offers critical railway signalling components such as signalling relays and point machines, ensuring maximum reliability and safety. The business is one of the oldest and leading providers of railway technology solutions in India.

In addition to signalling relays and point machines, the business manufactures a diverse range of railway electrical panels for goods and passenger locomotives.

Following the acquisition of a majority stake (55.60%) in G.G. Tronics India Private Limited, a company specialising in electronic safety embedded signalling systems including KAVACH for railway signalling, the business received multiple orders for rolling stock onboard and station wayside KAVACH systems, with final cross approvals expected soon.



Q-Series Signalling Relay

The integration of the two companies and their complementary capabilities is expected to further strengthen the business and expand its advanced signalling solutions for the railway sector.

As a comprehensive solutions provider for Indian Railways, CG continues to be recognised as a trusted partner in technological transformation, supporting advancements in efficiency, safety and reliability.

Manufacturing and Testing Expertise

The Railways business operates advanced manufacturing facilities at Mandideep and Pithampur in Madhya Pradesh, India. In addition, the business has a dedicated in-house testing facility that complies with both Indian and international standards.

To enhance production efficiency and meet rising market demand, the business expanded capacity during the year. The Rail Transportation Traction Electronics facility was expanded to 1,260 sq m, while load capacity was increased by 500 kW through a new HT substation, enabling a second test bed for IGBT propulsion equipment. A new electronic laboratory has also been set up for product development, testing and assembly to enable high-quality standards.

R&D and New Products Development

The Railways business undertook focused R&D initiatives to enhance product offerings and maintain a competitive position in the market.



Cable Testing

Key Developments

- Development of high-performance traction motors and alternators for the U.S. market, including 658 kW and 500 kW variants
- Expansion in the African market with advanced axle cap traction motors
- Successful testing and installation of next-generation traction motors for MEMU applications meeting IEC 60349-2 standards
- Continued development of traction motors for Vande Bharat towards full-scale manufacturing
- Continued development of traction electrics such as traction motors, transformers and battery charging systems among others
- **Trailable – 380V AC Point Machine (220 mm throw)**

  Developed for high-speed meter gauge turnouts with precise locking and detection of individual switch housings, this solution was designed to meet Malaysian Railways requirements, reinforcing CG's presence in global railway infrastructure solutions.
- **Advanced SCADA Systems**

  Advanced SCADA systems were developed for Indian Railways to monitor and control traction power distribution. These systems provide real-time monitoring, improve efficiency and enhance safety while complying with RDSO specifications and IEC 62443 cybersecurity standards.
- **ACD Panel (Automatic Control Device Panel)**

  The ACD panel forms a key part of the IGBT-based propulsion system in modern locomotives, enabling seamless communication between the locomotive operator and control systems for improved safety and operational efficiency.

Marketing and Business Development Initiatives

The Railways business continued to focus on expanding its presence in key markets while strengthening relationships with customers, OEMs and industry stakeholders.

During the year, the business participated in the International Railway Equipment Exhibition (IREE) in New Delhi, where it showcased smart solutions for rolling stock and signalling safety. At the exhibition, the business also highlighted its latest solutions for self-propelled trainsets, including traction converters, auxiliary converters, TCMS, traction motors and advanced predictive maintenance capabilities. The event was a great platform to engage with customers and partners across the railway ecosystem.

Products — Railways

Traction Machines & System (TMS)

Product	Product details
AC Traction Motors	Electric Loco, Diesel Loco, Trainset/Metro/EMU/MEMU and DEMU
DC Traction Motors	Electric Loco, Diesel Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle
Traction Alternators	Diesel Electric Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle
Complete Electrics	Includes integrated power pack with traction alternator, traction motors, control equipment, rectifier, auxiliary alternator for Diesel Electrics Tower Car (DETC) with on board and underslung electrics, Self-Propelled Inspection Car (SPIC) & Diesel Electric Multiple Units (DEMU)

Rail Transportation Traction Electronics (RTTE)

Product	Product details
IGBT Based Traction and Auxiliary Converters	For 3 Phase Electric Locomotive
IGBT Based Composite Converter	For 3 phase Electric Locomotive – under field trials
Vehicle Control Unit (VCU) and Control Panels	For 3 Phase Electric Locomotive
Propulsion System and electrics	For Self-Propelled train such as MEMU/ Trainset
Auxiliary converters	For DEMU, MEMU
Train Control and Management System (TCMS)	For 3 Phase Electric Loco/MEMU/DEMU

Railway Signalling

Product	Product details
Q-Type Signalling Relays	
Electric Point Machines	Operating Voltage: 110 V DC & 380 V AC ◦ Non-trailable: 143 mm / 220 mm throw ◦ Trailable: 175 mm / 220 mm throw ◦ Non Trailable: Dual Gauge Point Machine 143 mm / 220 mm throw
DC Series Motor	For electric point machines
DC Series Motors IP67	160 V & 400 V AC for electric point machines
Back Drive	Secondary drive with 220 mm throw point machine – for export market

Rail Traction SCADA

BLDC Industrial Fans

Product	Product details
BLDC Carriage Fans	AC, DC
Transformer Cooling Fans	DC

Control Panels for Locomotives

Product	Product details
Switch Board Panels	For Locomotives – SB1, SB2, HB1, HB2, Cubicle F
Filter Cubical Panels	For Locomotive

POWER SYSTEMS

CG's Power Systems business specialises in Power Transmission and Distribution and the development of integrated power systems with associated service offerings. As a leader in electrical energy management, the Company manufactures a broad range of switchgear and transformer equipment. Additionally, the business delivers turnkey solutions for Transmission and Distribution (T&D) through substation projects and provides comprehensive Engineering, Procurement, and Construction (EPC) services, along with full-spectrum solutions across the value chain.



420 kV/10.5 kV 160 MVA Power Transformer at Testing Lab in T3-Mandideep facility

Key Levers Driving Growth

- The Company has an integrated presence throughout the entire Power Transmission & Distribution (T&D) value chain
- It provides a broad suite of products and solutions that adhere to rigorous national and international standards
- It operates state-of-the-art manufacturing facilities with a well-established record of excellence
- It leverages deep domain expertise and is recognized as a pioneer in technological innovation
- It employs industry-leading engineering practices
- CG consistently ensures punctual delivery and on-time project completion
- The Company delivers prompt and efficient after-sales support

TRANSFORMERS BUSINESS

Business Performance

The Transformers business delivered a strong performance during the year, supported by export expansion, execution discipline and continued capacity enhancement across both the Power Transformers (T3) and Distribution Transformers (T2) facilities.

Key Highlights Include

- Expanded export presence with a major breakthrough in the U.S. data centre segment, while strengthening the follow-on order pipeline in North America
- Entered new international markets across Europe and Southeast Asia, while securing strategic orders in the oil, gas and aerospace sectors
- Achieved 100% accessory delivery compliance in the Distribution Transformers business, reinforcing execution reliability
- Completed multiple successful short circuit test validations at CPRI, strengthening product performance credentials for critical applications
- Initiated capacity expansion from 40,000 MVA to 65,000 MVA to support rising demand across domestic and export markets
- Maintained record order booking momentum in the utility and industrial segments during the year
- Successfully completed short circuit testing for multiple transformer ratings, further validating design capability across product platforms
- The Power Transformers business achieved its highest-ever manufacturing output, surpassing previous production milestones during the year
- Expanded the product range with higher-rating and higher-voltage transformers, supporting entry into more demanding applications
- Strengthened presence in the transportation segment through supply of power and traction transformers for metro and railway applications, including new product supplies for advanced train platforms
- Recorded the highest-ever locomotive transformer dispatches during the year, reflecting improved operational throughput
- Undertook a facility modernisation at the T2 division to enhance manufacturing infrastructure and workplace efficiency

These developments strengthened the Transformers business's position across domestic and international markets while reinforcing its capability to support evolving customer requirements.

Manufacturing and Testing Expertise

The Company's transformer manufacturing facilities are strategically located in Malanpur, Madhya Pradesh, specializing in distribution, small power, dry-type, and locomotive transformers, while its Bhopal unit focuses on power transformers. These facilities are certified to globally recognized standards, including ISO 9001, ISO 14001, ISO 45001, ensuring excellence in quality, safety, and environmental management.

To uphold the highest industry standards, the Company operates advanced, fully automated Transformer Testing Facilities accredited by NABL (National Accreditation Board for Testing and Calibration Laboratories). These cutting-edge facilities are designed to meet stringent Indian and international standards, supported by a team of skilled experts. Leveraging sophisticated software and testing technologies, they guarantee precision, reliability, and comprehensive performance validation of transformers. Further, during the year, the Company undertook significant capacity expansion to meet rising demand in domestic and international markets.

Following the previously approved brownfield expansion for power transformers from 18,000 MVA to 35,000 MVA, an additional 5,000 MVA capacity was approved in October 2024, taking the total installed capacity to 40,000 MVA. This was further enhanced to 65,000 MVA using Lean methods.

To further strengthen market leadership, a greenfield expansion of 45,000 MVA at an investment of ₹712 Cr (net of taxes) was also planned to target a total manufacturing capacity of 1,10,000 MVA for power transformers by FY28. This will enhance the Company's ability to cater to increasing transformer demand, including exports.

R&D and New Products Development

The Transformers business continued to strengthen its engineering capabilities during the year through focused research, product development and strategic technical collaborations across both the Power Transformers and Distribution Transformers businesses.

- **Research and Development**

  The business continued to invest in research and engineering capability enhancement to improve product performance, manufacturing efficiency, and application readiness. Key initiatives included:

  - Upgraded 765 kV and 400 kV autotransformer designs to improve workmanship and ease of manufacturing
  - Enhanced 765 kV and 400 kV reactor designs to improve manufacturability and operational performance
  - Strengthened engineering capabilities at the Distribution Transformer business for design and development of transformers up to 220 kV class
  - Expanded engineering capabilities for development of railway transformers within the Distribution Transformer business
  - Continued development of Variable Shunt Reactor technology up to 400 kV class for advanced utility applications
  - Advanced the design and development of special coupling transformers for STATCOM applications to support grid reliability

- **New Product Development**

  The business introduced and advanced several new products to support evolving customer requirements in the utility and industrial sectors. Key developments included:

  - Development of 50–100 MVA, are 330 kV Variable Shunt Reactors
  - Development of 500 MVA, 765 kV single-phase tap-less autotransformers
  - Expanded focus on transformers for Indian Railways electrification and traction applications
  - Development of Variable Shunt Reactors for utility applications, offering a flexible alternative to multiple conventional shunt reactors

Major Partnerships and Alliances

The business further strengthened its technical ecosystem through strategic alliances with global engineering specialists, technology partners, and testing institutions. Key collaborations included:

- Engagement with Lazariev Laboratories, Estonia for specialised performance evaluation expertise
- Collaboration with Softteam Group for critical designs and advanced product development
- Partnerships with leading FEA and simulation technology providers to strengthen design validation capabilities
- Continued association with technical partners for standards, engineering publications and design support
- Collaboration with accredited testing institutions including CPRI, NHPTL and ERDA for product type testing and material validation to ensure performance reliability
- These initiatives strengthened the business's innovation capabilities while supporting the development of advanced transformer solutions for domestic and international markets.

Capacity Expansion

- Increased capacity in the Power Transformers (T3) business from 40,000 MVA to 65,000 MVA
- Expanded capacity in the Distribution Transformers (T2) business from 5,000 MVA to 9,900 MVA
- Overall transformer manufacturing capacity increased from 42,400 MVA to 74,900 MVA during the year

SWITCHGEAR BUSINESS

The Company offers a comprehensive range of switchgear products. Its Extra High Voltage (EHV) portfolio includes SF6 Circuit Breakers (available in live and dead tank configurations), Gas Insulated Switchgears (GIS), Oil Filled Current Transformers (CT), Inductive Voltage Transformers (IVT), Capacitive Voltage Transformers (CVT), Surge Arresters, Off Load Disconnectors, and Condenser Bushings. Additionally, the Company provides Medium Voltage (MV) Switchgears, such as Indoor and Outdoor AIS, MV GIS, Ring Main Units, Vacuum Interrupters, Compact Substations, Numerical Protection Relays, Auto-Reclosers, Vacuum Contactors, Lightning Arresters, and Isolators. A full range of Instrument Transformers and Bushings is also available.



Switchgears Manufacturing Facility Nashik, Maharashtra

Products — Switchgears

Product	Range	Industry Application
MV Switchgear	◦ Indoor Air Insulated Switchgears ("AIS") VCB panels 3.3 kV to 33 kV ◦ Outdoor Breakers up to 33 kV ◦ Single Pole 25 kV Breaker ◦ Roof Bushing Kiosk ◦ Gas Insulated Switchgear ("GIS") up to 36 kV Class ◦ Indoor/Outdoor Ring Main Units ("RMU") up to 36 kV Class ◦ Compact Substations	Utilities, industries, power plants, railways, infrastructure, projects, renewables, smart city projects, data centres
Relay and Automation	◦ CG Series Current and Voltage Numerical Protection Relay ◦ Self-Powered Relay for Ring Main Unit ("RMU") ◦ Aegis Series Feeder, Transformer and Motor Protection Relays Auto-reclose Relay ◦ Feeder Remote Terminal Unit ("FRTU") for RMU automation	Utilities, industries, power plants, railways, infrastructure, projects, renewables, smart city projects data centres
EHV Switchgears	◦ Current Transformers - 33 kV to 800 kV, up to 63 kA ◦ Oil Impregnated Paper Transformer Bushings 33 kV to 800 kV, 63 kA ◦ Resin Impregnated Paper Transformer Bushings 33 kV to 170 kV, Up to 63 kA ◦ Inductive Voltage Transformers 33 kV to 550 kV ◦ Capacitor Voltage Transformers 66 kV to 1200 kV ◦ Grading Capacitors up to 800 kV ◦ Surge Arresters up to 1200 kV Class 5 ◦ SF6 Circuit Breakers 36 kV to 765 kV ◦ Gas Insulated Switchgear 66 kV to 245 kV (EHV GIS) ◦ Hybrid GIS 245 kV ◦ Dead Tank Breaker 72 kV ◦ Surge Arrester for Gas Insulated Switchgear Application 66 kV to 245 kV	Utilities, industries, power plants, railways, infrastructure, projects, renewables, smart city projects data centres
Vacuum Interrupters up to 72.5 kV	◦ Vacuum Interrupters 690V to 72.5 kV ◦ Vacuum Contractors and Capacitor Switches up to 36 kV ◦ Auto-Recloser and Sectionalisers up to 36 kV ◦ Power Voltage Transformer 72.5 to 145 kV, up to 100 KVA	MV switchgear manufacturers, power transformer manufacturers, T&D utilities, industries, renewable sector & railways track side substation
Power Quality Solutions	◦ Automatic Power Factor Correction System ◦ Fixed Capacitor Banks up to 36 kV ◦ Static VAR Compensator (STATCOM) up to 440 V ◦ Passive harmonic filter up to 33 kV ◦ MV Electrical Soft Starter up to 12 kV, 20 MW	Transmission and distribution utilities, water supply schemes, steel, cement, process industries, railways and refineries
Railways Loco Head and Trackside Products	◦ 25 kV Primary Voltage Transformer (PVT) ◦ 35 kV High Voltage Bushing ◦ 27.5 kV Vacuum Interrupters for Loco head and Trackside VCBs	Railways loco head & trackside S/Stns.

Business Performance

The Switchgear division maintained strong operational efficiency, with highest capacity utilisation reaching peak levels. Continuous improvement through LEAN initiatives and the addition of advanced equipment, such as the Helium Leak Detection Machine for SF6 gas systems, Robotic welding machine, Partial Discharge Testing Set-up, Additional CB Analysers have enhanced manufacturing capabilities. Notably, new product lines such as RMUs and MV GIS gained significant traction in the market, resulting in growing sales which were also supported by the Company's strong dealer network.

Technological progress remained a key driver, with several new products developed, type tested and approved. CG continues to hold a leading position as the only Indian manufacturer offering 800 kV bushings compliant with seismic Zone V requirements. The indigenous development of RIP bushings up to 145 kV was successfully achieved, and a new facility in Nashik is being established for 245 kV to 420 kV RIP bushing production.

Key Highlights

- Supply highest number of 800 kV bushing in a financial year
- Major supplier of 400 kV Circuit Breaker, CT & IVT, 170 kV circuit breaker and CT & CVT to Europe, covering Greece, Italy and Ukraine.
- Received single largest order worth ₹ 244 Cr from M/s Techno Electricals for EHV Equipments
- Received single largest order of 800 kV & 400 kV OIP Bushing worth ₹ 75 Cr from PGCIL
- Successfully executed 220/66kV GIS Substations for GETCO
- Major type tests completed for key products including:
  - 145 kV, 3150 A, 40 kA, SF6 Breaker
  - 170 kV, 3150 A, 40 kA, SF6 Breaker
  - Grading Capacitor for 550 kV CB
  - 245 kV Compact IVT
  - 420 kV Single Coil IVT
  - 420 kV, 2000 A, OIP Bushing as per EN Standard
  - 170 kV, 1250 A, OIP Bushing as per EN Standard
  - 420 kV, Polymer CVT
  - 52 kV, 3150 A, 300 BCT RIP Bushing
  - 145 kV 1250 A, 500 BCT RIP Bushing
  - 33 kV, 25 KA, 630A, Ring Main Unit
  - 40.5 kV, 40 KA, Double Bus GIS 600 mm wide E2 C2 IAC
  - Internal Arc Test – 11 kV Indoor AIS – 26.3 KA for 1Sec

Notable Order Executions

- SF6 Circuit Breaker, ITR (400 kV and 245 kV) Adani Mahan Project
- OIP Bushing (800 kV) PGCIL
- SF6 Breaker (50 kV, 145 kV & 245 kV) Railways
- CVT (145 kV & 245 kV) RRVNL
- 11 kV Indoor AIS panels in BEST, Mumbai
- 11 kV & 33 kV Indoor AIS panels in BPCL, Irugur-Devangonthi pipeline project
- 36 kV RMU in IDA, Indore
- 36 kV GIS in Tunusia & in PTCUL, Uttarakhand

Manufacturing and Testing Expertise

CG's Switchgear manufacturing facilities are strategically located in Maharashtra with Nashik complex having specialization in EHV and MV Switchgears along with Instrument transformers, Condensor Bushing and Lightening arrestors manufacturing. The other unit at Chhatrapati Sambhajinagar, Maharashtra, India manufactures HV instrument transformer and Power Quality products along with Vacuum Interrupters. These facilities are certified to globally recognised standards, including ISO 9001, ISO 14001, ISO 18001 and OHSAS 18001, ensuring excellence in quality, safety, and environmental management.

To uphold the highest industry standards, the Company operates advanced, fully automated Switchgear Testing Facilities accredited by NABL (National Accreditation Board for Testing and Calibration Laboratories). These cutting-edge facilities are designed to meet stringent Indian and international standards, supported by a team of skilled experts. Leveraging sophisticated software and testing technologies, they guarantee precision, reliability, and comprehensive performance validation of switchgears.

Further, during the year, the Company undertook significant capacity expansion to meet rising demand in both domestic and international markets.

To further strengthen Switchgear Business, a Greenfield expansion CAPEX is approved by Board in December 2025 of ₹ 748 Cr which will double the Switchgear manufacturing capacity for all product lines. The factory is projected to be operational in a phased manner with Phase I being operational from April 2027 and Phase II from April 2028.

Augmenting Manufacturing Expertise

Several initiatives were undertaken to strengthen manufacturing expertise. New capacity expansion projects included setting up winding machines for 800 kV Instrument Transformers and Bushings, an external flooding station for 245 kV CTs, and approved capacity enhancements for RMUs and MV GIS. Additionally, a new facility was initiated for 800 kV Circuit Breaker manufacturing.

Partnerships and Alliances

- Strategic collaborations were formed for the manufacturing of composite insulators used in Instrument Transformers, Surge Arresters, and RIP Bushings.
- Contract manufacturing was initiated for Instrument Transformer sub-assemblies, along with development partnerships for casting components and hollow composite insulators.
- In the sustainability space, development of a 36 kV GIS using an eco-friendly alternative to SF6 is underway through alliances with specialized gas manufacturers.
- Additionally, production and testing of Dead Tank Breakers commenced for the North American market.

R&D and New Product Development

The business continued to advance its technology leadership with a strong focus on new product development across MV, HV, and EHV segments, reinforcing CG's commitment to reliable, future-ready power systems. The new products developed during the year included of.

Medium Voltage Segment

- 40.5 kV, 40 KA, Double Bus GIS 600 mm wide, Class E2 C2
- 40.5 kV, 40 KA, Double Bus GIS, IAC AFLR 1Sec, 600mm wide
- 24 kV, 21 KA, 630 A, Switch, E2 class (RMU)
- 36 kV, 25 KA, 630 A, E3 class, Ring Main Unit
- 12 kV, 26.3 KA, 1250 A, Indoor GIS, 500 mm wide

Extra High Voltage Segment

In the Extra High Voltage segment, CG developed 800 kV and 420 kV SF6 Gas Circuit Breakers with enhanced creepage distance and composite insulators. These products are positioned for both domestic and international markets, including India and Europe. Recent developments include:

- Successfully designed, developed, and type-tested 145 kV and 170 kV Gas Circuit Breakers for the European utility ENEL in accordance with IEC 62271-1 and IEC 62271-100 standards. The breakers were engineered to meet specific non-standard requirements, including INAIL pressure vessel certification, under-voltage coil provision, life cycle assessment (LCA), and BIM modelling compliance. This development supports geographical expansion and strengthens our presence in the European market.
  - Grading Capacitor for 550 kV Circuit Breaker
  - 245 kV Compact IVT
  - 420 kV Single Coil IVT
  - 420 kV, 2000 A, OIP Bushing as per EN Standard
  - 170 kV, 1250 A, OIP Bushing as per EN Standard
  - 420 kV, Polymer CVT
  - 52 kV, 3150 A, 300 BCT RIP Bushing
  - 145 kV 1250 A, 500 BCT RIP Bushing

35 kV Loco Head Bushing

A 35 kV loco head bushing was successfully developed for railway applications in India, enabling high-voltage connections to locomotive transformers through loco grounded walls. The bushing meets stringent Indian railway technical specifications and completed type tests as per CLW specifications in line with requirements given in IEC standard 61869 and EN 61373.

High Current OIP Bushing

To support India's growing renewable energy integration and reactive power needs, CG has developed high current condenser bushing for the transformers used in reactive power compensation system like STATCOM coupling transformer. Condenser bushings are vital components of the power transformers to carry the rated current safely in circuit.

Marketing and Business Development Initiatives

The Transformers and Switchgears businesses continued to strengthen market visibility, customer engagement, and business development efforts during the year through focused participation in industry forums, technical knowledge-sharing platforms, customer interactions, and sector-specific outreach programmes. These initiatives supported deeper engagement with utilities, EPC contractors, consultants, infrastructure developers, and industrial customers across key growth segments.

- Strengthened engagement in the data centre ecosystem across India and the United States, supporting opportunities in mission-critical power infrastructure and advanced transformer solutions
- Expanded outreach across renewable energy, utilities, EPC, and industrial segments to address growing demand arising from energy transition, grid expansion, and digital infrastructure investments
- Participated in Trafotech, organised by IEEMA, to showcase transformer capabilities and engage with customers, consultants, utilities, and EPC contractors
- Conducted targeted customer interactions and technical engagements to support specification-led opportunities and strengthen strategic relationships



CG at TRAFOTECH 2025

- Participated in the Workshop on New Trends and Technologies in EHV Substations organised by MSETCL, showcasing the development journey of RIP Bushings to utility representatives and industry stakeholders
- Participated in SWICON 2025, a conference on switchgear and controlgear organised by IEEMA, to showcase innovations, share industry insights, and explore business opportunities



CG at Swicon2025

- Engaged with leading consultants through the MEP Consultant Meet 2025, strengthening collaboration and awareness of advanced electrical solutions
- Conducted technical seminars, training programmes, and customer engagement initiatives to support specification-led selling and reinforce technical leadership

These initiatives helped strengthen customer relationships, enhance market presence, and reinforce CG's position as a trusted partner for advanced power infrastructure and grid solutions across domestic and international markets.

SEMICONDUCTOR BUSINESSES

AXIRO — Business Performance

CG's subsidiary Axiro continued to establish itself as a high-performance semiconductor design company focused on RF and connectivity solutions. During the year, the company reported a top line of $53.7 million, reflecting steady progress in customer engagements and product deployments across global markets.

Building on a strong legacy of millions of chips shipped globally and a rich portfolio of proven designs, Axiro continues to strengthen its position as a trusted supplier to leading communication system providers.

The Company remains committed on high-growth segments, with a strategic focus on targeting applications such as wireless infrastructure and satellite communication, while exploring adjacent opportunities in aerospace & defence and high-speed interconnect.

Design, Foundry and Testing Ecosystem

As a fabless semiconductor design company, Axiro operates through a robust global ecosystem of foundry and OSAT (Outsourced Semiconductor Assembly and Test) partners. The company leverages advanced process technologies across CMOS, GaAs, GaN, SiGe, and RF-SOI platforms to support a wide range of high-performance RF and connectivity applications.

This partner-led model enables Axiro to ensure scalability, quality, and access to leading-edge manufacturing and testing capabilities, while maintaining operational flexibility and cost efficiency. Through close collaboration with its partners, the company ensures rigorous validation, reliability, and performance standards across its product portfolio.

R&D, NPD and OEM (Original Equipment Manufacturers)

Axiro's research and development efforts are centered around two primary product lines: RF front-end components for telecom infrastructure and advanced solutions for satellite communications. Within the telecom segment, the company has initiated early-stage R&D aligned with emerging 6G standards, aimed at securing a time-to-market advantage in next-generation connectivity technologies.

In the telecom RF front-end domain, Axiro is advancing the development of Gallium Nitride (GaN)-based power amplifiers, which are critical to high-performance RF systems. These efforts are focused on delivering best-in-class output linear power and efficiency. Complementing this portfolio, the company continues to enhance its RF signal chain offerings, including transmit gain blocks, high-linearity switches, and low-noise amplifiers (LNAs), with ongoing improvements in linearity, switching speed, settling time, and power efficiency.

In parallel, Axiro is developing wideband low-noise amplifiers using Gallium Arsenide (GaAs) processes to address evolving performance requirements in communication systems.

In the satellite communications domain, the company's R&D initiatives are focused on beamforming solutions across X-band, Ku-band, and Ka-band frequencies. These technologies support a wide range of applications, including radar systems, unmanned aerial platforms, satellite communication, and aerospace and defense systems, reinforcing Axiro's positioning in high-growth, mission-critical markets.

Capability Expansion

Axiro operates as a fabless semiconductor design company, leveraging a global network of foundry and OSAT partners for manufacturing, assembly, and testing. Capacity expansion is therefore driven through strengthened engagement with these partners, enabling scalable production, flexibility, and access to advanced process technologies in line with growing market demand.

In parallel, the company has significantly expanded its internal capabilities, growing its team from 77 employees to over 140 during the year. This expansion reflects Axiro's continued investment in R&D, engineering, and business functions to support future growth and innovation.

Marketing and Business Development Initiatives

Axiro continued to strengthen its market positioning through targeted customer engagement and active participation in industry platforms. The company participated in key events such as India Mobile Congress (IMC) 2025 and SEMICON 2025, leveraging these forums to showcase its product portfolio and engage with global stakeholders.

The company also enhanced its digital presence through its LinkedIn platform, which has seen significant growth in engagement and follower base, emerging as a key channel for thought leadership and brand visibility.

In addition, Axiro undertook initiatives to improve its website experience, enhancing content depth, usability, and overall engagement. These efforts have collectively contributed to strengthening brand visibility and supporting business development across global markets.

Products

Product Category	Range / Key Offerings	Industry Applications
Power Amplifier Modules (PAMs)	High-efficiency RF modules, GaN-based solutions, Bias Controllers	Wireless Infrastructure, Aerospace & Defense, Satcom
RF Amplifiers	Driver, Interface, and Low Noise Amplifiers	Telecom Infrastructure, Radar, Satcom
Variable Gain Amplifiers (VGA)	Wide dynamic range amplifiers	Wireless Systems, Test & Measurement
Digital Step Attenuators (DSA)	Glitch-Free™ precision attenuators	RF Signal Chains, Base Stations
RF Switches	High linearity, low loss switching solutions	Telecom, Defense, Radar
Mixers	RF frequency conversion solutions	Wireless Infrastructure, Satcom
Beamforming ICs	mmWave and phased-array ICs	5G mmWave, Satcom, Radar
Up/Down Converters	High-frequency signal conversion ICs	Satellite Communication, Radar
Wi-Fi FEMs	Wi-Fi 6/7 front-end modules	Consumer Electronics, Enterprise Networking
RapidWave™ Modems	60GHz mmWave modems	Fixed Wireless Access, Smart Cities
RapidIO Solutions	High-speed interconnect switches and bridges	Data Centers, Industrial Systems



Axiro RF power amplifier solution for next-generation wireless and satellite communications

CG Semi: India's Semiconductor Packaging Journey Begins

The year marked a defining milestone for CG Power as CG Semi, its semiconductor assembly and test subsidiary, inaugurated its first manufacturing facility (G1) at Sanand, Gujarat, on August 28, 2025. This makes CG Semi one of the earliest OSAT operations to be established in India, reflecting the Group's commitment to participating in the country's strategic push toward domestic semiconductor manufacturing.

The G1 facility is designed to deliver turnkey semiconductor packaging and test solutions across a range of industry-standard package types, serving end markets including industrials, automotive, telecom, and IoT. CG Semi's processes are built to Japan-led quality standards, with Renesas Electronics Corporation serving as our technology partner.

A landmark achievement followed swiftly after inauguration: CG Semi successfully completed qualification with a leading global Integrated Device Manufacturer (IDM), clearing rigorous industry reliability and yield standards on its first attempt. This accomplishment validates the quality of our processes, equipment, and team. Mass production for this customer is expected to commence in FY27, marking CG Semi's formal entry into the global semiconductor supply chain.

CG Semi is on track with the construction of its larger G2 facility, also at Sanand, which will significantly expand capacity and package breadth. With a team carrying over 1,000 years of combined semiconductor industry experience, and a quality roadmap that includes automotive-grade certifications, CG Semi is building the foundation to become a trusted, globally competitive OSAT partner — and a meaningful contributor to India's semiconductor self-reliance ambitions.





Class 10K Cleanroom

EXPORTS STRATEGY AND GLOBAL MARKET EXPANSION

CG continued to strengthen its export strategy during the year through focused market expansion, deeper customer engagement, and enhanced local market presence across key international regions. The Company maintained a strategic focus on high-growth markets across the EMEA (Europe, Middle East and Africa), Southeast Asia, and North America, while increasing participation in utility, infrastructure, industrial, transportation, and digital infrastructure projects globally.

The **Transformers business** deepened its international presence through expanded engagement with utilities, data centres, consultants, and EPC customers across North America, the Middle East, Africa, and Southeast Asia. The business strengthened local partnerships, enhanced supply chain capabilities, and increased participation in consultant-led and tender-based opportunities to support long-term growth in energy infrastructure, oil and gas, and digital infrastructure segments.

The **Switchgear business** strengthened its global footprint through successful entry into new international markets including the Middle East, Europe, and the United States. The business also expanded its export-oriented portfolio through product approvals and development of market-specific solutions aligned with global utility and infrastructure requirements.

The **Motors & Drives business** continued to expand its international footprint across the EMEA, Southeast Asia, and the Indian subcontinent through focused market development initiatives and strengthened channel partner networks. The Drives business further enhanced regional reach through direct sales offices in Morocco and South Africa, improving customer proximity and responsiveness across key African markets.

The **Railways business** advanced its export growth strategy by strengthening its advanced signalling solutions portfolio for Southeast Asia, while expanding new product offerings for the U.S. and African markets, aligned with its strategy to deepen participation in modern global rail infrastructure systems.

The **Semiconductor design business** (CG's subsidiary, Axiro) continued to focus on expanding its footprint across North America, Europe, and Asia. The company continues to engage with leading OEMs and system integrators, leveraging its differentiated RF portfolio and deep design expertise.

With global R&D presence and strong customer relationships, Axiro is well positioned to drive export-led growth across key applications such as telecom infrastructure, satellite systems, and advanced connectivity platforms.

Collectively, these initiatives continue to strengthen CG's global positioning, diversifying its international revenue base, and creating a scalable platform for sustained export-led growth across businesses.

DRIVING OPERATIONAL EFFICIENCY AND EXCELLENCE

CG continued to strengthen operational efficiency across businesses through focused initiatives aimed at improving manufacturing efficiency, quality performance, cost competitiveness, and scalable growth readiness.

The **Switchgear business** strengthened manufacturing and operational capabilities through integration of advanced helium leak detection systems for SF6 gas testing, enhancing in-house testing and quality assurance capabilities. Operational efficiencies were further supported through design optimisation, alternate sourcing strategies, import substitution initiatives, and supplier rationalisation, contributing to improved cost competitiveness, reduced lead times, and enhanced procurement effectiveness.

The **Motors business** advanced operational efficiency through streamlined product platforms based on a mass-customisation approach, enabling improved alignment with customer requirements while enhancing manufacturing flexibility. Focused quality interventions contributed to improved First Pass Yield (FPY), while dedicated Project Management and Application Engineering teams strengthened execution responsiveness and customer support capabilities.

The **Drives business** continued to enhance its advanced power conversion capabilities through modular converter solutions supporting green energy and battery energy storage applications. Designed for scalable and flexible deployment, these solutions support applications such as peak shaving, load shifting, bidirectional power flow, and grid compliance across industrial, marine, and energy infrastructure applications.

For the **Semiconductor business (Axiro)**, a key milestone was the successful transition from Renesas, following which Axiro established independent operations across core functions, including supply chain, systems, and business processes. The team, has since built its own end-to-end supply chain framework, enabling greater control, agility, and responsiveness to customer requirements. These efforts, combined with ongoing process improvements, have strengthened operational resilience and positioned the company to support scalable growth.

CG also strengthened its Operational Excellence journey through CG EDGE initiatives focused on Lean Manufacturing, Structured Problem Solving (SPS), Daily Management (DM) systems, and process innovation. These initiatives enhanced productivity, improved throughput, reduced operational bottlenecks, and strengthened safety across EHV manufacturing operations.

EDGE
Engage | Deliver | Grow | Excel

Some of the key initiatives undertaken for **operational excellence** powered by our operational rhythm CG EDGE include:

Motors

- Reduced quality defects at the test bed by 34% through Simple Problem Solving (SPS) approach
- Achieved a 53% reduction in lead time for A3 range motors by driving Kaizen initiatives across the Enquiry-to-Dispatch process
- Improved productivity by 24% in the M1 plant and 15% in the M3 plant through effective Daily Management practices

Drives

- Achieved the highest-ever monthly sales in April 2026 by enhancing on-time delivery and strengthening material availability for production through Simple Problem Solving (SPS) and Daily Management practices.

Transformers

- The Transformer (T3-Power Transformers) plant's Lean journey under the CG EDGE initiative has significantly accelerated capacity enhancement from 35,000 MVA to 65,000 MVA through a culture of continuous improvement and Kaizen-led transformation. Focused execution through process improvements, horizontal deployment, layout optimization, and 3P initiatives has enabled sustainable productivity gains and operational efficiency. The initiative has not only strengthened manufacturing capability but also enhanced employee engagement and problem-solving culture across all levels.

Switchgears

- Implemented Lean Daily Management Boards across functions to improve operational rhythm, proactive decision-making, and cross-functional coordination
- Enhanced manufacturing capacity through debottlenecking initiatives, including autoclave expansion from 24 units/month to 36 units/month
- Deployed Simple Problem Solving (SPS) methodology in 800kV CT manufacturing, resulting in:
  - Reduction in insulation cycle time from 216 hours to 168 hours (~23% improvement)
  - ~20% improvement in testing efficiency through optimized HV testing setups
  - Foundation established to scale 800kV CT production from 2 units/month to 6 units/month.
- Conducted 3P (Production Preparation Process) workshops focused on crane-less manufacturing and waste elimination, leading to:
- Increase in EHV pole assembly capacity from 12 to 20.4 equivalent Breakers/day
- 63% reduction in spare mechanism testing cycle time (462 min to 170 min)
- 39% increase in porcelain testing throughput
- Significant reduction in crane dependency, WIP, and unsafe handling operations.

The Company continues to drive operational excellence through technology-led process improvements, capability enhancement, quality focus, and supply chain optimisation initiatives across businesses.



CG EDGE - Our way of working

ENVIRONMENT, HEALTH & SAFETY (EHS) INITIATIVES

CG continued to strengthen its Environment, Health & Safety (EHS) framework through focused initiatives aimed at enhancing workplace safety, operational discipline, employee awareness, and sustainable manufacturing practices across businesses. The Company maintained a strong focus on proactive risk management, regulatory compliance, and continuous improvement, supported by a strict zero-tolerance approach towards unsafe acts and conditions.



By empowering people, encouraging accountability, and leading by example, we build a culture where safety becomes everyone's responsibility.

To further embed safety into everyday behaviour, CG launched the company-wide campaign **"Safety ke Saath, Zero Compromise",** reinforcing a strong safety-first mindset across operations. As part of this initiative, the Company also introduced **"Suraksha Saathi" (Safety Buddy)** — a friendly and relatable mascot designed to promote safety awareness through positive engagement, encouraging employees to adopt safe practices through care, collaboration, and shared responsibility rather than enforcement alone.

CG also continued to strengthen its journey towards an interdependent safety culture, where employees actively look out for both their own safety and that of their colleagues, supported through behavioural safety programmes, leadership engagement, regular reviews, and continuous communication.

Transformers

- Strengthened safety governance through implementation of Golden Life-Saving Rules and supervisor-led safety standard checklists
- Introduced Safety Quadrant processes for safer manpower deployment and workstation planning
- Reinforced safe behaviour and accountability through Red/Green Card initiatives and regular toolbox talks across shopfloor operations
- Integrated safety performance reviews into Daily Management Board discussions to improve leadership visibility and corrective action tracking

Switchgears

- Strengthened safety management through daily safety oaths, toolbox talks, and weekly safety observation audits across operations
- Implemented engineering and administrative controls including crane-less operations, work permit systems, lifting plans, safety interlocks, biometric access systems, and machinery safeguarding
- Enhanced emergency preparedness through mock drills, firefighting training, AED deployment, and trained first aid responders
- Continued health and safety awareness initiatives through EHS inductions, Behaviour-Based Safety programmes, digital safety kiosks, and workplace health camps

Motors & Drives

- Continued focus on achieving a zero-harm workplace through structured safety governance and Behaviour-Based Safety (BBS) initiatives across manufacturing operations
- Conducted ~2,750 manhours of EHS training covering areas such as chemical handling, working at height, permit-to-work systems, PPE usage, and firefighting
- Implemented theme-based safety observation rounds across critical operational areas including material handling, electrical systems, conveyors, and chemical storage
- Maintained zero non-compliance across applicable statutory and legal EHS requirements across motor plants

Railways

- Strengthened safety awareness through visual induction systems across manufacturing units for employees and visitors
- Continued competency development programmes for safe operation of Powered Industrial Vehicles (PIVs) across facilities
- Enhanced workplace safety through focused road safety awareness initiatives and strict monitoring of PPE compliance across operations

Through sustained focus on safety culture, employee engagement, operational discipline, and leadership commitment, CG continues to strengthen its journey towards building a safety-first culture and a resilient and zero-harm workplace across businesses.

INDUSTRY 4.0 AND DIGITAL TRANSFORMATION

CG continued to accelerate its Industry 4.0 and digital transformation journey through focused initiatives across manufacturing, engineering, supply chain, enterprise analytics, and customer engagement. These initiatives are aimed at enhancing operational visibility, improving decision-making, enabling smarter manufacturing processes, and strengthening future-ready digital capabilities across businesses.

Transformers

- Enabled paperless shopfloors, automated data capture, and real-time monitoring of critical operations
- Strengthened end-to-end work order visibility and integrated engineering workflows linked to customer specifications
- Enhanced procurement intelligence and planning through digital supply chain tools and analytics
- Leveraged AI and GenAI-based solutions for enquiry analysis, document intelligence, and operational decision support

Switchgears

- Implemented automated design-linked manufacturing workflows to improve execution efficiency
- Introduced QR-based digital product manuals to enhance accessibility and support paperless operations
- Strengthened engineering data management through upgraded software and digital tools
- Enhanced relay testing automation and enterprise-wide digitalisation across shopfloor and office operations
- Deployed CRM platforms to improve customer data management and sales process efficiency

Motors

- Deployed CRM platforms to improve customer data management and sales process efficiency
- Strengthened engineering data management through upgraded software and digital tools

Drives

- Advanced intelligent software-enabled converter solutions supporting grid stability and flexible energy integration
- Strengthened digital power management capabilities across industrial and energy infrastructure applications

Railways

- Advanced paperless manufacturing and automated operational data capture initiatives
- Improved workflow visibility and execution tracking across engineering and supply chain processes
- Leveraged AI-enabled analytics and digital tools to strengthen operational responsiveness and decision-making

Semiconductor (Axiro)

- Leveraged advanced digital engineering platforms including EDA tools and system-level simulation
- Strengthened data-driven workflows and development processes to support high-quality design and faster validation cycles
- Collectively, these initiatives will continue to strengthen CG's digital manufacturing ecosystem, enabling smarter operations, improved agility, and scalable future-ready capabilities across businesses.

DRIVING CHANGE THROUGH CG'S ESG JOURNEY

This year, Sustainability at CG was formally embedded in its Purpose Statement *Pioneering innovation for a sustainable future* and its Values of *Customer Centricity, Humility, Ownership Mindset, Integrity and Respect*. This was rolled out as a company-wide program and incorporated into goals and objectives of employees. CG values guide how the organisation interacts with people, communities and the environment.

CG brings this commitment to life through its way of working *CG EDGE* i.e. Engage, Deliver, Grow and Excel, which is a basket of execution tools. This framework ensures that sustainability is integrated into how teams align on priorities, execute with discipline, build future capabilities, innovate for customers and drive measurable outcomes.

With this, CG's ESG strategy is evolving from being compliance led to business-integrated, performance-driven and future-ready. This methodical approach is driven by a comprehensive Environmental, Social and Governance (ESG) framework focused on continuous advancement and transparent disclosures. By consistently benchmarking performance against industry peers, CG has seen its practices translate into notable upgrades in its international ESG ratings this year.

In the reporting year, CG advanced its sustainability journey by becoming a participant in the United Nations Global Compact (UNGC). This milestone reflects its management's steadfast, voluntary commitment to championing the UNGC's core principles of human rights, labour, environment and anti-corruption across its global operations.

Fully aligned with NGRBC principles, CG's major manufacturing units have implemented *Integrated Management System* (Quality, Environment and OH&S). To standardize processes across all business units, CG is digitizing the majority of its Safety, Environment and Sustainability monitoring systems. The Company continued to provide its workforce with access to sustainability training modules and educational content.



Renewable Energy is a key pillar of CG's decarbonisation strategy.

With a firm commitment to greening its operations, the Company is deploying targeted sustainability initiatives designed to improve energy efficiency, conserve water, promote resource circularity and rigorously track and reduce greenhouse gas (GHG) emissions. To independently validate these environmental stewardship efforts, CG has adopted the CII Greenco rating system for comprehensive assessments of its key operational sites. This framework reviews multiple sustainability metrics from a life-cycle perspective.

As of March 31, 2026, three of CG's major facilities covering ~50% of its organisational revenue have successfully achieved Greenco ratings. Majority of CG's manufacturing sites are certified for Zero Liquid Discharge (Effluent), Zero Waste to Landfill and No Single Use Plastic.

To enhance the rigor and governance of the process, CG ensures its materiality assessment is closely aligned with the Enterprise Risk Management (ERM) framework. This approach allows priority ESG topics to be reflected in business-wide risk identification and considered during strategic decision-making. The assessment is grounded in the double materiality principle, evaluating both how ESG issues influence CG's financial and operational performance and how CG's activities impact society and the environment across its manufacturing units and subsidiaries.

Adopting Double Materiality Assessment in line with Global ESG Best Practices

CG completed its first Single Materiality Assessment in 2023, focusing primarily on impact materiality. In 2026, CG is working on a Double Materiality Assessment (DMA) to align with emerging global standards such as EU CSRD/ESRS, updated BRSR Core expectations and stakeholder-driven ESG priorities. The DMA approach integrates both impact materiality (how CG's operations influence the environment, society and value chain stakeholders) and financial materiality (how ESG issues affect CG's performance, resilience and long-term enterprise value). This enhanced methodology considers extensive cross-functional inputs from every manufacturing units of CG, domestic and international subsidiaries, external stakeholders, evolving regulatory landscapes and future business strategy, providing a holistic, risk-opportunity-impact view.

The outcomes of this DMA will help CG identify and prioritise the most critical ESG themes for the short term (next three to five years), including climate transition planning, energy efficiency, supply chain sustainability, workforce wellbeing, governance transparency and product innovation for a low carbon economy. By prioritizing what matters most, the assessment will guide CG's ESG strategy refresh, define targets and KPIs, strengthen BRSR preparedness, support ESG rating improvements and shape investment and operational decisions across business units.

FY26 ESG PERFORMANCE HIGHLIGHTS

- **Environmental Stewardship**
  - Project Appraisal with ESG Focus: Institutionalized process for evaluating projects to incorporate sustainability parameters in applicable project appraisals and employed TCO (Total Cost of Ownership) method for major purchases.
  - Maiden TCFD Report Released: Successfully published maiden Task Force on Climate-related Financial Disclosures (TCFD) report, integrating climate risks into our core business strategies.
  - Double Materiality Assessment (DMA): Initiated a comprehensive DMA exercise to holistically consider financial relevance and societal / environmental impacts of ESG topics; thereby providing a complete view of sustainability for both providers of capital and stakeholders.
  - Renewable Energy (RE) Expansion: As of 31 March, 2026, CG had rooftop solar capacity of ~5,300 kWp across its sites. Implementation of an additional rooftop solar capacity is underway.
  - Resource Conservation: Initiated Energy and Water audits to cover all manufacturing sites to identify actionable footprint reduction opportunities.

- **Key ESG initiatives undertaken during the year:**

Transformers

- Reduced Scope 1 and Scope 2 emissions by ~357.82 tCO2e through focused energy-efficiency and cleaner fuel initiatives
- Transitioned key heating systems from LPG to PNG, lowering fuel consumption, operating costs and emissions
- Enhanced utility efficiency through deployment of VFD chillers, air cooled pumping systems, IE4 high efficiency motors, BLDC fans, and motion sensor-based lighting systems
- Strengthened sustainable operations by optimising compressed air systems and increasing adoption of battery-operated material handling equipment

Switchgears

- Improved cost and material efficiency through design optimisation, alternate sourcing strategies and import substitution initiatives
- Enhanced procurement effectiveness and reduced waste through supplier rationalisation and structured recycling initiatives
- Strengthened support for renewableled transmission infrastructure through expanded deployment of Extra High Voltage (EHV) solutions

Motors

- Implemented energyefficiency initiatives across stamping operations and manufacturing utilities, delivering annual electricity savings of ~208 MWh and an emissions reduction of ~150 tCO2e
- Advanced water stewardship through sewage treatment facilities, dry-type paint booths, and leak reduction initiatives, enabling reuse of ~10,800 KL of water annually
- Continued focus on resource optimisation through high efficiency motor upgrades, HVAC modernisation, compressor optimisation, and process-level improvements

Railways

- Advanced lean manufacturing and cost optimisation through implementation of over 180 Kaizens, delivering improvements in productivity, operational efficiency, and resource utilisation
- Reinforced green mobility offerings through continued development of propulsion systems and traction technologies for modern electric and battery-powered rolling stock

- **Social Responsibility**
  - Enhanced Workforce Diversity: Improved gender diversity rate from 7% to over 8%.
  - Strong Employee Engagement: In FY26, CG conducted an employee engagement survey to better understand employee experiences and guide actions for its teams, leaders and organisation as a whole. The survey was administered by an independent external partner to ensure confidentiality. CG achieved a robust score of 82 out of 100 in this survey, reflecting strong alignment with the Company's strategic and customer-centric focus.
  - Safety & Well-being Focus: CG continued its focus on safe operating practices and mandated rigorous safety interventions including critical equipment modifications, strict PPE protocols and leadership reviews.

The ESG Policies, Practices and Performance of CG are explained in greater detail in the Business Responsibility and Sustainability Report Section of this Annual Report.



Safety Briefing

STRATEGIC SOURCING & VALUE CREATION INITIATIVES

During the year, CG further strengthened its Strategic Sourcing function, evolving it from a cost and compliance focus into a company-wide value creation engine**.** Aligned across all five Business Units, Motors & Drives, Transformers, Switchgear, Railways, and Consumer Products, the function continued to play a pivotal role in driving operational excellence, supply chain resilience, sustainability, and digital enablement.

INNOVATE TO VALUE (I2V): DRIVING ENTERPRISE-WIDE VALUE ENGINEERING

A key highlight was the launch and scale-up of the **Innovate to Value (i2V)** programme. This is a structured, cross-functional initiative led by Strategic Sourcing in collaboration with Engineering, Manufacturing, Quality, and Business teams.

Anchored in Value Analysis and Value Engineering (VA/VE) principles, i2V focuses on optimising cost, design, and material architecture while enhancing product performance and sustainability, without compromising quality or customer value.

During the year, the programme built a robust pipeline of 500+ projects across Business Units, spanning ideation to implementation, governed through a structured stage-gate framework ensuring execution discipline and measurable outcomes. Key focus areas include:

- Design Simplification & Material Optimisation: Reducing complexity, rationalising components, and increasing localisation to improve cost efficiency and supply agility.
- Innovation & Technology Adoption: Partnering with suppliers to introduce advanced materials, components, and process improvements.
- Operational Efficiency Improvements: Eliminating non-value-adding activities across supply chain and manufacturing interfaces to enhance productivity and reduce lead times.
- Sustainable Packaging: Transitioning to recyclable, lightweight, and cost-efficient packaging solutions aligned with sustainability goals.
- Supply Chain Simplification: Consolidating supplier base to improve reliability, negotiation leverage, and reduce complexity.
- Embedded Carbon Reduction: Driving lower carbon footprint through material selection, localisation, and design optimisation, contributing to Scope 1, 2, and 3 reduction efforts.



i2V cross functional team ideation workshop at one of the CG's factories.

SUPPLIER CARBON TRACKING PROGRAMME

Recognising the significance of Scope 3 emissions, CG initiated a Supplier Carbon Tracking Programme to build visibility into upstream emissions.

In its pilot phase, select high-spend suppliers were onboarded onto a structured digital framework via the Supplier Portal to capture emissions data across energy, fuel, process, and logistics parameters in a standardised format.

This initiative establishes a foundation for supplier carbon intelligence, enabling future measurement, engagement, and reduction of embedded emissions. The programme will be progressively scaled, with carbon performance set to become an integral parameter in supplier evaluation alongside quality, cost, delivery, and ESG compliance.

Supply Chain Resilience & Digital Enablement

CG continued to enhance supply chain resilience through diversification of supplier base, reduction of single-source dependencies, and cross-Business Unit consolidation to leverage scale. Key initiatives included:

- Procurement digitisation to enhance spend visibility and enable data-driven sourcing decisions
- Supplier performance and compliance tracking across quality, delivery, financial health, and regulatory parameters
- Strengthening quality, ESG, and risk management frameworks for consistent and scalable implementation

Sustainable and Ethical Sourcing

The Company further strengthened its commitment to responsible sourcing by expanding EHS and working condition assessments across critical suppliers. The Supplier ESG assessment framework is being enhanced to align with evolving global standards.

Structured supplier engagement programmes were conducted to drive awareness on environmental regulations, labour practices, and sustainability expectations, reinforcing CG's approach to treating suppliers as long-term sustainability partners.

Strategic Partnerships and Collaboration

CG continued to deepen strategic partnerships with key suppliers to co-develop advanced components, access emerging technologies, and secure supply continuity. Early supplier involvement in product development and integration with the i2V programme has strengthened innovation, improved time-to-market, and reinforced long-term competitiveness.



FINANCIAL PERFORMANCE

₹ crores

STANDALONE			Consolidated	
2025-26	2024-25		2025-26	2024-25
11,331	9,329	**Revenue from operations**	**12,418**	9,909
8,095	6,609	Cost of materials consumed and components consumed and construction material	**8,565**	6,926
579	480	Employee benefits expense	**952**	613
1,017	967	Other expenses	**1,275**	1,065
1,640	**1,273**	**EBITDA Excluding Other Income (OI)**	**1,626**	1,305
254	162	Other Income (OI)	**244**	162
1,894	**1,435**	**EBITDA Including OI**	**1,870**	**1,467**
7	6	Finance cost	**12**	7
94	87	Depreciation and Amortization	**196**	112
1,793	**1,342**	**Profit before share of profit / (loss) of associate, exceptional items and tax**	**1,662**	**1,348**
-	**-**	Share of profit / (loss) of associate	**-**	**-**
1,793	**1,342**	**Profit before exceptional items and tax**	**1,662**	**1,348**
(36)	-	Exceptional items	**(36)**	-
1,757	**1,342**	**Profit before tax**	**1,626**	**1,348**
		Less: Tax Expenses		
462	174	Current Tax	**471**	185
(22)	194	Deferred Tax (Net)	**(41)**	190
1,317	**974**	**PAT for the year from continuing operations**	**1,196**	**973**
NA	NA	Less: Minority Interest	**(8)**	(2)
1,317	**974**	**PAT after Minority Interest**	**1,204**	**975**
-	-	Profit from discontinued operation before tax	**2**	-
-	-	Tax expenses on discontinued operations	**-**	-
-	**-**	**Profit from discontinued operation**	**2**	**-**
1,317	**974**	**Net profit for the year**	**1,206**	**975**
1,436	**1,231**	**Cash profit for the year**	**1,405**	**1,240**

KEY RATIOS (STANDALONE)

RATIOS	2025-26	2024-25	REMARKS
Profitability Ratios			
EBITDA Margin (Excluding OI)	**14.47%**	13.65%	
Operating Profit Margin (Excluding OI)	**13.64%**	12.71%	
Net Profit Margin (before exceptional items)	**11.94%**	10.44%	
RONW on total operations	**16.03%**	23.96%	Return on net worth has declined due to net worth includes the proceeds from Qualified Institutional Placements (QIP) proceeds.
ROCE (excluding exceptional item) (terminal) on continuing operations	**22.08%**	33.34%	Decrease due to amount invested out of QIP proceeds is included in capital employed.
Per share Ratios			
EPS (Basic) on the basis of total profits from continuing operations (In ₹ per share)	**8.42**	6.38	Basic EPS increase to higher profitability from improved sales, better margins, and cost optimization directly increases basic EPS.
EPS (Diluted) on the basis of total profits from continuing operations (In ₹ per share)	**8.42**	6.37	Diluted EPS increase to higher profitability from improved sales, better margins, and cost optimization directly increases diluted EPS.
Leverage Ratio			
Debt Equity Ratio	**0.00**	0.00	No major variance.
Interest Coverage Ratio for continuing operations	**85.77**	90.59	
Assets Efficiency Ratios			
Net Sales to gross working capital of continuing operation (Times)	**1.63**	2.26	Declined due to gross working capital includes the proceeds from QIP fund.
Net Sales to net working capital of continuing operation (Times)	**3.36**	6.20	Declined due to net working capital includes the proceeds from QIP fund.
Other Ratios			
Average Debtors Turnover (no of days)	**74**	65	
Average Inventory Turnover (no of days)	**54**	48	
Current ratio	**1.94**	1.57	Current assets includes amount invested from QIP fund.

ENVIRONMENT, HEALTH & SAFETY (EHS)

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

CORPORATE SOCIAL RESPONSIBILITY

A detailed report of CSR activities of the Company during FY26 has been mentioned in the CSR Report, which is appended with the Directors' Report.

HUMAN RESOURCE

At CG Power and Industrial Solutions Limited, our people remain at the heart of our growth and transformation journey. We believe that building a future-ready organization begins with fostering an inclusive, merit-driven, and development-focused workplace, where every individual is empowered to contribute, grow, and succeed.

INCLUSIVE AND RESPECTFUL WORKPLACE

We are committed to nurturing a workplace that is respectful, inclusive, and free from bias. Diversity is actively encouraged, with equal opportunity forming the foundation of our people philosophy. Guided by our values — Customer Centricity, Humility, Ownership Mindset, Integrity, and Respect (CHOIR) — we ensure that every employee is treated with dignity, while ethical conduct and respect for human rights remain embedded across our operations and value chain.



Employee Engagement Event: Family Day

TALENT ACQUISITION AND WORKFORCE STRENGTH

As the organization continues to expand, attracting the right talent remains a strategic priority. During FY26, CG welcomed 821 professionals across functions and locations, supported by focused outreach to women's engineering and diploma institutes in Tier 2 and Tier 3 cities. This reflects our continued commitment to building a more diverse and representative workforce.

PERFORMANCE MANAGEMENT AND TALENT DEVELOPMENT

At CG, performance management is structured to align individual contributions with organizational priorities. Rather than being viewed as a periodic exercise, it is embedded as a continuous process through ongoing performance conversations and real-time feedback, complemented by formal mid-year and annual reviews.

This is further supported by a robust talent review and succession planning framework. Through a systematic approach to identifying, developing, and deploying talent, the Company continues to strengthen its leadership pipeline and build long-term organisational capability.

LEARNING AND DEVELOPMENT

Learning and development continue to play a central role in shaping our workforce. Over the past year, CG further strengthened its capability-building initiatives to support the development of a future-ready, high-performing, and values-led organisation.

DRIVING PURPOSE AND VALUES

To reinforce our organisational ethos and embed our Purpose and CHOIR Values into everyday actions, we adopted a multi-pronged approach. Alongside regular leadership-led sessions, where leaders actively demonstrate values in business contexts, we introduced a dedicated e-learning module, Living the Purpose and Leading with Values.

This initiative enables employees to build a deeper connection with our core philosophy, understand how it guides decision-making, and translate it into consistent workplace behaviours.

DIGITAL LEARNING & FUTURE-READY CAPABILITIES

LinkedIn Learning: To foster a culture of continuous, self-directed learning, we launched LinkedIn Learning, providing access to over 10,000 courses that support professional growth, personal effectiveness, and capability enhancement across roles.

Mandatory Compliance Training: Under the One Hour Learning initiative, interactive e-learning modules covering key areas such as POSH, Code of Conduct, and Information Technology achieved 100% completion across the organisation during FY26.

Building Future-Ready Skills:

- Programmes such as AI in Manufacturing were introduced to strengthen digital awareness, build technology capabilities, and enable data-driven decision-making across operations.
- The Project Management Professional (PMP) Program was launched to strengthen execution capabilities and build project-ready talent through masterclasses, coaching, assessments, and cohort-based learning across locations.

EMPLOYEE ENGAGEMENT AND WELL-BEING

Employee engagement and well-being continue to remain key priorities. During the year, our organisation-wide engagement survey, Connections, recorded participation of over 94% (3,600+ employees). The results were encouraging, with the overall engagement score improving to 82 and inclusion scores increasing to 81. Notably, our engagement score was 5 points above the industry benchmark, reflecting the strength of our people practices and workplace culture.

These insights continue to shape our efforts to enhance the employee experience. Initiatives such as town halls, leadership connect sessions, sports events, and cultural celebrations have helped foster a more connected, inclusive, and vibrant workplace.

DIVERSITY AND INCLUSION

Gender diversity and equal opportunity continue to be important focus areas. In FY26, 9% of new recruits were women, reflecting our commitment to build a balanced workforce. The Company welcomed specially-abled candidates as part of its inclusive hiring practices.

As we continue our transformation journey, our focus remains on building a resilient and future-ready organisation by investing in our people, strengthening capabilities, and embedding a culture of continuous learning and values-led growth across the organisation.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

INTERNAL AUDIT

The Company has established an in-house Internal Audit function during the year to further strengthen the control environment, provide additional assurance through enhanced coverage, and facilitate implementation of the agreed action plans. The Internal Audit function operates under an approved charter that defines its purpose, authority, scope and responsibilities, and provides for independent and unrestricted access to records, systems and personnel. To maintain objectivity and independence, Internal Audit for FY26 is carried out through a combination of the Company's in-house Internal Audit team and an independent specialist internal audit firm, PricewaterhouseCoopers ("PwC") Services LLP, appointed by the Audit Committee. The Head of Internal Audit functionally reports to the Audit Committee and administratively reports to the Managing Director.

The Audit Committee approves the audit plan for the year. The internal audit plan is risk-based and is aligned to the Company's key enterprise risks and emerging risk themes. The annual plan comprises verticals, business processes, locations and the coverage timelines. The scope and objectives of the internal audit reviews extend beyond transactional risks to cover business process aspects and emerging risk areas such as regulatory changes, technology risks, etc.

The internal auditor focuses on processes and system audits to assess adequacy and operating effectiveness of internal controls, compliance with the Company's policies and procedures, and recommends areas for improvement to strengthen the control environment and improve business processes. The Company is realising the benefits from the professional approach and practices implemented by the internal auditors.

Significant internal audit observations, along with the agreed action plan, are discussed with the Audit Committee on a quarterly basis. The status of implementation of agreed action plans is monitored periodically and reported to the Audit Committee until closure. The Audit Committee evaluates the adequacy and effectiveness of controls and recommends areas for improvement to strengthen the control environment. This ongoing evaluation process by the Audit Committee contributes to the organization's resilience and ability to adapt to changing risk landscapes and, thereby, ensuring a robust and sustainable internal control environment.

INTERNAL FINANCIAL CONTROLS

The Company is responsible for establishing and maintaining adequate internal financial controls with reference to the financial statements and for ensuring their operating effectiveness. The internal financial control framework is designed to provide reasonable assurance regarding the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The key internal financial controls within the Company are documented and are commensurate with the size, scale and complexity of its operations. This robust framework includes entity-level policies, process controls, IT general controls, Standard Operating Procedures (SOPs), and Delegation of Authority (DOA).

Entity-level policies include anti-fraud measures, such as the code of conduct, conflict of interest guidelines, insider trading policy, confidentiality agreements, and a whistleblower policy. Additionally, the Company's internal financial control framework integrates governance policies covering human resources, corporate communication, IT security protocols, risk management, and business continuity and disaster recovery plans.

The Company has defined Risk and Control matrices for key business processes, including procure-to-pay, order-to-cash, hire-to-retire, treasury, finance and accounts, fixed assets, inventory management, and IT general controls, covering both entity and business vertical levels. These internal financial controls are reviewed by Independent Internal and Statutory Auditors every year who evaluate the effectiveness of these controls. The design and operating effectiveness of key controls, including entity-level controls, process-level controls and IT general controls, are subject to periodic evaluation/testing by management and are independently reviewed by Internal Audit and Statutory Auditors, as applicable.

RISK MANAGEMENT

CG Power and Industrial Solutions Limited operates in a landscape characterised by diverse internal and external risks spanning financial, operational, sectoral, technological, ESG-specific, cybersecurity, and geopolitical domains. Given the breadth of its business portfolio and the geographical spread of its operations, the Company has instituted a Board-approved Risk Management Charter & Policy to implement a structured and comprehensive enterprise risk management system. This charter aims to establish a shared understanding, terminology, and approach for identifying, assessing, responding to, monitoring, and reporting risks. Its primary objective is to assure management that key risks are identified and managed effectively across the Company.

The Enterprise Risk Management (ERM) initiative endeavors to cultivate a 'risk intelligent' organisation, enhancing resilience to significant risk exposures while fostering agility and competitive advantage to uphold and elevate long-term stakeholder value.

To oversee this process, the Company has instituted a robust governance structure, led by the Risk Management Committee of the Board (RMC).

The ERM framework has proven instrumental in identifying and analyzing unforeseen risks, empowering management to make informed decisions. The ERM team fosters process efficacy through extensive engagement with a broad array of internal stakeholders via a bottom-up approach, as depicted in the diagram below, with senior management providing active oversight, review, and guidance at every stage.

The RMC reviews the Company's risk profile, including principal and emerging risks, the adequacy of mitigation plans and the overall effectiveness of the risk management framework. Where applicable, the Board/RMC also provides direction on risk appetite/tolerance considerations to support decision-making.

Key risks are monitored through periodic reviews and appropriate metrics/indicators, with defined escalation and reporting mechanisms to senior management and the RMC. The ERM framework is integrated with business planning and performance reviews to enable timely risk responses and to support long-term value creation.

BUSINESS OUTLOOK

CG continues to strengthen its position as a diversified engineering company with a growing presence across power systems, industrial solutions, rail transportation, consumer durables, and emerging technology segments. Backed by strong operational execution, disciplined capital allocation, focused investments in technology and manufacturing capabilities, and a customer-centric approach, the Company remains well positioned to capitalise on long-term growth opportunities across domestic and global markets.

With India's continued focus on infrastructure development, energy transition, grid modernisation, railway electrification, manufacturing expansion, data centres, semiconductors, and digital infrastructure, CG is expected to create sustained demand across several of its businesses. Increasing investments in renewable energy, industrial automation, electrification, and energy-efficient solutions are further expected to support medium- to long-term growth prospects.

CG also continues to deepen its international presence across key markets including North America, Europe, the Middle East, Africa, and Southeast Asia, supported by stronger customer engagement, regional partnerships, and participation in global infrastructure and industrial opportunities.

Guided by CG EDGE, the Company's operational execution framework, the Company continues to strengthen its competitive positioning through product innovation, operational excellence, supply chain resilience and digital transformation. With a diversified portfolio, growing technological capabilities, and a clear strategic focus on execution and sustainable growth, CG remains optimistic about the opportunities ahead and is committed to creating long-term value for all stakeholders while continuing to advance its purpose of **Pioneering Innovation for a Sustainable Future**.

FORWARD LOOKING STATEMENT

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

Awards and Recognitions



CG Switchgears, Nashik, awarded the GreenCo Gold rating by CII for excellence in sustainable manufacturing and resource efficiency.

CG's Switchgear Division in Nashik has earned the GreenCo Gold rating from the Confederation of Indian Industry (CII) and holds independent recognitions including Platinum certification for Zero Waste to Landfill, "Single-Use Plastic-Free Premises" certification and "Zero Liquid Discharge" certification. CG's T3 Division at Mandideep (Bhopal) has been awarded the GreenCo Silver rating by CII, underscoring the company's sustained commitment to responsible, resource efficient operations. In addition all major units of CG have been certified with Zero Treated Water Discharge to outside Factory premises, Single Use Plastic (SUP) Free and Zero Waste to Landfill (ZWL) certifications.



CG Transformers (T3), Mandideep, awarded the GreenCo Silver rating by CII.



CG's Motors Division recognised by the Bureau of Indian Standards (BIS) for over 25 years of commitment to quality, safety, and standardization.



CG's Motors Division recognised by the Bureau of Indian Standards (BIS) with the Award of Excellence for achieving Zero Product Failure for two consecutive years



CG's CFO, Susheel Todi, named among India's Top 100 CX Titans.



Balbir Dhiman, Chief Operating Officer, CG, recognised in the Brand Ambassador category at the ET Now Festival of Manufacturing Awards 2026 for his leadership in driving manufacturing excellence and operational transformation.







CG leaders recognised as Champions of Manufacturing at the ET Now Festival of Manufacturing Awards 2026 for advancing operational excellence and strengthening manufacturing capabilities across businesses.

DIRECTORS' REPORT

Directors' Report

TO THE MEMBERS

Your Directors are pleased to present their Eighty-Ninth Annual Report on the business and operations of your Company along with the audited financial statements, both standalone and consolidated, for the financial year ended 31 March, 2026.

COMPANY PERFORMANCE

Your Company's standalone revenue from operations was ₹ 11,331 crores during the year under review, compared to ₹ 9,329 crores in the previous year, representing a YoY growth of 21%, and the consolidated revenue from operations was ₹ 12,418 crores compared to ₹ 9,909 crores in the previous year, representing a YoY growth of 25% over the previous year.

Your Company's financial performance for the year ended 31 March, 2026 as compared to the previous year is given in the Table below.

COMPANY FINANCIAL HIGHLIGHTS

(in ₹ crores)

	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from operations	**11,331**	9,329	**12,418**	9,909
EBITDA (with other income)	**1,894**	1,435	**1,870**	1,467
Less: Finance cost	**7**	6	**12**	7
Less: Depreciation and amortisation expenses	**94**	87	**196**	112
Profit before share of profit / (loss) of associate, exceptional items and tax	**1,793**	1,342	**1,662**	1,348
Share of profit / (loss) of associate	**-**	-	**-**	-
Profit before exceptional items and tax	**1,793**	1,342	**1,662**	1,348
Exceptional items (net)	**(36)**	-	**(36)**	-
Profit before tax	**1,757**	1,342	**1,626**	1,348
Less: Tax Expense	**440**	368	**430**	375
Profit from continuing operations	**1,317**	974	**1,196**	973
Less: Minority Interest	**NA**	NA	**(8)**	(2)
Add: Profit from discontinued operations	**-**	-	**2**	-
Profit for the year	**1,317**	974	**1,206**	975

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

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

BUSINESS SEGMENTS

a) **Industrial Systems:**

The Industrial Systems recorded revenue of ₹ 6,747 crores in year 2025-26 as compared to ₹ 6,376 crores of year 2024-25, registering a growth of approx. 6% as compared to previous year. The operating profit before interest and tax of Industrial Systems stood at ₹ 625 crores as compared to ₹ 743 crores during the previous year.

b) **Power Systems:**

The Power Systems recorded revenue of ₹ 5,138 crores in year 2025-26 as compared to ₹ 3,510 crores of year 2024-25, registering a growth of approx. 46% as compared to previous year. The operating profit before interest and tax of Power Systems stood at ₹ 1,123 crores as compared to ₹ 668 crores during the previous year.

EXPANSION

Transformers:

Considering the long-term demand in market along with Company's scope of increasing its sales in domestic market and penetrate export markets in selected geography, approval of the Board had been granted during FY 2024-25 for establishing a Green Field Transformer manufacturing facility of 45000 MVA capacity in Western India at an estimated cost of ₹ 712 crores (net of taxes). Further, during the year under review, M.P. Industrial Development Corporation Limited (MPIDC) has on Company's application, allocated a land parcel of approx. 45.13 acres in Sehore District on lease for a period of 99 years for the said project. Currently, the work is under progress for the said project.

Switchgears:

Considering the strong growth potential in the domestic and export markets for Switchgear products, and to strengthen the Company's position across Medium Voltage (**"MV"**) and Extra High Voltage (**"EHV"**) segments, the Board has, during the year under review, accorded its approval for establishing a new Greenfield Switchgear manufacturing facility in Western India.

The proposed facility will enable the Company to double its existing Switchgear manufacturing capacity and will cater to the complete product range including MV and EHV Switchgear, Substation Automation Systems, and Power Electronics solutions. The total estimated project cost is approximately ₹ 748.20 crores (net of taxes). The project will be funded through a mix of internal accruals, equity, or debt, or a combination thereof. The project is planned on approximately 35 acres of land, with a built-up area of around 72,000 sq. meters. The project is expected to be completed within 33 months post identification/ allotment of land.

This strategic investment is aimed at addressing capacity constraints, supporting the Company's growth plans in domestic and international markets, and strengthening its competitiveness in automation and power electronics. The project is expected to create long-term value for stakeholders and contribute to India's power infrastructure development.

QUALIFIED INSTITUTIONS PLACEMENT (QIP)

During the year under review, in compliance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**"SEBI ICDR Regulations"**), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"the Listing Regulations"**) and the Companies Act, 2013 (**"the Act"**) and Rules made thereunder, the Company successfully raised ₹ 3,000 crores by way of an issue of equity shares through a Qualified Institutions Placement (**"QIP"**). The Securities Issue Committee of the Board of Directors of the Company (**"Securities Issue Committee"**) had, at its Meeting held on 4 July, 2025, approved the allotment of 4,54,54,545 Equity Shares of face value ₹ 2 each to eligible qualified institutional buyers at an Issue price of ₹ 660 per Equity Share (including a premium of ₹ 658 per Equity Share) and reflecting a discount of ₹19.08 (i.e. 2.81%) against the floor price of ₹ 679.08 per Equity Share.

The proceeds from the QIP issue have been utilized/ are being utilized towards the objects mentioned in the Placement Document. There have been no deviations or variations in the utilization of proceeds from the stated objects of the QIP.

GENERAL

- During the year under review, the Company's Credit Rating of 'IND AA+' from India Ratings & Research, remained unchanged.
- During FY 2024-25, the Company had entered into a Development Agreement dated 4 July, 2024 with Skyboard Realty Private Limited, a M/s. K. Raheja Corp Group company, for the joint development of the Company's property, 'CG House', situated at Dr. Annie Besant Road, Worli, Mumbai, built on leasehold land. The demolition of the building has started during the year.

Pursuant to the above, the Company has relocated its Registered Office from CG House, 6th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400030 to One Unity Center, 15th Floor, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai - 400013, with effect from 9 December, 2025.

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

A. The Board at their Meeting held on 29 October, 2025 had subject to issuance of No Objection Letter by the Stock Exchanges, considered and approved the request of the following Outgoing Promoters for re-classification from the 'Promoter and Promoter Group' category to 'Public shareholder' category, as per Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Name of Promoter/ Promoter group	Category	No. of paid-up equity shares held	Percentage of shareholding
1.	Yanmar Coromandel Agrisolutions Private Limited	Promoter Group	0	0.00%
2.	Coromandel Engineering Company Limited	Promoter Group	0	0.00%
	Cumulative holding		**0**	**0.00%**

Subsequent thereto, the Company had on 2 November, 2025 made applications to the Stock Exchanges for their approval for the aforementioned reclassification. The said applications were approved by the Stock Exchanges on 5 December, 2025.

B. The Board at their Meeting held on 27 January, 2026 had subject to issuance of No Objection Letter by the Stock Exchanges, considered and approved the request of the following Outgoing Promoter for re-classification from the 'Promoter and Promoter Group' category to 'Public shareholder' category, as per Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Name of Promoter/ Promoter group	Category	No. of paid-up equity shares held	Percentage of shareholding
1.	Algavista Greentech Private Limited	Promoter Group	0	0.00%
	Cumulative holding		**0**	**0.00%**

Subsequent thereto, the Company had on 30 January, 2026 made applications to the Stock Exchanges for their approval for the aforementioned reclassification. The said applications were approved by the Stock Exchanges on 18 March, 2026.

DIVIDEND

The Board of Directors at their Meeting held on 27 January, 2026, declared an interim dividend of ₹ 1.30 (Rupee One and Paise Thirty only) (65%) per equity share of ₹ 2/- (Rupees Two only) each. The interim dividend was paid to all the Shareholders whose names appeared in the Register of Members as on the record date fixed as 1 February, 2026. The total outflow on account of said dividend was ₹ 204.74 crores. Your Board does not recommend any further dividend for the financial year 2025-26.

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

TRANSFER TO RESERVES

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

SUBSIDIARIES & ASSOCIATES

Details of subsidiaries as on 31 March, 2026: There are 5 Indian and 20 foreign subsidiaries (including 2 subsidiaries in Belgium along with their subsidiaries declared as bankrupt; 3 subsidiaries under voluntary liquidation and 1 subsidiary declared insolvent). Chola Foundation is an Associate of the Company.

During the year under review, PT Crompton Prima Switchgear Indonesia (CPSI), a Subsidiary of CG International Holdings Singapore Pte Limited (CGS), a Wholly Owned foreign Subsidiary of the Company, entered into Heads of Agreement regarding Sale and Purchase Binding Agreement with PT Prima Layanan Nasional Enjiniring (PLNE), Indonesia for sale of all the Factory Assets (Land, Plant and Machinery, Furniture, Equipments etc.) of CPSI for a total consideration of IDR155 Billion (One Hundred Fifty-Five Billion Indonesian Rupiah). Further, CGS entered into a Conditional Shares Purchase Agreement with PLNE for sale of the shares representing 51% of the paid-up share capital held by it in CPSI for a consideration of IDR1 (One Indonesian Rupiah). Subsequently, CPSI and CGS entered into a Deed of Sale and Purchase and Deed of Acquisition respectively with PLNE and the sale of the Factory Assets and sale of the Shares was completed on 31 March, 2026.

Pursuant to the above, CPSI ceased to be a subsidiary of CGS and a step-down subsidiary of the Company w.e.f. 31 March, 2026.

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

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

1. **CG Adhesive Products Limited:**

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

   During the year under review, CGAPL recorded a revenue of ₹ 44.57 crores (previous year: ₹ 41.33 crores) and registered profit before tax of ₹ 6.59 crores (previous year: ₹ 7.63 crores).

2. **CG Drives & Automation Sweden AB:**

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

   During the year under review, CG Drives & Automation Sweden AB recorded a revenue of SEK 295.86 Mn i.e. equivalent to ₹ 296.01 crores (previous year: SEK 365.53 Mn i.e. equivalent to ₹ 302.57 crores) and registered profit before tax of SEK 9.78 Mn i.e. equivalent to ₹ 9.79 crores. (previous year: SEK 21.12 Mn i.e. equivalent to ₹ 17.49 crores).

3. **CG Drives & Automation Germany GmbH:**

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

   During the year under review, CG Drives & Automation Germany GmbH recorded a revenue of € 21.12 Mn i.e. equivalent to ₹ 228.92 crores (previous year: € 21.99 Mn i.e. equivalent to ₹ 201.19 crores). It registered profit before tax of € 0.13 Mn i.e. equivalent to ₹ 1.45 crores (previous year: € 1.66 Mn i.e. equivalent to ₹ 15.17 crores).

4. **CG Drives & Automation Netherlands BV:**

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

   During the year under review, CG Drives & Automation Netherlands BV recorded a revenue of € 8.78 Mn i.e. equivalent to ₹ 95.18 crores (previous year: € 9.63 Mn i.e. equivalent to ₹ 88.14 crores) and registered profit before tax of € 0.84 Mn i.e. equivalent to ₹ 9.08 crores (previous year: € 0.45 Mn i.e. equivalent to ₹ 4.09 crores).

5. **G.G. Tronics India Private Limited:**

   G.G. Tronics India Private Limited (**"GGT"**) is Company's Subsidiary in Bengaluru. Your Company holds 55.60% of GGT's equity share capital. It operates in the field of design, manufacturing, supply and installation of electronic safety embedded signaling systems for the railway transportation sector.

   During the year under review, GGT recorded a revenue of ₹ 102.70 crores and registered profit before tax of ₹ 3.04 crores (Revenue for the period from 20 August, 2024 (date of becoming Subsidiary) till 31 March, 2025 was ₹ 91.35 crores and profit before tax for the said period was ₹ 3.75 crores).

6. **CG Semi Private Limited:**

   CG Semi Private Limited (**"CG Semi"**) is Company's Subsidiary. Your Company holds 92.34% equity share capital of CG Semi. It is currently developing Outsourced Semiconductor Assembly and Test (**"OSAT"**) facility in Sanand, Gujarat.

   The OSAT project is moving forward in two phases. During the year under review, the Mini Plant (G1) was inaugurated in Sanand, Gujarat. The said plant is equipped to handle end-to-end chip assembly, packaging, testing, and post-test services. Further, the Main Plant (G2) is under construction and expected to be completed by the end of calendar year 2026.

   During the year under review, CG Semi recorded a revenue of ₹ 0.42 crores and registered loss before tax of ₹ 80.28 crores (previous year revenue - Nil and recorded a loss before tax of ₹ 16.12 crores).

7. **Axiro Semiconductor Group**

   Axiro Semiconductor Group includes Axiro Semiconductor Private Limited (India), Axiro Semiconductor Inc. (USA), Axiro Semiconductor (Shenzhen) Co., Ltd. (China) and Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş. (Turkey).

   During the year, Axiro Semiconductor Group has acquired Fabless Semiconductor design business from Renesas Electronics America Inc. and other affiliate entities of Renesas Electronic Corporation for ₹ 284.13 crores.

   Further, for the year under review, the Axiro Semiconductor Group recorded revenue of ₹ 502.54 crores and registered loss before tax of ₹ 30.83 crores. (previous year revenue - Nil and recorded a loss before tax of ₹ 6.51 crores).

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

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

MATERIAL ORDERS OF REGULATORS / COURTS / TRIBUNALS

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

UPDATE ON INVESTIGATIONS INITIATED IN THE PREVIOUS YEARS

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

AUDITORS AND AUDIT REPORTS

STATUTORY AUDITORS

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

The Auditor's Report on the financial statements of the Company for the year ended 31 March, 2026, which forms part of the Annual Report of the Company, does not contain any qualification, reservation or adverse remark.

COST AUDITOR

As per the requirement of Section 148(1) of the Act read with Rules made thereunder, your Company is required to maintain cost accounts and records. Accordingly, your Company has maintained cost accounts and records for financial year 2025-26 as applicable for its product range.

During the year under review, the Company filed the Cost Audit Report for the Financial Year 2024-25 with the Registrar of Companies, Mumbai, within the prescribed statutory timelines.

Upon recommendation of the Audit Committee, the Board has re-appointed M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration Number 000010) as Cost Auditor of your Company for Financial Year 2026-27 at a remuneration of ₹ 9,13,000/- (Rupees Nine Lakh Thirteen Thousand only) per annum plus out-of-pocket expenses and taxes, as applicable. The Act mandates that the remuneration payable to the Cost Auditor is ratified by the Shareholders. Accordingly, a Resolution seeking Shareholders' ratification of the remuneration payable to the Cost Auditors for the Financial Year 2026-27 is included in the Notice convening the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

During FY 2025-26, in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had proposed to the Shareholders of the Company for their approval at the AGM, the appointment of M/s. Parikh & Associates, Practicing Company Secretaries (Firm Registration No: P1988MH009800) as Secretarial Auditors of the Company for a term of five consecutive years effective from 1 April, 2025. The Shareholders had approved the said appointment at the 88th AGM of the Company held on 24 July, 2025.

Your Company has generally complied with the Secretarial Standards and the Secretarial Audit Report is annexed in Form MR-3 for Financial Year 2025-26 as **Annexure 4** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL FINANCIAL CONTROLS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")

BOARD OF DIRECTORS

Composition

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

Mr. Vellayan Subbiah, Non-Executive Director, is the Chairman of your Board. Mr. P S Jayakumar, Mr. Sriram Sivaram, Mrs. Vijayalakshmi R Iyer and Mr. Mammen Chally are Independent Directors in terms of Regulation 16 of the SEBI LODR and Section 149 of the Act. Mr. M A M Arunachalam is Non-Executive Non-Independent Director on your Board. Mr. Amar Kaul is the Managing Director & CEO on your Board.

