



REF:INABB:STATUT:LODR COMPL:Q4 & AR:

February 12, 2020

BSE Limited
P.J. Towers
Dalal Street
Mumbai 400 001
(Attn: DCS CRD)

National Stock Exchange of India Limited
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Attn: Listing Dept.

Dear Sirs

Sub: Audited Financial Results for the 4th Quarter and Annual Audited Accounts for the year ended December 31, 2019

Ref: Regulations 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Scrip Code – BSE 500002 / NSE ABB

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Pursuant to Regulations 33 of Listing Regulations, we are sending herewith the Audited Financial Results of the Company for the 4th Quarter and the year ended December 31, 2019 which have been approved and taken on record by the Board of Directors of the Company at its meeting held today i.e., February 12, 2020, along with the Auditors Report dated February 12, 2020 thereon issued by M/s B S R & Co LLP, Statutory Auditors.

A declaration pursuant to Regulation 33(3) (d) of the Listing Regulations for the financial year 2019, is enclosed.

Compliance as required under Regulation 47 of the Listing Regulations will be complied.

Kindly take the same on record.

Thanking you

Yours faithfully
For ABB India Limited


B Gururaj
General Counsel & Company Secretary
FCS 2631

Encl: as above



TO WHOMSOEVER IT MAY CONCERN

Pursuant to Regulation 33(3)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby declare that, Statutory Auditors of the Company in their Report have issued unmodified opinion on the Annual Audited Financial Results of the Company for the financial year ended December 31, 2019.

For ABB India Limited

B Gururaj
General Counsel & Company Secretary
FCS 2631

Place: Bengaluru
Date : February 12, 2020



ABB India Limited

CIN: L32202KA1949PLC032923

Registered Office: 21st Floor, World Trade Center, Brigade Gateway, No 26/1, Dr. Rajkumar Road, Malleshwaram West, Bengaluru – 560 055

Phone: +91 (80) 22949150 - 22949153; Fax: +91 (80) 22949148 Website: www.abb.co.in, E-mail: investorhelpdesk@in.abb.com

