

CG Power and Industrial Solutions Limited
(Formerly Crompton Greaves Limited)

Registered Office:

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

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Corporate Identity Number: L99999MH1937PLC002641



Smart solutions.
Strong relationships.

Our Ref: COSEC/117/2019

February 14, 2019

By portal

The Corporate Relationship Department

BSE Limited

1st Floor, New Trading Ring

Rotunda Building,

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai 400 001

Scrip Code : 500093

The Assistant Manager – Listing

National Stock Exchange of India Ltd.

Exchange Plaza, Bandra-Kurla Complex

Bandra (East)

Mumbai 400 051

Scrip Id : CGPOWER

Dear Sir/Madam,

Ref: Outcome of Meeting of the Board of Directors dated February 12, 2019

Sub: Correction of typographical error in Limited Review Report on the Unaudited Consolidated Financial Results of the Company for the quarter ended December 31, 2018

With respect to the limited review report on the consolidated financial results for the 3rd quarter and nine months ended December 31, 2018 issued by our Joint Statutory Auditors, M/s. S R B C & CO LLP, Chartered Accountants and M/s. K.K. Mankeshwar & Co., Chartered Accountants, submitted to you vide our captioned letter dated February 12, 2019, we have been informed by the Joint Statutory Auditors that there is an inadvertent typographical error in paragraph 6. Currently line 3 of paragraph 6 reads as '.....except for the possible effects of matters stated in paragraph 3 and 4.....'. It should instead be read as '.....except for the possible effects of matters stated in paragraph 4 and 5.....'.

The revised limited review report on the consolidated financial results for the 3rd quarter and nine months ended December 31, 2018 incorporating the above corrections is enclosed for taking on record. We request you to replace this report in our earlier communication vide our captioned letter dated February 12, 2019.

Thanking you

Yours faithfully,

For CG Power and Industrial Solutions Limited

Shikha Kapadia

Company Secretary and Compliance Officer

ACS No. 20733

Encl: As above



AVANTHA
GROUP COMPANY

S R B C & Co LLP
Chartered Accountants
12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West), Mumbai - 400028

K.K. Mankeshwar & Co
Chartered Accountants
7, Kingsway
Nagpur 440 001

Review Report to
The Board of Directors
CG Power and Industrial Solutions Company Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of CG Group comprising CG Power and Industrial Solutions Company Limited ('the Company') and its subsidiaries (together, 'the Group'), one associate and one joint venture, for the quarter and year to date from April 1, 2018 to December 31, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, [read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016] is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We did not review the financial statements and other financial information, in respect of subsidiary companies viz. CG Holdings Hungary Kft, CG Power & Industrial Solutions Limited Middle East FZCO, CG PPI Adhesive Products Limited, CG International Holdings Singapore Pte. Limited and Crompton Greaves Sales Network Malaysia Sdn. Bhd, part of continued operations of the group, whose Ind-AS financial statements include total assets of Rs. 412.39 Crore and net assets of Rs. 189.51 Crore as at December 31, 2018, and total revenues of Rs. 31.31 Crore and Rs. 17.60 Crore for the quarter and year ended on that date, total loss after tax (including other comprehensive income) of Rs 38.28 Crore and Rs. 35.48 Crore for the quarter and year ended on that date. We did not review the financial statements and other financial information of CG Sales Networks France SA, CG Service Systems France SAS, CG Power Solutions UK Ltd, CG Power Solutions Saudi Arabia Ltd, CG Power Equipment Limited and CG Middle East FZE, which are part of discontinued operations whose Ind-AS financial statements include total assets of Rs. 221.48 Crore and negative net assets of Rs. 113.08 Crore as at December 31, 2018, and total revenues of Rs. 44.43 Crore and Rs. 15.77 Crore for the quarter and year ended on that date, total loss after tax (including other comprehensive income) of Rs 132.10 Crore and Rs. 43.47 Crore for the quarter and year ended on that date. We did not review the financial statements and other financial information, in respect of an associate company, CG International B.V. TR & Cont. Pvt. Co. LLC and one joint venture company, PT Crompton Prima Switchgear Indonesia, part of continued operations of the group, whose Ind-AS financial statements include the Group's share of net loss of Rs. 0.81 Crore and Rs. 3.26 Crore for the quarter and for the nine months period ended December 31, 2018. These financial results and other financial information have neither been audited nor been reviewed by other auditors and have been presented solely based on the information compiled by the management and approved by the Board of Directors. Accordingly, we are unable to comment on the impact, if any, on the statement of unaudited consolidated financial results for the same had these financial results and other information been reviewed or audited.