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

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

Appointment/ Cessation/ Retirement of Directors during the year

During the year under review, based on the recommendations of the Nomination and Remuneration Committee, your Board had re-appointed:

- Mrs. Vijayalakshmi Rajaram Iyer as Non-Executive Independent Director of the Company for a second term of five years with effect from 24 September, 2025 upto 23 September, 2030 and the said appointment was approved by the Members at the AGM held on 24 July, 2025.
- Mr. P S Jayakumar as Non-Executive Independent Director of the Company for a second term of five years with effect from 26 November, 2025 upto 25 November, 2030 and the said appointment was approved by the Members at the AGM held on 24 July, 2025.
- Mr. Sriram Sivaram as Non-Executive Independent Director of the Company for a second term of five years with effect from 11 June, 2026 upto 10 June, 2031 and the said appointment was approved by the Members through Postal Ballot on 5 March, 2026.

Retirement by rotation

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

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

INDEPENDENT DIRECTORS' DECLARATION

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

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

BOARD MEETINGS

During the financial year 2025-26, your Board of Directors met 5 times, in accordance with the provisions of the Act, SEBI LODR and other statutory provisions.

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

COMMITTEES OF THE BOARD

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

Details of composition of the statutory Committees, number of Meetings held and attendance of Committee Members thereof during the Financial Year, are given in the Section titled "Report on Corporate Governance" forming part of this Annual Report.

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

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

KEY MANAGERIAL PERSONNEL ("KMP")

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

- Mr. Amar Kaul, Managing Director & CEO
- Mr. Susheel Todi, Chief Financial Officer
- Mr. Sanjay Kumar Chowdhary, Company Secretary

There were no changes in the KMP during the year.

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

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

The Company's Remuneration Policy is available on the website of the Company under: https://www.cgglobal.com/CGGLOBAL_BACKEND/admin/uploads/CG_Remuneration_Policy.pdf

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

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

In line with the requirements of the Act and the SEBI LODR, an annual evaluation of performance of the Board, its committees and individual Directors was carried out during the year under review. Pursuant to the provisions of Schedule IV of the Act and Regulation 25 of the SEBI LODR, the Independent Directors of your Company, at their Meeting held on 18 March, 2026, evaluated the performance of Non-Independent Directors, the Board as a whole, performance of the Chairman; and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

RELATED PARTY TRANSACTIONS

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

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

The Company's Related Party Transactions Policy is available on the website of the Company under: https://www.cgglobal.com/CGGLOBAL_BACKEND/admin/uploads/Related%20Party%20Transaction%20Policy_27%2001%202026.pdf

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to the provisions of Section 186 of the Act and Schedule V of the SEBI LODR, particulars of loans, guarantees given and investments made by your Company during financial year 2025-26 are given in the notes to the Financial Statements.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the SEBI LODR, the Business Responsibility and Sustainability Report (BRSR) forms part of this Annual Report describing the initiatives undertaken by the Company from an environmental, social and governance perspective for the Financial Year ended 31 March, 2026.

ENTERPRISE RISK MANAGEMENT ("ERM") FRAMEWORK

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

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

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

RESEARCH AND DEVELOPMENT ("R&D")

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

Power Systems

Transformers

During the financial year 2025-26, the Transformer R&D function continued to strengthen its focus on advancing Research and Development initiatives aimed at driving innovation, enhancing product capabilities, and improving operational efficiencies. The key thrust areas included new product development, product upgradation and expansion into new application segments.

1. **Product and Technology development:**
   a. Successfully developed high-voltage Variable Shunt Reactor (VSR) design and manufacturing technology. The Company is among the pioneers in India to indigenously develop this advanced technology.
   b. Developed a 500 MVA, 765 kV Single-Phase Tap-less Auto Transformer, strengthening capabilities in the EHV segment and marking a re-entry into this market.
   c. Design and Technology of 420 kV Single-Phase Special Coupling Transformer for STATCOM applications, expanding offerings in grid stability solutions.
2. **Process reliability and effectiveness:**
   a. Developed advanced structural simulation methodologies to enhance design validation, performance prediction, and reliability under demanding operating conditions.
   b. Established advanced validation capabilities for traction transformers used in semi high-speed locomotives, including fatigue assessment of critical welded joints under severe vibration and shock loads, aligned with international standards.
   c. Initiated strategic collaboration discussions with leading academic institutions for joint research, simulation studies, and technology validation, strengthening technical competence.
   d. Established collaborative engagements with global subject-matter experts to co-develop emerging technologies aligned with future business requirements.
   e. Implemented structured knowledge dispersion programs to accelerate capability building of young engineers.
   f. Presented technical research papers at global forums on Variable Shunt Reactor (VSR) technology and fatigue assessment of welded joints, showcasing the Company's innovation and research capabilities.
3. **Strengthening our products:**
   a. Undertook targeted design and process optimization initiatives, including improvements in critical structural elements such as winding clamping systems, reactor active part clamping system, lifting arrangements, resulting in improvements in process efficiency, effectiveness and safety.
   b. Advanced standardization at product and component levels to improve operational efficiency and consistency.
   c. Implemented design-level automation to ensure error-free design outputs, improve accuracy, and enable seamless integration with manufacturing processes.
   d. Strengthened product safety by incorporating mandatory safety features across product designs, ensuring safe operation as well as a safer working environment during manufacturing and maintenance.

These initiatives enabled the Company to enter new market segments, secure strategic orders for the future, and further strengthen product quality and operational excellence.

The Company remains committed to sustained investments in R&D to support its long-term strategic objectives and to address evolving customer and industry requirements.

Switchgear Business

EHV Switchgear

a. **800kV, 2500A Oil Impregnated Paper (OIP) Bushing with Polymer Insulator:** Developed to meet Seismic Zone-V requirements, this product is fully compliant with the technical specifications of Power Grid Corporation of India Limited (PGCIL) and IS 1893, IEC 61463 ensuring robust performance saviour seismic conditions of various regions of India.

b. **145 kV, 1250A Resin Impregnated Paper (RIP) Condenser Bushings for International Market:** Successfully designed, developed and type-tested RIP Condenser Bushings for 145 kV with current ratings of 1250A, with 40 mm/kV creepage in full compliance with the IEC 60137 to meet special requirements of highly polluted environment of International Market.

c. **145 kV, Resin Impregnated Paper (RIP) Condenser Bushings for Reactor application:** This product is designed, developed & type tested successfully according to CEA Guidelines and IEC 60137. This is specially designed for the Reactor applications across Utilities.

d. **170kV and 420kV OIP Bushings for European Market:** Successfully designed, developed and type-tested 170kV 1250A and 420kV 2000A OIP Condenser Bushings meeting the EN Standard: CEI CLC/TS 50458 requirements.

e. **145kV and 170kV Gas Circuit Breakers for European Market:** Successfully designed, developed, and type-tested 145 kV and 170 kV Gas Circuit Breakers for the European utility ENEL in accordance with IEC 62271-1 and IEC 62271-100 standards. The breakers were engineered to meet specific non-standard requirements, including INAIL pressure vessel certification, under-voltage coil provision, life cycle assessment (LCA), and BIM modelling compliance. This development supports geographical expansion and strengthens our presence in the European market.

f. **Polymeric Moulded Lighting Arrester Family:** Successfully introduced a new range of compact polymeric moulded lightning arresters up to 170 kV with Energy Class 3 capability. This development significantly strengthens our portfolio by offering space-efficient, high-performance solutions aligned with global standards, enabling us to address both domestic and international market requirements and enhance our competitive positioning.

g. **Surge Counter Testing Kit:** Achieved a key innovation milestone by becoming the first company in India to develop a portable on-site surge counter testing kit for lightning arresters. This solution empowers customers to assess the operational health of surge counters, thereby improving system reliability, reducing maintenance time, and reinforcing CG's value proposition in lifecycle support and service differentiation.

MV Switchgear

a. Designed, developed, and successfully type-tested internal arc-compliant panels for 12 kV, 26.3 kA, 2000 A Vacuum Circuit Breakers (VCB), achieving Internal Arc Classification (IAC) AFLR 26.3 kA for 1 second in accordance with IEC 62271-200. These compact, safety-enhanced panels were developed specifically to address the needs of utilities and premium industrial customers, emphasizing operational safety and reliability through single point latched door for VCB chamber.

b. Designed, developed and successfully type-tested a 40.5 kV, 40 kA, 2500 A Gas Insulated Switchgear (GIS) with Single and Double Busbar configurations. The solution has been realized in a compact 600 mm wide panel, incorporating an busbar-in-gas system, enabling high current carrying capability while optimizing footprint. The GIS design meets extended electrical and mechanical endurance requirements (E2, C2, M2) in accordance with IEC 62271-100, and is suitable for both earthed and unearthed neutral systems, ensuring wide applicability across diverse sub-transmission and distribution networks. In addition, the panel was successfully validated for Internal Arc Classification (IAC) AFLR at 40 kA for 1 second as per IEC 62271-200, reinforcing our commitment to operational safety, personnel protection, and system reliability. This development substantially enhances the Company's

high-end GIS product portfolio and positions the organization strongly for export markets, addressing international utility and infrastructure requirements with a compact, high-performance, and standards-compliant solution.

c. Designed, developed and successfully type-tested 36kV, 26.3kA, 630A Outdoor RMU for VCB with most stringent extended electrical and mechanical endurance class E2, C2, M2 suitable for earthed and unearthed neutral system as per IEC 62271-100 and Switch disconnector with highest extended endurance class of E3, C2 as per IEC 62271-103 along with earth switch tested for E2 class. The 33kV RMU are also successfully tested for Internal Arc Classification of AFLR 26.3kA for 1 second as per IEC 62271-200. This development enhances the Company's product offering for sub transmission and distribution networks and supports expansion into export markets.

d. Designed, developed and successfully type-tested 24kV, 21kA, 630A Outdoor RMU for VCB with extended electrical and mechanical endurance class E1, C2, M2 suitable for earthed and unearthed neutral system as per IEC 62271-100 and Switch disconnector with extended endurance of E3 C2 as per IEC 62271-103. This is specially developed for sub-transmission and distribution network to increase our product offering.

e. Designed, developed and successfully type-tested internal arc-compliant 500 wide GIS panel for 12kV, 26.3kA, 2000A with classification AFLR 26.3kA for 1 second as per IEC 62271-200. This is specially developed for Utilities and premium industrial market segment.

f. Designed developed and successfully type-tested 12kV, 26.3kA, 1250A Outdoor Porcelain Clad Vacuum Circuit breaker for Seismic test as per IEC TR 62271-300 This is specially developed for sub-transmission and distribution network to increase our product offering.

g. Designed developed and successfully type-tested 36kV, 31.5kA, 2500A Outdoor Porcelain Clad Vacuum Circuit breaker for Seismic test as per IEC TR 62271-300. This is specially developed for sub-transmission and distribution network to increase our product offering.

h. Designed and developed 12kV, 21kA, 630A green gas RMU using dry air with zero global warming potential.

i. Successfully designed, developed, and commissioned 105 retrofit solutions replacing legacy Minimum Oil Circuit Breakers (MOCBs) at PSPCL's Ropar Power Plant. The project was executed end-to-end, encompassing engineering, manufacturing, installation, and commissioning. The project has also opened up a new and scalable avenue for retrofit business.

Industrial Systems

Motors

The Motors business maintained a strong commitment to research and development (R&D) in the field of industrial motors, with a focus on driving innovation, improving efficiency, and addressing the evolving demands of modern industry.

New Products Development initiative

1. **High-Efficiency Product and Technology Developments - FHP business**

   The Company advanced its product development initiatives with the development of an ECM/BLDC motor range from 30 W to 200 W for HVAC and industrial applications, alongside sustainability focused innovations such as BLDC retrofit kits for air circulators aimed at improving energy efficiency of installed systems. In addition, the Company expanded its high-efficiency portfolio through the development of transformer cooling fan range, supporting efficient thermal management solutions across utility applications.

2. **New products - LT Motors**

   a. Stabilized IE4 efficiency motors up to 7.5 kW across all mounting configurations for market readiness.

   b. Secured UL safety certification for the NEMA Premium series up to 7.5 kW.

   c. Designed and validated IE3 and IE4 nominal efficiency motors across eight ratings in higher frame sizes.

   d. Developed a 132 kW, 4-pole, compressor-duty IE4 motor for high-performance industrial applications.

3. **CG's Sustainability and Predictive maintenance solutions**

   CG's Sustainability Solution built on the principle of "Circularity" is delivered through qualified professional auditors, providing end-to-end solutions ranging from comprehensive energy assessments of existing motors/system to customised buy-back programmes. CG introduced a comprehensive predictive maintenance and Life Cycle Assessment (LCA)-based diagnostic tool, designed to operate with minimal disruption to ongoing operations. Leveraging over eight decades of experience in supplying motors and generators across diverse applications and operating environments, the solution enhances asset reliability and delivers long-term value for customers.

Railways

a. Indigenously designed and developed Traction Converter, Auxiliary Power Converter, TCMS and Traction Motor for the Vande Bharat trainset project, reinforcing domestic capability in advanced rail propulsion systems.

b. Indigenously designed, developed, and successfully customer-validated Hotel Load Converter for Shatabdi and Rajdhani class trains, enhancing onboard power reliability and efficiency.

c. Indigenously designed, developed, tested, and supplied Traction Motor (Type C1043) for the U.S. export market, demonstrating global competitiveness in traction technologies.

d. Indigenously designed, developed, tested, and supplied Traction Alternator (Type C6048) for the U.S. export market, strengthening presence in high-value international segments.

e. Indigenously designed, developed, tested, and supplied spares for Traction Motor/Alternator types C5047A1, C6053A1, C4054A1, and C4052A1 for the U.S. export market, ensuring lifecycle support and customer reliability.

f. Indigenously designed, developed, and supplied rehabilitated Traction Motors for Metro applications, validated through comprehensive benchmarking and performance testing against original equipment standards.

g. Indigenously designed and developed Traction Power SCADA for Indian Railways. Prototype Approval is going on with RDSO.

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

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

ENVIRONMENT, HEALTH AND SAFETY

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

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

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

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended **("CSR Rules")**, your Company has during the year 2025-26 spent ₹ 21.33 crores vis-à-vis the statutory requirement of ₹ 21.10 crores, after adjusting the carried forward amount of ₹ 0.21 crores from the previous year, in accordance with the CSR Policy of the Company.

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

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

REGISTRAR AND SHARE TRANSFER AGENT

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

PARTICULARS OF EMPLOYEES

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

Employee Stock Option Plan 2021

The Shareholders of the Company had, through Special Resolution passed by Postal Ballot on 23 September, 2021, approved the introduction and implementation of Employee Stock Option Plan 2021

("ESOP 2021"/ "Scheme") and authorized the Board / Nomination and Remuneration Committee to issue to the eligible employees, such number of Options under the ESOP 2021, as would be exercisable into, not exceeding 2,70,00,000 (Two Crore Seventy Lakhs) fully paid-up equity shares of ₹ 2/- each in the Company. ESOP 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The Company has so far granted 93,08,590 Options to employees.18,34,100 Options were granted in the year 2021-22, 4,53,140 Options were granted during the year 2022-23, 20,56,350 Options were granted during the year 2023-24, 21,95,000 Options were granted during the year 2024-25 and 27,70,000 Options were granted during the year 2025-26. Out of the total options granted till 31 March, 2026, 23,54,260 options were cancelled/ lapsed.

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

COMPLAINTS RELATING TO SEXUAL HARASSMENT

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

During the year, 1 (one) complaint was received by the Company, which was investigated and resolved as per the provisions of the POSH Act.

VIGIL MECHANISM

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

PUBLIC DEPOSITS

Your Company has not accepted any deposits from public or its Members under Chapter V of the Act and no deposits were outstanding as on 31 March, 2026.

SHARE CAPITAL

- During the year under review, your Company has allotted 5,97,260 equity shares of ₹ 2 each, under the ESOP Scheme 2021, to the option grantees who had exercised their options. The details are provided below:

No. of Shares Allotted	Date of allotment
1,35,000	18 April, 2025
20,740	8 May, 2025
6,000	28 May, 2025
6,500	6 June, 2025
41,200	13 June, 2025
7,000	11 July, 2025
11,000	30 July, 2025
52,000	8 August, 2025
71,980	3 September, 2025
5,600	9 September, 2025
15,800	23 September, 2025
23,000	30 September, 2025
40,000	14 October, 2025
11,000	5 November, 2025
21,800	18 November, 2025
15,000	28 November, 2025
10,000	3 December, 2025
40,000	11 December, 2025
5,000	23 December, 2025
5,000	30 December, 2025
10,000	7 January, 2026
15,000	22 January, 2026
10,000	6 February, 2026
6,000	24 February, 2026
6,000	3 March, 2026
3,000	10 March, 2026
3,640	25 March, 2026

- During the year under review, 4,54,54,545 Equity Shares of face value ₹ 2 each were issued to eligible qualified institutional buyers at an Issue price of ₹ 660 per Equity Share pursuant to the QIP.

As at 31 March, 2026, the share capital of the Company is as follows:

- The authorized share capital of your Company is ₹ 407,60,00,000/- (Rupees Four Hundred Seven Crore and Sixty Lakh) divided into 203,80,00,000 equity shares of ₹ 2/- (Rupees two) each.
- The subscribed and paid-up share capital of your Company stood at ₹ 3,14,98,42,498 (Rupees Three Hundred Fourteen crores Ninety-Eight Lakhs Forty-Two Thousand Four Hundred Ninety-Eight only) consisting of 157,49,21,249 equity shares of ₹ 2/- (Rupees two) each.

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

ANNUAL RETURN

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act, a copy of the Annual Return of the Company as on 31 March, 2026 is placed on the website of the Company and the same is available on the following link: https://www.cgglobal.com/investors/annual_returns_under_section_92

REPORTING OF FRAUDS BY AUDITORS

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

OTHER DISCLOSURES / REPORTING

a) Issue of equity shares with differential rights

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

b) Insolvency and Bankruptcy Code ("IBC")

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

c) One-time settlement with any bank or financial Institution

During the year under review, the Company has not entered into one-time settlement with any banks or financial institutions.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

a) the annual Financial Statements for the year ended 31 March, 2026 have been prepared in conformity with the applicable accounting standards along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2026 and of the profit of the Company for the year ended on that date;

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

d) that the Annual Financial Statements have been prepared on a going concern basis;

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

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

ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN: 01138759)

Mumbai, 6 May, 2026

Annexures to Directors' Report

ANNEXURE 1

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

A. CONSERVATION OF ENERGY

1. ENERGY CONSERVATION MEASURES TAKEN

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

MEASURES TAKEN TOWARDS ENERGY CONSERVATION AT VARIOUS UNITS:

Industrial

Motors Business:

- Replacement of old air header of GI with PPCH MOC to reduce load on compressor - Before this change, it was necessary to run 200 CMF compressor, however it can now be achieved with 100 CFM compressor, resulting in savings of @ 5200 kWh/ month.
- Trial conducted for 7.5 kWh & 18 kWh motor with IE3/ IE4 for replacement to check actual saving potential at Unit 1. It was around 6.5% saving noticed in the trial. Planned for replacement during this year.
- APFC and harmonic filter installed at Unit 1 to improve power factor, ultimately supporting in reduction of electricity bill.
- Installed 16 Nos. of BLDC fan at Stamping unit having saving of 823 kWh/Month.
- Eliminated rotor pack burning furnace by using alternative source of lubrication during punching work at Stamping Nagar location - Saving of 10500 kWh/ Month.
- Replacement of Old motors IE2 to IE4 of old Aida 200 press - Saving - 3600 kWh/ Year.
- Replacement of conventional AC with green refrigerant gas AC and also having energy saving 6200 kWh/ Year.
- Installed energy meter across each machine at Stamping Goa location - helps in close monitoring and control on use of power press - reduced kWh/Ton of finished goods.
- Sewage treatment plant with capacity of 20CMD installed at Unit 2 - MBBR technology - Current treatment - 9.5 CMD average.
- Sewage treatment plant with capacity of 40 CMD installed at FHP - MBR technology - Current treatment - 20 CMD average.
- At FHP Plant, eliminated water-based paint booth and installed dry type paint booth, this helps in eliminating generation of industrial effluent and ultimately able to STOP ETP.

Railways

All units within the Railway business sustained their focus on energy efficiency and resource optimization through structured initiatives and continuous improvement programs.

These efforts have delivered measurable outcomes. During FY26, the Railway business achieved approximately:

- ~18% reduction in energy consumption (kWh).
- ~19% reduction in total emissions (tCO_2)

as compared to FY25 for the corresponding period.

A series of targeted initiatives were implemented in line with the Company's decarbonization roadmap. Key initiatives and their typical industry-aligned impact ranges are outlined below:

- Compressed Air Leak Reduction (TMS): Systematic identification and elimination of leakages leading to 5-10% reduction in compressor energy consumption.
- Replacement of Conventional Fans with BLDC Fans (TMS): Deployment of energy-efficient CG made BLDC fans resulting in 40-50% reduction in fan energy consumption.
- Replacement of Window ACs with 5-Star Rated ACs (TMS): Upgrade to high-efficiency air conditioning systems delivering 20-30% reduction in cooling energy consumption.
- Replacement of Low-Efficiency Motors with High-Efficiency Motors (TMS): Transition has been planned and initiated to IE3/IE4 class motors achieving 5-12% improvement in motor efficiency and corresponding energy savings.
- VFD Installation in Air Compressors (RSD): Optimization of compressor operations through CG made VFD implementation resulting in 20-35% reduction in compressor energy consumption.

Power

Transformers

Distribution Transformer plant (T2), Malanpur

- Replacement of 50 Nos. 150 Watt Metal halide light fixtures with 80 Watt led light fixture. (Total annual savings of 15330 KW).
- Replacement of 40 Nos. 250 Watt Metal halide light fixtures with 90 Watt led light fixture. (Total annual savings of 28032 KW).
- 1.5 TR Conventional R22 refrigerant gas based AC replaced with 3 star rating R32 Eco-friendly AC. Total 20 Nos. AC replaced. (Total annual savings 34560 KW).
- Installation of 20 Numbers of BLDC energy saving fans of 29 watt in place of 60 Watt old fans (Total annual savings 3621 KW).
- Installation of 345KVAr capacitor on DT and LPT main panel. Power factor improved from 0.95 to 0.99. (Total annual savings 30340 KW).
- Total 89.5 tCo2 reduce with all the above energy saving projects.
- Total Saving in KW - 111883 per year.
- Total Saving in INR - 10.18 Lakhs per Year.

Power Transformer plant (T3), Bhopal

T3 plant earned silver rating in Greenco Certification from CII-Godrej in Feb-26.

- Insulation of Oil storage tank to improve performance of oil filtration system and reduce heat loss. Power saved 30000KWH.
- 2Tr Conventional R22 refrigerant gas based AC replaced with 5-star rating R32 Eco-friendly AC. Total 23 Nos. AC replaced. Power saved 157680 KWH.
- Reduced the temperature loss by insulating the process chilled water pipe lines. This shall save electricity by reduce frequent operation of chiller. Power saved 11401KWH.
- Replacement of water-cooled Thermic fluid circulation pumps with Air cooled pumps. Directly saving 3.7 KW per hour. Power saved 64824KWH.
- Replacement of 12 Nos. single phase induction motor 250-watt fans with BLDC motor 90-watt fans for energy saving. Power saved 11773 KWH.
- Replacement of 2 Nos. 18Kw cooling tower water pump with 15kw cooling tower water pump. Saving of 3kw per hour. Total power saved 20521 KWH.
- Replacement of 13 Nos. ordinary induction motor with energy efficient IEE4 motor to reduce power consumption. Power saving 18658KWH.
- Installation of VFD based 117Tr water cooled chiller to reduce power consumption. Total power saved 21000KWH.
- Replacement of single stage fire hydrant 11kw jockey pump with multistage 4kw jockey pump. Power saving 912KWH.
- Conversion of LPG fired thermic fluid Boiler to PNG eliminate use of 8 KW LPG vaporizers. Power saving 57600 KWH.
- Conversion of LPG fired thermic fluid Boiler to PNG reduction in fuel cost for thermic fluid heater by 4.5 lakhs in 3 months. (Starting date of PNG: 01-01-2026).
- Total Saving in KWH - 394369 per year.
- Total Saving in INR - 43.93 Lakhs per Year.

Switchgears

- Upgradation of Air Handling Unit of MV Pole Unit Area to Evaporative Cooling Unit (Air Washer Unit) thereby replacing 25HP Motor with 10HP Motor with VFD.
- Installation of Centralized UPS for Desktops & Workstations of Central Services (CS) Offices to reduce the Connected Load from 3.73KW to 2.4KW (Installed 01 UPS System of 3KVA capacity).
- Upgradation of Sulphur Cementing Oven of EHV Switchgear by installation of thyristor modules for heater control and reduction of Heat Losses.
- Condition Monitoring of A6 and A9 Autoclaves to achieve 0.06mbar vacuum within 24 hours during fine vacuum stage in EHV Switchgear.
- Compressor Energy Conservation through Optim Air Approach in MV and EHV Switchgear Divisions.
- Conversion of electrical heating (25kW) of 4kL Transformer Oil Filtration Plant to thermic fluid heating system for energy conservation.
- Replacement of Shop Air circulators with BLDC fan (10 Nos.) in canteen and other locations.

- Air Conditioning (AC) Energy Conservation through installation of Sub-zero Digital Temperature Controllers for 10 ACs at various locations.

Thus, Energy Conservation for FY 2025-26 for complete Nashik Switchgear Plant was 1.04 Lakhs kWh; Cost saving of ₹ 51.10 Lakhs and reduction in GHG Emissions by 270 tCO_2e.

2. ALTERNATE SOURCES OF ENERGY

- Motor Division units (excluding Unit 3 & Stamping Goa location) are harnessing around 12.94% of electricity requirement through the use of energy generated from roof top solar panels.
- Steps taken for increasing % of Renewable energy usage at Unit 1 and 2 of Motor Division.
- Growth in Renewable Energy Utilization: Renewable energy accounted for 13% of total power consumption in FY25, demonstrating steady progress towards sustainable energy adoption.
- Maximizing Renewable Energy Potential: One unit has already achieved 100% utilization of its renewable energy potential. A structured five-year roadmap has been developed to enable other units to maximize renewable energy adoption, aligning with long-term sustainability and decarbonization goals.
- Power Transformer Plant Bhopal: For FY 2025-26, 5.17 Lakhs solar units were generated from solar plant and saving of ₹ 25.85 Lakhs were achieved.
- Under the 'Solar as a Service' Model, execution of roof top solar panels (992 kWp) for EHV and MV Switchgear Nashik plant with minimal capital investment and the energy charges per unit basis less by ₹ 6.74/- than that of MSEDCL power company and have achieved energy conservation of 10.56 Lakh units and cost savings of ₹ 71.18 Lakhs. Renewable Energy is 23.06% of the Total Energy Usage of EHV and MV Switchgear Unit.

3. CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

Industrial

Motors Business:

- Capital investment of ₹ 38.72 Lakhs done on water treatment of a FHP plant and Unit 2 Plant by installing 40 KLD sewage treatment plant and water conservation part. Dry type paint booth of ₹ 12 Lakhs.
- BLDC fan for improved ventilation with lesser power consumption at Stamping, Colvale Plant (₹ 1 Lakh).
- Replacement of old motor with IE3/IE4 for improved energy efficiency (₹ 1.06 Lakhs).

Railways

Key capital investments towards energy efficiency enhancement include:

- BLDC Fan Implementation: Replacement of conventional fans with BLDC fans delivering ~40% reduction in fan-related energy consumption, invested approximately ~₹ 11 Lakhs (excluding taxes).
- Upgradation to 5-Star Rated Air Conditioning Systems: Enhancing cooling efficiency with ~25% energy savings, invested approximately ~₹ 3 Lakhs (excluding taxes).
- VFD Installation in Air Compressors: Driving operational optimization and achieving ~30% energy savings, invested approximately ~ ₹3 Lakhs (excluding taxes).

Power

- Capital Investment of ₹ 3.5 Lakhs was made in financial year 2025-26 by Distribution Transformer Plant - Malanpur.
- Capital Investment of ₹ 75 Lakhs was made in financial year 2025-26 by Power Transformer Plant - Mandideep.
- EHV and MV Switchgear division based at Nashik plant has done investment of ₹ 33.86 Lakh on Energy Conservation Equipments in FY 2025-26.

B. TECHNOLOGY ABSORPTION

1. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

Railways

- Indigenously designed and developed Auxiliary Power Converter and Traction Motor for the Vande Bharat trainset project, reinforcing domestic capability in advanced rail propulsion systems.
- Indigenously designed, developed, and successfully customer-validated Hotel Load Converter for Shatabdi and Rajdhani class trains, enhancing onboard power reliability and efficiency.
- Indigenously designed, developed, tested, and supplied Traction Motor (Type C1043) for the U.S. export market, demonstrating global competitiveness in traction technologies.
- Indigenously designed, developed, tested, and supplied Traction Alternator (Type C6048) for the U.S. export market, strengthening presence in high-value international segments.
- Indigenously designed, developed, tested, and supplied spares for Traction Motor/Alternator types C5047A1, C6053A1, C4054A1, and C4052A1 for the U.S. export market, ensuring lifecycle support and customer reliability.
- Indigenously designed, developed, and supplied rehabilitated Traction Motors for Metro applications, validated through comprehensive benchmarking and performance testing against original equipment standards.
- Indigenously designed and developed Traction Power SCADA for Indian Railways. Prototype Approval is going on with RDSO.

Power

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

- Indigenous development of high voltage Variable Shunt Reactor (VSR) design and manufacturing technology.
- Expansion of manufacturing facility involving addition of state of art UHV testing lab, advanced VPD plant.
- Developed advanced structural simulation techniques to enhance design validation, performance prediction and reliability under demanding operating conditions.
- Undertook strategic planning for collaborative engagements with leading academic institutions, facilitating joint research, simulation studies and technology validation for further strengthening technical competence.
- Established collaborative arrangements with global subject-matter experts to explore and co-develop emerging technologies aligned with future business needs.
- Adoption of advanced lean manufacturing techniques like 3P and Kaizen to further improve operational efficiency and expand capacity.

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

- Developed advanced validation capabilities for traction transformers used in semi high speed locomotives involving fatigue assessment of critical welds under severe vibration and shock loads, in-line with international standards.
- Enhanced design, manufacturing and testing capabilities for locomotive transformers, supporting railway and traction requirements.
- Strengthened engineering capabilities for the design and development of transformers up to 220 kV.
- Development of technology for special trackside transformers for Indian Railways.

Switchgears

- Development of 72kV & 145kV Dead Tank Breaker.
- Designed and developed product technology for 11kV RMU with dry air, which has got zero GWP and successfully completed the basic testing.

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

Industrial

Motors Business:

- Development of ECM/BLDC range 30W-200W for HVAC and Industrial application for high efficiency.
- Sustainability innovation with BLDC Retrofit kit for Air Circulators for high efficiency solutions with quick ROI.
- Development of IE3 Transformer Cooling Fan Range to extend support high demand in power sector.
- Lamination and component, material and design optimization for standardisation and cost improvement in FHP Induction motor range.
- Stabilize IE4 efficiency motors up to 7.5 kW in market with all mounting configurations.
- UL safety certificate for NEMA Premium series up to 7.5 kW.
- Design and development of IE3 and IE4 nominal efficiency motors for 8 ratings in higher frames.
- 132 kW 4p compressor duty IE4 efficiency motors development.
- Use of alternate grade of electric steel for Cost optimization in Motors and Alternators.
- Lamination design optimization to improve utilization factor of steel sheet.
- Optimization of insulation shaper paper sizes Motors.
- Elimination of PP cover used in packing cases.
- Use of shoulder less MS steel shaft.

- Winding overhang optimization in motor winding.
- Active material optimization in alternator.

Railways

- Achieved entry into growing Metro Market.
- Achieved presence in growing export Traction Motor Market (USA).
- ~3% Material Cost Savings achieved by Strategic Sourcing Initiatives, Long Term Contracts with Suppliers, Enhancing In-house manufacturing of key components and ideation drive - Innovate to Value (I2V).

Power

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

3. IMPORTED TECHNOLOGY

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

01 IMPORTED TECHNOLOGY

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

4. EXPENDITURE ON R&D

The Company's expenditure on Research & Development on standalone basis for the year ended 31 March, 2026 is given in **Table 2**.

02 EXPENDITURE ON R&D

(in ₹ crores)

Particulars		Amount
A.	Capital	21.86
B.	Revenue	38.70
C.	**Total (A+B)**	60.56
Total R&D Expenditure		
As a percentage of turnover (continuing operations)		0.53%
As a percentage of profit before tax (continuing operations)		3.45%

5. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

03 FOREIGN EXCHANGE EARNINGS & OUTGO

(in ₹ crores)

Particulars	Amount
Total Foreign Exchange Earned	490.82
Total Foreign Exchange Used	945.24

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN: 01138759)

Mumbai, 6 May, 2026

Annexure 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES FOR FINANCIAL YEAR 2025-26

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

CSR POLICY

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

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

We are committed to identifying and supporting programmes aimed at:

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

2. COMPOSITION OF CSR COMMITTEE

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

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

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

Particular	Web-link
Composition of the CSR Committee	https://www.cgglobal.com/our_leadership#board-committees
CSR Policy	https://www.cgglobal.com/investors/policies
CSR Projects	https://www.cgglobal.com/investors/cg-cares

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

Not applicable.

5. (a) Average Net Profit of the Company as per Section 135(5): ₹ 1,065.59 crores.

(b) Two percent of average net profit of the Company as per Section 135(5): ₹ 21.31 crores.

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

(d) **Amount required to be set off for the financial year, if any; -** ₹ 0.21 crores

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)] -** ₹ 21.10 crores

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) -** ₹ 21.33 crores

(b) **Amount spent in Administrative Overheads -** Nil

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

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)] -** ₹ 21.33 crores

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

Total Amount spent for the Financial Year (in ₹ crores)	Amount Unspent (in ₹ crores)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (6) of Section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
21.33	-	-	-	-	-

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

Sl. No.	Particulars	Amount (in ₹ crores)
(1)	(2)	(3)
(i)	Two percent of average Net Profit of the Company as per Section 135(5)	21.10*
(ii)	Total amount spent for the Financial Year	21.33
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	0.23
(iv)	Surplus arising out of the CSR Projects or Programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii) - (iv)]	0.23

*Net of excess contribution from previous year set-off in the current financial year.

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

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

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crores)	Details of Entity/ Authority/ Beneficiary of the Registered Owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Sant Aai Saheb English School At. Post - Palse, Tal. & Dist. - Nashik.	422102	31.03.26	1.02	NA	Sant Aai Saheb English School	Sant Aai Saheb English School At. Post - Palse, Tal. & Dist. - Nashik - 422102.
2	PM Shri Zilla Parishad Prathamik Adarsh Shala, Vilholi Tal. and Dist.- Nashik.	422010	31.03.26	2.15	NA	PM Shri Zilla Parishad Prathamik Adarsh Shala	PM Shri Zilla Parishad Prathamik Adarsh Shala, Vilholi Tal. and Dist.- Nashik - 422010.
3	Ashram Shala Velunje, At. Post - Velunje Tal. - Trambakeshwar, Dist. - Nashik.	422212	31.03.26	4.41	NA	Ashram Shala Velunje	Ashram Shala Velunje, At. Post - Velunje Tal. - Trambakeshwar, Dist. - Nashik - 422212.

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

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

Amar Kaul
Managing Director & CEO
(DIN: 07574081)

Mumbai, 6 May, 2026

Annexure 3

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

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

1. Details of the ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year ended 31 March, 2026 are provided in Table 1.
2. Details of percentage increase/decrease in remuneration of each Director, Managing Director & CEO, Chief Financial Officer and Company Secretary in the financial year under review are provided in Table 1.
3. The median remuneration of employees decreased by (1.29%) as compared to previous financial year.
4. The number of permanent employees on the rolls of the Company as on 31 March, 2026: 3,825 (as against 3,408 as on 31 March, 2025).
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

   Average increase in salary of Company's employees is 9% other than the Managerial personnel.

   On the other hand, the managerial remuneration increased by 150.45% in FY 2025-26 as compared to FY 2024-25. However, this is not comparable for the reason mentioned in the Notes appended to Table 1 below.
6. Remuneration is as per the Remuneration Policy of the Company.

Table 1 Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the financial year ended 31 March, 2026 and the percentage increase in remuneration of each director, Chief financial officer, Chief executive officer, Company secretary in the financial year under review:

Sr. No.	Name of Director/Key Managerial Personnel	Designation	Ratio of remuneration of director to median remuneration of all employees	% increase/(decrease) in comparison to previous financial year
1	Mr. Vellayan Subbiah	Chairman, Non-Executive Non-Independent Director	2.78	(10.3)
2	Mr. Amar Kaul	Managing Director & CEO	56.12	150.45*
3	Mr. M A M Arunachalam	Non-Executive Non-Independent Director	2.55	(82.01)
4	Mr. P S Jayakumar	Non-Executive Independent Director	2.85	(3.64)
5	Mrs. Vijayalakshmi R Iyer	Non-Executive Independent Director	2.93	(2.68)
6	Mr. Sriram Sivaram	Non-Executive Independent Director	2.47	(6.60)
7	Mr. Mammen Chally	Non-Executive Independent Director	2.51	421.03*
8	Mr. Susheel Todi	Chief Financial Officer	42.36	6.34
9	Mr. Sanjay Kumar Chowdhary	Company Secretary	10.78	13.98

* Employed for part of Financial year 2024-25

Notes:

1. For the aforesaid purposes, median remuneration has been computed by ascertaining the cost to Company of all employees as on 31 March, 2026, in all categories, whether workmen or white collar employees. Remuneration includes variable pay paid during the year under review.
2. The deemed benefit on exercise of options under the Company's ESOP Plan 2021 has not been considered as there is no cost to the Company.
3. The remuneration of Non-Executive Directors (NED) includes the amount of Commission in addition to sitting fees for both the financial years. The variance in NEDs remuneration across both financial years is attributable to a reduction in meeting frequency.
4. The remuneration of Mr. M A M Arunachalam for the FY 2024-25 includes a commission of ₹ 1 crore paid on receipt of the approval of the shareholders of the Company as compared to commission payable for FY 2025-26 of ₹ 15 lakhs. Hence, the remuneration % shows a decrease over the previous financial year.
5. The FY 2024–25 remuneration for Mr. Amar Kaul and Mr. Mammen Chally is pro-rated to reflect their respective periods of service following their appointments during the financial year. Mr. Mammen Chally was appointed w.e.f. 28 January, 2025 and Mr. Amar Kaul was appointed w.e.f. 25 July, 2024.

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN: 01138759)
Mumbai, 6 May, 2026

Annexure 4

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
CG Power and Industrial Solutions Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, and to the extent made available to us and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2026 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)

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

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

(vi) Other laws specifically applicable to the Company namely

a. The Electricity Act, 2003 and Rules
b. Explosives Act, 1884 and Rules
c. Batteries (Management and Handling), Rule 2001
d. Petroleum Act, 1934 and rules
e. The Energy Conservation Act, 2001

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

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

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

i. The Factories Act, 1948 and corresponding rules.

j. The Industrial Disputes Act, 1947 and corresponding rules.

k. The Apprentices Act, 1961 and corresponding rules.

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

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

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

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

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

We further report that:

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

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

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

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

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

i. During the year under review, in compliance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the Listing Regulations and the Companies Act, 2013 and Rules made thereunder, the Company successfully raised ₹ 3,000 crores by an issue of equity shares through a Qualified Institutions Placement (QIP). The proceeds from the QIP issue have been utilized/ are being utilized appropriately for the objects mentioned in the offer document. The QIP has significantly enhanced the Company's financial flexibility. There have been no deviations or variations in the utilization of proceeds from the stated objects of the QIP.

ii. The Securities Issue Committee of the Board of Directors of the Company had, at its Meeting held on 4 July, 2025, approved the allotment of 4,54,54,545 Equity Shares of face value ₹ 2 each to eligible qualified institutional buyers at the Issue price of ₹ 660 per Equity Share (including a premium of ₹ 658 per Equity Share) and reflecting a discount of ₹ 19.08 (i.e. 2.81%) against the floor price of ₹ 679.08 per Equity Share, aggregating to approx. ₹ 3,000.00 crores, pursuant to the QIP in accordance with provisions of SEBI ICDR Regulations.

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331H000294078
PR No.: 7327/2025

Place: Mumbai
Date: May 06, 2026

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

'ANNEXURE A'

To,
The Members,
CG Power and Industrial Solutions Limited

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

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

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

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

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

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

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

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331H000294078
PR No.: 7327/2025

Place: Mumbai
Date: May 06, 2026

REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS COMPOSITION

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

As on 31 March, 2026, your Company's Board comprised of 7 Directors, out of which 6 Directors were Non-Executive Directors. The Company has a Non-Executive Chairman. The Company has 4 Independent Directors **("IDs")**, including 1 Women ID, which comprise more than half of the total strength of the Board.

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

INDEPENDENT DIRECTORS

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

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

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

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

BOARD MEETINGS

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

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

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

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	6 May, 2025	7	7
2	24 July, 2025	7	7
3	29 October, 2025	7	7
4	27 January, 2026	7	7
5	18 March, 2026	7	7

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the financial year, attendance at the last Annual General Meeting **("AGM")**, the number of Directorships and Committee Chairmanships / Memberships held by them in all public limited companies (including this Company) as on 31 March, 2026, are given in Table 1:

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

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

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

01 Composition, attendance and details of the Board of Directors during the financial year 2025-26

Name of Director	Category	Attendance Particulars		No. of Representations		
		Board Meeting	Last AGM	Directorship#	Committee Chairperson##	Committee Membership##
Mr. Vellayan Subbiah	Non-Executive; Non-Independent; Chairman	5	Yes	6	0	2
Mr. M A M Arunachalam	Non-Executive; Non-Independent	5	Yes	6	1	4
Mr. P S Jayakumar	Non-Executive; Independent	5	Yes	9	3	7
Mr. Sriram Sivaram	Non-Executive; Independent	5	Yes	2	-	1
Mrs. Vijayalakshmi R Iyer	Non-Executive; Independent	5	Yes	6	1	7
Mr. Mammen Chally	Non-Executive; Independent	5	No	1	-	-
Mr. Amar Kaul	Managing Director & CEO	5	Yes	1	-	1

Directorships include directorships as on 31 March, 2026 in only Indian companies (including this Company) but exclude alternate directorships, private companies, limited liability partnership and companies registered under Section 8 of the Companies Act, 2013.

Includes Chairmanship/Membership of only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (including this Company) as on 31 March, 2026.

OTHER DIRECTORSHIPS

As on 31 March, 2026, none of the Directors on the Board hold directorships in more than twenty companies (including ten public limited companies) or is an Independent Director in more than seven listed companies. Further, none of the Director is a member of more than ten Committees or a chairperson of more than five Committees across all public limited companies. For the purpose of determination of limit of the Board Committees, the chairpersonship / membership of only the Audit Committee and the Stakeholders' Relationship Committee have been considered as provided in Regulation 26(1)(b) of SEBI LODR. Further, the Directorship of Directors is in conformity with Regulation 17A of SEBI LODR.

Names of other listed entities where Directors of the Company hold directorship and the category of such directorship as on 31 March, 2026 are given in Table 2.

02 Directors and their Directorships in other listed companies as on 31 March, 2026

Name of the Director	Directorship in other Listed Companies	Category
Mr. Vellayan Subbiah	SRF Limited	NENI
	Tube Investments of India Limited	NEVC
	Cholamandalam Financial Holdings Limited	NENI
	Cholamandalam Investment and Finance Company Limited	EC
Mr. M A M Arunachalam	Shanthi Gears Limited	NENIC
	Tube Investments of India Limited	EC
	Cholamandalam Investment and Finance Company Limited	NENI
Mr. P S Jayakumar	Adani Ports and Special Economic Zone Limited	NEI
	JM Financial Limited	NEI
	HT Media Limited	NEI
	Emcure Pharmaceuticals Limited	NEI
	ICRA Limited	NEIC
	Northen ARC Capital Limited	NEIC
Mrs. Vijayalakshmi R Iyer	Glenmark Pharmaceuticals Limited	NEI
	Computer Age Management Services Limited	NEI
	ICICI Securities Limited	NEI
	ICICI Bank Limited	NEI
Mr. Sriram Sivaram	-	-
Mr. Mammem Chally	-	-
Mr. Amar Kaul	-	-

- Non-Executive Non-Independent - NENI
- Non-Executive Independent - NEI
- Non-Executive Vice Chairman - NEVC
- Executive Chairman - EC
- Non-Executive Independent Chairman - NEIC
- Non-Executive Non-Independent Chairman - NENIC

SELECTION AND APPOINTMENT OF DIRECTORS

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

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

BOARD EFFECTIVENESS EVALUATION

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

INDEPENDENT DIRECTORS' MEETING

Independent Directors' Meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulations 25(3) and 25(4) of SEBI LODR was convened on 18 March, 2026, *inter-alia* to review the performance of Non-Independent Directors and the Board as a whole and review the performance of the Chairman for FY 2025-26 and the flow of information between the Board and the Management. All Independent Directors were present at the said Meeting.

DIRECTORS' SHAREHOLDING AND RELATIONSHIP INTER-SE

As on 31 March, 2026, except Mr. M A M Arunachalam and Mr. Mammen Chally who held 2,20,920 and 1,000 equity shares of the Company respectively, none of the other Directors held any shares in the Company. Further, none of the Directors on the Board is related to each other.

DIRECTORS' INDUCTION AND FAMILIARISATION

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

The details of familiarization programme imparted to the Independent Directors can be accessed on the Company's website at: https://www.cgglobal.com/CGGLOBAL_BACKEND/admin/uploads/Familiarisation_Programme_for_Independent_Directors.pdf

CORE SKILLS / EXPERTISE / COMPETENCE

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

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

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

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

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

Skills/ Expertise /Competencies	Name of the Directors						
	VS	MAM	PSJ	VRI	SS	MC	AK
Financial Management	✓	✓	✓	✓	✓	✓	✓
Global Business Environment Perspective	✓	✓	✓	✓	✓	✓	✓
Business Leadership	✓	✓	✓	✓	✓	✓	✓
Technology	✓	✓	–	–	✓	✓	✓
Mergers and Acquisitions	✓	✓	✓	–	✓	✓	✓
Board Insights	✓	✓	✓	✓	✓	✓	✓

VS - Vellayan Subbiah
MAM - M A M Arunachalam
PSJ - P S Jayakumar
VRI - Vijayalakshmi R Iyer
SS - Sriram Sivaram
MC - Mammen Chally
AK - Amar Kaul

THE COMMITTEES OF THE BOARD

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

AUDIT COMMITTEE

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

As of 31 March, 2026, the AC comprised of 3 Non-Executive Directors, of which 2 are Independent Directors who are financially literate and have relevant finance exposure.

The composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. P S Jayakumar	Chairman	Non-Executive; Independent	5
Mr. Vellayan Subbiah	Member	Non-Executive; Non-Independent	4
Mrs. Vijayalakshmi R Iyer	Member	Non-Executive; Independent	5

TERMS OF REFERENCE:

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment, removal and terms of appointment of external auditors, fixation of audit fees and also approval of payment for any other services.
- Reviewing and monitoring the external auditor's independence and performance, and effectiveness of audit process.
- Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualifications in the draft audit report.
  - Significant adjustments arising out of the audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transactions of the Company of a material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the larger interests of the Company.
  - Matters to be included in the Directors Responsibility Statement included in the Board Report.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Reviewing the adequacy of internal control systems with the management, external and internal auditors.
- Reviewing the quarterly financial statements before submission to the board for approval.
- Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the executive heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings in their reports and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, expenditure of an extravagant nature, and reporting the matter to the Board of Directors.
- Discussions with the external auditors before the audit commences, as regards the nature and scope of audit as well as have post-audit discussions to ascertain any areas of concern.
- To look into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing, with the management, the application of funds raised through any issue, funds utilized for purposes other than those stated in the offer documents and the report submitted by the monitoring agency monitoring the utilisation of proceeds of the issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing the functioning of the Vigil Mechanism such as Whistle Blower or any other similar mechanism of the Company which may have been implemented.
- Approving appointment of Chief Financial Officer or any other person heading the finance function.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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

Sr. No.	Date of AC Meeting	Member Strength	No. of Members Present
1	6 May, 2025	3	3
2	24 July, 2025	3	3
3	29 October, 2025	3	2
4	27 January, 2026	3	3
5	18 March, 2026	3	3

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

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

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

NOMINATION AND REMUNERATION COMMITTEE

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

As on 31 March, 2026, the NRC comprised of 4 Non-Executive Directors, of which 3 are Independent Directors. The composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. P S Jayakumar	Chairman	Non-Executive; Independent	4
Mr. Vellayan Subbiah	Member	Non-Executive; Non-Independent	4
Mrs. Vijayalakshmi R Iyer	Member	Non-Executive; Independent	4
Mr. Mammen Chally	Member	Non-Executive; Independent	4

Note: During the year, the following changes took place:

Mr. Mammen Chally was appointed as a Member of NRC w.e.f. 1 May, 2025.

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

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

Four (4) Nomination & Remuneration Committee Meetings were held during the year. The dates on which the Meetings were held are as follows:

Sr. No.	Date of NRC Meeting	Member Strength	No. of Members Present
1	6 May, 2025	4	4
2	24 July, 2025	4	4
3	29 October, 2025	4	4
4	27 January, 2026	4	4

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

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

REMUNERATION OF DIRECTORS

I. REMUNERATION OF MANAGING DIRECTOR & CEO

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

The details of remuneration paid to the Managing Director & CEO for the year ended 31 March, 2026 is as follows:

(Amount in ₹)

Name	Salary and Allowances	Perquisites and Contribution	Total
Mr. Amar Kaul, Managing Director & CEO	9,50,33,459	94,94,535	10,45,27,994

Note:

1. No severance pay is payable. Service contract and notice period are as per the terms of agreement entered into with him by the Company.
2. Mr. Amar Kaul, Managing Director & CEO, was granted 9,00,000 Options on 25th July, 2024, pursuant to Employee Stock Option Scheme 2021 at an exercise price of Rs. 697.10 per equity share.

II. REMUNERATION OF NON-EXECUTIVE DIRECTORS

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

The details of sitting fees and commission paid to Non-Executive Directors for the year ended 31 March, 2026 are as follows:

Name of the Director	Sitting fees (Amount in ₹)	Commission (Amount in ₹)@
Mr. Vellayan Subbiah	5,70,000	15,00,000
Mr. M A M Arunachalam	4,00,000	15,00,000
Mr. P S Jayakumar	6,20,000	15,00,000
Mr. Sriram Sivaram	3,40,000	15,00,000
Mrs. Vijayalakshmi R Iyer	6,80,000	15,00,000
Mr. Mammen Chally	3,70,000	15,00,000

@ For the year 2025-26, payable in the year 2026-27.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

As on 31 March, 2026, the CSR Committee comprised of 2 Non-Executive Directors (of which 1 is Independent Director) and 1 Executive Director.

The composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. M A M Arunachalam	Chairman	Non-Executive; Non-Independent	2
Mrs. Vijayalakshmi R Iyer	Member	Non-Executive; Independent	2
Mr. Amar Kaul	Member	Managing Director & CEO	2

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

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

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

Sr. No.	Date of CSR Meeting	Member Strength	No. of Members Present
1	6 May, 2025	3	3
2	26 December, 2025	3	3

The details of CSR spending done by the Company during the FY 2025-26 are mentioned in the 'Annual Report on CSR Activities', which is annexed to the Directors' Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

As on 31 March, 2026, the SRC Committee comprised of 2 Non-Executive Directors (of which 1 is Independent Director) and 1 Executive Director.

The Composition of the Committee is as under:

Name	Designation	Category of Directorship	Attendance
Mr. M A M Arunachalam	Chairman	Non-Executive; Non-Independent	1
Mr. Amar Kaul	Member	Managing Director & CEO	1
Mr. Sriram Sivaram	Member	Non-Executive; Independent	1

Note: During the year, the following changes took place:

1. Mr. Vellayan Subbiah ceased to be Chairman and Member of SRC w.e.f. 1 May, 2025.
2. Mr. M A M Arunachalam was appointed as a Chairman of SRC w.e.f. 1 May, 2025.

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

Sr. No.	Date of SRC Meeting	Member Strength	No. of Members Present
1	18 March, 2026	3	3

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

Details of investor complaints received and redressed during FY 2025-26 are as follows:

Opening Balance	0
Received During the Year	57
Resolved During the Year	55
Closing Balance	2

These complaints were related to non-receipt of share certificates sent for Transfer/ Demat, non-receipt of dividend, non-receipt of Annual Report, complaint with respect to processing of shares and dividend transferred to IEPF, transmission of shares and KYC updation. None of the Complaints were pending for a period exceeding 30 days.

The Company Secretary acts as Secretary to this Committee.

RISK MANAGEMENT COMMITTEE

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

As on 31 March, 2026, the RMC Committee comprised of 2 Non-Executive Directors (of which 1 is Independent Director) and 1 Executive Director.

The Composition of the Committee is as under:

Name	Designation	Category	Attendance
Mr. Sriram Sivaram	Chairman	Non-Executive; Independent	2
Mr. M A M Arunachalam	Member	Non-Executive; Non-Independent	2
Mr. Amar Kaul	Member	Managing Director & CEO	2

Note: During the year, the following changes took place:

1. Mr. Vellayan Subbiah ceased to be Chairman and Member of RMC w.e.f. 1 May, 2025.
2. Mr. Sriram Sivaram was appointed as a Chairman of RMC w.e.f. 1 May, 2025.

Terms of reference:

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

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

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

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

(c) Business Continuity Plan.

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

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

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

b) Reviewing the key risks and associated response plans for the enterprise at defined periodicity;

c) Propose enhancements to the ERM system, including those required in adherence to changes in regulatory requirements.

(5) To ensure risk assessment and response procedures are implemented which shall include:

a) Formulate measures for risk response;

b) Oversee the development and implementation of Business Continuity procedures and guidelines;

c) Monitor and review the exposures of the enterprise level key risk(s), and assess management preparedness to deal with the risk and associated events;

d) Ensure that the Company is taking appropriate measures to achieve prudence balance in risk and reward in both ongoing and new business activities.

(6) To keep the Board informed about the nature and content of the Risk Management Committee discussions, recommendations, and actions to be taken. Engage other stakeholders in the risk management process when the need is identified.

(7) To advise the Board on the effectiveness of the risk management systems at least annually.

(8) To periodically review the risk management policy, at least once in two years and recommend to Board for approval.

(9) The appointment, removal and terms of remuneration of the Chief Risk Officer (CRO), if any, shall be subject to review by the Committee.

(10) The Committee may form and delegate authority and responsibility to an executive sub-committee, which shall assist the Committee to manage the ERM activities.

(11) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

(12) Perform any other activities as prescribed under the Listing Regulations and other applicable laws.

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

Sr. No.	Date of RMC Meeting	Member Strength	No. of Members Present
1	13 October, 2025	3	3
2	18 March, 2026	3	3

PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR

The details of the Senior Management as on 31 March, 2026 are as under:

1. Mr. Amar Kaul, Managing Director & CEO
2. Mr. Susheel Todi, Chief Financial Officer
3. Mr. Jatinder Kaul, Executive Vice President - Motors Business (India Sub-continent) (appointed w.e.f. 2 June, 2025)
4. Mr. Ajay Jain, Vice President - Head Transformer Business
5. Mr. Dhananjay Bapat, Vice President - Head Railways Business (appointed w.e.f. 2 January, 2026)
6. Mr. Gaurav Makhija, Vice President - Switchgear & EPD (appointed w.e.f. 22 May, 2025)
7. Mr. Deven Jani, Vice President - Strategic Sourcing
8. Ms. Vrushali Gadkari, Vice President - Chief Human Resource Officer (appointed w.e.f. 30 September, 2025)
9. Mr. Sanjay Kumar Chowdhary, Company Secretary

During the year under review, following changes took place in the Senior Management of the Company:

1. Mr. Indraneel Dhaneshwar, Vice President - Motors ceased to be part of the Senior Management Personnel of the Company w.e.f. 2 June, 2025.
2. Mr. Mukul Srivastava, President - Switchgear Business resigned from the services of the Company w.e.f. close of business hours on 27 June, 2025.
3. Mr. Mehernosh Mehta, Vice President - HR resigned from the services of the Company w.e.f. close of business hours on 29 September, 2025.
4. Mr. Virendra Nandedkar, Vice President - CGX Operations and Commercial Excellence retired from the services of the Company w.e.f. close of business hours on 31 October, 2025.
5. Mr. Chidambaram Balakrishnan, Vice President - Railways resigned from the services of the Company w.e.f. close of business hours on 1 January, 2026.
6. Mr. Sriram Rangarajan, Executive Vice President, SBU Head - Consumer Product Business resigned from the services of the Company w.e.f. close of business hours on 19 March, 2026.

CODE OF CONDUCT AND BUSINESS PRACTICES

Your Company has adopted 'Code of Conduct and Business Practices' in terms of Regulation 17(5) of the SEBI LODR. Pursuant to Regulation 26(3) of the SEBI LODR, all the Board Members and Senior Management of the Company as on 31 March, 2026 have affirmed compliance with the Code of Conduct. The said Code of Conduct is available on the website of the Company.

The certificate required under Regulation 34 read with Schedule V of SEBI LODR stating that the Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct, signed by Mr. Amar Kaul, Managing Director & CEO, is annexed at the end of this Report.

Pursuant to the provisions of Regulations 8 and 9 under the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted and endeavors adherence to the Code for Fair Disclosure of Unpublished Price Sensitive Information. Kindly refer to the Company's website:https://www.cgglobal.com/CGGLOBAL_BACKEND/admin/uploads/Code_for_Fair_Disclosure_of_UPSI.pdf for the detailed Code for Fair Disclosure of Unpublished Price Sensitive Information of the Company.

INFORMATION ON GENERAL BODY MEETINGS

ANNUAL GENERAL MEETING

Details of the last three Annual General Meetings of the Company held along with Special Resolutions passed are indicated in Table 3 below:

03 Last three Annual General Meetings held and Special Resolutions passed

Financial Year	Location	Date	Time (IST)	Special Resolutions Passed
2022-23	The Meeting was conducted through Video Conferencing and Other Audio Visual Means. The deemed venue of the Meeting was the Registered Office of the Company.	27 July, 2023	3:00 p.m.	Nil
2023-24	Same as above	24 July, 2024	3:00 p.m.	Nil
2024-25	Same as above	24 July, 2025	3:00 p.m.	1. Approval for Re-appointment of Mrs. Vijayalakshmi Rajaram Iyer (DIN: 05242960) as Non-Executive Independent Director of the Company. 2. Approval for Re-appointment of Mr. P S Jayakumar (DIN: 01173236) as Non-Executive Independent Director of the Company. 3. Approval for payment of Commission to Mr. M A M Arunachalam (DIN: 00202958), Non-Executive Director of the Company.

EXTRAORDINARY GENERAL MEETING

There were no Extraordinary General Meetings of the Company held during the FY 2025-26.

POSTAL BALLOT

The following Special Resolution was passed through Postal Ballot during the financial year 2025-26. The Postal Ballot was conducted in accordance with the procedure laid down under Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The procedure for Postal Ballot was mentioned in the Postal Ballot Notice issued by the Company. Mr. Prashant S. Mehta, Proprietor of P. Mehta & Associates, Practicing Company Secretary acted as the Scrutiniser for Postal Ballot.

Approval for Re-appointment of Mr. Sriram Sivaram (DIN: 01070444) as a Non-Executive Independent Director of the Company.

The Resolution was passed with requisite majority by the Shareholders on 5 March, 2026.

The details of voting pattern of the Postal Ballot are as follows:

Mode	Total votes Cast	In Favour			Against		
		No. of Shareholders	Votes	% of votes in favour	No. of Shareholders	Votes	% of votes in against
E-Voting	1,27,65,07,127	2,111	1,25,86,33,227	98.60	159	1,78,73,900	1.40
Total	1,27,65,07,127	2,111	1,25,86,33,227	98.60	159	1,78,73,900	1.40

No Special Resolution is proposed to be conducted through Postal Ballot.

MEANS OF COMMUNICATION

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Your Company strives to achieve full and timely disclosure of information. To this end, it:

- Prepares and dispatches through permitted modes, a full version of its Annual Report, despite an abridged version being allowed by the regulations.
- Submits quarterly, half yearly and annual results of your Company to the National Stock Exchange of India Limited and BSE Limited through their designated web portals and also uploads it on the Company's website (https://www.cgglobal.com) in the "Investors" Section. These results are simultaneously published in two leading newspapers: Business Standard (English) and Loksatta (Marathi).
- Discloses to the Stock Exchanges the presentations being made to the institutional investors or to the analysts and also places the same on Company's website: https://www.cgglobal.com, prior to beginning of the event.
- Promptly reports all material information including official Press Releases etc. to all the Stock Exchanges on which shares of your Company are listed. All information and disclosures made to Stock Exchanges and investors are simultaneously displayed on your Company's website: https://www.cgglobal.com
- The 'Investors' section on your Company's website provides links to the 'live' share prices on the stock exchange websites.

Reinforcing its commitment towards the environment and to have e-enabled regulatory compliances, your Company sends its Annual Report as well as other shareholder correspondences electronically to Members whose e-mail address is registered with the Company / Depository Participants / RTA.

Saksham Niveshak Campaign 2025

With a view to assist the shareholders in taking necessary steps so as to reduce transfer of unpaid/ unclaimed dividends to Investor Education and Protection Fund ("IEPF"), your Company participated in the "Saksham Niveshak" campaign, a 100-day special outreach initiative by the Investor Education and Protection Authority (IEPFA), held from 28 July, 2025 to 6 November, 2025. This campaign aimed to help shareholders claim their unpaid or unclaimed dividends from any financial year, preventing transfer of these dividends and shares to the IEPFA. It also facilitated shareholders in updating KYC details, including bank mandates, nominee registration and contact information.

As part of the campaign, the Company sent communication by email/ post (as applicable) to the eligible shareholders whose dividends or shares were liable for transfer to the IEPF. The information about this campaign was also published on the Company's website.

General Shareholder Information

CIN: L99999MH1937PLC002641

Registration Date: 28/04/1937

Address of the Registered Office and Contact Details:

One Unity Center, 15th Floor, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai - 400013.
Tel No.: +91 22 3120 7777

89TH ANNUAL GENERAL MEETING

Date: Friday, 24 July, 2026

Time: 3.00 p.m.

Venue: The 89th Annual General Meeting of the Company is being conducted through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility and the deemed venue for the AGM shall be the Registered Office of the Company.

DIVIDEND PAYMENT DATE

The Board of Directors at their Meeting held on 27 January, 2026, declared an interim dividend of ₹ 1.30 (Rupee One and Paise Thirty only) (65%) per equity share of ₹ 2/- (Rupees Two only) each. The interim dividend was paid to all the Shareholders whose names appeared in the Register of Members as on the record date fixed as 1 February, 2026. Your Board does not recommend any further dividend for the financial year 2025-26.

FINANCIAL YEAR AND TENTATIVE CALENDAR FOR FINANCIAL YEAR ENDING 31 MARCH, 2026

Your Company's accounting year comprises of twelve months period from 1 April to 31 March.

Tentative calendar of Board Meetings for consideration of financial results for remaining part of financial year ending 31 March, 2027 is given below:

First quarter results:

On/before 14 August, 2026

Second quarter results:

On/before 14 November, 2026

Third quarter results:

On/before 14 February, 2027

Last quarter results and annual audited results:

On/before 30 May, 2027

NAME AND ADDRESS OF THE STOCK EXCHANGES

Name of Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

Your Company has paid the annual listing fees for the FY 2026-27 to each Stock Exchange on which its securities are listed.

SHARE TRANSFER SYSTEM

All transfer, transmission or transposition of securities are conducted in accordance with the provisions of the Companies Act, 2013 and SEBI LODR.

All requests for dematerialization of securities shall be lodged with the Company's Registrar & Share Transfer Agent, Datamatics Business Solutions Limited, through Depository Participant.

All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrar within 15 days.

Your Company's shares are compulsorily traded in dematerialized form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Pursuant to SEBI circular dated 25 January, 2022 and as amended from time to time, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

KYC

Please refer to Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3 November, 2021 issued by SEBI that mandates all the listed companies to record the PAN, Address with PIN Code, E-mail address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities. Necessary communication for KYC updation has been sent to the shareholders holding shares in physical mode.

Special Window for Re-lodgement of Transfer Requests of Physical Shares

With reference to the SEBI Circular dated 2 July, 2025, a special window was opened for re-lodgement of transfer deeds, which were lodged prior to the deadline of 1 April, 2019 and rejected/ returned/ not attended to due to deficiency in the documents/ process/ or otherwise, for a period of six months from 7 July, 2025 till 6 January, 2026.

During this period, the securities that were re-lodged for transfer, if any (including those requests that are pending with the listed company/ RTA, as on date) to be issued only in demat mode. Due processes were followed for such transfer-cum demat requests.

Futher, SEBI vide its Circular dated 30 January, 2026, has opened another special window for a period from 5 February, 2026 till 4 February, 2027, extending the re-lodgement of transfer deeds, which were lodged prior to the deadline of 1 April, 2019 and rejected/ returned/ not attended to due to deficiency in the documents/ process/ or otherwise. Further, this window also allows fresh lodgement for Physical securities sold/ purchased prior to 1 April, 2019 for which no transfer deeds has been lodged till date.

Others

A. SEBI, vide its Circular dated 3 November, 2021 (subsequently amended by Circulars dated 14 December, 2021, 16 March, 2023 and 17 November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, through electronic mode with effect from 1 April, 2024, only upon furnishing all the aforesaid details in entirety. Members are requested to take note of the same and ensure compliance to the directions from SEBI.

B. SEBI vide its notification dated 18 November, 2025 notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025. Through this notification, Regulation 12 of the SEBI Listing Regulations was amended. Consequently, and in view of the amendment referred to in Point 'A' above, all payments of dividend or interest or redemption or repayment shall henceforth be through 'Electronic Mode' only and there shall be no physical warrants or cheques or drafts issued towards dividends, interest, redemption or repayment amounts. Accordingly, the Shareholders holding shares in physical mode are requested to update their PAN, KYC details (including Bank Account details) and Nomination by submitting the relevant documents viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 to enable the Company to pay the future dividend, if any, declared by the Company, in electronic mode. The formats for updation of KYC details and Nomination are available on website of Registrar to an Issue and Share Transfer Agent (Datamatics Business Solutions Limited) (RTA) website at: https://www.datamaticsbpm.com/registrar-and-transfer-agent/information-to-shareholders/ Further, the Shareholders holding shares in demat mode are requested to contact their Depository Participant, to update their KYC details including Bank Account details, E-mail ID, Nomination etc.

DISTRIBUTION AND CATEGORIES OF SHAREHOLDING

Data on the distribution and categories of shareholders is given in Table 6 and Table 7 respectively below:

The shareholding pattern is posted on the Company's website https://www.cgglobal.com and also filed electronically with BSE and NSE.

06 Distribution of Shareholding as on 31 March, 2026

No. of Shares	No. of Shares	% of Capital	No. of Shareholders	% of Total
Upto 500	3,08,49,737	1.96	5,02,021	93.85
501 - 1,000	1,09,09,913	0.69	14,358	2.68
1,001 - 2,000	1,16,31,576	0.74	7,945	1.49
2,001 - 3,000	73,19,614	0.47	2,899	0.54
3,001 - 4,000	51,12,890	0.33	1,444	0.27
4,001 - 5,000	53,34,967	0.34	1,143	0.21
5,001 - 10,000	1,58,02,599	1.00	2,152	0.40
10,001 - above	1,48,79,59,953	94.47	2,956	0.56
Total	**1,57,49,21,249**	**100.00**	**5,34,918**	**100.00**

07 Categories of Shareholders/ Shareholding pattern as on 31 March, 2026

Category	No. of Shares of ₹ 2 each	% of Shareholding
Promoters	88,76,64,961	56.36
Financial Institutions/ Banks	34,970	0.00
Mutual Funds	14,88,41,029	9.45
Provident Funds / Pension Funds	5,56,20,450	3.53
Alternate Investment Funds	1,52,73,529	0.97
Central Government/ State Government(s)/ President of India	31,682	0.00
Qualified Institutional Buyer	6,37,08,512	4.05
Foreign Investors	19,55,86,933	12.42
Domestic Companies	2,80,77,398	1.78
Individuals	17,89,99,310	11.37
Sovereign Wealth Funds	10,82,475	0.07
Total	**1,57,49,21,249**	**100.00**

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31 March, 2026, 99.88% of the total equity shares of your Company were held in dematerialized form, compared to 99.87% in the previous year.

Data on number of shares held in dematerialized and physical form as on 31 March, 2026 is given in Table 8 below:

08 No. of shares held in dematerialized and physical form as on 31 March, 2026

Sr. No.	Particulars	No. of Shares	% of total Capital Issued
1	Held in dematerialized form in NSDL	1,48,64,37,147	94.38
2	Held in dematerialized form in CDSL	8,65,87,604	5.50
3	Held in Physical form	18,96,498	0.12
	Total	**1,57,49,21,249**	**100.00**

REGISTRAR AND SHARE TRANSFER AGENT

Your Company's Registrar and Share Transfer Agent is Datamatics Business Solutions Limited, registered with SEBI, whose contact details are:

Datamatics Business Solutions Limited

Unit: CG Power and Industrial Solutions Limited
Plot No. A-16 & 17, Part B Cross Lane, MIDC, Andheri (East),
Mumbai 400 093.
Tel: + 91 22 6671 2001 to 6671 2006
Fax: + 91 22 6671 2011
Email: cginvestors@datamaticsbpm.com

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

A Practicing Company Secretary carries out a Reconciliation of Share Capital Audit on a quarterly basis, as per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31 December, 2002, to reconcile the total admitted capital with depositories viz. National Securities Depository Limited (**"NSDL"**) and Central Depository Services (India) Limited (**"CDSL"**) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on date, the Company has not issued GDRs/ ADRs/ Warrants or any other convertible instruments and as such, there is no impact on the equity share capital of the Company.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not trade in commodities. Hence, disclosure relating to commodity price risks and commodity hedging activities is not given. For details of foreign exchange risk and hedging activities, please refer to the notes to Standalone and Consolidated Financial Statements.

DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A) OF THE LISTING REGULATIONS

During the year under review, in compliance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Listing Regulations and the Companies Act, 2013 and Rules made thereunder, the Company successfully raised ₹ 3,000 crores by an issue of equity shares through a Qualified Institutions Placement (**"QIP"**). Proceeds from QIP issue have been utilized/ are being utilized appropriately for the objects mentioned in the offer document.

PLANT LOCATIONS

Detailed information on plant locations, products, establishments and service centres with their contact details, is provided at the end of this Annual Report.

ADDRESS FOR CORRESPONDENCE

The shareholders can direct their communication to the Corporate Secretarial at:

One Unity Center, 15th Floor, Unit Nos. 1504-1508,

Senapati Bapat Marg, Prabhadevi, Mumbai - 400 013.

In addition to the Share Registrar and Transfer Agent **("RTA")**, Company's Corporate Secretarial Department assists the investors if they experience any difficulties while interacting with the RTA.

Time: 2.00 p.m. to 5.00 p.m. (IST) (Monday to Friday)

Tel: +91 22 3120 7777

E-mail: investorservices@cgglobal.com

CREDIT RATING

The details of credit rating for Non-Fund based facilities, Derivative Limits and Term Loan/ Fund based facilities of the Company are available on the website of the Company at: https://www.cgglobal.com/investors/credit_rating

OTHER DISCLOSURES

DISCLOSURE OF MATERIAL RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year under review were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large.

Details of transactions with related parties as specified in Indian Accounting Standards (IND AS 24) have been reported in the Financial Statements. The Audit Committee approves the related party transactions, from the perspective of fulfilling the criteria of meeting arm's length pricing and being transacted in the ordinary course of business. The detailed Policy on Related Party Transactions is available on the website of the Company at https://www.cgglobal.com/CGGLOBAL_BACKEND/admin/uploads/Related%20Party%20Transaction%20Policy_27%2001%202026.pdf

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Company has set up a vigil mechanism, viz. a Whistle Blower Policy, as per the provisions of Section 177 of the Act and Regulation 22 of the SEBI LODR to enable its employees, Directors, customers and vendors to report violations, genuine concerns, unethical behavior and irregularities, if any, which could adversely affect the Company. The mechanism also provides for adequate safeguards against victimization of the persons using the mechanism and provides direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee of the Board.

The said policy is displayed on the Company's website viz. https://www.cgglobal.com.

FEES PAID TO STATUTORY AUDITORS

Total fees for all services paid by your Company and its Subsidiaries, on a consolidated basis, to Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part, during the year ended 31 March, 2026, is as follows:

(₹ in crores)

Particulars	SRBC & CO LLP and their Network Entities
Fees for audit and related services	1.76
Other Fees*	0.76
Total	**2.52**

* Current year Other Fees excludes the QIP certification fees of ₹1.03 crores, which has been adjusted against securities premium.

COMPLAINTS RELATING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, one complaint was received by the Company, which was investigated and resolved as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT': NIL

RECOMMENDATIONS OF THE COMMITTEES OF THE BOARD

There are no recommendations of the statutory committees of the Board which have not been accepted by the Board.

CEO/CFO CERTIFICATION

For the Financial Year 2025-26, Mr. Amar Kaul, Managing Director & CEO and Mr. Susheel Todi, Chief Financial Officer of the Company have furnished the annual certification on financial reporting and internal controls to the Board in terms of the SEBI LODR, which forms part of this report.

SUBSIDIARY COMPANIES

The Company does not have any material unlisted Indian Subsidiaries in terms of Regulation 24 of SEBI LODR. The Minutes of the Meetings of the Board of Directors of all the Subsidiary Companies are periodically placed before the Board of Directors of the Company. The policy on Material Subsidiary is available on the website of the Company at: https://www.cgglobal.com/CGGLOBAL_BACKEND/admin/uploads/Policy_determining_Mat_Subsidiaries.pdf.

The Company is compliant with other requirements under Regulation 24 of the SEBI LODR with regard to its Subsidiary Companies.

The Company does not have any material subsidiaries for the financial year ended 31 March, 2026. Hence, there is no requirement for disclosure of the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

UNCLAIMED SHARES

Regulation 39 of the SEBI LODR requires a listed company to transfer shares which have remained unclaimed pursuant to a public issue or any other issue to an Unclaimed Suspense Account with a Depository Participant. The voting rights with respect to the shares held in such Unclaimed Suspense Account are frozen; and future share allotments are also to be issued directly to such account.

There were no unclaimed shares at the beginning of the year or at the end of the year.

TRANSFER OF UNCLAIMED/ UNPAID DIVIDENDS TO THE INVESTOR EDUCATION AND PROTECTION FUND ('IEPF')

During the year under review, there were no dividend(s) which remained unclaimed/ unpaid for a period of seven consecutive years, from the date they became due for payment which were required to be transferred to IEPF, in terms of the provisions of Sections 124 and 125 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time.

The Contact details of the Nodal Officer:
CG Power and Industrial Solutions Limited
One Unity Center, 15th Floor, Unit Nos. 1504-1508,
Senapati Bapat Marg, Prabhadevi, Mumbai - 400 013.
Tel No.: +91 22 3120 7777
Email: ho.secretarial@cgglobal.com

STRICTURES/ PENALTY/ DETAILS OF NON-COMPLIANCE

During the year 2024-25, there were two instances of non-compliance for which penalties were imposed by Stock Exchanges, the details are as follows: (1) A fine of ₹ 10,000/- each was imposed by NSE and BSE under the provisions of Regulation 29(2) of the SEBI Listing Regulations in connection with the prior intimation requirements for fund raising proposal via QIP - Two days' advance notice was given instead of two working days; and (2) A fine of ₹ 2,000/- each was imposed by NSE and BSE under the provisions of Regulation 31 of the SEBI Listing Regulations in connection with a 1-day delay in submission of Shareholding Pattern for the quarter ended 31 December, 2024.

Except as aforesaid, there has been no penalty imposed on the Company or no strictures have been passed against it by SEBI or Exchanges or any other statutory authorities on any such matters, during the last three years.

MANAGEMENT DISCUSSION AND ANALYSIS

The Report on Management Discussion and Analysis is given separately and it forms part of the Annual Report.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

Information disclosed under Clause 5A of Paragraph A of Part A of Schedule III of these Regulations - NIL

DISCRETIONARY REQUIREMENTS

The discretionary requirements as stipulated in Part E of Schedule II of the SEBI LODR, have been adopted to the extent and in the manner as stated under the appropriate headings in this Corporate Governance Report.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Certificate from M/s. Parikh & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 of the SEBI LODR, is attached to this Report.

COMPLIANCE WITH CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Requirements specified under Regulations 17 to 27 and Clauses (b) to (i) and (t) of Sub-Regulation (2) of Regulation 46 of the SEBI LODR.

CERTIFICATE ON CORPORATE GOVERNANCE

Your Company has obtained a certificate from M/s. Parikh & Associates, Practising Company Secretaries (Firm Registration Number: P1988MH009800), as prescribed by Regulation 34 of the SEBI LODR, which forms part of this Report.

On behalf of the Board of Directors

Vellayan Subbiah
Chairman
(DIN: 01138759)

Mumbai, 6 May, 2026

CEO/CFO CERTIFICATION

To
The Audit Committee & Board of Directors
CG Power and Industrial Solutions Limited

We have reviewed the Standalone and Consolidated Financial Statements and Cash Flow Statements of the Company for the **year ended 31st March, 2026** and certify that:

(A) These statements, to the best of our knowledge and belief:

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

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

(B) To the best of our knowledge and belief, no transactions entered into by the Company during the year, are fraudulent, illegal or violate the Company's Code of Conduct and Business Practices.

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

(D) We have indicated to the Auditors and the Audit Committee that:

(1) there was no significant change in internal control over financial reporting during the year ended 31st March, 2026;

(2) there was no significant change in accounting policies during the year ended 31st March, 2026 other than what have been disclosed in the notes to the financial statements; and

(3) There are no instances of significant fraud of which we have become aware during the year ended 31st March, 2026.

Amar Kaul
Managing Director & CEO

Susheel Todi
Chief Financial Officer

Date: 6th May, 2026
Place: Mumbai

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

We have examined the compliance of the conditions of Corporate Governance by CG Power and Industrial Solutions Limited ('the Company') for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, subject to the disclosures made by the management in the Corporate Governance Report and to the stock exchanges and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026.

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

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331H000294091
PR No.: 7327/2025

Place: Mumbai
Date: May 06, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
CG Power and Industrial Solutions Limited
1504-1508, One Unity Center,
Delisle Road, Prabhadevi, Mumbai 400 013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CG Power and Industrial Solutions Limited** having **CIN L99999MH1937PLC002641** and having registered office at 1504-1508, One Unity Center, Delisle Road, Prabhadevi, Mumbai 400013(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Vellayan Subbiah	01138759	26.11.2020
2.	M A M Arunachalam	00202958	26.11.2020
3.	Palamadai Sundararajan Jayakumar	01173236	26.11.2020
4.	Sriram Sivaram	01070444	11.06.2021
5.	Vijayalakshmi Iyer	05242960	24.09.2022
6.	Amar Kaul	07574081	25.07.2024
7.	Mammen Chally	10908528	28.01.2025

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331H000294122
PR No.: 7327/2025

Place: Mumbai
Date: May 06, 2026

DECLARATION OF COMPLIANCE WITH CG CODE OF CONDUCT AND BUSINESS PRACTICES

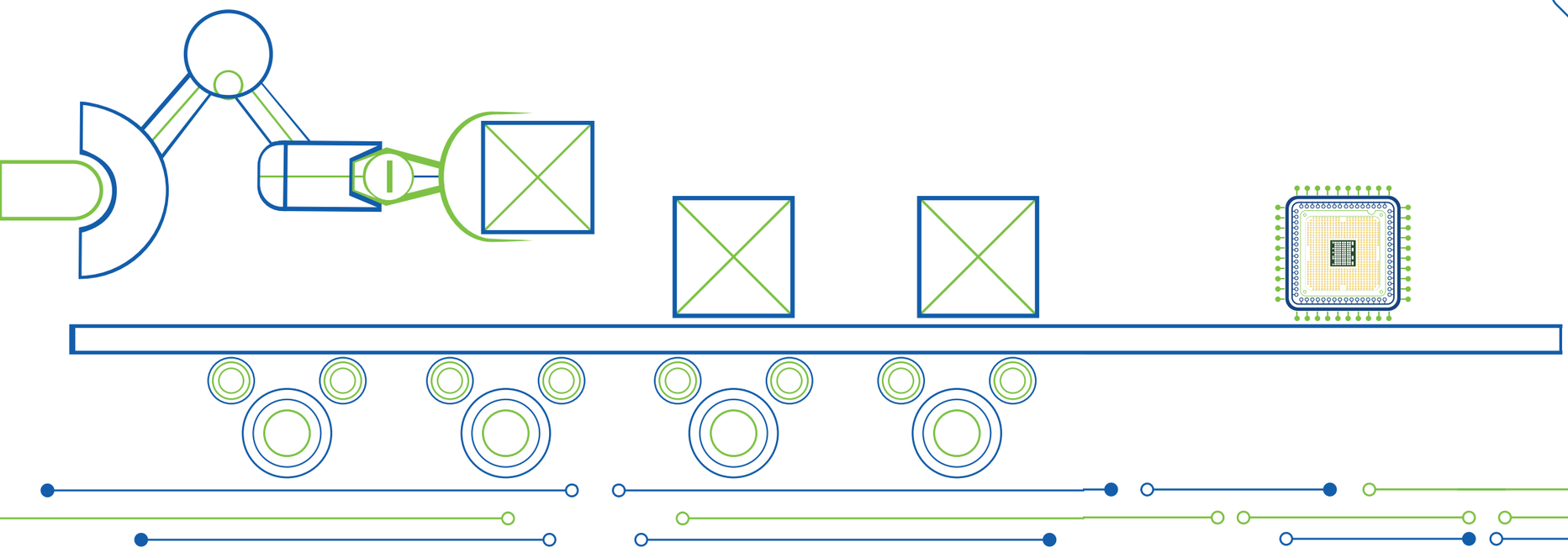
To,
The Members,
CG Power and Industrial Solutions Limited

I, the undersigned, hereby declare that all the Board Members and Senior Management of the Company have affirmed compliance with 'CG Code of Conduct and Business Practices' laid down and adopted by the Company, during the year ended 31st March, 2026.