Statement of audited results for the quarter and year ended 31/12/2019

Part I

₹ In Crores

| | Particulars | 3 months ended | 3 months ended | Corresponding 3 | Figures for the | Previous year ended |
|----|--|-----------------|--------------------------|--|----------------------------------|---------------------|
| | | 31/12/2019 | 30/09/2019 (Restated) | months ended 31/12/2018 in the previous year | current year ended 31/12/2019 | 31/12/2018 |
| | | Audited | Unaudited | Audited | Audited | Audited |
| 1 | Revenue from operations | | | | | |
| | (a) Sales / Income from operations | 1,928.25 | 1,723.76 | 1,939.54 | 7,229.00 | 6,613.36 |
| | (b) Other operating revenue | 25.08 | 21.86 | 26.78 | 86.06 | 76.76 |
| | Total revenue from operations | 1,953.33 | 1,745.62 | 1,966.32 | 7,315.06 | 6,690.12 |
| 2 | Other income (net) | 38.41 | 16.41 | 15.98 | 94.31 | 84.01 |
| 3 | Total Income (1 + 2) | 1,991.74 | 1,762.03 | 1,982.30 | 7,409.37 | 6,774.13 |
| 4 | Expenses | | | | | |
| | (a) Cost of raw materials and components consumed and project bought out cost | 1,267.57 | 880.33 | 1,072.12 | 4,194.97 | 3,755.62 |
| | (b) Purchases of stock-in-trade | (68.13) | 208.89 | 170.92 | 471.02 | 582.11 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 30.20 | (15.98) | 30.01 | (26.73) | (50.38) |
| | (d) Subcontracting charges | 64.95 | 61.96 | 52.29 | 221.88 | 226.30 |
| | (e) Employee benefits expense | 146.52 | 139.49 | 100.45 | 579.62 | 529.50 |
| | (f) Depreciation and amortisation expense | 22.42 | 22.66 | 23.88 | 90.40 | 92.76 |
| | (g) Finance costs | 4.73 | 4.42 | 5.27 | 21.36 | 53.90 |
| | (h) Other expenses | 373.82 | 347.57 | 325.10 | 1,343.15 | 1,189.18 |
| | Total expenses | 1,842.08 | 1,649.34 | 1,780.04 | 6,895.67 | 6,378.99 |
| 5 | Profit before exceptional item and tax (3 - 4) | 149.66 | 112.69 | 202.26 | 513.70 | 395.14 |
| 6 | Exceptional item (refer note 3) | 69.70 | - | - | 69.70 | - |
| 7 | Profit before tax (5 - 6) | 79.96 | 112.69 | 202.26 | 444.00 | 395.14 |
| 8 | Tax expense | | | | | |
| | Current tax | 40.76 | 7.33 | 60.82 | 130.32 | 139.65 |
| | Deferred tax charge/(credit) | (25.46) | 26.55 | 12.80 | 11.45 | 1.30 |
| | Total tax expense | 15.30 | 33.88 | 73.62 | 141.77 | 140.95 |
| 9 | Profit from continuing operations after tax (7 - 8) | 64.66 | 78.81 | 128.64 | 302.23 | 254.19 |
| 10 | Profit/(loss) from discontinued operations | (40.77) | - | 108.91 | 1.65 | 399.10 |
| 11 | Tax expense of discontinued operations | (14.77) | - | 39.64 | 0.48 | 142.40 |
| 12 | Profit from discontinued operations after tax (10 - 11) | (26.00) | - | 69.27 | 1.17 | 256.70 |
| 13 | Profit for the period (9 + 12) | 38.66 | 78.81 | 197.91 | 303.40 | 510.89 |
| 14 | Other comprehensive income (OCI) (net of tax) | | | | | |
| | Other comprehensive income / (expenses) not to be reclassified to profit or loss - | | | | | |
| | Remeasurement gains / (losses) on defined benefit plans | 4.12 | (16.61) | (13.87) | (5.10) | 2.99 |
| | Income tax effect | 0.02 | 3.81 | 4.85 | 1.28 | (1.04) |
| | Total other comprehensive income (net of tax) | 4.14 | (12.80) | (9.02) | (3.82) | 1.95 |
| 15 | Total comprehensive income (13 + 14) | 42.80 | 66.01 | 188.89 | 299.58 | 512.84 |
| 16 | Paid-up Equity Share Capital (Face value per share - ₹ 2/- each) | 42.38 | 42.38 | 42.38 | 42.38 | 42.38 |
| 17 | Reserves excluding Revaluation Reserves as per Balance Sheet | - | - | - | 3,477.73 | 3,964.94 |
| 18 | Earnings per share ('EPS') (of ₹ 2/- each) (not annualised except year end EPS) | | | | | |
| | Continuing operations | | | | | |
| | a) Basic | 3.05 | 3.72 | 6.07 | 14.26 | 12.00 |
| | b) Diluted | 3.05 | 3.72 | 6.07 | 14.26 | 12.00 |
| | Discontinued operations | | | | | |
| | a) Basic | (1.23) | - | 3.27 | 0.06 | 12.11 |
| | b) Diluted | (1.23) | - | 3.27 | 0.06 | 12.11 |
| | Continuing and Discontinued operations | | | | | |
| | a) Basic | 1.82 | 3.72 | 9.34 | 14.32 | 24.11 |
| | b) Diluted | 1.82 | 3.72 | 9.34 | 14.32 | 24.11 |

See accompanying notes to the financial results





Part II

Segmentwise revenues, results, assets and liabilities.

