

## CG Power and Industrial Solutions 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/242/2019-20

February 17, 2020

**By portal**

### **The Corporate Relationship Department**

BSE Limited  
1<sup>st</sup> 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,

### **Sub: Disclosure under Regulation 23(9) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

Pursuant to Regulation 23(9) of Listing Regulations, we are submitting herewith the half-yearly disclosure on Related Party Transactions on a consolidated basis, in the format specified in the relevant accounting standards for the quarter ended September 30, 2019.

Request you to kindly take the above information on record.

Thanking you,

Yours faithfully,  
For **CG Power and Industrial Solutions Limited**

Ravi Rajagopal  
*Compliance Officer*

*Encl: As above.*

**CG POWER AND INDUSTRIAL SOLUTIONS LIMITED**

**Disclosure of Related Party Transactions on a consolidated basis, in the format specified in the accounting standards for the six months ended 30 September, 2019**

**(a) List of related parties:**

**(i) Subsidiaries:**

| Sr. No. | Name of the Related Party  | Country of Incorporation | % Equity Interest |
|---------|--|--------------------------|-------------------|
|         |  |                          | As at 30-09-2019  |
| 1       | CG Power Solutions Limited   | India                    | 100.00            |
| 2       | CG-PPI Adhesive Products Limited   | India                    | 81.42             |
| 3       | CG Power Equipments Limited  | India                    | 100.00            |
| 4       | CG International Holdings Singapore Pte. Limited   | Singapore                | 100.00            |
| 5       | CG Sales Networks Malaysia Sdn Bhd<br>(formerly known as "Crompton Greaves Sales Network Malaysia Sdn.Bhd.") | Malaysia                 | 100.00            |
| 6       | CG International B.V.  | The Netherlands          | 100.00            |
| 7       | CG Holdings Belgium N.V.   | Belgium                  | 100.00            |
| 8       | CG Power Systems Belgium N.V.  | Belgium                  | 100.00            |
| 9       | CG Power Systems Ireland Limited   | Ireland                  | 100.00            |
| 10      | PT. CG Power Systems Indonesia   | Indonesia                | 95.00             |
| 11      | CG Sales Networks France SA  | France                   | 99.70             |
| 12      | CG Power Solutions Saudi Arabia Limited  | Saudi Arabia             | 51.00             |
| 13      | CG Electric Systems Hungary Zrt.   | Hungary                  | 100.00            |
| 14      | CG Power Solutions UK Limited  | United Kingdom           | 100.00            |
| 15      | CG Power Systems Canada Inc.   | Canada                   | 100.00            |
| 16      | CG- Ganz Generator and Motor Limited Liability Company<br>(formerly known as "CG Holdings Hungary Kft.")     | Hungary                  | 100.00            |
| 17      | CG Service Systems France SAS  | France                   | 100.00            |
| 18      | CG Industrial Holdings Sweden AB   | Sweden                   | 100.00            |
| 19      | CG Drives and Automation Sweden AB   | Sweden                   | 100.00            |
| 20      | CG Drives and Automations Germany GmbH   | Germany                  | 100.00            |
| 21      | CG Drives and Automation Netherlands B.V.  | The Netherlands          | 100.00            |
| 22      | CG Middle East FZE   | UAE                      | 100.00            |
| 23      | CG Holdings Americas, LLC (merged with CG Power Americas LLC w.e.f. 1 April, 2019)                           | USA                      | 100.00            |
| 24      | QEI, LLC   | USA                      | 100.00            |
| 25      | CG Power Americas, LLC   | USA                      | 100.00            |
| 26      | CG Solutions Americas, LLC (merged with CG Power Americas LLC w.e.f. 1 April, 2019)                          | USA                      | 100.00            |
| 27      | PT Crompton Prima Switchgear Indonesia   | Indonesia                | 51.00             |
| 28      | CG Power and Industrial Solutions Limited Middle East FZCO   | UAE                      | 100.00            |