Amar Kaul
Managing Director & CEO
(DIN: 07574081)
Mumbai, 6th May, 2026



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT



Business Responsibility & Sustainability Report

DEAR STAKEHOLDERS,

I am pleased to present our Business Responsibility and Sustainability Report (BRSR) for FY26. This report sets out our sustainability performance and the actions we took in FY26 to operate responsibly, reduce our environmental footprint, and create enduring value for our stakeholders and the communities we serve.

SUSTAINABILITY EMBEDDED IN OUR PURPOSE AND STRATEGY

At CG, our purpose "Pioneering innovation for a sustainable future" guides us to embed sustainability into our solutions, right from ideation to the final execution. Our primary objective is to harmonize robust financial performance with responsible, long-term value creation for our customers, partners, and communities.

We live this Purpose by ensuring that the safety and well-being of our people and the communities around us, and the integrity of the environments we operate in are non-negotiable priorities across all our manufacturing plants and offices globally.

We manage our carbon footprint reduction targets with the same rigour as our financial metrics: through structured operational reviews, KPI-driven accountability, and ownership embedded from shopfloor to boardroom. Carbon footprint reduction is not a target we report against; it is one we actively manage.

More than being a destination, Sustainability is a discipline we practice in our way of working. We continue to build capabilities, learn from global industry peers, and raise our own standards across energy efficiency, resource circularity, and responsible sourcing.

Our sustainability commitment is inseparable from our commercial strategy. By developing innovative, energy-efficient product portfolios, we help our customers achieve their own climate and efficiency objectives. At CG, enabling our customers' sustainable transition is a fundamental driver of our own growth.

PROGRESS IN FY26

FY26 saw meaningful progress across all three dimensions of our sustainability agenda: Environmental, Social, and Governance. The following highlights what we did and what it delivered.

We commenced the execution of a Double Materiality Assessment (DMA) to realign our focus on the ESG parameters that hold the highest significance for the Company, evaluated from both an impact and financial perspective. Additionally, we are undertaking comprehensive Energy and Water audits across our operational sites, to identify actionable opportunities for minimizing our environmental footprint.

Recognizing Climate Change as a material risk capable of impacting CG in both the short and long term, we carried out climate scenario analysis, studied physical and transition risks and published our maiden Task Force on Climate-related Financial Disclosures (TCFD) report during the year. This document articulates how we are integrating climate change considerations into our overarching Governance, Risk Management frameworks and core Business strategies.

We have institutionalized a management process wherein applicable investment proposals are studied through an ESG perspective and options having better environmental or social impact are actively preferred. In alignment with our commitment to curtail carbon emissions and advance toward Carbon Neutrality, we successfully transitioned from Diesel Oil to Piped Natural Gas (PNG) at our Switchgear facility in Nashik and similarly replaced LPG with PNG at our Power Transformers (T3) facility in Mandideep. These fuel switchovers have aided in mitigating our Scope-1 greenhouse gas emissions. We are also working towards augmenting our Renewable Energy (RE) infrastructure. Work is underway to expand the existing 5.33 MWp rooftop solar capacity by an additional ~3 MWp capacity of rooftop solar at our sites.

During the reporting year, we further advanced our decarbonization efforts by investing in electric mobility and material-handling equipment at our manufacturing sites, including procurement of six electric cars for official use and multiple electric forklifts and scissor lifts among others. In the reporting year, we reduced our revenue-based GHG emissions intensity by 11% and revenue-based energy intensity by 8%.

Our Switchgear facility in Nashik and our Power Transformer (T3) facility in Mandideep achieved "Gold" and "Silver" ratings, respectively, in the CII-GreenCo assessments. These accolades recognise the measures undertaken by these sites on energy and water efficiency, GHG mitigation, green supply chain optimisation, product stewardship, resource circularity and green infrastructure and ecology.

On the Social front, we have successfully elevated our diversity metric from 7% in the previous fiscal year to over 8% in the current reporting. For the second consecutive year, we administered our comprehensive employee engagement survey, "Connections" with over 3600 CGites participating in it and recording 94% participation rate. The organization achieved a robust overall engagement score of 82 out of 100 (+5 points) with inclusion improving to 81 (+4 points).

Recognizing that our Company's resilience extends beyond our factory gates, we engage with our value chain partners to help them embed ESG policies and practices in their way of working. During the year, structured training programs were conducted, so that our extended value chain matures in tandem with our corporate standards. To ensure transparency of ESG impact in CG's supply chain, we have introduced a functionality in our Vendor Portal for vendors to share their ESG performance data. This platform streamlines compliance reporting and provides audit-ready transparency.

We remain committed to embedding a safety-first culture in the organization. Our robust safety governance architecture, supported by regular operational audits, has been instrumental in reducing the frequency of site incidents amidst our organizational growth. We conduct exhaustive root-cause analyses of incidents and mandate stringent corrective actions spanning from critical equipment modifications to the enforcement of rigorous personal protective equipment protocols.

As a responsible corporate citizen, we remain committed to empowering and uplifting surrounding communities and vulnerable sections of society through our focused CSR interventions. During the reporting year, we invested ₹ 21.33 crore towards socially impactful initiatives, with a strategic emphasis on advancing access to quality healthcare and education impacting more than 2.33 lakh lives including rural and marginal communities.

To fortify our Governance framework around ESG, we have periodic reviews of policies, practices and performance by Board level Risk Management Committee. Our governance practices are engineered to ensure that corporate decisions are executed responsibly and that enterprise risks are mitigated effectively. We continued to bolster our compliance architectures, risk management systems and stakeholder engagement mechanisms to preserve the trust invested in us by our investors, regulatory bodies, personnel and communities.

CG's role in the industrial economy places a responsibility on us to lead by example. Our products power critical infrastructure, serve millions of end users, and sit at the heart of the energy transition. Operating sustainably is not a constraint on that mission; it is an expression of it. We remain committed to raising our standards, extending sustainability principles through our value chain, and ensuring that CG's growth leaves a net positive mark on the world around us.

I want to thank every member of the CG team for their commitment and discipline throughout a demanding year. Our people navigated commodity shocks, supply chain volatility, and the simultaneous execution of multiple large programmes, all while sustaining the progress reported here. To our stakeholders: thank you for the trust you place in us to pursue this agenda with integrity.

Warm regards,

Amar Kaul
Managing Director & CEO
CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

ABOUT THE REPORT

This Business Responsibility and Sustainability Report (BRSR) for the financial year ended March 31, 2026, details CG's environmental, social and governance (ESG) - policies, practices and performance. The disclosures herein align with SEBI mandates and the National Guidelines on Responsible Business Conduct (NGRBC). This report equips investors and key stakeholders with transparent, non-financial data regarding our operational impact. By advancing our disclosure maturity, we have articulated how CG integrates sustainable practices into its core business strategy to mitigate external risks, ensure regulatory compliance and drive long-term enterprise value. Apart from abiding by the guiding principles of National Guidelines on Responsible Business Conduct (NGRBC) & SEBI mandates, this report has been prepared with reference to Global Reporting Initiative (GRI) standards and aligned to United Nation's SDGs.

Restatements to data, if any, have been marked in relevant sections of the BRSR with their reasons and effects.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1937PLC002641
2.	Name of the Listed Entity	CG Power and Industrial Solutions Limited **("the Company" or "CG")**
3.	Year of incorporation	1937
4.	Registered office address	One Unity Center, 15th Floor, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai - 400013.
5.	Corporate address	One Unity Center, 15th Floor, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai - 400013.
6.	E-mail	investorservices@cgglobal.com
7.	Telephone	+91 22 3120 7777
8.	Website	https://www.cgglobal.com
9.	Financial year for which reporting is being done	01 April, 2025 to 31 March, 2026
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited
11.	Paid-up Capital	₹ 314.99 Crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR	Abhijeet Pawar, AGM - ESG abhijeet.pawar@cgglobal.com, +91 22 3120 7777
13.	Reporting boundary - Are the disclosures under this Report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of Assurance Provider	CNK & Associates LLP
15.	Type of Assurance provided	Reasonable assurance for BRSR Core and Limited assurance for rest of the BRSR

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. no.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Electrical equipment, general purpose and special purpose machinery & equipment, transport equipment.	100%

CG Power and Industrial Solutions Limited is an engineering conglomerate headquartered in Mumbai, India. The Company is a leader in the Electrical Engineering Industry and has two business lines, Industrial Systems and Power Systems. It manufactures Traction Motors, Propulsion systems, Signaling Relays etc., for the Indian Railways and wide range of Induction Motors, Drives, Transformers, Switchgears and other allied products for the Industrial and Power sectors. The Company also made a foray into the business of Consumer Appliances such as Fans, Pumps and Water Heaters.

CG operates world-class manufacturing facilities and its operations are supported by a robust network of regional offices, branch offices across India and international offices. The Company's workforce stands at 3,825 on-roll employees and workers as on 31 March, 2026. The Company continues to excel and maintain its leadership position across its businesses, backed by its outstanding expertise, customer-centric approach and enhanced focus on innovation and sustainability. Since November 2020, the Company has become a part of the renowned Murugappa Group.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. no.	Product/service	NIC Code	% of total Turnover contributed
1	Industrial Systems (Motors, Drives, Railway Signaling, Traction machines, Traction electronics)	27103 27503 27504 30205	55%
2	Power Systems (Transformers and Switchgears)	27102 27104	45%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	16*	21*	37
International	0*	0*	0

*on standalone basis

19. Markets served by the entity:

a. Number of locations

Locations	Numbers
National (No. of States)	27 States and 6 UTs
International (No. of Countries)	The Company is catering to a large customer base in more than 50 countries across Europe, America, Asia Pacific, Africa and Middle East.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributes to 4% of the total turnover of CG.

c. A brief on types of customers –

CG engineers and delivers advanced equipment, solutions and services for the power and industrial sectors. The Company caters to a highly diversified B2B and B2G (Business-to-Government) and B2C customer base, primarily comprising Original Equipment Manufacturers (OEMs), central, state and private power utilities, the Indian Railways and an established network of channel partners. Through these strategic segments, the Company distributes its comprehensive product portfolio, which includes industrial motors and drives, propulsion motors and signaling equipment, power transformers, switchgears and consumer electrical products.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	2,443	2,236	92%	207	8%
2.	Other than Permanent (E)	1,398	1,328	95%	70	5%
3.	**Total Employees (D+E)**	**3,841**	**3,564**	**93%**	**277**	**7%**
Workers						
1.	Permanent (F)	1,382	1,360	98%	22	2%
2.	Other than Permanent (G)	5,215	4,819	92%	396	8%
3.	**Total Workers (F+G)**	**6,597**	**6,179**	**94%**	**418**	**6%**

b. Differently abled Employees and Workers

CG advances an institutional Diversity and Inclusion strategy that extends beyond gender metrics. The Company maintains merit-based talent management systems to ensure equitable opportunities for all personnel, actively prohibiting discrimination based on background, disability, or orientation, while ensuring functional accessibility for differently abled employees.

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	-	0	0%
3.	**Total Differently abled employees (D+E)**	**1**	**1**	**100%**	**0**	**0%**
Differently abled Workers						
1.	Permanent (F)	2	2	100%	0	0%
2.	Other than Permanent (G)	1	1	100%	0	0%
3.	**Total Differently abled workers (F+G)**	**3**	**3**	**100%**	**0**	**0%**

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.28%
Key Management Personnel	3	0	0%

Key Management Personnel comprises the Managing Director and CEO, Chief Financial Officer and Company Secretary.

CG's Managing Director and CEO is also a member of its Board of Directors.

22. Turnover rate for permanent employees and workers

	Turnover rate in FY 2025-26			Turnover rate in FY 2024-25			Turnover rate in FY 2023-24		
S. No.	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16%	12%	16%	18%	20%	18%	18%	28%	18%
Permanent Workers	4%	0%	4%	3%	0%	2%	4%	0%	5%

Above includes employees leaving the organisation voluntarily or due to dismissal, termination, retirement or death in service.

Over the years, CG has committed to creating a workplace that is inclusive, respectful and free from discrimination. It promotes diversity, fosters harmony and ensures equal opportunities for all. CG has been able to reduce its female employee turnover rate from 28% to 12% within last 2 years.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (as on 31 March 2026)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Tube Investments of India Limited	Holding Company	56.29%	No, the entities do not participate in the BRSR
2	Chola Foundation	Associate	33.33%	
3	Axiro Semiconductor Private Limited	Subsidiary	100%	
4	CG Adhesive Products Limited	Subsidiary	83.59%	
5	CG Power Equipments Limited	Subsidiary	100%	
6	CG Semi Private Limited	Subsidiary	92.34%	
7	G.G. Tronics India Private Limited	Subsidiary	55.60%	
8	Axiro Semiconductor Inc.	Subsidiary	100%	
9	Axiro Semiconductor (Shenzhen) Co., Ltd.	Subsidiary	100%	
10	Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş.	Subsidiary	100%	
11	CG DE Sub, LLC (formerly known as QEI, LLC)	Subsidiary	100%	
12	CG Drives & Automation Germany GmbH	Subsidiary	100%	
13	CG Drives & Automation Netherlands BV	Subsidiary	100%	
14	CG Drives & Automation Sweden AB	Subsidiary	100%	
15	CG Electric Systems Hungary Zrt. (declared insolvent)	Subsidiary	100%	
16	CG Holdings Belgium NV (CG Belgium) (under Bankruptcy)	Subsidiary	100%	
17	CG Industrial Holdings Sweden AB	Subsidiary	100%	
18	CG International B.V.	Subsidiary	100%	
19	CG International Holdings Singapore Pte. Ltd. (Proposed for voluntary winding up)	Subsidiary	100%	
20	CG Power Americas, LLC	Subsidiary	100%	
21	CG Power Solutions Saudi Arabia Co. (Subsidiary of CG Belgium whose bankruptcy procedure is ongoing)	Subsidiary	100%	
22	CG Power Systems Belgium NV (under Bankruptcy)	Subsidiary	100%	
23	CG Power Systems Canada Inc. (under liquidation)	Subsidiary	100%	
24	CG Sales Networks France SA (Subsidiary of CG Belgium whose bankruptcy procedure is ongoing)	Subsidiary	100%	
25	CG Sales Networks Malaysia Sdn. Bhd. (Under Voluntary Liquidation)	Subsidiary	100%	
26	PT Crompton Prima Switchgear Indonesia (Ceased to be a subsidiary as on 31st March 2026)	Subsidiary	51%	

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No): Yes, CSR is applicable.

(ii) Turnover (in ₹) 9,329 Crore*

(iii) Net worth (in ₹) 4,069 Crore*

*Note: Turnover and net worth figures are for FY2024-25 for applicability of CSR as per Section 135 of Companies Act, 2013 during FY2025-26.

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism (GRM) in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes,	-	-	-	-	-	-
Investors (other than shareholders)	Investor Service at investorservices@cgglobal.com	**0**	**0**	-	0	0	-
Shareholders	Yes, Investor Service at investorservices@cgglobal.com and Scores Portal	**57**	**2**	**2 pending complaints were received at the end of the year and were resolved within timeline**	28	29	Complaints resolved during the year
Employees and workers	Yes, Human Resource Policy, Occupational Health and Safety (OHS) Policy, Human Rights Policy https://www.cgglobal.com/policy	**2**	**0**	**Complaints resolved during the year**	0	0	-
Customers*	Yes, Customer Care Policy https://www.cgglobal.com/policy	**57,441**	**302**	**Pending grievances as on 31 March 2026 are service centric**	58,315	334	Pending grievances as on 31 March 2025 were service centric
Value Chain Partners*	Yes, CG Vendor Portal	**1,034**	**138**	**Pending grievances as on 31 March 2026 are purchase order related complaints.**	603	81	Pending grievances as on 31 March 2025 were purchase order related complaints.
Other (please specify)	Other stakeholders may raise their grievances on the Company's Grievance Portal help@cgglobal.com.						

*CG's Customers include its dealers, distributors and direct customers and Value chain partners include its vendors/suppliers.

26. Overview of the Company's material responsible business conduct issues:

Double Materiality Assessment

CG completed its maiden Single Materiality Assessment in 2023, focusing primarily on ESG topics that posed financial or business impacts. In 2026, CG has advanced to a Double Materiality Assessment (DMA) to align with emerging global standards such as EU CSRD/ESRS, updated BRSR Core expectations and stakeholder driven ESG priorities. The DMA approach integrates both impact materiality (how CG's operations influence the environment, society and value chain stakeholders) and financial materiality (how ESG issues affect CG's performance, resilience and longterm enterprise value). This enhanced methodology considers extensive cross functional inputs from CG's manufacturing units, domestic and international subsidiaries, external stakeholders, evolving regulatory landscapes and future business strategy, providing a holistic, impact-risk opportunity view.

The outcomes of this DMA will help CG identify the most critical ESG themes for the next three to five years, including climate transition planning, energy efficiency, supply chain responsibility, workforce well-being, governance transparency and product innovation for a lowcarbon economy. By prioritizing what matters most, the assessment will guide CG's ESG strategy refresh, define targets and KPIs, strengthen BRSR Core preparedness, support ESG rating improvements and shape investment and operational decisions across business units. This DMA becomes the foundation for CG's upcoming ESG journey; enabling focused resource deployment, stronger stakeholder trust, alignment with international disclosure frameworks and a futureready sustainability roadmap that supports CG's growth and competitiveness. Detailed Double Materiality Assessment report will be made available shortly on CG's website.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (Indicate Positive/ Negative Implications)
1	Climate Action	Risk	Climate change is one of the major risks identified across the globe. It has impacts on supply chain, sourcing and overall business strategy.	In the reporting year, the Company has undertaken Climate Risk Assessment study by an independent expert agency to identify the physical and transitional risks which the Company may be exposed to in upcoming years in short and long term. The detailed assessment is provided in Company's Task Force on Climate Related Financial Disclosure (TCFD) Report available at the Company's website.	Negative implications
2	Corporate Governance	Opportunity	Transparent Board structure, effectiveness, diversity with presence of an effective risk management system to identify and mitigate business risks (including ESG risks) and maintaining positive stakeholder relations (customers, suppliers, community, shareholders, employees, trade associations, NGOs, etc.) that supports business sustainability.	The Company's Code of Conduct and Business Practices includes guidelines for ethical behavior, anti-bribery and corruption that is applicable to all the employees, Directors of CG and all the Subsidiaries of the Company. All suppliers, services providers and related entities are bound by CG's Vendor Code of Conduct and are required to commit to the provisions contained in this Code. Acknowledgement to the provisions of these Codes is a prerequisite for any employment contract or business relationship with the Company.	Positive implications
3	Human Capital Development	Opportunity	The Company believes in effective employee engagement to create a shared value for business and its workforce by adopting practices such as learning, development, robust health and safety practices and employee benefits.	Ensuring the highest standards of health and safety of employees by undertaking initiatives to reduce accidents on shop floor by improved training ensuring wellbeing of employees through varied programs and conducting internal and external safety audits and performance disclosures.	Positive implications
4	Human Rights	Risk	Managing human rights related issues like no discrimination, laws against child labour are important to business.	The Company creates awareness on human rights in context to health and safety, safe working conditions, prohibition of child labour, equal opportunity and grievance redressal mechanism. Vendors and suppliers are required to comply with "CG Vendor Code of conduct".	Negative implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or opportunity (Indicate Positive/ Negative Implications)
5	Product Stewardship	Opportunity	Opportunity to make products and provide services with respect to environmental and social aspects to address issues around resource conservation, energy and climate change.	Investing in research and development, complying with the regulatory guidelines and global standards on product developments.	Positive implications
6	Innovation Management	Opportunity	Innovation management involves the process of enhancing the Company's ability to adapt with the evolving technologies by devising and implementing the business strategy to cater to the evolving market expectations.	The Company is developing a culture of innovation through targeted learning interventions, on the job trainings, kaizen workshops and i2V workshops.	Positive implications
7	Responsible Supply chain	Risk	ESG risks in Supply chain may lead to disruption. Emerging regulations on alignment of value chain to corporate environmental and social objectives	Focus on reducing negative environment impact due to the logistics. Focus on identifying and assessing local suppliers on QMS, EMS and OHSMS.	Negative implications
8	Customer Relationship Management	Opportunity	Customer centricity with regular engagement with customers enables the Company to assess the customer's expectations with evolving demands.	The Company customizes its products as per client's product specifications and requirements with regular engagement and an effective customer grievance management.	Positive implications
9	Responsible Investment Practices	Opportunity	Considering the uncertain economic ambience, climate change, supply chain disruptions with changing business landscape in the digital era has severe impacts on the business. As a responsible investor there is need to build a resilient and transparent business ecosystem.	The Company is considering the sustainability criteria in its investment decisions to create a shared value for its stakeholders with long term perspective.	Positive implications
10	Community Relations	Opportunity	Strong community relations and effective communication helps business to create a shared value with social license to operate. Maintaining positive community relations in areas where the Company operates results in a positive impact on living conditions, contributing towards community welfare through CSR activities.	Engaging with communities on Community development, Healthcare and education through the Company's CSR activities.	Positive implications

For material issues identified as 'Opportunity', the approach to capitalise opportunity has been stated.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section details the governance architecture, corporate policies and operational frameworks CG utilizes to integrate the National Guidelines on Responsible Business Conduct (NGRBC) Principles into its core strategy.

CG executes a comprehensive periodic review and enhancement of its company-wide ESG policies. This update incorporates insights from recent internal audits and external benchmarking assessments, ensuring the Company's governance controls remain rigorously aligned with evolving regulatory mandates and industry best practices.

S. No.	Principle Description
P1	Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive to all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions									
Policy and management processes		**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available*	https://www.cgglobal.com/investors/policies								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes. CG has translated the policy into procedures.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	All polices are extended to the Company's value chain partners with respect to the clauses related to code of conduct and business practices, anti-bribery, anti-corruption, conflict of interest, environment, health and safety etc.								
4.	Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies have been formulated in accordance with the relevant statutory laws, guidelines issued by Government of India, Regulatory bodies and industry best practices. National / International Standards are referred while formulating these policies. Standards such as ISO 9001/14001/27001/45001, International Railway Industry Standard ISO/TS 22163:2017, BIS, GHG Protocol, as applicable, are adopted across the Company.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Targets for FY26: 1. To be Carbon Neutral (for Scope 1 and Scope 2) by the end of 2030. 2. To improve employee gender diversity rate by 1% in FY26. 3. To have an employee engagement score of 80 or more in FY26. 4. Have 100% employee acknowledgement on CG's Code of Conduct. 5. To carry out Performance Review for 100% of eligible employees.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Achievements In the reporting year against targets: 1. Reduction in GHG emission intensity by 11% in FY26. 2. CG improved its employee gender diversity rate from 7% to 8% in FY26. 3. CG scored an employee engagement score of 82 in FY26. 4. Through its "OneHour Learning" program, CG ensured 100% employee training and acknowledgement on its Code of Conduct. 5. CG carried out Performance Review for 100% of its eligible employees.								

Disclosure Questions									
Policy and management processes Governance, leadership and oversight	P1	P2	P3	P4	P5	P6	P7	P8	P9
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer Pg. no 114 for the details.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Amar Kaul, Managing Director and CEO, CG Power and Industrial Solutions Limited								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	CG has a Risk Management Committee which is responsible for reviewing Enterprise Risks including Sustainability related issues. Recommendations of the Risk Management Committee are considered by the Board of Directors, as needed. CG also has a Corporate Social Responsibility ("CSR") Committee in line with the provisions of Section 135 of the Act. The CSR Committee recommends and the Board approves, the CSR expenditure budget and project plan. CSR projects of the Company are approved by the Board based on the recommendation of the CSR Committee. The Committee reviews CSR expenditure, activities undertaken and milestones achieved.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The policies are reviewed periodically or on a need basis by Senior Leadership Team. During this assessment, the efficacy of the policies are reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	All of company's policies are as per the requirements of the NGRBC guidelines. We are also compliant with legal requirements.																	

11.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. The working and implementation of our core operational policies are independently assessed by external certification bodies such as Bureau Veritas through rigorous surveillance audits for ISO 9001 (Quality), ISO 14001 (Environment) and ISO 45001 (Occupational Health & Safety). Additionally, the overall maturity, disclosure and effectiveness of our overarching ESG policies are externally evaluated annually through global sustainability assessments.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.



Principle 1 delineates the corporate governance architecture of CG, underscoring the Company's commitment to operating with integrity, transparency and accountability. This section details how CG's foundational governance frameworks, including its Code of Conduct, Anti-Bribery policies and Whistle-blower mechanisms, are communicated, operationalized and audited across all internal business divisions and external value chain operation.

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoDs) and Key Managerial Personnel (KMPs)	1	Topics covered under the trainings: ◦ Double Materiality Assessment ◦ Corporate Sustainability Reporting Directive (CSRD) ◦ Carbon Border Adjustment Mechanism (CBAM) ◦ Nature-related Financial Disclosures (TNFD) ◦ Supply Chain Decarbonisation and Traceability ◦ Strategic Action Plan	60%
Employees other than BoD and KMPs	73	Skill development and Environment Health and Safety related training programs	100%
Workers	62	Skill development and Environment Health and Safety related training programs	9.55%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

   During FY2025-26, there were no material fines/ penalties/ punishments/ awards/ compounding fees/ settlements as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 imposed on the Company or its Directors/KMPs.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed**

   No appeals have been filed.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes, CG has zero tolerance towards bribery and corruption and is committed to abiding by all laws and regulations. The Company has a code of conduct in place which covers all the aspects of anti-corruption or anti-bribery. The web link for Code of Conduct https://www.cgglobal.com/investors/policies

   For outsourced contract, CG has a vendor code of conduct which contains anti-corruption and anti-bribery related requirements.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directors	**0**	0
KMPs	**0**	0
Employees	**0**	0
Workers	**0**	0

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2025-26 Current Financial Year		FY 2024-25 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	**NIL**	**NA**	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	**NIL**	**NA**	NIL	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

8. **Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY2025-26	FY2024-25
Number of days of accounts payables	**90**	86

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY2025-26	FY2024-25
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	**2.56%**	1.24%
	b.	Number of trading houses where purchases are made from	**297**	99
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	**52.00%**	93.08%
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	**5.03%**	10.73%
	b.	Number of dealers / distributors to whom sales are made	**1,019**	1,943
	c.	Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	**54.60%**	10.32%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	**0.25%**	0.28%
	b.	Sales (Sales to related parties / Total Sales)	**0.28%**	0.21%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	**16.99%**	2.47%
	d.	Investments (Investments in related parties / Total Investments made)	**92.35%**	90.14%

LEADERSHIP INDICATOR

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
2	BRSR and BRSR Core	75%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving Members of the Board? (Yes/ No) If Yes, provide details of the same.**

Yes, the Company has in place 'CG Code of Conduct and Business Practices' which deals with the Conflict of Interests. Involvement in a situation in which, the Company's interest has an actual or potential conflict with the employee / member of the board's private or personal interest is an unacceptable practice.

Illustrative instances of conflict of interest spelt out in the Code of Conduct are:

- Hiring or recommending the hiring of a vendor/business associate, which employs a close relative or in which, CG's employee or his/her close relative has an influencing ownership stake or relationship.
- Negotiating or dealing with vendor/service provider with whom the employee has personal relationship running beyond business relationship unless relationship is disclosed and other employees form part of such negotiation/dealing.
- Acceptance of gift(s) or favour(s) from a vendor/business associate by a CG employee or by a close relative.
- Awarding of contract(s) to a vendor/business associate in view of his/her contributions to charitable or community campaigns to which an employee is committed.
- Performing services or practicing of any service externally (in the form of a consultant) for a competitor, vendor, sub-contractor, customer, business associate, etc. (whether directly or indirectly), whilst employed with CG.
- Benefiting from a business opportunity, either through oneself or through a close relative that would otherwise belong to CG or which is in competition with CG.
- Participating in a decision of the Company to hire or promote a family member or relative of the employee or using their position in the Company to solicit clients for their business or a business operated by a family member or relative.
- Being obligated to any person or organization which might benefit from special consideration or favour on the employee's part or who might seek in any way preferential treatment in relation to the Company.
- Giving preferential treatment to relatives, personal friends or to organizations in which the employee or his/her relatives or personal friends have an interest, financial or otherwise.
- Using CG's assets, contacts, possessions or other resources to directly or indirectly start or support a private business activity, by oneself or through a close relative.
- Moonlighting, regular trading in the Company's shares, investments in the enterprises of business partners, competitors, associates, etc., whether directly or indirectly.
- Using official tours to disguise Personal Use/Purposes/ Agendas/Activities.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Principle 2 presents the integration of sustainability and safety across the entire lifecycle of products and services. This section explains the governance frameworks and operational mechanisms CG utilizes to ensure responsible resource consumption. It outlines how CG implements its Product Stewardship Policy, directs capital and R&D investments toward environmental efficiencies and executes structured engagement protocols to assess and manage ESG impacts across its value chain.

CG has a comprehensive Product Stewardship Policy that governs its entire product lifecycle, spanning research and development, raw material sourcing, manufacturing, distribution and product discontinuation.

To address the evolving efficiency requirements of the industrial sector, CG directs its R&D investments toward engineering high-efficiency, low-emission electrical equipment, with specific focus areas including energy-efficiency optimization and noise reduction mechanisms. Supporting this operational shift, CG allocated ₹ 45.32 Crores in targeted capital expenditure (CapEx) during FY 2025-26 to integrate specific technologies that elevate environmental, health and safety (EHS) performance across its facilities.

To manage lifecycle impacts beyond its direct operations, CG executes a structured supplier engagement framework in alignment with SEBI's ESG value chain disclosure mandates. During the reporting period, CG prioritized its top 2% of suppliers by transaction value, alongside other strategically critical partners, to assess upstream sustainability impacts. To operationalize this assessment, CG deployed a centralized digital platform to capture BRSR Core and other essential ESG metrics. Recognizing the necessity of accurate primary data, CG conducted two dedicated capacity-building sessions on the 'Value Chain Partner Assessment' guidelines to technically equip its supplier network prior to initiating the formal data acquisition phase.

CG optimizes supply chain resilience through proactive vendor diversification and the systematic reduction of single-source dependencies on critical commodities. This operational resilience is supported by a digitized procurement ecosystem that enhances spend visibility and drives data-backed sourcing decisions. Through this consolidated digital infrastructure, CG executes comprehensive performance tracking, spanning financial health, delivery metrics and statutory compliance, ensuring that CG's ESG, quality and risk management standards are uniformly enforced across the its value chain.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	**100%**	100%	During the reporting period, we implemented various operational and infrastructural improvements aimed at enhancing our environmental footprint and safeguarding stakeholder wellbeing. These initiatives are categorized as follows: **Environmental Footprint & Energy Efficiency** ○ **Energy Optimization:** Upgraded legacy manufacturing equipment to energy-efficient alternatives (including high-efficiency motors and automated cooling/lighting controls) to optimize power loads across shop floors and offices. We also initiated a transition to electric vehicles for official corporate use. ○ **Emission Controls & GHG Management:** Deployed advanced emission control devices on captive power generators to mitigate localized air pollution. For our manufacturing processes, we invested in automated gas handling and advanced leak detection systems to strictly monitor and prevent the escape of insulating greenhouse gases. ○ **Water & Resource Stewardship:** Commissioned advanced wastewater treatment facilities (STP and ETP) to maximize water circularity and ensure zero liquid discharge compliance at our expanding facilities. **Occupational Health, Safety & Wellbeing** ○ **Ergonomics & Safe Handling:** Procured automated, battery-operated material handling equipment (such as forklifts, platform trucks and scissor lifts) to eliminate indoor exhaust emissions, reduce manual material handling and ensure safe work-at-height practices. ○ **Air Quality & Hygiene:** Installed localized fume extractors and dust collection systems to protect the workforce from respiratory hazards. We also deployed industrial-grade, battery-operated automated cleaning machines to maintain strict shop-floor hygiene and prevent workplace accidents. ○ **Employee Amenities:** Upgraded hydration infrastructure by installing IoT-enabled water coolers with inbuilt purification systems across multiple divisions. **Digitalization & Customer Centricity** ○ **Paperless Operations & Traceability:** Rolled out digital "paperless shop floor" initiatives using smart tablets and digitized our quality assurance testing for better traceability and reduced paper consumption. ○ **System Integrations:** Upgraded and integrated our warehouse and maintenance management systems to ensure transparent and efficient operational tracking. ○ **Customer Grievance Redressal:** Launched dedicated digital communication channels (such as business messaging platforms) to empower customers to easily register complaints, track resolution status and access rapid service support.
CAPEX	**5.25%**	1.80%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. CG has " Vendor Code of Conduct" and "Supply Chain Sustainability Policy" which is a guiding instrument for its procurement management. The Company's policies provide adequate guidance on complying with the regulatory, social and environment parameters.

In the reporting year, CG continued its ESG assessment of its suppliers, targeting its 85% of suppliers on purchase value basis.

b. If yes, what percentage of inputs were sourced sustainably?

CG's initial assessment of its 85% of suppliers revealed that 12% of its total sourcing inputs are currently being procured sustainably through these compliant partners. As CG expands its supplier assessment program in the coming year to include even more suppliers, it anticipates this percentage of sustainable sourcing will continue to increase significantly.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Plastic waste as part of Extended Producer Responsibility (EPR):

CG follows the national EPR Framework notified by CPCB. CG undertakes EPR credit purchases based on its plastic footprint / consumption and fully meets the EPR obligation.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, CG ensures that its waste management practices are in alignment with the guidelines prescribed by the Pollution Control Boards. Compliance on EPR is managed through the centralized EPR portal, including the timely filing of annual/quarterly returns and the procurement of requisite EPR credits to fulfill statutory recycling obligations.

LEADERSHIP INDICATOR

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Services	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain? (Yes/No) If yes, provide the web-link.
In the reporting year, there were no LCA conducted on any of CG's products. However, in the last two preceding years, LCA was conducted for 13 of CG's products and in the upcoming reporting year, 14 more products will be covered under 'Cradle to Grave' LCA.					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Please refer response to Principle 6, Leadership Indicators question 6 on page no. 161.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   At Switchgear Nashik and T3 facility, raw material / components are received in wooden packaging which on receipt are carefully dismantled. They are processed inhouse, treated and lined with protective coverings to make wooden packaging boxes for finished products.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:**

   Not applicable.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not applicable as the Company is not reclaiming any of its products.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Principle 3 requires the integration of workforce equity, occupational health and human dignity into core corporate operations and extended value chains. This section delineates the governance frameworks and operational mechanisms CG utilizes to ensure fair labor practices, statutory compliance and equal opportunity. It outlines how CG architects its occupational health and safety (OHS) protocols and holistic employee well-being initiatives, alongside its structural approaches to talent management, performance evaluation, continuous capability building and formalized workforce engagement.

CG is committed to upholding the spirit of Principle 3 by fostering a workplace that prioritizes dignity, equity and holistic employee well-being. We maintain oversight of working hours through digital monitoring systems and ensure accurate and timely payment of wages. To provide clear geographical context regarding our labor footprint and human rights oversight: all of CG's employees are based out of India (on standalone basis).

A. Diversity and Equal Opportunity

1. **Strategic Integration and Talent Acquisition:** CG manages diversity by embedding equal opportunity metrics into its talent acquisition and retention strategies. Through the Company's EDGE (Engage, Deliver, Grow, Excel) framework, hiring managers are required to evaluate candidate pools based on merit and competency, free from unconscious bias. To counter the historical gender imbalance typical of the heavy electrical and manufacturing sector, the Company actively partners with technical institutes and engineering colleges to improve the baseline intake of female graduate engineering trainees (GETs) and diploma apprentices.

2. **Shop-Floor Inclusion and Infrastructure:** Moving beyond administrative policies, CG undertakes physical and operational adjustments to make its manufacturing units more inclusive. This includes conducting infrastructural reviews to ensure safe, accessible and gender-specific facilities across plant locations. Furthermore, the Company evaluates shop-floor processes to identify areas where ergonomic interventions and automation can be deployed, making heavy manufacturing tasks safer and more accessible to a diverse workforce. To further support work-life balance and facilitate the retention of employees, the Company has operationalized crèche facilities at its major manufacturing sites. Periodic accessibility upgrades at key corporate offices and manufacturing locations are implemented to ensure a barrier-free working environment.

3. **Capability Building and Leadership Development:** CG manages upskilling of its diverse talent pool through targeted capability-building initiatives. The organization focuses on identifying high-potential employees for leadership development and cross-functional rotations, preparing them for middle and senior management roles. The Company undertakes focused interventions to increase the representation of women at various hierarchical levels.

4. **Monitoring:** During the year, CG conducted demographic assessments of separated employees which indicated that 21% were under 30 years old, 59% were between 30 and 50 and 20% were over 50. An evaluation of turnover rate by organizational hierarchy further revealed that 9% of separated employees held Leadership positions, 30% were in Management roles and 43% held Executive positions.

   As of the end of reporting year, CG continues to make steady progress toward enhancing gender diversity. Women represented 14% of the top management cadre (defined as positions up to two levels below the CEO), 4% of middle management, and 9% of junior management roles. Also women represent 3% of CG's revenue generating functions such as Sales, R&D and Operations.

B. Labour Practice

Under the established governance framework of CG, the management of employment and labor practices is directed by a suite of board-approved policies, including the Human Rights Policy and the Occupational Health and Safety (OHS) Policy. These frameworks are operationalized across all manufacturing units and corporate offices through the EDGE (Engage, Deliver, Grow, Excel) framework, which aligns human capital objectives with corporate priorities.

To ensure that labor practices within the supply chain remain within defined legal and institutional frameworks, CG requires all value chain partners to adhere to the Vendor Code of Conduct and the Supply Chain Sustainability Policy. These requirements are monitored through a digitized Vendor ESG Portal, which facilitates the screening of partners on social and environmental

parameters. For personnel working within the supply chain, CG maintains its responsibilities as a principal employer by verifying that contractors comply with statutory mandates, including the Minimum Wages Act and social security contributions such as PF and ESIC, among others. This verification is integrated into the vendor management and payment processing cycles.

Monitoring of working conditions and adherence to national and international labor standards for vendors is conducted through systematic, site-level Supplier Quality Process (SQP) audits. These audits evaluate compliance with safety protocols. The SQP framework verifies that suppliers maintain an Environment, Health and Safety (EHS) Policy that is communicated to their employees. It requires the identification of legal EHS requirements and major operational hazards, ensuring that necessary operation controls and Personal Protective Equipment (PPE) are provided to workmen.

The SQP audits also evaluate infrastructural and environmental compliance. This includes verifying the possession of valid Factory Licenses, approved facility drawings, stability certificates and regulatory approvals such as Pollution Control Board consents, as applicable. Furthermore, the assessments mandate regular environmental measuring and monitoring which include, among others, workplace noise, ventilation and lux levels and verify the operational availability of Sewage Treatment Plants (STP), Effluent Treatment Plants (ETP) and proper earth pit resistance, as applicable. Waste management protocols are reviewed, focusing on the control of hazardous wastes and the safe use of hazardous chemicals utilizing Material Safety Data Sheets (MSDS).

CG ensures that baseline compensation meets statutory mandates, but is proactively expanding its scope. The Company has initiated a focused study on the wages provided to contract labor through its contractors. To evaluate minimum wages in the broader context of living wages, CG is carrying out an assessment utilizing prominent living wage benchmark at a pilot location.

CG engages employees and workers through recognized full-time and contract employment arrangements and undertakes due diligence measures to prevent any instances of disguised employment relationships, ensuring proper worker classification.

CG regularly engages with workers' unions to strengthen dialogue on working conditions, safety and grievance redressal. The Company monitors gender disaggregated pay data to promote equal remuneration for men and women and expand social protection measures beyond statutory requirements through enhanced insurance, welfare programs and extended medical benefits. Employees are encouraged and supported to avail their annual leave entitlements to maintain work-life balance and mental well-being. Furthermore, as the industry transitions toward digital, energy-efficient and climate-aligned operations, CG invests in structured training, reskilling and capability-building initiatives to strengthen workforce resilience and long-term employability.

CG continues to foster a culture that values meritocracy and discourages personal bias. In the reporting year, all of the appointments to Senior Management cadre in CG were from the local community i.e. India. The Company strives to create an atmosphere where all employees can thrive based on their skills, abilities and performance. Furthermore, CG actively promotes human rights protection, integrating these principles into its business operations and relationships to ensure prevention of human rights violations across its value chain.

C. Employee Engagement Survey

During the reporting year, CG executed its annual Employee Engagement Survey, 'Connections', as part of its ongoing commitment to building an engaged, inclusive and high-performance culture. The survey recorded an exceptional participation rate of 94%, with over 3,600 employees sharing their perspectives showcasing a strong reflection of employee trust in the process and their willingness to contribute to the organization's continuous improvement efforts.

Against a target of 80 for the year, CG achieved an overall Engagement Score of 82, a significant improvement from the previous year's score of 77. The Inclusion Score also rose to 81, reinforcing the progress CG is making in fostering a sense of belonging, respect and fairness across the organization.

This survey provided clear insights into areas that require further attention. Collaboration, Communication, Action Taking and Equal Opportunity emerged as key opportunity themes where employee expectations and experiences can be better aligned. These findings are reviewed by the Executive Leadership Team, which is translating these insights into focused and prioritized actions aimed at improving teamwork, strengthening communication and enhancing overall execution discipline. Following the survey, leaders across the organization are cascading results to their teams and engaging employees in identifying local priorities and actionable solutions. This participative approach ensures that improvements are grounded in the realities of each workplace and co-created with employees themselves. CG is targeting a score of 87 for FY27's employee engagement survey.

D. Learning and Development

During the reporting year, CG launched key learning and development initiatives to strengthen capability and drive organizational effectiveness. These initiatives support its goal of building a future-ready, high-performing and values-driven workforce.

Digital Learning & Future-Ready Capabilities

To foster a culture of continuous learning and overall employee development, CG launched its e-learning platform, LinkedIn Learning. With access to over 10,000 courses, it empowers employees to learn anytime, anywhere, enhancing professional capabilities, personal effectiveness and supporting growth across all dimensions of their roles.

Further enhancing accessibility and convenience in learning while strengthening compliance readiness, the Company launched interactive e-learning modules under the 'One Hour Learning' initiative. Designed as concise, engaging sessions, these modules covered critical areas such as POSH, Code of Conduct and Information Technology, achieving 100% completion across employees of the organization.

To strengthen technology capabilities and prepare for emerging trends, CG also launched multiple programs, including AI in Manufacturing, aimed at building AI-focused training awareness, enhancing digital skills and enabling data-driven decision-making across operations.

Project Management Professional Program

With rapid business expansion and increasing project complexity, CG launched the Project Management Professional (PMP) program to build project-ready talent and strengthen execution capability. Delivered through a blended approach, masterclasses, coaching, assessments and cohort learning, the program engaged participants across all locations. 41 employees have been covered under this program.

Performance feedback and leadership effectiveness.

CG facilitates its managers with training sessions on Performance Feedback and Leadership Effectiveness designed to equip them with the skills to conduct meaningful, structured and impactful conversations with their team members. It emphasizes the importance of delivering clear, constructive and timely feedback that not only addresses performance gaps but also recognizes strengths and motivates improvement.

The program focuses on building core capabilities such as active listening, empathy and clarity in communication, enabling managers to foster open conversation with their subordinates. It also provides practical frameworks and techniques to handle difficult conversations, align individual performance with organizational goals and create a culture of continuous feedback.

Driving Purpose and Values

To reinforce its organizational ethos and embed its Purpose and CHOIR Values into everyday actions, the Company launched a dedicated e-learning module focused on "Living the Purpose and Leading with Values."

This initiative was designed to help employees connect deeply with our core philosophy, understand how it guides decision-making and translate it into meaningful workplace behaviours.

E. Employee Well-Being Through Enhanced Leave Policy

Effective April 2026, CG restructured its leave policy framework to support work-life integration and optimize human capital management. A central update is the institutionalization of Menstrual Wellness Support. This gender-responsive provision introduces targeted flexibility, to maintaining an inclusive and equitable workplace.

To prevent employee burnout and manage accumulated organizational leave liabilities, the Company instituted a cap on Privilege Leave (PL) accrual. This mechanism encourages the regular utilization of accrued time off, ensuring sustained workforce productivity and well-being. These policy revisions mitigate historical leave backlogs and establish a predictable, formalized framework for workforce planning.

F. Performance Review Process:

The Company, through its Performance Management Process known as PRIDE (Personal Responsibility in Delivering Excellence), is committed to aligning rewards with performance. CG concentrates on elevating the talent pool by encouraging employees to enhance their skills through comprehensive learning and development programs. PRIDE a framework, ensures that individuals are recognized and rewarded based on their performance outcomes. Each employee performs one self-assessment in mid-year and one annual assessment based on the goals set by them at the beginning of a financial year. Under PRIDE, CG focuses on employee performance, along with emphasis on employees' behavioral competency. CG evaluates the behavioral competencies under seven aspects i.e.

1. Result orientation
2. Strategic orientation
3. People Management
4. Inter-cultural sensitivity
5. Knowledge and innovation
6. Building Partnerships
7. Customer orientation

Based on the performance against the Goals and behavioral competency, all employees go through one primary assessment by their reporting manager and another assessment by skip level manager.

In FY2025-26, the annual total compensation ratio of the highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) was 101.93*. The ratio of the percentage increase in annual total compensation of the highest-paid individual to the median percentage increase of all other individuals, excluding the highest paid individual, is 60#.

* Calculated considering the Basic Salary + Dearness Allowance applicable to employees.

The salary of the highest paid individual and the rest of the organisation is taken for FY2024-25 and FY2025-26. The median is calculated for both and the ratio of the percentage increase is accordingly calculated and reported.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Employees											
Male	2,236	2,236	100%	2,236	100%	NA	NA	2,236	100%	NA	NA
Female	207	207	100%	207	100%	207	100%	NA	NA	207	100%
Total	2,443	2,443	100%	2,443	100%	207	100%	2,236	100%	207	100%
Other than Permanent Employees											
Male	1,328	1,328	100%	1,328	100%	NA	NA	1,328	100%	NA	NA
Female	70	70	100%	70	100%	70	100%	NA	NA	70	100%
Total	1,398	1,398	100%	1,398	100%	70	100%	1,328	100%	70	100%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Workers											
Male	1,360	1,360	100%	1,360	100%	NA	NA	1,360	100%	NA	NA
Female	22	22	100%	22	100%	22	100%	NA	NA	22	100%
Total	1,382	1,382	100%	1,382	100%	22	100%	1,360	100%	22	100%
Other than Permanent workers*											
Male	4,819	4,819	100%	4,819	100%	NA	NA	NA	NA	NA	NA
Female	396	396	100%	396	100%	396	100%	NA	NA	396	100%
Total	5,215	5,215	100%	5,215	100%	396	100%	NA	NA	396	100%

*All other than permanent workers are covered under ESIC subject to applicability under ESI Act.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the Company	**0.15%***	0.19%

*Expenses towards initiatives such as Capital Expenditure for Employee well-being and Insurance costs.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	**100%**	**100%**	**Yes**	100%	100%	Yes
Gratuity	**100%**	**100%**	**Yes**	100%	100%	Yes
ESI*	**0%**	**18%**	**Yes**	0.75%	18%	Yes

*The data here refers to permanent employees and workers. All contractual employees and workers are covered under ESIC.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

In alignment with the Rights of Persons with Disabilities Act, 2016, CG provides accessible infrastructure across a majority of its manufacturing plants and corporate offices. These locations feature structural accommodations to support mobility, alongside visual signage deployed across units for hearing-impaired personnel. The Company is currently executing phased infrastructure upgrades at its remaining facilities to establish uniform accessibility and compliance across its operational footprint.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

Yes. CG enforces a Human Resource Policy and a Human Rights Policy. These frameworks mandate equal opportunity across all employment phases and strictly prohibit discrimination based on gender, ethnicity, disability, age, religion, or sexual orientation. The Human Rights Policy contains explicit clauses ensuring equal opportunity and workplace facilities for persons with disabilities, in alignment with statutory requirements. All referenced policies are publicly available at: https://www.cgglobal.com/policy

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees Other than Permanent Employees Permanent Workers Other than Permanent Workers	**For Permanent Employees and Workers:** Personnel register grievances through the HR helpdesk or a designated internal portal (cg.grievance@cgglobal.com). The standard protocol routes the complaint to the Department Head and Unit HR for investigation, with final resolution authorized by the Unit Head. If required, personnel can escalate matters directly to the BU Head or Corporate HR. The Company also maintains specialized reporting channels, including a Whistleblower helpline for ethics concerns and a dedicated portal (posh.alert@cgglobal.com) for POSH-related matters. **For Other than Permanent Employees and Workers:** Contract personnel initially route grievances through their respective contractor supervisors. If issues remain unresolved, these individuals retain direct escalation access to site HR. Additionally, manufacturing facilities utilize physical complaint registers and schedule recurring interactions to log and resolve issues for this workforce segment.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**2,443**	**0**	**0%**	2,134	0	0%
Male	**2,236**	**0**	**0%**	1,975	0	0%
Female	**207**	**0**	**0%**	159	0	0%
Total Permanent Workers	**1,382**	**1,317**	**95%**	1,274	1,229	96%
Male	**1,360**	**1,302**	**96%**	1,254	1,216	97%
Female	**22**	**15**	**68%**	20	14	70%

CG's settlements with worker labour unions lay down operational and welfare frameworks for the unionized workforce. These agreements align labor relations with enterprise risk management and production standards across four dimensions:

- **Working Conditions:** The settlements formalize service conditions, linking wage structures to production metrics. The agreements include structured leave allocations and uniform provisions. To manage organizational transitions, the contracts establish notice and consultation requirements. Facility modifications, outsourcing initiatives and personnel redeployments require discussion between the Management and the union representatives prior to execution to ensure workforce stability.

- **Occupational Health and Safety (OHS):** The agreements enforce compliance with Global EHS, SA-8000 and ISO quality, environment and safety frameworks. Protocols mandate Personal Protective Equipment (PPE) usage, enforced through disciplinary action. Financial mechanisms, including heat allowances for thermal processing operations, mitigate process risks. Site level mandates explicitly prohibit tobacco consumption.

- **Grievances and Dispute Resolution:** The agreements establish resolution frameworks for wage and operational disputes. Both parties are required to utilize mutual discussion and the statutory machinery of the Industrial Disputes Act, 1947.

- **Training and Career Development:** The settlements require workforce participation in upskilling and operational excellence programs. Workers execute methodologies including Total Productive Maintenance (TPM), Statistical Process Control (SPC), Quality Circles, Kaizen and 5S standards. Furthermore, the agreements codify cross-training requirements to facilitate workforce mobility and role flexibility, mitigating production downtime during operational shifts.

8. Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
	Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)	Total (D)	No. (E)	% (E / D)	No. (F)	% (F / D)
EMPLOYEES										
Male	**2,236**	**239**	**11%**	**643**	**29%**	1,975	383	19%	875	44%
Female	**207**	**16**	**8%**	**43**	**21%**	159	111	70%	139	87%
Total	**2,443**	**255**	**10%**	**686**	**28%**	2,134	494	23%	1,014	48%
WORKERS										
Male	**1,360**	**111**	**8%**	**81**	**6%**	1,254	690	55%	326	26%
Female	**22**	**1**	**5%**	**1**	**5%**	20	11	55%	5	25%
Total	**1,382**	**112**	**8%**	**82**	**6%**	1,274	701	55%	331	26%

CG has implemented LinkedIn Learning Program following a comprehensive assessment of training needs across the organization. This will help CG in broadening the scope of its training programs along with aiming to cover a greater number of its workforce. This strategic initiative will equip its employees with enhanced skills and knowledge, fostering professional growth and further strengthening its collective capabilities.

Under skill upgradation, trainings such as Use of Artificial Intelligence and Gen AI at work, Advance Excel, Behavior based, Business Analytics, Decision Making, Performance feedback, Emotional Intelligence, Finance Literacy Programme, Project management, Leadership development, Negotiation skill, Quality Management and Six Sigma were covered.

Under Health and Safety, trainings such as safety inductions, firefighting, SCABA operation, hazardous waste handling, material handling - forklift, EOT crane operation, hot work, confined space working, ISO 14001, ISO 45001, Emergency management plan, work at height, fall protection, scaffolding, first aid and CPR, yoga sessions, preventive health awareness, mental health awareness among others were provided to employees and workers.

In the reporting year, CG spent ~₹ 31 Lakhs towards various training programs.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
EMPLOYEES						
Male	**3,564**	**3,416**	**96%**	1,975	1,826	92%
Female	**277**	**261**	**94%**	159	145	91%
Total	**3,841**	**3,677**	**96%**	2,134	1,971	92%
WORKERS						
Male	**6,179**	**1,182**	**19%**	-	-	-
Female	**418**	**197**	**47%**	-	-	-
Total	**6,597**	**1,379**	**21%**	-	-	-

Annual Performance Review

CG has institutionalized a robust and transparent performance appraisal process that aligns individual contributions with organizational goals while supporting employee development and well-being. The process follows a structured annual cycle linked to the financial year and is anchored in a Management by Objectives (MBO) approach, where employees and managers jointly set clear, measurable Key Result Areas (KRAs) and objectives at the beginning of the cycle. These goals are aligned with the organization's Annual Operating Plan and reviewed at mid-year and year-end to ensure clarity and accountability.

To ensure a holistic evaluation, CG adopts a multidimensional appraisal framework that goes beyond outcome-based KRAs. Performance is assessed across competencies, behaviours, organizational values, contributions to projects and initiatives and demonstration of leadership attributes.

CG also recognizes the importance of collective performance and collaborative success. The Company embeds team-based performance principles by assessing employees' contributions to cross-functional projects, teamwork, collaboration efforts and participation in organizational initiatives.

Throughout the year, managers engage in agile conversations through check-ins and feedback discussions with employees beyond the formal mid-year and annual review checkpoints. These ongoing conversations enable timely course-corrections, foster continuous alignment and ensure employees receive the support they need for success and well-being. The process culminates in a structured performance review discussion between managers and employees to summarise achievements, developmental needs and career aspirations.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, CG has implemented an Environment, Health and Safety Management System (EHSMS) across its operations. The EHSMS covers all manufacturing plants, offices, warehouses, project sites and allied facilities and is applicable to employees, workers (including contractual workers) and other persons at the workplace.

The EHSMS has been implemented:

i. Pursuant to applicable legal requirements including the Factories Act, 1948, State Factories Rules, Occupational Safety, Health and Working Conditions Code, Contract Labour (Regulation and Abolition) Act and other applicable laws.

ii. Based on recognized standards such as ISO 45001:2018 and industry best practices.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has documented processes for identification of work-related hazards and assessment of risks for routine and non-routine activities including HIRA, JSA/JHA, Permit-to-Work, Management of Change and incident analysis. Hazards are controlled using the hierarchy of controls.

Risk assessments are conducted by trained and competent personnel and are reviewed periodically. Outcomes are used to improve procedures, controls, training and the EHSMS through management reviews.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. CG has established robust, documented and well-communicated processes that enable workers to report work-related hazards and hazardous situations, remove themselves from unsafe work conditions and ensure protection against any form of retaliation. These processes are integral to the CG's Occupational Health and Safety (OHS) Management System and are aligned with applicable legal requirements and internationally recognized best practices.

1. Processes for Reporting Work-Related Hazards and Hazardous Situations (Including Protection Against Reprisals)

CG has implemented multiple accessible and transparent channels for workers (including permanent employees, contract workers, apprentices and trainees) to report work-related hazards, unsafe acts, unsafe conditions and near-miss incidents.

Reporting Mechanisms -

Workers may report hazards through the following mechanisms

- Immediate Supervisor / Line Manager: Verbal or written reporting during routine operations.
- Safety Officers / EHS Team: Direct reporting during inspections, audits, or through scheduled safety interactions.
- Safety Committees: Worker representatives can raise hazard related points during Safety Committee meetings.
- Hazard Identification & Risk Assessment (HIRA) Registers: Hazards identified during routine risk assessments are formally logged.
- Near-Miss & Unsafe Condition Reporting System: Structured formats (physical or digital) available at workplaces.
- Suggestion Boxes / Digital Portals (where applicable): Anonymous reporting options.
- Toolbox Talks & Pre-Job Safety Meetings: Hazards identified before or during task execution are immediately recorded and addressed.

Protection Against Reprisals -

- CG follows a zero-tolerance policy against retaliation.
- Workers are encouraged to report hazards without fear of disciplinary action, discrimination, or victimization.
- Anonymous reporting is permitted and confidentiality is maintained.
- Any form of reprisal is treated as a serious disciplinary offense under the Company's Code of Conduct.

2. Policies and Processes for Workers to Remove Themselves from Unsafe Work Situations (Including Protection Against Reprisals)

Right to Refuse Unsafe Work -

CG recognizes and formally upholds the Right to Stop Work / Refuse Unsafe Work when a worker reasonably believes that a task or condition poses an imminent risk to life, health, or safety.

Process for Removal from Risk -

- Workers are empowered to stop work immediately and remove themselves from hazardous situations without prior approval.
- The concern must be reported promptly to the Supervisor, Safety Officer, or Site In-Charge.
- The area or activity is secured and work is resumed only after the hazard is assessed and controlled.
- Alternative safe duties may be assigned, where feasible, until the risk is eliminated or reduced.

Protection Against Reprisals -

- No worker is penalized, demoted, or negatively evaluated for exercising this right.
- The Company's policy explicitly prohibits retaliation for work refusal on safety grounds.
- Management is trained to treat such actions as responsible safety behavior, not misconduct.
- Any alleged retaliation is investigated through formal grievance and disciplinary procedures.

3. Processes to Investigate Work-Related Incidents and Improve the OHS Management System

CG has a structured and systematic process for investigating all work-related incidents, including injuries, occupational illnesses, near-misses and dangerous occurrences.

Incident Investigation Process -

- Immediate Reporting & Response: Incidents are reported without delay and immediate actions are taken to ensure safety and provide medical care.
- Investigation Team Formation: Led by the EHS function, involving line management and worker representatives, as appropriate.
- Root Cause Analysis: Use of recognized methodologies (e.g., 5-Why Analysis, Fishbone Analysis).
- Hazard Identification & Risk Assessment: Re-assessment of hazards associated with the incident to identify gaps in controls.

Corrective and Preventive Actions -

Corrective actions are determined using the Hierarchy of Controls, prioritizing:

- Elimination
- Substitution
- Engineering Controls
- Administrative Controls
- Personal Protective Equipment (PPE)

Each action is:

- Assigned to a responsible person
- Provided with defined timelines
- Tracked until closure
- Systemic Improvements
- Findings are used to update risk assessments, SOPs, work permits and emergency procedures.
- Lessons learned are communicated across locations to prevent recurrence.
- Trends from incident data are analyzed to drive continuous improvement.
- Periodic management reviews ensure effectiveness of corrective measures and enhancements to the OHS Management System.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. CG, in alignment with the broader Murugappa Group framework, provides non-occupational health and medical support programs for its workforce.

These services function independently of occupational health management to address general employee health. Key interventions include:

- **Mental Health Modules:** Execution of awareness sessions and support channels addressing psychological health.
- **Preventive Health Education:** Deployment of information campaigns targeting general medical awareness and lifestyle disease prevention.
- **Physical Fitness Initiatives:** Facilitation of wellness events, including organizing yoga sessions across corporate and manufacturing facilities to promote physical activity.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury (LTI)	Employees	**1**	2
	Workers	**4**	5
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	**0.11**	0.33
	Workers	**0.25**	0.47
Total recordable work-related injuries	Employees	**71***	20
	Workers		99
No. of fatalities	Employees	**0**	0
	Workers	**1**	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	**0**	0
	Workers	**0**	0

Note- * 71 recordable injuries considers both employees and workers.

During the year, there was an unfortunate accident at one of our units which resulted in fatality of contract worker.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

CG embeds Occupational Health and Safety (OHS) directly into its core operational governance. The Company integrates hazard mitigation frameworks and preventive occupational health assessments into its manufacturing processes to protect human capital and sustain operational integrity.

Various initiatives are being taken to ensure the mitigation of risk and hazards by the Company. The below hierarchy is followed:

- Elimination
- Substitution
- Engineering control
- Administrative control
- Personal Protective Equipment (PPE)

By following all the above steps, hazards are eliminated wherever possible. Old machineries are replaced with operator safety-enhanced machines, eliminating the operator's exposure to rotating parts, flying objects etc.

CG ensures that all employees and workers, including permanent employees, contractual workers, apprentices and trainees, have access to appropriate occupational medical and healthcare services. These services are designed to prevent work-related injuries and illnesses, promote employee well-being and support early identification and mitigation of occupational health risks.

Occupational Health Services:

Scope and Functions

CG has established occupational health services through a combination of on-site medical facilities, qualified medical professionals and empaneled external healthcare providers, depending on the nature and risk profile of operations.

Key Functions of Occupational Health Services

The occupational health services contribute to identification and elimination of hazards and minimization of risks through the following:

- Pre-employment and Periodic Medical Examinations
- To assess fitness for work, identify occupational health risks and monitor health trends over time.
- Health Surveillance Programs
- Targeted medical surveillance for workers exposed to specific occupational hazards (e.g., noise, dust, chemicals, ergonomic risks).
- Workplace Health Risk Identification
- Inputs from medical examinations are integrated with Hazard Identification and Risk Assessment (HIRA) processes to detect emerging occupational health risks.
- Early Detection and Prevention
- Identification of early signs of occupational illnesses and recommendation of preventive or corrective measures.
- Emergency Medical Response
- First aid, on-site treatment and emergency referral systems for work-related injuries and illnesses.
- Health Promotion and Awareness
- Wellness initiatives, vaccination programs, ergonomics guidance and health education sessions to improve overall workforce health.
- Ensuring Quality and Accessibility of Occupational Health Services

CG ensures the quality and accessibility of occupational health services through:

- Engagement of qualified occupational health physicians, nurses and certified medical professionals
- Periodic evaluation of empaneled hospitals and diagnostic centers
- Compliance with applicable legal requirements under occupational health and safety laws
- Standardized medical protocols and procedures
- Regular audits and reviews by EHS and management teams
- Easy access through on-site facilities, scheduled medical camps and tie-ups with nearby hospitals
- Provision of services during working hours to avoid loss of wages or inconvenience to workers
- Confidentiality of Workers' Personal Health-Related Information

CG places the highest importance on the confidentiality and integrity of workers' health data.

- Personal health records are maintained securely in physical or digital systems with restricted access.
- Access to medical information is limited strictly to authorized medical professionals and designated personnel on a need-to-know basis.
- Health data is handled in compliance with applicable data protection and privacy requirements.
- Medical information shared with management is aggregated or anonymized, focusing only on workplace risk trends and preventive actions.
- Non-Discrimination and Fair Treatment Assurance

CG ensures that workers' health information and participation in occupational health services are not used for any favorable or unfavorable treatment.

- Medical records are not used for disciplinary actions, promotions, demotions, wage decisions, or termination, except where legally mandated for safety-critical roles.
- Participation in occupational health programs is voluntary or legally mandated and does not influence performance appraisals.
- Any work restrictions or job modifications based on medical advice are implemented solely to protect the worker's health and safety, without loss of dignity or discrimination.
- Policies explicitly prohibit discrimination based on medical conditions or health status.

Also, in alignment with ISO 45001:2018, it implements Summer Safety Guidelines to manage heat stress and dehydration. These ongoing measures include providing shaded rest areas, and frequent cooling breaks to maintain a safe work environment during extreme conditions. The Company provides specific allowances for heat-intensive operations and takes steps to shield workers from heat stress through enhanced ventilation and modified work scheduling where practical. Furthermore, supervisors are empowered to stop or modify work if temperatures indicate high risk.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety	0	0	-	0*	0*	-

*Restated for definition alignment.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The Company has event reporting system through which CG is monitoring incidents and taking corrective actions. The System enlists activities arising out of the LTA cases. All CAPA are on track.

CG acknowledges the impact these events have on its employees, their families and the entire organization. Safety is and always will be, the paramount priority. CG is reinforcing its safety culture and implementing significant changes to prevent safety incidents. CG will continue to report on the improvements implemented in its Safety Management System.

LEADERSHIP INDICATOR

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, CG extends life insurance and compensatory packages in the event of death for its employees and workers.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

CG integrates statutory compliance verification directly into its accounts payable operations for value chain partners - contractors. To ensure the deduction and remittance of workforce dues, the Company mandates the submission of statutory deposit challans (specifically PF and ESIC) from the preceding month as a prerequisite for the processing and clearance of current-month contractor invoices.

This financial control mechanism enforces contractor adherence to central and state regulatory frameworks, including the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, the Employees' State Insurance Act, 1948 and the Payment of Bonus Act, 1965, alongside applicable state-specific Labour Welfare Fund and Professional Tax statutes.

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.**

Category	What are the Total no. of affected employees/ workers		What is the No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2025-26	FY2024-25	FY2025-26	FY2024-25
Employees	**0**	0	**0**	0
Workers	**0**	0	**0**	0
Total	**0**	0	**0**	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, CG facilitates transition assistance through financial well-being and retirement planning programs administered under the broader Murugappa Group framework. These initiatives specifically address the management of career endings by equipping employees with strategies for post-employment financial security. The provision of these targeted financial modules ensures personnel are prepared to manage economic transitions following retirement or the conclusion of employment.

5. **Details on assessment of value chain partners:**

	What % of value chain partners (by value of business done with such partners) that were assessed
Health and safety	17.60%
Working conditions	17.60%

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

CG executes Supplier Quality Process (SQP) and EHS audits to evaluate value chain partners against ISO 45001:2018 standards. These assessments identify nonconformities related to hazard controls, Personal Protective Equipment (PPE) utilization, hazardous waste disposal and chemical handling.

Upon identifying health, safety, or working condition risks, the Company classifies the findings as major or minor nonconformities and mandates a formalized Improvement Plan. The corrective action mechanism involves the following steps:

- Root Cause Analysis (RCA): The supplier must submit an RCA alongside a Corrective Action Plan with defined implementation timelines.
- Tracking and Verification: The Supplier Quality Assurance (SQA) department tracks the corrective actions through the vendor portal until the implementation is complete and verifies the effectiveness of the interventions.
- Consequence Management: Suppliers failing to implement agreed corrective actions or those demonstrating repeated safety and environmental non-compliance are subject to exclusion and de-approval from the vendor network.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS



According to Principle 4, businesses should respect the interests of and remain responsive to, all internal and external stakeholders. This section explains the governance frameworks and operational mechanisms CG utilizes to facilitate structured, data-driven stakeholder engagement. It outlines how the Company categorizes its stakeholder base, deploys a matrix of communication channels and integrates external feedback loops into its materiality assessments and capital allocation strategies.

CG structures stakeholder engagement as a foundational governance mechanism, essential for driving sustainable value creation. The Company identifies and categorizes its internal and external stakeholders: encompassing investors, workforce personnel, value chain partners, regulatory authorities and local communities; based on their operational proximity and influence on business continuity. Engagement is executed as a structured dialogue embedded within departmental operating procedures with appropriate frequencies. Utilizing a matrix of defined communication channels, ranging from digital vendor portals and quarterly investor consultations to formalized collective bargaining and community need-assessments, CG captures data on stakeholder priorities. This rigorous engagement architecture allows the Company to pre-emptively identify emerging Environmental, Social and Governance (ESG) risks, balance competing expectations and directly inform its Materiality Assessment by translating external demands into strategic business objectives.

To address these identified priorities, management executes targeted interventions across the Company, aligning capital allocation with stakeholder requirements. These functional responses range from executing stringent supplier compliance audits and facility safety upgrades to operating centralized grievance redressal mechanisms accessible to both internal personnel and external partners. By institutionalizing these feedback loops, CG integrates latest external sustainability requirements into its business strategy ensuring compliance with statutory frameworks, including the BRSR Core, while maintaining operational resilience.

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   CG maintains a strong stakeholder engagement process, where it meticulously identifies critical stakeholder groups by evaluating each group's impact on the company's value creation and conversely, the company's influence on their interests. This analysis facilitates the Company to engage with a diverse range of internal and external stakeholders, including employees, customers, suppliers, channel partners, communities and investors.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	AGM, Financial Information Release, Investor Presentations, Earnings Calls	AGM – Annually Others - Quarterly	To inform on how the Company is currently performing and what it plans to do in the near-term future
Employees	No	Emails, Face to Face Meetings, HR Sessions, Reward and Recognition, Employee Newsletter, Intranet, Team Building Workshops and Employee Grievance Portal, Townhall / Recognition events	Frequent and as and when required	To keep employees updated on key developments, initiatives undertaken by the Company and also for addressing their grievances and for capability building
Dealers and Customers	No	Email, Quality Business Reviews, Channel Partner Meetings, Regular Operations Reviews and Grievance Portal	Frequent and as and when required	To acquire new customers, service the existing ones and improve customer experience.
Suppliers and Contractors	No	CG Portal for Suppliers and Vendors, Regular interactions, SQP interaction audits	As and when required / as defined frequency	Engagement on supply planning, Quality and Supply chain management, Health and Safety, Training needs and regular payments, ESG performance improvement
Communities	Yes	Multiple modes, Surveys, community events in coordination with local administrations	On Regular basis	Engagement with local communities to drive structured socio-economic development. Key focus areas include the deployment of critical rural infrastructure, specifically across healthcare, education and sanitation sectors and the execution of localized public health and hygiene awareness programs.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   CG delegates the consultation process for economic, environmental and social topics through a structured governance framework. Direct engagement is managed by executive and operational teams, while the Board maintains oversight through the Board-level Risk Management Committee.

   The engagement and feedback mechanism operates across three levels:

   Operational Execution (ESG Team): A dedicated ESG team is mandated to formally identify material topics. This team executes structured stakeholder engagement processes and conducts the Materiality Assessment to capture external and internal ESG priorities.

   Executive Engagement (Leadership Team): The Executive Leadership Team, led by the Managing Director and CEO maintains continuous dialogue with key value chain partners, investors and internal personnel as part of regular business operations.

   Risk Management Committee: Insights and data gathered by both the ESG team and the Executive Leadership are synthesized and reported to the Board-level Risk Management Committee. The Committee reviews sustainability performance, evaluates associated enterprise risks and provides strategic direction. The consolidated feedback is subsequently presented during Board meetings, ensuring alignment of corporate strategy with stakeholder priorities.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, stakeholder consultation informs CG's approach to environmental and social responsibility. The insights taken from these consultations, during the Materiality Exercise, have helped in constituting CG's key policies and activities on these critical topics. Building on this valuable feedback, during the year multiple policies underwent changes to align with stakeholder priorities.

CG utilizes stakeholder consultation to directly inform its operational and supply chain activities. For example, during recent structured engagements, key value chain partners identified a requirement for capacity-building support to track and manage their own Environmental, Social and Governance (ESG) metrics.

In response to this specific feedback, the Company engineered and deployed a dedicated ESG data-capturing module within its centralized vendor portal. This functional upgrade permits suppliers to input baseline sustainability data and monitor their ongoing performance trajectories, directly translating stakeholder requirements into a formalized supply chain management activity.

3. **Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

CG executes targeted Corporate Social Responsibility (CSR) interventions to address the specific requirements of marginalized stakeholder groups, primarily focusing on healthcare accessibility, educational infrastructure and community improvement. During the reporting period, the Company partnered with specialized non-governmental organizations and trusts to execute the following engagements:

Rural Healthcare Deployment: Engaged the Wockhardt Foundation to operationalize Mobile Medical Vans in the industrial peripheries of Malanpur and Ahilyanagar. This initiative delivers primary healthcare, diagnostics and essential medicines directly to vulnerable rural populations lacking proximate medical infrastructure.

Educational Infrastructure Upgrades: Collaborated with local institutional bodies, including the Nashik Education Society, Palse Gramvikas Mandal and Zilla Parishad School (Vilholi). The Company funded structural upgrades and facility enhancements at these locations to support continued learning access for students from economically weaker sections.

Community Wellness and Rehabilitation: Partnered with Isha Outreach and the Isha Foundation to deploy rural health, ecological and community wellness programs. Additionally, the Company directed funds to The Earth Saviours Foundation to support the residential care, medical treatment and rehabilitation of indigent senior citizens and individuals.

Capacity Building and Development Grants: Executed further socio-economic development initiatives and specialized educational grants through the Prayas Foundation and the Global Growth Foundation of India.

The details of CSR activities undertaken by CG, during the year, are provided in the CSR Section of this Annual report.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS



Principle 5 requires that Companies respect and promote human rights across all operations, affirming that inherent human rights must not be compromised for commercial objectives, as established by the UN Guiding Principles on Business and Human Rights. This section details the institutional controls and execution protocols CG utilizes to integrate human rights protections into its corporate architecture. It maps out CG's structural approaches to maintaining a discrimination-free workplace, enforcing equitable employment practices and aligning its strategy with global human rights mandates, including the United Nations Global Compact (UNGC).

ESSENTIAL INDICATORS

1. CG enforces compliance policies designed to sustain a discrimination-free workplace and advance fair employment opportunities across its operations. CG evaluates and manages its human capital based on objective, meritocratic criteria, explicitly prohibiting discrimination on the basis of race, color, creed, ancestry, ethnic origin, religion, sex, nationality, age, physical disability, or marital status. Reinforcing this strategic commitment, during the year CG became a participant in the United Nations Global Compact (UNGC), embedding its foundational principles regarding human rights and labor standards directly into Company oversight.

2. The Company ensures that all employment at CG is voluntary and based on free choice. As part of its onboarding process, CG conducts background verification for all new employees and workers, including verification of identity and age-related documentation, to ensure compliance with applicable labour laws.

3. The Company has adopted a Human Rights Policy and Code of Conduct aligned with applicable labour laws and international standards, including ILO conventions, which explicitly prohibit child labour, forced labour, bonded labour and any form of coercive employment practices. These expectations are communicated to employees, contractors and business partners. CG conducts periodic reviews to identify and mitigate potential risks of human rights violations. The Company also undertakes awareness and training programs for employees, supervisors and contractors on ethical employment practices, labour rights and responsible business conduct.

4. For its contract workforce, CG embeds labour law compliance requirements within all business agreements with contractors. These agreements mandate adherence to applicable laws and CG's Code of Conduct, including provisions relating to prohibition of child labour, elimination of forced or bonded labour, payment of fair and timely wages, regulated working hours and respect for freedom of association and collective bargaining. CG expects its contractors and their workforce to align with these standards and monitors compliance through contractual obligations and oversight mechanisms.

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
EMPLOYEES						
Permanent	**2,443**	**2,443**	**100%**	2,134	581	27%
Other than permanent	**1,398**	**68**	**5%**	620	226	36%
Total	**3,841**	**2,511**	**65%**	2,754	807	29%
WORKERS						
Permanent	**1,382**	**969**	**70%**	1,274	82	6%
Other than permanent	**5,215**	**1,306**	**25%**	3,563	2,700	76%
Total	**6,597**	**2,275**	**34%**	4,837	2,782	58%

In the reporting year, CG provided training on Human rights topics such as POSH, to all its permanent employees through its "OneHour Learning" program.

On the occasion of International Human Rights Day (December 10, 2025), CG conducted a webinar for all its employees through external subject matter experts which covered:

- Principles of Human Rights under Indian law and global frameworks
- Common workplace human rights considerations, including fair working conditions, non-discrimination, wages, safety and dignity
- India's evolving labour landscape, including the new labour codes and their relevance
- CG's commitment to human rights and the company's policies, grievance mechanisms and reporting channels
- Learning through real workplace case studies

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
	Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)	Total (D)	No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	**2,443**	**-**	**-**	**2,443**	**100%**	2,134	-	-	2,134	100%
Male	**2,236**	**-**	**-**	**2,236**	**100%**	1,975	-	-	1,975	100%
Female	**207**	**-**	**-**	**207**	**100%**	159	-	-	159	100%
Other than Permanent	**1,398**	**1,075**	**77%**	**323**	**23%**	620	444	72%	176	28%
Male	**1,328**	**1,037**	**78%**	**291**	**22%**	564	431	76%	133	24%
Female	**70**	**38**	**54%**	**32**	**46%**	56	13	23%	43	77%
Workers										
Permanent	**1,382**	**-**	**-**	**1,382**	**100%**	1,274	-	-	1274	100%
Male	**1,360**	**-**	**-**	**1,360**	**100%**	1,254	-	-	1254	100%
Female	**22**	**-**	**-**	**22**	**100%**	20	-	-	20	100%
Other than Permanent	**5,215**	**5,176**	**99%**	**39**	**1%**	3,563	3,486	98%	77	2%
Male	**4,819**	**4,780**	**99%**	**39**	**1%**	3,307	3,233	98%	74	2%
Female	**396**	**396**	**100%**	**0**	**0%**	256	253	99%	3	1%

3. Details of remuneration/salary/wages, in the following format:

a) Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	6	22,70,000*	1	21,80,000*
Key Managerial Personnel	3	3,34,98,725	0	-
Employees other than BoD and KMP	2,233	10,25,391	207	6,33,225
Workers	1,360	5,84,376	22	5,84,676

* Includes commision paid to non-executive directors for FY2024-25, paid in FY2025-26.

b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	**5.96%**	4.25%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

CG is committed to provide a platform where the human rights of all stakeholders are protected while engaging with employees, business partners and suppliers as per globally recognized guidelines on Human Rights and is committed to engage with stakeholders in a transparent and appropriate manner to address and resolve human rights related issues concerning our business activities.

A system to routinely monitor adherence to CG's human rights policy has been put in place by the human resources department and routinely monitored by an Internal Committee which allows CG to prevent any infringement of human rights and ensure that our human rights policy is adhered to. Addressing concerns relating to human rights falls under the purview of the Head of Human Resources. CG has instituted an Internal Complaints Committee (ICC) across all its manufacturing facilities and sales locations to prevent any form of discrimination and harassment.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	**1**	**0**	**Case has been resolved**	0	NA	NA
Discrimination at workplace	**0**	**NA**	**NA**	0	NA	NA
Child Labour	**0**	**NA**	**NA**	0	NA	NA
Forced Labour/Involuntary Labour	**0**	**NA**	**NA**	0	NA	NA
Wages	**0**	**NA**	**NA**	0	NA	NA
Other human rights related issues	**0**	**NA**	**NA**	0	NA	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	**1**	Nil
Complaints on POSH as a % of female employees and workers	**0.14%**	Nil
Complaints on POSH upheld	**1**	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

CG has instituted an Internal Committee at the Corporate level to monitor and resolve the grievances. A panel for the 'Prevention of Sexual Harassment (POSH) Committee' is chosen from the Regional Diversity Taskforce to resolve any POSH related complaint.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. CG has Human Rights Policy and Vendor Code of conduct as a guiding instrument for the engagement with value chain partners such as suppliers.

10. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable. As no significant risks / concerns were found.

LEADERSHIP INDICATOR

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the period, none of such business process were been modified / introduced as a result of addressing human rights grievances/complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

CG adopts a comprehensive approach to embedding human rights across all aspects of its operations. The company integrates human rights considerations into its global Sustainability, Supply Chain, Procurement and Responsible Business functions, ensuring that expert guidance supports the identification, management and mitigation of human rights risks throughout the organization. CG recognizes Human Rights Due Diligence (HRDD) as an essential process for proactively addressing actual and potential adverse impacts that the company may cause, contribute to, or be directly linked with through its business activities and relationships.

CG's human rights due-diligence framework is structured around four core components:

- Identifying and assessing actual or potential adverse human rights impacts across operations and the value chain.
- Integrating key findings from these assessments into relevant business processes and taking appropriate corrective or preventive actions.
- Tracking the effectiveness of measures implemented to address identified human rights concerns, ensuring continuous improvement.
- Communicating transparently with stakeholders, particularly affected groups, on how human rights issues are being managed and demonstrating that appropriate policies, controls and processes are in place.

CG has started assessment of suppliers for Human Rights. CG has mandated its key suppliers to share human rights related data as per BRSR Core in its vendor portal. The findings of portal based assessment inform the strategy to conduct onsite audits for suppliers.

CG has also engaged a specialist compliance and risk-management firm, to undertake Human Rights Due-Diligence across its operations. The scope of the due-diligence includes a structured review of CG's policies, operational practices, labour management processes and statutory compliance posture to identify potential or actual human rights risks across the value chain.

As part of this exercise, the agency is conducting independent evaluations, identifying areas of improvement and providing actionable insights to support mitigation planning. Their methodology includes reviewing adherence to labour laws, workplace standards, ethical practices and employee-related compliance requirements thereby helping CG ensure that human rights considerations are embedded into day-to-day operations, contractor management and governance systems.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

CG's major sites and plant facilities are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	17%
Discrimination at workplace	17%
Child Labour	17%
Forced Labour/Involuntary Labour	17%
Wages	17%
Others	NA

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT



Principle 6 urges organizations to assess, manage and mitigate the environmental impacts arising from their direct operations and value chain activities. This section explores the environmental management framework and compliance protocols CG utilizes to minimize its ecological footprint. It also addresses how CG maintains internationally certified EHS systems, monitors statutory pollution control guidelines and directs strategic capital investments toward operational eco-efficiency.

Environmental Management and Statutory Compliance:

CG integrates environmental stewardship into its core strategy, operating under the principle that sustainable manufacturing requires a calibrated approach to resource utilization. To achieve this, CG benchmarks its production facilities against rigorous global standards. Presently, all manufacturing plants hold active Integrated Management Systems (ISO) certifications, reflecting a structured institutional approach to quality (ISO 9001), environmental management (ISO 14001) and occupational health and safety (ISO 45001).

In alignment with domestic statutory frameworks, CG's operational units across India maintain valid operational approvals from their respective State Pollution Control Boards. CG deploys continuous monitoring mechanisms across these facilities to uphold the specific environmental guidelines and emission thresholds stipulated within those regulatory consents.

Climate Transition and Adaptation Framework:

At CG, the commitment to a sustainable future is integrated into organisation's purpose and values with a dual focus on climate change mitigation and adaptation. The Board Level Risk Management committee guides this approach, ensuring that climate-related risks and opportunities are embedded within the Enterprise Risk Management (ERM) framework and strategic decision-making processes.

The organization's transition plan is designed to support the global goal of limiting warming to 1.5 deg C by aligning with the NGFS Net Zero 2050 scenario. Central to this plan is a target to achieve carbon neutrality for Scope 1 and 2 emissions by 2030, a goal supported by a comprehensive decarbonization roadmap involving renewable energy adoption, energy-efficient equipment upgrades and the integration of ESG considerations into project appraisals.