| Particulars | 3 months ended 31/12/2019 | 3 months ended 30/09/2019 (Restated) | Corresponding 3 months ended 31/12/2018 in the previous year | Figures for the current year ended 31/12/2019 | Previous year ended 31/12/2018 |
|--|------------------------------|--|---|---|-----------------------------------|
| | Audited | Unaudited | Audited | Audited | Audited |
| a) Segment Revenues | | | | | |
| Robotics & Discrete Automation | 65.19 | 59.57 | 59.07 | 271.82 | 252.67 |
| Motion | 684.84 | 606.52 | 639.00 | 2,618.46 | 2,249.52 |
| Electrification | 833.10 | 709.42 | 748.03 | 3,019.38 | 2,616.07 |
| Industrial Automation | 413.98 | 404.51 | 515.47 | 1,563.18 | 1,540.02 |
| Others | 2.19 | 83.71 | 128.40 | 174.45 | 371.48 |
| Total | 1,999.30 | 1,863.73 | 2,089.97 | 7,647.29 | 7,029.76 |
| Less : Inter segment revenues | 45.97 | 118.11 | 123.65 | 332.23 | 339.64 |
| Total Revenue from operations (Continuing operations) | 1,953.33 | 1,745.62 | 1,966.32 | 7,315.06 | 6,690.12 |
| Power Grids (Discontinued operations) | - | - | 1,159.26 | 907.97 | 4,221.72 |
| Less: Inter segment revenues | - | - | 17.25 | 13.13 | 49.94 |
| Total Revenue from operations (Discontinued operations) | - | - | 1,142.01 | 894.84 | 4,171.78 |
| b) Segment Results (Profit Before Tax and Interest) | | | | | |
| Robotics & Discrete Automation | 7.93 | 0.85 | 10.59 | 23.98 | 29.27 |
| Motion | 63.19 | 58.61 | 64.34 | 241.62 | 191.25 |
| Electrification (excluding exceptional item) | 99.80 | 61.86 | 75.64 | 297.11 | 249.58 |
| Industrial Automation | 1.02 | 24.72 | 72.46 | 96.19 | 189.93 |
| Total | 171.94 | 146.04 | 223.03 | 658.90 | 660.03 |
| (Add) / Less - Interest | 4.73 | 4.42 | 5.27 | 21.36 | 53.90 |
| - Other unallocated expenditure net off unallocated income | 17.55 | 28.93 | 15.50 | 123.84 | 210.99 |
| - Exceptional item - Electrification (refer note 3) | 69.70 | - | - | 69.70 | - |
| Total Profit Before Tax (Continuing operations) | 79.96 | 112.69 | 202.26 | 444.00 | 395.14 |
| Power Grids (Discontinued operations) | (40.77) | - | 113.88 | 9.41 | 421.90 |
| Less: Interest | - | - | 4.97 | 7.76 | 22.80 |
| Total Profit Before Tax (Discontinued operations) | (40.77) | - | 108.91 | 1.65 | 399.10 |
| c) Segment Assets | | | | | |
| Robotics & Discrete Automation | 139.46 | 135.62 | 82.35 | 139.46 | 82.35 |
| Motion | 1,107.88 | 1,206.43 | 1,021.18 | 1,107.88 | 1,021.18 |
| Electrification | 1,560.41 | 1,650.03 | 1,471.61 | 1,560.41 | 1,471.61 |
| Industrial Automation | 1,060.61 | 1,091.23 | 1,057.93 | 1,060.61 | 1,057.93 |
| Power Grids (Discontinued) | - | - | 2,802.22 | - | 2,802.22 |
| Unallocated | 3,832.47 | 2,539.75 | 2,641.61 | 3,832.47 | 2,641.61 |
| Total Segment Assets | 7,700.83 | 6,623.06 | 9,076.90 | 7,700.83 | 9,076.90 |
| d) Segment Liabilities | | | | | |
| Robotics & Discrete Automation | 114.48 | 157.15 | 87.11 | 114.48 | 87.11 |
| Motion | 844.17 | 831.04 | 740.30 | 844.17 | 740.30 |
| Electrification | 916.74 | 911.06 | 846.49 | 916.74 | 846.49 |
| Industrial Automation | 725.67 | 717.70 | 692.07 | 725.67 | 692.07 |
| Power Grids (Discontinued) | - | - | 2,122.74 | - | 2,122.74 |
| Unallocated | 1,579.66 | 718.19 | 580.87 | 1,579.66 | 580.87 |
| Total Segment Liabilities | 4,180.72 | 3,335.14 | 5,069.58 | 4,180.72 | 5,069.58 |

Notes

- This Statement has been reviewed by the Audit Committee and recommended for approval to the Board and the Board approved at its meeting held on February 12, 2020.
- The Board at its meeting held on February 13, 2019 granted in-principle approval for the segregation of the Company's Power Grids business from the other businesses of the Company. Consequently, pursuant to the requirements of Ind AS 105 – Non Current Assets held for Sale and Discontinued Operations, the Company classified the assets and liabilities as at December 31, 2018 pertaining to the Power Grids Business as Assets / Liabilities held for sale and measured the same at lower of cost and fair value (fair value less costs to sell). The Financial results of Power Grids business was presented as discontinued operations in the year ended December 31, 2018.

