



REF:INABB:STATUT:LODR:49:

February 7, 2020

BSE Limited  
P.J. Towers,  
Dalal Street,  
Mumbai - 400 001

National Stock Exchange of India Ltd  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051

**Scrip Code: 500002**

**Scrip Symbol: ABB**

Dear Sir / Madam,

**Sub: Apportionment of the cost of acquisition of equity shares**

The Hon'ble National Company Law Tribunal, Bench at Bengaluru (NCLT) vide its order dated **November 27, 2019** (the Order) has approved the Scheme of Arrangement between **ABB India Limited** ("Demerged Company" or "ABB India" or "Company" or "INABB") and **ABB Power Products and Systems India Limited** ("Resulting Company" or "APPSIL") and their respective shareholders and creditors ("the Scheme").

As per Part C of the said Scheme, the assets and liabilities relating to the Power Grids business of the Demerged Company has been transferred at book value on a going concern basis to Resulting Company as standing in the books of the Demerged Company as on the appointed date is April 1, 2019.

On December 24, 2019, APPSIL has allotted 1 (One) fully paid up equity share of INR 2/- (Rupees Two) each of APPSIL for every 5 (Five) fully paid up equity shares of INR 2/- (Rupees Two) each held by shareholder of INABB, whose name is recorded in the register of members and records of the depository as members of INABB, on the Record Date, i.e. December 23, 2019.

This communication is being issued for general guidance of the shareholders of ABB India in relation to the method of calculation and apportionment of the cost of acquisition of Company's shares between the shares of ABB India and APPSIL as per the provisions of the Income Tax Act, 1961. The same is based on "net book value" of the assets of the demerged undertaking to the "net worth" of ABB India.

For the purpose of determining the post demerger cost of acquisition of the equity shares of ABB India and the cost of equity shares of APPSIL under the Income Tax Act, 1961, the shareholders are advised to apportion their pre-demerger cost of acquisition of INABB's equity shares in the following manner:

Name of the Company	% of Cost of Acquisition of INABB's Equity Shares
ABB India Limited	78.19%
ABB Power Products and Systems India Limited	21.81%
<b>Total</b>	<b>100.00%</b>

..2/-

Accordingly, the cost of acquisition of equity shares allotted in APPSIL will be **21.81%** of the total cost of acquisition of the equity shares held in ABB India prior to the demerger.

The Company has been advised that as per Section 47(vi)(d) of the Income tax Act, 1961 the issue of shares by APPSIL pursuant to the Scheme, to the equity shareholders of the Company in consideration of demerger of the Power Grid business of the Company in terms of Part C of the Scheme will not be regarded as transfer. Accordingly, the date of acquisition of shares of ABB India will be deemed to be the date of acquisition for the equity shares of APPSIL too.

*This communication is merely for the general guidance of the shareholders and should not be considered as a substitute for any independent opinion that the shareholders may obtain. The concerned regulatory, statutory or judicial authority, including any assessing officer / appropriate appellate authority, could take a different view. The Company takes no express or implied liability in relation to this guidance.*

Thanking you

Yours faithfully  
For ABB India Limited



B Gururaj  
General Counsel & Company Secretary  
FCS-2631