The adaptation strategy addresses physical risks identified through SSP2-4.5 and SSP5-8.5 scenario analysis. To manage impacts such as heat stress and flooding, the plan incorporates measures like passive water diversion systems and worker-safety protocols, alongside long-term investments in green infrastructure and smart manufacturing platforms. As Climate Change drives daytime temperature to unprecedented extremes, safeguarding CG's workforce against these escalating physical risks is a priority. Recognizing heat stress as a significant climate induced vulnerability and in alignment with ISO 45001:2018, CG has introduced summer safety guidelines into its adaptation strategy. These ongoing measures include providing 100% PPE compliance, access to cold water and Oral Rehydration Salts (ORS), shaded rest areas and frequent cooling breaks to maintain a safe work environment during extreme conditions.

The Company provides specific allowances for heat-intensive operations and takes steps to shield workers from heat stress through enhanced ventilation and modified work scheduling where practical. Furthermore, supervisors are empowered to stop or modify work if temperatures indicate high risk.

CG follows water management principles focused on sustainable use, including focus on reuse, recycling of water and harvesting rainwater to reduce the impact of manufacturing on local resource availability.

With a focus on stakeholder engagement to ensure resilience across the value chain, CG has transitioned toward a more data-driven engagement model with its value chain partners. By utilizing the BRSR (Business Responsibility and Sustainability Reporting) core framework, the organization has initiated collection of primary data on fuel consumption, electricity usage and other GHG emission sources from its partners. CG undertakes capacity building programs for its supply chain partners addressing climate change issues. This structured approach enables the organization to accurately map and monitor emissions throughout the supply chain, ensuring that decarbonization efforts extend beyond direct operations to encompass the entire supply chain.

For more details, please refer CG's report on Task Force for Climate related Financial Disclosure (TCFD) available at: LINK

Capital Allocation for Eco-Efficiency: Translating environmental strategy into measurable financial commitment, CG directed ₹ 6.89 Crore in specialized capital expenditure during the reporting year. These financial resources were allocated toward infrastructure upgrades, process interventions and technological deployments designed to optimize resource efficiency and reduce the Company's environmental impact.

Biodiversity Management: CG has included biodiversity as a dedicated component of its overarching Environment Policy. In its environment policy, the Company has committed to avoid deforestation and habitat loss in internationally recognized areas such as World Heritage Sites. CG integrates nature-related risk and opportunity assessments into its financial planning and strategic decision-making throughout the entire project lifecycle, spanning initial commissioning to decommissioning, closure and final site rehabilitation. Facility management teams execute operational protocols that maximize green coverage within plant perimeters and promote the protection and restoration of native flora and fauna.

These qualitative commitments currently govern CG's direct operational footprint. The formalization of quantitative targets, including base years and key performance indicators, is under internal review.

CG applies a structured mitigation hierarchy to manage its ecological footprint. To avoid negative impacts, the company integrates biodiversity considerations into project planning to avoid recognized ecological zones. CG also deploys targeted green protocols to minimize unavoidable impacts. For eg. the major manufacturing facilities like Switchgear Nashik utilizes Sewage Treatment Plants (STPs), rainwater harvesting and heat-island reduction measures to significantly reduce stress on local watersheds and micro-habitats. For restoring biodiversity, the Nashik site has engineered dedicated Butterfly and Herbal Gardens, tracking ecological diversity via the Simpson's Index and utilizes vermicomposting to remediate soil quality. CG integrates natural elements such as indoor aquariums and green spaces into its facilities to elevate workforce mental well-being. High-density planting of native trees at Nashik supports local genetics while functioning as a carbon sink.

Essential Indicators

The following calculations have been used in this section:

- PPP Adjusted Revenue in USD = Revenue in INR/IMF PPP Conversion Factor
- PPP Conversion Factor is taken as 20.34 (for FY 2025-26) and 20.66 (for FY 2024-25) as per the latest available value up to finalization of this report and is sourced from https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND
- For FY 2024-25, CG had used PPP Conversion Factor (19.60) from World Bank Website. After the introduction of Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core, CG has recalculated the intensity figures adjusted for PP considering International Monetary Fund (IMF) Values. Accordingly, the values for 2024-25 have been restated.

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

(In Giga Joules)

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From Renewable sources		
Total Electricity Consumption (A)	**21,172**	22,874
Total fuel consumption (B)	**0**	0
Energy consumption through other sources (C)	**0**	0
Total energy consumed from renewable sources (A+B+C)	**21,172**	22,874
From non-renewable sources		
Total electricity consumption (D)	**1,52,065**	1,38,381
Total fuel consumption (E) (Diesel, LPG, LDO, Petrol)	**47,842**	36,692
Energy consumption through other sources (F)	**0**	0
Total energy consumed from nonrenewable sources (D+E+F)	**1,99,907**	1,75,073
Total energy consumed (A+B+C+D+E+F)	**2,21,079**	1,97,947
Energy intensity per rupee of turnover	**19.51**	21.21
(Total energy consumed / Revenue in ₹ Crs. from operations)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP in million USD)	**39.69**	43.84

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, CG's manufacturing units have carried out the evaluation of the data by an external agency as part of ISO audit through M/s Bureau Veritas.

Note

CG's manufacturing units have an Energy Management Program (EMP) - a structured approach to optimizing energy use within operations.

Energy Management Strategies -

- **Energy Audits and Assessments**
  - Conducting detailed energy audits to identify areas where energy consumption can be reduced. These audits help pinpoint inefficiencies, equipment that needs upgrading, or behavioral changes that could lead to savings. As of 31 March, 2026, four sites of CG has undergone energy audit in last 2 years and 10 more are undergoing audits.
- **Energy Efficiency Standards**
  - Establishing energy performance standards and benchmarks tailored to the manufacturing site's specific needs. These may include setting targets for energy use per unit of production/revenue.
- **Energy-saving Technologies and Practices**
  - Implementing energy-efficient technologies, such as LED lighting, high-efficiency HVAC systems, energy management software and maximize sourcing energy from renewable sources like solar.
  - Encouraging energy-saving behaviours among employees, such as turning off lights when not in use, preventing idle running of equipment, adjusting thermostat settings and using energy-efficient appliances.
- **Training and Awareness Programs**
  - Regular training sessions for employees at all levels of the organization to raise awareness about energy efficiency and how each person can contribute to reducing consumption.
- **Monitoring and Reporting**
  - Installing energy meters and sensors to continuously monitor energy consumption. Regular reporting allows the sites to identify trends, take corrective actions, where necessary and track progress toward goals.
- **Action Plan and Implementation**
  - Developing a strategic action plan that outlines specific energy-saving measures, timelines and responsibilities. These should include both short-term initiatives and long-term infrastructure upgrades.

Some of the key focus areas discovered on the basis of Energy audit results across our Sites are:

- VFD installation on air compressors
- Retrofitting of Exhaust and Wall Mounting Fans
- IoT based Energy Monitoring System
- Preventive and Predictive Maintenance
- Use of automation for Cooling tower fan operations

CG is continuously working towards implementing the same.

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	**NA**	NA*
(ii) Groundwater	**83,702**	85,631
(iii) Third party water	**2,43,760**	2,39,160
(iv) Seawater / desalinated water	**NA**	NA
(v) Others	**NA**	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3,27,462**	3,24,791
Total volume of water consumption (in kilolitres)	**3,27,462**	3,24,791
Water intensity per rupee of turnover (Water consumed / turnover in ₹ Cr.)	**28.90**	34.82
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP in million USD)	**58.78**	71.93

*The data has been restated due to recalculation

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, CG's manufacturing units have carried out the evaluation of the data by an external agency as part of ISO audit through M/s Bureau Veritas.

Note

Key improvements identified during the Water audits conducted across CG's Sites are:

- Reducing evaporation losses in Cooling Towers
- Upgradation of ETPs and STPs to meet the expansion capacity demands
- Reduce domestic water usage by adopting new technologies like water efficient taps and waterless urinals
- Implementation of rain water harvesting structures at balance sites

CG is working towards implementing the audit findings.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(ii) To Groundwater		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(iii) To Seawater		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(iv) Sent to third-parties		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(v) Others (Gardening and Common Industrial ETP)		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment (Primary, Secondary, Tertiary)	**93,428**	82,455
Total water discharged (in kilolitres)	**93,428**	82,455

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company has wastewater treatment systems such as Sewage Treatment Plants (STP), Effluent Treatment Planta (ETPs) across its manufacturing facilities. Treated wastewater is used for the gardening and area cleaning purpose. In select locations, effluent water is sent to common effluent treatment plant through tankers for treatment as per conditions prescribed in respective Consent to Operate (CTO).

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	PPMV	**632**	472
SOx	Tons	**73.91**	76.88
Particulate Matter (PM)	Tons	**8.95**	10.96
Persistent Organic Pollutants (POP)	-	**-**	-
Volatile Organic Compounds (VOC)	PPM	**13.50**	12.91
Hazardous Air Pollutants (HAP)	-	**-**	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, CG's manufacturing units have carried out the evaluation of the data by an external agency as part of ISO audit through M/s Bureau Veritas.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameters	Units	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric Tonnes of CO_2 equivalent	**6,861**	6,119*
Breakup			
CO_2	Metric Tonnes of CO_2 equivalent	**2,208**	1,825
CH_4	Metric Tonnes of CO_2 equivalent	**671**	555
N_2O	Metric Tonnes of CO_2 equivalent	**49**	40
SF_6	Metric Tonnes of CO_2 equivalent	**3,933**	3,699
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available	Metric Tonnes of CO_2 equivalent	**29,929**	28,045*
Total Scope 1 and Scope 2 emission intensity per Crore Rupee of turnover (Total Scope 1 and Total Scope 2 GHG emissions/Revenue from Operations	Metric Tonnes of CO_2 equivalent/Cr. ₹ Revenue	**3.27**	3.66
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric Tonnes of CO_2 equivalent/Int Million USD Revenue	**6.66**	7.57

*The data has been restated due to recalculation

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, CG's manufacturing units have carried out the evaluation of the data by an external agency as part of ISO audit through M/s Bureau Veritas.

At the Switchgear division of CG, SF_6 is used in Gas Insulated Switchgear products. SF_6, while being an effective insulating gas, is a potent greenhouse gas. Recognizing its environmental impact, CG is proactively exploring and implementing alternative technologies that offer comparable performance with significantly reduced environmental consequences.

Calculation Methodologies:

The standards, methodologies and assumptions used for the calculations (based on operational control) are obtained from the Intergovernmental Panel on Climate Change (IPCC), Guidelines for National Greenhouse Gas Inventories 2006, the IPCC Sixth Assessment Report (with consideration of 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories), Central Electricity Authority (CEA) - CO_2 Baseline Database for the Indian Power Sector, Version 21.0, December 2025. CG's GHG inventory accounts for Carbon Dioxide (CO_2), Methane (CH_4), Nitrous Oxide (N_2O), and Sulfur Hexafluoride (SF_6). For SF_6 emissions arising from its Gas Insulated Switchgear (GIS) manufacturing operations, CG calculates the carbon dioxide equivalent (CO2e) by applying an estimated manufacturing leakage rate to the total mass of procured SF_6 gas, multiplied by the relevant Global Warming Potential (GWP) factor sourced from the IPCC AR6 guidelines.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

Sr. No.	Initiative Undertaken	Details of the Initiative (Web-link, if any, may be provided along-with summary)	Outcome of the Initiative
	Energy Efficiency & Decarbonisation		
1	Fuel Transition	◦ Switched major heating systems across Switchgear Nashik and Power Transformers Mandideep manufacturing plants from LDO, LPG to Piped Natural Gas (PNG).	◦ Reduced overall fuel consumption\ ◦ Reduced direct emissions ◦ Reduced lowered operating costs.
2	Upgrading Plant Utilities	◦ Overhauled our utility infrastructure by installing VFD chillers, IE4 motors, BLDC fans, and motion-sensor lighting. ◦ Replaced diesel forklifts with battery-operated material handling equipment.	◦ Reduced utility power consumption ◦ Cleaner shopfloor environment. ◦ Reduced direct emissions
3	Stamping Operations Optimisation	◦ Fixed compressed air leakages and optimized overall energy use specifically within our heavy stamping operations.	◦ Saved approximately 208 MWh of electricity this year, translating to an estimated reduction of 171 tCO_2e.
4	Routine Process Improvements	◦ Continued CG's rolling upgrades of older HVAC systems and replaced legacy equipment with high-efficiency compressors and motors.	◦ Maintained steady energy savings ◦ Minimized power losses across day-to-day plant operations.

Note: CG also considers the GHG impact in its project appraisal process especially in equipment selection.

8.a How many Green credits have been generated or procured by the listed entity?

Nil

9. Provide details related to waste management by the entity, in the following format:

Parameter (in metric tonnes)	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Total waste generated		
(A) Plastic waste	**43**	34
(B) E-waste	**17**	31
(C) Battery waste	**6**	8
(D) Bio-medical waste	**0.01**	7
(E) Construction and demolition waste	**16**	11
(F) Radioactive waste	**0**	0
(G) Other Hazardous waste. Please specify, if any (Spent Oil, Paint Sludge, Varnish Cake, ETP Sludge, Waste Residues containing Oil)	**272**	242
(H) Other Non-hazardous waste (Food, Paper, Cardboard, Metal Scrap)	**23,171**	16,601
Total (A + B + C + D + E + F + G + H)	**23,521**	16,934
Waste intensity per rupee of turnover (Total waste generated / Revenue in ₹ Cr. from operations)	**2.08**	1.82
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)		
(Total waste generated / Revenue from operations adjusted for PPP in million USD)	**4.22**	3.75

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonne)

Parameter (in metric tonnes)	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Category of waste		
(i) Recycled (By third party)	**1,917**	7,653
(ii) Re-used (By third party)	**1,140**	287
(iii) Other recovery operations#	**20,386**	8,898
Total	**23,443**	16,838

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonne)

Parameter (in metric tonnes)	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Category of waste disposal		
(i) Incineration	**22**	47
(ii) Landfilling	**28**	49
(iii) Other disposal operations	**0**	0
Total	**50**	96

*The data has been restated.
#Other recovery operations considers the types of waste which were sent to authorized recyclers for recycle or reuse purpose.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, CG's manufacturing units have carried out the evaluation of the data by an external agency as part of ISO audit through M/s Bureau Veritas.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

CG ensures compliance with the regulations of CPCB / SPCB with respect to waste management (plastic waste management rules, E- waste management rules and hazardous waste management rules).

CG has partnered with authorized waste management service providers such as recyclers, authorized transporters (in case of hazardous waste) for the management of waste across each of the above waste categories.

The quantum of waste is well within the permissible limits laid down by CPCB/SPCB in the "consent to operate" issued by them. Annual Environmental Statement are submitted to the State Pollution Control Board by the respective units.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Not Applicable. The Company does not have operations/offices in/around ecologically sensitive areas.		

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable. CG has not conducted environmental impact assessment for any projects since the project activities are not covered in the EIA notification dated September 14th, 2006 as amended till date.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder.				

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

CG has identified one of its locations (RSD, Pithampur) to be located in an area of water stress as per the National Compilation on Dynamic Ground Water Resources of India, 2025. The volume of water withdrawal, discharge and consumption for this site has been provided in the table below.

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	**NA**	NA
(ii) Groundwater	**NA**	NA
(iii) Third party water	**10,465**	14,874
(iv) Seawater / desalinated water	**NA**	NA
(v) Others	**NA**	NA
Total volume of water withdrawal (in kilolitres)	**10,465**	14,874
Total volume of water consumption (in kilolitres)	**10,465**	14,874
Water intensity per rupee of turnover (Water consumed / turnover)	**0.92**	1.59
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(ii) Into Groundwater		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(iii) Into Seawater		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(iv) Sent to third-parties		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**NA**	NA
(v) Others (Gardening)		
- No treatment	**NA**	NA
- With treatment – please specify level of treatment	**3,335**	4,119
Total water discharged (in kilolitres)	**3,335**	4,119

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2 Eq.	**8,27,008**	2,04,894
Total Scope 3 emissions per rupee of turnover	tCO_2 Eq./Cr. ₹ Revenue	**72.99**	21.96

Breakdown of Scope 3 emissions:

Category	Emissions for FY2025-26 (in tCO_2 eq.)	Emissions for FY2024-25 (in tCO_2 eq.)	Source for emission factors
Cat. 1 - Purchased Goods	**6,96,013**	1,43,712	US EPA EEIO
Cat. 1 - Purchased Services	**61,590**	13,290	US EPA EEIO
Cat. 2 - Capital Goods	**28,315**	6,649	US EPA EEIO
Cat. 3 - Fuel & Energy related activities	**12,381**	11,641	DEFRA
Cat. 4 - Upstream Transportation	**10,818**	22,039	US EPA EEIO
Cat. 5 - Waste Generation	**142**	82	DEFRA
Cat. 6 - Business Travel	**216**	1,838	DEFRA
Cat. 7 - Employee Commute	**5,631**	3,963	DEFRA
Cat. 9 - Downstream Transportation	**11,902**	1,680	US EPA EEIO
Total Emission	**8,27,008**	2,04,894	

Note: Assessment of Scope 3 continues to evolve with a degree of uncertainty. Numbers are reported based on available information and emission factors available at the time of publication.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative Undertaken	Details of the Initiative (Web-link, if any, may be provided along-with summary)	Outcome of the Initiative
A	**Waste Reduction & Circularity**		
1	Shopfloor Kaizens	Implemented over 180 employee-driven Kaizens focused heavily on lean manufacturing and process improvements.	◦ Improved materials utilization. ◦ Reduction in scrap.
2	Advanced Paperless manufacturing	Automated data capture and introduced real-time digital monitoring for critical operations.	◦ Real-time operational control to Plant heads ◦ Eliminated significant amount of paper waste.
3	Alternate Sourcing & Design	Modification of product designs and shifted to local, alternate sourcing strategies (import substitution).	◦ Reduced the embedded waste and transport emissions associated with upstream supply chain.
4	Supplier Rationalisation	Worked closely with our vendor base to rationalise procurement and push internal recycling initiatives such as return of copper scrap and wooden packaging to suppliers.	◦ Improved overall procurement efficiency and lowered the volume of packaging and material waste.
B	**Products and Service Solutions Developed**		
5	High-Efficiency Motors (FHP Business)	Launched a new 30W-200W ECM/BLDC motor range and introduced BLDC retrofit kits for existing air circulators.	◦ Allows HVAC and industrial customers to reduce energy use on their installed systems.
6	Thermal Management (FHP Business)	Developed a new line of high-efficiency transformer cooling fans.	◦ Improved energy-efficient thermal management for large-scale utility applications.
7	Premium IE4 Lineup (LV Motors)	Expanded premium efficiency lineup by securing UL certification for NEMA series, stabilising IE4 motors up to 7.5 kW, and rolling out a heavy-duty 132 kW IE4 compressor motor.	◦ Development of green, premium-efficiency products designed for heavy industrial use.
8	Circularity & Buy-Backs (Services Business)	Introduced an end-to-end "Circularity" solution where our professional auditors assess a client's existing motor systems and offer customized buy-back programs.	◦ Product circularity by safely replacing and recycling older, inefficient customer assets.
9	Predictive Maintenance (Services Business)	Created a new Life Cycle Assessment (LCA)-based diagnostic tool for motors and generators.	◦ Helped customers extend the reliable life of their equipment without having to disrupt their plant operations.
10	Renewable Grid Support (Power Systems)	Scaled up the development and deployment of our Extra High Voltage (EHV) equipment.	◦ Supports the infrastructure needed to efficiently transmit and integrate renewable energy into the grid.
11	Green Transit (Railways Business)	Developed new propulsion systems and traction technologies tailored specifically for modern electric and battery-powered trains.	◦ Supports the shift toward electrified, sustainable mass transit.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, CG maintains Business Continuity Management framework and a Crisis Management and Communication Plan designed to respond to disruptive events in its operations. The BCP outlines recovery strategies for critical business processes across Pre-Crisis, During Crisis, and Return to Normal phases. The governance structure including central and site teams oversee crisis evaluation, ensure employee safety, and effectively manage business recovery. This framework is reinforced by IT Disaster Preparedness and Disaster Recovery (DPDR) protocols which safeguard the mission-critical digital infrastructure and secure data connections from the Head Office with operational units.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Sr. No.	Value Chain Segment	Description of Significant Adverse Impact (Based on LCA Studies)	Mitigation or Adaptation Measures Taken
1	**Raw Material Extraction & Processing**	As per CG's LCA studies, raw material extraction is energy and resource-intensive and generates slag which can contaminate environment.	Deployed a digitized tracking portal to baseline upstream energy and fuel data. Actively researching alternative materials for high-emission components (e.g., evaluating alternatives to Polytetrafluoroethylene (PTFE).
2	**Inbound & Outbound Logistics**	The transportation of heavy industrial inputs and finished engineered products across large geographies contributes to our Scope 3 logistics emissions.	Deployed network optimization to minimize "lead-kilometers" and initiated a strategic shift of heavy material movement away from conventional road transport toward more energy-efficient rail and coastal shipping modes.
3	**Product Use Phase (Customers)**	CG's LCA data indicates that the use-phase is our absolute highest environmental hotspot. For AC motors, majority of total lifecycle emissions occur during operation. Because India's grid relies heavily on coal (approx. 77%), the continuous electricity draw of these motors indirectly contributes to CO_2 emissions, as well as collateral grid-level impacts like coal ash contaminants.	As use phase efficiency is the biggest lever to reduce our value-chain footprint, CG has expanded it green product lineup. CG stabilized IE4 and NEMA Premium motors and developed ECM/BLDC ranges for HVAC which addresses operational emission hotspot by reducing the power draw of installed systems.
4	**Product End-of-Life & Asset Disposal**	The improper disposal of heavy electrical assets at the end of their decades-long lifecycle poses a risk of heavy metal waste, hazardous VOCs, and environmental contamination in soil and water.	Introduced an end-to-end "Circularity" solution featuring professional energy assessments and customised buy-back programmes to promote the safe replacement, recycling, and material recovery of older assets. Deployed LCA-based predictive maintenance tools to safely extend the reliable lifespan of existing equipment, delaying the need for new resource extraction.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

20% of value chain partners (by value of business done with such partners) were assessed for environmental impacts.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.



Principle 7 urges companies to maintain transparency, integrity and accountability when participating in public policy advocacy and industry discourse. This section details how CG navigates sector-specific forums, contributes to sustainable business dialogues, while being engaged in advocacy of public policy.

CG actively participates in recognized trade and industry associations to advance collaborative discourse on sustainable industrial practices, technological innovation and sectoral development. Through these memberships, CG contributes to broader economic and environmental dialogues and regularly showcases its engineering capabilities at prominent industry exhibitions. Designated executive personnel represent CG across these forums. Operating under stringent institutional controls, these representatives engage in constructive regulatory discussions. In the reporting year, there were no political contributions done by CG.

CG's Code of Conduct and Business Practices mandates that all external representations remain transparent, fact-based and aligned with the company's core values, applying uniformly to all Officers, Managers, Executives and Directors of CG and entities under CG.

ESSENTIAL INDICATORS

1. a) **Number of affiliations with trade and industry chambers/ associations.**

   CG has 8 affiliations with trade and industry chambers/ associations.

   b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Bureau of Indian Standards (BIS)	National
2	Confederation of Indian Industry (CII)	National
3	Indian Electrical & Electronics Manufacturers' Association (IEEMA)	National
4	Indian Pump Manufacturers' Association	National
5	Quality Council of India (QCIA)	National
6	Society of Indian Automobile Manufacturers	National
7	Mahratta Chamber of Commerce Industries and Agriculture (MCCIA)	State
8	Bombay Chamber of Commerce & Industry	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not Applicable, as there was no adverse orders from regulatory authorities related to anti-competitive conduct by the entity.		

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of review by Board (Annually / Half Yearly / Quarterly / Others – please specify)	Web Link, if available
NIL					

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT



Principle 8 specifies that businesses promote inclusive growth and equitable development, a directive structurally anchored in Section 135 of the Companies Act, 2013, which requires targeted interventions for disadvantaged, vulnerable and marginalized populations. This section outlines the strategic frameworks and community engagement protocols CG deploys to operationalize its Corporate Social Responsibility (CSR) directives. It examines how CG identifies regional socio-economic priorities, allocates social capital and harmonizes its industrial presence with local developmental needs.

Corporate Social Responsibility and Community Integration:

CG treats Corporate Social Responsibility as a core operational requirement, acknowledging that sustained commercial viability relies upon the socio-economic stability of its operating environments. Through structured CSR deployments, CG integrates broader social, environmental and economic objectives into its business strategy, ensuring that social stewardship operates in tandem with its standard financial obligations.

CG manages its indirect economic impacts by directing strategic capital toward localized socio-economic development, primarily addressing healthcare accessibility, educational infrastructure, skill development, Training, Rural Development, Environmental sustainability, Promoting Sports, arts & culture and Sustainable livelihood. To understand these impacts at the regional and local levels, CG executes targeted socio-economic evaluations within its industrial peripheries. These evaluations function as localized community needs assessments, identifying critical deficits in public infrastructure and basic services.

Addressing these identified needs, CG operationalizes infrastructure and service interventions through specialized partnerships. To bridge the healthcare infrastructure gap in the industrial peripheries of Malanpur and Ahilyanagar, CG engaged the Wockhardt Foundation to deploy Mobile Medical Vans, delivering essential diagnostics and medical services directly to vulnerable rural populations lacking proximate facilities. Concurrently, to mitigate regional educational disparities, CG funded structural enhancements for local institutional bodies, including the Nashik Education Society, Palse Gramvikas Mandal and Zilla Parishad School (Vilholi), securing continuous learning access for students from economically weaker sections.

Furthermore, CG mitigates broader socio-economic vulnerabilities by deploying rural health and ecological programs via Isha Outreach and directing capital to The Earth Saviours Foundation for the residential care and rehabilitation of needy individuals. These targeted interventions, alongside specialized capacity-building grants administered through institutional partners like the Prayas Foundation, ensure CG's economic footprint translates into measurable, equitable development for its surrounding communities.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
During the reporting period, no SIA was undertaken as all the projects were below the applicability threshold.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)
Not Applicable. CG doesn't have any operations / facilities / plants / offices that include land acquisition from affected / displaced landowners, hence CG doesn't have any projects that involve Rehabilitation and Resettlement (R&R).						

3. **Describe the mechanisms to receive and redress grievances of the community.**

   Registers are available at all plant office gates to address grievances of the community along with the option of registering grievance through CG's website.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/ small producers	**24.65%**	23.50%
Sourced directly from within India	**97%**	88%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	**1.16%**	0.25%
Semi urban	**27.48%**	17.06%
Urban	**53.04%**	21.90%
Metropolitan	**18.31%**	60.79%

Categorization as per RBI Classification System - rural / semi-urban / urban / metropolitan

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

   Not applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational District	Amount Spent (in ₹)
1	Tamil Nadu	Virudhunagar	(Refer Note*)
2	Tamilnadu	Ramanathapuram	
3	Andhra Pradesh	YSR Kadapa	
4	Odisha	Balangir	
5	Odisha	Dhenkanal	

*__Note:__ A total amount of ₹ 3 Crore was spent towards the Gramotsavam project which also includes expenditure in the above aspirational districts.

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

   During the year, CG did not have a preferential procurement policy.

   b. From which marginalized /vulnerable groups do you procure?

   Not applicable.

   c. What percentage of total procurement (by value) does it constitute?

   Not applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

   During the year there were no benefits derived and shared from the intellectual properties owned or acquired by the company which were based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

   Not applicable.

6. Details of beneficiaries of CSR Projects:

CSR Projects	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Mobile health van at Malanpur and Ahilyanagar	51,250	100%
Isha Outreach/ Isha Foundation Projects:		
○ Rural sports initiative/ event called 'Gramotsavam'	63,220	100%
○ Sadhanapada - Residential program to improve mental, psychological, physical well-being of individuals	837	
○ Action for Rural Rejuvenation (ARR) - Health	76,408	100%
CSR - Nashik:		
○ Construction of classrooms for ITI and provide Solar Panels for School building in Palashe Village, Nashik	22,000	
○ Demolition of old school building and construction of a new three storied building in its place in Vilholi Zilla Parishad School, Nashik	491	
○ Improve infrastructure of a residential Ashram School in Velunje Village, school run by Nashik Education Society - construction of classrooms, science labs etc.	6,800	11.76%
Contribution to Nashik Education Society's awareness event (Walkathon) on sustainability and social causes and spend for other health and social causes	350	
Global Growth Foundation of India:		
○ Integrated development of village for Social & Digital development - A Holistic Aadarsh Gram in Chas Panchayat, Ahilyanagar	5,000	100%
○ Integrated development of village for Social & Digital development - A Holistic Aadarsh Gram Amoda Village in Bhopal	5,000	
Contribution to The Earth Saviours Foundation for solar power plants, medical beds and for construction of insulated shelters	100	
Contribution to Prayas Foundation for managing and administering a Brihanmumbai Municipal Corporation (BMC) School situated at Malwani, Malad	1,700	
Contribution to IIT Bombay	-	

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER



Principle 9 expects companies to engage with and provide value to their consumers in a responsible and transparent manner. This section evaluates the institutional framework and service delivery protocols CG utilizes to sustain consumer trust. It explains CG's quality management systems, its layered cybersecurity frameworks for data protection and the mechanisms utilized for measuring customer satisfaction across the value chain.

Product Stewardship and Quality Assurance

CG operates under a standardized Quality Management System (QMS) designed to sustain product excellence and consumer safety. The company utilizes rigorous preventive controls and testing protocols to identify and address potential defects prior to customer delivery, thereby mitigating the risk of product recalls. The integrity of this QMS is validated through annual internal audits and independent external verification, with manufacturing facilities maintaining active ISO 9001 certifications.

To embed quality at the operational level, CG conducts specialized training for internal stakeholders, clearly defining their functional roles within the broader quality architecture. CG also maintains centralized grievance mechanisms that enable external stakeholders to submit complaints regarding defective products, ensuring rapid, transparent and redressal.

CG's approach to customer value creation is underpinned by its commitment to trust, transparency and ethical conduct, which form an integral part of its ESG framework.

CG is committed to creating long-term value for its customers through responsible business conduct, transparent communication and reliable product information. The Company ensures that customers are provided with accurate, clear and adequate information to enable safe, appropriate and informed use of its products and solutions.

CG engages with customers through multiple channels, including its official website, sales and service teams and designated customer support mechanisms, to address product-related queries, technical clarifications and feedback. The Company also uses digital platforms and direct customer interactions to disseminate updates related to product features, performance, safety considerations and responsible usage. In the event of product updates, changes, or operational disruptions that may impact customers, CG endeavors to communicate relevant information in a timely and transparent manner through appropriate communication channels.

IT Security & Cybersecurity Governance at CG

CG prioritizes the protection of consumer data and Company's digital transactions through a comprehensive Information Security and Cybersecurity governance framework. To ensure institutional accountability, this strategic architecture is overseen by the Risk Management Committee, through periodic evaluations of Company's cyber resilience and threat landscapes. Operational execution is directed by the CG IT Head functioning with executive management responsibility and supported by specialized roles across IT Infrastructure, Network Management, Application Development and Facility Management. Furthermore, the Company's foundational security commitments are formally captured within Information Security Policy.

To safeguard data confidentiality, integrity and availability, CG deploys tiered technical controls. These mechanisms include strict asset inventory management, physical and logical access restrictions, sensitive data encryption, firewall and router hardening, network monitoring and endpoint antivirus deployments. These combined safeguards protect information assets against unauthorized access, alteration, or non-availability across applications, databases and physical facilities.

CG continuously evaluates and mitigates security threats through well-defined incident management protocols. This active defensive posture is reinforced by continuous network monitoring, periodic vulnerability assessments and regularly scheduled penetration testing (simulated cyberattacks) to proactively validate system resilience against evolving threat vectors.

Information security accountability is also well distributed across the workforce. All personnel, contractors and third-party users are mandated to follow established controls and promptly report vulnerabilities via dedicated internal escalation mechanisms, with line managers held accountable for departmental compliance. Furthermore, third-party software development and infrastructure access are governed through robust non-disclosure agreements, data protection clauses and supervised, need-to-know permissions.

Advancing business continuity, CG maintains resilient IT recovery measures, including secure off-site data mirroring, disaster recovery alignment and routine restoration testing. Validating these internal controls, the data centers engaged by CG undergo rigorous annual internal audits, complemented by independent external certification to internationally recognized standards, including ISO/IEC 27001. To cultivate a highly vigilant digital culture, Information security awareness training is delivered during induction and reinforced periodically through company-wide communications and updates. These efforts help build a strong security-aware culture across the workforce.

The Company places strong emphasis on safety and reliability, particularly given the nature of its electrical equipment and industrial solutions. Accordingly, CG incorporates appropriate safety symbols, cautionary statements and installation and operating instructions to mitigate risks associated with improper handling or use. Marketing and promotional communications are designed to be ethical, factual and non-misleading, ensuring that claims related to product performance, efficiency, or benefits are supported by technical validation and internal review processes.

Customer Engagement and Satisfaction Metrics

CG utilizes advanced digital platforms to deliver responsive, transparent and seamless interactions, elevating the overall consumer experience. Currently, CG's customer base actively utilizes the Company's online sales and service portals for information exchange.

To evaluate service efficacy, CG executes Customer Satisfaction surveys on a periodic basis. The diagnostic feedback captured from these assessments is reviewed by management to implement targeted process improvements, fortifying long-term market trust and ensuring continuous alignment with evolving customer expectations.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

CG maintains a multi-channel, Company-wide grievance redressal framework designed to capture, evaluate and resolve consumer complaints and feedback. To facilitate immediate response, CG operates a dedicated customer support desk and a continuous (24/7) toll-free communication facility. These centralized nodes are supported by a distributed network of specialized service centers and dedicated technical response teams, engineered to manage and mitigate operational incidents efficiently.

External stakeholders and consumers can directly register formal grievances through CG's designated digital infrastructure, i.e., the centralized support matrix (https://www.cgglobal.com/countrywide_contact) and established email protocols (help@cgglobal.com).

To ensure that localized feedback drives company-wide improvement, through appropriate corrective actions, the management team executes periodic root-cause analyses on logged grievances.

Beyond grievance management, CG deploys proactive stakeholder engagement protocols. Front-line commercial executives execute structured, periodic interactions with consumers and channel partners to capture qualitative feedback, anticipate evolving industrial requirements and address pending operational issues. CG also facilitates interactive forums, encompassing technical seminars, dealer conferences, operational workshops and facility tours, to continuously integrate customer insights into its broader strategic decision-making processes.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	92%
Recycling and/or safe disposal	92%

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Not Applicable	-	Nil	Not Applicable	-
Advertising	Nil	Not Applicable	-	Nil	Not Applicable	-
Cyber-security	Nil	Not Applicable	-	Nil	Not Applicable	-
Delivery of essential services	Nil	Not Applicable	-	Nil	Not Applicable	-
Restrictive Trade Practices	Nil	Not Applicable	-	Nil	Not Applicable	-
Unfair Trade Practices	Nil	Not Applicable	-	Nil	Not Applicable	
Other	Nil	Not Applicable	-	Nil	Not Applicable	

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes. CG has policy on cyber security and risks related to data privacy. The policy is available on CG's website accessible at: LINK

   CG's Information Security Policy is aligned with ISO 27002, COBIT and NIST standards which provides the overarching structure for risk management, compliance and security controls. CG maintains a continuous improvement approach to information security, with the policy and associated controls reviewed regularly to ensure suitability, adequacy and effectiveness in response to changing business and technology environments. Internal audits, external compliance assessments, password policy reviews, vulnerability assessments and configuration baseline checks are performed periodically to identify gaps and strengthen controls.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable, as there were no issues reported and received on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

7. **Provide the following information relating to data breaches.**

   a. **Number of instances of data breaches**

      Nil for the reporting year

   b. **Percentage of data breaches involving personally identifiable information of customers**

      Not applicable

   c. **Impact, if any, of the data breaches**

      Not applicable

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information on CG's products and services can be obtained from the "Our Business" and "Product Search" tab in CG's website.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**

   In line with applicable regulatory requirements and industry standards, CG provides relevant product information through product labels, instruction manuals, technical datasheets, catalogues and other accompanying documentation, including specifications, usage guidelines, safety instructions, warnings and handling or maintenance requirements, as applicable.

   CG enables interactive platforms such as technical seminars, dealer meets, operational workshops and facility visits to inform customers about safe and responsible usage of products and services.

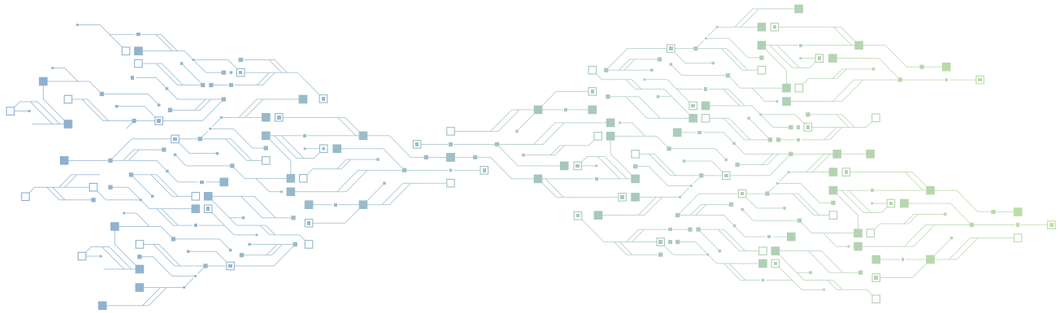
3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   CG does not supply products that are covered under essential services.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   CG displays product information on the product as per applicable IS / IEC standards.

   During FY 2025-26, CG carried out a customer satisfaction survey for its FHP / Single Phase Motors business covering dealers and direct OEM customers across India through field visits and face-to-face interactions conducted during June – July 2025. The survey used a structured questionnaire comprising 23 questions rated on a 1–5 scale, covering product range, application suitability, efficiency, quality, price, delivery, after-sales response, spare availability, customer visits and training on product usage. Responses from 54 dealers / direct OEM customers were analysed, with an overall score of ~80%, indicating positive customer sentiment. For parameters scoring below predefined threshold, root causes were identified and corrective actions were initiated with relevant stakeholders.



ENGAGING SUPPLY CHAIN ON SUSTAINABILITY

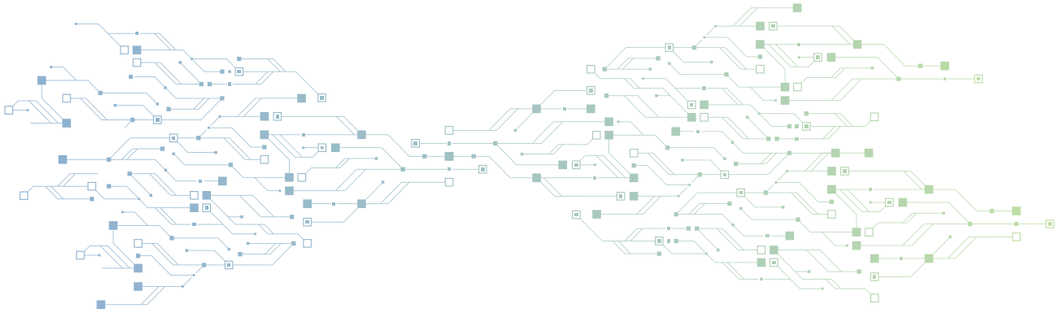
CG integrates environmental and social stewardship into its upstream supply chain through structured digital assessments, physical audit protocols and proactive capacity-building frameworks. To manage and mitigate actual and potential negative impacts, the company establishes clear baseline expectations via its Vendor Code of Conduct and Supply Chain Sustainability Policy, which are contractually integrated into supplier agreements.

To effectively prioritize ESG due diligence, CG utilizes a defined materiality threshold based on procurement value. Aligned with SEBI's BRSR Core requirements, the company engages key upstream value chain partners that cumulatively constitute up to 75% of its total purchase value during the year. To evaluate existing suppliers, CG has deployed a customized ESG data collection module integrated into its centralized Vendor Portal. This digital system helps screen partners against pre-defined environmental and social criteria, requiring disclosures on:

- Environmental Criteria: Energy consumption (renewable vs. non-renewable), greenhouse gas (GHG) footprint, hazardous waste management and the presence of ISO 14001 and ISO 50001 certifications.
- Social & Governance Criteria: Adherence to labor laws, human rights protections, zero tolerance for child labor, ethical conduct and the presence of ISO 45001 or ISO 27001 certifications as applicable. Furthermore, the system flags historical non-compliances regarding health, safety and environmental permits.

Beyond digital screening, CG evaluates ongoing compliance through physical, site-level Supplier Quality Process (SQP) which includes EHS audits. These audits evaluate partners against ISO 45001:2018 standards and statutory frameworks. As per the company's standardized EHS audit protocols, the suppliers are assessed on the communication of EHS policies, the identification of major occupational hazards, the mandatory utilization of Personal Protective Equipment (PPE), adherence to Material Safety Data Sheets (MSDS) for chemical handling and the secure disposal of hazardous waste. The observations are classified as major or minor nonconformities and a proper Corrective Action Plan is set in place to ensure remediation with defined timelines and a tracking mechanism.

CG supports and incentivizes its supply chain through technical upskilling. The company organizes capacity-building sessions for its supplier representatives to explain sustainability concepts, clarify reporting requirements, guide them on environmental and social metrics and elevate the overall maturity of their sustainability systems.



Building upon the company's digitized vendor assessment framework, the aggregated BRSR Core performance data for the 40 no. of upstream partners, contributing to 17.20% of CG's total procurement value, who successfully submitted their metrics during this reporting cycle is detailed in the table below.

BRSR Core Disclosure for Value Chain

Sr. No.	Attribute	Parameter	Measurement	FY2025-26	FY2024-25
1	Green-house Gas (GHG) footprint	Total Scope 1 emissions	In $MtCO_2e$	**16,010**	5,293
		Total Scope 2 emissions	In $MtCO_2e$	**179**	106
		Total Scope 1 and 2 Emissions	In $MtCO_2e$	**16,189**	5,399
		Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP	In $MtCO_2e$ / Mn USD (adjusted for PPP)	**685**	841
2	Water footprint	Total volume of water consumption	In kL	**8,643**	9,336
		Water intensity per rupee of turnover adjusted for PPP	(kL / Mn USD) (adj for PPP)	**366**	193
		Total water discharge to Surface	In kL	**-**	-
		Total water discharge to Ground	In kL	**-**	-
		Total water discharge to Third Party	In kL	**3,732**	1,239
		Total volume of Water Discharge	In kL	**3,732**	1,239
3	Energy footprint	Energy consumption from Renewable Sources	In GJ	**271**	0
		Energy consumption from Non-Renewable Sources	In GJ	**901**	535
		Total energy consumed	In GJ	**1,172**	535
		Energy intensity per rupee of turnover adjusted for PPP	(GJ / Mn USD) (adj for PPP)	**50**	83
		% of energy consumed from renewable sources	In % terms	**23%**	0%
4	Enhancing Employee Wellbeing and Safety	Details of safety related incidents for employees and workers	Number of Permanent Disabilities	**3**	2
			No. of fatalities	**14**	2
5	Enabling Inclusive Development	Input material sourced from MSME sources as % of total purchases	In % terms – As % of total purchases by value	**40.43%**	42.24%
6	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers	In % terms	**0**	0

Statement of use	CG Power and Industrial Solutions Limited has reported the information cited in this GRI Content Index for the period 01 April, 2025 to 31 March, 2026 with refrence to GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	Sec A - I.1, I.2, I.5, I.6 Page no. 116		
	2-2 Entities included in the organization's sustainability reporting	Sec A - I.13, I.21 Page no. 116,118		
	2-3 Reporting period, frequency and contact point	Sec A - I.6, I.9, I.12 Page no. 116		
	2-4 Restatements of information	BRSR Section A Introduction Page no. 116		
	2-5 External assurance	Sec A - I.14, I.15 Page no. 116		
	2-6 Activities, value chain and other business relationships	Sec A - I.15, I.14, I.16, I.17 Sec C - P9.L1 Page no. 116, 117, 169		
	2-7 Employees	Sec A - I.20 (a & b) Page no. 117		
	2-8 Workers who are not employees	Sec A - I.20 (a & b) Page no. 117		
	2-9 Governance structure and composition	Sec B - Q9 Page no. 124		
	2-10 Nomination and selection of the highest governance body	Sec B – Q8, Q9 Page no. 124		
	2-11 Chair of the highest governance body	Sec B – Q9 Page no. 124		
	2-12 Role of the highest governance body in overseeing the management of impacts	Sec B - Q7 Sec C - P4.L1 Page no. 124, 125		
	2-13 Delegation of responsibility for managing impacts	Sec B - Q8 Sec C - P4.L1 Page no. 124, 125		
	2-14 Role of the highest governance body in sustainability reporting	Sec B - Q7 Page no. 124		
	2-15 Conflicts of interest	Sec C - P1.E6, P1.L2 Page no. 126, 127		
	2-16 Communication of critical concerns	Sec C – P4.L1, P4.L2, P5.E5 Page no. 145, 149		
	2-17 Collective knowledge of the highest governance body	Board of Directors' Profile, Sec C - P1.E1 Page no. 15, 125		
	2-18 Evaluation of the performance of the highest governance body	"Board Effectiveness Evaluation" write up in Corporate Governance section Page no. 92		
	2-19 Remuneration policies	Sec C - P5.E3 Page no. 148		
	2-20 Process to determine remuneration	Refer "NOMINATION AND REMUNERATION COMMITTEE" write up in Corporate Governance section Page no. 95		
	2-21 Annual total compensation ratio	Section P3 Introduction Page no. 132		
	2-22 Statement on sustainable development strategy	Sec B - Q7 Page no. 114		
	2-23 Policy commitments	Sec B - Q1, Q3 Page no. 123		
	2-24 Embedding policy commitments	Sec B - Q2 Sec C - P1.L1, P5.E1, P5.E8 Page no. 123, 125, 147, 149		
	2-25 Processes to remediate negative impacts	Sec A - I.23 Sec C - P1.E6, P3.E6, P3.E13, P5.E5, P5.E6, P5.E7, P5.L1, P8.E3, P9.E1 Page no. 119, 126, 135, 142, 149		
	2-26 Mechanisms for seeking advice and raising concerns	Sec A - I.25 Sec C - P3.E6, P8.E3, P9.E1 Page no. 116, 135, 163, 167		
	2-27 Compliance with laws and regulations	Sec C - P1.E2, P1.E3, P6.E12 Page no. 125, 158		
	2-28 Membership associations	Sec C - P7.E1, P7.L1 Page no. 162		
	2-29 Approach to stakeholder engagement	Sec A - I.25 Sec C - P4.E1, P4.E2, P4.L1, P4.L3. P9.E1 Page no. 120, 162, 167		
	2-30 Collective bargaining agreements	Sec C - P3.E7 Page no. 136		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sec A - I.26 Sec C - P4.E2, P4.L2, P5.L2 Page no. 120, 146, 150		
	3-2 List of material topics	Sec A - I.26 Page no. 120		
Biodiversity				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Sec C Principle 6 Introduction Page no. 151		
	101-2 Management of biodiversity impacts	Sec C - P6.E11 Page no. 158		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
	101-3 Access and benefit-sharing	Sec C Principle 6 Introduction Page no. 151		
	101-4 Identification of biodiversity impacts	Sec C - P6.E11 Page no. 158		
	101-5 Locations with biodiversity impacts	Sec C - P6.E11 Page no. 158		
	101-6 Direct drivers of biodiversity loss	Sec C - P6 E11 Page no. 158		
	101-7 Changes to the state of biodiversity	Sec C - P6 E12 Page no. 158		
	101-8 Ecosystem services	Sec C Principle 6 Introduction Page no. 151		
Climate Change				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Sec C - P6 Introduction Page no. 151		
	102-2 Climate change adaptation plan	Sec C - P6 Introduction Page no. 151		
	102-3 Just transition	Sec C - P6 Introduction Page no. 151		
	102-4 GHG emissions reduction targets	Sec B - Q5, Q6 Page no. 151		
	102-4 GHG emissions reduction targets and progress	Sec B - Q5, Q6 Page no. 123, 124		
	102-5 Scope 1 GHG emissions	Sec C - P6.E6 Page no. 155		
	102-6 Scope 2 GHG emissions	Sec C - P6.E6 Page no. 155		
	102-7 Scope 3 GHG emissions	Sec C - P6.L4 Page no. 160		
	102-8 GHG emissions intensity	Sec C - P6.E6, P6.L4 Page no. 155, 160		
	102-9 GHG removals in the value chain	Sec C - P6.E7 Page no.155		
	102-10 Carbon credits	Sec C - P6.L8 Page no. 161		
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no.120		
GRI 103: Energy 2025	103-1 Energy policies and commitments	Sec B - Q1 Page no. 123		
	103-2 Energy consumption and self-generation within the organization	Sec C - P6.E1 Page no. 152		
	103-3 Upstream and downstream energy consumption	VCP Core, Sec C - P6.E1 Page no. 152, 169		
	103-4 Energy intensity	Sec C - P6.E1 Page no. 152		
	103-5 Reduction in energy consumption	Sec C - P6.E8 Page no. 156		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
Economic performance				
GRI 3: Material Topics 2021	3-3 Management of material topics			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed			
	201-2 Financial implications and other risks and opportunities due to climate change		Disclosure 201-2 from GRI 201: Economic Performance 2016 has been revised and will be superseded by GRI 102: Climate Change 2025 with the effective date of 1 January 2027. Earlier adoption of GRI 102 is encouraged.	
	201-3 Defined benefit plan obligations and other retirement plans			
	201-4 Financial assistance received from government			
Market presence				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Sec C - P5.E2 Page no. 148		
	202-2 Proportion of senior management hired from the local community	Sec C - P3 Introduction Page no. 131		
Indirect economic impacts				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec C - P8 Introduction Page no. 163		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sec C - P8.L2, P8.L6 Page no. 165		
	203-2 Significant indirect economic impacts	Sec C - P8.E4, P8.E5, P8.L2 Page no. 164, 165		
Procurement practices				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sec C - P8.E4 Page no. 165		
Anti-corruption				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Sec C - P1.E4, P1.E5 Page no. 125, 126		
	205-2 Communication and training about anti-corruption policies and procedures	Sec C - P1.E1, P1.L1 Page no. 125, 127		
	205-3 Confirmed incidents of corruption and actions taken	Sec C - P1.E7 Page no. 126		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
Anti-competitive behavior]				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sec C - P7.E2 Page no. 162		
Materials				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sec C - P2.L3, P2.L4, P2.L5 Page no. 130		
	301-2 Recycled input materials used	Sec C - P2.L3, P2.L4 Page no. 130		
	301-3 Reclaimed products and their packaging materials	Sec C - P2.L4, P2.L5 Page no. 130		
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics			
GRI 302: Energy 2016	302-1 Energy consumption within the organization			
	302-2 Energy consumption outside of the organization		GRI 302: Energy 2016 has been revised and will be superseded by GRI 103: Energy 2025 with the effective date of 1 January 2027. Earlier adoption of GRI 103 is encouraged.	
	302-3 Energy intensity			
	302-4 Reduction of energy consumption			
	302-5 Reductions in energy requirements of products and services			
Water and effluents				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sec C - P6.E3, P6.E4, P6.E11 Page no. 154, 158		
	303-2 Management of water discharge-related impacts	Sec C - P6.E4 Page no. 154		
	303-3 Water withdrawal	Sec C - P6.E3, P6.L1 Page no. 154, 159		
	303-4 Water discharge	Sec C - P6.E4, P6.L1 Page no. 154, 159		
	303-5 Water consumption	Sec C - P6.E3, P6.L1 Page no. 154, 159		
Emissions				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions			
	305-2 Energy indirect (Scope 2) GHG emissions		Disclosures 305-1 to 305-5 from GRI 305: Emissions 2016 have been revised and will be superseded by GRI 102: Climate Change 2025 with the effective date of 1 January 2027. Earlier adoption of GRI 102 is encouraged.	
	305-3 Other indirect (Scope 3) GHG emissions			
	305-4 GHG emissions intensity			
	305-5 Reduction of GHG emissions			
	305-6 Emissions of ozone-depleting substances (ODS)			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			
Spills				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 306: Effluents and Waste 2016	306-3 Significant spills	Sec C - P6.E9 Page no. 157		
Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sec A - I.26 Page no. 120		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sec C - P2.E3, P2.L2, P6.E9 Page no. 129, 130		
	306-2 Management of significant waste-related impacts	Sec C - P2.E3, P2.L2, P6.E9 Page no. 129, 130		
	306-3 Waste generated	Sec C - P6.E9 Page no. 157		
	306-4 Waste diverted from disposal	Sec C - P6.E9 Page no. 157		
	306-5 Waste directed to disposal	Sec C - P6.E9 Page no. 157		
Supplier environmental assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Value Chain Partner write up Page no. 169		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sec C - P2.E2 Page no. 129		
	308-2 Negative environmental impacts in the supply chain and actions taken	Sec C - P6.L6 Page no. 161		
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 3 Introduction Page no. 131		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sec A - I.22 Page no. 118,		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sec C - P3.E1, P3.L1 Page no. 134, 142		
	401-3 Parental leave	Sec C - P3.E5 Page no. 135		
Labor/management relations				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 3 Introduction Page no. 131		
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	P3 Introduction Page no. 131		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
Occupational health and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 3 Introduction Page no. 131		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sec C - P3.E10 Page no. 137		
	403-2 Hazard identification, risk assessment, and incident investigation	Sec C - P3.E10, P3.E12 Page no. 137, 140		
	403-3 Occupational health services	Sec C - P3.E10 Page no. 137		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sec C - P3.E10 Page no. 137		
	403-5 Worker training on occupational health and safety	Sec C - P3.E8, P5.E1 Page no. 136. 147		
	403-6 Promotion of worker health	Sec C - P3.E10 Page no. 137		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sec C - P3.L10 Page no. 137		
	403-8 Workers covered by an occupational health and safety management system	Sec C - P3.E14, P3.L5 Page no. 142, 143		
	403-9 Work-related injuries	Sec C - P3.E11 Page no. 140		
	403-10 Work-related ill health	Sec C - P3.E11, P3.E12, P3.E15 Page no. 140, 142		
Training and education				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 3 Introduction Page no. 131		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sec C - P5.E1, P3.E8 Page no. 147		
	404-2 Programs for upgrading employee skills and transition assistance programs	Sec C - P3.E8, P3.L4 Page no. 136, 143		
	404-3 Percentage of employees receiving regular performance and career development reviews	Sec C - P3.E9 Page no. 137		
Diversity and equal opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 3 Introduction Page no. 131		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sec A - I.21 Page no. 118		
	405-2 Ratio of basic salary and remuneration of women to men	Sec C - P5.E3b Page no. 148		
Non-discrimination				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 5 Introduction Page no. 147		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sec C - P5.E6 Page no. 149		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
Freedom of association and collective bargaining				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 5 Introduction Page no. 147		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sec C - P3.E7 Page no. 136		
Child labor				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 5 Introduction Page no. 147		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	P5 Introduction Page no. 147		
Forced or compulsory labor				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 5 Introduction Page no. 147		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Principle 5 Introduction Page no. 147		
Security practices				
GRI 3: Material Topics 2021	3-3 Management of material topics		Not Material for CG	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures			
Rights of Indigenous Peoples				
GRI 3: Material Topics 2021	3-3 Management of material topics		Not Material for CG	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples			
Local communities				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 8 Introduction Page no. 163		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Sec C - P6.L11, P8.E1, P8.E2, P8.E3, P8.L1, P8.L2, P8.L6 Page no. 158, 163, 164, 165		
	413-2 Operations with significant actual and potential negative impacts on local communities	Sec C - P8.E2 Page no. 163		
Supplier social assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 3 and Principle 5 Introduction Page no. 131, 147		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sec C - P2.E2, P5.L4 Page no. 129, 150		
	414-2 Negative social impacts in the supply chain and actions taken	Sec C - P3.L5, P3.L6, P5.L4, P5.L5 Page no. 143, 150		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	BRSR REFERENCE LOCATION	OMISSION EXPLANATION	GRI SECTOR STANDARD REF. NO.
Public policy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 7 Introduction Page no. 162		
GRI 415: Public Policy 2016	415-1 Political contributions	Sec C - P7 (Introduction) Page no. 162		
Customer health and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 9 Introduction Page no. 166		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Principle 9 Introduction Page no.166		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sec C - P9.E4 Page no. 168		
Marketing and labeling				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 9 Introduction Page no. 166		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Sec C - P9.E2, P9.L4 Page no. 167, 169		
	417-2 Incidents of non-compliance concerning product and service information and labeling	Sec C - P9.E2 Page no.167		
	417-3 Incidents of non-compliance concerning marketing communications	Sec C - P9.E2 Page no. 167		
Customer privacy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Principle 9 Introduction Page no. 166		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sec C - P9.E3, P9.E7 Page no. 168		

INDEPENDENT LIMITED / REASONABLE ASSURANCE REPORT ON BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT IN CG POWER & INDUSTRIAL SOLUTIONS LIMITED

To the Board of Directors
CG Power & Industrial Solutions Limited
Prabhadevi, Mumbai

We have undertaken to perform a Reasonable Assurance for Business Responsibility and Sustainability Report [hereinafter "BRSR"] 'Core Key Performance Indicators (KPIs)', Limited Assurance for 'Essential & Leadership Indicators of BRSR other than Core KPIs', Limited Assurance for BRSR Core KPIs pertaining to Value Chain Partners, and Limited assurance for Global Reporting Initiative (GRI) standards 2021 for specific KPIs as identified in Appendix 1 for CG Power and Industrial Solutions Limited vide Engagement Letter dated 22nd January 2026 in respect of the agreed BRSR & GRI in accordance with the criteria stated below. This is included in BRSR of the company for the financial year ended 31st March 2026.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social governance and environmental experts.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is as per:

1. The guidelines issued by Securities and Exchange Board of India (SEBI) in accordance with the circulars:
   - Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 captioned "Master circular for compliance with the provisions of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated 11th November 2024.
   - SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated 28th March 2025.
2. The GRI Standards 2021, comprising the GRI Universal Standards (GRI 1, GRI 2, GRI 3) and applicable Topic Standards, as adopted and disclosed by the Company in its GRI Content Index for the financial year ended 31st March 2026.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social, governance and environmental experts.

Identified Sustainability Information

The identified Sustainability Information for the year ended 31 March, 2026 is summarised below as per Appendix 1.

The areas for which limited / reasonable Assurance is undertaken is also given in the Appendix 1 to the report.

Our limited / reasonable assurance engagement was with respect to the year ended 31 March, 2026 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

Management's Responsibility

The Company's management is responsible for:

1. Selecting or establishing suitable criteria for preparing the Sustainability Information;
2. Considering applicable laws and regulations, if any, related to reporting on Sustainability Information;
3. Identification of key aspects, engagement with stakeholders, content, preparation, and presentation of the Identified Sustainability Information in accordance with the Criteria.
4. Preparation and fair presentation of the GRI Content Index, including the identification of material topics in accordance with GRI 3: Material Topics 2021, and the selection of applicable GRI Topic Standards; and

This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation of BRSR and GRI-aligned disclosures, and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. This is particularly relevant to GRI disclosures, where certain qualitative indicators are subject to management judgement and interpretation.

Our independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of Code of Ethics issued by Institute of Charted Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements" issued by the Institute of Chartered Accountants of India (ICAI) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a Reasonable and Limited assurance conclusion, as applicable

and given in the Appendix 1 to this report on the Identified Sustainability Information – including the GRI Standards 2021 disclosures - based on the procedures we have performed and evidence we have obtained;

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the ICAI and ISAE 3000 issued by International Auditing & Assurance Standards Board (IAASB) and as recommended by SEBI. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances;

For the purpose of limited assurance, this standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement;

A limited assurance engagement involves:

1. Assessing the suitability in the circumstances of the Company's use of the Criteria (including GRI standards 2021) as the basis for the preparation of the Identified Sustainability Information;
2. Assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error;
3. Responding to the assessed risks as necessary in the circumstances; and
4. Evaluating the overall presentation of the Identified Sustainability Information; including the GRI Content Index.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Basis of Opinion:

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified sustainability information and related disclosures, including the GRI Standards 2021 disclosures as presented in the GRI Content Index;
- Obtained an understanding of the assessment criteria pertaining to BRSR and including the GRI Universal Standards (GRI 1, GRI 2, GRI 3) and applicable GRI Topic standards and their suitability for the evaluation and / or measurements of the identified sustainability information;
- Made enquiries of Company's Management, including those responsible for, Environmental, Social, Governance (ESG), Corporate Social Responsibility (CSR'), GRI reporting and those with responsibility for managing the Company's BRSR and GRI Content Index;
- Obtained an understanding and performed an evaluation of the design of the key systems, processes, and controls for managing, recording, and reporting on the Identified Sustainability Information including GRI indicators at the sites and corporate office visited;
- Based on that understanding, the risks that the selected information may be materially misstated and determining the nature, timing, and extent of further procedures;
- Checked the consolidation for 16 plant sites, regional offices and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported;
- Based on above understanding and the risks that the identified sustainability information may be materially misstated, determined the nature, timing, and extent of further procedures;
- Performed substantive testing on a sample basis of the Identified Sustainability information at corporate head office, and 10 plant sites located at Ahilyanagar, Nashik, Mandideep to verify that data had been appropriately measured with underlying documents recorded, collated, and reported;
- Assessed records and performed testing including recalculation of sample data;
- Reviewed records and performed testing including recalculation of sample data;
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by SEBI followed by the Company in preparing the BRSR;
- Assessed the GRI Content Index for completeness and accuracy of GRI disclosures, including the identification of material topics under GRI 3 and the applicability of referenced GRI Topic Standards;
- Verified, on a sample basis, that quantitative and qualitative GRI disclosures are supported by appropriate underlying records and are presented consistently with the GRI Standards 2021 reporting requirements;
- Assessed the BRSR and GRI-aligned disclosures for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed indicators and relevant source data/information and
- Obtained representations from Company's Management, including in respect of the completeness and accuracy of GRI disclosures.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the "Scope of Assurance"
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- GRI disclosures that the Company has reported as 'omitted' or 'not applicable' in the GRI Content Index;
- Data and information outside the defined reporting period i.e., Financial Year 2025-26.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Opinion on the Reasonable Assurance

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the year ended 31 March, 2026 (as stated under "Identified Sustainability Information") is prepared in all material respects, in accordance with the criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information included in the BRSR and the disclosures prepared with reference to GRI Standards 2021 as linked in the GRI Index for year ended 31 March, 2026 are not prepared, in all material respects, in accordance with the Criteria.

Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of CG Power & Industrial Solutions Limited at the request of the company solely, to assist company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For C N K & Associates LLP Chartered Accountants

Firm Registration Number: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 037391
Date: 06 May, 2026
Place: Mumbai
UDIN: 26037391RUKCR05385

APPENDIX 1:

Sr No.	Indicator Number	Name of Indicator	Type of Assurance
1	Section C – Principle 6 – Q7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the given format	Reasonable
2	Section C – Principle 6 – Q3	Provide details of the following disclosures related to water withdrawal, in the given format	Reasonable
3	Section C – Principle 6 – Q4	Provide the following details related to water discharged	Reasonable
4	Section C – Principle 6 – Q1	Details of total energy consumption (in Joules or multiples) and energy intensity, in the given format	Reasonable
5	Section C – Principle 6 – Q9	Provide details related to waste management by the entity, in the given format	Reasonable
6	Section C – Principle 3 – Q1c	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the given format	Reasonable
7	Section C – Principle 3 – Q11	Details of safety related incidents, in the given format	Reasonable
8	Section C – Principle 5 – Q3b	Gross wages paid to females as % of total wages paid by the entity, in the given format	Reasonable
9	Section C – Principle 5 – Q7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the given format	Reasonable
10	Section C – Principle 8 – Q4	Percentage of input material (inputs to total inputs by value) sourced from suppliers	Reasonable
11	Section C – Principle 8 – Q5	Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the given locations, as % of total wage cost	Reasonable
12	Section C – Principle 9 – Q7	Provide the following information relating to data breaches: a. Number of instances of data breaches b. Percentage of data breaches involving personally identifiable information of customers c. Impact, if any, of the data breaches	Reasonable
13	Section C – Principle 1 – Q8	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the given format	Reasonable
14	Section C – Principle 1 – Q9	Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the given format:	Reasonable
15	BRSR Report	1. Section A: General Disclosure – 24 indicators 2. Section B: Management & Process disclosures – 12 indicators 3. Section C: Principle wise performance disclosures – 9 Principles (Essential & Leadership indicators except the Core KPI's as covered in Sr. No. 1 – 14 above)	Limited
16	BRSR Report	Review of reporting of value chain partners as per the SEBI Circular dated 28th March 2025 (SEBI/HO/CFD/CFD–PoD–1 /P/CIR/2025/42)	Limited

Sr No.	Indicator Number	Name of Indicator	Type of Assurance
17	Global Reporting Initiative (GRI) standards 2021	GRI 2: General Disclosures 2021	Limited
		GRI 3: Material Topics 2021	
		GRI 101: Biodiversity 2024	
		GRI 102: Climate Change 2025	
		GRI 103: Energy 2025	
		GRI 202: Market Presence 2016	
		GRI 203: Indirect Economic Impacts 2016	
		GRI 204: Procurement Practices 2016	
		GRI 205: Anti-corruption 2016	
		GRI 206: Anti-competitive Behavior 2016	
		GRI 301: Materials 2016	
		GRI 303: Water and Effluents 2018	
		GRI 306: Effluents and Waste 2016	
		GRI 306: Waste 2020	
		GRI 308: Supplier Environmental Assessment 2016	
		GRI 401: Employment 2016	
		GRI 402: Labor/Management Relations 2016	
		GRI 403: Occupational Health and Safety 2018	
		GRI 404: Training and Education 2016	
		GRI 405: Diversity and Equal Opportunity 2016	
		GRI 406: Non-discrimination 2016	
		GRI 407: Freedom of Association and Collective Bargaining 2016	
		GRI 408: Child Labor 2016	
		GRI 409: Forced or Compulsory Labor 2016	
		GRI 413: Local Communities 2016	
		GRI 414: Supplier Social Assessment 2016	
		GRI 415: Public Policy 2016	
		GRI 416: Customer Health and Safety 2016	
		GRI 417: Marketing and Labeling 2016	
		GRI 418: Customer Privacy 2016	

STANDALONE FINANCIALS 2025-2026

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of CG Power and Industrial Solutions Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matters
Revenue recognition (Refer Note 28 of the standalone financial statements)	
The Company has two operating segments, namely, Power and Industrial. The type of customers varies across these segments, ranging from Large Government companies / corporations to Original Equipment Manufacturers and Industrial Customers etc. A majority of the Company's revenue is from sale of goods, recognized at a point in time based on the terms of the contract with customers which may vary by customer. The terms of contractual arrangements with customers within each of the operating segments determine the timing of transfer of control and requires judgment in determining timing of revenue recognition. Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as a Key Audit Matter.	Our audit procedures included, amongst others, the following: • We read the Company's accounting policies for timing of revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • We performed walkthroughs of the Company's revenue processes, including design and implementation of controls; and tested the design and operating effectiveness of such controls in relation to revenue recognition. • We tested sample revenue contracts with customers, purchase orders issued by customers, and sales invoices raised by the Company to assess the timing of transfer of control along with pricing terms and the timing of the revenue recognition in respect of such contracts.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Key audit matters	How our audit addressed the key audit matters
Revenue recognition (Refer Note 28 of the standalone financial statements) (Contd.)	
	• We compared revenue with historical trends and where appropriate, conducted further enquiries and testing. On a sample basis, we analyzed revenue transactions near the reporting date and tested whether the timing of revenue was recognized in the appropriate period with reference to shipping records, sales invoices etc. for those transactions. • We assessed the disclosures for compliance with applicable accounting standards in the standalone financial statements.
Claims and exposures relating to taxation and other litigations (Refer Note 37 of the standalone financial statements)	
The Company has uncertainties related to litigations on account of tax losses adjusted against taxable income in earlier years and other disputed taxation/ legal claims. The tax losses were primarily on account of write-off of receivable balances in relation to various transactions in earlier years which are under investigation by regulatory authorities. Management has determined the tax allowability of these write-offs in the computation of current tax in the relevant years, based on its assessment and legal advice obtained by the Company. Due to associated uncertainties related to the outcome of these taxation and other litigations, significant judgement is involved in the assessment of potential financial impact and application of material judgement in interpretation of relevant laws. Accordingly, this has been considered as a Key Audit Matter.	Our audit procedures included, amongst others, the following: • We understood the process and assessed the internal control environment relating to the identification, assessment of the likely outcome of uncertain positions in respect of tax and other legal matters, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of tax and other disputed legal matters from management and reviewed management's assessment thereof, through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We involved tax specialists to assist us in evaluating tax positions taken by management including evaluation of deductions claimed by the Company in respect of receivable balances written off in earlier years as per the applicable provisions of the Income Tax Act in India and relevant judicial precedents wherever available and assessed the likelihood of the potential financial exposure. • We obtained and read the Company's correspondences with tax authorities and legal advice obtained by the Company. • We circulated legal confirmations for material litigations to external legal counsel and reviewed their assessment and had a discussion with the senior management of the Company regarding their assessment. • We assessed the relevant disclosures made in the standalone financial statements for compliance with the requirements of Ind AS.

Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

Independent Auditor's Report To the Members of CG Power and Industrial Solutions Limited (Contd.)

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 53 (iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53 (v) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that audit trail feature is not enabled for direct changes to database when using certain access rights, in respect of SAP application from April 1, 2025 to September 15, 2025 and for other accounting software used for payroll processing from April 1, 2025 to September 02, 2025, respectively as described in Note 55 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled.

Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aniruddh Sankaran
Partner
Membership Number: 211107
UDIN: 26211107NXYAKQ3235
Place of Signature: Mumbai
Date: May 6, 2026

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: CG Power and Industrial Solutions Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

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

(c) The title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

As disclosed in Note 4 to the standalone financial statements, in respect of land and building aggregating to ₹ 166.37 crores situated at Mumbai; the land lease deed has expired in earlier years. As explained to us, the Company's application for renewal of lease in respect of this property in Mumbai is considered by local municipal corporation, however documentation formalities in this regard are in progress.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management except for inventories lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate.

There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory. Significant inventories lying with third parties have been confirmed by such third parties as at March 31, 2026 and there were no discrepancies of 10% or more noticed, in respect of such confirmations.

(b) As disclosed in Note 21 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company up to the quarter ended December 31, 2025 with such banks are in agreement with the books of accounts of the Company. The quarterly returns/statements for the quarter ended March 31, 2026 has not been filed by the Company till the approval of these standalone financial statements. The Company does not have sanctioned working capital limits in excess of ₹ five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee or provided security to companies as follows:

	Loans (₹ in crores)
Aggregate amount granted/ provided during the year	
- Subsidiaries	40.00
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	40.00

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to firms, Limited Liability Partnerships or any other parties.

(b) During the year the investments made and the terms and conditions of the grant of all loans, are not prejudicial to the Company's interest. During the year, the Company has not provided advances in the nature of loans, guarantee or security to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has granted loans and advances in the nature of loans during the year to companies, where the schedule of repayment of principal and payment of interest has been stipulated however there were no repayments of principal or interest which were fallen due during the year. In terms of regularity of repayments of principal or interest in relation to loans granted to subsidiaries and other companies in earlier years, the repayment of receipts were regular, except as disclosed in Note 7 to the standalone financial statements, which have been fully provided for in earlier years. The Company not granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd.)

(d) There are no amounts of loans and advances in the nature of loans granted to companies which are overdue for more than ninety days, except as disclosed in Note 7 to the standalone financial statements, in relation to loans granted to subsidiaries and other companies in earlier years, which have been fully provided for in earlier years. The Company has not granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture or service of Power and Industrial products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of income-tax, goods and services tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Disputed Amount (Rupees in crores)	Paid under protest (Rupees in crores)	Amount Unpaid (Rupees in crores)	Period to which Amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	437.19	6.89	430.30*	2014-15, 2015-16, 2016-17, 2018-19, 2021-22	Commissioner of Income Tax (Appeals)
		870.36	113.76	756.60*	2017-18, 2019-20, 2020-21	Income Tax Appellate Tribunal (ITAT)
Goods and Service Tax Act, 2017	Input tax credits related	2.82	0.06	2.76	2017-18 to 2025-26	Commissioner (Appeals)
	Tran-1 credit	0.33	-	0.33	2017-2018	High Court
Central Sales Tax Act, 1956 and Sales Tax Acts of various states	Sales Tax, VAT, Penalty, Interest and Pending sales tax forms including related entry tax	112.09#	18.66	93.43	1997-98 to 2017-18	Additional Commissioner / Deputy Commissioner / Joint Commissioner / Commissioner (Appeals)
		26.23#	1.28	24.95	1992-93 to 2014-15	Appellate Tribunal
		2.12#	1.01	1.11	1989-1990 to 2006-07	High Court
Customs Act, 1962	Custom Duty, Penalty and Interest	1.28	0.09	1.19	2025-2026	Commissioner (Appeals)
		0.10	-	0.10	2018-2019	Appellate Tribunal
		0.64	0.60	0.04	1985-86 to 1988-89	High Court
Central Excise Act, 1944	Excise Duty, Penalty and Interest	0.66	0.01	0.65	2002-03 to 2015-16	Joint Commissioner / Commissioner (Appeals)
		0.96	0.03	0.93	1999-2000 to 2014-15	Appellate Tribunal
		0.26	0.06	0.20	2001-02 to 2010-11	High Court
Finance Act, 1994	Service Tax, Penalty and Interest	6.90	-	6.90	2006-07 to 2014-15	Deputy Commissioner / Joint Commissioner / Commissioner (Appeals)
		0.05	-	0.05	2005-06 to 2006-07	Appellate Tribunal

* On overall basis, there is stay on these demands.

\# The Company has collected 'C' Forms aggregating to ₹ 67.35 crores which it expects the authorities to accept to reduce total disputed amount to ₹ 73.09 crores and further the liability will reduce to ₹ 28.88 crores (without considering payment under protest) after considering related entry tax impact. There is stay on these demands in terms of appellate forums procedures.

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd.)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate. The Company does not have any joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associate. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company does not have any joint venture.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has complied with provisions of Sections 42 and 62 of the Companies Act, 2013 in respect of equity shares through Qualified Institutions Placement ("QIP") during the year. As disclosed in Note 56 to the standalone financial statements, the amount raised, have been used for the purposes for which the funds were raised except for surplus funds which were not required for immediate utilization (timeline stated in Placement Document extends beyond current financial year) and which have been invested in fixed deposits with various banks, mutual funds and balance in monitoring account.

The Company has not made any preferential allotment or private placement of fully or partially or optionally convertible debentures during the year under audit.

(xi) (a) No material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group has two Core Investment Companies as part of the Group.

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd.)

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 52 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in Note 40 to the standalone financial statements.

(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aniruddh Sankaran
Partner
Membership Number: 211107
UDIN: 26211107NXYAKQ3235
Place of Signature: Mumbai
Date: May 6, 2026

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of CG Power and Industrial Solutions Limited

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

We have audited the internal financial controls with reference to standalone financial statements of CG Power and Industrial Solutions Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aniruddh Sankaran
Partner
Membership Number: 211107
UDIN: 26211107NXYAKQ3235
Place of Signature: Mumbai
Date: May 6, 2026

Standalone Balance Sheet as at 31 March, 2026

₹ crores

	Note No.	As at 31-03-2026		As at 31-03-2025	
ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	4	**870.30**		810.76	
(b) Capital work-in-progress	4	**448.31**		220.12	
(c) Intangible assets	5	**41.57**		44.68	
(d) Intangible assets under development	5	**39.62**		20.09	
(e) Financial assets					
(i) Investments	6	**1947.73**		1436.88	
(ii) Loans	7	**-**		-	
(iii) Other financial assets	8	**1346.76**		10.44	
(f) Current tax assets		**206.89**		98.46	
(g) Other non-current assets	10	**115.06**		45.41	
			5016.24		2686.84
(2) Current assets					
(a) Inventories	11	**1352.20**		1033.29	
(b) Financial assets					
(i) Investments	12	**161.03**		156.29	
(ii) Trade receivables	13	**2707.58**		1878.86	
(iii) Cash and cash equivalents	14	**145.24**		10.66	
(iv) Bank balances other than (iii) above	15	**685.07**		785.27	
(v) Loans	16	**40.25**		-	
(vi) Other financial assets	17	**1616.07**		69.05	
(c) Other current assets	18	**233.07**		200.06	
			6940.51		4133.48
TOTAL ASSETS			**11956.75**		6820.32
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity share capital	19	**314.99**		305.78	
(b) Other equity	20	**7901.38**		3762.80	
			8216.37		4068.58
LIABILITIES					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	21	**2.69**		2.69	
(ii) Lease liabilities	38	**33.15**		10.58	
(iii) Other financial liabilities	22	**43.23**		28.06	
			79.07		41.33
(b) Provisions	23		**72.95**		43.72
(c) Deferred tax liabilities (net)	9		**15.06**		38.29
(2) Current liabilities					
(a) Financial liabilities					
(i) Lease liabilities	38	**9.89**		5.01	
(ii) Trade payables					
(A) Total outstanding dues of micro enterprises and small enterprises; and	24	**259.31**		160.00	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	**2082.85**		1628.26	
(iii) Other financial liabilities	25	**180.33**		144.47	
			2532.38		1937.74
(b) Other current liabilities	26		**725.77**		459.71
(c) Provisions	27		**228.91**		209.58
(d) Current tax liabilities			**86.24**		21.37
TOTAL EQUITY AND LIABILITIES			**11956.75**		6820.32
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of standalone financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Susheel Todi
Chief Financial Officer

Mumbai : 06 May, 2026

Vellayan Subbiah
Chairman
(DIN : 01138759)

Sanjay Kumar Chowdhary
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 March, 2026

₹ crores

	Note No.	2025-2026		2024-25	
INCOME					
Revenue from operations	28	**11330.62**		9328.97	
Other income	29	**253.82**		161.77	
Total income			**11584.44**		9490.74
EXPENSES					
Cost of materials consumed	30	**7799.22**		6439.61	
Purchases of stock-in-trade	31	**426.05**		359.32	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	**(130.86)**		(189.62)	
Employee benefits expense	33	**578.95**		480.22	
Finance costs	34	**7.46**		6.17	
Depreciation and amortisation expense	35	**94.44**		86.37	
Other expenses	36	**1016.60**		966.39	
Total expenses			**9791.86**		8148.46
Profit before exceptional items and tax			**1792.58**		1342.28
Exceptional items	45		**(35.57)**		-
Profit before tax			**1757.01**		1342.28
Tax expense:					
Current Tax	9	**462.35**		173.81	
Deferred tax	9	**(22.12)**		194.01	
			440.23		367.82
Profit for the year			**1316.78**		974.46
Other comprehensive income:					
(a) Items that will not be reclassified subsequently to profit or loss					
(i) Remeasurement gain / (loss) on defined benefit plans		**(5.05)**		(10.74)	
(ii) Income tax relating to item above	9	**1.11**		2.92	
Total other comprehensive income for the year			**(3.94)**		(7.82)
Total comprehensive income for the year			**1312.84**		966.64
Earnings per share					
Basic (₹)	50		**8.42**		6.38
Diluted (₹)	50		**8.42**		6.37
(Face value of ₹ 2 each)					
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of standalone financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

Amar Kaul
Managing Director & CEO
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Susheel Todi
Chief Financial Officer

Mumbai : 06 May, 2026

Vellayan Subbiah
Chairman
(DIN : 01138759)

Sanjay Kumar Chowdhary
Company Secretary

Standalone Statement of Changes in Equity for the year ended 31 March, 2026

(A) EQUITY SHARE CAPITAL

For the year ended 31 March, 2026

₹ crores

Balance as at 01-04-2025	Changes in equity share capital during the year*	Balance as at 31-03-2026
305.78	9.21	314.99

For the year ended 31 March, 2025

₹ crores

Balance as at 01-04-2024	Changes in equity share capital during the year*	Balance as at 31-03-2025
305.47	0.31	305.78

*Refer note 19

(B) OTHER EQUITY

For the year ended 31 March, 2026

₹ crores

	Reserves and Surplus						
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account	Total Equity
Balance as at 01 April, 2025	1866.46	415.89	672.49	12.95	761.27	33.74	3762.80
Profit for the year	1316.78	-	-	-	-	-	1316.78
Other comprehensive income for the year							
- Remeasurement loss on defined benefit plans	(3.94)	-	-	-	-	-	(3.94)
Employee stock options	-	-	-	-	19.90	42.60	62.50
Issue of equity shares through Qualified Institutions Placement (QIP)	-	-	-	-	2990.91	-	2990.91
Issue expenses for QIP	-	-	-	-	(22.93)	-	(22.93)
Transfer to securities premium on exercise and retained earnings on lapse of stock option from share options outstanding account	7.66	-	-	-	7.90	(15.56)	-
Dividend paid during the year	(204.74)	-	-	-	-	-	(204.74)
Balance as at 31 March, 2026	2982.22	415.89	672.49	12.95	3757.05	60.78	7901.38

Standalone Statement of Changes in Equity for the year ended 31 March, 2026 (Contd.)

(B) OTHER EQUITY (Contd.)