On March 5, 2019, the Board of Directors of Company approved the Scheme of Arrangement amongst the Company and ABB Power Products and Systems India Limited (APPSIL) for Demerger of Company's Power Grids business to APPSIL ("Demerger") and the Appointed date for the Demerger is April 1, 2019. The Demerger is approved by National Company Law Tribunal ("NCLT") and the NCLT approval has been filed with the Registrar of Companies on December 1, 2019 (Effective date).

Pursuant to the Composite Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Bangalore Bench vide Order dated November 27, 2019, with effect from the Appointed Date i.e., April 1, 2019, the Power Grid business of the Company ('the transferred business') stands transferred into "APPSIL", ('the resulting company'). The unaudited standalone financial results for the quarter ended September 30, 2019 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 13, 2019 without giving effect to the Scheme pending approvals and other regulatory compliances.

On receipt of the order dated November 27, 2019 from NCLT sanctioning the Scheme and upon filing the same with Registrar of Companies, Bengaluru on December 1, 2019, the Scheme has become effective. The NCLT order was considered to give effect to the transferred business with effect from the Appointed Date of April 1, 2019 and accordingly the unaudited financial results of Power Grid business for the period April 1, 2019 to September 30, 2019 has been restated by the management to give effect to the Scheme. Consequently, Net Profit after tax for quarter ended September 30, 2019, as disclosed above stand at ₹ 78.81 Crores against ₹ 135.28 Crores for the period as published earlier. The numbers published earlier, referred to hereinbefore, were computed without considering the impact of the Scheme. Further, Demerger costs incurred during the quarter ended December 31, 2019 amounting to ₹ 40.77 Crores comprising stamp duty (accrued on estimate basis) and other expenses has been disclosed as part of loss from discontinued operations.





3. The board at its meeting held on July 9, 2019, granted in-principle approval for sale of Company's solar inverter business to an Italian Company, FIMER S.p.A. Consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets held for Sale and Discontinued Operations, the Company has classified the assets as at December 31, 2019 pertaining to the Solar Inverter Business as Assets held for sale and measured the same at lower of cost and fair value (fair value less costs to sell). In this regard, the Company has accounted exceptional cost amounting to ₹ 69.70 Crores towards the remeasurement of fixed assets and inventories at realisable values.
4. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company recognized Provision for income tax for the nine months ended September 30, 2019 and re-measured its Deferred Tax Assets basis the rate prescribed in the said section. The impact of this change has been recognized proportionately in the quarter ended September 30, 2019 and December 31, 2019.
5. ABB Power Products and Systems India Limited (APPSIL) was incorporated on February 19, 2019 as a wholly owned subsidiary of ABB India Limited. The Company, for the quarters ended June 30, 2019 and September 30, 2019 had prepared consolidated financial statements in accordance with the accounting standards.

Vide NCLT's order dated November 27, 2019, the Company lost control over APPSIL with effect from the Appointed date ie. April 1, 2019. Hence consolidated financial statement is not presented. There are no transactions in APPSIL during the period February 19, 2019 to March 31, 2019.
6. The Board of Directors of the Company have recommended a dividend of ₹ 4.80 per equity share of face value of ₹ 2 each for year ended December 31, 2019.
7. The figures for the last quarter of current and the previous years are the balancing figures between audited figures for the full financial years and the unaudited published year-to-date figures for nine months of respective years.
8. The figures of the previous year/ periods have been regrouped/ reclassified, wherever necessary.

Place : Bengaluru
Date : February 12, 2020.

