

14. The Employees' State Insurance Act, 1948 & its Central Rules/ concerned State Rules.
15. The Minimum Wages Act, 1948 & its Central Rules/ concerned State Rules/ Notification of Minimum Wages applicable to various class of industries/ Trade.
16. The Payment of Wages Act, 1936 & its Central Rules/ concerned State Rules if any.
17. The Payment of Bonus Act, 1965 & its Central Rules/ concerned State Rules if any.
18. The Payment of Gratuity Act & its Central Rules/ concerned State Rules if any.
19. The Maternity Benefit Act, 1961 & its Rules.
20. The Equal Remuneration Act, 1976.
21. The Industrial Employment (Standing Orders) Act, 1946 & its Rules.
22. The Apprentices Act, 1961 & its Rules.
23. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959.
24. The Workmen's Compensation Act, 1923.
25. The Industrial Dispute Act, 1947.
26. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
27. The Information Technology Act, 2000.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the compositions of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

We further report that the Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench had approved the Scheme of Arrangement (Demerger) between ABB India Limited and ABB Power Products and Systems India Limited vide its order dated November 27, 2019. In accordance with Para 5 of Part III (A) of Annexure I of the SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (as amended vide SEBI Circular dated January 03, 2018), the Company was required to complete the formalities for listing and trading of securities with BSE Limited and National Stock Exchange of India Limited within 60 days of receipt of the order of the Hon'ble NCLT. There has been a delay with the requirement thereby leading to non-compliance with SEBI circular dated March 10, 2017 and the same was notified by SEBI to the Company with a cc to BSE Limited. The Company replied by stating that the delay was inadvertent and Company made best efforts for meeting the timelines and that it assures to meet the prescribed timelines in future and remain in compliance with all applicable provisions of the SEBI Rules and Regulations.

We further report that the Company has received listing and trading approval from BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on March 25, 2020. The equity shares commenced trading on BSE and NSE from trading hours on March 30, 2020 and as such 42,381,675 equity shares of the Company have been listed on the exchange.

We further report that the promoters made a Public Announcement on March 29, 2020 according to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The open offer was made by ABB Switzerland Ltd ("Acquirer 1") for the acquisition of up to 10,595,419 fully paid up equity shares of the face value of INR 2 each, representing 25.00 percent of the Voting Share Capital of ABB Power Products and Systems India Limited ("Target Company") from all the Public Shareholders of the Target Company ("Open Offer" or "Offer"). The Open Offer was made along with Hitachi Ltd. ("Acquirer 2") and along with Acquirer 1, the "Acquirers", and Hitachi ABB Power Grids AG (previously named ABB Management Holding AG) ("PAC 1") and ABB Ltd ("PAC 2") and along with PAC 1 the "PACs" acting in their capacity as persons acting in concert with