For the year ended 31 March, 2025

₹ crores

	Reserves and Surplus						
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account	Total Equity
Balance as at 01 April, 2024	1096.59	415.89	672.49	12.95	720.74	21.31	2939.97
Profit for the year	974.46	-	-	-	-	-	974.46
Other comprehensive income for the year							
- Remeasurement loss on defined benefit plans	(7.82)	-	-	-	-	-	(7.82)
Employee stock options	-	-	-	-	32.04	22.90	54.94
Transfer to securities premium on exercise and retained earnings on lapse of stock option from share options outstanding account	1.98	-	-	-	8.49	(10.47)	-
Dividend paid during the year	(198.75)	-	-	-	-	-	(198.75)
Balance as at 31 March, 2025	1866.46	415.89	672.49	12.95	761.27	33.74	3762.80

The accompanying notes form an integral part of standalone financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

For and on behalf of the Board

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

Susheel Todi
Chief Financial Officer

Sanjay Kumar Chowdhary
Company Secretary

Mumbai : 06 May, 2026

Standalone Statement of Cash Flows for the year ended 31 March, 2026

₹ crores

		2025-26	2024-25
[A]	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	**1757.01**	1342.28
	Adjustments for:		
	Depreciation and amortisation expense	**94.44**	86.37
	Allowances for doubtful receivables (net)	**3.48**	2.16
	Bad debts written off / (reversal) (net)	**(5.11)**	(15.43)
	(Gain) / loss arising on financial instruments designated as FVTPL	**(6.50)**	(0.26)
	Finance costs	**7.46**	6.17
	Interest income	**(179.63)**	(68.13)
	Share based payment expense	**42.60**	22.90
	Profit on sale of investments (net)	**(23.20)**	(33.33)
	Unrealised exchange (gain) / loss (net)	**9.60**	0.74
	(Profit) / loss on sale of property, plant and equipment (net)	**3.27**	0.63
	Liabilities no longer required written back	**(25.99)**	(39.63)
	(Profit) / loss on modification on lease	**-**	(0.38)
	Exceptional items	**35.57**	-
		(44.01)	(38.19)
	Operating profit before working capital changes	**1713.00**	1304.09
	Adjustments for:		
	(Increase) / Decrease in trade receivables	**(825.69)**	(406.73)
	(Increase) / Decrease in other non-current financial assets	**(4.12)**	1.07
	(Increase) / Decrease in other current financial assets and current assets	**(40.97)**	57.15
	(Increase) / Decrease in inventories	**(318.91)**	(343.67)
	Increase / (Decrease) in trade payables	**541.05**	326.55
	Increase / (Decrease) in other non-current financial liabilities	**15.15**	15.43
	Increase / (Decrease) in other current financial liabilities and current liabilities	**297.25**	142.10
	Increase / (Decrease) in non-current and current provisions	**7.94**	14.56
		(328.30)	(193.54)
	Cash (used in) / from operations	**1384.70**	1110.55
	Income tax refund / (paid) (net)	**(496.02)**	(176.30)
	Net cash flow (used in) / from operating activities **[A]**	**888.68**	934.25

Standalone Statement of Cash Flows for the year ended 31 March, 2026 (Contd.)

₹ crores

		2025-26	2024-25
[B]	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Proceeds from sale of property, plant and equipment	**2.36**	1.81
	Proceeds from sale of mutual funds	**4906.58**	4222.18
	Loan repaid by subsidiaries	**25.99**	38.35
	Interest received	**29.49**	65.88
	Investments in subsidiaries and associate	**(511.27)**	(1029.97)
	Purchase of property, plant and equipment (including capital work -in- progress, capital advances and capital creditors) and intangible assets (including under development)	**(414.25)**	(253.55)
	Purchase of mutual funds	**(4881.21)**	(3757.18)
	Refund of deposit / (deposit) in relation to bidding process for acquisition	**28.47**	(28.68)
	(Investment in) / proceeds from fixed deposits (net)	**(2680.99)**	(116.20)
	Loan given to subsidiaries	**(40.00)**	(30.00)
	Net cash flow (used in) / from investing activities **[B]**	**(3534.83)**	(887.36)
[C]	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity shares	**20.02**	32.35
	Proceeds from issue of equity shares through Qualified Institutions Placement (QIP)	**3000.00**	-
	Issue expenses for QIP	**(22.93)**	-
	Payment of lease liabilities including interest for ₹ 2.71 crores (previous year ₹ 0.97 crores)	**(10.05)**	(5.40)
	Finance costs paid	**(1.57)**	(2.68)
	Dividend paid	**(204.74)**	(198.75)
	Net cash flow (used in) / from financing activities **[C]**	**2780.73**	(174.48)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**134.58**	(127.59)
	Cash and cash equivalents at beginning of the year	**10.66**	138.25
	Cash and cash equivalents at end of the year (Refer note 14)	**145.24**	10.66

1 Refer note 49 in respect of disclosure for non-cash investing activities and changes in liabilities arising from financing activities.

2 The standalone statement of cash flows has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

The accompanying notes form an integral part of standalone financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Susheel Todi
Chief Financial Officer

Mumbai : 06 May, 2026

Vellayan Subbiah
Chairman
(DIN : 01138759)

Sanjay Kumar Chowdhary
Company Secretary

Notes accompanying the Standalone Financial Statements

1. CORPORATE INFORMATION:

CG Power and Industrial Solutions Limited (the 'Company') with CIN No: L99999MH1937PLC002641, is a public limited company incorporated and domiciled in India. The Company is listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The registered office is located at ONE UNITY CENTER, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai – 400013, India.

The Company is a global enterprise providing end-to-end solutions to utilities, industries and consumers for the management and application of efficient and sustainable electrical energy. It offers products, services and solutions in two main business segments, viz. Power Systems and Industrial Systems for the year ended 31 March, 2026.

The standalone financial statements of the Company for the year ended 31 March, 2026 were approved for issue in accordance with a resolution of the directors on 06 May, 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES:

2.1 Basis of preparation:

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III of the Companies Act, 2013. The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and financial liabilities measured at fair value.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

The standalone financial statements are presented in Indian Rupees ('₹') and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in the standalone statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date and stated at cost, net of accumulated impairment loss, if any. Once it becomes available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the standalone statement of profit and loss when the asset is derecognised.

Depreciation is provided on straight-line method over the useful lives of assets. Depreciation commences when an asset is ready for its intended use. The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, where the useful lives was determined by technical evaluation. Freehold land is not depreciated. Depreciation on additions to / deductions from assets is provided on pro-rata basis with reference to the date of addition / deletion.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The range of useful lives of the property, plant and equipment are as follows:

- Plant and machinery – 1 to 21 years;
- Furniture and fittings – 1 to 15 years;
- Office equipment – 1 to 15 years;
- Buildings – 3 to 60 years; and
- Vehicles – 1 to 8 years.

Buildings constructed on Leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the useful life of the building.

In other cases, buildings constructed on leasehold land are amortised over the primary lease period of the land.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

2.3 Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The amortisation expense on intangible assets with finite lives is recognised in the standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit and loss when the asset is derecognised.

Intangible assets acquired are amortised as follows:

- Computer software : 1 to 5 years;
- Technical know-how : 1 to 5 years (from the date of availability for its use); and
- Commercial rights : 1 to 10 years.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Research and development expenditure:

Revenue expenditure on research activities is expensed under the respective heads of account in the period in which it is incurred.

Development expenditures on an individual project are recognised as intangible asset, if all of the following criteria can be demonstrated:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
(ii) the Company has intention to complete the development of intangible asset and use or sell it;
(iii) the Company has ability to use or sell the intangible asset;
(iv) the manner in which the probable future economic benefit will be generated;
(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
(vi) the Company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over a period of five years. During the period of development, the asset is tested for impairment annually.

On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for all intangible assets as its deemed cost.

2.4 Impairment of non-financial assets:

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and the impairment loss is recognised in the standalone statement of profit and loss, when the carrying amount of an asset exceeds its recoverable the amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's (CGUs) fair value less cost to sell and the value in use.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

2.5 Inventories:

Inventories are valued as under:

- Raw materials, packing materials, construction materials, stores and spares, loose tools and traded goods at lower of cost and net realisable value. Cost is determined on a weighted average basis.
- Work-in-progress and finished goods (manufacturing) at lower of cost and net realisable value. Cost includes an appropriate share of production overheads based on normal operating capacity. Finished goods cost is determined on a weighted average basis.

The cost of inventories comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, excluding borrowings costs. Obsolete and slow moving items of inventories are valued at cost or net realisable value, whichever is lower. Goods and Materials in transit are valued at actual cost incurred up to the reporting date. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.6 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.7 Foreign currency transactions:

Initial recognition

Transactions in foreign currencies entered are initially accounted at the exchange rates prevailing on the date of the transaction.

Measurement as at balance sheet date

Foreign currency monetary items that are outstanding at the balance sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the standalone statement of profit and loss.

2.8 Revenue recognition:

(a) Revenue from sale of goods and services:

Revenue from sale of goods is recognised at a point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered.

Revenue is recognised at an amount of transaction price that reflects the consideration to which the Company expects to be entitled for satisfaction of performance obligation i.e. exchange of goods or services. Transaction price is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract inception updated thereafter at each reporting date or until crystallisation of the amount. Liquidated damages are recognised as a part of variable consideration. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices.

However, Goods and Services Tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

(b) Revenue from construction contracts:

Performance obligations with reference to construction contracts are satisfied over a period of time, and accordingly, revenue from such contracts is recognised based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Revenue is adjusted towards liquidated damages, and price variations / escalation, wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably and generally when it is agreed with customer. Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognised in the period in which estimates are revised.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

(c) Dividend and interest income:

Dividend income is accounted for when the shareholder's right to receive the same is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and the effective interest rate.

(d) Rental income:

Rental income arising from leases is accounted for on a straight-line basis over the lease terms and is included in other income in the standalone statement of profit and loss.

2.9 Employee benefits:

I. Short-term employee benefits:

All employee benefits payable wholly within twelve months after the end of the annual reporting period in which the employees render the related services, are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives, the expected cost of bonus, ex-gratia etc. are recognised during the period in which the employee renders related service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amounts of the benefits expected in exchange for the related services.

II. Post-employment benefits:

(A) Defined contribution scheme:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

(i) Provident fund:

The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(ii) Superannuation:

Contributions as a percentage of eligible employees' salary are made to Superannuation Funds administered by trustees and managed by Insurance Company. There is no liability for future Superannuation Fund benefits other than the annual contribution and such contributions are recognised as an expense in the year in which the services are rendered.

(iii) National pension scheme:

Contributions as a percentage of eligible employees' salary are made to National pension scheme administrated by the Pension Fund Regulatory and Development Authority (PFRDA). Such contributions are recognised as an expense in the year in which the services are rendered.

(iv) Employee state insurance scheme and labour welfare scheme:

Contributions to Employees State Insurance Scheme and labour welfare scheme are recognised as expense in the year in which the services are rendered.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

(B) Defined benefit plans:

(i) Gratuity:

The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. The scheme is funded with the CG Gratuity Fund. Remeasurements, comprising of actuarial gains and losses are recognised in full in other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit or loss subsequently.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with the actuarial valuations being carried out at the end of each annual reporting period.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss. Past service cost is recognised in the standalone statement of profit and loss in the period of plan amendment or when the Company recognised related re-structuring costs.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and settlements;
- net interest expense or income.

III. Leave encashment:

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the standalone statement of profit and loss.

IV. Termination benefits:

Termination benefits are recognised as an expense when the Company can no longer withdraw the offer of the termination benefits or when the Company recognises any related restructuring costs whichever is earlier.

2.10 Share based payments (Employee stock option scheme):

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in stock options outstanding account in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The standalone statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

2.11 Borrowing costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time (generally over twelve months) to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of Borrowing Costs is suspended and charged to the standalone statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they occur.

2.12 Segment accounting:

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker in the Company to make decisions for performance assessment and resource allocation. Segment performance is evaluated based on the profit or loss of reportable segment and is measured consistently.

The Operating segments have been identified on the basis of the nature of products / services.

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

(ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

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

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

(v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

2.13 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

At the date of commencement of the lease, the Company recognises right-of-use ('ROU') asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases and leases of low-value assets). For these short-term leases and leases of low-value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

A ROU asset is recognised representing its right to use the underlying asset for the lease term. The cost of the ROU asset measured at inception comprises of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses and adjusted for any remeasurement of the lease liability.

The ROU assets are depreciated from the commencement date using the straight-line method over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The range of useful lives of the ROU assets are as follows:

- Leasehold land – 10 to 99 years
- Buildings – 2 to 9 years

Company as a lessor

Leases for which the Company is a lessor are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.14 Earnings per share:

Basic earnings per share are calculated by dividing the net profit / loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

2.15 Income taxes:

Income tax expense for the period comprises of current and deferred tax. Income tax expense is recognised in the standalone statement of profit and loss except when they are relating to items that are recognised in OCI or directly in equity, in which case, it is also recognised in relating to items recognised directly in OCI or equity respectively.

Current tax

Current tax comprises the expected income tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is determined by using tax rates in accordance with the provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Deferred tax

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.16 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Warranty provisions

Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Company's obligation.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.17 Exceptional items:

An item of income or expense which by its size, type or incidence is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed as such in the standalone financial statements.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.18 Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets / liabilities are classified as non-current.

Operating cycle

A portion of the Company activities (primarily long-term project activities) has an operating cycle that exceeds twelve months. Accordingly, assets and liabilities related to these long-term contracts, which will not be realised / paid within twelve months, have been classified as non-current. For all other activities, operating cycle is twelve months.

2.19 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.20 Financial instruments:

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

(i) Financial assets:

Initial recognition and measurement

Financial assets are measured at fair value on initial recognition, except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets.

Where financial assets are measured at fair value, gains and losses are either recognised entirely in the standalone statement of profit and loss (i.e. fair value through profit or loss or 'FVTPL'), or recognised in other comprehensive income (i.e. fair value through other comprehensive income or 'FVTOCI').

A financial asset is measured at amortised cost (net of any write down for impairment) if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value, with fair value changes recognised in the standalone statement of profit and loss, except for those equity investments for which the entity has elected to present fair value changes in other comprehensive income. However, dividend on such equity investments are recognised in the standalone statement of profit and loss when the Company's right to receive payment is established.

Investment in associates, joint venture and subsidiaries

The Company accounts for its investment in subsidiaries, associates and joint venture, at cost less impairment loss except where investments is accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Impairment of financial assets

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables, the Company applies a simplified approach under which loss allowance is recognised based on expected lifetime ECL losses to be recognised on each reporting date. The Company uses a provision matrix that is based on its historical credit loss experience adjusted for relevant forward-looking factors. For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk since initial recognition, full lifetime ECL is used.

Notes accompanying the Standalone Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss ('FVTPL'). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Company to make specified payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of, the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the standalone statement of profit and loss.

(iii) Derivative financial instruments and hedge accounting:

The Company uses various derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the standalone statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to the standalone statement of profit and loss when the hedge item affects profit or loss.

(iv) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes accompanying the Standalone Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities within the next financial year.

Judgements

Lease of assets not in legal form of lease

Significant judgment is required to apply lease accounting rules under Ind AS 116. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 116.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(i) Useful lives of property, plant and equipment:

Management reviews useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors. This reassessment may result in change in depreciation expected in future period.

(ii) Development costs:

Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management assesses and monitors whether the recognition requirements for development costs continue to be met. There is inherent uncertainty in the economic success of any product development. The Company uses judgement in assessment of development cost eligible for capitalisation.

(iii) Impairment of non-financial assets:

In case of non-financial assets, the Company estimates asset's recoverable amount, which is higher of an asset's or cash generating units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(iv) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes accompanying the Standalone Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

(v) Income taxes:

Deferred tax assets for unused tax losses are recognised only when it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

(vi) Defined benefit obligation:

In accounting for post-retirement benefits, actuarial method uses several statistical and other factors to anticipate future events that are used to calculate defined benefit obligation. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vii) Revenue from contract with customers:

The Company estimates variable consideration in the nature of volume rebates, discounts, performance bonuses, penalties and similar items and adjusts the transaction price for the sale of goods and services. These expected variable consideration are analysed either at customer or contracts basis against agreed terms with customers and may differ from actual results.

(viii) Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in notes but are not recognised, the cases which have been determined as remote by the Company are not disclosed.

(ix) Share-based payment transactions:

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behavior), expected dividends, and the risk free interest rate (based on government bonds). Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 42.

3(B). RECENT ACCOUNTING PRONOUNCEMENTS

New and amended standard

Ministry of Corporate Affairs (MCA) has notified amendments to the existing standards Ind AS 1 -Presentation of financial statements relating to classification of liabilities as current or non-current subject to covenants, Ind AS 12 - Income Taxes relating to international tax reforms – Pillar Two Model Rules, Ind AS 21 – the effect of changes in foreign exchange rates and Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 - Statement of Cashflows relating to disclosure of supplier financing arrangements, applicable from April 1, 2025. The Company has assessed that there is no significant impact on its financial statements with respect to the amendments in Ind AS 1, Ind AS 21 and Ind AS 12. The Company has evaluated and provided disclosure with respect to supplier financing arrangement in note 24.

Standards notified but not yet effective

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with covenants

In accordance with changes to Ind AS 1 as notified by the MCA breach of an immaterial covenant will trigger classification of non-current liability as current. The Company does not expect any material impact of the amendments on its financial statements.

Notes accompanying the Standalone Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT (Contd.)

(A) Capital work-in-progress (CWIP) Ageing Schedule as at 31 March, 2026

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	366.14	50.65	30.39	1.13	448.31
Total	**366.14**	**50.65**	**30.39**	**1.13**	**448.31**

Notes:

(i) There are no projects where project cost has exceeded.

(ii) There are no projects which are temporary suspended.

Capital work-in-progress (CWIP) Ageing Schedule as at 31 March, 2025

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	173.47	45.52	1.13	-	220.12
Total	173.47	45.52	1.13	-	220.12

Notes:

(i) There were no projects where project cost has exceeded.

(ii) There were no projects which are temporary suspended.

(B) Capital work-in-progress (CWIP) projects whose completion is overdue compared to its original plan as at 31 March, 2026:

₹ crores

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Instrument Transformers and Condenser Bushings, Medium Voltage Switchgear and GIS unit	93.33	-	-	-	93.33
Total	93.33	-	-	-	93.33

Capital work-in-progress (CWIP) projects whose completion is overdue compared to its original plan as at 31 March, 2025:

₹ crores

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Notes accompanying the Standalone Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT

₹ crores

	Freehold land	Buildings	Plant and machinery	Vehicles	Office equipment	Furniture and fittings	Right-of-Use assets*	Capital work-in-progress
Cost / deemed cost:								
As at 01 April, 2024	49.42	651.76	537.25	12.30	32.95	30.10	140.16	65.60
Additions	-	3.62	56.58	5.74	6.82	0.84	11.29	173.47
Disposals / transfers	-	0.74	6.38	2.78	0.30	0.05	6.80	18.95
As at 31 March, 2025	49.42	654.64	587.45	15.26	39.47	30.89	144.65	220.12
Additions	-	90.69	168.62	2.81	6.99	6.54	34.79	365.90
Disposals / transfers / reclass	-	221.75	7.02	3.12	6.13	11.33	7.33	137.71
As at 31 March, 2026	49.42	523.58	749.05	14.95	40.33	26.10	172.11	448.31
Accumulated depreciation:								
As at 01 April, 2024	-	250.01	324.33	5.19	18.78	19.63	31.37	
Depreciation charge for the year	-	22.64	35.15	2.41	4.15	1.86	6.51	
Disposals / transfers	-	0.34	5.70	1.46	0.26	0.05	3.20	
As at 31 March, 2025	-	272.31	353.78	6.14	22.67	21.44	34.68	
Depreciation charge for the year	-	18.54	39.03	2.34	5.22	2.01	11.76	
Disposals / transfers / reclass	-	54.96	6.43	1.71	5.72	8.53	7.33	
As at 31 March, 2026	-	235.89	386.38	6.77	22.17	14.92	39.11	
Net book value								
As at 31 March, 2025	49.42	382.33	233.67	9.12	16.80	9.45	109.97	220.12
As at 31 March, 2026	49.42	287.69	362.67	8.18	18.16	11.18	133.00	448.31

Notes:

(a) The Company had signed a Joint Development Agreement (JDA) on 04 July, 2024 with Skybound Realty Pvt Ltd ('Skybound') and granted development rights to Skybound to develop its existing property by constructing the new commercial building on the land situated at Mumbai. In lieu of this the Company would receive commercial space on an area sharing basis along with amenities. Accordingly, book value of existing property of ₹ 166.37 crores has been reclassified to Capital work-in-progress in relation to this transaction, considering the Expert Advisory Committee ('EAC') opinion issued by the Institute of Chartered Accountants of India ('ICAI'), the Company has duly ensured compliance of IndAS 16 - Property Plant and Equipment and Ind AS 111 - Joint Arrangements.

(b) The Company's application for renewal of lease in respect of above property in Mumbai is considered by local municipal corporation, however documentation formalities in this regards are in progress.

(c) * Refer note 38.

Notes accompanying the Standalone Financial Statements (Contd.)

5. INTANGIBLE ASSETS

₹ crores

	Computer software	Technical know-how	Commercial rights	Development cost	Total	Intangible assets under development#
Cost / deemed cost:						
As at 01 April, 2024	**74.45**	**12.30**	**31.09**	**130.99**	**248.83**	**19.60**
Additions	6.41	-	-	25.35	31.76	25.84
Disposals / transfers	0.00	-	-	-	0.00	25.35
As at 31 March, 2025	**80.86**	**12.30**	**31.09**	**156.34**	**280.59**	**20.09**
Additions	4.96	-	-	7.47	12.43	27.00
Disposals / transfers	-	-	-	-	-	7.47
As at 31 March, 2026	**85.82**	**12.30**	**31.09**	**163.81**	**293.02**	**39.62**
Accumulated amortisation:						
As at 01 April, 2024	**63.28**	**12.30**	**31.09**	**115.59**	**222.26**	
Amortisation charge for the year	3.86	-	-	9.79	13.65	
Disposals / transfers	0.00	-	-	-	0.00	
As at 31 March, 2025	**67.14**	**12.30**	**31.09**	**125.38**	**235.91**	
Amortisation charge for the year	4.85	-	-	10.69	15.54	
Disposals / transfers	-	-	-	-	-	
As at 31 March, 2026	**71.99**	**12.30**	**31.09**	**136.07**	**251.45**	
Net book value						
As at 31 March, 2025	13.72	-	-	30.96	44.68	20.09
As at 31 March, 2026	**13.83**	**-**	**-**	**27.74**	**41.57**	**39.62**

Additions include research and development expenses of capital nature amounting to ₹ 20.08 crores (as at 31 March, 2025 ₹ 22.09 crores) (Refer note 39).

Intangible assets under development (IAUD) Ageing Schedule as at 31 March, 2026

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	**27.98**	**8.37**	**1.74**	**1.53**	**39.62**
Total	**27.98**	**8.37**	**1.74**	**1.53**	**39.62**

Notes:

(i) There are no projects where project cost has exceeded or projects are overdue in current year.

(ii) There are no projects which are temporary suspended.

Intangible assets under development (IAUD) Ageing Schedule as at 31 March, 2025

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	15.39	2.38	1.20	1.12	20.09
Total	15.39	2.38	1.20	1.12	20.09

Notes:

(i) There were no projects where project cost exceeded or projects were overdue.

(ii) There were no projects which were temporary suspended.

Notes accompanying the Standalone Financial Statements (Contd.)

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

	Face value per unit in ₹ unless otherwise specified	No. of shares / units			
		As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
Details of investments:					
A) Quoted investments					
Government and trust securities (Measured at fair value through profit and loss)					
Central Government Securities 10.18% GOI 2026 of ₹ 100 each	100	-	39000	-	0.41
Total (A)				-	0.41
B) Unquoted investments					
Investments in equity instruments					
Investment in subsidiary companies (carried at cost)					
Fully paid equity shares					
1. CG International B.V.	EUR 100	**1530000**	1530000	**609.62**	609.62
Less: Impairment (net of reversal) in value of investment*				**(281.40)**	(281.40)
				328.22	328.22
2. CG Power Equipments Limited (*Formerly* Crompton Greaves Consumer Products Limited)	2	**250000**	250000	**0.05**	0.05
Less: Impairment in value of investment				**(0.05)**	(0.05)
				-	-
3. CG International Holdings Singapore Pte Limited	USD 1	**44121460**	44121460	**238.29**	238.29
Less: Impairment (net of reversal) in value of investment				**(173.94)**	(173.94)
				64.35	64.35
4. CG Adhesive Products Limited (*Formerly* CG-PPI Adhesive Products Limited)	10	**3259852**	3259852	**13.58**	13.58
5. PT Crompton Prima Switchgear Indonesia (deemed investment) (Refer note 44)*				**-**	1.15
Less: Impairment in value of investment (Refer note 44)*				**-**	(1.15)
				-	-
6. CG Semi Private Limited	10	**821813740**	360542188	**821.81**	360.54
7. Axiro Semiconductor Private Limited	10	**400050000**	350050000	**400.05**	350.05
8. G.G. Tronics India Private Limited	100	**275459**	275459	**319.38**	319.38
Partly paid equity shares					
CG Power Equipments Limited (*Formerly* Crompton Greaves Consumer Products Limited)	0.20	**156436537**	156436537	**3.13**	3.13
Less: Impairment in value of investment				**(3.13)**	(3.13)
				-	-
Investments in trust securities					
Investment in associate (carried at cost)					
Chola Foundation				**0.01**	0.01
Total (B)				**1947.40**	1436.13

Notes accompanying the Standalone Financial Statements (Contd.)

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS (Contd.)

₹ crores

	Face value per unit in ₹ unless otherwise specified	No. of shares / units				As at 31-03-2026	As at 31-03-2025
		As at 31-03-2026		As at 31-03-2025			
C)							
Unquoted investments							
Investments in others							
Measured at fair value through profit and loss							
1. Dinette Exclusive Club Private Limited	100	500		500		0.01	0.01
2. Radiant Electronics Limited	100	190000		190000		0.00	0.00
						0.01	0.01
Investments in debentures or bonds							
Carried at fair value through profit and loss							
1. Dinette Exclusive Club Private Limited (0% Unsecured Irredeemable Non-convertible Debentures of ₹ 100 each)	100	5000		5000		0.05	0.05
						0.05	0.05
Other non-current investments							
Carried at fair value through profit and loss							
1. UTI Hybrid Equity Fund - Dividend Plan - Payout	10	73356		68048		0.27	0.28
2. Power Equipment Limited	USD 10	20600		20600		0.00	0.00
						0.27	0.28
Total (C)						0.33	0.34
Total (A+B+C)						1947.73	1436.88
Notes:							
Quoted investments							
Book value						-	0.41
Market value						-	0.41
Unquoted investments							
Book value						1947.73	1436.47
Aggregate amount of impairment in the value of investments in subsidiaries						458.52	459.67

* During the year, the Company has written off of investment ₹ 1.15 crores (previous year ₹ 7.58 crores). Also provision to that extent has been reversed by ₹ 1.15 crores (previous year ₹ 7.58 crores) (Refer note 44 and 45).

7. NON-CURRENT FINANCIAL ASSETS - LOANS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured, credit impaired, unless otherwise stated				
Loans to subsidiaries (Refer note 44)*	**1168.07**		1197.50	
Less: Allowance for credit impairment (Refer note 44)*	**1168.07**		1197.50	
		-		-
Other loans and advances	**7.94**		7.94	
Less: Allowance for credit impairment	**7.94**		7.94	
		-		-
		-		-

* During the year loan amounting ₹ 9.99 crores (previous year ₹ 8.35 crores) has been repaid by a subsidiary, hence provision to that extent has been reversed by ₹ 9.99 crores (previous year ₹ 8.35 crores) (Refer note 44).

Further, during the year, loan amounting to ₹ 16.00 crores has been repaid by a subsidiary and ₹ 3.44 crores has been written off (previous year ₹ 730.63 crores), the provision amount to that extent of ₹ 19.44 crores has been reversed (Refer note 44).

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Type of Borrower	Amount of loan or advance in nature of loan outstanding	% of total loans and advances in nature of loans	Amount of loan or advance in nature of loan outstanding	% of total loans and advances in nature of loans
Loan to subsidiaries	**1168.07**	**99.3%**	1197.50	99.3%
Total	**1168.07**	**99.3%**	1197.50	99.3%

8. NON-CURRENT - OTHER FINANCIAL ASSETS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good, unless otherwise stated		
Security deposits	**10.02**	6.05
Fixed deposits with banks with remaining maturity period of more than 12 months (Refer note (a) and (b) below)	**1336.74**	4.39
	1346.76	10.44

Notes:

(a) Fixed deposits of ₹ 0.20 crores (as at 31 March, 2025 ₹ 1.47 crores) are held as margin money.

(b) It includes fixed deposits of ₹ 1334.33 crores (as at 31 March, 2025 ₹ Nil) out of QIP proceeds.

Notes accompanying the Standalone Financial Statements (Contd.)

9. TAXATION

Income tax recognised in statement of profit and loss:

₹ crores

	2025-26	2024-25
Statement of profit and loss:		
Current income tax:		
Current period	**462.51**	137.32
Adjustment in respect of current tax relating to earlier periods	**(0.16)**	36.49
Deferred tax:		
Relating to origination and reversal of temporary differences	**(22.12)**	194.01
Income tax recognised in statement of profit and loss	**440.23**	367.82
Other comprehensive income:		
Deferred tax related to items recognised in other comprehensive income during the year	**(1.11)**	(2.92)
Income tax recognised in other comprehensive income	**(1.11)**	(2.92)

Reconciliation of income tax expense and the accounting profit multiplied by applicable income tax rate:

₹ crores

	2025-26	2024-25
Accounting profit before income tax	**1757.01**	1342.28
Applicable tax rate	**25.168%**	25.168%
Computed tax expense	**442.20**	337.83
Reversal of provision against loans and advances given to subsidiaries	**(6.54)**	(2.10)
Write off of receivables / financial assets receivables	**(11.59)**	(18.79)
Income taxable at lower tax rate - capital gain on assets	**10.79**	-
Adjustment of tax relating to earlier periods	**(0.16)**	36.49
Expense not deductible in determining taxable profits	**5.62**	9.46
Others	**(0.09)**	4.93
Net income tax expense charged to statement of profit and loss	**440.23**	367.82

Notes :

Pursuant to the directions of the Hon'ble National Company Law Tribunal ('NCLT'), the Company's books of accounts were re-casted and re-audited for the financial years 2014-15 to 2018-19. The said re-casted accounts were taken on record by the NCLT on 26 October, 2021, and the consequential voluntary revision of the books of accounts for the financial years 2019-20 and 2020-21 were carried out by the Company. In this connection, the Company filed an application with the Central Board of Direct Taxes ('CBDT') seeking approval to revise the income tax returns based on the re-casted / revised books of accounts for the financial years 2014-15 to 2019-20. However, the CBDT, vide its order dated 29 February, 2024, rejected the Company's application.

Aggrieved by this rejection order, the Company filed a Writ Petition before the Hon'ble Bombay High Court. The Hon'ble Bombay High Court, in its order dated 30 April, 2024, issued the following directions:

(a) Allowing the Company to file its revised income tax returns based on the re-casted / revised accounts for the financial years 2014-15 to 2019-20.

(b) Directing the Income Tax Department to complete the assessment of these revised returns. In compliance with the Hon'ble Bombay High Court's order, the Company filed the revised income tax returns based on the re-casted accounts for the financial years 2014-15 to 2019-20.

9. TAXATION (Contd.)

Subsequently, the Company received assessment orders based on the revised income tax returns filed. Due to various disallowances / additions made, completed assessment orders resulted in tax demands of ₹ 634.36 crores for the financial years 2014-15 to 2019-20 for which appeals have been filed. The said tax demand has been subsequently stayed by the department subject to the condition that ₹ 79.19 crores (payment under protest) required to be pay in installments. The Company has paid ₹ 22.20 crores under protest as at 31 March, 2026. Based on management assessment, duly supported by legal opinion from senior counsels, the Company believes that it has strong case on merit that these disallowances / additions are in principle not tenable under law including in relation to the periods for which revised income tax returns are filed, as applicable. Accordingly, no adjustments are considered necessary in the standalone financial statements in this regard.

Deferred tax relates to the following:

₹ crores

	Balance sheet		Recognised in statement of profit and loss (including OCI)	
	As at 31-03-2026	As at 31-03-2025	2025-26	2024-25
Expenses allowable on payment basis	**33.33**	21.76	**(11.57)**	(7.48)
Impact of difference between tax depreciation and depreciation / amortisation charged	**(109.40)**	(111.70)	**(2.30)**	(9.77)
Lease liabilities	**10.83**	3.92	**(6.91)**	(0.72)
Right-of-use assets	**(9.84)**	(3.60)	**6.24**	0.74
Other items giving rise to temporary differences	**(0.25)**	3.97	**4.22**	5.72
Provision and impairment of receivables	**60.27**	47.36	**(12.91)**	8.01
Unabsorbed losses and Unabsorbed depreciation	**-**	-	**-**	194.59
Net deferred tax assets / (liabilities)	**(15.06)**	(38.29)		
Net (income) / expense			**(23.23)**	191.09
Deferred tax expense / (benefit):				
Relating to origination and reversal of temporary differences			**(23.23)**	191.09
Total			**(23.23)**	191.09

Reconciliation of deferred tax assets / (liabilities) net

₹ crores

	As at 31-03-2026	As at 31-03-2025
Opening balance	**(38.29)**	152.80
Tax expense during the year recognised in statement of profit and loss	**22.12**	(194.01)
Deferred tax on other comprehensive income	**1.11**	2.92
Closing balance	**(15.06)**	(38.29)

10. OTHER NON-CURRENT ASSETS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good, unless otherwise stated		
Capital advances	**115.06**	45.41
	115.06	45.41

Notes accompanying the Standalone Financial Statements (Contd.)

11. INVENTORIES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Raw materials	**646.87**		445.14	
Add: Goods-in-transit	**14.19**		29.66	
		661.06		474.80
Work-in-progress		**441.39**		340.60
Finished goods		**204.50**		181.17
Stock-in-trade (including goods-in-transit)		**38.64**		31.90
Stores, spares, packing materials and loose tools		**6.61**		4.82
		1352.20		1033.29

Note:

Mode of valuation of inventories is stated in Note 2.5

12. CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

	Face value per unit in ₹ unless otherwise specified	No. of shares / units		As at 31-03-2026	As at 31-03-2025
		As at 31-03-2026	As at 31-03-2025		
Details of investments:					
Quoted investments (Measured at Fair value through profit and loss)					
Government and trust securities					
Central Government Securities 10.18% GOI 2026 of ₹ 100 each	100	**39000**	-	**0.40**	-
				0.40	-
Unquoted investments (Measured at Fair value through profit and loss)					
Investments in equity instruments					
1 Nicco Corporation Limited	2	**330390**	330390	**0.01**	0.01
2 JCT Electronics Limited	1	**250000**	250000	**0.00**	0.00
				0.01	0.01
Investments in mutual funds					
1 SBI Overnight Fund - Direct Growth		**-**	315740	**-**	131.14
2 SBI Liquid Fund - Direct Growth^		**373001**	61980	**160.62**	25.14
				160.62	156.28
				161.03	156.29
Notes:					
Quoted investments					
Book value				**0.40**	-
Market value				**0.40**	-
Unquoted investments					
Book value				**160.63**	156.29

^ ₹ 9.98 crores (As at 31 March, 2025 ₹ Nil) is pledged as margin money.

Notes accompanying the Standalone Financial Statements (Contd.)

13. TRADE RECEIVABLES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured:				
Considered good	**2693.74**		1873.68	
Credit impaired	**50.35**		47.84	
	2744.09		1921.52	
Less: Allowance for credit impairment	**50.35**		47.84	
		2693.74		1873.68
Receivables from related parties:				
Considered good	**13.84**		5.18	
Credit impaired	**17.35**		63.40	
	31.19		68.58	
Less: Allowance for credit impairment	**17.35**		63.40	
(Refer note 44)		**13.84**		5.18
Trade receivable (net)		**2707.58**		1878.86

Notes:

(a) Breakup of trade receivables:

₹ crores

	As at 31-03-2026		As at 31-03-2025	
(i) Unsecured, considered good	**2707.58**		1878.86	
(ii) Trade receivable credit impaired	**67.70**		111.24	
Total	**2775.28**		1990.10	
Less: Allowance for credit impairment	**67.70**		111.24	
		2707.58		1878.86
		2707.58		1878.86

(b) Refer note 28 for trade receivables considered as contract balances.

Trade receivables ageing schedule:

₹ crores

As at 31 March, 2026	Not due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed trade receivables – considered good	**1788.75**	**822.47**	**56.37**	**20.96**	**12.55**	**6.48**	**2707.58**
(ii) Undisputed trade receivable – credit impaired	**-**	**-**	**-**	**13.95**	**4.23**	**49.52**	**67.70**
(iii) Disputed trade receivables – considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Disputed trade receivable – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1788.75**	**822.47**	**56.37**	**34.91**	**16.78**	**56.00**	**2775.28**

Notes accompanying the Standalone Financial Statements (Contd.)

13. TRADE RECEIVABLES (Contd.)

₹ crores

As at 31 March, 2025	Not due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed trade receivables – considered good	1330.83	440.53	63.42	26.03	7.89	10.16	1878.86
(ii) Undisputed trade receivable – credit impaired	-	-	-	7.15	3.68	100.41	111.24
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivable – credit impaired	-	-	-	-	-	-	-
Total	1330.83	440.53	63.42	33.18	11.57	110.57	1990.10

Note:

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Details of trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member are given below other than disclosed in note 44(c):

₹ crores

Name of the Company	As at 31-03-2026	As at 31-03-2025
Zetwerk Manufacturing Businesses Private Limited	**0.02**	0.05

14. CASH AND CASH EQUIVALENTS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Balances with banks:				
In current accounts*	**75.19**		10.66	
Fixed deposits with original maturity of less than 3 months	**70.05**		-	
		145.24		10.66
		145.24		10.66

Note:

As at 31 March, 2026, the Company has undrawn fund based committed borrowing facilities of ₹ 500.00 crores (as at 31 March, 2025 ₹ 450.00 crores).

* It includes ₹ 1.61 crores balance out of QIP proceeds maintained in a designated monitoring bank account.

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Earmarked balances with banks for:				
Unpaid dividends (Refer note (a) below)	**0.95**		0.71	
Others (Refer note (b) below)	**6.31**		25.55	
		7.26		26.26
Fixed deposits with original maturity of more than 3 months and up to 12 months (Refer note (c) below)		**677.81**		759.01
		685.07		785.27

Notes:

(a) Amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund ('IEPF') as at 31 March, 2026 ₹ Nil (as at 31 March, 2025 ₹ Nil).

(b) There are restrictions on the bank balances of ₹ 6.31 crores (as at 31 March, 2025 ₹ 6.31 crores) held in separate bank account, opened as per the directives of Enforcement Directorate for the purpose of receiving funds. The above also include Tax deducted at source of ₹ 19.24 crores to be deposited against the interim dividend declared in financial year 2024-25.

(c) Fixed deposits of ₹ 4.51 crores (as at 31 March, 2025 ₹ Nil) are held as margin money.

Notes accompanying the Standalone Financial Statements (Contd.)

16. CURRENT FINANCIAL ASSETS - LOANS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good, unless otherwise stated:		
Receivable from subsidiary (Refer note 44)	**40.25**	-
	40.25	-

Type of Borrower	As at 31-03-2026		As at 31-03-2025	
	Amount of loan or advance in nature of loan outstanding	% of total loans and advances in nature of loans	Amount of loan or advance in nature of loan outstanding	% of total loans and advances in nature of loans
Loan to subsidiary	**40.25**	**100.00%**	-	-
Total	**40.25**	**100.00%**	-	-

17. CURRENT OTHER FINANCIAL ASSETS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured, considered good, unless otherwise stated:				
Receivable from subsidiaries (Refer note 44)		**3.84**		2.88
Fixed deposits with remaining maturity less than 12 months (Refer note below)		**1580.14**		3.21
Derivative instruments (Refer note 46)		**0.13**		-
Security deposits:				
Considered good	**25.92**		47.21	
Considered doubtful	**0.74**		0.74	
	26.66		47.95	
Less: Allowance for bad and doubtful deposits	**0.74**		0.74	
		25.92		47.21
Other financials assets		**5.47**		14.85
Unbilled revenue (Refer note 28)		**0.57**		0.90
		1616.07		69.05

Notes:

(a) Fixed deposits of ₹ 4.77 crores (as at 31 March, 2025 ₹ 3.08 crores) are held as margin money.

(b) It includes fixed deposits of ₹ 1257.06 crores (as at 31 March, 2025 ₹ Nil) out of QIP proceeds.

Notes accompanying the Standalone Financial Statements (Contd.)

18. OTHER CURRENT ASSETS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured, considered good, unless otherwise stated:				
Advance to suppliers		**100.26**		68.02
Statutory and other receivables*		**132.81**		132.04
Receivable from erstwhile directors	**0.16**		0.16	
Less: Provision for doubtful receivable	**0.16**		0.16	
		-		-
		233.07		200.06

Note:

* It includes statutory receivables of ₹ 108.79 crores (as at 31 March, 2025 ₹ 109.53 crores).

19. EQUITY SHARE CAPITAL

₹ crores

	As at 31-03-2026	As at 31-03-2025
Authorised		
2038000000 equity shares of ₹ 2 each	**407.60**	407.60
(2038000000 equity shares of ₹ 2 each as at 31 March, 2025)		
Issued		
1574963549 equity shares of ₹ 2 each fully paid-up	**314.99**	305.78
(1528911744 equity shares of ₹ 2 each fully paid-up as at 31 March, 2025)		
Subscribed and paid-up		
1574921249 equity shares of ₹ 2 each fully paid-up	**314.99**	305.78
(1528869444 equity shares of ₹ 2 each fully paid-up as at 31 March, 2025)		
Forfeited shares		
42300 equity shares of ₹ 2 each (Amount partly paid-up ₹ 32175)	**0.00**	0.00
(42300 equity shares of ₹ 2 each (Amount partly paid-up ₹ 32175 as at 31 March, 2025))		
	314.99	305.78

Notes accompanying the Standalone Financial Statements (Contd.)

19. EQUITY SHARE CAPITAL (Contd.)

Notes:

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

	As at 31-03-2026		As at 31-03-2025	
Authorised equity share capital	**No of Shares**	**₹ crores**	No of Shares	₹ crores
Balance at the beginning of the year	**2038000000**	**407.60**	2038000000	407.60
Balance at the end of the year	**2038000000**	**407.60**	2038000000	407.60

	As at 31-03-2026		As at 31-03-2025	
Issued equity share capital	**No of Shares**	**₹ crores**	No of Shares	₹ crores
Balance at the beginning of the year	**1528911744**	**305.78**	1527375514	305.47
Add: Issued during the year	**46051805**	**9.21**	1536230	0.31
Balance at the end of the year	**1574963549**	**314.99**	1528911744	305.78

	As at 31-03-2026		As at 31-03-2025	
Subscribed and paid-up equity share capital	**No of Shares**	**₹ crores**	No of Shares	₹ crores
Balance at the beginning of the year	**1528869444**	**305.78**	1527333214	305.47
Add: Subscribed during the year	**46051805**	**9.21**	1536230	0.31
Balance at the end of the year	**1574921249**	**314.99**	1528869444	305.78

(i) The Company has issued following equity shares under employee stock option scheme:

During the year 597260 equity shares of the face value ₹ 2 each per equity share, for an aggregate consideration of ₹ 20.02 crores. (Previous year 1536230 equity shares of the face value ₹ 2 each per equity share, for an aggregate consideration of ₹ 32.35 crores).

(ii) The Company has issued following equity shares by way of Qualified Institutional Placement (QIP):

During the year ended 31 March, 2026, the Company has raised funds amounting to ₹ 3000.00 crores by way Qualified Institutional Placement (QIP) and allotted 45,454,545 equity shares at an issue price ₹ 660.00 per equity share (including a premium of ₹ 658.00 per equity share) on 04 July, 2025.

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c) Details of shareholders holding more than 5 % shares in the Company:

	As at 31-03-2026		As at 31-03-2025	
	%	**No. of Shares**	%	No. of Shares
Tube Investments of India Limited	**56.29**	**886485532**	57.98	886485532

Notes accompanying the Standalone Financial Statements (Contd.)

19. EQUITY SHARE CAPITAL (Contd.)

(d) Details of shares held by promoters and promoter group

As at 31 March, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares*	% change during the year
Tube Investments of India Limited	886485532	-	886485532	56.29%	-
M A Murugappan Holdings LLP (*Formerly*, M A Murugappan Holdings Private Limited)	369530	-	369530	0.02%	-
M A M Arunachalam	220920	-	220920	0.01%	-
M.A.Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	8980	-	8980	0.00%	-
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	125090	-	125090	0.01%	-
M A M Arunachalam (In capacity of karta of HUF)	87300	-	87300	0.01%	-
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai holds shares - Murugappan Arunachalam Children Trust)	47750	-	47750	0.00%	-
Vedika Meyyammai Arunachalam	74350	-	74350	0.00%	-
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M.V.Subbiah, M A A and M M M hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	1785	-	1785	0.00%	-
Valli Annamalai	1000	-	1000	0.00%	-
Lakshmi Chockalingam	44900	-	44900	0.00%	-
Valli Alagappan	500	-	500	0.00%	-
Dhruv M Arunachalam	1480	-	1480	0.00%	-
A Keertika Unnamalai	889	-	889	0.00%	-
Niranthara Alamelu Muthiah	15	-	15	0.00%	-
Kanika Subbiah	-	14850	14850	0.00%	100.00%
Total	887650111	14850	887664961	56.36%	

(*) Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However total promoter holding is 56.36%.

Notes accompanying the Standalone Financial Statements (Contd.)

19. EQUITY SHARE CAPITAL (Contd.)

(d) Details of shares held by promoters and promoter group (Contd.)

As at 31 March, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares#	% change during the year
Tube Investments of India Limited	886485532	-	886485532	57.98%	-
M A Murugappan Holdings LLP (*Formerly*, M A Murugappan Holdings Private Limited)	367000	2530	369530	0.02%	0.69%
M A M Arunachalam	220920	-	220920	0.01%	-
M.A.Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	8980	-	8980	0.00%	-
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	74000	51090	125090	0.01%	69.04%
M A M Arunachalam (In capacity of karta of HUF)	64500	22800	87300	0.01%	35.35%
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai holds shares - Murugappan Arunachalam Children Trust)	46900	850	47750	0.00%	1.81%
Vedika Meyyammai Arunachalam	71000	3350	74350	0.00%	4.72%
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M.V.Subbiah, M A A and M M M hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	1785	-	1785	0.00%	-
Valli Annamalai	1000	-	1000	0.00%	-
Lakshmi Chockalingam	44900	-	44900	0.00%	-
Valli Alagappan	500	-	500	0.00%	-
Dhruv M Arunachalam	200	1280	1480	0.00%	640.00%
A Keertika Unnamalai	155	734	889	0.00%	473.55%
Niranthara Alamelu Muthiah	-	15	15	0.00%	100.00%
Total	887567462	82649	887650111	58.06%	

(#) Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However total promoter holding is 58.06%.

Notes accompanying the Standalone Financial Statements (Contd.)

20. OTHER EQUITY

₹ crores

	As at 31-03-2026	As at 31-03-2025
Retained earnings	**2982.22**	1866.46
General reserve	**415.89**	415.89
Capital reserve	**672.49**	672.49
Capital redemption reserve	**12.95**	12.95
Securities premium	**3757.05**	761.27
Share options outstanding account	**60.78**	33.74
	7901.38	3762.80

Refer the standalone statement of changes in equity for detailed movement in balances.

(a) Dividend paid and proposed:

The Company has declared and paid interim dividend of ₹ 1.30 per share, resulting in a dividend payout of ₹ 204.74 crores for the financial year 2025-26 (previous year ₹ 1.30 per share, resulting in a dividend payout of ₹ 198.75 crores).

(b) Nature and purpose of items in other equity:

(i) Retained earnings:

Retained earnings are the profits that the Company has earned till date and includes any transfers to general reserve, dividends or other distributions paid to the shareholders.

(ii) General reserve:

General reserve comprises of transfer of profits from retained earnings for appropriation purpose, the reserves can be distributed / utilised by the Company in accordance with the provisions of the Companies Act, 2013.

(iii) Capital reserve:

Capital reserve mainly represents the amount recognised on demerger of consumer product business and can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Capital redemption reserve:

Capital redemption reserve was created on buy back of shares. The Company may issue bonus shares to its members out of the capital redemption reserve.

(v) Securities premium:

Securities premium reserve is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(vi) Share options outstanding account:

Share options outstanding account represents fair value of the options granted which is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

Notes accompanying the Standalone Financial Statements (Contd.)

21. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Unsecured loans		
Others (Refer note (a) below)	**2.69**	2.69
	2.69	2.69

Notes:

(a) Intercompany loan from a subsidiary amounting to ₹ 2.69 crores (as at 31 March, 2025 ₹ 2.69 crores) at interest rate of 7.5% p.a. and is repayable in April 2027.

(b) Quarterly returns to banks:

The quarterly returns submitted to the banks by the Company till 31 December, 2025 are in agreement with books of accounts, the quarterly return for the quarter ended 31 March, 2026 has not been filed by the Company till the approval of these standalone financial statements.

22. NON-CURRENT OTHER FINANCIAL LIABILITIES

₹ crores

	As at 31-03-2026	As at 31-03-2025
Security deposits payable	**41.06**	26.07
Others (Refer note 44)	**2.17**	1.99
	43.23	28.06

23. NON-CURRENT PROVISIONS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Provision for gratuity (Refer note 41(b))	**18.71**	4.81
Other provisions (Refer note 27(a))	**54.24**	38.91
	72.95	43.72

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ crores

			As at 31-03-2026		As at 31-03-2025	
Due to micro enterprises and small enterprises:				**259.31**		160.00
Total outstanding dues of creditors other than micro enterprises and small enterprises:						
	Acceptances		**688.83**		425.81	
	Due to other than micro enterprises and small enterprises		**1372.21**		1190.01	
	Due to subsidiaries (Refer note 44)		**21.81**		12.44	
				2082.85		1628.26
				2342.16		1788.26

Note:

Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, have been determined based on the information available with the Company and the required disclosures are given below:

₹ crores

		As at 31-03-2026	As at 31-03-2025
(a)	Principal amount due to suppliers	**259.31**	160.00
(b)	Interest accrued and due to suppliers on the above amount, unpaid	**0.16**	0.22
(c)	Interest paid to suppliers (other than Section 16)	**-**	-
(d)	Interest paid to suppliers (Section 16)	**-**	-
(e)	Interest due and payable towards suppliers for payments already made	**5.49**	5.29
(f)	Interest accrued and remaining unpaid at the end of each year	**5.65**	5.51

Notes accompanying the Standalone Financial Statements (Contd.)

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Contd.)

Trade payables ageing schedule:

₹ crores

As at 31 March, 2026		Not due / Unbilled	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(i)	Undisputed dues of micro enterprises and small enterprises	238.57	20.58	0.07	0.02	0.07	259.31
(ii)	Undisputed dues of creditors other than micro enterprises and small enterprises	1622.19	392.40	39.94	2.59	25.73	2082.85
(iii)	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv)	Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	Total	1860.76	412.98	40.01	2.61	25.80	2342.16

₹ crores

As at 31 March, 2025		Not due / Unbilled	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(i)	Undisputed dues of micro enterprises and small enterprises	158.04	1.88	-	0.04	0.04	160.00
(ii)	Undisputed dues of creditors other than micro enterprises and small enterprises	1295.76	303.76	3.37	2.11	23.26	1628.26
(iii)	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv)	Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	Total	1453.80	305.64	3.37	2.15	23.30	1788.26

Supplier Finance Arrangements:

The Company participates in a supplier finance arrangement (SCF) with the banks. Under this arrangement, the banks pay amount to participating suppliers on behalf of the Company in respect of invoices raised on the Company before its due date.

If suppliers choose to receive early payment, they pay a fee to the banks. In order for the banks to pay the invoices, the goods must have been received or supplied and the invoices approved by the Company.

The Company settles the original invoice by paying the banks in line with the original invoice maturity date.

The Company provides no security to the banks and have no recourse on the Company and there is no change in the Company's original obligation towards the suppliers.

₹ crores

	As at 31-03-2026	As at 31-03-2025
Carrying amount of financial liabilities that are part of supplier finance arrangement presented within trade payable and for which payment received by suppliers from banks.	688.83	425.76

Notes accompanying the Standalone Financial Statements (Contd.)

25. CURRENT- OTHER FINANCIAL LIABILITIES

₹ crores

	As at 31-03-2026	As at 31-03-2025
Interest-free sales tax deferral loans from State Government	0.12	0.12
Dues to subsidiaries (Refer note 44)	1.05	1.05
Capital Creditors	72.28	47.32
Investor Education and Protection Fund:		
Unclaimed dividend (Refer below note (a))	0.95	0.71
Security deposits	14.21	14.80
Due to directors (Refer note 44)	0.90	1.76
Derivative Instruments (Refer note 47)	-	0.21
Other payables (Refer below note (b))	90.82	78.50
	180.33	144.47

Notes :

(a) There is no amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund ('IEPF') as at 31 March, 2026 (as at 31 March, 2025 ₹ Nil).

(b) Major items pertains to employee related payables including incentives and liability towards funds received as per directions of Enforcement Directorate (Refer note 15(b)).

26. OTHER CURRENT LIABILITIES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Advances from customers (Refer note 28)		657.82		362.67
Billing in excess of contract revenue (Refer note 28)		16.66		27.42
Other payables:				
Statutory liabilities	41.93		60.67	
Others	9.36		8.95	
		51.29		69.62
		725.77		459.71

Notes accompanying the Standalone Financial Statements (Contd.)

27. SHORT-TERM PROVISIONS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Provision for gratuity (Refer note 41(b))	**18.36**	11.58
Provision for leave encashment	**42.85**	33.63
Other provisions (Refer note below)	**167.70**	164.37
	228.91	209.58

Notes:

(a) Movement in other provisions:

₹ crores

	Warranties		Provision for tax related litigations		Other litigation claims		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Carrying amount at the beginning of the year	**121.25**	97.59	**54.26**	54.72	**27.77**	31.00	**203.28**	183.31
Additional provision made during the year (Net of reversal / utilisation)	**34.74**	23.66	**(16.97)**	(0.46)	**0.89**	(3.23)	**18.66**	19.97
Carrying amount at the end of the year	**155.99**	121.25	**37.29**	54.26	**28.66**	27.77	**221.94**	203.28
Non-current (Refer note 23)	**54.24**	38.91	**-**	-	**-**	-	**54.24**	38.91
Current (Refer note 27)	**101.75**	82.34	**37.29**	54.26	**28.66**	27.77	**167.70**	164.37
Total	**155.99**	121.25	**37.29**	54.26	**28.66**	27.77	**221.94**	203.28

(b) Nature of other provisions:

(i) Product warranties: The Company gives warranties on certain products and services in the nature of repairs / replacement, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligation on account of rectification / replacement. The timing of outflows is generally expected to be within a period of two years from the date of balance sheet.

(ii) Provision for tax related litigations include liability on account of non-collection of declaration forms and other legal matters related to Sales Tax, Excise Duty, Custom Duty, Service Tax and Goods & Service Tax which are in appeal under the relevant Act / Rules. The above provision represents expected future outflows relating to various tax related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

(iii) Provision for other litigation related obligations represents estimated liabilities that are expected to materialise in respect of other matters under litigation. The above provision represents expected future outflows relating to litigation related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

Notes accompanying the Standalone Financial Statements (Contd.)

28. REVENUE FROM OPERATIONS

₹ crores

	2025-26		2024-25	
Sale of products	**10878.38**		9066.17	
Sale of services	**54.44**		32.45	
Construction contracts	**260.00**		136.68	
		11192.82		9235.30
Other operating income - scrap sales and other recoveries		**137.80**		93.67
		11330.62		9328.97

Revenue from contracts with customers

₹ crores

	2025-26	2024-25
Revenue reconciliation		
Revenue as per contracted price	**11545.87**	9489.55
Less: **Adjustments:**		
Discounts	**115.35**	107.99
Others (includes liquidated damages)	**99.90**	52.59
Revenue recognised as per the statement of profit and loss	**11330.62**	9328.97

₹ crores

	2025-26	2024-25
Revenue recognised in current year from		
Amount included in contract liability at the beginning of the year	**204.99**	189.12
Performance obligations satisfied in previous periods	**-**	-

₹ crores

	2025-26	2024-25
Revenue from contracts with customers		
Power Systems Business	**5135.52**	3505.94
Industrial Systems Business	**6195.10**	5823.03
Total	**11330.62**	9328.97

₹ crores

	2025-26	2024-25
Timing of revenue recognition		
Revenue recognised at a point in time	**11070.62**	9192.29
Revenue recognised over a period of time	**260.00**	136.68
Total	**11330.62**	9328.97

₹ crores

	As at 31-03-2026	As at 31-03-2025
Contract balances		
Trade receivables	**2707.58**	1878.86
Contract assets	**0.57**	0.90
Contract liabilities:		
Advances from customers	**657.82**	362.67
Billing in excess of contract revenue	**16.66**	27.42

Notes accompanying the Standalone Financial Statements (Contd.)

28. REVENUE FROM OPERATIONS (Contd.)

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation.

29. OTHER INCOME

₹ crores

	2025-26	2024-25
Interest income from:		
Deposits with banks	**158.25**	54.17
On income tax refund	**10.38**	0.41
Others	**11.00**	13.55
Gain on sale of investments (net)	**23.20**	33.33
Exchange gain (net)	**3.39**	4.58
Fair value gain on financial instruments at fair value through profit and loss	**6.50**	0.26
Other non-operating income:		
Income from business service centers (Refer note 38)	**2.27**	3.41
Liabilities no longer required written back	**25.99**	39.63
Miscellaneous income	**12.84**	12.43
	253.82	161.77

30. COST OF MATERIALS CONSUMED

₹ crores

	2025-26	2024-25
Opening inventories	**474.80**	322.46
Add: Purchases	**7985.48**	6591.95
Less: Closing inventories	**661.06**	474.80
	7799.22	6439.61

31. PURCHASES OF STOCK-IN-TRADE

₹ crores

	2025-26	2024-25
Purchases of stock-in-trade	**426.05**	359.32
	426.05	359.32

Notes accompanying the Standalone Financial Statements (Contd.)

32. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ crores

	2025-26		2024-25	
Closing inventories:				
Finished goods	**204.50**		181.17	
Work-in-progress	**441.39**		340.60	
Stock-in-trade	**38.64**		31.90	
		684.53		553.67
Opening inventories:				
Finished goods	**181.17**		118.32	
Work-in-progress	**340.60**		229.00	
Stock-in-trade	**31.90**		16.73	
		553.67		364.05
(Increase) / decrease in inventories				
Finished goods	**(23.33)**		(62.85)	
Work-in-progress	**(100.79)**		(111.60)	
Stock-in-trade	**(6.74)**		(15.17)	
Net (increase) / decrease in inventories		**(130.86)**		(189.62)

33. EMPLOYEE BENEFITS EXPENSE

₹ crores

	2025-26	2024-25
Salaries, wages and bonus	**463.78**	389.77
Contribution to provident and other funds (Refer note 41((a))	**25.78**	22.35
Gratuity expenses (Refer note 41(b))	**7.79**	5.65
Share based payment expense (Refer note 42)	**42.60**	22.90
Staff welfare expenses	**39.00**	39.55
	578.95	480.22

34. FINANCE COSTS

₹ crores

	2025-26	2024-25
Interest expenses	**4.75**	5.20
Interest on lease liabilities (Refer note 38)	**2.71**	0.97
	7.46	6.17

35. DEPRECIATION AND AMORTISATION EXPENSE

₹ crores

	2025-26	2024-25
Depreciation of property, plant and equipment (Refer note 4)*	**78.90**	72.72
Amortisation of Intangible assets (Refer note 5)	**15.54**	13.65
	94.44	86.37

Note:

* Includes depreciation of ROU assets of ₹ 11.76 crores (previous year ₹ 6.51 crores).

Notes accompanying the Standalone Financial Statements (Contd.)

36. OTHER EXPENSES

₹ crores

	2025-26	2024-25
Consumption of stores and spares	**41.00**	38.33
Power and fuel	**48.30**	43.94
Rent	**15.55**	12.85
Repairs to buildings	**4.86**	4.54
Repairs to machinery	**33.31**	28.63
Insurance	**7.25**	7.09
Freight and forwarding	**175.46**	146.46
Packing materials	**72.40**	65.22
After sales services including warranties	**92.34**	85.99
Sales promotion	**17.71**	14.31
Sub contracting charges	**188.33**	173.95
Directors' sitting fees	**0.30**	0.39
Loss on sale of property, plant and equipment (net)	**3.27**	0.63
Allowance for doubtful debts and advances (net)	**3.48**	2.16
Corporate social responsibility expenses (Refer note 40)	**21.31**	17.36
Donation to trust*	**-**	20.00
Legal and professional charges	**62.64**	98.01
Miscellaneous expenses (Refer note below)	**229.09**	206.53
	1016.60	966.39

* Donation given to Triumph Electoral Trust in previous year.

Note:

Miscellaneous expenses includes the following:

₹ crores

	2025-26	2024-25
Auditors remuneration (excluding Goods and Service Tax)^		
Audit fees	**0.90**	0.90
Limited review fees	**0.53**	0.51
Certification work	**0.09**	0.01
Other services	**0.11**	0.12
Out of pocket expenses	**0.24**	0.23
	1.87	1.77

^ Current year fees excludes the QIP certification fees of ₹ 1.03 crores, which has been adjusted against securities premium.

Notes accompanying the Standalone Financial Statements (Contd.)

37. CONTINGENT LIABILITIES AND COMMITMENTS

a) Matters wherein management has concluded the Company's liability to be probable have accordingly been provided for in the books (Refer note 27).

b) Matters wherein management has concluded the Company's liability to be possible have accordingly been disclosed under Note A, Contingent liabilities below.

c) Matters wherein management is confident of succeeding in these litigations and have concluded the Company's liability to be remote. This based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

₹ crores

		As at 31-03-2026	As at 31-03-2025
A.	**Contingent liabilities (Refer notes below):** (to the extent not provided for)		
(a)	Claims against the Company not acknowledged as debts (Refer note (i) below)	**3.74**	3.74
(b)	Sales tax / VAT / goods and service tax liability that may arise in respect of matters in appeal (Refer note (iii) below)	**2.44**	3.94
(c)	Excise duty / customs duty / service tax liability that may arise in respect of matters in appeal (Refer note (iv) below)	**8.06**	8.78
(d)	Income tax liability that may arise in respect of matters in appeal (Refer note (v) and (vi) below)		
B.	**Commitments:**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**482.10**	180.12

Notes:

(i) From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at A(a) to A(d) above, pending resolution of the arbitration / appellate proceedings.

(iii) Sales tax / VAT / goods and service tax cases include disputes pertaining to disallowances of input tax credit and non-submission of various forms with authorities.

(iv) Excise duty / custom duty / service tax cases include disputes pertaining to inadmissibility of cenvat credit, short payment of service tax on work contracts, refund of excise duty on export of transformers, interest payment on provisional assessment cases, etc.

(v) Contingent liabilities for Income tax cases pertains to disallowance of expenses amounting to ₹ 0.56 crores (as at 31 March, 2025 ₹ 0.56 crores).

(vi) The Company had received Assessment Order dated 27 February, 2024 under section 143(3) of the Income Tax Act, 1961, pertaining to financial year 2021-22. As per Assessment Order, tax demand payable is ₹ 188.79 crores. The Company has filed appeal before Commissioner of Income Tax (Appeals). Considering the facts, demand raised is mainly on account of disallowance of claims for settlement of corporate guarantee and non-granting of set-off tax losses. The management strongly believes that the demand is not sustainable, bad in law and will be reversed at appellate levels. The Company has obtained stay on tax demand by paying ₹ 4.89 crores, as per stay order issued by the Deputy commissioner of Income tax.

During the year, the Company had received Final Assessment Order for financial year 2020-21. As per Assessment Order, the tax demand payable is ₹ 484.40 crores. Aggrieved by the said order, the Company has filed appeal before the Hon'ble Income Tax Appellate Tribunal (ITAT). The management strongly believes that the demand is not sustainable, bad in law and will be reversed at appellate levels. The Company has obtained stay on tax demand by paying ₹ 93.55 crores, as per stay order issued by the Deputy commissioner of Income tax.

Refer note 9 for details in relation to assessment of revised income tax returns based on the re-casted / revised accounts.

Notes accompanying the Standalone Financial Statements (Contd.)

38. LEASES

(i) Company as a lessee

The Company has lease contracts for various items of land and buildings used in its operation. Lease of land generally have lease terms between 10 to 99 years while buildings generally have lease terms between 2 to 9 years. The Company's obligation under the lease is secured by the lessor's title to leased assets.

Set out below are the carrying amounts of right of use assets and lease liabilities included under financial liabilities and the movements during the year:

Movement in net carrying value of right of use assets

₹ crores

	Land	Buildings	Total
Opening balances as at 01-04-2024	**100.13**	**8.66**	**108.79**
Additions	-	11.29	11.29
Less: Deletion	-	3.60	3.60
Less: Depreciation	1.99	4.52	6.51
Closing balances as at 31-03-2025	**98.14**	**11.83**	**109.97**
Additions	**0.41**	**34.38**	**34.79**
Less: Deletion	**-**	**-**	**-**
Less: Depreciation	**1.96**	**9.80**	**11.76**
Closing balances as at 31-03-2026	**96.59**	**36.41**	**133.00**

Movement in lease liabilities during the year

₹ crores

	2025-26	2024-25
Opening Balance	**15.59**	12.71
Add: Addition	**34.79**	11.29
Add: Accretion of interest	**2.71**	0.97
Less: Payments	**10.05**	5.40
Less: Termination of Lease	**-**	3.98
Closing balance	**43.04**	15.59

Breakup of lease liabilities

₹ crores

	As at 31-03-2026	As at 31-03-2025
Non-current lease liabilities	**33.15**	10.58
Current lease liabilities	**9.89**	5.01
Total	**43.04**	15.59

Notes accompanying the Standalone Financial Statements (Contd.)

38. LEASES (Contd.)

Amounts recognised in the statement of profit and loss

₹ crores

	2025-26	2024-25
Other expenses		
Expenses related to short-term leases, low values assets and variable lease rent (included in other expenses) (Refer note 36)	**15.55**	12.85
Finance cost		
Interest expense on lease liability (Refer note 34)	**2.71**	0.97
Depreciation and amortisation expense		
Depreciation of ROU assets (Refer note 4)	**11.76**	6.51

Amounts recognised in the statement of cash flows

₹ crores

	2025-26	2024-25
Total cash outflow for leases (includes interest for ₹ 2.71 crores, (previous year ₹ 0.97 crores))	**10.05**	5.40

Contractual maturities of lease liabilities on an undiscounted basis

₹ crores

	As at 31-03-2026	As at 31-03-2025
Less than 1 year	**12.63**	6.16
1 - 5 years	**35.50**	9.92
More than 5 years	**7.06**	4.88
Total	**55.19**	20.96

(ii) Company as a lessor

Amounts recognised in the statement of profit and loss

₹ crores

	2025-26	2024-25
Other income:		
Non-operating lease income (Refer note 29)	**2.27**	3.41

Note:

Non-operating lease income is in respect of lease of building.

Notes accompanying the Standalone Financial Statements (Contd.)

39. EXPENDITURE ON RESEARCH AND DEVELOPMENT

₹ crores

		2025-26	2024-25
(a)	**Capital Expenditure:**		
	Building	**0.31**	0.43
	Plant and equipments	**1.20**	2.30
	Furnitures and Fixtures	**0.01**	0.12
	Vehicles	**0.07**	0.14
	Intangible assets	**0.11**	7.37
	Intangible assets under development*	**20.08**	17.44
	Capital work-in-progress - Plant and machinery	**0.08**	0.04
	Sub-total (a)	**21.86**	27.84
(b)	**Revenue expenditure:**		
	Raw materials consumed	**0.00**	0.97
	Employee benefits	**21.67**	19.31
	Depreciation and amortisation	**11.68**	10.44
	Other expenses:		
	Consumption of stores and spares	**0.50**	0.81
	Power and fuel	**0.03**	0.09
	Rent	**0.00**	0.05
	Repairs to machinery	**0.12**	0.11
	Repairs - others	**0.79**	0.15
	Miscellaneous expenses	**3.91**	3.85
	Sub-total (b)	**38.70**	35.78
	Total (a) + (b)	**60.56**	63.62

(*) During the year, the Company has incurred research and development expenses of capital nature amounting to ₹ 20.08 crores (as at 31 March, 2025 ₹ 22.09 crores) and shown as addition to intangible assets under development. Out of the total amount ₹ Nil (previous year ₹ 4.65 crores) has been capitalised as intangible assets.

Notes accompanying the Standalone Financial Statements (Contd.)

40. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

₹ crores

	2025-26	2024-25
Gross amount required to be spent by the Company during the year	**21.31**	17.36
Amount approved by Board to be spent during the year	**21.31**	17.36

₹ crores

	2025-26			2024-25		
Amount spent during the year	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction / acquisition of asset	**7.58**	**-**	**7.58**	1.80	-	1.80
(ii) On purposes other than (i) above	**13.75**	**-**	**13.75**	15.77	-	15.77

₹ crores

		2025-26	2024-25
(i)	Amount required to be spent during the year	**21.31**	17.36
(ii)	Amount of expenditure incurred	**21.33**	17.57
(iii)	Excess spent brought forward from previous year	**0.21**	-
(iv)	(Excess spent)/ Shortfall at the end of the year [(iv)=(i)-(ii)-(iii)]	**(0.23)**	(0.21)
(v)	Amount carried forward to next year	**0.23**	0.21

Note:

The CSR activities were carried out in the areas of environmental sustainability, education, rural sports, healthcare, sanitation, making available safe drinking water, facilities for senior citizens, measures for reducing social inequalities faced by socially and economically backward groups, promoting gender equality and empowering women, supporting technology development and rural development projects.

41. EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 25.78 crores (previous year ₹ 22.35 crores) is recognised as an expense and included in employee benefits expense as under:

₹ crores

Benefits (Contribution to)	2025-26	2024-25
Provident fund	**19.35**	16.36
Superannuation fund	**3.89**	4.04
Employee state insurance scheme	**0.11**	0.20
Labour welfare scheme	**0.01**	0.02
National pension scheme	**2.42**	1.73
Total	**25.78**	22.35

(b) Defined benefit plans:

Gratuity:

Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per the Payment of Gratuity Act, 1972.

The Company makes annual contributions to the CG Gratuity Fund to invest in insured managed fund, which is defined benefit plan for qualifying employees. The Board of Trustees of the fund is entrusted with responsibility for the administration of the plan assets and for the investment.

Notes accompanying the Standalone Financial Statements (Contd.)

41. EMPLOYEE BENEFITS (Contd.)

The following table summarizes the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet.

₹ crores

		Gratuity (Funded)	
		2025-26	2024-25
I	**Change in present value of defined benefit obligation during the year**		
1	Present value of defined benefit obligation at the beginning of the year	**75.20**	64.21
2	Interest cost	**5.77**	4.63
3	Current service cost	**6.24**	4.48
4	Past service cost	**24.24**	-
5	Benefits paid	**(7.12)**	(8.05)
6	Actuarial changes arising from changes in demographic assumptions	**-**	(0.17)
7	Actuarial changes arising from changes in financial assumptions	**(0.73)**	9.09
8	Actuarial changes arising from changes in experience adjustments	**5.34**	1.01
9	Present value of defined benefit obligation at the end of the year	**108.94**	75.20
II	**Change in fair value of plan assets during the year**		
1	Fair value of plan assets at the beginning of the year	**58.81**	47.96
2	Interest income	**4.23**	3.46
3	Contributions paid by the employer	**16.39**	16.26
4	Benefits paid from the fund	**(7.12)**	(8.05)
5	Return on plan assets excluding interest income	**(0.44)**	(0.82)
6	Fair value of plan assets at the end of the year	**71.87**	58.81
III	**Net asset / (liability) recognised in the balance sheet**		
1	Present value of defined benefit obligation at the end of the year	**108.94**	75.20
2	Fair value of plan assets at the end of the year	**71.87**	58.81
3	Amount recognised in the balance sheet	**(37.07)**	(16.39)
4	Net (liability) / asset current	**(18.36)**	(11.58)
5	Net (liability) / asset non-current	**(18.71)**	(4.81)
IV	**Expenses recognised in the statement of profit and loss for the year**		
1	Current service cost	**6.24**	4.48
2	Interest cost on benefit obligation (net)	**1.55**	1.17
3	Past service cost	**24.24**	-
4	Total expenses	**32.03**	5.65
V	**Recognised in other comprehensive income for the year**		
1	Actuarial changes arising from changes in demographic assumptions	**-**	(0.17)
2	Actuarial changes arising from changes in financial assumptions	**(0.73)**	9.09
3	Actuarial changes arising from changes in experience adjustments	**5.34**	1.01
4	Return on plan assets excluding interest income	**0.44**	0.82
5	Recognised in other comprehensive income	**5.05**	10.74
VI	**Maturity profile of defined benefit obligation on an undiscounted basis**		
1	Within the next 12 months (next annual reporting period)	**17.33**	12.02
2	Between 2 and 5 years	**51.68**	36.08
3	Between 6 and 10 years	**44.41**	29.87
4	More than 10 years	**53.45**	33.54

Notes accompanying the Standalone Financial Statements (Contd.)

41. EMPLOYEE BENEFITS (Contd.)

₹ crores

		Gratuity (Funded)	
		2025-26	2024-25
VII	**Quantitative sensitivity analysis for significant assumption is as below:**		
1	**Increase/(decrease) on present value of defined benefits obligation at the end of the year**		
	(i) One percentage point increase in discount rate	**(5.00)**	(3.40)
	(ii) One percentage point decrease in discount rate	**5.54**	3.76
	(i) One percentage point increase in rate of salary increase	**5.37**	3.63
	(ii) One percentage point decrease in rate of salary increase	**(4.94)**	(3.35)
	(i) One percentage point increase in employee turnover rate	**(0.87)**	(0.60)
	(ii) One percentage point decrease in employee turnover rate	**0.93**	0.65
2	**Sensitivity Analysis Method**		
	Sensitivity analysis has been determined based on reasonably possible changes of respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
VIII	**The major categories of plan assets as a percentage of total plan assets**		
	Insurer managed funds	**100.00%**	100.00%
IX	**Weighted average duration of the defined benefit obligation (in years)**	**6**	6
X	**Actuarial assumptions**		
1	Discount rate	**7.14% p.a.**	6.80% p.a.
2	Salary escalation	**9.50% p.a.**	9.50% p.a.
3	Mortality rate during employment	**Indian Assured Lives Mortality (2012-14) Urban**	Indian Assured Lives Mortality (2012-14) Urban
4	Rate of employee turnover	**12.00%p.a.**	12.00%p.a.

₹ crores

	2025-26	2024-25
Expected contribution to the defined benefit plan for the next annual reporting period	**18.36**	11.58

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2026 and as at 31 March, 2025. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(iv) **Risk analysis:**

Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Notes accompanying the Standalone Financial Statements (Contd.)

41. EMPLOYEE BENEFITS (Contd.)

c) Leave Encashment:

The assumptions used for computing accumulated leave encashment on actuarial basis are as follows:

Actuarial assumptions		2025-26	2024-25
1	Discount rate	**7.14% p.a.**	6.80% p.a.
2	Salary escalation	**9.50% p.a.**	9.50% p.a.
3	Mortality rate during employment	**Indian Assured Lives Mortality (2012-14) Urban**	Indian Assured Lives Mortality (2012-14) Urban
4	Rate of employee turnover	**12.00%p.a.**	12.00%p.a.

42. STOCK OPTIONS

During the year, 1378940 (previous year 1781380) stock options (net-off cancellations / lapsed) were granted to eligible employees at the rate of one stock options of the Company for every stock option held and outstanding in the Company.

In this regard, the Company has recognised expense amounting to ₹ 42.60 crores (previous year ₹ 22.90 crores) for employees services received during the year, shown under employee benefit expenses (Refer note 33).

The movement of stock options are given below:

Date of grant	Options outstanding as at 01-04-2025	During the year 2025-26			Options outstanding as at 31-03-2026	Options vested but not exercised as at 31-03-2026
		Options granted	Options cancelled / lapsed	Options exercised and allotted		
18-Nov-21	**371520**	-	**101640**	**269880**	-	-
08-May-23	**500000**	-	-	-	**500000**	**500000**
08-May-23	**208300**	-	**166640**	**41660**	-	-
27-Jul-23	**416600**	-	**124980**	**83320**	**208300**	**83320**
30-Dec-23	**91200**	-	-	**91200**	-	-
25-Jul-24	**900000**	-	-	-	**900000**	**180000**
21-Oct-24	**715000**	-	**487000**	-	**228000**	**76000**
28-Jan-25	**390000**	-	**200000**	**2000**	**188000**	**36000**
18-Mar-25	**190000**	-	-	-	**190000**	**38000**
06-May-25	-	**1500000**	**310800**	**109200**	**1080000**	-
24-Jul-25	-	**480000**	-	-	**480000**	-
29-Oct-25	-	**400000**	-	-	**400000**	-
01-Nov-25	-	**110000**	-	-	**110000**	-
27-Jan-26	-	**280000**	-	-	**280000**	-

Date of grant	Options outstanding as at 01-04-2024	During the year 2024-25			Options outstanding as at 31-03-2025	Options vested but not exercised as at 31-03-2025
		Options granted	Options cancelled / lapsed	Options exercised and allotted		
18-Nov-21	1299020	-	69120	858380	371520	168240
26-Dec-22	453140	-	-	453140	-	-
08-May-23	679710	-	-	179710	500000	500000
08-May-23	416600	-	208300	-	208300	41660
27-Jul-23	416600	-	-	-	416600	83320
30-Dec-23	272400	-	136200	45000	91200	91200
25-Jul-24	-	900000	-	-	900000	-
21-Oct-24	-	715000	-	-	715000	-
28-Jan-25	-	390000	-	-	390000	-
18-Mar-25	-	190000	-	-	190000	-

Notes accompanying the Standalone Financial Statements (Contd.)

42. STOCK OPTIONS (Contd.)

Details of stock options granted as at 31 March, 2026 are given below:

Date of grant	Exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vesting period	Weighted average remaining contractual life (in years)
18-Nov-21	**156.20**	**1834100**	**449300**	**1384800**	-	-	-	-
08-May-23	**305.55**	**679710**	-	**179710**	**500000**	-	**1 Year**	**3.11**
08-May-23	**305.55**	**416600**	**374940**	**41660**	-	-	-	-
27-Jul-23	**400.45**	**416600**	**124980**	**83320**	**83320**	**124980**	**1 to 4 Years**	**5.03**
30-Dec-23	**454.40**	**272400**	**136200**	**136200**	-	-	-	-
25-Jul-24	**697.10**	**900000**	-	-	**180000**	**720000**	**1 to 4 Years**	**6.02**
21-Oct-24	**819.00**	**715000**	**487000**	-	**76000**	**152000**	**1 to 4 Years**	**5.98**
28-Jan-25	**595.45**	**390000**	**200000**	**2000**	**36000**	**152000**	**1 to 4 Years**	**6.55**
18-Mar-25	**610.10**	**190000**	-	-	**38000**	**152000**	**1 to 4 Years**	**6.67**
06-May-25	**635.10**	**1500000**	**310800**	**109200**	-	**1080000**	**1 to 4 Years**	**6.80**
24-Jul-25	**682.95**	**480000**	-	-	-	**480000**	**1 to 4 Years**	**7.02**
29-Oct-25	**722.50**	**400000**	-	-	-	**400000**	**1 to 4 Years**	**7.29**
01-Nov-25	**736.65**	**110000**	-	-	-	**110000**	**1 to 4 Years**	**7.29**
27-Jan-26	**549.10**	**280000**	-	-	-	**280000**	**1 to 4 Years**	**7.53**

Details of stock options granted as at 31 March, 2025 are given below:

Date of grant	Exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vesting period	Weighted average remaining contractual life (in years)
18-Nov-21	156.20	1834100	347660	1114920	168240	203280	1 to 4 Years	5.04
26-Dec-22	251.65	453140	-	453140	-	-	-	-
08-May-23	305.55	679710	-	179710	500000	-	1 Year	4.11
08-May-23	305.55	416600	208300	-	41660	166640	1 to 4 Years	5.81
27-Jul-23	400.45	416600	-	-	83320	333280	1 to 4 Years	6.03
30-Dec-23	454.40	272400	136200	45000	91200	-	1 Year	4.76
25-Jul-24	697.10	900000	-	-	-	900000	1 to 4 Years	7.02
21-Oct-24	819.00	715000	-	-	-	715000	1 to 4 Years	7.26
28-Jan-25	595.45	390000	-	-	-	390000	1 to 4 Years	7.53
18-Mar-25	610.10	190000	-	-	-	190000	1 to 4 Years	7.67

The following table list the input to the Black Scholes Model used for the plans for the year ended 31 March, 2026:

Date of grant	Risk free rate (%) p.a.	Expected life (in years)	Expected volatility of share price (%)	Dividend yield	Fair value of the options
18-Nov-21	**3.81 - 5.36**	**1 - 4**	**47.82 - 56.02**	-	**31.98 - 73.22**
08-May-23	**6.82**	**3.51**	**48.46**	**0.49**	**127.22**
08-May-23	**6.82 - 6.93**	**3.51 - 6.51**	**46.26 - 48.46**	**0.49**	**127.22 - 165.75**
27-Jul-23	**6.93 - 7.01**	**3.51 - 6.51**	**46.75 - 57.02**	**0.37**	**164.56 - 236.56**
30-Dec-23	**7.01 - 7.04**	**3.51 - 4.51**	**42.77 - 51.54**	**0.33**	**175.65 - 224.20**
25-Jul-24	**6.77 - 6.83**	**3.50 - 6.50**	**38.10 - 50.85**	**0.19**	**252.88 - 406.34**
21-Oct-24	**6.60 - 6.70**	**3.50 - 6.50**	**36.94 - 50.56**	**0.16**	**290.16 - 477.52**
28-Jan-25	**6.50 - 6.57**	**3.50 - 6.50**	**37.27 - 49.39**	**0.22**	**210.41 - 339.67**
18-Mar-25	**6.49 - 6.55**	**3.50 - 6.50**	**37.62 - 51.64**	**0.21**	**216.84 - 356.63**
06-May-25	**5.95 - 6.02**	**3.50 - 6.50**	**36.96 - 51.64**	**0.20**	**218.71 - 366.33**
24-Jul-25	**5.83 - 6.15**	**3.50 - 6.50**	**36.25 - 51.19**	**0.19**	**231.36 - 393.86**
29-Oct-25	**5.98 - 6.36**	**3.50 - 6.50**	**35.07 - 47.12**	**0.18**	**241.32 - 400.55**
01-Nov-25	**6.00 - 6.39**	**3.50 - 6.50**	**34.89 - 47.11**	**0.18**	**245.48 - 408.87**
27-Jan-26	**6.11 - 6.56**	**3.50 - 6.50**	**34.08 - 45.65**	**0.24**	**180.30 - 299.44**

Notes accompanying the Standalone Financial Statements (Contd.)

43. SEGMENT REPORTING

The Company has the following reportable segments:

Power Systems : Transformer, Switchgear and Turnkey Projects

Industrial Systems : Electric Motors, Alternators, Drives, Traction Electronics and SCADA

Identification of segments:

The Chief Operational Decision Maker (CODM) monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Operating segments have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in the Ind AS.

Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables and inventories etc. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

Inter segment transfer:

Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks. Profit or loss on inter segment transfers are eliminated at the Company level.

Summary of the segmental information as at and for the year ended 31 March, 2026 is as follows:

₹ crores

	Power Systems	Industrial Systems	Eliminations / Unallocable Expenditure / Assets / Liabilities*	Total
Revenue				
External sales	5135.51	6195.11	-	11330.62
Add : Inter segment sales	2.67	1.61	(4.28)	-
Total revenue	5138.18	6196.72	(4.28)	11330.62
Segment results	1122.74	612.95	-	1735.69
Less: Finance costs				7.46
Less: Other unallocable expenditure net of unallocable income				(64.35)
Profit after finance cost but before exceptional items and tax				1792.58
Exceptional items (net)				(35.57)
Tax expense				440.23
Profit for the year				1316.78
Other information:				
Segment assets	3036.39	2501.51	6418.85	11956.75
Segment liabilities	1969.17	1417.72	353.49	3740.38
Capital expenditure	320.71	83.09	10.45	414.25
Depreciation and amortisation	38.47	42.09	13.88	94.44
Non-cash expenses / (reversal) other than depreciation and amortisation	(3.38)	1.75	-	(1.63)

Notes accompanying the Standalone Financial Statements (Contd.)

43. SEGMENT REPORTING (Contd.)

Summary of the segmental information as at and for the year ended 31 March, 2025 is as follows:

₹ crores

	Power Systems	Industrial Systems	Eliminations / Unallocable Expenditure / Assets / Liabilities*	Total
Revenue				
External sales	3505.94	5823.03	-	9328.97
Add : Inter segment sales	3.77	0.16	(3.93)	-
Total revenue	3509.71	5823.19	(3.93)	9328.97
Segment results	668.30	707.09	-	1375.39
Less: Finance costs				6.17
Less: Other unallocable expenditure net of unallocable income				26.94
Profit after finance cost but before exceptional items and tax				1342.28
Exceptional items (net)				-
Tax expense				367.82
Profit for the year				974.46
Other information:				
Segment assets	1996.58	1951.92	2871.82	6820.32
Segment liabilities	1336.30	1162.68	252.76	2751.74
Capital expenditure	168.60	77.71	7.25	253.56
Depreciation and amortisation	37.61	40.12	8.64	86.37
Non-cash expenses / (reversal) other than depreciation and amortisation	(5.99)	(4.74)	(2.54)	(13.27)

(*) Unallocable assets / liabilities comprise of those assets and liabilities which cannot be allocated to the segments, which majorly includes investments, fixed deposits with banks and tax assets / liabilities.

Geographical information:

(i) Revenue from contracts with customers:

₹ crores

	2025-26	2024-25
Domestic	10838.10	8821.46
Overseas	492.52	507.51
Total	11330.62	9328.97

Notes:

a) During the year ended 31 March, 2026 and 31 March, 2025 revenues from transactions with a single external customer did not amount to 10% or more of the Company's revenues from external customers.

b) The revenue information above is based on the locations of the customers.

(ii) Non-current assets:

₹ crores

	As at 31-03-2026	As at 31-03-2025
Domestic	1514.86	1141.06
Overseas	-	-
Total	1514.86	1141.06

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, intangible assets, intangible assets under development and other non-current assets.

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES

(a) List of related parties

(i) Holding company:

Tube Investments of India Limited

(ii) Subsidiaries and associate:

Sr. No	Name of the Related Parties	Country of Incorporation	% Equity Interest	
			As at 31-03-2026	As at 31-03-2025
A)	**Subsidiaries:**			
1	CG Adhesive Products Limited	India	**83.59**	83.59
2	CG Power Equipments Limited	India	**100.00**	100.00
3	CG Semi Private Limited	India	**92.34**	92.34
4	G. G. Tronics India Private Limited (subsidiary w.e.f. 20 August, 2024)	India	**55.60**	55.60
5	Axiro Semiconductor Private Limited (incorporated w.e.f. 29 October, 2024)	India	**100.00**	100.00
6	CG International Holdings Singapore Pte. Ltd.	Singapore	**100.00**	100.00
7	CG Sales Network Malaysia Sdn. Bhd.	Malaysia	**100.00**	100.00
8	CG International B.V.	The Netherlands	**100.00**	100.00
9	CG Industrial Holdings Sweden AB	Sweden	**100.00**	100.00
10	CG Drives & Automation Sweden AB	Sweden	**100.00**	100.00
11	CG Drives & Automation Germany GmbH	Germany	**100.00**	100.00
12	CG Drives & Automation Netherlands B.V.	The Netherlands	**100.00**	100.00
13	CG DE Sub, LLC	USA	**100.00**	100.00
14	CG Power Americas, LLC	USA	**100.00**	100.00
15	Axiro Semiconductor Inc. (incorporated w.e.f. 23 December, 2024)	USA	**100.00**	100.00
16	Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş. (incorporated w.e.f. 07 March, 2025)	Turkey	**100.00**	100.00
17	Axiro Semiconductor (Shenzhen) Co., Ltd. (incorporated w.e.f. 20 March, 2025)	China	**100.00**	100.00
18	PT Crompton Prima Switchgear Indonesia (ceased to be subsidiary w.e.f. 31 March, 2026)	Indonesia	**-**	51.00
B)	**Associate:**			
1	Chola Foundation (incorporated w.e.f. 11 December, 2024) (significant influence to the extent of 25%)	India	**33.33**	33.33

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

(iii) Key Management Personnel:

1	Amar Kaul	- Managing Director & CEO (appointed w.e.f. 25 July,2024)
2	Natarajan Srinivasan	- Managing Director (ceased w.e.f. 24 July, 2024)
3	Susheel Todi	- Chief Financial Officer
4	Sanjay Kumar Chowdhary	- Company Secretary and Compliance Officer

Non Executive Directors:

1	Vellayan Subbiah	- Chairman, Non-Independent Non-Executive Director
2	M A M Arunachalam	- Non-Independent Non-Executive Director
3	P S Jayakumar	- Independent Non-Executive Director
4	Sasikala Varadachari	- Independent Non-Executive Director (ceased w.e.f. 17 September, 2024)
5	Kalyan Kumar Paul	- Non-Independent Non-Executive Director (ceased w.e.f. 10 September, 2024)
6	Mammen Chally	- Independent Non-Executive Director (appointed w.e.f. 28 January, 2025)
7	Sriram Sivaram	- Independent Non-Executive Director
8	Vijayalakshmi R Iyer	- Independent Non-Executive Director

(iv) Other Related Parties (with whom the Company has transactions):

1	Shanthi Gears Limited	- Fellow Subsidiary
2	TI Clean Mobility Private Limited	- Fellow Subsidiary
3	3Xper Innoventure Limited	- Fellow Subsidiary
4	Mavnu Investments Private Limited	- Company in which Key Management Personnel is having control
5	Mavco Investments Private Limited	- Company in which Key Management Personnel is having control

(v) Post Employment Benefit Entity:

1 CG Gratuity Fund

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

(b) The following transactions were carried out with the related parties (Refer note 1 below):

₹ crores

Sr. No.	Nature of transactions / relationship		2025-26	2024-25
1	**Purchase of goods and services**			
	Holding company			
	Tube Investments of India Limited		-	0.31
			-	0.31
	Subsidiaries			
	CG Adhesive Products Limited		10.35	14.26
	CG Drives & Automation Sweden AB		1.12	2.04
	G.G. Tronics India Private Limited		6.65	-
			18.12	16.30
	Other related party			
	Shanthi Gears Limited		2.63	2.57
			2.63	2.57
		Total	20.75	19.18
2	**Sales of goods and services**			
	Holding company			
	Tube Investments of India Limited		0.39	2.39
			0.39	2.39
	Subsidiaries			
	CG Drives & Automation Sweden AB		11.15	9.81
	CG Drives & Automations Germany GmbH		13.92	3.88
	CG Adhesive Products Limited		-	0.00
	G.G. Tronics India Private Limited		2.24	1.37
	CG DE SUB, LLC		1.93	-
			29.24	15.06
	Other related parties			
	Shanthi Gears Limited		1.48	1.39
	TI Clean Mobility Private Limited		-	0.24
	3Xper Innoventure Limited		0.42	0.34
			1.90	1.97
		Total	31.53	19.42
3	**Rent paid**			
	Subsidiary			
	CG Adhesive Products Limited		0.21	0.21
		Total	0.21	0.21
4	**Interest expenses**			
	Subsidiary			
	CG Adhesive Products Limited		0.20	0.36
		Total	0.20	0.36
5	**Other expenses**			
	Holding company			
	Tube Investments of India Limited		0.00	0.38
			0.00	0.38
	Other related party			
	Mavco Investments Private Limited		11.69	-
			11.69	-
		Total	11.69	0.38

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of transactions / relationship		2025-26	2024-25
6	**Expenditure incurred on behalf of**			
	Subsidiaries			
	Axiro Semiconductor Private Limited		0.21	4.61
	G.G. Tronics India Private Limited		1.40	0.72
	CG Adhesive Products Limited		0.01	0.05
	CG Drives & Automation Sweden AB		2.53	1.13
		Total	4.15	6.51
7	**Payment to Key Management Personnel**			
	Salaries, commission and perquisites*		26.33	27.49
	Sitting fees and commission to Non-executive Directors		1.20	2.15
	Dividend paid		0.03	0.03
		Total	27.56	29.67
8	**Brand royalty income**			
	Subsidiaries			
	CG Drives & Automation Sweden AB		1.62	1.97
	CG Drives & Automation Netherlands B.V.		0.90	0.87
	CG Drives & Automation Germany GmbH		2.13	1.83
		Total	4.65	4.67
9	**Other income**			
	Subsidiaries			
	CG Drives & Automation Sweden AB		1.12	0.64
	G.G. Tronics India Private Limited		0.20	-
			1.32	0.64
	Other related party			
	Mavnu Investments Private Limited		0.97	-
			0.97	-
		Total	2.29	0.64
10	**Interest income**			
	Subsidiaries			
	CG Semi Private Limited		-	0.15
	Axiro Semiconductor Private Limited		0.28	0.02
		Total	0.28	0.17
11	**Sale of fixed assets**			
	Subsidiary			
	CG DE Sub, LLC		0.05	-
		Total	0.05	-
12	**Purchase of fixed assets**			
	Subsidiary			
	G.G. Tronics India Private Limited		0.06	-
			0.06	-
	Other related party			
	Shanthi Gears Limited		0.26	-
			0.26	-
		Total	0.32	-

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of transactions / relationship		2025-26	2024-25
13	**Investment / acquisition of equity shares**			
	Subsidiaries			
	CG Semi Private Limited		**461.27**	360.53
	G.G. Tronics India Private Limited#		**-**	146.38
	Axiro Semiconductor Private Limited		**50.00**	350.05
			511.27	856.96
	Associate			
	Chola Foundation		**-**	0.01
			-	0.01
		Total	**511.27**	856.97
14	**Write off of investment and loans and advances**			
	Subsidiaries			
	CG International B.V. (Loans and advances and investments)		**-**	738.21
	CG International Holdings Singapore Pte. Ltd. (Loans and advances)		**3.44**	-
	PT Crompton Prima Switchgear Indonesia (Investments)		**1.15**	-
		Total	**4.59**	738.21
15	**Reversal of provision against loan and advances**			
	Subsidiaries			
	CG International B.V.		**9.99**	738.98
	CG International Holdings Singapore Pte. Ltd.		**19.44**	-
		Total	**29.43**	738.98
16	**Reversal of impairment of provision against Investments**			
	Subsidiaries			
	CG International B.V.		**-**	7.58
	PT Crompton Prima Switchgear Indonesia		**1.15**	-
		Total	**1.15**	7.58
17	**Written off of trade receivable**			
	Subsidiary			
	PT Crompton Prima Switchgear Indonesia		**46.06**	-
		Total	**46.06**	-
18	**Reversal of provision against trade receivable**			
	Subsidiary			
	PT Crompton Prima Switchgear Indonesia		**46.06**	-
		Total	**46.06**	-

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of transactions / relationship		2025-26	2024-25
19	**Loans given during the year^**			
	Subsidiaries			
	CG Semi Private Limited		**-**	20.00
	Axiro Semiconductor Private Limited		**40.00**	10.00
		Total	**40.00**	30.00
20	**Loans repaid during the year**			
	Subsidiaries			
	CG Semi Private Limited		**-**	20.00
	Axiro Semiconductor Private Limited		**-**	10.00
	CG International B.V.		**9.99**	-
	CG International Holdings Singapore Pte. Ltd.		**16.00**	-
		Total	**25.99**	30.00
21	**Dividend paid**			
	Holding company			
	Tube Investments of India Limited		**115.24**	115.24
		Total	**115.24**	115.24

* Salaries, commission and perquisites 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.

During the previous year, in accordance with share subscription agreement, the Company has converted 14637704 Compulsory convertible preference shares into 129837 equity shares amounting to ₹ 146.38 crores.

^ Unsecured loan given for meeting working capital needs, repayable within one year. The interest on this loan is chargeable at a rate of 9.50% per annum (previous year 9.50% per annum).

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

(c) Amount due to / from related parties:

₹ crores

Sr. No.	Nature of balances / relationship	As at 31-03-2026	As at 31-03-2025
1	**Trade payable**		
	Subsidiaries		
	CG Adhesive Products Limited	**6.01**	4.63
	CG Drives & Automation Sweden AB	**5.57**	1.79
	CG Power Americas, LLC	**6.65**	6.02
	G.G. Tronics India Private Limited	**3.58**	-
	(A)	**21.81**	12.44
	Other related party		
	Shanthi Gears Limited	**0.95**	-
	(B)	**0.95**	-
	Total (A+B)	**22.76**	12.44
2	**Trade receivable (net of provision)**		
	Holding company		
	Tube Investments of India Limited	**0.29**	0.00
	(A)	**0.29**	0.00
	Subsidiaries		
	CG Drives & Automation Sweden AB	**5.25**	3.46
	CG Drives & Automation Germany GmbH	**4.80**	0.51
	CG Power Americas, LLC	**0.24**	0.22
	G.G. Tronics India Private Limited	**0.68**	0.66
	CG DE Sub, LLC	**2.10**	-
	(B)	**13.07**	4.85
	Other related parties		
	Shanthi Gears Limited	**0.17**	0.33
	3Xper Innoventure Limited	**0.00**	-
	Mavnu Investments Private Limited	**0.31**	-
	(C)	**0.48**	0.33
		0.48	0.33
	Total (A+B+C)	**13.84**	5.18
3	**Loans and advances payable**		
	Holding company		
	Tube Investments of India Limited	**0.00**	-
	(A)	**0.00**	-
	Subsidiary		
	CG Power Americas, LLC	**1.05**	1.05
	(B)	**1.05**	1.05
	Other related party		
	Shanthi Gears Limited	**0.10**	0.10
	(C)	**0.10**	0.10
	Total (A+B+C)	**1.15**	1.15

Notes accompanying the Standalone Financial Statements (Contd.)

44. RELATED PARTY DISCLOSURES (Contd.)

₹ crores

Sr. No.	Nature of balances / relationship	As at 31-03-2026	As at 31-03-2025
4	**Borrowing and Interest payable thereon**		
	Subsidiary		
	CG Adhesive Products Limited (including accrued interest of ₹ 2.17 crores, as at 31 March, 2025 ₹ 1.99 crores)	**4.86**	4.68
	Total	**4.86**	4.68
5	**Loans and advances receivable and other financial assets (net)**		
	Subsidiaries		
	CG International Holdings Singapore Pte. Ltd.	**-**	19.44
	CG Drives & Automation Netherlands B.V	**0.26**	0.32
	CG Drives & Automation Germany GmbH	**0.65**	0.49
	CG Drives & Automation Sweden AB	**2.42**	1.82
	CG International B.V.	**1168.07**	1178.06
	G.G. Tronics India Private Limited	**0.51**	0.25
	Axiro Semiconductor Private Limited (including interest receivable)	**40.25**	-
	(A)	**1212.16**	1200.38
	Less : Provision against loans and advances		
	CG International Holdings Singapore Pte. Ltd.	**-**	19.44
	CG International B.V.	**1168.07**	1178.06
	(B)	**1168.07**	1197.50
	Total (A-B)	**44.09**	2.88
6	**Due to Key Management Personnel**		
	Non-executive Director's commission	**0.90**	1.76
	Total	**0.90**	1.76

Notes accompanying the Standalone Financial Statements (Contd.)

(d) Compensation of Key Management Personnel of the Company:

₹ crores

Nature of transaction	2025-26	2024-25
Short-term employee benefits	**14.01**	16.39
Post-employment benefits	**0.71**	0.63
Fair value cost of stock option granted	**11.61**	10.47
Sitting fees and commission to Non-executive Directors	**1.20**	2.15
Total compensation paid to Key Management Personnel	**27.53**	29.64

Notes:

1. The transactions with related parties are made on terms equivalent to and those applicable to all unrelated parties on arm's length transactions. The Company mutually negotiates and agrees transaction value and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Outstanding trade and other receivable / trade and other payable balances are unsecured, interest free and require settlement in cash. No security has been received against these receivables / has been given against these payables. As at 31 March, 2026, the Company has credit impairment of trade receivables relating to amounts owed by related parties amounting to ₹ 17.35 crores (as at 31 March, 2025 ₹ 63.40 crores) (Refer note 13).
2. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (CG Gratuity Fund). During the year, the Company contributed ₹ 16.39 crores (previous year ₹ 16.26 crores).
3. Following subsidiary is under liquidation process:

   CG Sales Networks Malaysia Sdn. Bhd.
4. Investment in subsidiaries and associate has been disclosed in note 6.

45. EXCEPTIONAL ITEMS

₹ crores

	2025-26	2024-25
Reversal of provision against investment and loans and advances given to subsidiaries (Refer note (a) below)	**1.15**	738.21
Write off of investment and loans and advances given to subsidiary (Refer note (a) below)	**(1.15)**	(738.21)
Reversal of provision against advances given to others (Refer note (b) below)	**35.14**	-
Write off of advances given to others (Refer note (b) below)	**(35.14)**	-
Reversal of provision against trade receivable to subsidiary (Refer note (c) below)	**46.06**	-
Write off against trade receivable to subsidiary (Refer note (c) below)	**(46.06)**	-
Impact of New Labour Code (Refer note (d) below)	**(35.57)**	-
Total	**(35.57)**	-

Notes:

a) During the current year, Company has written off investment of ₹ 1.15 crores in PT Crompton Prima Switchgear Indonesia (previous year, Company has written off investment of ₹ 7.58 crores and loans and advances of ₹ 730.63 crores given to subsidiary CG International B.V.). The Company has also reversed the provision of equivalent amount ₹ 1.15 crores (previous year ₹ 738.21 crores (Refer note 44).

b) During the current year, Company has written off advances of ₹ 35.14 crores.The Company has also reversed the provision of equivalent amount made during the earlier year.

c) During the current year, Company has written off trade receivable of ₹ 46.06 crores.The Company has also reversed the provision of equivalent amount made during the earlier year (Refer note 44).

d) The Government of India has notified New Labour Codes effective from 21 November, 2025, impact of these have been assessed based on legal opinion and best information available, which has resulted in additional gratuity and leave liability by ₹ 35.57 crores. Considering the materiality and non-recurring nature of this impact, the Company has presented the same under 'Exceptional items'. The Company will continue to monitor the clarifications in this regard and provide necessary accounting effect as and when such clarifications are issued.

Notes accompanying the Standalone Financial Statements (Contd.)

46. FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. The Company has not disclosed the fair value of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, current and non-current financial assets - loans, current and non-current financial assets - others, current and non-current financial liabilities - borrowings, trade payables and current and non current other financial liabilities because their carrying amounts are a reasonable approximation of fair value and hence these have not been categorised in any level in the table given below. Further, for financial assets, the Company has taken into consideration the allowances for expected credit losses and adjusted the carrying values where applicable.
2. The fair values of the quoted investments / units of mutual fund schemes are based on market price / net asset value at the reporting date.
3. The fair values for loans given are calculated based on discounted cash flows using current lending rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these loans given. Accordingly, fair value of such instruments are not materially different from their carrying values.
4. Fair values of the Company's interest-bearing borrowings are determined by using discounted cash flow method using the current borrowing rates. Fair value of such instruments are not materially different from their carrying values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

₹ crores

	Note No.	Carrying amount As at 31-03-2026	Fair value Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss#					
Non-current investments*	6	**0.33**	**0.27**	**-**	**0.06**
Current investments	12	**161.03**	**161.02**	**-**	**0.01**
Derivative instruments	17	**0.13**	**-**	**0.13**	**-**
Total		**161.49**	**161.29**	**0.13**	**0.07**

₹ crores

	Note No.	Carrying amount As at 31-03-2025	Fair value Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss#					
Non-current investments*	6	0.75	0.69	-	0.06
Current investments	12	156.29	156.28	-	0.01
Total		157.04	156.97	-	0.07
Financial liabilities at fair value through profit or loss#					
Derivative instruments	25	0.21	-	0.21	-
Total		0.21	-	0.21	-

* Excludes investment in subsidiaries and associate measured at cost.

All financial assets and liabilities other than disclosed in table above are measured at amortised cost.

During the reporting period ending 31 March, 2026 and 31 March, 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

Notes accompanying the Standalone Financial Statements (Contd.)

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risks namely credit risk, market risk and liquidity risk. The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of risk such as:currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include foreign currency receivables, payables, loans and borrowings and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company has managed its interest rate risk by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Foreign currency risk

The Company's functional currency is Indian Rupee. The Company undertakes transactions denominated in foreign currencies and consequently the Company is exposed to foreign exchange risk. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

Unhedged foreign currency exposure as at 31 March, 2026

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	**90.16**	**72.52**	**-**	**-**	**4.36**	**167.04**
Liabilities	**(178.60)**	**(41.11)**	**(0.61)**	**(0.61)**	**(12.75)**	**(233.68)**

Unhedged foreign currency exposure as at 31 March, 2025

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	48.05	65.88	-	-	4.04	117.97
Liabilities	(105.23)	(50.67)	(0.51)	(0.11)	(1.49)	(158.01)

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit or loss before tax:

₹ crores

	2025-2026		2024-2025	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	**(0.88)**	**0.88**	(0.57)	0.57
Euro	**0.31**	**(0.31)**	0.15	(0.15)
JPY	**(0.01)**	**0.01**	(0.01)	0.01
CHF	**(0.01)**	**0.01**	(0.00)	0.00
Others	**(0.08)**	**0.08**	0.03	(0.03)
Increase / (decrease)	**(0.67)**	**0.67**	(0.40)	0.40

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

1% increase or decrease in foreign exchange rates will have the following impact on equity:

₹ crores

	2025-2026		2024-2025	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	**(0.66)**	**0.66**	(0.42)	0.42
Euro	**0.24**	**(0.24)**	0.11	(0.11)
JPY	**(0.00)**	**0.00**	(0.00)	0.00
CHF	**(0.00)**	**0.00**	(0.00)	0.00
Others	**(0.06)**	**0.06**	0.02	(0.02)
Increase / (decrease)	**(0.48)**	**0.48**	(0.29)	0.29

Foreign exchange forward contracts

Details of foreign exchange forward contracts entered by the Company and outstanding as at balance sheet date:

₹ crores

	As at 31-03-2026	As at 31-03-2025
Forward contracts - purchased (USD / INR)	**3.06**	-
Forward contracts - purchased (EUR / INR)	**7.71**	-
Forward contracts - sold (USD / INR)	**-**	5.12
Forward contracts - sold (EUR / INR)	**-**	7.13

The fair value of company's foreign exchange forward contracts position recorded under financial assets and financials liabilities are as follows:

₹ crores

	As at 31-03-2026		As at 31-03-2025	
	Assets	Liabilities	Assets	Liabilities
Forward contracts	**0.13**	**-**	-	0.21

Credit risk

Credit risk refers to the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are generally set to manage credit risk. General payment terms include credit period ranging from 45 to 90 days and where applicable, mobilisation advance, progress payments and certain retention money to be released at the end of the project.

Where the loans or receivables are impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans given, other financial assets and financial guarantees.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon or in case where settlement is agreed, the settlement amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided except as otherwise stated in respect of guarantees where settlement is agreed.

Notes accompanying the Standalone Financial Statements (Contd.)

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Exposure to credit risk

₹ crores

	As at 31-03-2026	As at 31-03-2025
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in Government or trust securities	-	0.41
Investments in Debentures or bonds	0.05	0.05
Other non-current investments	0.28	0.29
Non-current financial assets - others	1346.76	10.44
Cash and cash equivalents and other bank balances	830.31	795.93
Current financial assets - others	1616.81	69.79
Current financials assets- loans	40.25	-
Current financial assets - investments	161.03	156.29
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	2775.28	1990.10

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

The following table summarizes the change in the loss allowances for trade receivables measured using life-time expected credit loss model:

₹ crores

	Amount
As at 01-04-2024	156.76
Provided during the year	5.08
Amounts written off	(42.67)
Reversals of provision	(7.93)
As at 31-03-2025	111.24
Provided during the year	6.81
Amounts written off	(46.86)
Reversals of provision	(3.49)
As at 31-03-2026	67.70

No significant changes in estimation techniques or assumptions were made during the reporting period.

Notes accompanying the Standalone Financial Statements (Contd.)

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ crores

As at 31 March, 2026	Less than 1 year	1 to 5 years	Over 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Security deposits payable	-	40.36	0.70	41.06
Long term borrowings	-	2.69	-	2.69
Interest accrued on long term borrowings	-	2.17	-	2.17
Trade payables	2342.16	-	-	2342.16
Other current financial liabilities	180.21	-	-	180.21
Lease liabilities	12.63	35.50	7.06	55.19

₹ crores

As at 31 March, 2025	Less than 1 year	1 to 5 years	Over 5 years	Total
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Security deposits payable	-	25.63	0.44	26.07
Long term borrowings	-	2.69	-	2.69
Interest accrued on long term borrowings	-	1.99	-	1.99
Trade payables	1788.26	-	-	1788.26
Other current financial liabilities	144.35	-	-	144.35
Lease liabilities	6.16	9.92	4.88	20.96

The Company has access to credit facilities to mitigate any short-term liquidity risk.

Collaterals:

The Company has provided a charge over its current assets as primary security for the banking facilities extended to the Company.

48. CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company monitors capital using gearing ratio, which is total debt divided by total capital (debt and equity).

Gearing ratio

The gearing ratio at the end of the reporting period is as follows:

₹ crores

		As at 31-03-2026	As at 31-03-2025
Total debt	(A)	2.81	2.81
Equity	(B)	8216.37	4068.58
Total debt and equity	(C)=(A)+(B)	8219.18	4071.39
Gearing ratio	(D)=(A)/(C)	0.03%	0.07%

No changes were made in objectives, policies or process for managing capital during the year ended 31 March, 2026 and 31 March, 2025.

There are no financial covenant applicable on borrowing.

Notes accompanying the Standalone Financial Statements (Contd.)

49. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ crores

	As at 01-04-2025	Cash Inflows / (Outflows)	Effect of reclassification	Recognition of lease liabilities (net)	Finance cost charged during the year	As at 31-03-2026
Non-current financial liabilities - borrowings:						
Unsecured loans						
Others	2.69	-	-	-	-	2.69
Non-current other financial liabilities:						
Others	1.99	-	-	-	0.18	2.17
Current - other financial liabilities:						
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	0.12
Others	-	(1.57)	-	-	1.57	-
Lease liabilities	15.59	(10.05)	-	34.79	2.71	43.04
Total	20.39	(11.62)	-	34.79	4.46	48.02

₹ crores

	As at 01-04-2024	Cash Inflows / (Outflows)	Effect of reclassification	Recognition of lease liabilities (net)	Finance cost charged during the year	As at 31-03-2025
Non-current financial liabilities - borrowings:						
Unsecured loans						
Others	-	-	2.69	-	-	2.69
Non-current other financial liabilities:						
Others	-	-	1.67	-	0.32	1.99
Current financial liabilities - borrowings:						
Unsecured loans						
Others	2.69	-	(2.69)	-	-	-
Current - other financial liabilities:						
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	0.12
Interest accrued but not due on borrowings	1.67	-	(1.67)	-	-	-
Others	-	(2.68)	-	-	2.68	-
Lease liabilities	12.71	(5.40)	-	7.31	0.97	15.59
Total	17.19	(8.08)	-	7.31	3.97	20.39

Non-cash investing activities:

(a) Fair value gain on financial instruments at fair value through profit and loss ₹ 6.50 crores (previous year ₹ 0.26 crores).

(b) Addition to right of use assets ₹ 34.79 crores (previous year ₹ 11.29 crores).

Notes accompanying the Standalone Financial Statements (Contd.)

50. EARNINGS PER SHARE

		2025-26	2024-25
Face value of equity share	₹	**2.00**	2.00
Weighted average number of equity shares			
- Basic	Nos.	**1562980979**	1528289183
- Diluted	Nos.	**1563616883**	1529443915
Profit for the year	₹ crores	**1316.78**	974.46
Earnings per share			
- Basic	₹	**8.42**	6.38
- Diluted	₹	**8.42**	6.37
Profit used as the numerators in calculating basic and diluted earnings per share		**1316.78**	974.46
Weighted average number of equity shares used as the denominator in calculating basic earnings per share		**1562980979**	1528289183
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share*		**1563616883**	1529443915

* Current year and previous year, the dilutive impact is due to employee stock option granted.

51. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Loans given and investments made are given under the respective heads and related notes.

Notes accompanying the Standalone Financial Statements (Contd.)

52. RATIOS

The following are analytical ratios for the year ended 31 March, 2026 and 31 March, 2025

Sr. No.	Particulars	Numerator	Denominator	31 March, 2026	31 March, 2025	Variance	Explanation on variance of more than 25%
1	Current Ratio (In times)	Current assets	Current liabilities	1.94	1.57	23.57%	Current assets includes amount invested from Qualified Institutional Placements (QIP) proceeds.
2	Debt Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.00	0.00	-	Not applicable.
3	Debt service coverage ratio (In times)	Earnings available for debt service = Net profit after tax + Non cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Scheduled principal repayments (excluding prepayments of debt)	85.77	90.59	(5.32)%	Not applicable.
4	Return on Equity Ratio (%)	Net profit after tax	Average shareholder's equity	21.44%	26.65%	(19.55)%	Net profit after tax and average shareholder's equity includes income and amount invested from QIP proceeds.
5	Inventory Turnover Ratio (In times)	Cost of goods sold	Average Inventory	6.79	7.67	(11.47)%	Not applicable.
6	Trade Receivable Turnover Ratio (In times)	Revenue	Average Trade receivable	4.94	5.58	(11.47)%	Not applicable.
7	Trade Payable Turnover Ratio (In times)	Net Credit Purchases (Purchase of raw materials and stock-in-trade)	Average Trade payable	4.07	4.24	(4.01)%	Not applicable.
8	Net Capital Turnover Ratio (In times)	Revenue	Working Capital	3.36	6.20	(45.81)%	Decrease is due to working capital includes amount invested out of QIP proceeds.
9	Net Profit Ratio (%)	Net Profit after tax	Revenue	11.62%	10.45%	11.20%	Net profit after tax includes income from amount invested from QIP proceeds.
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed (Tangible net worth + Debt + Deferred tax liabilities)	22.08%	33.34%	(33.77)%	Decrease due to amount invested out of QIP proceeds is included in capital employed.
11	Return on Investment (%)	Interest income	Average Investment	7.92%	7.79%	1.67%	Not applicable.

Notes accompanying the Standalone Financial Statements (Contd.)

53. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(iv) Following are the details of the funds advanced or loaned or invested by the Company to Intermediaries for further advancing to the Ultimate beneficiaries:

For the year ended 31 March, 2026

₹ crores

Name of the intermediary in which the funds are invested	Date of funds loaned or invested	Amount of funds for onward investment	Date on which funds are further invested by intermediaries to other intermediaries or ultimate beneficiaries	Amount of fund further invested by such intermediaries to other intermediaries or ultimate beneficiaries	Ultimate beneficiary
Axiro Semiconductor Private Limited	25 March, 2026	50.00	27 March, 2026	50.00	Axiro Semiconductor Private Limited*

*Axiro Semiconductor Private Limited has further invested ₹ 51.27 crores in Edge Cortix Pte. Ltd for which ultimate beneficiary is Axiro semiconductor Private Limited.

For the year ended 31 March, 2025

₹ crores

Name of the intermediary in which the funds are invested	Date of funds loaned or invested	Amount of funds for onward investment	Date on which funds are further invested by intermediaries to other intermediaries or ultimate beneficiaries	Amount of fund further invested by such intermediaries to other intermediaries or ultimate beneficiaries	Ultimate beneficiary
Axiro Semiconductor Private Limited	25 March, 2025	310.00	28 March, 2025	278.04	Axiro Semiconductor Inc.

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Details of each Intermediary / Ultimate beneficiary:

Name of entity	Registered address	Government identification number	Relationship with the Company
Axiro Semiconductor Private Limited	ONE UNITY CENTER, Units 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai-400013, India.	U26103MH2024PTC434243	Subsidiary
Axiro Semiconductor Inc.	850 New Burton Road, Suite 201, City of Dover, County of Kent, Delaware 199904	10046373	Step down subsidiary

Notes accompanying the Standalone Financial Statements (Contd.)

53. OTHER STATUTORY INFORMATION (Contd.)

(v) The Company has not received any fund from any persons or entities, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961).

(vii) The Company does not have any transactions with companies which has been struck off by ROC under Section 248 of the Companies Act, 2013.

(viii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(ix) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

54. UPDATES ON INVESTIGATION FOR PAST YEARS

In respect of ongoing investigation by Serious Fraud Investigation Office ('SFIO') and other regulatory authorities such as Central Bureau of Investigation ('CBI') and Enforcement Directorate ('ED') on the affairs of the Company pertaining to the past periods and against erstwhile promoters and management relating to the transactions that took place when the Company was under the control of the erstwhile promoters / management, the Company is fully co-operating with the regulators on such matters. Based on the legal advice obtained by the management, there is no impact on financials of the Company in respect of these matters.

55. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software, except that -

1. In respect of SAP application, the audit trail feature was not enabled at the database level to log any direct changes to database when using certain access rights from 01 April, 2025 to 15 September, 2025; and

2. In respect of other accounting software used for payroll processing, the audit trail feature was not enabled at the database level to log any direct changes to data for the period from 01 April, 2025 to 02 September, 2025, respectively.

   Further, no instance of audit trail feature being tempered with was noted in respect of accounting software where the audit trail has been enabled.

   Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

Notes accompanying the Standalone Financial Statements (Contd.)

56. During the year ended 31 March, 2026, the Company has raised funds amounting to ₹ 3000.00 crores by way of Qualified Institutional Placement (QIP) and allotted 45,454,545 equity shares at an issue price ₹ 660.00 per equity share (including a premium of ₹ 658.00 per equity share) on 04 July, 2025 in accordance with provisions of Securities and Exchange Board of India (SEBI) Issue of Capital and Disclosure Requirements (ICDR) Regulations as amended, along with Section 42, 62 and other related provisions of the Companies Act, 2013.

The proceeds of the funds raised under QIP of the Company are being utilised as per Objects of the issue as stated in the placement document.

₹ crores

Sr No.	Particulars	Amount as per placement document	Actual utilisation till 31 March, 2026
1	Investment in the Subsidiary for funding setting up an Outsourced Semiconductor Assembly and Test (OSAT) facility	1062.85	184.67
2	Funding capital expenditure requirements and strategic initiatives of the Company for setting up of a power transformer plant and development of a leasehold land	856.98	119.87
3	Acquisitions and inorganic growth opportunities	330.00	-
4	General corporate purposes	724.14	50.23
5	Issue expenses*	26.03	26.03
	Total	3000.00	380.80

The unutilised fund as on 31 March, 2026 amounting to ₹ 2619.20 crores have been temporarily invested in fixed deposits, mutual fund and balance is kept in monitoring account.

* The Company had incurred expenses amounting to ₹ 22.93 crores (excluding GST), towards issuance of equity shares which have been debited to securities premium.

57. Amounts shown as ₹ 0.00 represents amount below ₹ 50,000 (Rupees Fifty Thousand).

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

For and on behalf of the Board

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

Susheel Todi
Chief Financial Officer

Sanjay Kumar Chowdhary
Company Secretary

Mumbai : 06 May, 2026

FORM AOC - I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures
Part 'A' : Subsidiaries

INFORMATION IN RESPECT OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 MARCH, 2026

₹ crores

Sr. No.	CIN / Registration Number of Subsidiary Company	Name of Subsidiary	Date of Acquisition / Incorporation	Provisions pursuant to which the company has become a subsidiary	Reporting year of the subsidiary		Reporting Currency	Closing Exchange Rate	Equity Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (except investments in subsidiaries)	Turnover	Profit / (loss) before taxation	Provision for taxation	Profit / (loss) after taxation	Proposed Dividend	% of Shareholding
					From	To													
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	U24295GA1988PLC000921	CG Adhesive Products Limited	04-Nov-88	Section 2(87)(ii)	01-Apr-25	31-Mar-26	INR	1.00	3.90	33.01	44.89	7.98	-	44.57	6.59	1.81	4.78	-	83.59%
2	U31900MH2014PLC258217	CG Power Equipments Limited	19-Sep-14	Section 2(87)(ii)	01-Apr-25	31-Mar-26	INR	1.00	3.18	(3.18)	0.00	0.00	-	-	-	-	-	-	100.00%
3	U26107GJ2024PTC170265	CG Semi Private Limited	08-Mar-24	Section 2(87)(ii)	01-Apr-25	31-Mar-26	INR	1.00	890.02	(101.51)	848.09	59.58	176.74	0.42	(80.28)	(0.27)	(80.02)	-	92.34%
4	U31909KA2003PTC031460	G.G. Tronics India Private Limited	20-Aug-24	Section 2(87)(ii)	01-Apr-25	31-Mar-26	INR	1.00	4.95	200.50	276.03	70.58	63.89	102.70	3.04	0.02	3.02	-	55.60%
5	U26103MH2024PTC434243	Axiro Semiconductor Private Limited	29-Oct-24	Section 2(87)(ii)	01-Apr-25	31-Mar-26	INR	1.00	400.05	12.94	483.48	70.49	51.27	89.99	15.83	3.36	12.47	-	100.00%
6	1064178-T	CG Sales Network Malaysia Sdn. Bhd.	30-Sep-13	Section 2(87)(ii)	01-Apr-25	31-Mar-26	MYR	23.63	0.48	1.33	1.87	0.06	-	-	-	-	-	-	100.00%
7	201113490G	CG International Holdings Singapore Pte. Ltd.	06-Jun-11	Section 2(87)(ii)	01-Apr-25	31-Mar-26	EUR	109.24	206.20	(306.01)	71.79	171.60	-	-	31.31	-	31.31	-	100.00%
8	34224124	CG International B.V.	01-Apr-05	Section 2(87)(ii)	01-Apr-25	31-Mar-26	EUR	109.24	1384.88	(3537.42)	218.52	2371.06	-	12.12	15.04	(2.16)	17.20	-	100.00%
9	17033961	CG Drives & Automation Netherlands B.V.	10-Jun-11	Section 2(87)(ii)	01-Apr-25	31-Mar-26	EUR	109.24	6.49	49.28	77.82	22.05	-	95.18	9.08	2.16	6.92	-	100.00%
10	556852-4119	CG Industrial Holdings Sweden AB	10-Jun-11	Section 2(87)(ii)	01-Apr-25	31-Mar-26	SEK	10.06	140.81	51.17	298.91	106.93	-	-	(0.12)	-	(0.12)	-	100.00%
11	556232-2643	CG Drives & Automation Sweden AB	10-Jun-11	Section 2(87)(ii)	01-Apr-25	31-Mar-26	SEK	10.06	25.78	249.04	373.68	98.86	-	296.01	9.79	1.16	8.63	-	100.00%
12	HRB 111447	CG Drives & Automation Germany GmbH	10-Jun-11	Section 2(87)(ii)	01-Apr-25	31-Mar-26	EUR	109.24	0.28	44.93	97.70	52.49	-	228.92	1.45	0.50	0.95	-	100.00%
13	5931594	CG Power Americas, LLC	08-Jan-16	Section 2(87)(ii)	01-Apr-25	31-Mar-26	USD	94.81	-	(115.56)	173.67	289.23	-	-	1.25	0.41	0.83	-	100.00%
14	5729324	CG DE Sub, LLC	15-Apr-15	Section 2(87)(ii)	01-Apr-25	31-Mar-26	USD	94.81	-	(0.41)	2.16	2.57	-	1.12	(0.40)	-	(0.40)	-	100.00%

FORM AOC - I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures
Part 'A' : Subsidiaries

INFORMATION IN RESPECT OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 MARCH, 2026 (Contd.)

₹ crores

Sr. No.	CIN / Registration Number of Subsidiary Company	Name of Subsidiary	Date of Acquisition / Incorporation	Provisions pursuant to which the company has become a subsidiary	Reporting year of the subsidiary		Reporting Currency	Closing Exchange Rate	Equity Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (except investments in subsidiaries)	Turnover	Profit / (loss) before taxation	Provision for taxation	Profit / (loss) after taxation	Proposed Dividend	% of Shareholding
					From	To													
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
15	10046373	Axiro Semiconductor Inc.	23-Dec-24	Section 2(87)(ii)	01-Apr-25	31-Mar-26	USD	94.81	0.00	311.48	454.21	142.73	-	502.54	(47.79)	(14.22)	(33.57)	-	100.00%
16	18924610964	Axiro Semiconductor (Shenzhen) Co., Ltd.	20-Mar-25	Section 2(87)(ii)	01-Apr-25	31-Mar-26	CNY	13.72	0.09	0.51	2.97	2.37	-	9.83	0.51	-	0.51	-	100.00%
17	1073182	Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş.	07-Mar-25	Section 2(87)(ii)	01-Apr-25	31-Mar-26	TRY	2.13	0.05	0.62	1.92	1.25	-	8.14	0.64	-	0.64	-	100.00%

Notes:

1 **Name of the subsidiaries which are yet to commence the operations**
Nil

2 **Name of the subsidiaries which have been liquidated or have ceased to be subsidiary during the year**
PT Crompton Prima Switchgear Indonesia (ceased to be subsidiary w.e.f. 31 March, 2026)
CIN / Registration Number of Subsidiary Company : AHU-08265.40.10.2014

3 **Name of the subsidiaries which have been demerged during the year**
Nil

4 **Name of the subsidiaries ceased to be subsidiaries on account of loss of control during the year**
Nil

5 **Name of the subsidiaries merged during the year**
Nil

For and on behalf of the Board

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

Susheel Todi
Chief Financial Officer
Mumbai : 06 May, 2026

Sanjay Kumar Chowdhary
Company Secretary

FORM AOC - I

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate Companies /Joint Ventures

Part 'B' : Associates and Joint Ventures

INFORMATION IN RESPECT OF ASSOCIATE COMPANIES AND JOINT VENTURES FOR THE YEAR ENDED 31 MARCH, 2026

₹ crores

Sr. No	Name of Associate / Joint Venture	Date of Acquisition / Incorporation	Latest Audited Balance Sheet Date	Share of Associate / Joint Venture held by company on the year end			Description of How there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Networth attributable to shareholding as per latest audited balance sheet	Profit / (loss) for the year	
				Number of Shares held	Amount of Investment in Associate / Joint Venture	Extent of Holding %				Considered in Consolidation	Not considered in Consolidation
1	2	3	4	5	6	7	8	9	10	11	12
1.	Chola Foundation	11-Dec-24	31-Mar-26	Not Applicable	0.01	33.33	Controls 25% of voting power	Company does not have control as per Ind AS 110.	2.09	-	0.95

Notes:

1. Name of the associates or joint ventures which are yet to commence the operations - NIL

2. Name of the associates which have been liquidated or sold during the year - NIL

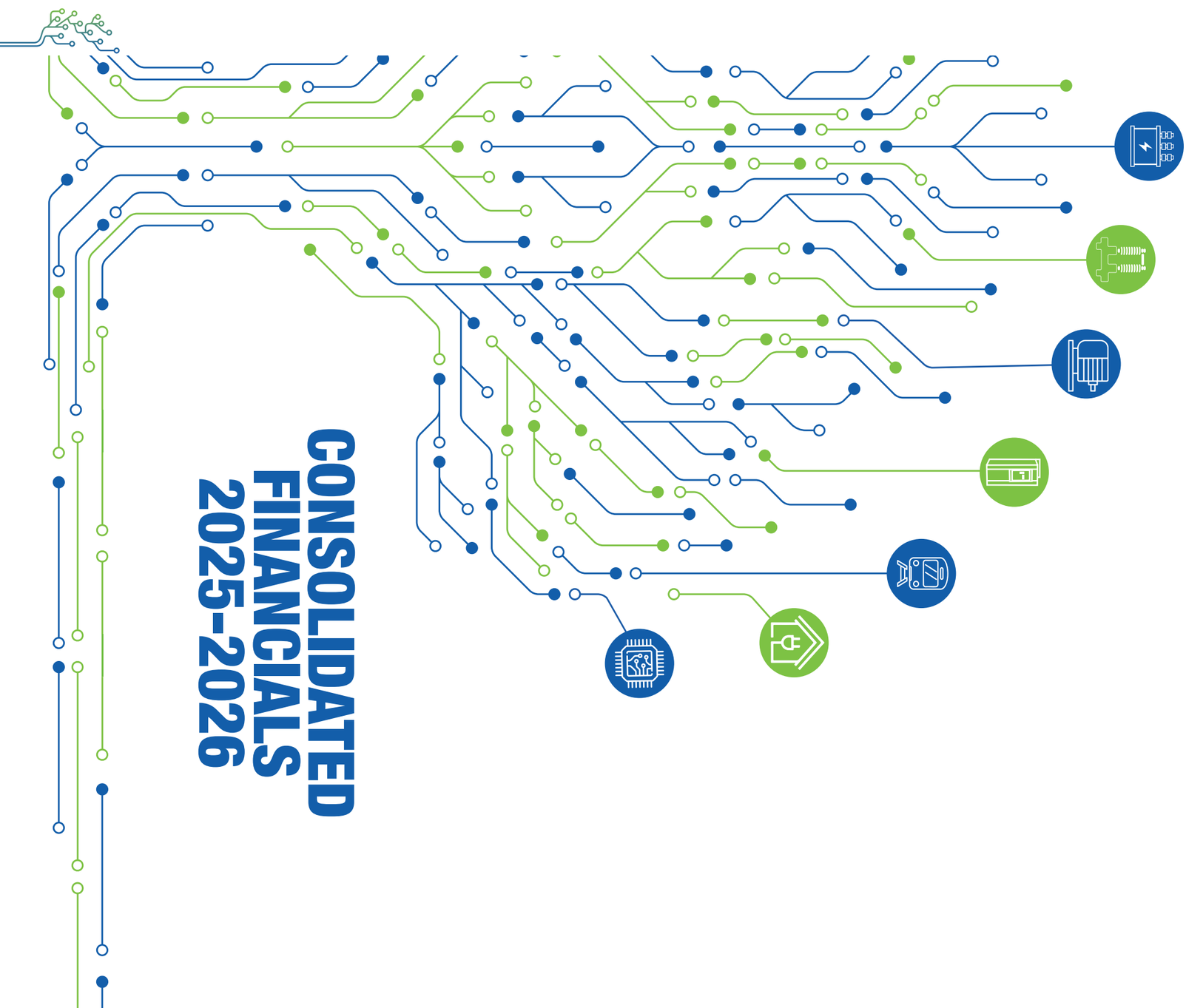
For and on behalf of the Board

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

Susheel Todi
Chief Financial Officer
Mumbai : 06 May, 2026

Sanjay Kumar Chowdhary
Company Secretary



Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of CG Power and Industrial Solutions Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (Refer Note 27 of the consolidated financial statements)	
The Holding Company has two operating segments, namely, Power and Industrial. The type of customers varies across these segments, ranging from Large Government companies / corporations to Original Equipment Manufacturers and Industrial Customers etc., A majority of the Group's revenue is contributed by the Holding Company, which is from sale of goods, recognized at a point in time based on the terms of the contract with customers which may vary by customer. The terms of contractual arrangements with customers in each of the operating segments, determine the timing of transfer of control and require judgment in determining timing of revenue recognition.	Our audit procedures included, amongst others, the following: • We read the Group's accounting policy for timing of revenue recognition and assessed compliance in terms of Ind AS 115- Revenue from Contracts with Customers. • We performed walkthroughs of the Holding Company's revenue processes, including design and implementation of controls and tested the design and operating effectiveness of such controls in relation to revenue recognition.

Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited (Contd.)

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (Refer Note 27 of the consolidated financial statements) (Contd.)	
Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.	• We tested sample revenue contracts with customers, purchase orders issued by customers, and sales invoices raised by the Holding Company to assess the timing of transfer of control along with pricing terms and the timing of the revenue recognition in respect of such contracts. • We compared revenue with historical trends and where appropriate, conducted further enquiries and testing. On a sample basis, we analyzed revenue transactions near the reporting date and tested whether the timing of revenue was recognized in the appropriate period with reference to shipping records, sales invoices etc. for those transactions. • We assessed the disclosures for compliance with applicable accounting standards in the consolidated financial statements.
Claims and exposures relating to taxation and other litigations (Refer Note 36 of the consolidated financial statements)	
The Holding Company has uncertainties related to litigations on account of tax losses adjusted against taxable income in earlier years and other disputed legal claims. The tax losses of the Holding Company were primarily on account of write off of receivable balances in relation to various transactions in earlier years which are under investigations by regulatory authorities. Management has determined the tax allowability of these write-offs in the computation of current tax of the Holding Company in the relevant years, based on its assessment and legal advice obtained by the Company. Due to associated uncertainties related to the outcome of these taxation and other litigations, significant judgement is involved in the assessment of potential financial impact and application of material judgement in interpretation of relevant laws. Accordingly, this has been considered as a Key Audit Matter.	Our audit procedures included, amongst others, the following: • We understood the process and assessed the internal control environment relating to the identification, assessment of the likely outcome of uncertain positions in respect of tax and other legal matters, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of tax and other disputed legal matters from the Holding Company's management and reviewed Holding Company management's assessment thereof, through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We involved tax specialists to assist us in evaluating tax positions taken by management of Holding Company including evaluation of deductions claimed by the Holding Company in respect of receivable balances written off in earlier years as per the applicable provisions of the Income Tax Act in India and relevant judicial precedents wherever available and assessed the likelihood of the potential financial exposure. • We obtained and read the Holding Company's correspondences with tax authorities and legal advice obtained by the Holding Company. • We circulated legal confirmation for material litigations to external legal counsel and reviewed their assessment and had a discussion with the senior management of the Holding Company regarding their assessment. • We assessed the disclosures in the consolidated financial statements in accordance with the requirements of Ind AS.

Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited (Contd.)

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill arising from Business Combinations (Refer Note 5 of the consolidated financial statements)	
As at reporting date, the Group has goodwill arising from business combinations. It also includes goodwill arising from business combination completed through its subsidiaries during the year ended March 31, 2026, as more fully described in notes to the consolidated financial statements. The Group concluded that the acquisition meets the definition of a business combination in accordance with Ind AS 103 'Business Combinations' which requires the identified assets and liabilities be recognized at fair value at the date of acquisition. Such business combinations triggers Purchase Price Allocation (PPA) accounting, which requires the use of external valuation experts to review estimates and assumptions used in PPA. In accordance with Ind AS 36 "Impairment of Assets", such goodwill is required to be tested for impairment at least annually, by allocating it to appropriate Cash Generating Units ('CGUs') and comparing the carrying value with the recoverable amount. Considering the materiality of goodwill, the non routine nature of the current-year business combination and the significant estimates and judgements involved, we have considered this as Key Audit Matter.	Our audit procedures included, amongst others, the following: • We understood and assessed the design and tested the operating effectiveness of the key controls over impairment assessment of goodwill and the accounting of business combination. • We assessed the Group's valuation methodology applied in determining the recoverable amount of the CGUs. • We evaluated the competence and objectivity of management's expert engaged for the purpose of valuation and obtained an understanding of their work. • We obtained and read the valuation reports used by management for determining the recoverable value of CGUs and in relation to current year business combination (PPA exercise). • Involved and supervised component auditors work, who have obtained and read the relevant agreements and have assessed the reasonableness of underlying projections used for the purpose of current year business combination. We have also obtained these agreements and projections to corroborate results of their work. • We reviewed (including the use of auditor's experts where required) the enterprise value/ valuation of tangible and intangible assets including Goodwill arising from acquisitions (including current year business combination) and assessed reasonableness of key underlying estimates and assumptions used in determining the recoverable value/ fair value as of valuation date/ acquisition date. • We assessed the disclosures in the consolidated financial statements in accordance with the requirements of Ind AS.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors/ Trustees of the companies and entities (as applicable) included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of

appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors / Trustees of the companies and entities (as applicable) included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors / Trustees of the companies and entities (as applicable) included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited (Contd.)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 6 subsidiaries, which are part of continued operations of the Group, whose financial statements include total assets of ₹ 1,568.78 crores as at March 31, 2026, and total revenues of ₹ 1,174.98 crores and net cash outflows of ₹ 304.63 crores for the year ended on that date. We did not audit the financial statements and other financial information, in respect of 1 subsidiary, which is part of discontinued operations of the Group, whose financial statements include total assets of ₹ 0.00 crore as at March 31, 2026, and total revenues of ₹ Nil crore and net cash inflows of ₹ Nil crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ Nil crore for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 7 subsidiaries, part of continued operations of the Group, whose financial statements and other financial information reflect total assets of ₹ 558.38 crores as at March 31, 2026, and total revenues of ₹ 126.36 crores and net cash inflows of ₹ 0.59 crore for the year ended on that date. The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, part of discontinued operations of the Group, whose financial statements and other financial information reflect total assets of ₹ 1.87 crores as at March 31, 2026, and total revenues of ₹ Nil crore and net cash inflows of ₹ Nil crore for the year ended on that date. Those unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India and to the extent applicable, as noted in the 'Other Matters' paragraph, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited (Contd.)

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except with respect to one subsidiary, where the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis as explained in Note 52 to the consolidated financial statements, and for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 1" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, its subsidiaries incorporated in India, to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act, where applicable;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 36 to the consolidated financial statements;

   ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India, where applicable, during the year ended March 31, 2026, except in relation to one subsidiary, as described in Note 14 (a) to the consolidated financial statements, where unpaid dividend amounting to ₹ 0.00 crore had not been transferred to the Investor Education and Protection Fund as required under the provisions of section 124(5) of the Companies Act, 2013 as at the year end; however, the said amount was transferred to the Investor Education and Protection Fund subsequent to the year end.

   iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other

Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited (Contd.)

than as disclosed in the Note 50 (iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 50 (iii) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend declared and paid during the year by the Holding Company is in accordance with Section 123 of the Act. No dividend has been declared or paid during the year by the subsidiaries incorporated in India.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for the instances mentioned below:

(a) in relation to the Holding Company, that audit trail feature is not enabled for direct changes to database when using certain access rights, in respect of SAP application from April 1, 2025 to September 15, 2025 and for other accounting software used for payroll processing from April 1, 2025 to September 02, 2025, respectively, as described in Note 51 (a) to the consolidated financial statements;

(b) in relation to one subsidiary, the subsidiary migrated from Tally Prime to SAP HANA during the year. The audit trail feature in respect of Tally Prime was not enabled, as described in Note 51(b)A to the consolidated financial statements. Further, in the absence of a Service Organisation Controls (SOC) report, we are unable to comment on whether the audit trail feature in SAP HANA was enabled and operated throughout the year for all relevant transactions recorded in the software.

Independent Auditor's Report to the Members of CG Power and Industrial Solutions Limited (Contd.)

(c) in relation to one subsidiary, as described in Note 51(b)B to the consolidated financial statements, the subsidiary has used an application software, which is operated by a third party service provider for maintaining certain records of payroll, which has audit trail feature. Based on our evaluation of SOC report, we are unable to comment on whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of the accounting software where the audit trail has been enabled.

Additionally, the audit trail of prior years has been preserved by the Holding Company and subsidiaries as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aniruddh Sankaran
Partner
Membership Number: 211107
UDIN: 26211107HZFZGE2839
Place of Signature: Mumbai
Date: May 6, 2026

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of CG Power and Industrial Solutions Limited

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

In conjunction with our audit of the consolidated financial statements of CG Power and Industrial Solutions Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of CG Power and Industrial Solutions Limited (Contd.)

Opinion

In our opinion, the Group which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 3 subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aniruddh Sankaran
Partner
Membership Number: 211107
UDIN: 26211107HZFZGE2839
Place of Signature: Mumbai
Date: May 6, 2026

Consolidated Balance Sheet as at 31 March, 2026

₹ crores

	Note No.	As at 31-03-2026		As at 31-03-2025	
ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	4	1222.88		934.96	
(b) Capital work-in-progress	4	646.70		355.18	
(c) Goodwill	5	364.93		281.06	
(d) Other intangible assets	5	420.38		263.00	
(e) Intangible assets under development	5	78.20		30.49	
(f) Financial assets					
(i) Investments	6	51.61		0.76	
(ii) Other financial assets	7	1402.95		18.32	
(g) Current tax assets		213.82		101.22	
(h) Deferred tax assets (net)	8	23.67		4.48	
(i) Other non-current assets	9	238.32		102.96	
			4663.46		2092.43
(2) Current assets					
(a) Inventories	10	1583.91		1136.71	
(b) Financial assets					
(i) Investments	11	401.66		436.78	
(ii) Trade receivables	12	2923.99		2009.20	
(iii) Cash and cash equivalents	13	300.66		409.51	
(iv) Bank balances other than (iii) above	14	726.90		849.61	
(v) Other financial assets	15	1790.30		188.89	
(c) Other current assets	16	274.86		220.63	
			8002.28		5251.33
(3) Assets classified as held for sale and discontinued operations	42		1.87		73.31
TOTAL ASSETS			12667.61		7417.07
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity share capital	17	314.99		305.78	
(b) Other equity	18	7655.49		3538.17	
Equity attributable to the owners of the Company		7970.48		3843.95	
Non-controlling interest		227.77		193.68	
Total Equity			8198.25		4037.63
LIABILITIES					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	19	0.17		0.26	
(ii) Lease liabilities	37	84.82		26.97	
(iii) Other financial liabilities	20	44.81		26.17	
			129.80		53.40
(b) Provisions	21		79.42		47.84
(c) Deferred tax liabilities (net)	8		60.33		88.23
(2) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	22	0.09		0.08	
(ii) Lease liabilities	37	33.31		13.66	
(iii) Trade payables					
(A) Total outstanding dues of micro enterprises and small enterprises; and	23	261.20		162.34	
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	2207.24		1718.85	
(iv) Other financial liabilities	24	558.54		449.33	
			3060.38		2344.26
(b) Other current liabilities	25		807.85		534.67
(c) Provisions	26		241.57		215.94
(d) Current tax liabilities			88.22		30.83
(3) Liabilities associated with group of assets classified as held for sale and discontinued operations	42		1.76		64.27
TOTAL EQUITY AND LIABILITIES			12667.61		7417.07
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

Susheel Todi
Chief Financial Officer
Mumbai : 06 May, 2026

Sanjay Kumar Chowdhary
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March, 2026

₹ crores

	Note No.	2025-26		2024-25	
Income					
Revenue from operations	27		12417.95		9908.66
Other income	28		244.27		162.17
Total income			12662.22		10070.83
Expenses					
Cost of materials consumed	29	8334.67		6762.31	
Purchases of stock-in-trade	30	426.05		359.32	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	(194.56)		(195.44)	
Employee benefits expense	32	951.58		612.77	
Finance costs	33	12.17		7.09	
Depreciation and amortisation expense	34	195.59		111.84	
Other expenses	35	1274.92		1064.97	
Total expenses			11000.42		8722.86
Profit before share of profit / (loss) of associate, exceptional items and tax			1661.80		1347.97
Share of profit / (loss) of associate			-		-
Profit before exceptional items and tax			1661.80		1347.97
Exceptional items	43		(35.57)		-
Profit before tax			1626.23		1347.97
Tax expense:					
Current Tax	8	470.73		185.24	
Deferred tax (net)	8	(41.23)		189.75	
			429.50		374.99
Profit from continuing operations after tax			1196.73		972.98
Profit from discontinued operations before tax	42	1.95		-	
Tax expense on discontinued operations	8	-		-	
Profit from discontinued operations after tax			1.95		-
Profit for the year			1198.68		972.98
Attributable to:					
Equity holders of the parent			1206.27		974.60
Non-controlling interests			(7.59)		(1.62)
			1198.68		972.98
Other comprehensive income:					
a. Items that will not be reclassified subsequently to profit or loss					
(i) Remeasurement gain / (loss) on defined benefit plans		(5.31)		(10.94)	
(ii) Income tax relating to item above		1.11		2.98	
b. Items that will be reclassified subsequently to profit or loss					
(i) Exchange differences on translating the financial statements of foreign operations		72.31		7.41	
(ii) Net movement on effective portion of cash flow hedges		4.28		(4.45)	
Total other comprehensive income for the year			72.39		(5.00)
Attributable to:					
Equity holders of the parent			72.04		(4.59)
Non-controlling interests			0.35		(0.41)
			72.39		(5.00)
Total comprehensive income for the year			1271.07		967.98
Attributable to:					
Equity holders of the parent			1278.31		970.01
Non-controlling interests			(7.24)		(2.03)
			1271.07		967.98
Earnings per share for continuing operations	47				
Basic (₹)			7.71		6.38
Diluted (₹)			7.70		6.37
(Face value of ₹ 2/- each)					
Earnings per share for discontinued operations	47				
Basic (₹)			0.01		-
Diluted (₹)			0.01		-
(Face value of ₹ 2/- each)					
Earnings per share for total operations	47				
Basic (₹)			7.72		6.38
Diluted (₹)			7.71		6.37
(Face value of ₹ 2 each)					
SUMMARY OF MATERIAL ACCOUNTING POLICIES	2				

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

Susheel Todi
Chief Financial Officer
Mumbai : 06 May, 2026

Sanjay Kumar Chowdhary
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31 March, 2026

(A) EQUITY SHARE CAPITAL

For the year ended 31 March, 2026

₹ crores

Balance as at 01-04-2025	Changes in equity share capital during the year*	Balance as at 31-03-2026
305.78	9.21	314.99

For the year ended 31 March, 2025

₹ crores

Balance as at 01-04-2024	Changes in equity share capital during the year*	Balance as at 31-03-2025
305.47	0.31	305.78

*Refer note 17

(B) OTHER EQUITY

For the year ended 31 March, 2026

₹ crores

	Reserves and Surplus							Items of Other Comprehensive Income (OCI)		Total Other Equity	Non-Controlling Interest (NCI)
	Retained Earnings	General Reserve	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedge		
Balance as at 01 April, 2025	1679.37	418.46	671.65	3.58	12.95	761.28	33.74	(38.75)	(4.11)	3538.17	193.68
Profit for the year	1206.27	-	-	-	-	-	-	-	-	1206.27	(7.59)
Other comprehensive income for the year											
- Remeasurement loss on defined benefit plans	(4.23)	-	-	-	-	-	-	-	-	(4.23)	0.03
- Foreign currency translation differences	-	-	-	-	-	-	-	72.31	-	72.31	-
- Net movement on effective portion of cash flow hedges	-	-	-	-	-	-	-	-	3.95	3.95	0.33
Employee stock options	-	-	-	-	-	19.90	49.10	-	-	69.00	-
Subscription of equity in subsidiary by NCI	-	-	-	-	-	-	-	-	-	-	38.29
Issue of equity shares through Qualified Institutions Placement (QIP)	-	-	-	-	-	2990.91	-	-	-	2990.91	-
Issue expenses for QIP	-	-	-	-	-	(22.93)	-	-	-	(22.93)	-
Transfer to securities premium on exercise and retained earnings on lapse of stock option from share options outstanding account	7.66	-	-	-	-	7.90	(15.56)	-	-	-	-
Transferred to statement of profit & loss on account of deconsolidation of subsidiary (Refer note 42)	-	-	-	-	-	-	-	6.78	-	6.78	3.03
Dividend paid during the year	(204.74)	-	-	-	-	-	-	-	-	(204.74)	-
Balance as at 31 March, 2026	2684.33	418.46	671.65	3.58	12.95	3757.06	67.28	40.34	(0.16)	7655.49	227.77

Consolidated Statement of Changes in Equity for the year ended 31 March, 2026 (Contd.)

For the year ended 31 March, 2025

₹ crores

	Reserves and Surplus							Items of Other Comprehensive Income (OCI)		Total Other Equity	Non-Controlling Interest (NCI)
	Retained Earnings	General Reserve	Capital Reserve	Capital Reserve on Consolidation	Capital Redemption Reserve	Securities Premium	Share Options Outstanding Account	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedge		
Balance as at 01 April, 2024	909.43	418.46	671.65	3.58	12.95	720.75	21.31	(46.16)	-	2711.97	1.33
Profit for the year	974.60	-	-	-	-	-	-	-	-	974.60	(1.62)
Other comprehensive income for the year											
- Remeasurement loss on defined benefit plans	(7.89)	-	-	-	-	-	-	-	-	(7.89)	(0.07)
- Foreign currency translation differences	-	-	-	-	-	-	-	7.41	-	7.41	-
- Net movement in effective portion of cash flow hedge	-	-	-	-	-	-	-	-	(4.11)	(4.11)	(0.34)
Employee stock options	-	-	-	-	-	32.04	22.90	-	-	54.94	-
Subscription of equity in subsidiary by NCI	-	-	-	-	-	-	-	-	-	-	29.93
Non controlling interest related to business combination (Refer note 54)	-	-	-	-	-	-	-	-	-	-	164.45
Transfer to securities premium on exercise and retained earnings on lapse of stock option from share options outstanding account	1.98	-	-	-	-	8.49	(10.47)	-	-	-	-
Dividend paid during the year	(198.75)	-	-	-	-	-	-	-	-	(198.75)	-
Balance as at 31 March, 2025	1679.37	418.46	671.65	3.58	12.95	761.28	33.74	(38.75)	(4.11)	3538.17	193.68

The accompanying notes form an integral part of consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

For and on behalf of the Board

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

Susheel Todi
Chief Financial Officer

Sanjay Kumar Chowdhary
Company Secretary

Mumbai : 06 May, 2026

Consolidated Statement of Cash Flows for the year ended 31 March, 2026

₹ crores

		2025-26	2024-25
[A] CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax from continuing operations		**1626.23**	1347.97
Profit before tax from discontinued operations		**1.95**	-
Adjustments for:			
Depreciation and amortisation expense		**195.59**	111.84
Allowances for doubtful receivables (net)		**3.86**	2.49
Bad debts written off / (reversal) (net)		**(5.11)**	(15.43)
(Gain) / loss arising on financial instruments designated as FVTPL		**(7.37)**	(3.88)
Finance costs		**12.17**	7.09
Interest income		**(186.55)**	(71.75)
Share based payment expense		**49.46**	22.90
Profit on sale of investments (net)		**(33.89)**	(36.10)
Unrealised exchange (gain) / loss (net)		**8.85**	0.60
Unrealised exchange gain / (loss) on consolidation (net)		**9.89**	0.93
(Profit) / loss on sale of property, plant and equipment (net)		**3.15**	0.54
Exceptional items		**35.57**	-
Gain on disposal of subsidiary		**(1.95)**	-
(Profit) / loss on modification on lease		**-**	(0.38)
Liabilities no longer required written back		**-**	(31.28)
		83.67	(12.43)
Operating profit before working capital changes		**1711.85**	1335.54
Adjustments for:			
(Increase) / Decrease in trade receivables		**(912.29)**	(437.62)
(Increase) / Decrease in other non-current financial assets and non-current assets		**(42.48)**	(9.10)
(Increase) / Decrease in other current financial assets and current assets		**(88.22)**	13.50
(Increase) / Decrease in inventories		**(408.58)**	(325.30)
Increase / (Decrease) in trade payables		**575.30**	350.06
Increase / (Decrease) in other non-current financial liabilities		**9.83**	14.89
Increase / (Decrease) in other current financial liabilities and current liabilities		**353.14**	154.49
Increase / (Decrease) in non-current and current provisions		**15.76**	16.08
		(497.54)	(223.00)
Cash (used in) / from operations		**1214.31**	1112.54
Income tax refund / (paid) (net)		**(511.86)**	(196.44)
Net cash flow (used in) / from operating activities	**[A]**	**702.45**	916.10

Consolidated Statement of Cash Flows for the year ended 31 March, 2026 (Contd.)

₹ crores

		2025-26	2024-25
[B] CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		**2.93**	1.90
Proceeds from sale of mutual funds		**5773.40**	4785.03
Interest received		**33.94**	68.01
Refund of deposit / (deposit) in relation to bidding process for acquisition		**28.47**	(28.68)
Net proceeds received on disposal of subsidiary		**21.05**	-
Investment in associate		**-**	(0.01)
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and capital creditors) and intangible assets (including under development) (net of government grant received)		**(777.76)**	(427.32)
Purchase of mutual funds		**(5696.60)**	(4594.13)
Consideration for acquisition of equity shares in G.G.Tronics India Private Limited from it's erstwhile promoters (net of cash acquired)		**-**	(171.53)
Consideration for acquisition of Fabless semiconductor design business		**(284.13)**	-
Investment in Edge Cortix Pte. Ltd		**(51.27)**	-
(Investment in) / proceeds from fixed deposits (net)		**(2655.08)**	(173.03)
Net cash flow (used in) / from investing activities	**[B]**	**(3605.05)**	(539.76)
[C] CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares		**20.02**	32.35
Proceeds from issue of equity shares through Qualified Institutions Placement (QIP)		**3000.00**	-
Issue expenses for QIP		**(22.93)**	-
Subscription of equity in subsidiary by non-controlling interest		**38.29**	29.93
Proceeds from borrowings		**41.80**	-
Repayment of borrowings		**(41.88)**	(15.68)
Payment of lease liabilities including interest for ₹ 7.14 crores (previous year ₹ 1.69 crores)		**(34.62)**	(11.23)
Finance costs paid		**(2.06)**	(3.24)
Dividend paid		**(204.74)**	(198.75)
Net cash flow (used in) / from financing activities	**[C]**	**2793.88**	(166.62)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**(108.72)**	209.72
Cash and cash equivalents at beginning of the year		**410.12**	200.40
Reduction on account of disposal of subsidiary		**(0.02)**	-
Cash and cash equivalents at end of the year		**301.38**	410.12
Cash and cash equivalents from continuing operations (Refer note 13)		**300.66**	409.51
Cash and cash equivalents from discontinued operations		**0.72**	0.61
Cash and cash equivalents from continuing and discontinued operations		**301.38**	410.12

1 Refer note 46 in respect of disclosure for changes in liabilities arising from financing activities.

2 The consolidated statement of cash flows has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

The accompanying notes form an integral part of consolidated financial statements

For and on behalf of the Board

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

Susheel Todi
Chief Financial Officer

Mumbai : 06 May, 2026

Sanjay Kumar Chowdhary
Company Secretary

Notes accompanying the Consolidated Financial Statements

1. CORPORATE INFORMATION:

CG Power and Industrial Solutions Limited (the 'Company' or 'Parent') with CIN No: L99999MH1937PLC002641, is a Public Limited Company incorporated and domiciled in India. The Company is listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The registered office is located at ONE UNITY CENTER, Unit Nos. 1504-1508, Senapati Bapat Marg, Prabhadevi, Mumbai – 400013, India.

The Company, its Subsidiaries (collectively the 'Group') and its Associate is a global enterprise providing end-to-end solutions to utilities, industries and consumers for the management and application of efficient and sustainable electrical energy and semiconductor business. It offers products, services and solutions in three main business segments, viz. Power Systems, Industrial Systems and Semiconductors for the year ended 31 March, 2026.

The consolidated financial statements of the Group for the year ended 31 March, 2026 were approved for issue in accordance with a resolution of the directors on 06 May, 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES:

2.1 Basis of preparation:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III of the Companies Act, 2013. The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and financial liabilities measured at fair value.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements are presented in Indian Rupees ('₹') and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Basis of consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries and its associate. Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss on each component of other comprehensive income ('OCI') are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March. When the end of the reporting period of the subsidiary is different from that of a Parent Company, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity while any resultant gain or loss including cumulative translation difference is recognised in the consolidated statement of profit and loss. Any investment retained is recognised at fair value.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to equity holders of the Parent.

Joint Ventures are entities over which the Group has joint control. Associates are entities over which the Group has significant influence but not control. Investments in Joint Ventures and Associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in Joint Ventures and Associates includes goodwill identified on acquisition.

2.3 Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date and stated at cost, net of accumulated impairment loss, if any. Once it becomes available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the consolidated statement of profit and loss when the asset is derecognised.

Depreciation is provided on straight-line method over the useful lives of assets. Depreciation commences when an asset is ready for its intended use. The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, where the useful lives was determined by technical evaluation. Freehold land is not depreciated. Depreciation on additions to / deductions from assets is provided on pro-rata basis with reference to the date of addition / deletion.

The range of useful lives of the property, plant and equipment are as follows:

- Plant and machinery – 1 to 21 years
- Furniture and fittings - 1 to 15 years
- Office equipment - 1 to 15 years
- Buildings – 3 to 60 years
- Vehicles – 1 to 8 years

Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the useful life of the building.

In other cases, buildings constructed on leasehold land are amortised over the primary lease period of the land.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

Subsidiaries incorporated outside India:

Depreciation has been provided as per useful life permissible by the GAAPs of the respective countries. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

On transition to Ind AS, the Group has elected to continue with the carrying value as per the previous GAAP for Plant and machinery, Furniture and fittings, Office equipment and Vehicles as its deemed cost. Also, the Group has elected to measure Freehold land, Leasehold Land and Buildings at its fair value and considered it as deemed cost as on the date of transition to Ind AS.

2.4 Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

Intangible assets acquired are amortised as follows:

- Computer software : 1 to 5 years;
- Technical know-how : 1 to 5 years (from the date of availability for its use);
- Commercial rights : 1 to 10 years;
- Brand name and customer lists : 1 to 10 years; and
- Other intangible assets : 3 to 15 years.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Research and development expenditure:

Revenue expenditure on research activities is expensed under the respective heads of account in the period in which it is incurred.

Development expenditures on an individual project are recognised as intangible asset, if all of the following criteria can be demonstrated:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(ii) the Group has intention to complete the development of intangible asset and use or sell it;

(iii) the Group has ability to use or sell the intangible asset;

(iv) the manner in which the probable future economic benefit will be generated

(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

(vi) the Group has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over a period of five years. During the period of development, the asset is tested for impairment annually.

On transition to Ind AS, the Group has elected to continue with the carrying value as per the previous GAAP for all intangible assets as its deemed cost.

2.5 Impairment of non-financial assets:

At the end of each reporting period, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and the impairment loss is recognised in the consolidated statement of profit and loss, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's (CGU's) fair value less cost to sell and the value in use.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

2.6 Inventories:

Inventories are valued as under:

- Raw materials, packing materials, construction materials, stores and spares, loose tools and traded goods at lower of cost and net realisable value. Cost is determined on a weighted average basis.
- Work-in-progress and finished goods (manufacturing) at lower of cost and net realisable value. Cost includes an appropriate share of production overheads based on normal operating capacity. Finished goods cost is determined on a weighted average basis.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The cost of inventories comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, excluding borrowings costs. Obsolete and slow moving items of inventories are valued at cost or net realisable value, whichever is lower. Goods and materials in transit are valued at actual cost incurred up to the reporting date. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

2.7 Cash and cash equivalents:

Cash and cash equivalents in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.8 Foreign currency transactions:

Initial recognition:

Transactions in foreign currencies entered are initially accounted at the exchange rates prevailing on the date of the transaction.

Measurement as at balance sheet date:

Foreign currency monetary items that are outstanding at the balance sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the consolidated statement of profit and loss.

Consolidation of subsidiaries incorporated outside India:

The translation of financial statements of the foreign subsidiaries from their respective functional currencies to the presentation currency (₹) is performed for assets and liabilities using the exchange rates prevailing at the reporting date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in foreign currency translation reserves under OCI.

When a subsidiary is disposed of, in full, accumulated foreign currency translation reserves of subsidiary is transferred to the consolidated statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Any goodwill arising on acquisition / business combination of a foreign operation are translated at exchange rate prevailing at the reporting date.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.9 Revenue recognition:

(a) Revenue from sale of goods and services:

Revenue from sale of goods is recognised at a point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered.

Revenue is recognised at an amount of transaction price that reflects the consideration to which the Group expects to be entitled for satisfaction of performance obligation i.e. exchange of goods or services. Transaction price is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract inception updated thereafter at each reporting date or until crystallisation of the amount. Liquidated damages are recognised as a part of variable consideration. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices.

However, Goods and Services Tax (GST) are not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

(b) Revenue from construction contracts:

Performance obligations with reference to construction contracts are satisfied over a period of time, and accordingly, revenue from such contracts is recognised based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Revenue is adjusted towards liquidated damages, and price variations / escalation, wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably and generally when it is agreed with customer. Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognised in the period in which estimates are revised.

(c) Dividend and interest income:

Dividend income is accounted for when the shareholder's right to receive the same is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and the effective interest rate.

(d) Rental income:

Rental income arising from leases is accounted for on a straight-line basis over the lease terms and is included in other income in the consolidated statement of profit and loss.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.10 Employee benefits:

I. Short-term employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period in which the employees render the related services, are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives, the expected cost of bonus, ex-gratia etc. are recognised during the period in which the employee renders related service.

Compensation to employees of certain subsidiaries consist of pension plan, which are either fee or benefit based.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amounts of the benefits expected in exchange for the related services.

II. Post-employment benefits

(A) Defined contribution scheme:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

i) Provident fund:

The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

ii) Superannuation:

Contributions as a percentage of eligible employees' salary are made to Superannuation Funds administered by trustees and managed by Insurance Company. There is no liability for future Superannuation Fund benefits other than the annual contribution and such contributions are recognised as an expense in the year in which the services are rendered.

iii) National pension scheme:

Contributions as a percentage of eligible employees' salary are made to National pension scheme administrated by the Pension Fund Regulatory and Development Authority (PFRDA). Such contributions are recognised as an expense in the year in which the services are rendered.

iv) Employee state insurance scheme and Labour welfare scheme:

Contributions to Employees state insurance scheme and Labour welfare scheme are recognised as expense in the year in which the services are rendered.

v) Family pension

Contribution to Family pension scheme is related to employees of subsidiaries incorporated outside India. Such contributions are recognised as an expense in the year in which the services are rendered.

(B) Defined benefit plans:

(i) Gratuity:

Gratuity is a defined benefit obligation plan operated by the Parent Company and its subsidiaries incorporated in India for its employees. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. The scheme is funded with CG Gratuity Fund and fund of respective subsidiaries. Remeasurements, comprising of actuarial gains and losses are recognised in full in other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit or loss subsequently.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with the actuarial valuations being carried out at the end of each annual reporting period.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss. Past service cost is recognised in the consolidated statement of profit and loss in the period of plan amendment or when the Group recognised related re-structuring costs.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and settlements;
- net interest expense or income.

III. Leave encashment:

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

The Company and its Indian subsidiaries treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the consolidated statement of profit and loss.

Overseas subsidiaries provide liability in respect of compensated absences for employees as per respective local entity's policies. The same is measured based on the accrual basis as the payment is required to be made within next twelve months.

IV. Termination benefits:

Termination benefits are recognised as an expense when the Group can no longer withdraw the offer of the termination benefits or when the Group recognises any related restructuring costs whichever is earlier.

2.11 Share based payments (Employee stock option scheme):

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in stock options outstanding account in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The consolidated statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.12 Borrowing costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time (generally over twelve months) to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of Borrowing Costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they occur.

2.13 Segment accounting:

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker in the Group to make decisions for performance assessment and resource allocation. Segment performance is evaluated based on the profit or loss of reportable segment and is measured consistently.

The Operating segments have been identified on the basis of the nature of products / services.

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

(ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.

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

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

(v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

2.14 Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee:

At the date of commencement of the lease, the Group recognises right-of-use ('ROU') asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases and leases of low-value assets). For these short-term leases and leases of low-value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

A ROU asset is recognised representing its right-to-use the underlying asset for the lease term. The cost of the ROU asset measured at inception comprises of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses if any, and adjusted for any remeasurement of the lease liability.

The ROU assets are depreciated from the commencement date using the straight-line method over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The range of useful lives of the ROU assets are as follows:

- Leasehold land – 10 to 99 years
- Buildings – 2 to 9 years
- Vehicles – 3 to 5 years
- Office equipment – 2 years

Group as a lessor:

Leases for which the Group is a lessor are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.15 Earnings per share:

Basic earnings per share are calculated by dividing the net profit / loss for the year attributable to equity shareholders of the Parent by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

2.16 Income Taxes:

Income tax expense for the period comprises of current and deferred tax. Income tax expense is recognised in the consolidated statement of profit and loss except when they are relating to items that are recognised in OCI or directly in equity, in which case, it is also recognised in relating to items recognised directly in OCI or equity respectively.

Current tax

Current tax comprises the expected income tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is determined by using tax rates in accordance with the provisions of the Income Tax Act, 1961.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the group 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 Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is probable that it will pay normal tax during the specified period.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In respect of overseas subsidiaries, income tax is provided for based on income tax laws prevailing in the country of incorporation of the respective subsidiaries.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii. In respect of taxable temporary differences associated with investments in subsidiaries and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii. In respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.17 Provisions, Contingent liabilities, Contingent assets and Commitments:

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Warranty provisions

Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Group's obligation.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.18 Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the grant relates to an asset, the same is reduced from the carrying amount of the assets. The grant is then recognised in the consolidated statement of profit and loss over the useful life of depreciable assets by way of a reduced depreciation expenses.

2.19 Exceptional items:

An item of income or expense which by its size, type or incidence is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed as such in the consolidated financial statements.

2.20 Business combinations and goodwill:

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where it is not possible to complete the determination of fair values by the date on which the first post-acquisition financial statements are approved, a provisional assessment of fair value is made and any adjustments required to those provisional fair values are finalised within 12 months of the acquisition date. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed twelve months from the acquisition date.

2.21 Investment in associates and joint ventures:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or a joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate or a joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or a joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

The aggregate of the Group's share of profit and loss of an associate and a joint venture is shown in the consolidated statement of profit and loss outside operating profit and represents profit and loss after tax of the associate and joint venture.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or a joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate or a joint venture' in the consolidated statement of profit and loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.22 Current and non-current classification:

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets / liabilities are classified as non-current.