**(ii) Associate:**

| Sr. No. | Name of the Related Party   | Country of Incorporation | % Equity Interest |
|---------|---|--------------------------|-------------------|
|         |   |                          | As at 30-09-2019  |
| 1       | CG International BV TR. & Cont. Pvt. Co. LLC. (Liquidated w.e.f. 18 June, 2019) | Sharjah                  | 49.00             |

**CG POWER AND INDUSTRIAL SOLUTIONS LIMITED**

**(a) List of related parties (contd.):**

**(iii) Key Management Personnel:**

- |    |                       |   |
|----|-----------------------|---|
| 1  | Gautam Thapar         | - Non- Executive Director and Promoter Director (ceased to be Chairman w.e.f. 29 August, 2019 and ceased to be a Director w.e.f. 9 October, 2019)                         |
| 2  | K. N. Neelkant        | - Executive Director, CEO & Managing Director (ceased w.e.f. 30 September, 2019)  |
| 3  | V R Venkatesh         | - Chief Financial Officer (ceased w.e.f. 30 August, 2019)   |
| 4  | Shikha Kapadia        | - Company Secretary and Compliance Officer (resigned w.e.f. 31 December, 2019)  |
| 5  | Omkar Goswami         | - Non- Executive Director (ceased to be a Director w.e.f. 14 December, 2019)  |
| 6  | Valentin Von Massow   | - Non- Executive and Independent Director (ceased to be a Director w.e.f. 5 August, 2019)   |
| 7  | Ramni Nirula          | - Non- Executive and Independent Director   |
| 8  | Jitender Balakrishnan | - Non- Executive and Independent Director   |
| 9  | Ashish Kumar Guha     | - Non- Executive and Independent Director (appointed as a Chairman w.e.f. 25 September, 2019)   |
| 10 | Sudhir Mathur         | - Whole Time - Executive Director (Non- Executive and Independent Director w.e.f. 01 October, 2018 upto 9 May, 2019, Whole Time - Executive Director w.e.f. 10 May, 2019) |
| 11 | Narayan K. Seshadri   | - Non- Executive Independent Director   |

**(iv) Other Related Parties in which directors are interested / promoter affiliate company:**

- |    |  |
|----|--|
| 1  | Ballarpur Industries Limited             |
| 2  | BILT Graphic Paper Products Limited      |
| 3  | Avantha Holdings Limited ("AHL")         |
| 4  | Avantha Realty Limited                   |
| 5  | Jhabua Power Limited                     |
| 6  | Solaris Industrial Chemicals Limited     |
| 7  | Avantha Power & Infrastructure Ltd       |
| 8  | Ballarpur Graphics Paper Product Limited |
| 9  | Avantha International Assets BV          |
| 10 | Ballarpur International Holdings BV      |
| 11 | Mirabelle Trading PTE Ltd.               |

**(v) Post Employment Benefit Entity**

- |   |                   |
|---|-------------------|
| 1 | CG Provident Fund |
| 2 | CG Gratuity Fund  |

**(b) The following transactions were carried out with the related parties:**

|         |  | ₹ crores   |
|---------|--|--|
| Sr. No. | Nature of transaction / relationship   | Six months ended 30-09-2019                          |
| 1       | <b>Sales of goods and services</b><br><b>Other Related Parties</b><br>Jhabua Power Limited   | 0.02   |
|         | <b>Total</b>   | <b>0.02</b>  |
| 2       | <b>Salaries, commission and perquisites #</b><br><b>Key Management Personnel</b><br>Sudhir Mathur<br>K. N. Neelkant<br>V. R. Venkatesh<br>Shikha Kapadia                                       | 1.22<br>1.55<br>0.80<br>0.27                         |
|         | <b>Total</b>   | <b>3.84</b>  |
| 3       | <b>Sitting fees</b><br><b>Key Management Personnel</b><br>Sudhir Mathur<br>Ashish Kumar Guha<br>Jitender Balakrishnan<br>Gautam Thapar<br>Omkar Goswami<br>Narayan K. Seshadri<br>Ramni Nirula | 0.01<br>0.10<br>0.14<br>0.08<br>0.12<br>0.07<br>0.11 |
|         | <b>Total</b>   | <b>0.63</b>  |

#Remuneration does not include the provisions made for gratuity, leave and post retirement medical benefits, as they are determined on an actuarial basis for the Group as a whole.

