

Crompton Greaves Limited

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Corporate Identity Number(CIN): L99999MH1937PLC002641

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UNDERTAKING IN RELATION TO NON APPLICABILITY OF PARAGRAPH 5.16(a) OF SEBI CIRCULAR NO. CIR/CFD/DIL/5/2013 DATED 4 FEBRUARY 2013 (AS MODIFIED BY PARAGRAPH 7 OF SEBI CIRCULAR NO. CIR/CFD/DIL/8/2013 DATED 21 MAY 2013)

This is with reference to the proposed demerger of the Consumer Business Undertaking of Crompton Greaves Limited (“Company” or “Demerged Company”) into Crompton Greaves Consumer Electricals Limited (“Resulting Company”), a wholly owned subsidiary of the Company, under the provisions of Sections 391 - 394 the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 or Companies Act, 2013, as the case may be. Capitalized terms appearing herein, unless expressly stated, shall have the meaning ascribed to them in SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4 February 2013 (as modified by SEBI circular no. CIR/CFD/DIL/8/2013 dated 21 May 2013).

As per the Scheme of Arrangement (“Scheme”), all the shareholders of the Company shall be allotted shares in the Resulting Company in proportion of their shareholding in the Company. No additional shares is proposed to be allotted to the Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

Further, the Scheme involves demerger of the Consumer Business Undertaking into Crompton Greaves Consumer Electricals Limited, its wholly owned subsidiary and does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

Lastly, Resulting Company was incorporated as wholly owned subsidiary of the Company. No other person or entity has ever owned the shares of Resulting Company other than as nominees of the Company. Therefore, the question of the Company acquiring the shares of Resulting Company by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group does not arise.

In view of the aforesaid and pursuant to paragraph 7 of the Revised SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21 May 2013, the requirement stated at paragraph 5.16(a) of the SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4 February 2013 is not applicable to the proposed Scheme of Arrangement.

For Crompton Greaves Limited

MINAL BHOSALE
COMPANY SECRETARY

Date : 3rd March 2015



AVANTHA
GROUP COMPANY



C:4A/MPP/

3rd March, 2015

Board of Directors,
Crompton Greaves Limited,
6th Floor, CG House,
Dr. Annie Besant Road,
Worli,
Mumbai 400 030

Undertaking in relation to non-applicability of Paragraph 5.16(a) of SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 (as modified by Paragraph 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013)

This is with reference to the proposed Demerger of the Consumer Business Undertaking of **Crompton Greaves Limited** (the 'Company' or the 'Demerged Company') into **Crompton Greaves Consumer Electricals Limited** (the 'Resulting Company'), a wholly-owned subsidiary of the Company, under the provisions of Sections 391-394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 or Companies Act, 2013, as the case may be. Capitalised terms appearing herein, unless expressly stated, shall have the meaning ascribed to them in SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 (as modified by SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013).

As per the proposed Scheme of Arrangement (the 'Scheme'), all the shareholders of the Company shall be allotted shares in the Resulting Company in proportion of their shareholding in the Company. No additional shares is proposed to be allotted to the Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

Further, the aforesaid Scheme involves demerger of the Consumer Business Undertaking into Crompton Greaves Consumer Electricals Limited, its wholly owned subsidiary and does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

Lastly, Resulting Company was incorporated as wholly-owned subsidiary of the Company. No other person or entity has ever owned the shares of Resulting Company other than as nominees of the Company. Therefore, the question of the Company acquiring the shares of Resulting Company by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group does not arise.

We have verified the books of account and records of the Company, and the proposed scheme of Demerger, and in view of the aforesaid and pursuant to paragraph 7 of the Revised SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013, the requirement stated at paragraph 5.16(a) of the SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 is not applicable to the Proposed Scheme of Arrangement.



SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

MILIND P. PHADKE
Partner
Membership No. 033013

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