Operating cycle:

A portion of the Group's activities (primarily long-term project activities) has an operating cycle that exceeds twelve months. Accordingly, assets and liabilities related to these long-term contracts, which will not be realised / paid within twelve months, have been classified as non-current. For all other activities, operating cycle is twelve months.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

2.23 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.24 Non-current assets held for sale and discontinued operations:

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit and loss. Also the comparative consolidated statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

Assets and liabilities classified as held for disposal are presented separately from other assets and liabilities in the consolidated balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

2.25 Financial instruments:

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

(i) Financial assets:

Initial recognition and measurement

Financial assets are measured at fair value on initial recognition, except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets.

Where financial assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through profit or loss or 'FVTPL'), or recognised in other comprehensive income (i.e. fair value through other comprehensive income or 'FVTOCI').

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

A financial asset is measured at amortised cost (net of any write down for impairment) if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value, with fair value changes recognised in the consolidated statement of profit and loss, except for those equity investments for which the entity has elected to present fair value changes in other comprehensive income. However, dividend on such equity investments are recognised in the consolidated statement of profit and loss when the Group's right to receive payment is established.

Impairment of financial assets

The Group uses 'Expected Credit Loss' ('ECL') model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables, the Group applies a simplified approach under which loss allowance is recognised based on expected lifetime ECL losses to be recognised on each reporting date. The Group uses a provision matrix that is based on its historical credit loss experience adjusted for relevant forward-looking factors. For other assets, the Group uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk since initial recognition, full lifetime ECL is used.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes accompanying the Consolidated Financial Statements (Contd.)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Contd.)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Group to make specified payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of, the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

(iii) Derivative financial instruments and hedge accounting:

The Group uses various derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to the consolidated statement of profit and loss when the hedge item affects profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss as other expenses.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

Amounts recognised as OCI are transferred to the consolidated statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iv) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes accompanying the Consolidated Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities within the next financial year.

Judgements

Lease of assets not in legal form of lease

Significant judgment is required to apply lease accounting rules under Ind AS 116. In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 116.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(i) Useful lives of property, plant and equipment:

Management reviews useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors. This reassessment may result in change in depreciation expected in future period.

(ii) Development costs:

Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management assesses and monitors whether the recognition requirements for development costs continue to be met. There is inherent uncertainty in the economic success of any product development. The Group uses judgement in assessment of development cost eligible for capitalisation.

(iii) Impairment of non-financial assets:

In case of non-financial assets, the Group estimates asset's recoverable amount, which is higher of an asset's or cash generating units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(iv) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(v) Income taxes:

Deferred tax assets for unused tax losses are recognised only when it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Notes accompanying the Consolidated Financial Statements (Contd.)

3(A). SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

(vi) Defined benefit obligation:

In accounting for post-retirement benefits, actuarial method uses several statistical and other factors to anticipate future events that are used to calculate defined benefit obligation. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

(vii) Revenue from contract with customers:

The Group estimates variable consideration in the nature of volume rebates, discounts, performance bonuses, penalties and similar items and adjusts the transaction price for the sale of goods and services. These expected variable consideration are analysed either at customer or contracts basis against agreed terms with customers and may differ from actual results.

(viii) Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in notes but are not recognised, the cases which have been determined as remote by the Group are not disclosed.

(ix) Share-based payment transactions:

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds). Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

3(B). RECENT ACCOUNTING PRONOUNCEMENTS

New and amended standards

Ministry of Corporate Affairs (MCA) has notified amendments to the existing standards Ind AS 1 -Presentation of financial statements relating to classification of liabilities as current or non-current subject to covenants, Ind AS 12 - Income Taxes relating to international tax reforms – Pillar Two Model Rules, Ind AS 21 – the effect of changes in foreign exchange rates and Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 - Statement of Cashflows relating to disclosure of supplier financing arrangements, applicable from April 01, 2025. The Company has assessed that there is no significant impact on its consolidated financial statements with respect to the amendments in Ind AS 1, Ind AS 21 and Ind AS 12. The Group has evaluated and provided disclosure with respect to supplier financing arrangement in note 23.

Standards notified but not yet effective

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with covenants

In accordance with changes to Ind AS 1 as notified by the MCA breach of an immaterial covenant will trigger classification of non-current liability as current. The Company does not expect any material impact of the amendments on its consolidated financial statements.

Notes accompanying the Consolidated Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT

₹ crores

	Freehold land	Buildings	Plant and machinery	Right-of-Use assets*	Furniture and fittings	Office equipment	Vehicles	Total	Capital work-in-progress
Cost / deemed cost:									
As at 01 April, 2024	**49.43**	**656.84**	**569.74**	**177.39**	**31.57**	**38.15**	**13.76**	**1536.88**	**65.87**
Additions	-	11.32	58.91	43.27	0.86	8.59	6.68	129.63	317.01
Acquisition of subsidiary (Refer note 54)	25.65	11.98	1.45	0.85	0.30	0.48	0.54	41.25	-
Disposals / transfers	-	(0.74)	(6.83)	(6.96)	(0.05)	(0.31)	(2.88)	(17.77)	(27.71)
Effect of foreign currency translation	-	0.15	3.05	0.00	0.02	0.18	0.04	3.44	0.01
As at 31 March, 2025	**75.08**	**679.55**	**626.32**	**214.55**	**32.70**	**47.09**	**18.14**	**1693.43**	**355.18**
Additions	-	162.94	493.82	72.61	8.87	28.66	4.18	771.08	1093.54
Acquisition of business (Refer note 54)	-	-	40.33	27.82	2.41	4.71	-	75.27	-
Adjustment of government grant (refer note (d) below)	-	(43.87)	(205.59)	-	(0.16)	(9.16)	-	(258.78)	(250.40)
Disposals / reclass	-	(221.76)	(8.97)	(10.09)	(11.34)	(6.32)	(4.01)	(262.49)	(551.73)
Effect of foreign currency translation	-	0.88	14.05	8.65	0.44	2.02	0.34	26.38	0.11
As at 31 March, 2026	**75.08**	**577.74**	**959.96**	**313.54**	**32.92**	**67.00**	**18.65**	**2044.89**	**646.70**
Accumulated depreciation:									
As at 01 April, 2024	**-**	**252.15**	**349.17**	**33.80**	**20.66**	**22.32**	**6.17**	**684.27**	
Depreciation charge for the year	-	23.65	38.36	11.41	2.00	5.17	2.77	83.36	
Disposals / transfers	-	(0.34)	(6.14)	(3.20)	(0.05)	(0.27)	(1.57)	(11.57)	
Effect of foreign currency translation	-	0.10	2.73	(0.60)	0.02	0.13	0.03	2.41	
As at 31 March, 2025	**-**	**275.56**	**384.12**	**41.41**	**22.63**	**27.35**	**7.40**	**758.47**	
Depreciation charge for the year	-	20.53	64.17	36.08	3.33	12.29	3.02	139.42	
Disposals / reclass	-	(54.96)	(8.22)	(9.93)	(8.54)	(5.90)	(2.33)	(89.88)	
Effect of foreign currency translation	-	0.68	9.59	2.05	0.17	1.29	0.22	14.00	
As at 31 March, 2026	**-**	**241.81**	**449.66**	**69.61**	**17.59**	**35.03**	**8.31**	**822.01**	
Net book value									
As at 31 March, 2025	75.08	403.99	242.20	173.14	10.07	19.74	10.74	934.96	355.18
As at 31 March, 2026	**75.08**	**335.93**	**510.30**	**243.93**	**15.33**	**31.97**	**10.34**	**1222.88**	**646.70**

Notes:

(a) The Parent Company had signed a Joint Development Agreement (JDA) on 04 July, 2024 with Skybound Realty Pvt Ltd (Skybound) and granted development rights to Skybound to develop its existing property by constructing the new commercial building on the land situated at Mumbai. In lieu of this the Parent Company would receive commercial space on an area sharing basis along with amenities. Accordingly, book value of existing property ₹ 166.37 crores has been reclassified to Capital work-in-progress in relation to this transactions considering the Export Advisory Committee (EAC) opinion issued by the Institute of Chartered Accountants of India (ICAI), the Parent Company has duty ensured compliance of Ind AS 16 - Property, Plant and Equipment and Ind AS 111 - Joint arrangements.

(b) * Refer note 37

Notes accompanying the Consolidated Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT (Contd.)

(c) One of the subsidiary of the Group had pledged freehold land (₹ 1.41 crores) as security against working capital loan obtained from bank. The said has been released during the current year and as at 31 March, 2026, there is no pledge against freehold land.

(d) The Company's subsidiary, CG Semi Private Limited (CGSEMI) is eligible for Capital Assistance as per the scheme for setting up Outsourced Semiconductor Assembly and Test (OSAT) facility launched by India Semiconductor Mission (ISM) under Ministry of Electronics and Information Technology (MeitY) vide approval dated 08 March, 2024. The approval covers a five-year period from FY 2024-25 to FY 2028-29 for a total project cost of ₹ 7584.00 crores, with Central Government assistance of ₹ 3501.00 crores and additional State Government support equal to 40% of the Central Government's assistance i.e. ₹ 1400.00 crores. The Fiscal Support Agreement was signed on 17 January, 2025 and the Trust and Retention Account Agreement was signed on 15 September, 2025.

During the year ended 31 March, 2026, the Company has recognised a gross amount of ₹ 668.19 crores as Government Grant receivable from Central and State Government based on reasonable assurance of compliance with the conditions of this grant, in accordance with Ind AS 20. The recognised grant is presented as a deduction from the carrying amount of related assets. As at 31 March, 2026, against the gross amount recognised during the period, the Company has a net grant receivable of ₹ 69.83 crores.

(e) The Parent Company's application for renewal of lease in respect of property mentioned in (a) above is considered by local municipal corporation, however documentation formalities in this regards are in progress.

(f) Pursuant to the Fiscal Support Agreement entered in January 2025 and also the Security Trustee Agreement entered in the current year between CG Semi Private Limited (Company's Subsidiary), India Semiconductor Mission (ISM), Digital India Corporation (DIC) and Gujarat State Electronics Mission, Department of Science and Technology, representing the Government of Gujarat (GSEM), the subsidiary has created security in favour of DIC and GSEM through its Security Trustee, IDBI Trusteeship Services Limited.

Accordingly, the subsidiary has created:

A) a first exclusive charge by way of mortgage on:

(i) all rights in relation to the leasehold land (including under the Land Lease Agreement) including any other additional / alternative land leased / purchased in Sanand, Gujarat of Subsidiary;

(ii) any building, present or future, constructed by the subsidiary on the Leasehold Land; and

(iii) any plant and machinery on the leasehold land, which is immovable in nature, both present and future;

B) a first exclusive charge by way of hypothecation on plant, machinery and equipment and certain other items of Property, Plant and Equipment used for the Project, both present and future owned by the subsidiary; and

C) a second pari passu charge by way of hypothecation on intellectual property rights of the subsidiary including intellectual property rights developed and created by the subsidiary using the licensed IP jointly owned by the subsidiary and Renesas Electronics Corporation and subsidiary's current assets including inventory.

(g) CG Semi Private Limited (Company's subsidiary) has imported certain machineries under the Manufacture and Other Operations in Warehouse Regulations, 2019 (MOOWR Scheme) for its OSAT project. The subsidiary has imported capital goods under the Scheme by availing the benefit of not paying Integrated Goods and Services Tax (IGST) aggregating to around ₹ 40.76 crores for the year 31 March, 2026 (for the year 31 March, 2025 ₹ Nil) and Customs Duty aggregating to around ₹ 2.89 crores for the year 31 March, 2026 (for the year 31 March, 2025 ₹ Nil). The subsidiary has given a Bond to Department of Customs against the import of machinery under the MOOWR Scheme for ₹ 240.00 crores. The duty will be payable in case of domestic sale of capital goods and accordingly, the liability towards these duties is contingent in nature, depending on the future use or disposal of such capital goods. The management of the subsidiary have assessed that they will be able to comply with the conditions of the MOOWR scheme and consequently, no provision is required for the above duty.

Notes accompanying the Consolidated Financial Statements (Contd.)

4. PROPERTY, PLANT AND EQUIPMENT (Contd.)

(A) Capital work-in-progress (CWIP) ageing schedule as at 31 March, 2026

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	563.38	51.51	30.58	1.23	646.70
Total	563.38	51.51	30.58	1.23	646.70

Notes:

(i) There are no projects where project cost has exceeded.

(ii) There are no projects which are temporary suspended.

Capital work-in-progress (CWIP) ageing schedule as at 31 March, 2025

₹ crores

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	308.26	45.70	1.22	-	355.18
Total	308.26	45.70	1.22	-	355.18

Notes:

(i) There were no projects where project cost had exceeded.

(ii) There were no projects which were temporary suspended.

(B) Capital work-in-progress (CWIP) projects whose completion is overdue compared to its original plan as at 31 March, 2026:

₹ crores

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Instrument Transformers and Condenser Bushing, Medium Voltage Switchgear and GIS unit	93.33	-	-	-	93.33
Total	93.33	-	-	-	93.33

Capital work-in-progress (CWIP) projects whose completion is overdue compared to its original plan as at 31 March, 2025:

₹ crores

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Notes accompanying the Consolidated Financial Statements (Contd.)

5. INTANGIBLE ASSETS

₹ crores

	Brand names and customer lists	Computer software	Commercial rights	Technical know-how	Development cost	Total	Intangible assets under development
Cost / deemed cost:							
As at 01 April, 2024	**88.60**	**62.79**	**31.09**	**102.45**	**236.79**	**521.72**	**27.91**
Additions	-	17.25	-	-	29.92	47.17	35.40
Acquisition of subsidiary (Refer note 54)	2.37	0.28	-	197.83	-	200.48	0.03
Disposals / transfers	-	(0.00)	-	-	-	(0.00)	(33.14)
Effect of foreign currency translation	3.25	0.89	-	2.12	15.76	22.02	0.29
As at 31 March, 2025	**94.22**	**81.21**	**31.09**	**302.40**	**282.47**	**791.39**	**30.49**
Additions	-	27.01	-	8.16	8.87	44.04	57.11
Acquisition of business (Refer note 54)	-	0.41	-	166.10	-	166.51	-
Adjustment of government grant (refer note 4(d))	-	(17.62)	-	-	-	(17.62)	-
Disposals / transfers	-	-	-	-	-	-	(10.63)
Effect of foreign currency translation	25.75	2.16	-	34.80	34.92	97.63	1.23
As at 31 March, 2026	**119.97**	**93.17**	**31.09**	**511.46**	**326.26**	**1081.95**	**78.20**
Accumulated amortisation:							
As at 01 April, 2024	**88.60**	**51.36**	**31.09**	**102.45**	**205.69**	**479.19**	
Amortisation charge for the year	0.59	5.26	-	6.93	15.70	28.48	
Disposals / transfers	-	(0.00)	-	-	-	(0.00)	
Effect of foreign currency translation	3.25	0.88	-	2.12	14.47	20.72	
As at 31 March, 2025	**92.44**	**57.50**	**31.09**	**111.50**	**235.86**	**528.39**	
Amortisation charge for the year	0.89	8.57	-	28.93	17.78	56.17	
Disposals / transfers	-	-	-	-	-	-	
Effect of foreign currency translation	25.75	2.09	-	17.04	32.13	77.01	
As at 31 March, 2026	**119.08**	**68.16**	**31.09**	**157.47**	**285.77**	**661.57**	
Net book value							
As at 31 March, 2025	1.78	23.71	-	190.90	46.61	263.00	30.49
As at 31 March, 2026	**0.89**	**25.01**	**-**	**353.99**	**40.49**	**420.38**	**78.20**

Notes accompanying the Consolidated Financial Statements (Contd.)

5. INTANGIBLE ASSETS (Contd.)

Goodwill

₹ crores

	As at 31 March, 2026	As at 31 March, 2025
Cost / deemed cost:		
Opening balance as at beginning of the year	**281.06**	163.76
Addition on account of business combination (Refer note 54)	**50.60**	113.45
Effect of foreign currency translation	**33.27**	3.85
Closing balance as at end of the year	**364.93**	281.06

Goodwill recognised with respect to acquisition of Axiro Semiconductor Private Limited and its subsidiaries:

Goodwill recognised with respect to acquisition of Axiro Semiconductor Private Limited and its subsidiaries as at 31 March, 2026 is ₹ 53.33 crores which represents 14.61% of the total goodwill carried by the Group as on 31 March, 2026. The recoverable value was determined by the management using Discounted Cashflow projections. The discount rate applied to the cashflow projections during the current year is assumed as 12.51% which is in line with the industry in which these companies operate. The projections for discounted cashflow projections is relatively sensitive to the assumptions relating to gross margin, discount rate and growth rate which is determined based on industry outlook.

Goodwill recognised with respect to acquisition of G.G. Tronics India Private Limited:

Goodwill recognised with respect to acquisition of G.G. Tronics India Private Limited (GGT) is ₹ 113.45 crores which represents 31.09% of the total goodwill carried by the Group as on 31 March, 2026. The recoverable value was determined by the management using Discounted Cashflow projections. The discount rate applied to the cashflow projections during the current year is assumed as 18.50% (as at 31 March, 2025 17.85%) which is in line with the industry in which GGT operates. The projections for discounted cashflow projections is relatively sensitive to the assumptions relating to gross margin, discount rate and growth rate which is determined based on industry outlook.

Goodwill recognised with respect to acquisition of CG Industrial Holdings Sweden AB and its subsidiaries:

Goodwill recognised with respect to acquisition of CG Industrial Holdings Sweden AB and its subsidiaries is ₹ 198.15 crores which represents 54.30% of the total goodwill carried by the Group as on 31 March, 2026. The recoverable value was determined by the management using Discounted Cashflow projections. The discount rate applied to the cashflow projections during the current year is assumed as 10.05% (as at 31 March, 2025 10.32%) which is in line with the industry in which these companies operate. The projections for discounted cashflow projections is relatively sensitive to the assumptions relating to gross margin, discount rate and growth rate which is determined based on industry outlook.

An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

Intangible assets under development (IAUD) ageing schedule as at 31 March, 2026

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	**56.69**	**18.24**	**1.74**	**1.53**	**78.20**
Total	**56.69**	**18.24**	**1.74**	**1.53**	**78.20**

Notes:

(i) There are no projects where project cost has exceeded or projects are overdue in current year.

(ii) There are no projects which are temporary suspended.

Intangible assets under development (IAUD) ageing schedule as at 31 March, 2025

₹ crores

	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	25.11	3.06	1.20	1.12	30.49
Total	25.11	3.06	1.20	1.12	30.49

Notes:

(i) There were no projects where project cost has exceeded or projects are overdue.

(ii) There were no projects which were temporary suspended.

Notes accompanying the Consolidated Financial Statements (Contd.)

7. NON-CURRENT - OTHER FINANCIAL ASSETS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good, unless otherwise stated:		
Security deposits	**14.64**	9.27
Fixed deposits with banks with remaining maturity period of more than 12 months (Refer note (a) & (b) below)	**1347.77**	9.05
Government grant receivables (Refer note (c) below & 4 (d))	**40.54**	-
	1402.95	18.32

Notes:

(a) Fixed deposits of ₹ 0.20 crores (as at 31 March, 2025 ₹ 1.47 crores) are held as margin money.

(b) It includes fixed deposits of ₹ 1334.33 crores (as at 31 March, 2025 ₹ Nil) out of QIP proceeds.

(c) The non-current portion of the government grant receivables represent a part of the State Government subsidy which will be received over a period of 5 years from the year subsequent to the year in which the eligible capital expenditure was incurred and paid. Government grant receivables which is expected to be received over a period of 5 years is recognised at discounted amount using the incremental borrowing rate as discount rate.

8. TAXATION

Income tax recognised in consolidated statement of profit and loss:

₹ crores

	2025-26	2024-25
Consolidated statement of profit and loss:		
Current income tax:		
Current period (continuing operations)	**470.92**	148.79
Adjustment in respect of current tax relating to earlier periods (continuing operations)	**(0.19)**	36.45
Deferred tax:		
Relating to origination and reversal of temporary differences (continuing operations)	**(41.23)**	189.75
Income tax recognised in consolidated statement of profit and loss	**429.50**	374.99
Other comprehensive income:		
Deferred tax related to items recognised in other comprehensive income during the year	**(1.11)**	(2.98)
Income tax recognised in other comprehensive income	**(1.11)**	(2.98)

Reconciliation of income tax expense and accounting profit multiplied by applicable income tax rate:

₹ crores

	2025-26	2024-25
Accounting profit before income tax from continuing operations	**1626.23**	1347.97
Accounting profit before income tax from discontinued operations	**1.95**	-
Accounting profit before income tax	**1628.18**	1347.97
Applicable tax rate	**25.168%**	25.168%
Computed tax expense	**409.78**	339.26
Write off of receivables / financial assets receivables	**(11.59)**	(18.79)
Pre-operative expenses not deductible in determining taxable profits	**19.94**	6.52
Income taxable at lower tax rate - capital gain on assets	**10.79**	-
Expense not deductible in determining taxable profits	**5.73**	10.13
Adjustment of tax relating to earlier periods	**(0.19)**	36.45
Effect of different tax rates applicable to subsidiaries	**(3.07)**	(0.11)
Others	**(1.89)**	1.53
Net income tax expense charged to consolidated statement of profit and loss	**429.50**	374.99
Income tax attributable to continuing operations	**429.50**	374.99
Income tax attributable to discontinued operations	**-**	-
Total	**429.50**	374.99

Notes accompanying the Consolidated Financial Statements (Contd.)

6. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

	Face value per unit in ₹ unless otherwise specified	No. of shares / units		As at 31-03-2026	As at 31-03-2025
		As at 31-03-2026	As at 31-03-2025		
Details of investments:					
A) Quoted investments					
Government and trust securities (Measured at fair value through profit and loss)					
Central Government Securities 10.18% GOI 2026 of ₹ 100 each	100	-	39000	-	0.41
Total (A)				-	0.41
B) Unquoted investments					
Investments in equity instruments (Measured at fair value through profit and loss)					
Edge Cortix Pte. Ltd *	100	474026	-	51.27	-
				51.27	-
Investments in others (Measured at fair value through profit and loss)					
1. Dinette Exclusive Club Private Limited	100	500	500	0.01	0.01
2. Radiant Electronics Limited	100	190000	190000	0.00	0.00
				0.01	0.01
Investments in trust securities					
Investment in associate (carried at cost)					
Chola Foundation	100	5000	5000	0.05	0.05
				0.05	0.05
Investments in debentures or bonds					
Carried at fair value through profit and loss					
Dinette Exclusive Club Private Limited	10	73356	68048	0.27	0.28
(0% Unsecured Irredeemable Non-convertible Debentures of ₹ 100 each)				0.00	0.00
				0.27	0.28
Other non-current investments					
Carried at fair value through profit and loss					
1. UTI Hybrid Equity Fund - Dividend Plan - Payout	USD 10	20600	20600	51.61	0.35
2. Power Equipment Limited					0.35
				51.61	0.76
Total (B)				51.61	0.76
Total (A+B)				-	0.41
Notes:					0.41
Quoted investments					
Book value				-	0.41
Market value				-	0.41
Unquoted investments					
Book value				51.61	0.35

* During the year, one of the subsidiary has purchased 474026 convertible preference shares of Edge Cortix Pte. Ltd. for total consideration of ₹ 51.27 crores.

Notes accompanying the Consolidated Financial Statements (Contd.)

8. TAXATION (Contd.)

Note:

Pursuant to the directions of the Hon'ble National Company Law Tribunal (NCLT), the Parent Company's books of accounts were re-casted and re-audited for the financial years 2014-15 to 2018-19. The said re-casted accounts were taken on record by the NCLT on 26 October, 2021 and the consequential voluntary revision of the books of accounts for the financial years 2019-20 and 2020-21 were carried out by the Parent Company. In this connection, the Parent Company filed an application with the Central Board of Direct Taxes (CBDT) seeking approval to revise the income tax returns based on the re-casted / revised books of accounts for the financial years 2014-15 to 2019-20. However, the CBDT, vide its order dated 29 February, 2024, rejected the Parent Company's application.

Aggrieved by this rejection order, the Parent Company filed a Writ Petition before the Hon'ble Bombay High Court. The Hon'ble Bombay High Court, in its order dated 30 April, 2024, issued the following directions:

(a) Allowing the Parent Company to file its revised income tax returns based on re-casted / revised accounts for the financial year 2014-15 to 2019-20.

(b) Directing the income tax department to complete the assessment of these revised returns.

In compliance with the Hon'ble Bombay High Court's order, the Parent Company filed the revised income tax returns based on the re-casted accounts for the financial years 2014-15 to 2019-20.

Subsequently, the Parent Company received assessment orders based on the revised income tax returns filed. Due to various disallowances / additions made, completed assessment orders resulted in tax demands of ₹ 634.36 crores for the financial years 2014-15 to 2019-20 for which appeals have been filed. The said tax demand has been subsequently stayed by the department subject to the condition that ₹ 79.19 crores (payment under protest) required to be paid in installments. The Parent Company has paid ₹ 22.20 crores under protest as at 31 March, 2026. Based on management assessment, duly supported by legal opinion from senior counsel, the Parent Company believes that it has strong case on merit that these disallowances / additions are in principle not tenable under law including in relation to the periods for which revised income tax returns are filed, as applicable. Accordingly, no adjustments are considered necessary in the consolidated financial statements in this regard.

Deferred tax assets / (liabilities)

The following is the analysis of deferred tax assets / (liabilities) balances presented in the balance sheet:

₹ crores

	As on 31-03-2026	As on 31-03-2025
Deferred tax assets	**23.67**	4.48
Deferred tax liabilities	**(60.33)**	(88.23)
Total	**(36.66)**	(83.75)

Significant component of deferred tax assets / (liabilities) and movement during the year are as under:

₹ crores

	As on 01-04-2025	Addition on business combination	Recognised in statement of profit and loss (including OCI)	Other adjustment	As on 31-03-2026
Expenses allowable on payment basis	23.08	-	(11.82)	-	**34.90**
Impact of difference between tax depreciation and depreciation / amortisation charged	(168.00)	-	(6.13)	-	**(161.87)**
Lease liabilities	5.20	-	(17.44)	-	**22.64**
Right-of-use assets	(5.05)	-	15.93	-	**(20.98)**
Other items giving rise to temporary differences	3.94	8.20	1.01	-	**11.13**
MAT credit entitlement	4.66	-	0.39	-	**4.27**
Provision and impairment of receivables	48.14	-	(13.04)	-	**61.18**
Unabsorbed losses	4.28	-	(12.07)	(4.28)	**12.07**
Effect of foreign currency translation	-	-	0.83	-	**-**
Total	**(83.75)**	**8.20**	**(42.34)**	**(4.28)**	**(36.66)**

Notes accompanying the Consolidated Financial Statements (Contd.)

8. TAXATION (Contd.)

Significant component of deferred tax assets / (liabilities) and movement during the year are as under (Contd.):

₹ crores

	As on 01-04-2024	Addition on business combination	Recognised in statement of profit and loss (including OCI)	As on 31-03-2025
Expenses allowable on payment basis	14.63	0.90	(7.55)	23.08
Impact of difference between tax depreciation and depreciation / amortisation charged	(122.16)	(58.30)	(12.46)	(168.00)
Lease liabilities	3.20	0.26	(1.74)	5.20
Right-of-use assets	(2.86)	(0.24)	1.95	(5.05)
Other items giving rise to temporary differences	9.70	0.37	6.13	3.94
MAT credit entitlement	-	3.44	(1.22)	4.66
Provision and impairment of receivables	55.37	0.78	8.01	48.14
Unabsorbed losses and Unabsorbed depreciation	197.86	-	193.58	4.28
Effect of foreign currency translation	-	-	0.07	-
Total	155.74	(52.79)	186.77	(83.75)

Reconciliation of deferred tax assets / (liabilities) net

₹ crores

	As on 31-03-2026	As on 31-03-2025
Opening balance	**(83.75)**	155.74
Tax expense during the year recognised in the consolidated statement of profit and loss from continuing operations	**41.23**	(189.75)
Addition in deferred tax liabilities (net) due to acquisition of business / subsidiary under business combination	**8.20**	(52.79)
Deferred tax on other comprehensive income	**1.11**	2.98
Other adjustment	**(4.28)**	-
Effect of foreign currency translation	**0.83**	0.07
Closing balance	**(36.66)**	(83.75)

9. OTHER NON-CURRENT ASSETS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured, considered good, unless otherwise stated				
Capital advances				
- Secured	**157.30**		34.80	
- Unsecured	**174.21**		56.92	
Less: Adjustment of Government grant (Refer note 4 (d))	**(141.39)**		-	
		190.12		91.72
Statutory and other receivables	**46.97**		11.26	
Less: Provision for statutory receivables	**(0.07)**		(0.07)	
		46.90		11.19
Prepaid expenses		**1.30**		0.05
		238.32		102.96

Notes accompanying the Consolidated Financial Statements (Contd.)

10. INVENTORIES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Raw materials	**721.94**		495.95	
Add: Goods-in-transit	**17.66**		30.76	
		739.60		526.71
Work-in-progress		**533.77**		374.97
Finished goods		**265.30**		198.31
Stock-in-trade (including goods-in-transit)		**38.64**		31.90
Stores, spares, packing materials and loose tools		**6.60**		4.82
		1583.91		1136.71

Note: Mode of valuation of inventories is stated in Note 2.6

11. CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ crores

	Face value per unit in ₹ unless otherwise specified	No. of shares / units		As at 31-03-2026	As at 31-03-2025
		As at 31-03-2026	As at 31-03-2025		
Details of investments:					
A) Quoted investments					
(Measured at fair value through profit and loss)					
Government and trust securities					
Central Government Securities 10.18% GOI 2026 of ₹ 100 each	100	**39000**	-	**0.40**	-
Total (A)				**0.40**	-
B) Unquoted investments					
(Measured at fair value through profit and loss)					
Investments in equity instruments					
1 Nicco Corporation Limited	2	**330390**	330390	**0.01**	0.01
2 JCT Electronics Limited	1	**250000**	250000	**0.00**	0.00
				0.01	0.01
Investments in mutual funds					
1 SBI Liquid Fund - Direct Growth^		**373113**	193590	**160.66**	78.52
2 SBI Overnight Fund - Direct Growth		**6339**	474503	**2.78**	197.07
3 ICICI Prudential Liquid Fund - Direct Plan - Growth		**4850068**	2888242	**197.73**	110.88
4 HDFC Liquid Fund - Direct Plan - Growth		**74080**	98745	**40.08**	50.30
				401.25	436.77
Total (B)				**401.26**	436.78
Total (A+B)				**401.66**	436.78
Notes:					
Quoted investments					
Book value				**0.40**	-
Market value				**0.40**	-
Unquoted investments					
Book value				**401.26**	436.78

^ ₹ 9.98 crores (as at 31 March, 2025 ₹ Nil) is pledged as margin money.

Notes accompanying the Consolidated Financial Statements (Contd.)

12. TRADE RECEIVABLES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured:				
Considered good	**2923.99**		2009.20	
Credit impaired	**54.09**		51.21	
	2978.08		2060.41	
Less: Allowance for credit impairment	**54.09**		51.21	
		2923.99		2009.20
		2923.99		2009.20

Notes:

i) Refer note 27 for trade receivables considered as contract balances.

ii) Refer note 41 for trade receivables from related parties.

Trade receivables ageing schedule:

₹ crores

As at 31 March, 2026	Not due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months -1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed trade receivables – considered good	**1963.36**	**854.07**	**61.68**	**24.50**	**12.83**	**5.43**	**2921.87**
(ii) Undisputed trade receivable – credit impaired	**0.26**	**0.03**	**0.09**	**14.04**	**4.78**	**34.16**	**53.36**
(iii) Disputed trade receivables – considered good	**-**	**0.02**	**2.10**	**-**	**-**	**-**	**2.12**
(iv) Disputed trade receivable – credit impaired	**-**	**0.01**	**0.70**	**-**	**-**	**0.02**	**0.73**
Total	**1963.62**	**854.13**	**64.57**	**38.54**	**17.61**	**39.61**	**2978.08**

₹ crores

As at 31 March, 2025	Not due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months -1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed trade receivables – considered good	1426.20	467.07	72.14	25.94	7.89	9.96	2009.20
(ii) Undisputed trade receivable – credit impaired	0.26	0.34	0.28	7.86	4.01	38.44	51.19
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivable – credit impaired	-	-	-	-	-	0.02	0.02
Total	1426.46	467.41	72.42	33.80	11.90	48.42	2060.41

No trade or other receivables are due from directors or other officers of the Parent Company either severally or jointly with any other person. Details of trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member are given below other than disclosed in note 41(c):

₹ crores

Name of the Company	As at 31-03-2026	As at 31-03-2025
Zetwerk Manufacturing Businesses Private Limited	**0.02**	0.05

Notes accompanying the Consolidated Financial Statements (Contd.)

13. CASH AND CASH EQUIVALENTS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Balances with banks:				
In current accounts (Refer note (b) & (c) below)	**185.59**		409.50	
Fixed deposits with original maturity of less than 3 months (Refer note (c) below)	**115.05**		-	
		300.64		409.50
Cash on hand		**0.02**		0.01
		300.66		409.51

Notes:

(a) As at 31 March, 2026, the Group has undrawn fund based borrowings facilities of ₹ 545 crores (as at 31 March, 2025 ₹ 495.00 crores).

(b) It includes ₹ 1.61 crores balance out of QIP proceeds maintained in a designated monitoring bank account by Parent Company.

(c) ₹ 6.18 crores which is part of current accounts and ₹ 45.01 crores which is part of fixed deposits with original maturity of less than 3 months pertain to amounts held in the accounts opened under Trust and Retention Account agreement entered amongst the one of subsidiary i.e. CG Semi Private Limited, India Semiconductor Mission (ISM), DIC, GSEM and The Hongkong and Shanghai Banking Corporation Limited, India (HSBC). These funds can only be used to make payments of eligible capital expenditure in accordance with the above agreement.

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Earmarked balances with banks for:				
Unpaid dividends (Refer note (a) below)	**0.95**		0.72	
Others (Refer note (b) below)	**14.93**		25.55	
		15.88		26.27
Fixed deposits with original maturity of more than 3 months and up to 12 months (Refer note (c) below)		**711.02**		823.34
		726.90		849.61

Notes:

(a) Amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund (IEPF) as at 31 March, 2026 ₹ 0.00 crores (as at 31 March, 2025 ₹ Nil).

(b) There are restrictions on the bank balances of ₹ 6.31 crores (as at 31 March, 2025 ₹ 6.31 crores) held in separate bank account, opened as per the directives of Enforcement Directorate for the purpose of receiving funds.

The said balance also includes ₹ 8.62 crores held in escrow account towards payments to be made by the subsidiary i.e. Axiro Semiconductor Inc. to Renesas Electronics America Inc for acquisition of fabless semiconductor design business.

As at 31 March, 2025, balance includes Tax deducted at source amounting to ₹ 19.24 crores to be deposited against the interim dividend declared by the Parent Company in financial year 2024-25.

(c) Fixed deposits of ₹ 4.84 crores (as at 31 March, 2025 ₹ 0.32 crores) are held as margin money.

Notes accompanying the Consolidated Financial Statements (Contd.)

15. CURRENT-OTHER FINANCIAL ASSETS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured, considered good, unless otherwise stated:				
Security deposits:				
Considered good	**33.21**		48.79	
Considered doubtful	**0.74**		0.74	
	33.95		49.53	
Less: Allowance for bad and doubtful deposits	**0.74**		0.74	
		33.21		48.79
Fixed deposits with remaining maturity less than 12 months (Refer note (a) below)		**1580.14**		3.21
Unbilled revenue		**6.13**		5.67
Receivable on deconsolidation of HBE Group (Refer note (b) below)		**134.01**		114.85
Derivative instruments				
Fair value through profit and loss (Refer note 44)		**0.13**		-
Other financial assets		**7.39**		16.37
Government grant receivables (Refer note 4 (d))		**29.29**		-
		1790.30		188.89

Notes:

(a) Fixed deposits of ₹ 4.77 crores (as at 31 March, 2025 ₹ 3.08 crores) are held as margin money. It also includes fixed deposits of ₹ 1257.06 crores (as at 31 March, 2025 ₹ Nil) out of QIP proceeds.

(b) HBE refers to erstwhile subsidiaries consisting of CG Holdings Belgium NV (HBE), CG Power Systems Belgium NV (PSBE), CG Sales Networks France SA and CG Power Solutions Saudi Arabia Limited (collectively 'HBE Group'). These subsidiaries are deconsolidated with effect from 01 January, 2020 consequent to the HBE and PSBE being declared bankrupt by the local court.

16. OTHER CURRENT ASSETS

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Unsecured, considered good, unless otherwise stated:				
Advance to suppliers		**121.51**		80.10
Statutory and other receivables*		**153.35**		140.53
Receivable from erstwhile directors	**0.16**		0.16	
Less: Provision for doubtful receivable	**(0.16)**		(0.16)	
		-		-
		274.86		220.63

Note:

* It includes statutory receivables of the Parent Company amounting to ₹ 108.79 crores (as at 31 March, 2025 ₹ 109.53 crores).

Notes accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL

₹ crores

	As at 31-03-2026	As at 31-03-2025
Authorised		
2038000000 equity shares of ₹ 2 each	**407.60**	407.60
(2038000000 equity shares of ₹ 2 each as at 31 March, 2025)		
Issued		
1574963549 equity shares of ₹ 2 each fully paid-up	**314.99**	305.78
(1528911744 equity shares of ₹ 2 each fully paid-up as at 31 March, 2025)		
Subscribed and paid-up		
1574921249 equity shares of ₹ 2 each fully paid-up	**314.99**	305.78
(1528869444 equity shares of ₹ 2 each fully paid-up as at 31 March, 2025)		
Forfeited shares		
42300 equity shares of ₹ 2 each (Amount partly paid-up ₹ 32175)	**0.00**	0.00
(42300 equity shares of ₹ 2 each (Amount partly paid-up ₹ 32175 as at 31 March, 2025)		
	314.99	305.78

Notes:

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

	As at 31-03-2026		As at 31-03-2025	
Authorised equity share capital	**No. of Shares**	**₹ crores**	**No. of Shares**	**₹ crores**
Balance at the beginning of the year	**2038000000**	**407.60**	2038000000	407.60
Balance at the end of the year	**2038000000**	**407.60**	2038000000	407.60

	As at 31-03-2026		As at 31-03-2025	
Issued equity share capital	**No. of Shares**	**₹ crores**	**No. of Shares**	**₹ crores**
Balance at the beginning of the year	**1528911744**	**305.78**	1527375514	305.47
Add: Issued during the year	**46051805**	**9.21**	1536230	0.31
Balance at the end of the year	**1574963549**	**314.99**	1528911744	305.78

	As at 31-03-2026		As at 31-03-2025	
Subscribed and paid-up equity share capital	**No. of Shares**	**₹ crores**	**No. of Shares**	**₹ crores**
Balance at the beginning of the year	**1528869444**	**305.78**	1527333214	305.47
Add: Subscribed during the year	**46051805**	**9.21**	1536230	0.31
Balance at the end of the year	**1574921249**	**314.99**	1528869444	305.78

(i) The Parent Company has issued following equity shares under employee stock option scheme:

During the year, 597260 equity shares of the face value ₹ 2 each per equity share, for an aggregate consideration of ₹ 20.02 crores.

(Previous year, 1536230 equity shares of the face value ₹ 2 each per equity share, for an aggregate consideration of ₹ 32.35 crores).

Notes accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL (Contd.)

(ii) The Parent Company has issued following equity shares by way of Qualified Institutional Placement (QIP):

During the year ended 31 March, 2026, the Parent Company has raised funds amounting to ₹ 3000.00 crores by way Qualified Institutional Placement (QIP) and allotted 45,454,545 equity shares at an issue price ₹ 660.00 per equity share (including a premium of ₹ 658.00 per equity share) on 04 July, 2025.

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c) Details of shareholders holding more than 5 % shares in the Company:

	As at 31-03-2026		As at 31-03-2025	
	%	**No. of Shares**	**%**	**No. of Shares**
Tube Investments of India Limited	**56.29**	**886485532**	57.98	886485532

Notes accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL (Contd.)

(d) Details of shares held by promoters and promoter group:

As at 31 March, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares*	% change during the year
Tube Investments of India Limited	886485532	-	886485532	56.29%	-
M A Murugappan Holdings LLP (Formerly, M A Murugappan Holdings Private Limited)	369530	-	369530	0.02%	-
M A M Arunachalam	220920	-	220920	0.01%	-
M.A.Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	8980	-	8980	0.00%	-
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	125090	-	125090	0.01%	-
M A M Arunachalam (In capacity of karta of HUF)	87300	-	87300	0.01%	-
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai holds shares - Murugappan Arunachalam Children Trust)	47750	-	47750	0.00%	-
Vedika Meyyammai Arunachalam	74350	-	74350	0.00%	-
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M.V.Subbiah, M A A and M M M hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	1785	-	1785	0.00%	-
Valli Annamalai	1000	-	1000	0.00%	-
Lakshmi Chockalingam	44900	-	44900	0.00%	-
Valli Alagappan	500	-	500	0.00%	-
Dhruv M Arunachalam	1480	-	1480	0.00%	-
A Keertika Unnamalai	889	-	889	0.00%	-
Niranthara Alamelu Muthiah	15	-	15	0.00%	-
Kanika Subbiah	-	14850	14850	0.00%	100.00%
Total	887650111	14850	887664961	56.36%	

(*) Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However, total promoter holding is 56.36%.

Notes accompanying the Consolidated Financial Statements (Contd.)

17. EQUITY SHARE CAPITAL (Contd.)

As at 31 March, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares#	% change during the year
Tube Investments of India Limited	886485532	-	886485532	57.98%	-
M A Murugappan Holdings LLP (Formerly, M A Murugappan Holdings Private Limited)	367000	2530	369530	0.02%	0.69%
M A M Arunachalam	220920	-	220920	0.01%	-
M.A.Alagappan	165000	-	165000	0.01%	-
A M Meyyammai	8980	-	8980	0.00%	-
M A M Arunachalam (M A M A & S Arunachalam hold on behalf of Arun Murugappan Children's Trust)	74000	51090	125090	0.01%	69.04%
M A M Arunachalam (In capacity of karta of HUF)	64500	22800	87300	0.01%	35.35%
Sigappi Arunachalam (Sigappi Arun, M A M Arunachalam & A M Meyyammai holds shares - Murugappan Arunachalam Children Trust)	46900	850	47750	0.00%	1.81%
Vedika Meyyammai Arunachalam	71000	3350	74350	0.00%	4.72%
Lakshmi Ramaswamy	7490	-	7490	0.00%	-
Uma Ramanathan	2500	-	2500	0.00%	-
Murugappa & Sons (M.V.Subbiah, M A A and M M M hold shares on behalf of the Firm)	5100	-	5100	0.00%	-
A M M Vellayan Sons P Ltd	1785	-	1785	0.00%	-
Valli Annamalai	1000	-	1000	0.00%	-
Lakshmi Chockalingam	44900	-	44900	0.00%	-
Valli Alagappan	500	-	500	0.00%	-
Dhruv M Arunachalam	200	1280	1480	0.00%	640.00%
A Keertika Unnamalai	155	734	889	0.00%	473.55%
Niranthara Alamelu Muthiah	-	15	15	0.00%	100.00%
Total	887567462	82649	887650111	58.06%	

(#) Due to smaller number of shares in case of certain promoters, in percentage terms it is resulting to 0.00%. However, total promoter holding is 58.06%.

Notes accompanying the Consolidated Financial Statements (Contd.)

18. OTHER EQUITY

₹ crores

	As at 31-03-2026	As at 31-03-2025
Retained earnings	**2684.33**	1679.37
General reserve	**418.46**	418.46
Capital reserve	**671.65**	671.65
Capital reserve on consolidation	**3.58**	3.58
Capital redemption reserve	**12.95**	12.95
Securities premium	**3757.06**	761.28
Share options outstanding account	**67.28**	33.74
Foreign currency translation reserve	**40.34**	(38.75)
Effective portion of cash flow hedge	**(0.16)**	(4.11)
	7655.49	3538.17

Refer the consolidated statement of changes in equity for detailed movement in balances.

(a) Dividend paid and proposed:

The Company has declared and paid interim dividend of ₹ 1.30 per share, resulting in a dividend payout of ₹ 204.74 crores for the financial year 2025-26 (previous year ₹ 1.30 per share, resulting in a dividend payout of ₹ 198.75 crores).

(b) Nature and purpose of items in other equity:

(i) Retained earnings:

Retained earnings are the profits that the Group has earned till date and includes any transfers to general reserve, dividends or other distributions paid to the shareholders.

(ii) General reserve:

General reserve comprises of transfer of profits from retained earnings for appropriation purpose, the reserves can be distributed / utilised by the Group in accordance with the provisions of the Companies Act, 2013.

(iii) Capital reserve:

Capital reserve mainly represents the amount recognised on demerger of consumer product business and can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Capital reserve on consolidation:

Capital reserve on consolidation is on account of subsidiaries acquired.

(v) Capital redemption reserve:

Capital redemption reserve was created on buy back of shares. The Company may issue bonus shares to its members out of the capital redemption reserve.

(vi) Securities premium:

Securities premium reserve is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(vii) Share options outstanding account:

Share options outstanding account represents fair value of the options granted which is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

Notes accompanying the Consolidated Financial Statements (Contd.)

18. OTHER EQUITY (Contd.)

(viii) Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(ix) Effective portion of cash flow hedge:

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to the consolidated statement profit and loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

19. NON-CURRENT - BORROWINGS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Secured		
Term loan from bank (Refer note (a) below)	**0.17**	0.26
	0.17	0.26

Note:

(a) The term loan of ₹ 0.26 crores are repayable in 60 equal monthly instalments and are secured by hypothecation of vehicle. The said loan carries interest rate of 8.60% per annum. (Current maturity of the said loan is ₹ 0.09 crores) Refer note 22.

20. NON-CURRENT - OTHER FINANCIAL LIABILITIES

₹ crores

	As at 31-03-2026	As at 31-03-2025
Security deposits payable	**41.15**	26.17
Other payables	**3.66**	-
	44.81	26.17

21. NON-CURRENT - PROVISIONS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Provision for gratuity (Refer note 38 (b))	**25.19**	8.65
Provision for leave encashment	**-**	0.28
Other provisions (Refer note 26 (a))	**54.23**	38.91
	79.42	47.84

22. CURRENT - BORROWINGS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Secured		
Current maturities of term loan from bank (Refer note 19)	**0.09**	0.08
	0.09	0.08

Notes accompanying the Consolidated Financial Statements (Contd.)

23. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Due to micro enterprises and small enterprises		**261.20**		162.34
Total outstanding dues of creditors other than micro enterprises and small enterprises:				
Acceptances	**692.52**		435.38	
Due to other than micro enterprises and small enterprises	**1514.72**		1283.47	
		2207.24		1718.85
		2468.44		1881.19

Note: Refer note 41 for trade payables to related parties.

Trade payables ageing schedule:

₹ crores

As at 31 March, 2026	Not due/ Unbilled	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed dues of micro enterprises and small enterprises	**240.43**	**20.61**	**0.07**	**0.02**	**0.07**	**261.20**
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	**1701.87**	**441.58**	**40.91**	**2.66**	**20.22**	**2207.24**
(iii) Disputed dues of micro enterprises and small enterprises	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1942.30**	**462.19**	**40.98**	**2.68**	**20.29**	**2468.44**

₹ crores

As at 31 March, 2025	Not due/ Unbilled	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed dues of micro enterprises and small enterprises	160.21	2.05	-	0.04	0.04	162.34
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	1370.80	324.23	3.45	2.13	18.24	1718.85
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	1531.01	326.28	3.45	2.17	18.28	1881.19

Notes accompanying the Consolidated Financial Statements (Contd.)

23. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES (Contd.)

Supplier finance arrangements:

The Group participates in a supplier finance arrangement (SCF) with the bank. Under this arrangement, the bank pays amount to participating suppliers on behalf of the Group in respect of invoices raised on the Group before its due date.

If suppliers choose to receive early payment, they pay a fee to the banks. In order for the banks to pay the invoices, the goods must have been received or supplied and the invoices approved by the Group.

The Group settles the original invoice by paying the banks in line with the original invoice maturity date.

The Group provides no security to the banks and have no recourse on the Group and there is no change in the Group's original obligation towards the suppliers.

₹ crores

Particulars	As at 31-03-2026	As at 31-03-2025
Carrying amount of financial liabilities that are part of supplier finance arrangement for which payment received by suppliers from finance provider	**692.52**	435.33

24. CURRENT- OTHER FINANCIAL LIABILITIES

₹ crores

	As at 31-03-2026	As at 31-03-2025
Interest-free sales tax deferral loans from State Government	**0.12**	0.12
Capital creditors	**117.43**	92.32
Investor Education and Protection Fund:		
Unclaimed dividend (Refer note (a) below)	**0.95**	0.72
Security deposits	**14.21**	14.80
Derivative instruments		
Fair valuation through profit and loss (Refer note 45)	**-**	0.21
Fair valuation through other comprehensive income (Refer note 55)	**0.17**	4.45
Due to directors (Refer note 41)	**0.90**	1.76
Liability on deconsolidation HBE Group (Refer note (b) below)	**211.70**	188.08
Other payables (Refer note (c) below)	**213.06**	146.87
	558.54	449.33

Notes :

(a) Amount of unclaimed dividend due to be transferred to Investor Education and Protection Fund (IEPF) as at 31 March, 2026 ₹ 0.00 crores (as at 31 March, 2025 ₹ Nil).

(b) HBE refers to erstwhile subsidiaries consisting of CG Holdings Belgium NV (HBE), CG Power Systems Belgium NV (PSBE), CG Sales Networks France SA and CG Power Solutions Saudi Arabia Limited (collectively 'HBE Group'). These subsidiaries are deconsolidated with effect from 01 January, 2020 consequent to the HBE and PSBE being declared bankrupt by the local court.

(c) Major items pertains to provision towards guarantee, employee related payables including incentives, liability towards fund received as per directions of Enforcement Directorate and balance held in escrow account towards payments to be made by the subsidiary for acquisition of fabless semiconductor design business (Refer note 14(b)).

Notes accompanying the Consolidated Financial Statements (Contd.)

25. OTHER CURRENT LIABILITIES

₹ crores

	As at 31-03-2026		As at 31-03-2025	
Advances from customers (Refer note 27)		**706.40**		410.17
Billing in excess of contract revenue (Refer note 27)		**16.66**		27.42
Other payables:				
Statutory liabilities	**58.66**		73.27	
Others	**26.13**		23.81	
		84.79		97.08
		807.85		534.67

26. SHORT-TERM PROVISIONS

₹ crores

	As at 31-03-2026	As at 31-03-2025
Provision for gratuity (Refer note 38 (b))	**19.13**	12.22
Provision for leave encashment	**49.56**	34.40
Other provisions (Refer note below)	**172.88**	169.32
	241.57	215.94

Notes:

(a) Movement in other provisions:

₹ crores

	Warranties		Provision for tax related litigations		Other litigation claims		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Carrying amount at the beginning of the year	**126.20**	101.57	**54.26**	54.72	**27.77**	31.00	**208.23**	187.29
Addition due to acquisition of subsidiary	**-**	0.39	**-**	-	**-**	-	**-**	0.39
Additional provision made during the year (net of reversal / utilisation)	**34.19**	23.99	**(16.97)**	(0.46)	**0.89**	(3.23)	**18.11**	20.30
Effect of foreign currency translation	**0.77**	0.25	**-**	-	**-**	-	**0.77**	0.25
Carrying amount at the end of the year	**161.16**	126.20	**37.29**	54.26	**28.66**	27.77	**227.11**	208.23
Non-current (Refer note 21)	**54.23**	38.91	**-**	-	**-**	-	**54.23**	38.91
Current (Refer note 26)	**106.93**	87.29	**37.29**	54.26	**28.66**	27.77	**172.88**	169.32
Total	**161.16**	126.20	**37.29**	54.26	**28.66**	27.77	**227.11**	208.23

(b) Nature of other provisions:

(i) Product warranties: The Group gives warranties on certain products and services in the nature of repairs / replacement, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligation on account of rectification / replacement. The timing of outflows is generally expected to be within a period of two years from the date of balance sheet.

(ii) Provision for tax related litigations include liability on account of non-collection of declaration forms and other legal matters related to Sales Tax, Excise Duty, Custom Duty, Service Tax and Goods & Service Tax which are in appeal under the relevant Act / Rules. The above provision represents expected future outflows relating to various tax related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

(iii) Provision for other litigation related obligations represents estimated liabilities that are expected to materialise in respect of other matters under litigation. The above provision represents expected future outflows relating to litigation related matters, timing of which cannot be ascertained. The assumptions used to calculate the provisions are based on past experience of similar matters and professional consultations.

Notes accompanying the Consolidated Financial Statements (Contd.)

27. REVENUE FROM OPERATIONS

₹ crores

	2025-26		2024-25	
Sale of products	**11757.22**		9590.25	
Sale of services	**262.46**		87.79	
Construction contracts	**260.00**		136.68	
		12279.68		9814.72
Other operating income - scrap sales and other recoveries		**138.27**		93.94
		12417.95		9908.66

Revenue from contracts with customers

₹ crores

	2025-26	2024-25
Revenue reconciliation		
Revenue as per contracted price	**12634.95**	10070.46
Less: **Adjustments**		
Discounts	**116.85**	108.92
Others (includes liquidated damages)	**100.15**	52.88
Revenue recognised as per the consolidated statement of profit and loss	**12417.95**	9908.66

₹ crores

	2025-26	2024-25
Revenue recognised in current year from		
Amount included in contract liability at the beginning of the year	**213.71**	198.79
Performance obligations satisfied in previous periods	**-**	-

₹ crores

	2025-26	2024-25
Revenue from contracts with customers		
Power Systems Business	**5135.51**	3505.94
Industrial Systems Business	**6745.43**	6375.65
Semiconductors	**502.77**	-
Others	**34.24**	27.07
Total	**12417.95**	9908.66

₹ crores

	2025-26	2024-25
Timing of revenue recognition		
Revenue recognised at a point in time	**12157.95**	9771.98
Revenue recognised over a period of time	**260.00**	136.68
Total	**12417.95**	9908.66

Notes accompanying the Consolidated Financial Statements (Contd.)

27. REVENUE FROM OPERATIONS (Contd.)

₹ crores

	As at 31-03-2026	As at 31-03-2025
Contract balances		
Trade receivables	**2923.99**	2009.20
Contract assets	**0.57**	0.90
Contract liabilities:		
Advances from customers	**706.40**	410.17
Billing in excess of contract revenue	**16.66**	27.42

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group satisfies the performance obligation.

28. OTHER INCOME

₹ crores

	2025-26	2024-25
Interest income from:		
Deposits with banks	**162.13**	57.47
On income tax refund	**10.38**	0.41
Others	**14.04**	13.87
Gain on sale of investments (net)	**33.89**	36.10
Fair value gain on financial instruments at fair value through profit and loss	**7.37**	3.88
Exchange gain (net)	**4.13**	3.93
Other non-operating income:		
Income from business service centers (Refer note 37)	**2.31**	3.43
Liabilities no longer required written back	**-**	31.28
Miscellaneous income	**10.02**	11.80
	244.27	162.17

29. COST OF MATERIALS CONSUMED

₹ crores

	2025-26	2024-25
Opening inventories	**526.71**	356.84
Add: Addition on account of business combination	**0.66**	41.72
Add: Purchases	**8546.90**	6890.46
Less: Closing inventories	**739.60**	526.71
	8334.67	6762.31

Notes accompanying the Consolidated Financial Statements (Contd.)

30. PURCHASES OF STOCK-IN-TRADE

₹ crores

	2025-26	2024-25
Purchases of stock-in-trade	**426.05**	359.32
	426.05	359.32

31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ crores

	2025-26		2024-25	
Closing inventories:				
Finished goods	**265.30**		198.31	
Work-in-progress	**533.77**		374.97	
Stock-in-trade	**38.64**		31.90	
		837.71		605.18
Opening inventories:				
Finished goods	**198.31**		131.84	
Work-in-progress	**374.97**		242.19	
Stock-in-trade	**31.90**		16.73	
		605.18		390.76
Addition on account of business combination				
Finished goods	**7.12**		0.47	
Work-in-progress	**30.85**		18.51	
		37.97		18.98
(Increase) / decrease in inventories				
Finished goods	**(59.87)**		(66.00)	
Work-in-progress	**(127.95)**		(114.27)	
Stock-in-trade	**(6.74)**		(15.17)	
Net (increase) / decrease in inventories		**(194.56)**		(195.44)

32. EMPLOYEE BENEFITS EXPENSE

₹ crores

	2025-26	2024-25
Salaries, wages and bonus	**757.68**	486.32
Contribution to provident and other funds (Refer note 38 (a))	**81.16**	52.42
Gratuity expenses (Refer note 38 (b))	**10.81**	6.43
Share based payment expense (Refer note 39)	**49.46**	22.90
Staff welfare expenses	**52.47**	44.70
	951.58	612.77

33. FINANCE COSTS

₹ crores

	2025-26	2024-25
Interest expenses	**5.03**	5.40
Interest on lease liabilities (Refer note 37)	**7.14**	1.69
	12.17	7.09

Notes accompanying the Consolidated Financial Statements (Contd.)

34. DEPRECIATION AND AMORTISATION EXPENSE

₹ crores

	2025-26	2024-25
Depreciation of property, plant and equipment (Refer note 4)*	**139.42**	83.36
Amortisation of intangible assets (Refer note 5)	**56.17**	28.48
	195.59	111.84

Note:

* Includes depreciation of ROU assets ₹ 36.08 crores (previous year ₹ 11.41 crores)

35. OTHER EXPENSES

₹ crores

	2025-26	2024-25
Consumption of stores and spares	**43.32**	39.19
Power and fuel	**55.85**	46.84
Rent	**20.40**	17.37
Repairs to buildings	**6.48**	5.38
Repairs to machinery	**34.27**	29.45
Repairs - others	**11.79**	8.04
Insurance	**13.65**	9.09
Rates and taxes	**1.59**	11.25
Freight and forwarding	**178.51**	148.92
Packing materials	**72.44**	65.25
After sales services including warranties	**96.61**	86.64
Travelling and conveyance	**33.58**	29.32
Sales promotion	**22.69**	15.57
Bank charges	**12.38**	13.95
Sub contracting charges	**207.07**	185.71
Directors' sitting fees	**0.73**	0.61
Loss on sale of property, plant and equipment (net)	**3.15**	0.54
Allowance for doubtful debts and advances (net)	**3.86**	2.49
Donation to trust*	**-**	20.00
Legal and professional charges	**152.00**	124.70
Miscellaneous expenses	**304.55**	204.66
	1274.92	1064.97

* Donation given to Triumph Electoral Trust in previous year.

Notes accompanying the Consolidated Financial Statements (Contd.)

36. CONTINGENT LIABILITIES AND COMMITMENTS

a) Matters wherein management has concluded the Group's liability to be probable have accordingly been provided for in the books. (Refer note 26).

b) Matters wherein management has concluded the Group's liability to be possible have accordingly been disclosed under Note A, Contingent liabilities below.

c) Matters wherein management is confident of succeeding in these litigations and have concluded the Group's liability to be remote. This is based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

₹ crores

		As at 31-03-2026	As at 31-03-2025
A.	**Contingent liabilities (Refer notes below):** (to the extent not provided for)		
	(a) Claims against the Group not acknowledged as debts (Refer note (i) below)	**3.74**	3.74
	(b) Sales tax / VAT / goods and service tax liability that may arise in respect of matters in appeal (Refer note (iii) below)	**2.44**	3.94
	(c) Excise duty / custom duty / service tax liability that may arise in respect of matters in appeal (Refer note (iv) below)	**8.06**	8.78
	(d) Income tax liability that may arise in respect of matters in appeal related to subsidiaries (Refer note (v) and (vii) below for matters related to Parent Company)	**0.19**	0.89
B.	**Commitments:**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) (Refer note (vi) below)	**1531.69**	631.47

Notes:

(i) From time to time, the Group is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Group.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at A(a) to A(d) above, pending resolution of the arbitration / appellate proceedings.

(iii) Sales tax / VAT / goods and service tax cases include disputes pertaining to disallowances of input tax credit and non-submission of various forms with authorities.

(iv) Excise duty / custom duty / service tax cases include disputes pertaining to inadmissibility of cenvat credit, short payment of service tax on work contracts, refund of excise duty on export of transformers, interest payment on provisional assessment cases, etc.

(v) The Parent Company had received Assessment Order dated 27 February, 2024 under section 143(3) of the Income Tax Act, 1961, pertaining to financial year 2021-22. As per Assessment Order, tax demand payable is ₹ 188.79 crores. The Parent Company has filed appeal before Commissioner of Income Tax (Appeals). Considering the facts, demand raised is mainly on account of disallowance of claims for settlement of corporate guarantee and non-granting of set-off tax losses. The management strongly believes that the demand is not sustainable, bad in law and will be reversed at appellate levels. The Parent Company has obtained stay on tax demand by paying ₹ 4.89 crores, as per stay order issued by the Deputy commissioner of Income tax.

During the year, the Parent Company had received Final Assessment Order for financial year 2020-21. As per Assessment Order, the tax demand payable is ₹ 484.40 crores. Aggrieved by the said order, the Parent Company has filed appeal before the Hon'ble Income Tax Appellate Tribunal (ITAT). The management strongly believes that the demand is not sustainable, bad in law and will be reversed at appellate levels. The Parent Company has obtained stay on tax demand by paying ₹ 93.55 crores, as per stay order issued by the Deputy commissioner of Income tax.

Refer note 8 for details in relation to assessment of revised income tax returns based on the re-casted / revised accounts.

(vi) Above commitments include ₹ 1038.74 crores of one of the subsidiary i.e. CG Semi Private Limited represents the full amount of the purchase order issued to vendors. However, the subsidiary's actual capital commitments on eligible purchase which orders (as per Fiscal Support Agreement) is only 30% of the value of eligible purchase orders.

(vii) Contingent liabilities for Income tax cases for Parent Company pertains to disallowance of expenses amounting to ₹ 0.56 crores (as at 31 March, 2025 ₹ 0.56 crores)

Notes accompanying the Consolidated Financial Statements (Contd.)

37. LEASES

(i) Group as a lessee

The Group has lease contracts for various items of land, buildings, office equipment, plant and machinery and vehicles used in its operation. Lease of land generally have lease terms between 10 to 99 years while buildings, office equipments, plant and machinery and vehicles generally have lease terms between 2 to 9 years. The Group's obligation under the lease is secured by the lessor's title to leased assets.

Set out below are the carrying amounts of right of use assets and lease liabilities included under financial liabilities and the movements during the year.

Movement in net carrying value of right of use assets

₹ crores

	Land	Buildings	Office equipment	Plant and machinery	Vehicles	Total
Opening balances as at 01-04-2024	**130.19**	**8.77**	**-**	**-**	**4.63**	**143.59**
Add: Additions	7.74	23.63	5.19	-	6.71	43.27
Add: Acquisition of subsidiary	-	0.85	-	-	-	0.85
Less: Deletion	-	(3.59)	-	-	(0.17)	(3.76)
Less: Depreciation	(2.12)	(6.89)	(0.10)	-	(2.30)	(11.41)
Add: Effect of foreign currency translation	-	0.27	-	-	0.33	0.60
Closing balances as at 31-03-2025	**135.81**	**23.04**	**5.09**	**-**	**9.20**	**173.14**
Add: Additions	**0.41**	**61.36**	**6.44**	**0.30**	**4.10**	**72.61**
Add: Acquisition of business	**-**	**27.82**	**-**	**-**	**-**	**27.82**
Less: Deletion	**-**	**-**	**-**	**-**	**(0.16)**	**(0.16)**
Less: Depreciation	**(2.35)**	**(26.78)**	**(2.41)**	**(0.02)**	**(4.52)**	**(36.08)**
Add: Effect of foreign currency translation	**-**	**4.94**	**-**	**-**	**1.66**	**6.60**
Closing balances as at 31-03-2026	**133.87**	**90.38**	**9.12**	**0.28**	**10.28**	**243.93**

Movement in lease liabilities during the year

₹ crores

	2025-26	2024-25
Opening balance	**40.63**	17.44
Add: Additions	**72.61**	35.53
Add: Acquisition of business / subsidiary	**26.34**	0.95
Add: Accretion of interest	**7.14**	1.69
Less: Payments	**(34.62)**	(11.23)
Less: Termination of lease	**(0.16)**	(4.14)
Add: Effect of foreign currency translation	**6.19**	0.39
Closing balance	**118.13**	40.63

Breakup of lease liabilities

₹ crores

	As at 31-03-2026	As at 31-03-2025
Non-current lease liabilities	**84.82**	26.97
Current lease liabilities	**33.31**	13.66
Total	**118.13**	40.63

Notes accompanying the Consolidated Financial Statements (Contd.)

37. LEASES (Contd.)

Amounts recognised in the consolidated statement of profit and loss

₹ crores

	2025-26	2024-25
Other expenses		
Expenses related to short-term leases, low value assets and variable lease rent (included in other expenses) (Refer note 35)	**20.40**	17.37
Finance costs		
Interest expense on lease liabilities (Refer note 33)	**7.14**	1.69
Depreciation and amortisation expense		
Depreciation of ROU assets (Refer note 4)	**36.08**	11.41

Amounts recognised in the consolidated statement of cash flows

₹ crores

	2025-26	2024-25
Total cash outflow for leases (includes interest for ₹ 7.14 crores, (previous year ₹ 1.69 crores))	**34.62**	11.23

Contractual maturities of lease liabilities on an undiscounted basis

₹ crores

	As at 31-03-2026	As at 31-03-2025
Less than 1 year	**39.58**	15.89
1 - 5 years	**90.92**	27.33
More than 5 years	**7.09**	4.88
Total	**137.59**	48.10

(ii) Group as a lessor

Amounts recognised in the consolidated statement of profit and loss

₹ crores

	2025-26	2024-25
Other income		
Non-operating lease income (Refer note 28)	**2.31**	3.43

Note:

Non-operating lease income is in respect of lease of buildings.

Notes accompanying the Consolidated Financial Statements (Contd.)

38. EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 81.16 crores (previous year ₹ 52.42 crores) is recognised as an expense and included in employee benefits expense as under:

₹ crores

Benefits (Contribution to)	2025-26	2024-25
Provident fund	**23.89**	17.43
Superannuation fund	**3.91**	4.06
Employee state insurance scheme	**0.13**	0.21
Labour welfare scheme	**0.01**	0.02
National pension scheme	**2.42**	1.73
Family pension	**50.80**	28.97
Total	**81.16**	52.42

(b) Defined benefit plans:

Gratuity:

Under the Gratuity plan operated by the Group, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per the Payment of Gratuity Act, 1972.

The following table summarizes the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the consolidated balance sheet.

₹ crores

		Gratuity (Funded)	
		2025-26	2024-25
I	**Change in present value of defined benefit obligation during the year**		
1	Present value of defined benefit obligation at the beginning of the year	**80.44**	65.03
2	Addition due to acquisition of business / subsidiary	**0.57**	3.78
3	Interest cost	**6.16**	4.81
4	Current service cost	**8.93**	5.14
5	Past service cost	**24.24**	-
6	Benefits paid	**(7.94)**	(8.46)
7	Actuarial changes arising from changes in demographic assumptions	**-**	(0.17)
8	Actuarial changes arising from changes in financial assumptions	**(0.98)**	9.20
9	Actuarial changes arising from changes in experience adjustments	**5.87**	1.11
10	Present value of defined benefit obligation at the end of the year	**117.29**	80.44
II	**Change in fair value of plan assets during the year**		
1	Fair value of plan assets at the beginning of the year	**59.57**	48.73
2	Addition due to acquisition of business / subsidiary	**-**	0.03
3	Interest income	**4.28**	3.52
4	Contributions paid by the employer	**16.81**	16.28
5	Benefits paid from the fund	**(7.27)**	(8.19)
6	Return on plan assets excluding interest income	**(0.42)**	(0.80)
7	Fair value of plan assets at the end of the year	**72.97**	59.57

Notes accompanying the Consolidated Financial Statements (Contd.)

38. EMPLOYEE BENEFITS (Contd.)

₹ crores

		Gratuity (Funded)	
		2025-26	2024-25
III	**Net asset / (liability) recognised in the consolidated balance sheet**		
1	Present value of defined benefit obligation at the end of the year	**(117.29)**	(80.44)
2	Fair value of plan assets at the end of the year	**72.97**	59.57
3	Amount recognised in the balance sheet	**(44.32)**	(20.87)
4	Net (liability) / asset - Current	**(19.13)**	(12.22)
5	Net (liability) / asset - Non-current	**(25.19)**	(8.65)
IV	**Expenses recognised in the consolidated statement of profit and loss for the year**		
1	Current service cost	**8.93**	5.14
2	Interest cost on benefit obligation (net)	**1.88**	1.29
3	Past service cost	**24.24**	-
4	Total expenses	**35.05**	6.43
V	**Recognised in other comprehensive income for the year**		
1	Actuarial changes arising from changes in demographic assumptions	**-**	(0.17)
2	Actuarial changes arising from changes in financial assumptions	**(0.98)**	9.20
3	Actuarial changes arising from changes in experience adjustments	**5.87**	1.11
4	Return on plan assets excluding interest income	**0.42**	0.80
5	Recognised in other comprehensive income	**5.31**	10.94
VI	**Maturity profile of defined benefit obligation on an undiscounted basis**		
1	Within the next 12 months (next annual reporting period)	**18.23**	13.03
2	Between 2 and 5 years	**54.35**	37.81
3	Between 6 and 10 years	**47.88**	31.78
4	More than 10 years	**58.77**	34.16
VII	**Quantitative sensitivity analysis for significant assumption is as below:**		
1	**Increase/(decrease) on present value of defined benefits obligation at the end of the year**		
	(i) One percentage point increase in discount rate	**(11.65)**	(7.68)
	(ii) One percentage point decrease in discount rate	**13.16**	8.45
	(i) One percentage point increase in rate of salary increase	**12.81**	8.27
	(ii) One percentage point decrease in rate of salary increase	**(11.72)**	(7.67)
	(i) One percentage point increase in employee turnover rate	**(7.80)**	(5.04)
	(ii) One percentage point decrease in employee turnover rate	**8.09**	5.09
2	**Sensitivity Analysis Method**		
	Sensitivity analysis has been determined based on reasonably possible changes of respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.		
VIII	**The major categories of plan assets as a percentage of total plan assets**		
	Insurer managed funds	**100%**	100%
IX	**Weighted average duration of the defined benefit obligation (in years)**	**6-10**	6-10

Notes accompanying the Consolidated Financial Statements (Contd.)

38. EMPLOYEE BENEFITS (Contd.)

₹ crores

		Gratuity (Funded)	
		2025-26	2024-25
X	**Actuarial assumptions**		
1	Discount rate	**7.00% - 7.35% p.a.**	6.70% - 6.80% p.a.
2	Salary escalation	**5.50% - 10.00% p.a.**	5.50% - 9.50% p.a.
3	Mortality rate during employment	**Indian Assured Lives Mortality (2012-14) Urban**	Indian Assured Lives Mortality (2012-14) Urban
4	Rate of employee turnover	**up to 12.00% p.a.**	up to 12.00% p.a.

₹ crores

	2025-26	2024-25
Expected contribution to the defined benefit plan for the next annual reporting period	**19.13**	12.29

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2026 and as at 31 March, 2025. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(iv) **Risk analysis:**

Interest rate risk: A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

c) Leave Encashment:

The assumptions used for computing accumulated leave encashment on actuarial basis are as follows:

Actuarial assumptions		2025-26	2024-25
1	Discount rate	**7.00% - 7.35% p.a.**	6.70% - 6.80% p.a.
2	Salary escalation	**5.50% - 10.00% p.a.**	5.50% - 9.50% p.a.
3	Mortality rate during employment	**Indian Assured Lives Mortality (2012-14) Urban**	Indian Assured Lives Mortality (2012-14) Urban
4	Rate of employee turnover	**up to 12.00% p.a.**	up to 12.00% p.a.

Notes accompanying the Consolidated Financial Statements (Contd.)

39. STOCK OPTIONS

Equity Settled Options :

A. CG Power and Industrial Solutions Limited

During the year, 1378940 (previous year 1781380) stock options (net-off cancellations / lapsed) were granted to eligible employees at the rate of one stock option of the Parent Company for every stock option held and outstanding in the Parent Company.

In this regard, the Parent Company has recognised expense amounting to ₹ 42.60 crores (previous year ₹ 22.90 crores) for employees services received during the year, shown under employee benefits expenses (Refer note 32).

The movement of stock options are given below:

Date of grant	Options outstanding as at 01-04-2025	During the year 2025-26			Options outstanding as at 31-03-2026	Options vested but not exercised as at 31-03-2026
		Options granted	Options cancelled / lapsed	Options exercised and allotted		
18-Nov-21	**371520**	**-**	**101640**	**269880**	**-**	**-**
08-May-23	**500000**	**-**	**-**	**-**	**500000**	**500000**
08-May-23	**208300**	**-**	**166640**	**41660**	**-**	**-**
27-Jul-23	**416600**	**-**	**124980**	**83320**	**208300**	**83320**
30-Dec-23	**91200**	**-**	**-**	**91200**	**-**	**-**
25-Jul-24	**900000**	**-**	**-**	**-**	**900000**	**180000**
21-Oct-24	**715000**	**-**	**487000**	**-**	**228000**	**76000**
28-Jan-25	**390000**	**-**	**200000**	**2000**	**188000**	**36000**
18-Mar-25	**190000**	**-**	**-**	**-**	**190000**	**38000**
06-May-25	**-**	**1500000**	**310800**	**109200**	**1080000**	**-**
24-Jul-25	**-**	**480000**	**-**	**-**	**480000**	**-**
29-Oct-25	**-**	**400000**	**-**	**-**	**400000**	**-**
01-Nov-25	**-**	**110000**	**-**	**-**	**110000**	**-**
27-Jan-26	**-**	**280000**	**-**	**-**	**280000**	**-**

Date of grant	Options outstanding as at 01-04-2024	During the year 2024-25			Options outstanding as at 31-03-2025	Options vested but not exercised as at 31-03-2025
		Options granted	Options cancelled / lapsed	Options exercised and allotted		
18-Nov-21	1299020	-	69120	858380	371520	168240
26-Dec-22	453140	-	-	453140	-	-
08-May-23	679710	-	-	179710	500000	500000
08-May-23	416600	-	208300	-	208300	41660
27-Jul-23	416600	-	-	-	416600	83320
30-Dec-23	272400	-	136200	45000	91200	91200
25-Jul-24	-	900000	-	-	900000	-
21-Oct-24	-	715000	-	-	715000	-
28-Jan-25	-	390000	-	-	390000	-
18-Mar-25	-	190000	-	-	190000	-

Notes accompanying the Consolidated Financial Statements (Contd.)

39. STOCK OPTIONS (Contd.)

Details of stock options granted as at 31 March, 2026 are given below:

Date of grant	Exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vesting period	Weighted average remaining contractual life (in years)
18-Nov-21	156.20	1834100	449300	1384800	-	-	-	-
08-May-23	305.55	679710	-	179710	500000	-	1 Year	3.11
08-May-23	305.55	416600	374940	41660	-	-	-	-
27-Jul-23	400.45	416600	124980	83320	83320	124980	1 to 4 Years	5.03
30-Dec-23	454.40	272400	136200	136200	-	-	-	-
25-Jul-24	697.10	900000	-	-	180000	720000	1 to 4 Years	6.02
21-Oct-24	819.00	715000	487000	-	76000	152000	1 to 4 Years	5.98
28-Jan-25	595.45	390000	200000	2000	36000	152000	1 to 4 Years	6.55
18-Mar-25	610.10	190000	-	-	38000	152000	1 to 4 Years	6.67
06-May-25	635.10	1500000	310800	109200	-	1080000	1 to 4 Years	6.80
24-Jul-25	682.95	480000	-	-	-	480000	1 to 4 Years	7.02
29-Oct-25	722.50	400000	-	-	-	400000	1 to 4 Years	7.29
01-Nov-25	736.65	110000	-	-	-	110000	1 to 4 Years	7.29
27-Jan-26	549.10	280000	-	-	-	280000	1 to 4 Years	7.53

Details of stock options granted as at 31 March, 2025 are given below:

Date of grant	Exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vesting period	Weighted average remaining contractual life (in years)
18-Nov-21	156.20	1834100	347660	1114920	168240	203280	1 to 4 Years	5.04
26-Dec-22	251.65	453140	-	453140	-	-	-	-
08-May-23	305.55	679710	-	179710	500000	-	1 Year	4.11
08-May-23	305.55	416600	208300	-	41660	166640	1 to 4 Years	5.81
27-Jul-23	400.45	416600	-	-	83320	333280	1 to 4 Years	6.03
30-Dec-23	454.40	272400	136200	45000	91200	-	1 Year	4.76
25-Jul-24	697.10	900000	-	-	-	900000	1 to 4 Years	7.02
21-Oct-24	819.00	715000	-	-	-	715000	1 to 4 Years	7.26
28-Jan-25	595.45	390000	-	-	-	390000	1 to 4 Years	7.53
18-Mar-25	610.10	190000	-	-	-	190000	1 to 4 Years	7.67

The following table list the input to the Black Scholes Model used for the plans for the year ended 31 March, 2026:

Date of grant	Risk free rate (%) p.a.	Expected life (in years)	Expected volatility of share price (%)	Dividend yield	Fair value of the options
18-Nov-21	3.81 - 5.36	1 - 4	47.82 - 56.02	-	31.98 - 73.22
08-May-23	6.82	3.51	48.46	0.49	127.22
08-May-23	6.82 - 6.93	3.51 - 6.51	46.26 - 48.46	0.49	127.22 - 165.75
27-Jul-23	6.93 - 7.01	3.51 - 6.51	46.75 - 57.02	0.37	164.56 - 236.56
30-Dec-23	7.01 - 7.04	3.51 - 4.51	42.77 - 51.54	0.33	175.65 - 224.20
25-Jul-24	6.77 - 6.83	3.50 - 6.50	38.10 - 50.85	0.19	252.88 - 406.34
21-Oct-24	6.60 - 6.70	3.50 - 6.50	36.94 - 50.56	0.16	290.16 - 477.52
28-Jan-25	6.50 - 6.57	3.50 - 6.50	37.27 - 49.39	0.22	210.41 - 339.67
18-Mar-25	6.49 - 6.55	3.50 - 6.50	37.62 - 51.64	0.21	216.84 - 356.63
06-May-25	5.95 - 6.02	3.50 - 6.50	36.96 - 51.64	0.20	218.71 - 366.33
24-Jul-25	5.83 - 6.15	3.50 - 6.50	36.25 - 51.19	0.19	231.36 - 393.86
29-Oct-25	5.98 - 6.36	3.50 - 6.50	35.07 - 47.12	0.18	241.32 - 400.55
01-Nov-25	6.00 - 6.39	3.50 - 6.50	34.89 - 47.11	0.18	245.48 - 408.87
27-Jan-26	6.11 - 6.56	3.50 - 6.50	34.08 - 45.65	0.24	180.30 - 299.44

Notes accompanying the Consolidated Financial Statements (Contd.)

39. STOCK OPTIONS (Contd.)

B. Axiro Semiconductor Private Limited

During the year, 53683533 stock options (net-off cancellations / lapsed) were granted to eligible employees at the rate of one stock option of the Company for every stock option held and outstanding in the Company.

In this regard, the Company has recognised an expense of ₹ 6.86 crores (pervious year ₹ Nil) for employees services received during the year, shown under employee benefits expenses (Refer note 32).

The movement of stock options are given below:

Particulars	Date of grant	Options outstanding as at 01-04-2025	During the year 2024-25			Options outstanding as at 31-03-2026	Options vested but not exercised as at 31-03-2026
			Options granted	Options cancelled / lapsed	Options exercised and allotted		
GT30APR2025	30-Apr-25	-	16947325	1554098	-	15393227	-
GT12SEP2025	12-Sep-25	-	5591813	275000	-	5316813	-
GT12SEP2025A	12-Sep-25	-	19683493	-	-	19683493	-
GT16JAN2026	16-Jan-26	-	1150000	-	-	1150000	-
GT16JAN2026A	16-Jan-26	-	245000	-	-	245000	-
GT24FEB2026	24-Feb-26	-	9360000	-	-	9360000	-
GT24FEB2026A	24-Feb-26	-	2535000	-	-	2535000	-

Details of stock options granted as at 31 March, 2026 are given below:

Particulars	Date of grant	Exercise price (₹)	Options granted	Options cancelled / lapsed	Options exercised and allotted	Options vested and outstanding at the end of the year	Options unvested and outstanding at the end of the year	Vesting period	Weighted average remaining contractual life (in years)
GT30APR2025	30-Apr-25	10.00	16947325	1554098	-	-	15393227	Vesting date : 30-Apr-2026 30-Apr-2027 30-Apr-2028	3.88
GT12SEP2025	12-Sep-25	10.00	5591813	275000	-	-	5316813	Vesting date : 12-Sep-2026 12-Sep-2027 12-Sep-2028	4.25
GT12SEP2025A	12-Sep-25	10.00	19683493	-	-	-	19683493	Vesting date : 12-Sep-2026 12-Sep-2027 12-Sep-2028	3.95
GT16JAN2026	16-Jan-26	10.00	1150000	-	-	-	1150000	Vesting date : 16-Jan-2027 16-Jan-2028 16-Jan-2029	4.60
GT16JAN2026A	16-Jan-26	10.00	245000	-	-	-	245000	Vesting date : 16-Jan-2028 16-Jan-2029	4.80
GT24FEB2026	24-Feb-26	10.00	9360000	-	-	-	9360000	Vesting date : 24-Feb-2027 24-Feb-2028 24-Feb-2029	4.70
GT24FEB2026A	24-Feb-26	10.00	2535000	-	-	-	2535000	Vesting date : 24-Feb-2027 24-Feb-2028 24-Feb-2029	4.40

Notes accompanying the Consolidated Financial Statements (Contd.)