**CG POWER AND INDUSTRIAL SOLUTIONS LIMITED**

**(c) Amount due to / from related parties**

|     |   | ₹ crores         |
|-----|---|------------------|
| Sr. | Nature of transaction / relationship        | As at 30-09-2019 |
| 1   | <b>Trade payable</b>                        |                  |
|     | <b>Other Related Parties</b>                |                  |
|     | Mirabelle Trading PTE Ltd.##                | 6.27             |
|     | Jhabua Power Limited                        | 0.67             |
|     | <b>Total</b>                                | <b>6.94</b>      |
| 2   | <b>Trade receivable</b>                     |                  |
|     | <b>Other Related Parties</b>                |                  |
|     | Ballarpur Industries Limited                | 0.08             |
|     | BILT Graphic Paper Products Limited         | 0.27             |
|     | Jhabua Power Limited                        | 1.09             |
|     | <b>Total</b>                                | <b>1.44</b>      |
| 3   | <b>Loans and advances receivable</b>        |                  |
|     | <b>Other Related Parties##</b>              |                  |
|     | Avantha Holdings Limited                    | 1001.38          |
|     | Avantha Realty Limited                      | 10.65            |
|     | Avantha Power & Infrastructure Ltd          | 15.00            |
|     | Ballarpur Industries Limited                | 68.50            |
|     | Ballarpur Graphics Paper Product Limited    | 552.33           |
|     | Solaris Industrial Chemicals Limited        | 378.76           |
|     | Ballarpur International Holdings BV         | 84.88            |
|     | Avantha International Assets BV             | 348.71           |
|     | Mirabelle Trading PTE Ltd.                  | 95.66            |
|     | <b>Total</b>                                | <b>2555.87</b>   |
| 4   | <b>Due to Key Management Personnel</b>      |                  |
|     | <b>Salaries, commission and perquisites</b> |                  |
|     | K. N. Neelkant                              | 0.74             |
|     | <b>Total</b>                                | <b>0.74</b>      |
| 5   | <b>Due to Key Management Personnel</b>      |                  |
|     | <b>Sitting fees</b>                         |                  |
|     | Ashish Kumar Guha                           | 0.06             |
|     | Jitender Balakrishnan                       | 0.07             |
|     | Gautam Thapar                               | 0.04             |
|     | Omkar Goswami                               | 0.06             |
|     | Narayan K. Seshadri                         | 0.04             |
|     | Ramni Nirula                                | 0.05             |
|     | <b>Total</b>                                | <b>0.32</b>      |
| 6   | <b>Guarantees outstanding</b>               |                  |
|     | <b>Other Related Party</b>                  |                  |
|     | Avantha Holdings Limited##                  | 500.00           |
|     | <b>Total</b>                                | <b>500.00</b>    |

## These transactions and balances are subject to investigation to ensure completeness of such transactions / accounting adjustments as disclosed in note 6(y) and 7 of statement of consolidated financial results for the year ended 31 March 2019 communicated to stock exchanges vide our disclosure dated 30 August 2019.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and are done in the ordinary course of business except closing balances with Other Related Parties disclosed in note c(1),(3),(6) above, where management is under process to investigate to ensure relevant disclosures and completeness of these transactions / accounting adjustments.

Outstanding balances at the period end are unsecured and settlement occurs in cash.

The Group makes monthly contributions to provident fund managed by "CG Provident Fund" for certain eligible employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. During the period, the Group contributed ` 6.77 crores.

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (CG Gratuity Fund). During the period, the Group contributed ` Nil in this Gratuity Fund.