

Annexure - 1 to the Independent Auditors' Report

Annexure 1 referred to in clause 1 of paragraph on the report on other legal and regulatory requirements of our report of even date.

Re: ABB Power Products and Systems India Limited
(‘the Company’)

- i) a The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c According to the information and explanations given to us by the management of the Company, the title deeds of the immovable properties acquired as per the scheme of arrangement approved by the National Company Law Tribunal vide its order dated November 27, 2019 included in property, plant and equipment and as tabulated below are not held in the name of the Company.

| Particulars | Number of cases | Gross block (₹ in crores) | Net block (₹ in crores) |
|--|-----------------|------------------------------|----------------------------|
| Freehold/ Leases hold land and building attached to it | 6 | 194.49 | 173.63 |

- ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them to the management as at December 31, 2020 and no material discrepancies were noticed in respect of such confirmations.
- iii) According to the information and explanations given to us by the management of the Company, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us by the management of the Company, there are no loans, investments, guarantees, and securities given in respect of which provisions of

section 185 and 186 of the Act are applicable and hence not commented upon.

- v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the products manufactured by the Company and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii) a Undisputed statutory dues including provident fund, employees’ state insurance, goods and service tax, income tax, duty of custom, cess and other material statutory dues as applicable to the Company, have generally been regularly deposited with the appropriate authorities.
- b According to the information and explanations given to us by the management of the Company and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, service tax, sales tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues as applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c According to the information and explanations given to us by the management of the Company, there are no dues of income tax, sales tax, service tax, goods and service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us by the management of the Company, the Company has not defaulted in repayment of loans or borrowing to banks. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or to government or dues to debenture holders during the year.
- ix) According to the information and explanations given to us by the management of the Company, the Company