39. STOCK OPTIONS (Contd.)

The following table list the input to the Black Scholes Model used for the plans for the year ended 31 March, 2026:

Particulars	Date of grant	Risk free rate (%) p.a.	Expected life (in years)	Expected volatility of share price (%)	Dividend yield	Fair value of the options
GT30APR2025	30-Apr-25	6.03	4.80	40.17	0.00%	4.23
GT12SEP2025	12-Sep-25	6.15	4.80	40.76	0.00%	4.35
GT12SEP2025A	12-Sep-25	6.11	4.50	40.36	0.00%	4.17
GT16JAN2026	16-Jan-26	6.29	4.80	36.82	0.00%	4.19
GT16JAN2026A	16-Jan-26	6.32	5.00	37.11	0.00%	4.32
GT24FEB2026	24-Feb-26	6.17	4.80	39.35	0.00%	4.33
GT24FEB2026A	24-Feb-26	6.13	4.50	39.34	0.00%	4.18

Cash Settled Options (CSO):

The Company's Employees are granted Stock options CSO which shall be settled in cash. The liability for the CSO's are measured, initially and at the end of each reporting period until settled, at the fair value of the options by applying a Black Scholes model, taking into account the terms and conditions on which the options were granted, and the extent to which the employees have rendered services to date.

The carrying amount of the liability relating to the CSO's as at 31 March, 2026 was ₹ 0.28 crores (as at 31 March, 2025 ₹ Nil).

In this regard, the Company has recognised an expense of ₹ 0.28 crores for employees services received during the year (previous year ₹ Nil).

Particulars	GT30APR2025	GT12SEP2025
Dividend yield (%)	0.00%	0.00%
Expected volatility (%)	39.62%	39.41%
Risk–free interest rate (%)	6.40%	6.48%
Expected life of share options (years)	3.89	4.26
Fair value of the options	3.91	4.11
Model used	Black Scholes Model	Black Scholes Model

The movement of stock options are given below:

Particulars	Date of grant	Options outstanding as at 01-04-2025	During the year 2025-26			Options outstanding as at 31-03-2026	Options vested but not exercised as at 31-03-2026
			Options granted	Options cancelled / lapsed	Options exercised and allotted		
GT30APR2025	30-Apr-25	-	1586047	-	-	1586047	-
GT12SEP2025	12-Sep-26	-	50000	-	-	50000	-

40. SEGMENT REPORTING

The Group has the following reportable segments:

Power Systems : Transformer, Switchgear and Turnkey Projects
Industrial Systems : Electric Motors, Alternators, Drives, Traction Electronics and SCADA
Semiconductors : Outsourced Semiconductor Assembly and Test (OSAT) and Fabless Semiconductor Design Business
Others : Adhesive tapes and labels

Identification of segments:

The Chief Operational Decision Maker (CODM) monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in the Ind AS.

Notes accompanying the Consolidated Financial Statements (Contd.)

40. SEGMENT REPORTING (Contd.)

During the previous year, the Group had identified Outsourced Semiconductor Assembly and Test (OSAT) and Fabless Semiconductor Design Business as separate operating segment as 'Semiconductors' based on criteria stated in Ind AS 108.

Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories etc. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

Inter segment transfer:

Inter segment prices are normally negotiated amongst segments with reference to the costs, market price and business risks. Profit or loss on inter segment transfers are eliminated at the Group level.

Summary of the segmental information as at and for the year ended 31 March, 2026 is as follows:

₹ crores

	Power Systems	Industrial Systems	Semi conductors	Others	Discontinued operations	Eliminations /Unallocable Expenditure/ Assets/Liabilities*	Total
Revenue							
External sales	5135.51	6745.43	502.77	34.24	-	-	12417.95
Add: Inter segment sales	2.67	1.61	-	-	-	(4.28)	-
Total revenue	5138.18	6747.04	502.77	34.24	-	(4.28)	12417.95
Segment results	1122.74	625.33	(107.86)	6.20	-	-	1646.41
Less: Finance costs							12.17
Less: Other unallocable expenditure net of unallocable income							(27.56)
Share of profit / (loss) of associate							-
Profit after finance cost but before exceptional items and tax							1661.80
Exceptional items							(35.57)
Tax expense							429.50
Profit from continuing operations after tax							1196.73
Profit from discontinued operations after tax							1.95
Profit for the year							1198.68
Other information:							
Segment assets	3050.99	3608.31	1421.39	34.02	1.87	4551.03	12667.61
Segment liabilities	1961.06	1651.57	181.85	7.98	1.79	665.11	4469.36
Capital expenditure (net of government grant)#	320.71	115.92	330.33	0.35	-	10.45	777.76
Depreciation and amortisation#	38.47	80.04	62.68	0.52	-	13.88	195.59
Non-cash expenses / (reversal) other than depreciation and amortisation#	(3.38)	2.00	0.10	0.03	-	-	(1.25)

Notes accompanying the Consolidated Financial Statements (Contd.)

40. SEGMENT REPORTING (Contd.)

Summary of the segmental information as at and for the year ended 31 March, 2025 is as follows:

₹ crores

	Power Systems	Industrial Systems	Semi conductors	Others	Discontinued operations	Eliminations /Unallocable Expenditure/ Assets/ Liabilities*	Total
Revenue							
External sales	3505.94	6375.65	-	27.07	-	-	9908.66
Add: Inter segment sales	3.77	0.16	-	-	-	(3.93)	-
Total revenue	3509.71	6375.81	-	27.07	-	(3.93)	9908.66
Segment results	668.30	742.52	(22.39)	7.10	-	-	1395.53
Less: Finance costs							7.09
Less: Other unallocable expenditure net of unallocable income							40.47
Share of profit / (loss) of associate							-
Profit after finance cost but before exceptional items and tax							1347.97
Exceptional items							-
Tax expense							374.99
Profit from continuing operations after tax							972.98
Profit from discontinued operations after tax							-
Profit for the year							972.98
Other information:							
Segment assets	2008.91	2987.72	773.50	31.11	73.31	1542.52	7417.07
Segment liabilities	1329.10	1381.37	64.31	8.12	64.27	532.27	3379.44
Capital expenditure#	168.60	89.16	161.91	0.40	-	7.25	427.32
Depreciation and amortisation#	37.61	63.33	1.63	0.63	-	8.64	111.84
Non-cash expenses / (reversal) other than depreciation and amortisation#	(5.99)	(4.48)	-	0.07	-	(2.54)	(12.94)

(*) Unallocable assets / liabilities comprise those assets and liabilities which cannot be allocated to the segments, which majorly includes investments, fixed deposits with banks and tax assets / liabilities.

(#) The disclosure pertains to continuing business segments.

Geographical information:

(i) Revenue from contracts with customers:

₹ crores

	2025-26	2024-25
Domestic	**10966.15**	8938.51
Overseas	**1451.80**	970.15
Total	**12417.95**	9908.66

Notes:

a) During the year ended 31 March, 2026 and 31 March, 2025 revenues from transactions with a single external customer did not amount to 10% or more of the Group's revenues from external customers.

b) The revenue information above is based on the locations of the customers.

(ii) Non-current assets:

₹ crores

	As at 31-03-2026	As at 31-03-2025
Domestic	**2441.18**	1747.52
Overseas	**530.23**	220.13
Total	**2971.41**	1967.65

Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress, goodwill, other intangible assets, intangible assets under development and other non-current assets.

Notes accompanying the Consolidated Financial Statements (Contd.)

41. RELATED PARTY DISCLOSURES

(a) List of related parties

(i) Holding company:

1 Tube Investments of India Limited

(ii) Subsidiaries and associate:

Details of the Group's subsidiaries and associate at the end of the reporting period considered in the preparation of the consolidated financial statements are as follows:

Sr. No	Name of the Related Parties	Country of Incorporation	% Equity Interest	
			As at 31-03-2026	As at 31-03-2025
A)	**Subsidiaries:**			
1	CG Adhesive Products Limited	India	**83.59**	83.59
2	CG Power Equipments Limited	India	**100.00**	100.00
3	CG Semi Private Limited	India	**92.34**	92.34
4	G. G. Tronics India Private Limited (subsidiary w.e.f. 20 August, 2024)	India	**55.60**	55.60
5	Axiro Semiconductor Private Limited (incorporated w.e.f. 29 October, 2024)	India	**100.00**	100.00
6	CG International Holdings Singapore Pte. Ltd.	Singapore	**100.00**	100.00
7	CG Sales Network Malaysia Sdn. Bhd.	Malaysia	**100.00**	100.00
8	CG International B.V.	The Netherlands	**100.00**	100.00
9	CG Industrial Holdings Sweden AB	Sweden	**100.00**	100.00
10	CG Drives & Automation Sweden AB	Sweden	**100.00**	100.00
11	CG Drives & Automation Germany GmbH	Germany	**100.00**	100.00
12	CG Drives & Automation Netherlands B.V.	The Netherlands	**100.00**	100.00
13	CG DE Sub, LLC	USA	**100.00**	100.00
14	CG Power Americas, LLC	USA	**100.00**	100.00
15	Axiro Semiconductor Inc. (incorporated w.e.f. 23 December, 2024)	USA	**100.00**	100.00
16	Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş. (incorporated w.e.f. 07 March, 2025)	Turkey	**100.00**	100.00
17	Axiro Semiconductor (Shenzhen) Co., Ltd. (incorporated w.e.f. 20 March, 2025)	China	**100.00**	100.00
18	PT Crompton Prima Switchgear Indonesia (ceased to be subsidiary w.e.f. 31 March, 2026)	Indonesia	**-**	51.00
B)	**Associate:**			
1	Chola Foundation (incorporated w.e.f. 11 December, 2024) (significant influence to the extent of 25%)	India	**33.33**	33.33

Notes accompanying the Consolidated Financial Statements (Contd.)

41. RELATED PARTY DISCLOSURES (Contd.)

(iii) Key Management Personnel:

1	Amar Kaul	- Managing Director & CEO (appointed w.e.f. 25 July, 2024)
2	Natarajan Srinivasan	- Managing Director (ceased w.e.f. 24 July, 2024)
3	Susheel Todi	- Chief Financial Officer
4	Sanjay Kumar Chowdhary	- Company Secretary and Compliance Officer

Non Executive Directors:

1	Vellayan Subbiah	- Chairman, Non-Independent Non-Executive Director
2	M A M Arunachalam	- Non-Independent Non-Executive Director
3	P S Jayakumar	- Independent Non-Executive Director
4	Sasikala Varadachari	- Independent Non-Executive Director (ceased w.e.f. 17 September, 2024)
5	Kalyan Kumar Paul	- Non-Independent Non-Executive Director (ceased w.e.f. 10 September, 2024)
6	Mammen Chally	- Independent Non-Executive Director (appointed w.e.f. 28 January, 2025)
7	Sriram Sivaram	- Independent Non-Executive Director
8	Vijayalakshmi R Iyer	- Independent Non-Executive Director

(iv) Other Related Parties (with whom the Group has transactions):

1	Shanthi Gears Limited	- Fellow Subsidiary
2	TI Clean Mobility Private Limited	- Fellow Subsidiary
3	3Xper Innoventure Limited	- Fellow Subsidiary
4	Mavnu Investments Private Limited	- Company in which Key Management Personnel is having control
5	Mavco Investments Private Limited	- Company in which Key Management Personnel is having control
6	Hubergroup India Private Limited	- Company in which Key Management Personnel is having control

(v) Post Employment Benefit Entity:

1 CG Gratuity Fund

Notes accompanying the Consolidated Financial Statements (Contd.)

41. RELATED PARTY DISCLOSURES (Contd.)

(b) The following transactions were carried out with the related parties (Refer note 1 below):

₹ crores

Sr. No.	Nature of transactions / relationship		2025-26	2024-25
1	**Purchase of goods and services**			
	Holding company			
	Tube Investments of India Limited		-	1.59
		(A)	-	1.59
	Other related party			
	Shanthi Gears Limited		2.63	2.57
		(B)	2.63	2.57
	Total	(A+B)	2.63	4.16
2	**Sales of goods and services**			
	Holding company			
	Tube Investments of India Limited		0.39	2.39
		(A)	0.39	2.39
	Other related parties			
	Shanthi Gears Limited		1.48	1.39
	TI Clean Mobility Private Limited		-	0.24
	3Xper Innoventure Limited		0.42	0.34
		(B)	1.90	1.97
	Total	(A+B)	2.29	4.36
3	**Other expenses**			
	Holding company			
	Tube Investments of India Limited		0.89	0.43
		(A)	0.89	0.43
	Other related party			
	Mavco Investments Private Limited			
	Hubergroup India Private Limited		11.69	-
			0.11	-
		(B)	11.80	-
	Total	(A+B)	12.69	0.43
4	**Payment to Key Management Personnel**			
	Salaries, commission and perquisites*		26.33	27.49
	Sitting fees and commission to non-executive Directors		1.20	2.15
	Dividend paid		0.03	0.03
	Total		27.56	29.67
5	**Other income**			
	Other related parties			
	Mavnu Investments Private Limited		0.97	-
	Total		0.97	-
6	**Purchase of fixed assets**			
	Other related party			
	Shanthi Gears Limited		0.26	-
	Total		0.26	-
7	**Dividend paid**			
	Holding company			
	Tube Investments of India Limited		115.24	115.24
	Total		115.24	115.24
8	**Investment / acquisition of equity shares**			
	Associate			
	Chola Foundation		-	0.01
	Total		-	0.01

*Salaries, commission and perquisites does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

Notes accompanying the Consolidated Financial Statements (Contd.)

41. RELATED PARTY DISCLOSURES (Contd.)

(c) Amount due to / from related parties:

₹ crores

Sr. No.	Nature of balances / relationship		As at 31-03-2026	As at 31-03-2025
1	**Trade payable**			
	Holding company			
	Tube Investments of India Limited		0.07	-
		(A)	0.07	-
	Other related party			
	Shanthi Gears Limited		0.95	-
		(B)	0.95	-
	Total	(A+B)	1.02	-
2	**Trade receivable**			
	Holding company			
	Tube Investments of India Limited		0.29	0.00
		(A)	0.29	0.00
	Other related parties			
	Shanthi Gears Limited		0.17	0.33
	3Xper Innoventure Limited		0.00	-
	Mavnu investments Private Limited		0.31	-
		(B)	0.48	0.33
	Total	(A+B)	0.77	0.33
3	**Loans and advances payable**			
	Holding company			
	Tube Investments of India Limited		0.00	-
		(A)	0.00	-
	Other related party			
	Shanthi Gears Limited		0.10	0.10
		(B)	0.10	0.10
	Total	(A+B)	0.10	0.10
4	**Other current assets**			
	Other related party			
	Hubergroup India Private Limited		0.11	-
	Total		0.11	-
5	**Due to Key Management Personnel**			
	Non-executive Director's commission		0.90	1.76
	Total		0.90	1.76

Notes accompanying the Consolidated Financial Statements (Contd.)

41. RELATED PARTY DISCLOSURES (Contd.)

(d) Compensation of Key Management Personnel of the Parent Company:

₹ crores

Nature of transaction	2025-26	2024-25
Short-term employee benefits	14.01	16.39
Post-employment benefits	0.71	0.63
Fair value cost of stock option granted	11.61	10.47
Sitting fees and commission to non-executive Directors	1.20	2.15
Total compensation paid to Key Management Personnel	27.53	29.64

Notes:

1. The transactions with related parties are made on terms equivalents to and those applicable to all unrelated parties on arm's length transactions. The Group mutually negotiates and agrees transaction value and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Outstanding trade and other receivable / trade and other payable balances are unsecured, interest free and require settlement in cash. No security has been received against these receivables / has been given against these payables.
2. The Parent Company maintains gratuity trust for the purpose of administering the gratuity payment to employees of the Parent Company (CG Gratuity Fund). During the year, the Parent Company contributed ₹ 16.39 crores (previous year ₹ 16.26 crores).
3. Investment in associate has been disclosed in note 6.

42. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

(a) Following subsidiaries are considered as discontinued operations:

(i) CG Power Equipments Limited

(ii) CG Sales Network Malaysia Sdn. Bhd.

(b) Liquidation of subsidiary CG Sales Network Malaysia Sdn. Bhd. is under process. Consequently, business of the said subsidiary has been classified as discontinued operation.

(c) PT Crompton Prima Switchgear Indonesia (CPSI) was established as a venture between CG International Holdings Singapore Pte. Ltd. (CGS), a wholly owned foreign subsidiary of the Parent Company and PT Prima Layanan Nasional Enjiniring (PLNE), Indonesia, holding 51% and 49% respectively of CPSI. CPSI has been a non-operating entity and has been considered as discontinued operations since FY 2022-23.

During the year, CPSI entered into Sale and Purchase Agreement on 25 February, 2026 with PLNE for sale of all the Factory Assets (Land, Plant and Machinery, Furniture, Equipment's etc.) of CPSI for a total consideration of IDR 155 Billion (one hundred fifty-five billion Indonesian Rupiah) to PLNE. The said consideration was utilized by CPSI to meet its external liabilities and the balance towards repayments of the loans of shareholders. Consequently, during the year, the Group has received ₹ 21.05 crores from CPSI towards repayment of its shareholder loan.

Further on 05 March, 2026, CGS has entered into Shares Purchase Agreement with PLNE wherein PLNE has purchased the shares representing 51% of the paid-up share capital held by CGS of CPSI for a consideration of IDR 1 (One Indonesian Rupiah). Accordingly, CPSI ceases to be a subsidiary of the CGS and a step-down subsidiary of the Company with effect from 31 March, 2026.

Notes accompanying the Consolidated Financial Statements (Contd.)

42. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Contd.)

Following is the impact of deconsolidation of CPSI:

₹ crores

	Amount
Assets (net of provision)	71.78
Liabilities	(62.49)
Minority interest (loss)	3.03
Accumulated foreign currency translation reserve (FCTR) (loss)	6.78
	19.10
Consideration received	21.05
Gain on disposal of subsidiary recognised in discontinued operations	1.95

The major classes of assets and liabilities of the discontinued operation are as under:

₹ crores

	As at 31-03-2026	As at 31-03-2025
Assets		
Non-current assets		
Property, plant and equipment	-	71.76
Current assets		
Financial assets		
Cash and cash equivalents	0.72	0.61
Current tax assets (net)	1.15	0.94
Assets classified as held for sale and discontinued operations (A)	1.87	73.31
Liabilities		
Non-current liabilities		
Provision	-	0.22
Deferred tax liabilities (net)	-	2.79
Current liabilities		
Financial liabilities		
Borrowings	-	36.56
Trade payables	0.06	12.00
Other financial liabilities	-	9.83
Other current liabilities	-	1.14
Provisions	1.73	1.73
Liabilities associated with group of assets classified as held for sale and discontinued operations (B)	1.79	64.27
Net assets associated with disposal group and discontinued operations (A-B)	0.08	9.04

Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

₹ crores

	2025-26	2024-25
Cash flow (used in) / from - Operating activities	-	-
Cash flow (used in) / from - Investing activities	21.05	-
Cash flow (used in) / from - Financing activities	-	-

These cash flows are attributable to the Parent Company on sale of subsidiary forming part of discontinued operations.

Notes accompanying the Consolidated Financial Statements (Contd.)

43. EXCEPTIONAL ITEMS

₹ crores

	2025-26	2024-25
Impact of New Labour Code (Refer note (a) below)	(35.57)	-
Total	(35.57)	-

Note:

a) The Government of India has notified New Labour Codes effective from 21 November, 2025, impact of these have been assessed based on legal opinion and best information available, which has resulted in additional gratuity and leave liability by ₹ 35.57 crores. Considering the materiality and non-recurring nature of this impact, the Group has presented the same under 'Exceptional items'. The Group will continue to monitor the clarifications in this regard and provide necessary accounting effect as and when such clarifications are issued.

44. FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. The Group has not disclosed the fair value of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, non-current and current financial assets - others, non-current and current financial liabilities - borrowings, trade payables and non-current and current financial liabilities - other because their carrying amounts are a reasonable approximation of fair value and hence these have not been categorised in any level in the table given below. Further, for financial assets, the Group has taken into consideration the allowances for expected credit losses and adjusted the carrying values where applicable.

2. The fair values of the quoted investments / units of mutual fund schemes are based on market price / net asset value at the reporting date.

3. The fair values for loans given are calculated based on discounted cash flows using current lending rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these loans given. Accordingly, fair value of such instruments are not materially different from their carrying values.

4. Fair values of the Group's interest-bearing borrowings are determined by using discounted cash flow method using the current borrowing rates. Fair value of such instruments are not materially different from their carrying values.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

Notes accompanying the Consolidated Financial Statements (Contd.)

44. FAIR VALUE MEASUREMENTS (Contd.)

₹ crores

	Note No.	Carrying amount As at 31-03-2026	Fair value Level 1	Fair value Level 2	Fair value Level 3
Financial assets at fair value through profit or loss#					
Non-current investments*	6	**51.60**	**0.27**	**-**	**51.33**
Current investments	11	**401.66**	**401.65**	**-**	**0.01**
Derivative instruments	15	**0.13**	**-**	**0.13**	**-**
Total		**453.39**	**401.92**	**0.13**	**51.34**
Financial liabilities at fair value through other comprehensive income#					
Derivative instruments	24	**0.17**	**-**	**0.17**	**-**
		0.17	**-**	**0.17**	**-**

₹ crores

	Note No.	Carrying amount As at 31-03-2025	Fair value Level 1	Fair value Level 2	Fair value Level 3
Financial assets at fair value through profit or loss#					
Non-current investments*	6	0.75	0.69	-	0.06
Current investments	11	436.78	436.77	-	0.01
Total		437.53	437.46	-	0.07
Financial liabilities at fair value through profit and loss#					
Derivative instruments	24	0.21	-	0.21	-
Financial liabilities at fair value through other comprehensive income#					
Derivative instruments	24	4.45	-	4.45	-
Total		4.66	-	4.66	-

* Excludes investment in associate measured at cost.

All financial assets and liabilities other than disclosed in table above are measured at amortised cost.

During the reporting period ending 31 March, 2026 and 31 March, 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation of fair value measurement of unquoted FVTPL investments (Level 3)

₹ crores

Unquoted FVTPL investments	As at 31-03-2026	As at 31-03-2025
As at the beginning of the year	**0.07**	0.07
Purchases	**51.27**	-
As at the end of the year	**51.34**	0.07

Notes accompanying the Consolidated Financial Statements (Contd.)

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT

The Group's activities expose it to certain financial risks namely credit risk, market risk and liquidity risk. The financial risks are managed in accordance with the Group's risk management policy which has been approved by its Board of Directors.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of risk such as: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include foreign currency receivables, payables, loans and borrowings and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group has managed its interest rate risk by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Foreign currency risk

The Group's functional currency is Indian Rupee. The Group undertakes transactions denominated in foreign currencies and consequently the Group is exposed to foreign exchange risk. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies.

Unhedged foreign currency exposure as at 31 March, 2026

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	**89.27**	**117.19**	**-**	**-**	**4.36**	**210.82**
Liabilities	**(178.53)**	**(121.04)**	**(0.61)**	**(0.61)**	**(13.27)**	**(314.06)**

Unhedged foreign currency exposure as at 31 March, 2025

₹ crores

	USD	Euro	JPY	CHF	Others	Total
Assets	49.13	112.26	-	-	4.04	165.43
Liabilities	(101.57)	(124.17)	(0.51)	(0.11)	(1.54)	(227.90)

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit or loss before tax:

₹ crores

	2025-2026		2024-2025	
	1 % increase	1 % decrease	1 % increase	1 % decrease
USD	**(0.89)**	**0.89**	(0.52)	0.52
Euro	**(0.04)**	**0.04**	(0.12)	0.12
JPY	**(0.01)**	**0.01**	(0.01)	0.01
CHF	**(0.01)**	**0.01**	(0.00)	0.00
Others	**(0.08)**	**0.08**	0.03	(0.03)
Increase / (decrease)	**(1.03)**	**1.03**	(0.62)	0.62

Notes accompanying the Consolidated Financial Statements (Contd.)

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

1% increase or decrease in foreign exchange rates will have the following impact on equity:

₹ crores

	2025-2026		2024-2025	
	1 % increase	1 % decrease	1 % increase	1 % decrease
USD	**(0.67)**	**0.67**	(0.39)	0.39
Euro	**(0.03)**	**0.03**	(0.09)	0.09
JPY	**(0.01)**	**0.01**	(0.01)	0.01
CHF	**(0.00)**	**0.00**	(0.00)	0.00
Others	**(0.06)**	**0.06**	0.02	(0.02)
Increase / (decrease)	**(0.77)**	**0.77**	(0.47)	0.47

Foreign exchange forward contracts

Details of foreign exchange forward contracts entered and outstanding as at balance sheet date:

₹ crores

	As at 31-03-2026	As at 31-03-2025
Forward contracts - purchased (USD / INR)	**3.06**	-
Forward contracts - purchased (EUR / INR)	**7.71**	-
Forward contracts - sold (USD / INR)	**-**	5.12
Forward contracts - sold (EUR / INR)	**-**	7.13

The fair value of foreign exchange forward contracts position recorded under financial assets and financial liabilities are as follows:

₹ crores

	As at 31-03-2026		As at 31-03-2025	
	Assets	Liabilities	Assets	Liabilities
Forward contracts	**0.13**	**-**	-	0.21

Credit risk

Credit risk refers to the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are generally set to manage credit risk. General payment terms include credit period ranging from 45 to 90 days and where applicable, mobilisation advance, progress payments and certain retention money to be released at the end of the project.

Where the loans or receivables are impaired, the Group continues to engage in enforcement activity to attempt to recover the receivable due.

The Group is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans given, other financial assets and financial guarantees.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon or in case where settlement is agreed, the settlement amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided except as otherwise stated in respect of guarantees where settlement is agreed.

Notes accompanying the Consolidated Financial Statements (Contd.)

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

Exposure to credit risk

₹ crores

	As at 31-03-2026	As at 31-03-2025
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Investments in government and trust securities	**-**	0.41
Investments in debentures or bonds	**0.05**	0.05
Investments in equity instruments	**51.27**	-
Other non-current investments	**0.28**	0.29
Non-current financial assets - others	**1402.95**	18.32
Cash and cash equivalents and other bank balances	**1027.56**	1259.12
Current financials assets - others	**1791.04**	189.63
Current financials assets - investments	**401.66**	436.78
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	**2978.08**	2060.41

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

The following table summarizes the change in the loss allowances for trade receivables measured using life-time expected credit loss model:

₹ crores

	Amount
As at 01-04 2024	93.46
Provided during the year	5.55
Addition due to acquisition of subsidiary	2.80
Amounts written off	(42.67)
Reversals of provision	(7.93)
Effect of foreign currency translation	0.00
As at 31-03-2025	51.21
Provided during the year	**7.17**
Amounts written off	**(0.82)**
Reversals of provision	**(3.49)**
Effect of foreign currency translation	**0.02**
As at 31-03-2026	**54.09**

No significant changes in estimation techniques or assumptions were made during the reporting period.

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Notes accompanying the Consolidated Financial Statements (Contd.)

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES AND CAPITAL MANAGEMENT (Contd.)

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ crores

As at 31 March, 2026	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-current - Borrowings	-	0.17	-	0.17
Current - Borrowings	0.09	-	-	0.09
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Security deposits payable	-	40.45	0.70	41.15
Other non-current financial liabilities	-	3.66	-	3.66
Trade payables	2468.44	-	-	2468.44
Other current financial liabilities	558.42	-	-	558.42
Lease liabilities	39.58	90.92	7.09	137.59

₹ crores

As at 31 March, 2025	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-current - Borrowings	-	0.26	-	0.26
Current - Borrowings	0.08	-	-	0.08
Interest-free sales tax deferral loans from State Government	0.12	-	-	0.12
Security deposits payable	-	25.73	0.44	26.17
Trade payables	1881.19	-	-	1881.19
Other current financial liabilities	449.21	-	-	449.21
Lease liabilities	15.89	27.33	4.88	48.10

The Group has access to credit facilities to mitigate any short-term liquidity risk.

Collaterals:

The Group has provided a charge over its current assets as primary security for the banking facilities extended to the Group.

Capital management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's capital management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group monitors capital using gearing ratio, which is total debt divided by total capital (debt and equity).

Gearing ratio

The gearing ratio at the end of the reporting period is as follows:

₹ crores

		As at 31-03-2026	As at 31-03-2025
Total debt	(A)	**0.38**	0.46
Equity	(B)	**7970.48**	3843.95
Total debt and equity	(C) = (A)+(B)	**7970.86**	3844.41
Gearing ratio	(D) = (A)/(C)	**0.00%**	0.01%

No changes were made in objectives, policies or process for managing capital during the year ended 31 March, 2026 and 31 March, 2025.

There are no financial covenant applicable on borrowing.

Notes accompanying the Consolidated Financial Statements (Contd.)

46. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ crores

	As at 01-04-2025	Cash inflows	Cash outflows	Effect of reclassification	Recognition of lease liabilities (net)	Liabilities acquired on acquisition of subsidiary	Finance cost charged during the year	Others	As at 31-03-2026
Non-current financial liabilities - borrowings:									
Secured loans									
Term loans from banks	0.26	-	-	(0.09)	-	-	-	-	0.17
Current financial liabilities - borrowings:									
Secured loans									
Current maturities of long-term loans from banks	0.08	-	(0.08)	0.09	-	-	-	-	0.09
Unsecured loans									
Short-term borrowings	-	41.80	(41.80)	-	-	-	-	-	-
Current - other financial liabilities:									
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	-	-	-	0.12
Others	-	-	(2.06)	-	-	-	2.06	-	-
Lease liabilities	40.63	-	(34.62)	-	72.45	26.34	7.14	6.19	118.13
Non-controlling interest	193.68	38.29	-	-	-	-	-	(4.20)	227.77
Total	234.77	80.09	(78.56)	-	72.45	26.34	9.20	1.99	346.28

₹ crores

	As at 01-04-2024	Cash inflows	Cash outflows	Effect of reclassification	Recognition of lease liabilities (net)	Liabilities acquired on acquisition of subsidiary	Finance cost charged during the year	Others	As at 31-03-2025
Non-current financial liabilities - borrowings:									
Secured loans									
Term loans from banks	-	-	-	(0.06)	-	0.32	-	-	0.26
Current financial liabilities - borrowings:									
Secured loans									
Term loans from banks	-	-	(11.11)	-	-	11.11	-	-	-
Working capital loan	-	-	(4.50)	-	-	4.50	-	-	-
Current maturities of long-term loans from banks	-	-	(0.06)	0.06	-	0.08	-	-	0.08
Unsecured loans									
Loans from related parties	-	-	(0.01)	-	-	0.01	-	-	-
Current - other financial liabilities:									
Interest-free sales tax deferral loans from State Government	0.12	-	-	-	-	-	-	-	0.12
Others	-	-	(3.24)	-	-	-	3.24	-	-
Lease liabilities	17.44	-	(11.23)	-	31.39	0.95	1.69	0.39	40.63
Non-controlling interest	1.33	29.93	-	-	-	164.45	-	(2.03)	193.68
Total	18.89	29.93	(30.15)	-	31.39	181.42	4.93	(1.64)	234.77

Non-cash investing activities:

(a) Fair value gain on financial instruments at fair value through profit and loss ₹ 7.37 crores (previous year ₹ 3.88 crores)

(b) Addition to right of use assets ₹ 72.61 crores (previous year ₹ 30.35 crores)

Notes accompanying the Consolidated Financial Statements (Contd.)

47. EARNINGS PER SHARE

		2025-26	2024-25
Face value of equity share	₹	**2.00**	2.00
Weighted average number of equity shares			
- Basic	Nos.	**1562980979**	1528289183
- Diluted	Nos.	**1563616883**	1529443915
Profit for the year (continuing operations)	₹ crores	**1204.32**	974.60
Earnings per share (for continuing operations)			
- Basic	₹	**7.71**	6.38
- Diluted	₹	**7.70**	6.37
Profit for the year (discontinued operations)	₹ crores	**1.95**	-
Earnings per share (for discontinued operations)			
- Basic	₹	**0.01**	-
- Diluted	₹	**0.01**	-
Profit for the year (total operations)	₹ crores	**1206.27**	974.60
Earnings per share (for total operations)			
- Basic	₹	**7.72**	6.38
- Diluted	₹	**7.71**	6.37
Profit used as the numerators in calculating basic and diluted earnings per share (total operations)		**1206.27**	974.60
Weighted average number of equity shares used as the denominator in calculating basic earnings per share		**1562980979**	1528289183
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share*		**1563616883**	1529443915

*Current year and previous year, the dilutive impact is due to employee stock options granted.

48. DISCLOSURE OF INTEREST IN OTHER ENTITIES

Material non-controlling interest for continuing and discontinued operations:

	Principal place of business / Country of incorporation	Proportion of interest held by Non-controlling entities as at	
		31-03-2026 %	31-03-2025 %
CG Adhesive Products Limited	India	**16.41**	16.41
CG Semi Private Limited	India	**7.66**	7.66
G. G. Tronics India Private Limited (w.e.f. August 20, 2024)	India	**44.40**	44.40
PT Crompton Prima Switchgear Indonesia (Ceased to be subsidiary w.e.f. 31 March, 2026)	Indonesia	**-**	49.00

The proportion of voting rights held by non-controlling interest does not differ from the proportion of ownership interest.

Notes accompanying the Consolidated Financial Statements (Contd.)

48. DISCLOSURE OF INTEREST IN OTHER ENTITIES (Contd.)

The below mentioned disclosures are based on amounts before inter-company eliminations.

Summarised statement of profit and loss:

₹ crores

	CG Adhesive Products Limited		G. G. Tronics India Private Limited		CG Semi Private Limited		PT Crompton Prima Switchgear Indonesia	
	2025-26	2024-25	2025-26	2024-25*	2025-26	2024-25	2025-26**	2024-25
Income	**46.35**	44.43	**109.65**	96.57	**13.85**	3.42	**-**	-
Expenditure	**(39.76)**	(36.80)	**(117.79)**	(102.43)	**(94.14)**	(19.54)	**-**	-
Profit / (loss) before tax	**6.59**	7.63	**(8.14)**	(5.86)	**(80.29)**	(16.12)	**-**	-
Tax expense	**1.81**	1.87	**(3.09)**	(3.04)	**(0.27)**	0.85	**-**	-
Profit / (loss) for the year (A)	**4.78**	5.76	**(5.05)**	(2.82)	**(80.02)**	(16.97)	**-**	-
- attributable to the equity holders of the parent	**4.00**	4.81	**(2.81)**	(1.55)	**(73.89)**	(15.67)	**-**	-
- attributable to the non-controlling interest	**0.78**	0.95	**(2.24)**	(1.27)	**(6.13)**	(1.30)	**-**	-
Other comprehensive income (B)	**(0.21)**	0.00	**0.17**	(0.15)	**4.06**	(4.45)	**-**	-
- attributable to the equity holders of the parent	**(0.18)**	0.00	**0.09**	(0.08)	**3.76**	(4.11)	**-**	-
- attributable to the non-controlling interest	**(0.03)**	0.00	**0.08**	(0.07)	**0.30**	(0.34)	**-**	-
Total comprehensive income (A+B) = C	**4.57**	5.76	**(4.88)**	(2.97)	**(75.96)**	(21.42)	**-**	-
- attributable to the equity holders of the parent	**3.82**	4.81	**(2.72)**	(1.63)	**(70.13)**	(19.78)	**-**	-
- attributable to the non-controlling interest	**0.75**	0.95	**(2.16)**	(1.34)	**(5.83)**	(1.64)	**-**	-

* from the date of acquisition till year end

** till the date of cessation as subsidiary

Summarised balance sheet:

₹ crores

	CG Adhesive Products Limited		G. G. Tronics India Private Limited		CG Semi Private Limited		PT Crompton Prima Switchgear Indonesia
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025	As at 31-03-2025
Current assets	**30.55**	31.23	**230.73**	234.47	**292.74**	178.53	19.33
Non-current assets	**14.34**	9.23	**254.75**	248.76	**555.35**	242.96	127.16
Current liabilities	**(7.89)**	(7.74)	**(63.44)**	(56.58)	**(58.25)**	(55.98)	(105.71)
Non-current liabilities	**(0.09)**	(0.38)	**(59.51)**	(59.24)	**(1.33)**	(0.61)	(65.57)
Total equity	**36.91**	32.34	**362.53**	367.41	**788.51**	364.90	(24.79)
Attributable to:							
Equity holders of parent	**30.85**	27.03	**201.57**	204.28	**728.11**	336.95	(12.64)
Non-controlling interest	**6.06**	5.31	**160.96**	163.13	**60.40**	27.95	(12.15)

Notes accompanying the Consolidated Financial Statements (Contd.)

48. DISCLOSURE OF INTEREST IN OTHER ENTITIES (Contd.)

Summarised cash flow information:

₹ crores

	CG Adhesive Products Limited		G. G. Tronics India Private Limited		CG Semi Private Limited		PT Crompton Prima Switchgear Indonesia	
	2025-26	2024-25	2025-26	2024-25*	2025-26	2024-25	2025-26**	2024-25
Cash flows from:								
Operating activities	**(1.62)**	(1.76)	**(26.46)**	(6.44)	**(108.19)**	(29.44)	**-**	-
Investing activities	**0.49**	1.70	**20.54**	(113.64)	**(327.16)**	(349.60)	**-**	-
Financing activities	**(0.02)**	(0.00)	**(1.70)**	127.56	**499.11**	390.28	**-**	-
Net increase / (decrease) in cash and cash equivalents	**(1.15)**	(0.06)	**(7.62)**	7.48	**63.76**	11.24	**-**	-

* from the date of acquisition till year end

** till the date of cessation as subsidiary

49. UPDATES ON INVESTIGATIONS FOR PAST YEARS

In respect of ongoing investigation by Serious Fraud Investigation Office (SFIO) and other regulatory authorities such as Central Bureau of Investigation (CBI) and Enforcement Directorate (ED) on the affairs of the Company pertaining to the past period and against erstwhile promoters and management relating to the transactions that took place when the Company was under the control of the erstwhile promoters / management, the Company is fully co-operating with the regulators on such matters. Based on the legal advice obtained by the management, there is no impact on financials of the Group in respect of these matters.

50. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(iii) Following are the details of the funds advanced or loaned or invested by the Company to Intermediaries for further advancing to the Ultimate beneficiaries:

For the year ended 31 March, 2026

₹ crores

Name of the intermediary in which the funds are invested	Date of funds loaned or invested	Amount of funds for onward investment	Date on which funds are further invested by intermediaries to other intermediaries or ultimate beneficiaries	Amount of fund further invested by such intermediaries to other intermediaries or ultimate beneficiaries	Ultimate beneficiary
Axiro Semiconductor Private Limited	**25 March, 2026**	**50.00**	**27 March, 2026**	**50.00**	**Axiro Semiconductor Private Limited***

*Axiro Semiconductor Private Limited has further invested ₹ 51.27 crores in Edge Cortix Pte. Ltd. for which ultimate beneficiary is Axiro Semiconductor Private Limited.

Notes accompanying the Consolidated Financial Statements (Contd.)

50. OTHER STATUTORY INFORMATION (Contd.)

For the year ended 31 March, 2025

₹ crores

Name of the intermediary in which the funds are invested	Date of funds loaned or invested	Amount of funds for onward investment	Date on which funds are further invested by intermediaries to other intermediaries or ultimate beneficiaries	Amount of fund further invested by such intermediaries to other intermediaries or ultimate beneficiaries	Ultimate beneficiary
Axiro Semiconductor Private Limited	25 March, 2025	310.00	28 March, 2025	278.04	Axiro Semiconductor Inc.

The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Details of each intermediary / ultimate beneficiary:

Name of entity	Registered address	Government identification number	Relationship with the Company
Axiro Semiconductor Private Limited	ONE UNITY CENTER, Units 1504 - 1508, Senapati Bapat Marg, Prabhadevi, Mumbai - 400013, India	U26103MH2024PTC434243	Subsidiary
Axiro Semiconductor Inc.	850 New Burton Road, Suite 201, City of Dover, County of Kent, Delaware 199904	10046373	Step down subsidiary

(iv) The Group has not received any fund from any persons or entities, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The Group has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961).

(vi) The Group does not have any transactions with companies which has been struck off by ROC under Section 248 of the Companies Act, 2013.

(vii) The Group has not been declared as wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(viii) The Group has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Notes accompanying the Consolidated Financial Statements (Contd.)

51. The Parent Company and subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act ('Entities in India'), have used accounting software for maintaining their respective books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that -

(a) As regards the Parent Company:

(i) in respect of SAP applications, the audit trail feature was not enabled at the database level to log any direct changes to database when using certain access rights from 01 April, 2025 to 15 September, 2025; and

(ii) in respect of other accounting software used for payroll processing, the audit trail feature was not enabled at the database level to log any direct changes to data for the period from 01 April, 2025 to 02 September, 2025, respectively.

Further, no instance of audit trail feature being tempered with was noted in respect of accounting software where the audit trail has been enabled.

Additionally, the audit trail of prior years has been preserved by the Parent Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

(b) As regards the Subsidiaries which are companies incorporated in India:

A. Axiro Semiconductor India Private Limited (Axiro India)

Axiro India has migrated its accounting software from Tally Prime to SAP HANA during the year. The audit trail feature in respect of the Tally prime was not enabled. Management of Axiro India is not in possession of Service Organisation Controls report to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with. Additionally, Management of Axiro India are unable to assess whether the audit trail has been preserved as per the statutory requirements for record retention.

B. CG Semi Private Limited (CG Semi)

CG Semi has used Ascent software, an application software, which is operated by a third-party software service provider, for maintaining certain records of payroll, which has audit trail feature. Based on management evaluation of the Service Organisation Controls report, management of CG Semi are not able to assess / determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of this application software. Additionally, Management of CG Semi are not able to assess whether the audit trail of the previous year has been preserved as per the statutory requirements for record retention, to the extent it was enabled and recorded in the previous year in the absence of coverage of this attribute for the period enabled in the related Service Organisation Controls report.

52. With respect to subsidiary i.e. Axiro Semiconductor Private Limited, during the current year the subsidiary has migrated from Tally Prime to SAP HANA. In Tally Prime, books of account as required by law have been kept by the Company, however backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis. Further, in respect of SAP HANA, being claud based, management is not in possession of Service Organisation Controls reports to determine whether backup is maintained in electronic mode as prescribed under the Rule 3 of the Companies (Accounts) Rules, 2014 (as amended).

Notes accompanying the Consolidated Financial Statements (Contd.)

53. During the year ended 31 March, 2026, the Parent Company has raised funds amounting to ₹ 3000.00 crores by way of Qualified Institutional Placement (QIP) and allotted 45,454,545 equity shares at an issue price ₹ 660.00 per equity share (including a premium of ₹ 658.00 per equity share) on 04 July, 2025 in accordance with provisions of Securities and Exchange Board of India (SEBI) Issue of Capital and Disclosure Requirements (ICDR) Regulations as amended, along with Section 42, 62 and other related provisions of the Companies Act, 2013.

The proceeds of the funds raised under QIP of the Parent Company are being utilised as per Objects of the issue as stated in the placement document.

₹ crores

Sr. No.	Particulars	Amount as per placement document	Actual utilisation till 31 March, 2026
1	Investment in the Subsidiary for funding setting up an Outsourced Semiconductor Assembly and Test (OSAT) facility	1062.85	184.67
2	Funding capital expenditure requirements and strategic initiatives of the Parent Company for setting up of a power transformer plant and development of a leasehold land	856.98	119.87
3	Acquisitions and inorganic growth opportunities	330.00	-
4	General corporate purposes	724.14	50.23
5	Issue expenses*	26.03	26.03
	Total	3000.00	380.80

The unutilised fund as on 31 March, 2026 amounting to ₹ 2619.20 crores have been temporarily invested in fixed deposits, mutual fund and balance is kept in monitoring account.

* The Parent Company had incurred expenses amounting to ₹ 22.93 crores (excluding GST), towards issurance of equity shares which have been debited to securities premium.

Notes accompanying the Consolidated Financial Statements (Contd.)

54. BUSINESS COMBINATION

(I) Business Combination during the current year

A) Acquisition of Fabless semiconductor design business

During the year, the Group (through one or more subsidiaries of the Company) has acquired Fabless semiconductor design business from Renesas Electronics America Inc and other affiliate entities of Renesas Electronics Corporation for ₹ 284.13 crores. The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Ind AS 103 'Business Combinations'. The purchase price was allocated to the assets acquired and liabilities assumed based on its fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired was allocated to goodwill.

Details of amounts paid, including allocation based on Purchase Price Accounting in accordance with Ind AS 103 are summarised below:

₹ crores

Particular	Amount
Assets	
Property, plant and equipment	47.45
Right-of-use assets	27.82
Intangible assets	166.51
Deferred tax assets	8.20
Inventories	38.63
Other assets	0.59
Total Assets (A)	289.20
Liabilities	
Lease liabilities	26.34
Provision and other liabilities	29.33
Total Liabilities (B)	55.67
Total identifiable net assets acquired (C=A-B)	233.53
Purchase consideration (D)	284.13
Goodwil (D-C)	50.60

Other matters:

i. The goodwill of ₹ 50.60 crores comprises the value of expected synergies arising from the acquisition of tangible and intangibles assets, recognised in accordance with Ind AS 38.

ii. From the date of acquisition, fabless semiconductor design business has contributed ₹ 502.54 crores of revenue from operations and loss of ₹ 30.83 crores to profit before tax of the Group.

iii. The deferred tax asset ₹8.20 crores is related to employee related liabilities on acquisitions.

iv. Transaction costs of ₹ 12.08 crores have been incurred for this acquisition by the Group.

Notes accompanying the Consolidated Financial Statements (Contd.)

54. BUSINESS COMBINATION (Contd.)

(II) Business Combination during the previous year

A) Acquisition of G. G. Tronics India Private Limited

i) During the previous year, pursuant to the Shareholders Agreement, Share Purchase Agreement and Share Subscription Agreement, entered by the Company with M/s. G.G. Tronics India Private Limited (GGT) and existing shareholders of GGT, the Group acquired a controlling stake in GGT with effect from August 20, 2024 (acquisition date) through the combination of purchase of equity shares and Compulsory Convertible Preference Shares (CCPS) for total consideration of ₹ 319.38 crores, resulting in GGT becoming a Subsidiary of the Company from such date. The Company had acquired 275459 equity shares of GGT including equity shares received on conversion of CCPS. GGT operates in the field of design, manufacture, supply and installation of electronic safety embedded signalling systems for the railway transportation sector. The Group had accounted the assets and liabilities and resultant goodwill, arising out of this acquisition, at their respective fair values as per Ind AS 103.

ii) The Group had elected to measure the non-controlling interests at the proportionate share of the acquiree's net assets.

iii) The above transaction had been accounted in accordance with Ind AS 103 - Business Combinations.

The amount recognised in respect of identifiable assets and liabilities assumed are as set out in the table below:

₹ crores

Particular	Amount
Assets	
Property, plant and equipment	41.25
Intangible assets	200.48
Intangible assets under development	0.03
Inventories	60.71
Trade receivable	29.52
Cash and cash equivalents	147.85
Bank Balance other than cash and cash equivalents	0.17
Other receivables	12.82
Total Assets (A)	492.83
Liabilities	
Borrowings	16.02
Lease liabilities	0.95
Trade payable	42.15
Deferred tax liabilities (net)	52.79
Other liabilities and provision	10.54
Total Liabilities (B)	122.45
Total identifiable net assets acquired (C=A-B)	370.38
% Stake held by the Group (D)	55.60%
Share of net assets of the Group (E=C*D)	205.93
Purchase consideration (F)	319.38
Goodwill (F-E)	113.45
Minority interest recognised on business combination (C-E)	164.45

Notes accompanying the Consolidated Financial Statements (Contd.)

54. BUSINESS COMBINATION (Contd.)

(II) Business Combination during the previous year (Contd.)

A) Acquisition of G. G. Tronics India Private Limited

Other matters:

i. The goodwill of ₹ 113.45 crores comprises the value of expected synergies arising from the acquisition of tangible and intangibles assets, recognised in accordance with Ind AS 38.

ii. During the previous year, GGT had contributed ₹ 91.35 crores of revenue from operations and ₹ 3.75 crores to profit before tax of the Group (before intercompany elimination) from the date of acquisition. If the combination had taken place at the beginning of the year, revenue from operations would have been ₹ 118.79 crores and profit before tax for the Group would have been ₹ 1.93 crores (before intercompany elimination).

iii. Transaction costs of ₹ 0.64 crores have been expensed and are included in other expenses.

iv. The deferred tax liabilities (net) mainly comprises the tax effect of the fair value of tangible and intangible assets due to the acquisitions amounting to ₹ 57.55 crores.

v. At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

55. HEDGING ACTIVITIES AND DERIVATIVES

Cash Flow Hedges

Foreign exchange forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of forecast capital outflow in USD.

₹ crores

	As at March 31, 2026		As at March 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Fair value of foreign exchange forward contracts	-	0.17	-	0.45

Disclosure of effects of hedge accounting as on 31 March, 2026

₹ crores

Foreign exchange risk on cash flow hedge	Foreign currency forward contract
Nominal value of hedging instruments (No. of contracts)	1
Carrying value of hedging instruments (₹ crores)	31.25
Maturity date	30-Apr-26
Hedge ratio	1:1
Weighted average rate	1 USD - 95.60
Changes in fair value of hedging instrument (₹ crores)	(4.28)
Changes in the value of hedged item used as a basis for recognising hedge effectiveness (₹ crores)	(4.28)

₹ crores

Cash flow hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Foreign exchange risk	(4.28)	-	-	NA

Notes accompanying the Consolidated Financial Statements (Contd.)

55. HEDGING ACTIVITIES AND DERIVATIVES (Contd.)

Disclosure of effects of hedge accounting as on 31 March, 2025

₹ crores

Foreign exchange risk on cash flow hedge	Foreign currency forward contract
Nominal value of hedging instruments (No. of contracts)	61
Carrying value of hedging instruments (₹ crores)	252.26
Maturity date	30-Apr-25 to 30-Oct-25
Hedge ratio	1:1
Weighted average rate	1 USD - 87.58
Changes in fair value of hedging instrument (₹ crores)	4.45
Changes in the value of hedged item used as a basis for recognising hedge effectiveness (₹ crores)	4.45

₹ crores

Cash flow hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Foreign exchange risk	4.45	-	-	NA

Notes accompanying the Consolidated Financial Statements (Contd.)

56. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 AS AT AND FOR THE YEAR ENDED 31 MARCH 2026 AND 31 MARCH 2025

Year Ended 31 March 2026

Name of the entity in the Group	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ crores	As % of consolidated profit or loss	Amount ₹ crores	As % of consolidated other comprehensive income	Amount ₹ crores	As % of consolidated total comprehensive income	Amount ₹ crores
I. Parent								
CG Power and Industrial Solutions Limited	100.22	8216.37	109.85	1316.78	(5.44)	(3.94)	103.30	1312.84
II. Subsidiaries								
a) Indian								
CG Adhesive Products Limited	0.38	30.85	0.33	4.00	(0.24)	(0.18)	0.30	3.82
CG Power Equipments Limited	0.00	0.00	-	-	-	-	-	-
CG Semi Private Limited	8.88	728.11	(6.16)	(73.89)	5.18	3.75	(5.52)	(70.14)
G.G. Tronics India Private Limited	1.39	114.23	0.14	1.68	0.13	0.10	0.14	1.78
Axiro Semiconductor Private Limited	5.04	412.99	1.04	12.47	-	-	0.98	12.47
b) Foreign								
CG International B.V.	(26.25)	(2152.54)	1.43	17.20	-	-	1.35	17.20
CG Power Americas, LLC	(1.41)	(115.56)	0.07	0.83	-	-	0.07	0.83
CG DE Sub, LLC	(0.01)	(0.41)	(0.03)	(0.40)	-	-	(0.03)	(0.40)
CG Industrial Holdings Sweden AB	2.34	191.98	(0.01)	(0.12)	-	-	(0.01)	(0.12)
CG Drives & Automation Sweden AB	3.35	274.82	0.72	8.63	-	-	0.68	8.63
CG Drives & Automation Netherlands B.V.	0.68	55.77	0.58	6.92	-	-	0.54	6.92
CG Drives & Automation Germany GmbH	0.55	45.21	0.08	0.95	-	-	0.07	0.95
CG International Holdings Singapore Pte. Ltd.	(1.21)	(99.81)	2.61	31.31	-	-	2.46	31.31
CG Sales Network Malaysia Sdn.Bhd.	0.02	1.81	-	-	-	-	-	-
Axiro Semiconductor Inc.	3.80	311.48	(2.80)	(33.57)	-	-	(2.64)	(33.57)
Axiro Semiconductor (Shenzhen) Co. Ltd.	0.01	0.60	0.04	0.51	-	-	0.04	0.51
Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş.	0.01	0.67	0.05	0.64	-	-	0.05	0.64
Consolidation adjustment and elimination	(0.56)	(46.09)	(7.31)	(87.67)	99.89	72.31	(1.21)	(15.36)
Non-controlling interest								
I. Subsidiaries								
a) Indian								
CG Adhesive Products Limited	0.07	6.06	0.07	0.78	(0.05)	(0.03)	0.06	0.75
CG Semi Private Limited	0.74	60.40	(0.51)	(6.13)	0.43	0.31	(0.46)	(5.82)
G.G. Tronics India Private Limited	1.11	91.22	0.11	1.34	0.10	0.07	0.11	1.41
Consolidation adjustment and elimination	0.85	70.09	(0.30)	(3.58)	-	-	(0.28)	(3.58)
Total	100.00	8198.25	100.00	1198.68	100.00	72.39	100.00	1271.07

Notes accompanying the Consolidated Financial Statements (Contd.)

56. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 AS AT AND FOR THE YEAR ENDED 31 MARCH 2026 AND 31 MARCH 2025 (Contd.)

Year Ended 31 March 2025

Name of the entity in the Group	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ crores	As % of consolidated profit or loss	Amount ₹ crores	As % of consolidated other comprehensive income	Amount ₹ crores	As % of consolidated total comprehensive income	Amount ₹ crores
I. Parent								
CG Power and Industrial Solutions Limited	100.76	4068.58	100.14	974.46	156.47	(7.82)	99.85	966.64
II. Subsidiaries								
a) Indian								
CG Adhesive Products Limited	0.67	27.03	0.49	4.81	0.00	0.00	0.50	4.81
CG Power Equipments Limited	0.00	0.00	-	-	-	-	-	-
CG Semi Private Limited	8.35	336.96	(1.61)	(15.67)	82.25	(4.11)	(2.04)	(19.78)
G.G. Tronics India Private Limited	2.79	112.46	0.27	2.60	1.62	(0.08)	0.26	2.52
Axiro Semiconductor Private Limited	8.52	344.01	(0.62)	(6.04)	-	-	(0.62)	(6.04)
b) Foreign								
CG International B.V.	(44.70)	(1804.70)	0.13	1.24	-	-	0.13	1.24
CG Power Americas, LLC	(2.61)	(105.32)	0.51	4.92	-	-	0.51	4.92
CG DE Sub, LLC	-	-	-	-	-	-	-	-
CG Industrial Holdings Sweden AB	4.32	174.29	(0.02)	(0.19)	-	-	(0.02)	(0.19)
CG Drives & Automation Sweden AB	5.59	225.52	1.69	16.40	-	-	1.69	16.40
CG Drives & Automation Netherlands B.V.	1.02	41.27	0.32	3.16	-	-	0.33	3.16
CG Drives & Automation Germany GmbH	1.02	41.11	1.07	10.40	-	-	1.07	10.40
CG International Holdings Singapore Pte. Ltd.	(2.47)	(99.63)	0.97	9.41	-	-	0.97	9.41
CG Sales Network Malaysia Sdn.Bhd.	0.04	1.48	-	-	-	-	-	-
PT Crompton Prima Switchgear Indonesia	(0.31)	(12.64)	-	-	-	-	-	-
Axiro Semiconductor Inc.	6.89	278.27	(0.05)	(0.52)	-	-	(0.05)	(0.52)
Axiro Semiconductor (Shenzhen) Co. Ltd.	-	-	-	-	-	-	-	-
Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş.	-	-	-	-	-	-	-	-
Consolidation adjustment and elimination	5.33	215.26	(3.13)	(30.38)	(148.48)	7.42	(2.37)	(22.96)
Non-controlling interest								
I. Subsidiaries								
a) Indian								
CG Adhesive Products Limited	0.13	5.31	0.10	0.95	0.00	0.00	0.10	0.95
CG Semi Private Limited	0.69	27.95	(0.13)	(1.30)	6.82	(0.34)	(0.17)	(1.64)
G.G. Tronics India Private Limited	2.22	89.80	0.22	2.12	1.32	(0.07)	0.21	2.05
b) Foreign								
PT Crompton Prima Switchgear Indonesia	(0.30)	(12.15)	-	-	-	-	-	-
Consolidation adjustment and elimination	2.05	82.77	(0.35)	(3.39)	-	-	(0.35)	(3.39)
Total	100.00	4037.63	100.00	972.98	100.00	(5.00)	100.00	967.98

Notes accompanying the Consolidated Financial Statements (Contd.)

57. Amounts shown as ₹ 0.00 represents amount below ₹ 50,000 (Rupees Fifty Thousand).

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per Aniruddh Sankaran
Partner
Membership No. 211107
Mumbai : 06 May, 2026

For and on behalf of the Board

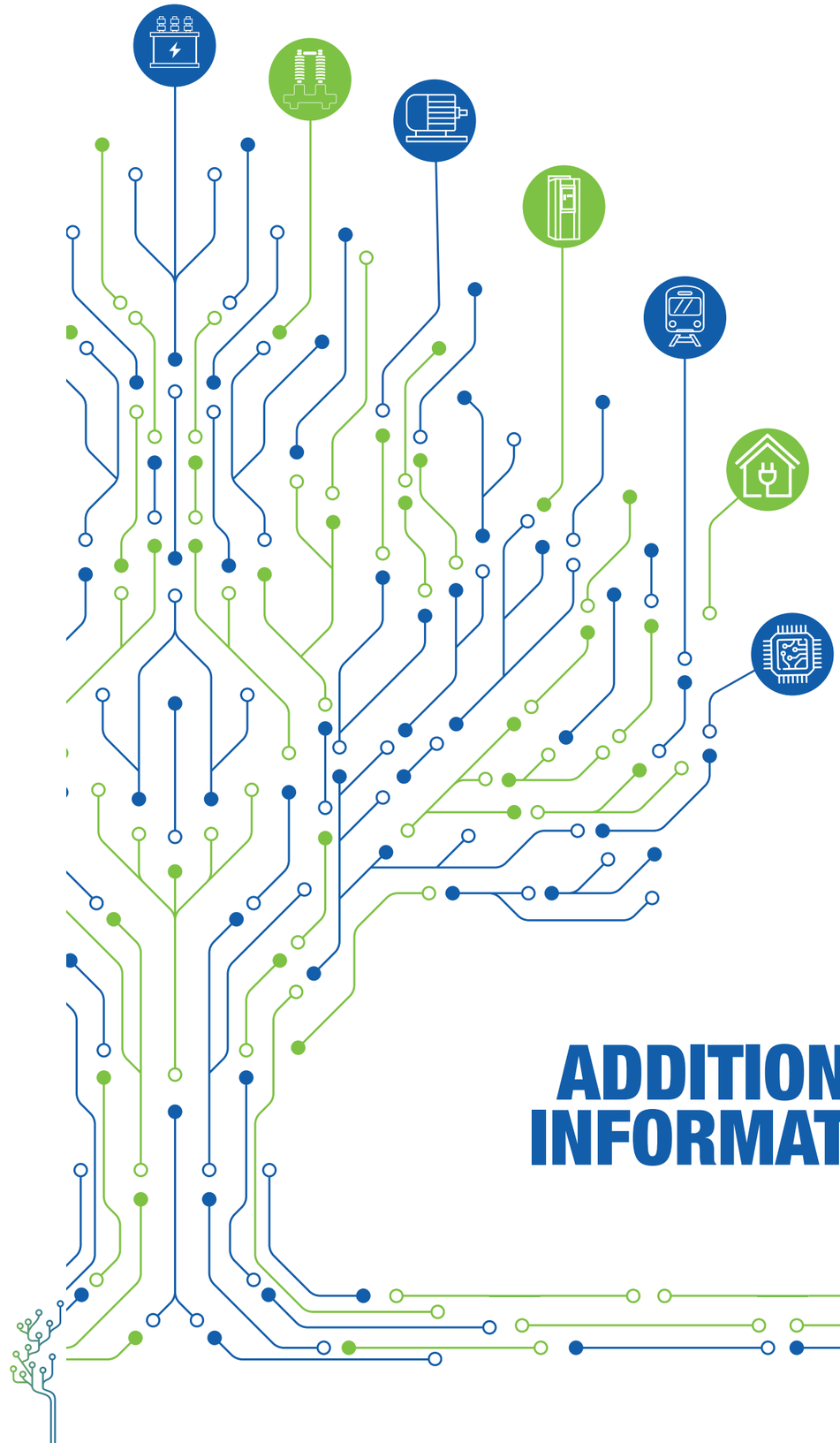
Amar Kaul
Managing Director & CEO
(DIN : 07574081)

Vellayan Subbiah
Chairman
(DIN : 01138759)

Susheel Todi
Chief Financial Officer

Sanjay Kumar Chowdhary
Company Secretary

Mumbai : 06 May, 2026



ADDITIONAL INFORMATION

Products & Services

Motors

MV MOTORS & GENERATORS

- MV Induction Motors includes safe area and all types of hazardous area machines. Safe area motors up to 12 MW with polarity up to 24 poles. Hazardous area motors up to 12 MW with polarity up to 20 poles. Voltage up to 13.2 kV and in frame sizes 315 to 1250 (both horizontal and vertical frames), Squirrel Cage and Slip Ring Induction Motors in enclosure types TEFC, CACA, CACW, SPDP & TETV.
- Synchronous Generators up to 25MVA in frame size up to1250, upto13.2kV in enclosures type CACA, CACW & SPDP
- Industrial duty DC machines upto 2000kW, in frame size upto 630, Voltage upto 800V, in enclosures type CACA, CACW & SPDP

LT MOTORS

- AC Motors, Frame 63 to 450 (0.18kW to 1000kW) in IE2 and IE3
- Super Premium Efficiency Motors IE4 80 to 450 frame sizes
- TEFC Motors available in Squirrel cage & Slipring constructions, suitable for Safe Area & Hazardous Area
- AC Motors Apex Series, Frame 80 to 450LX (0.75 to 1000kW) IE2 Efficiency and Frame 80 to 450LX (0.75 to 630KW) IE3 Efficiency
- AC Motor NEMA Range 143 to 405 (0.75 to 75KW) EPACT and Premium
- AC Motor Kibosh Series Brake Motors, Frame 80 to 315L (0.37kW to 160kW)
- Laminated Yoke DC Motors Frame 100 to 560 (0.75kWto1320kW) II Solid Yoke DC motors Frame 180 to 315 (0.75KW to 90KW)
- Mill duty DC motors Frame 802 to 816 (7.5KW to 200KW)
- Alternators Brushless Series Frame 160 to 450 (5kVA to 2500kVA) II Alternator Ustad Series: Slipring Alternators from 5kVA to 82.5kVA
- Crane Duty Motors (SQ Cage and Slip Ring) Frame 80 to 450 frame
- Agnita range of Flame Proof Motors from 80 to 400 frame in Gas Group IIA, IIB and IIC. Efficiency Class IE2 / IE3 / IE4
- Fire Fighting Range of Motors from 5.5kW to 200kW
- Hazardous Area Motors - Increased Safety (Ex'eb')motors upto 400 frame and Increased Safety (Ex'ec') up to 450 frames
- Roller Table Motors upto 355 frame size
- IE4 Axelera Series, Process performance Motors, frame 80 to 132 (0.55kW to 7.5kW)
- Smoke extraction motors for 300°C and 400°C, frame 80 to 315(0.75kW to 160 kW) IE2/IE3/IE4
- UL listed motors, frame 80 to 355 LX (0.37kW to 375kW) Crusher duty motors, frame 225 to 355 (45kW to 250 kW

FHP MOTORS

- NEMA B42, B48 Frame: 30 to 370W, 2 / 4 / 6 / 8 Pole Sheet Metal Body Motors
- M50 Frame (NEMA B56 / 143T / 184): 187 to 2250W, 2 / 4 / 6 / 8 Pole Sheet Metal Body Motors
- 100S Frame: 1100 to 2250W, 4 / 6 Pole Sheet Metal Body Motors
- IEC 80 - 160 - Cast Iron Frame: 370 to 5500W, 4 Pole Single Phase Motors
- IEC 63 - 112 – Aluminum PDC Frame 187 to 2250W, 2 / 4 Pole Single Phase Motors
- Aluminum Extrusion Motor : 100 to 750 Watt 4/6/8 Pole
- Flame Proof Enclosure: 370 to 750W, 4 Pole Motors
- Customized Frames: 20 to 1500W, 2 / 4 / 6 / 8 Pole Motors for Appliance / Equipment's
- BLDC (Brushless DC) Motors - 40, 100 & 160 Watts - 500 RPM
- BLDC Retrofit kit for Air Circulators for high efficiency solutions with quick ROI.
- IE3 Transformer Cooling Fan 18 inch & 24 inch to extend support high demand in power sector.

Consumer Products

PUMPS

- Slow Speed Self Priming Pumps: 0.5HP and 1.0HP
- Open Well Submersible Pumps: 0.5HP to 2.0HP (1 Ph); 2 to 7.5HP (3 Ph)
- High Speed Self Priming Pumps: 0.5, 1.0 and 1.5HP
- High Speed Super Suction Pumps: 0.5, 1.0 & 1.5HP
- Bore Well Submersible Pumps: V3 & V4 (0.5 - 2HP 1 Ph, 1 - 5 HP 3 Ph)
- Bore Well Submersible Pumps : V5, V6, V7, V8 (3 - 20 HP 1 / 3 Ph)
- Shallow Well Jet Pumps: 0.5, 1.0 & 1.5HP
- Centrifugal Mono Block Pumps: 0.5 to 5.0HP (1Ph) and 2 - 20 HP (3 Ph)
- Self Priming Pressure Booster Pumps: 0.5 HP to 1.0 HP
- Horizontal Multistage Pressure Booster Pumps: 0.5HP to 1.5 HP
- Sewage Submersible Pumps: 0.5HP to 7.5HP
- End suction Pumps (Fire-Fighting): up to 150 metres head
- Inline Pressure booster & Automatic Pump Controllers

DOL / STAR DELTA STARTERS (FOR PUMPS)

- Panel Single Phase – 0.5HP to 2HP
- Single Phase DOL Starters: 1HP - 5HP
- Three Phase DOL Starters: 1HP - 20HP
- Three Phase Star Delta Starters: 1HP - 20HP

FANS

- Standard Ceiling Fans: 24 / 36 / 48 / 56 Inches sweep size, Energy - Efficient with 1 Star BEE Rating
- Decorative Ceiling Fans: 36 / 48 Inches sweep size, Energy - Efficient with 1 Star BEE Rating
- BLDC Ceiling Fans: 48 Inches sweep size, Energy - Efficient with 5 Star BEE Rating.
- Table Fans: 9 / 12 / 16 Inches sweep size
- Wall Fans: 12 / 16 Inches sweep size
- Pedestal Fans: 16 / 20 Inches sweep size
- Domestic Exhaust Fans: 4 / 6 / 8 / 9 / 10 / 12 Inches sweep size
- Heavy Duty Exhaust Fans: 12 inches to 24 inches

WATER HEATERS

- Instant Water Heaters: 1Ltr / 3Ltrs / 5 Ltrs capacity – ISI Mark
- Storage Water Heater: 6Ltrs / 10Ltrs / 15 Ltrs / 25Ltrs – with 5 Star BEE rating.

AIR COOLERS

- Desert Cooler: 75 Ltr / 95 Ltr capacity
- Personal Cooler: 18 Ltr / 36 Ltr / 45 Ltr / 55 Ltr
- Tower Cooler: 35 Ltr
- Window Cooler: 60 Ltr

Industrial Drives and Automation (India)

- LV Drives Systems upto 4MW, Voltage upto 690VAC
- DC Drives System upto 980kW, Voltage upto 1000VDC
- Offering automation product PLC & HMI (New Product)
- Shaft Power Monitors (Emotron M20)
- Active front end Drive(AFE) - 55kW to 3,000kW voltage upto 690 Volt
- CG is into solution business for Sectorwise application specific solutions & projects, including Inverter Duty Transformer, Variable Frequency Drives, Switchgear Panels and Rotating Machines as complete package
- Service and spare parts including installation, training, preventative and annual maintenance etc.

Industrial Drives and Automation (Sweden)

- Constant torque and variable speed drives for many application (Emotron FDU / VFX 2.0), power range 0.55 to 4,000kW, Voltage 230- 690VAC with protection class IP20, IP21 and IP54
- Soft starters power range 5.5 to 1,000kW, up to 690V
- Active front end Drive(AFE) - 55kW to 4,000 kW voltage upto 690 Volt (Slim LC)
- Shaft Power Monitors (Emotron M20)
- Cost efficient motor mounted Drives (Emotron CDU / CDX)
- Compact machinery drives with high functionality (Emotron DSV15 / 35)
- Drives solution via dedicated Emotron project team – Cabinet, Engineering and customization
- Customization and co-branding for OEMs and system integrators.
- Service and spared parts including installation, training, preventative and annual maintenance etc.

Railway Business

TRACTION MACHINES & SYSTEM DIVISION

- AC Traction Motors (Electric Loco, Diesel Loco, Trainset / Metro / EMU / MEMU and DEMU)
- DC Traction Motors (Electric Loco, Diesel Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle)
- Traction Alternators (Diesel Electric Loco, DEMU, DETC SPIC / Other Self-propelled Vehicle)
- Complete Electrics including integrated power pack with Traction Alternator, Traction Motors, Control Equipment, Rectifier, Auxiliary Alternator for Diesel Electrics Tower Car (DETC) with on board and Underslung Electrics, Self-Propelled Inspection car (SPIC) & Diesel Electric Multiple Units (DEMU)

RAIL TRANSPORTATION TRACTION ELECTRONICS DIVISION

- IGBT Based Traction and Auxiliary Converters for Electric Locomotive
- IGBT Based Composite Converter / Hotel load converter for 3 phase Electric Locomotive
- Vehicle Control Unit (VCU) and Control Panels for Locomotive
- Propulsion System and electrics for EMU / MEMU / Trainset
- Auxiliary converters for Diesel / Electric Locomotives, DEMUs & EMUs
- Train Control and Management System (TCMS)

RAILWAY SIGNALLING DIVISION

SIGNALLING PRODUCTS

- Q-Type Signalling Relays
- Electric Point Machines – Operating Voltage - 110 V DC & 380 V AC
  - Non-trailable - 143 mm / 220 mm throw
  - Trailable - 175 mm / 220 mm throw
  - Non Trailable - Dual Gauge Point Machine (143mm / 220 mm throw)
- DC Series Motor for Electric Point Machines
- DC Series Motors IP67 with 160 V & 400 V ACI for Electric Point machines
- Back Drive (Secondary Drive with 220 mm Throw Point Machine)
- Rail Traction SCADA & Power Management System
- BLDC Industrial Fans

COACH APPLICATIONS PRODUCTS

- BLDC Carriage Fans
- Universal Carriage Fan (AC, DC)

CONTROL PANELS FOR LOCOMOTIVES AND COACHES

- Switch Board Panels for Locomotives – SB1, SB2, HB1, HB2, Cubicle F
- Filter Cubical Panels for Locomotive
- Panels, EDTS 355 for LHB EOG Non-AC Coaches
- Switch Board Cabinet for LHB EOG / HOG AC COACHES- SBC184, SBC192, SBC 200

STAMPING AND LAMINATION

- Lamination of 0.5 mm, 0.65 mm thick, from 65 mm (2.6 inches) to 1300 mm (51 inches) diameter in CRNGO and CRCA material in all grades & coatings for guaranteed watt loss & permeability as per customer requirement
- Auto stacked stators and stacked & skew rotors, High speed up to 425 mm diameter with additional features like air gap cutting
- Notching operation up to 1300 mm (51 inches) diameter
- Rotor diecast+shaft insertion with turned operation finished rotor supply in ND series motor frame.

Power Systems

TRANSFORMERS & REACTORS

- Auto Transformers (up to 1200kV)
- Generator Transformers (up to 800kV)
- Power Transformers (up to 800kV)
- STATCOM application Transformer (up to 420kV)
- Shunt Reactors (up to 800kV)
- Variable Shunt Reactors (up to 420kV)
- Furnace Transformers
- Locomotive Transformers
- Trackside Transformers (including Scott-Connected, VEE-Connected and Autotransformers)
- Distribution Transformers
- Energy - Efficient Transformers (BIS Level, IS:1180)
- Green Transformers (Filled with Natural / Synthetic Ester Oil)
- Dry Type Transformers (Cast Resin)
- Solar Inverter Application Transformers

SWITCHGEARS

- Current Transformers upto 800kV (with Porcelain and Composite Insulators)
- Capacitive Voltage Transformers upto1200kV (with Porcelain and Composite Insulators)
- Inductive Voltage Transformers upto 420kV
- Dry type Primary Voltage Transformers 25kV
- Dry Type HV Bushing 35kV
- OIP Condenser Bushings up to 800kV
- RIP Condenser Bushing (up to 145kV)
- Coupling / Grading Capacitors up to 420kV
- Indoor Vacuum Circuit Breakers up to 40.5kV
- Outdoor Vacuum Circuit Breakers up to 36kV
- Indoor Gas Insulated Switchgear (GIS) up to 36kV
- Indoor and Outdoor Ring Main Units up to 36kV
- Gas Circuit Breakers up to 800kV
- Gas Insulated Switchgear (GIS) 66 to 245kV
- Hybrid Gas Insulated Switchgear (GIS) 245kV
- Dead Tank Circuit Breakers (DTB) 72.5kV
- Disconnectors up to 245kV
- Lightning Arresters up to 1200kV along with allied accessories (with Porcelain and Composite Insulators)
- Numerical Protection Relays
- Control and Relay Panels
- Substation Automation
- Vacuum Interrupters up to 72.5kV
- LV and MV Vacuum Contactors up to 36kV
- Forward / Reverse Vacuum Contactor Panels up to 36kV
- MV Electrical Soft Starters up to 12kV / 100KW – 20MW
- Gas Insulated Sectionalizer up to 38kV
- Automatic Circuit Reclosers up to 38kV
- Load Break Switch up to 38kV

POWER QUALITY SOLUTIONS

- Advanced Static VAR Compensators (STATCOM - 380 V to 36 kV)
- Automatic Power Factor Correction System (APFC)
- Thyristor Switched Capacitor Panel (TSC - 380 V to 690 V)
- Indoor / Outdoor Mechanically Switched Capacitor Bank (MSC – 380 V to 36kV)
- Fixed / Manual Switched HT Capacitor Bank (3.3 kV to 132kV)
- Indoor Capacitor Bank (3.3 kV to 12kV)
- Outdoor Capacitor Bank (3.3 kV to 132 kV)
- Vacuum Capacitor Switch (up to 36 kV)
- LT and HT Capacitors

HARMONIC FILTERING SOLUTIONS

- Passive Harmonic Filter (380 V to 36 kV)
- Active Harmonic Filter (380 V to 36 kV)

ENGINEERING PROJECTS

Projects on turnkey basis from concept to commissioning:

- Turnkey Air Insulated Substation (AIS) upto 765kV
- Turnkey Gas Insulated Substation (GIS) upto 400kV
- Engineered Packages
- Construction Packages for own EHV Equipment

CG POWER SYSTEM SERVICE

- Installation and Commissioning
- Onsite Services and Inspection
- Repairs, Upgrading and Retrofitting
- Condition Monitoring and Diagnosis
- Power Quality Audits
- Service Contracts
- Supply of Spare Parts
- Training



ESTABLISHMENTS

Establishments

REGISTERED OFFICE

CG POWER AND INDUSTRIAL SOLUTIONS LIMITED
One Unity Center, 15th Floor,
Unit Nos. 1504-1508, Senapati Bapat Marg,
Prabhadevi, Mumbai 400013
Maharashtra, India
Tel: +91 (0)22 3120 7700

POWER SYSTEMS

POWER TRANSFORMER DIVISION (T3)
Plot No. 29, 31-32, New Industrial Area,
Mandideep 462046
Madhya Pradesh, India
Tel +91 (0)7480 408200, 408201
Email: arya.panwar@cgglobal.com

DISTRIBUTION TRANSFORMER DIVISION (T2)
Plot No. T1-T5, MPAKVN Industrial Area,
District Bhind, Malanpur 477117
Madhya Pradesh, India
Tel +91 (0) 9713 063899
Email: sujeet.singh@cgglobal.com

SWITCHGEAR DIVISION S1, S2, S3 (UNIT I), S4, GIS
A-3, M.I.D.C., Ambad,
Nashik 422010
Maharashtra, India
Tel +91 (0)253 230 1101
Email: gaurav.makhija@cgglobal.com

SWITCHGEAR DIVISION S3 (UNIT II)
Plot No 163/5, CTS No 1777/1 and 1777/2,
Bahule, Pimpalgaon Garudeshwar,
Nashik 422213
Maharashtra, India
Tel +91 (0)253 230 1101
Email: gaurav.makhija@cgglobal.com

SWITCHGEAR DIVISION S6
Vacuum Interrupters & Instrument Transformer Division
D2 & D1/2, MIDC, Waluj,
Chhatrapati Sambhajinagar 431136
Maharashtra, India
Tel +91 (0)240 255 8081
Email: delip.wakode@cgglobal.com

ENGINEERING PROJECTS DIVISION
AIHP Millenium, 7th Floor, Plot no. 92 & 93
Udhyog Vihar, Phase – IV,
Gurgaon 122015
Haryana, India
Email: sanjay.sahni@cgglobal.com

INDUSTRIAL SYSTEMS

LARGE INDUSTRIAL MACHINES
Plot No. 9, MPAKVN, Phase 2
New Industrial Area,
Mandideep 462046
Madhya Pradesh, India
Tel +91 9960189892
Email: vijayjeet.choudhary@cgglobal.com

LT MOTORS (UNIT I)
Plot No. A-6/2, MIDC Industrial Area,
Ahilyanagar 414111
Maharashtra, India
Tel +91 (0)241 2994800
Email: sandip.tamboli@cgglobal.com

LT MOTORS (UNIT II)
B-108/109, MIDC Industrial Area,
Ahilyanagar 414111
Maharashtra, India
Tel +91 (0)241 662 4121 / 277 7177
Email: yogesh.kumthekar@cgglobal.com

LT MOTORS (UNIT III)
S/14-15, Colvale Industrial Estate,
Colvale, Bardez 403513
Goa, India
Tel +91 9421438994
Email: harish.savaikar@cgglobal.com

COMMERCIAL MOTORS
Plot No. 196-198,
Kundaim Industrial Estate,
Ponda 403115
Goa, India
Tel +91 9765409620
Email: harish.savaikar@cgglobal.com

CONSUMER PRODUCTS
Jolly Board, Unit No.502, Fifth Floor,
Jolly Board Towers-D Wing,
I-Think Techno Campus,
Kanjurmarg (East), Mumbai 400042
Maharashtra, India
Tel +91 (0)22 4666 0272
Email: prashant.saxena@cgglobal.com

DRIVES & AUTOMATION
Plot No. 9, MPAKVN,
Phase 2 New Industrial Area,
Mandideep 462046
Madhya Pradesh, India
Email: kumud.jhamb@cgglobal.com

STAMPINGS DIVISION
B-110, B-111/B, B-112/2,
MIDC Industrial Area,
Ahilyanagar 414111
Maharashtra, India
Tel +91 (0)241 661 0523
Email: sanjiv.mkumar@cgglobal.com

STAMPINGS – GOA
215, GIDC Industrial Estate,
Kundaim 403115
Goa, India
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Email: vijay.mpatil@cgglobal.com

RAILWAY SYSTEMS

TRACTION MACHINES & SYSTEM DIVISION
D5, Industrial Area MPAKVN,
Mandideep 462046
Madhya Pradesh, India
T: +91 74802 35216
Email: manish.shah@cgglobal.com

RAIL TRANSPORTATION & TRACTION ELECTRONICS
Plot No. 9, MPAKVN Phase II,
New Industrial Area
Mandideep 462046
Madhya Pradesh, India
Tel +91 (0)7480 426400, 426450
Email: sarvesh.srivastava@cgglobal.com

RAILWAY SIGNALLING DIVISION
11 B, Industrial Area No. 1,
Pithampur 454775, District Dhar,
Madhya Pradesh, India
Tel +91 (0)7292 410115, 410107
Email: vinit.joshi@cgglobal.com

SUBSIDIARIES

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Tel +46 42 16 99 00 Fax +46 42 16 99 49

CG DRIVES & AUTOMATION GERMANY GMBH
Gießerweg 3, D-38855 Wernigerode Germany
Tel +49 (0)3943 92050

CG ADHESIVE PRODUCTS LIMITED
215, GIDC Industrial Estate, Kundaim,
Goa. India 403115
Tel.: +91-832-2395209/10
Email: sales@cgapl.com

G G TRONICS INDIA PRIVATE LIMITED
Plot No 10, 6th Main Rd, 3rd Stage, Phase 3, Peenya,
Bengaluru, Karnataka 560058
Tel: +91 80 28372449 / 50 / 51
Email: info@ggtronics.com

CG SEMI PRIVATE LIMITED
Plot No. 712 & 713, Sanand GIDC – II, Hirapur, Overhead Tank,
Sanand GIDC, Sanand, Ahmedabad 382170, Gujarat
Email ID: info@cgsemi.murugappa.com

BRANCH, MARKETING & SERVICE OFFICES

NORTHERN REGION
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5th Floor, Block A, Pinnacle Tower,
Sector 62, Gautambuddha Nagar,
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Uttar Pradesh, India
Email
Business Enquiry: anup.anand@cgglobal.com
Service Enquiry: nitesh.utreja@cgglobal.com

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Service Enquiry: gurpreet.bhathal@cgglobal.com

LUCKNOW
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Email:
Business Enquiry: prateek.dikshit@cgglobal.com
Service Enquiry: vipul.srivastava@cgglobal.com

EASTERN REGION

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West Bengal, India
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Email
Business Enquiry: ayan.chatterjee@cgglobal.com
Service Enquiry: amrita.sarkar@cgglobal.com

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Bhubaneswar 751009
Orissa, India
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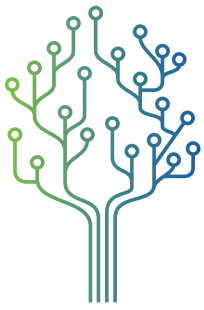
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