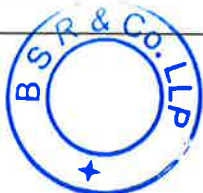
For ABB India Limited

Sanjeev Sharma
Managing Director
DIN: 07362344



Statement of Assets and Liabilities
₹ In Crores

| Particulars | As at | As at |
|--|-------------------|-------------------|
| | December 31, 2019 | December 31, 2018 |
| | Audited | Audited |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 719.80 | 871.30 |
| Capital work-in-progress | 59.48 | 83.06 |
| Goodwill | 14.62 | 14.62 |
| Other Intangible assets | 7.27 | 7.22 |
| Financial assets | | |
| Investments | - | 0.09 |
| Loans | 10.51 | 10.42 |
| Other financial assets | 9.76 | 1.51 |
| Deferred tax assets (net) | 110.34 | 114.96 |
| Income tax assets (net) | 174.42 | 288.88 |
| Other non-current assets | 196.44 | 159.72 |
| Total Non-current assets | 1,302.64 | 1,551.78 |
| Current assets | | |
| Inventories | 861.73 | 927.85 |
| Financial assets | | |
| Investments | 0.08 | 0.08 |
| Trade receivables | 1,947.54 | 1,686.89 |
| Cash and cash equivalents | 1,594.91 | 1,472.40 |
| Bank balance other than cash and cash equivalents | 2.66 | 2.67 |
| Loans | 366.53 | 15.84 |
| Other financial assets | 613.87 | 281.91 |
| Current tax assets (net) | 112.34 | - |
| Other current assets | 475.96 | 335.26 |
| Assets classified as held for sale and discontinued operations | - | 2,802.22 |
| Assets classified as held for sale | 422.57 | - |
| Total Current assets | 6,398.19 | 7,525.12 |
| Total Assets | 7,700.83 | 9,076.90 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 42.38 | 42.38 |
| Other equity | 3,477.73 | 3,964.94 |
| Total Equity | 3,520.11 | 4,007.32 |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | 7.06 | 2.03 |
| Other financial liabilities | 3.56 | 3.49 |
| Provisions | 44.97 | 32.29 |
| Total Non-current liabilities | 55.59 | 37.81 |
| Current liabilities | | |
| Financial liabilities | | |
| Trade payables | | |
| Total outstanding dues to micro enterprises and small enterprises | 24.71 | 123.80 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | 1,876.89 | 1,750.71 |
| Other financial liabilities | 1,216.01 | 403.38 |
| Other current liabilities | 494.38 | 397.76 |
| Provisions | 241.50 | 233.38 |
| Liabilities directly associated with discontinued operations | - | 2,122.74 |
| Liabilities directly associated with assets held for sale | 271.64 | - |
| Total Current liabilities | 4,125.13 | 5,031.77 |
| Total Equity and Liabilities | 7,700.83 | 9,076.90 |

