

Crompton Greaves Limited

Registered Office:

CG House, 6th Floor, Dr Annie Besant Road, Worli, Mumbai 400 030, India

T: +91 22 2423 7777 F: +91 22 2423 7733 W: www.cgglobal.com

Corporate Identity Number: L99999MH1937PLC002641



Smart solutions.
Strong relationships.

Our Ref : COSEC/239/2015

3rd March, 2015

BY EMAIL & COURIER

The Corporate Relationship Department

Stock Exchange, Mumbai
1st Floor, New Trading Ring
Rotunda Building
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Assistant Manager – Listing

National Stock Exchange of India
Exchange Plaza, Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sirs,

CLAUSE 36

Pursuant to Clause 36 of the Listing Agreement, we wish to inform you of the outcomes from the Meeting of Board of Directors of the Company ("CG") held today :

Scheme of demerger of Consumer BU :

A new Scheme of demerger of the Consumer Products Business Unit of the Company into CG's wholly owned subsidiary Crompton Greaves Consumer Electricals Limited was approved by the Board, and the existing scheme with Crompton Greaves Consumer Products Limited is withdrawn. The new Scheme consists of 100% vertical demerger of the Consumer BU, and will come into effect from the Appointed Date 1st October, 2015, subject to receipt of all Regulatory approvals. Details on key highlights of the new Scheme are enclosed as Annexure A to this letter.

Please take the above information on record pursuant to Clause 36 of the Listing Agreement with the Stock Exchanges.

Yours faithfully
for Crompton Greaves Limited

MINAL BHOSALE
Company Secretary



AVANTHA
GROUP COMPANY

Crompton Greaves Limited

Registered Office:

CG House, 6th Floor, Dr Annie Besant Road, Worli, Mumbai 400 030, India

T: +91 22 2423 7777 F: +91 22 2423 7733 W: www.cgglobal.com

Corporate Identity Number: L99999MH1937PLC002641



Smart solutions.
Strong relationships.

Annexure A

Crompton Greaves Board approves the Scheme for vertical demerger of Consumer Products Business into a separate listed company

March 03, 2015: The Board of Directors ("Board") of Crompton Greaves Limited ("CG") has, at its meeting held today, approved a new Scheme of Arrangement ("Scheme") for the vertical demerger of Consumer Products Business unit of CG into its wholly owned subsidiary, Crompton Greaves Consumer Electricals Limited ("CGCEL") with effect from October 1, 2015.

Earlier, on February 19, 2015, the Board, based on comments received from the SEBI, the Stock Exchanges and investors' feedback, had decided, in principle, to implement a 100% demerger of the Consumer Products business, such that the shareholding pattern of the Resulting Consumer Company shall mirror the shareholding pattern of CG. The Scheme based on this principle was today considered and approved by the Board.

Key Highlights

1. The Consumer Products Business undertaking shall be de-merged into CG's wholly owned subsidiary, CGCEL.
2. Under the Scheme, CG will transfer its Consumer Products Business undertaking including related businesses, undertakings, properties, investments, intangibles, contracts (including employee contracts) and liabilities into CGCEL.
3. CGCEL will issue and allot to the shareholders of CG as on the record date one (1) fully paid up equity share of Rs. 2 each for every one (1) equity share held in CG.
4. Upon demerger, shareholding of CG in CGCEL will get cancelled and the shareholding pattern of CGCEL will mirror the shareholding pattern of CG
5. CGCEL will apply for listing its shares on the BSE and NSE.
6. The proposed Scheme of Arrangement will be subject to the approvals of the High Court of Judicature at Mumbai. The restructuring will further be subject to various statutory approvals, including those from the shareholders, lenders and creditors of CG and CGCEL.
7. Appointed date of the scheme will be 1st October 2015.

Upon the Scheme becoming effective, and subject to the requisite regulatory approvals including those from Stock Exchanges and SEBI, shares of CGCEL are proposed to be listed on the NSE and BSE. CGCEL will issue one (1) new equity share to CG shareholders for every one (1) share they hold in CG.

Commenting on the demerger, Mr. Laurent Demortier, CEO and Managing Director, Crompton Greaves Ltd. said: "The demerger will achieve the stated Group objective of creation of two industry leading independent entities and unlocking shareholder value. This is in continuation of our efforts of providing complete independence and flexibility to both entities and help in pursuing aggressive growth going



AVANTHA
GROUP COMPANY

Crompton Greaves Limited

Registered Office:

CG House, 6th Floor, Dr Annie Besant Road, Worli, Mumbai 400 030, India

T: +91 22 2423 7777 F: +91 22 2423 7733 W: www.cgglobal.com

Corporate Identity Number: L99999MH1937PLC002641



Smart solutions.
Strong relationships.

forward.”

Advisors to Restructuring

- Axis Capital Limited and Credit Suisse Securities (India) Private Limited are acting as financial advisors to CG. Khaitan & Co are acting as legal advisors and T.P. Ostwal & Co. are acting as tax advisors to CG
- Price Waterhouse & Co. LLP has issued the report on the Share Exchange Ratio adopted under the Scheme
- Axis Capital Limited provided fairness opinion on Share Entitlement Ratio to the Board of CG



AVANTHA
GROUP COMPANY