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5. As stated in note 7 to the financial results, the Company had given loans to the subsidiary and subsidiary had further given loan to an affiliate (a company having significant influence) and the outstanding balance of the loan as at December 31, 2018 is Rs. 729.62 Crore. Recovery of the loan for the group as at December 31, 2018, is dependent on financial ability of the affiliate to repay the loan to the subsidiary. The affiliate has rescheduled the repayment plan that was agreed with the subsidiary Company which was adopted by the board of directors of the Company in their meeting dated November 13, 2018. In absence of sufficient and appropriate evidence regarding recoverability of the loan from the affiliate as at December 31, 2018, we are unable to determine whether any adjustment are required to the amount of loan recoverable from the affiliate as at December 31, 2018 and its impact on loss and profit before tax including segment results for the quarter and for the nine months period ended December 31, 2018.
6. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the subsidiaries / associates, except for the possible effects of matters stated in paragraph 4 and 5, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the financial statements and other financial information, in respect of 4 subsidiaries, part of continued operations of the group, whose financial statements include total assets of Rs. 1,652.54 Crore and net assets of Rs. 1,161.67 Crore as at December 31, 2018 and total revenues of Rs. 771.37 Crore and Rs. 301.71 Crore for the quarter and the period ended on that date and total profit after tax (including other comprehensive income) of Rs 6.0 Crore and Rs. 53.03 Crore for the quarter and year ended on that date. We did not review the financial statements and other financial information, in respect of five subsidiaries which are classified as asset classified as held for sale and discontinued operations, whose financial statements include total assets of Rs. 5,290.97 Crore and net assets of Rs. 1,584.14 Crore as at December 31, 2018 and total revenues of Rs. 1,355.71 Crore and Rs. 477.55 Crore for the quarter and the period ended on that date and total loss after tax (including other comprehensive income) of Rs 61.82 Crore and Rs. 157.82 Crore for the quarter and year ended on that date. These financial statements and other financial information have been reviewed by other auditors, whose financial statements, other financial information and auditor's review reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our conclusion is not modified/qualified in respect of this matter.
8. Certain of Group's subsidiaries/associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries/associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We performed review of these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries/associates located outside India is based on the report of other auditors except that the conversion adjustments prepared by the management of the Company and reviewed by us.

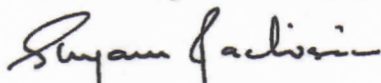


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9. The comparative financial information of the CG Group for the, corresponding quarter and nine months period ended December 31, 2017 were reviewed by the predecessor auditor who expressed an unmodified conclusion on those financial information on February 12, 2018 and the financial statements of the Company for the year ended March 31, 2018, were audited by one of the joint auditor who expressed an unmodified opinion on those financial statements on May 30, 2018.
10. As part of the review, we have reviewed the adjustments made to comparative financial information with regard to loss from discontinuing operations before tax, finance costs and retained earnings as fully described in note 6 to the attached financial results for the quarter and nine months period ended December 31, 2017, for year ended March 31, 2018 and for the quarter ended September 30, 2018 presented in the financial results. Based on our review, nothing has come to our attention that such adjustments were not appropriately made and have not been properly applied. One of the joint-auditors was not engaged to audit, review or apply any procedures on the financial information as at and for the period ended on March 31, 2018 and accordingly, this joint auditor does not express any opinion or any form of assurance on the consolidated financial information as at and for the year ended March 31, 2018 other than performing review procedures on the adjustments made to comparative financial information referred to in note 6, taken as a whole. None of the joint auditors were engaged to audit, review or apply any procedures on the consolidated financial information for the quarter and nine months period ended December 31, 2017, other than performing review procedures on the adjustments made to comparative financial information referred to in note 6 and accordingly, none of joint auditors express any conclusion or any form of assurance on the financial information for the quarter and nine months period ended on December 31, 2017, as a whole.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Shyamsundar Pachisia
Partner
Membership No. 49237

Mumbai
February 12, 2019



For **K.K. Mankeshwar & Co**
Chartered Accountants
ICAI Firm registration number: 106009W



per Ashwin Mankeshwar
Partner
Membership No. 046219

Mumbai
February 12, 2019