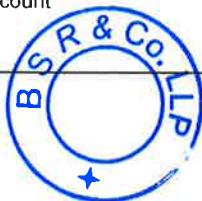




Statement of cash flows

₹ In Crores

| For the period ended December 31, 2019 | Year ended December 31, 2019 | Year ended December 31, 2018 |
|---|---------------------------------|---------------------------------|
| | Audited | Audited |
| A. Cash flow from operating activities | | |
| Profit before tax from continuing operations | 444.00 | 395.14 |
| Profit before tax from discontinued operations | 1.65 | 399.10 |
| Adjustments to reconcile profit before tax to net cash provided by operating activities | | |
| Depreciation and amortisation expense | 103.99 | 145.78 |
| Unrealised exchange loss / (gains) (net) | 27.90 | (19.10) |
| Mark to market change in forward and commodity contracts | (8.16) | 0.54 |
| Profit on sale of mutual funds | - | (12.22) |
| Profit on sale of business | - | (14.01) |
| (Profit) / loss on sale of fixed assets (net) | (7.58) | 3.84 |
| Bad debts / advances written off | 67.34 | 86.50 |
| Provision for doubtful debts and advances | (23.81) | 12.56 |
| Interest income | (78.39) | (60.49) |
| Interest expense | 29.12 | 76.69 |
| Operating profit before working capital changes | 556.06 | 1,014.33 |
| Movement in working capital | | |
| Increase / (decrease) in trade payables | 93.46 | 483.52 |
| Increase / (decrease) in other financial liabilities | 1,014.76 | 13.55 |
| Increase / (decrease) in other liabilities and provisions | 222.89 | 134.70 |
| (Increase) / decrease in trade receivables | (545.09) | (646.46) |
| (Increase) / decrease in inventories | (81.04) | (197.79) |
| (Increase) / decrease in other financial assets | (450.24) | 55.57 |
| (Increase) / decrease in loans and other assets | 29.82 | (7.18) |
| | 284.56 | (164.09) |
| Cash generated from operations | 840.62 | 850.24 |
| Direct taxes paid (net of refunds) | (173.75) | (224.78) |
| Net cash flow from operating activities | 666.87 | 625.46 |
| B. Cash flow from investing activities | | |
| Purchase of property, plant and equipment | (137.41) | (243.68) |
| Proceeds from sale of property, plant and equipment | 15.94 | 7.65 |
| Proceeds from sale of business | - | 33.88 |
| Loans to related party | (347.62) | - |
| Proceeds from maturity of investments | 0.09 | 16.04 |
| Interest received | 78.32 | 63.19 |
| Proceeds from redemption of investment in mutual funds | - | 266.63 |
| Net cash flow used in investing activities | (390.68) | 143.71 |
| C. Cash flow from financing activities | | |
| Repayment of debentures | - | (600.00) |
| Proceeds from finance lease obligation | 5.03 | (1.43) |
| Interest paid | (29.12) | (79.85) |
| Dividend paid (including tax on dividend) | (122.63) | (112.41) |
| Net cash flow from / (used in) financing activities | (146.72) | (793.69) |
| Net (decrease) / increase in cash and cash equivalents (A+B+C) | 129.47 | (24.52) |
| Effects of exchange (loss) / gain on cash and cash equivalents | (0.20) | 1.27 |
| Cash and cash equivalents pertaining to discontinued operations | (6.46) | 6.46 |
| Cash and cash equivalents pertaining to assets held for sale | (0.30) | - |
| Cash and cash equivalents (opening balance) | 1,472.40 | 1,489.19 |
| | 1,594.91 | 1,472.40 |
| Components of cash and cash equivalents | | |
| Cash and bank balances | 1,597.57 | 1,475.07 |
| Less: Unpaid dividend account | 2.66 | 2.67 |
| | 1,594.91 | 1,472.40 |



B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report on Annual Financial Results of ABB India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of ABB India Limited

Opinion

We have audited the accompanying annual financial results of ABB India Limited (hereinafter referred to as the 'Company') for the year ended 31 December 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:

(i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) in the context of the overriding effect of the provision in the scheme of arrangement as approved by the National Company Law Tribunal ('NCLT'), regarding accounting of demerger of Power Grid Segment from the specified retrospective appointed date, give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended 31 December 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* 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 results under the provisions of the Companies Act, 2013 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 2 to the annual financial results for the year ended 31 December 2019, which describes the basis for restatement of the unaudited financial results for the quarter and nine months ended 30 September 2019 by the Company's Management consequent to the Scheme of Arrangement ('the Scheme') between the Company and ABB Power Products Systems India Limited ("APPSIL") regarding demerger of Power Grid Segment of the Company as approved by the National Company Law Tribunal (NCLT) vide order dated 27 November 2019, with appointed date of 1 April 2019 and certified copy of the order sanctioning the Scheme filed by the Company with the Registrar of Companies, Bangalore, on 1 December 2019. We further draw attention to the fact that the Company has given effect to the Scheme from the retrospective appointed date specified therein i.e. 1 April 2019.

Our opinion is not modified in respect of this matter.



Management's and Board of Directors' Responsibilities for the Financial Results

These financial results have been prepared on the basis of the annual financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Management and the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results 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 financial results.

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 financial results, 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 through a separate report on the complete set of financial statements 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 the Management and Board of Directors.



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- Conclude on the appropriateness of the Management and Board of Directors' 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 Company 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 results 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

The financial results include the results for the quarter ended 31 December 2019 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us, after considering the impact of the matter described above in the Emphasis of Matter section of our audit report.

for B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Amit Somani

Amit Somani

Partner

Membership No: 060154

UDIN: 20060154AAAACC6420

Place: Bengaluru

Date: February 12, 2020